

Previsé Ltd – £2.5m Award

Key Achievements to Date

- We continued to make very strong progress with the Good Business Pays campaign in Q4 2022. To date over 86,000 businesses have used the online tools we have made available to improve transparency on payment practices.
- We continue to see strong traction with suppliers that have identified a current need for our InstantFinance solutions with just over £32m advanced to date.
- Work has continued during Q4 2022 with a large global bank (with a strong UK presence) and we have now launched our first programme with this bank partner.
- We continue to see good traction with the SMEs that our InstantFinance underwritten products are available to and the activity delivered in Q4 has been successful in generating £73m of qualified opportunities which is up by over £54m on the previous reporting period.

Assessment Period 9 (September 1st, 2022 – December 31st, 2022)

These Public Commitments are based on Previsé Ltd Revised Business Case which was approved in September 2022. The former Public Commitments, including rationale for the changes can be viewed [here](#).

COMMITMENT 1 – We will increase the availability of InstantFinance products to 50,000 SMEs by December 2022

- 1. InstantFinance products will be made available to SMEs of all sizes.**
- 2. The pricing of InstantFinance products will be equal to or better than overdraft pricing and will be significantly better than invoice finance products.**

This commitment has been delivered.

COMMITMENT 2 - We will be lending £7m+ to SMEs by December 2022

- 1. By December 2022 we will have built an InstantFinance-enabled outstanding lending book to SMEs of £7m+, providing funding for over £35m in SME orders and invoices.**
- 2. By Mid 2024 we will have built an InstantFinance-enabled outstanding lending book to SMEs of £100m+, providing funding for over £1bn in SME orders and invoices.**

We are not on track with this commitment in relation to our year-end 2022 target. The good growth experienced in Q3 2022 continued into Q4; however, the worsening economic climate and tightening of credit criteria has meant that we are short of the end of year target. Despite these challenges, we have made significant progress and we expect this shortfall to be met within the first few months of 2023 and will continue to invest significantly in accordance with the original business case.

COMMITMENT 3 – We will invest in the scalability, accessibility and usability of data-driven financing products for UK SMEs

- 1. The most common UK bookkeeping services will be integrated to enhance data analysis by June 2021.**
- 2. We will create standardised ERP data extraction plugins for the 5 most common corporate ERP systems to minimise the cost of connecting corporate data sources, the first will be released in January 2021 with the other 4 launching every 3 months thereafter.**
- 3. Automated onboarding and improved usability for SMEs through a new portal and reconciliation tools will be available to users within 9 months from receipt of grant.**

This commitment has been delivered.

COMMITMENT 4 – We will engage and work with the FSB and other 3rd parties to empower SME to corporate trade through technology and data by December 2022.

1. We will launch a SmartData program with the FSB and their 300k active SME members by February 2021.
2. This program will leverage SME banking and bookkeeping data, as well as public and private data to empower SMEs to better negotiate, track, manage and optimize the financing of their trade with larger corporates. We forecast that 80k SMEs will be using this platform and data in their day-to-day financing operations by December 2022.
3. By Mid 2024 our aim is that over 120k SMEs will be using our platform in their day-to-day financing operations.
4. The SmartData program will also vastly increase the type and depth of data available to improve underwriting and funding of SME trade (such as the InstantFinance products), by gaining support from at least 10 FTSE 350 (or equivalent) corporates to engage with their trading data by December 2022.
5. By Mid 2024 our aim is that we will have gained the support of an additional 10 FTSE 350 corporates bringing the programme total to at least 20 FTSE 350 corporates.

We are on track with this commitment. All near-term targets set as part of this commitment have now been met. Through extensive collaboration with a range of partners our smart data program has utilised data sources to assist businesses in making better decisions with how they finance trade with other businesses.

COMMITMENT 5 – We will collaborate across the industry, for the benefit of SMEs

We will make our AI-powered InstantFinance technology available to all parties in the UK who wish to finance trade between SMEs and large corporates, including traditional banks, specialist trade finance providers, alternative lenders and FinTech entrants, delivering a connected and collaborative ecosystem by June 2021.

1. All banks, non-traditional lenders and any other party who wishes to finance trade between SMEs and their large corporate customers in the UK will have access to InstantFinance services.
2. We commit that the pricing of our technology to third parties will not exceed the gross margin that we earn on our own use of the technology, so that pricing never inhibit the funding of SME trade.
3. We will partner with all interested parties, such as banks, FinTechs, bookkeeping providers, small business lobbying groups and Government groups to maximise awareness, engagement, understanding and adoption of InstantFinance for the benefit of SME.

This commitment has been delivered.

COMMITMENT 6 – Co-investment

The £2.5m of BCR funds will be matched with £2.5m of Previsé funds.

This commitment has been delivered.

COMMITMENT 7 – We will continue to be a positive impact employer, supporting the regions and embracing inclusion and diversity in all its forms

1. We commit to hiring 12 additional high-quality staff in the UK over the next 2 years.
2. We will continue our commitment to the North, maintaining our data science and software engineering centre in Scotland.

3. We will continue our over-representation of minorities in our work-force, including based on socio-economic background, education level, age, gender, ethnicity, religion, disability, sexual orientation and national origin.
4. We will continue to play a leading role in the broader debate on the impact of Artificial Intelligence on society and promote AI for good.

This commitment has been delivered.