

The UK's trusted business funding platform

- ✓ Match your business needs with hundreds of finance options
- ✓ Prepare one anonymous application in minutes
- ✓ Get impartial guidance from our experienced specialists

FINPOINT 

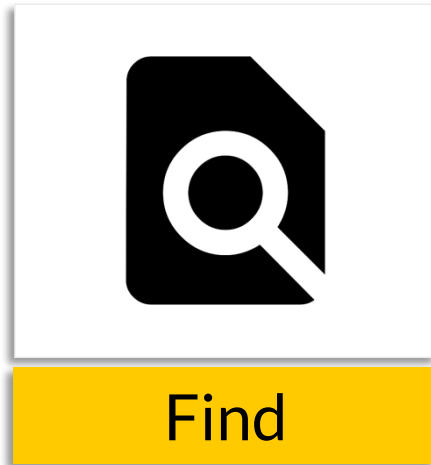
Finpoint in a Nutshell

- Regulated digital credit broker breaking down barriers **to assist SMEs accessing finance**
- Trusted partner of leading UK business organisations, **exclusive white-label partnership for FSB members** launched in January 2018
- Originating an **average £2.2m of new funding enquiries per day** at a cost per lead of less than £15*, targeting to originate upwards of 1% of the £108bn SME lending market in 2018
- **Highly scalable business model & lean organisation structure** built on proprietary technology & financial services expertise (FCA authorisation number 727163)
- Further partnerships in place to **extend the geographical reach** of our low cost “whole of market” digital solution in UK, Europe and Asia

Finpoint aims to be the leading global platform for businesses seeking **real choice, impartial guidance & transparency for a diverse range of products & services**

* Origination volume based on period: 10 Jan 2018 to 10 Feb 2018 | £7,500 marketing expenditure in the period vs. 546 originated prospects

Businesses struggle to find the right funding



99% of UK businesses are SMEs
(ca. 5.5m organisations)

Min. 35% of SMEs seek funding per year*

50% of the UK's high-growth SMEs were unable
to expand due to problems accessing funding



Finding and researching finance providers takes a lot of time

- A majority of SMEs will only approach their bank when they need a loan
- Smaller businesses lack in-house finance expertise, they outsource "their finances"
- Traditional broker fees can be expensive, as much as 15% of the amount borrowed

Applying for finance is difficult and there is no guarantee for success

- For funding requests above £25k, SMEs need help to present their case**
- 47% of business owners feel that funding application forms are too long***
- Online applications are not yet commonplace for business finance

* Bank of England data | ** BBA / UK Finance data | *** Research carried out by FSB

Finpoint offers real & impartial choice

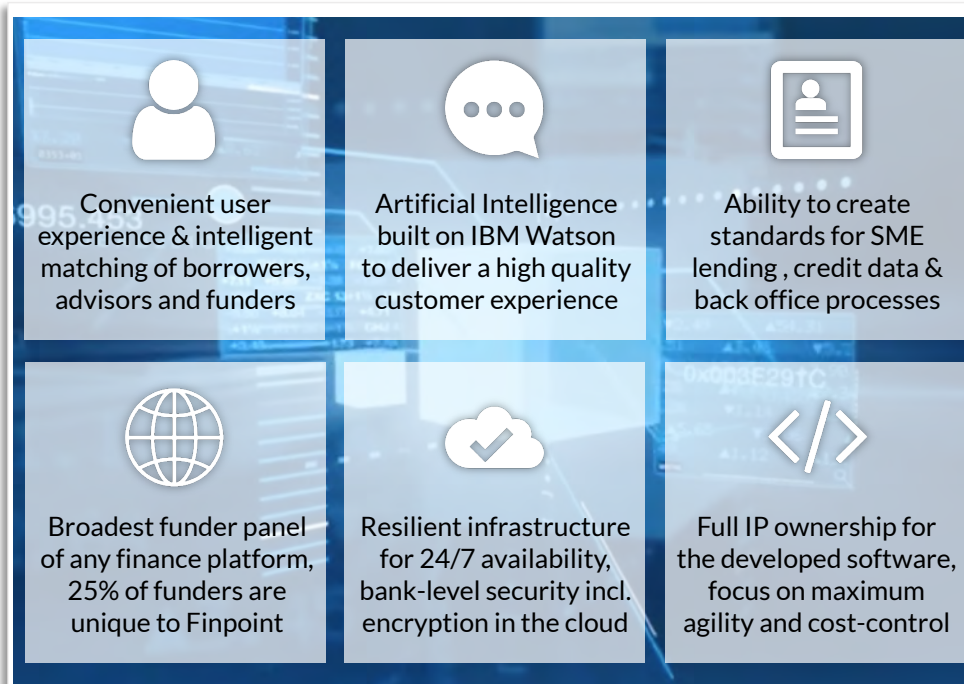


Find

Broad product coverage

- Business loans
- Asset Finance
- Commercial Mortgage
- Factoring
- Islamic finance
- Trade finance
- Overdrafts
- Crowdfunding
- Equity

Free to use | Any business type | Anonymous



- ✓ FY 2017 £ 48.5 m of funding applications made
- ✓ Jan 2018 £ 32 m of funding applications made
- ✓ Funding providers like the simplicity and transparency of our operating model



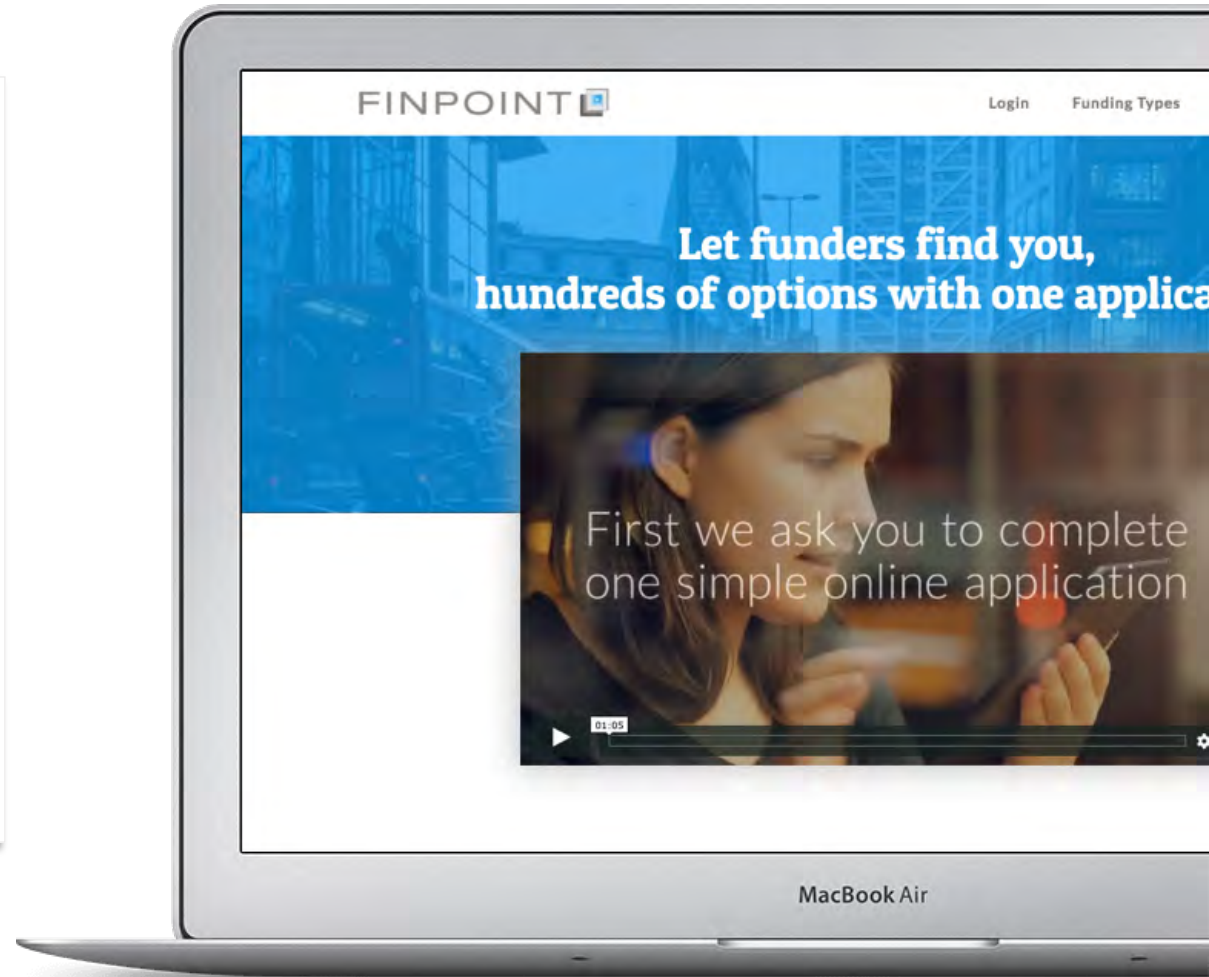
Apply

Added value services

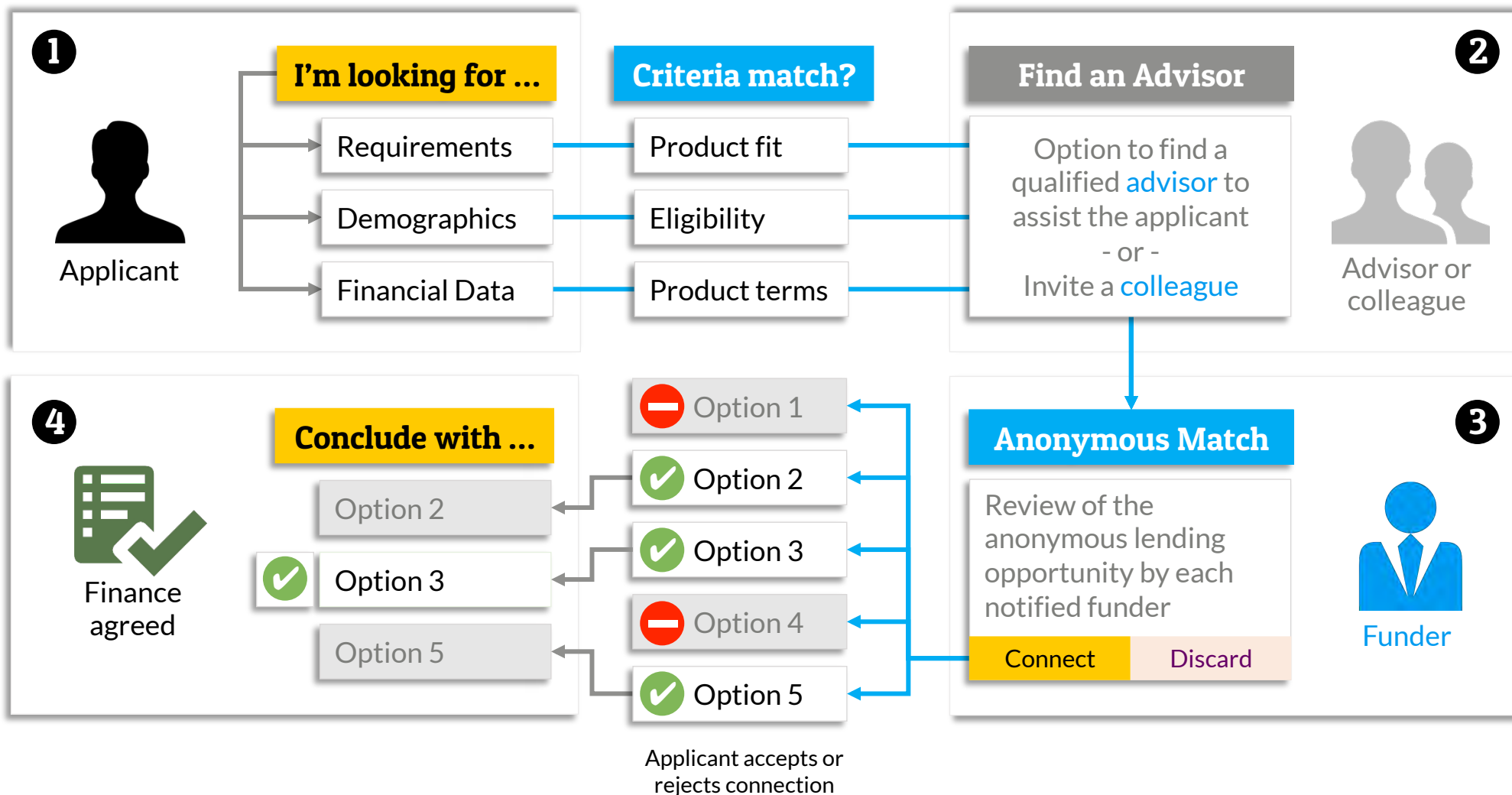
- Cost comparison
- Insurance
- Export / import finance
- Member retention (for associations & partners)
- Securitise loan books
- Debt advisory through structuring
- Advisers panel

Finpoint video resources

- 1 How it works video:
<https://vimeo.com/244324269>
- 2 Finpoint explained:
<https://vimeo.com/244324281>
- 3 Unbiased advice:
<https://vimeo.com/242363244>
- 4 Cost of finance explained:
<https://vimeo.com/244326548>



Finpoint puts the applicant in the driving seat



Winning partnerships

SME member organisations



Exclusive multi-year contract to operate “FSB Funding Platform”

Chosen by FSB (Federation of Small Businesses) to provide access to finance for their 170,000 UK members

Launched 10 January 2018



Extensive collaboration on current CBI Finance Finder

In dialogue to develop an enhanced access to finance service for CBI members, linked to find an advisor option for growth businesses

Launch TBC

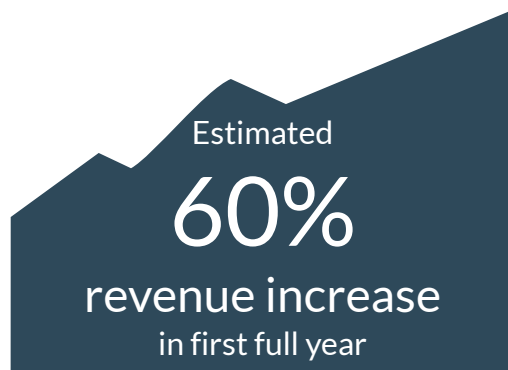


Joint Venture to supply white-label version of the Finpoint platform for specialist SME trade bodies, such as ICB (Institute of Certified Bookkeepers), Associations for Market Traders, Giftware makers, and other professions

Launched Q2 2017 with support from policy group in Westminster

Winning partnerships in detail

Federation of Small Businesses & Finpoint



The FSB is the UK's biggest business group, it is member-led and not-for profit. Its focus is on successfully lobbying Government to make policy decisions, whilst offering effective tools, advice and benefits that have a positive impact on the day-to-day business lives of SME owners and the self employed.

- Finpoint has been awarded an exclusive contract to operate “FSB Funding Platform” for a minimum of 3 years
- Up until 2015, FSB had an member finance arrangement that generated limited Management Information, customer service or benefit to members (2013 = £157m & 2014 = £ 251m requested)
- Media coverage in: P2P Finance, Private Equity Wire, Leasing Life, ...
- 10 January to 12 January – Successful launch:
 - 18.76 % response rate from FSB members to use platform
 - 93 new finance applications created
 - Total value of applications created : £ 9,173,955
 - Average value per project: £ 98,644

Winning partnerships

Referral partnerships



Reciprocal referral agreement with PwC MyFinancepartner division

UK-wide cooperation with PwC in association with providing access to finance via LEPs (Local Enterprise Partnerships)



Technology partnership to provide customers with an “apply for finance” button inside Sage Live

Launch Q2 2018



Agreements with 5 Growth Hubs in place, in dialogue with London Hub (supported by Mayor’s office) about a white-label solution

We are also actively recruiting regional accounting firms to use our platform, supported by ICAEW



- Pipeline of 8 new accounting firms
- Partner at Sage events

How we make money

Success fee income

Paid by the lender to Finpoint on successful conclusion of a finance transaction

~ 90% of revenue target

Avg amount of finance	£ 98,644.00
1.5% success fee / revenue	£ 1,479.00
Cost of Revenue	£ 739.50
Gross Profit	£ 739.50
Gross Profit Margin	50%

Subscription fee income

Paid by a white-label partner to Finpoint for use of the finance platform

~ 10% of revenue target

Total cost per quarter	from £ 9,000
Web & Email hosting	£
Access to platform & funders	£
Back office & telephone support	£
Management information	£

Top 5 expenses

Staff costs: 50.5% | Premises: 12.1% | Professional Services 11.6% | Expenses: 11% | Marketing 14.7%



United Kingdom

- 99% of UK businesses are SMEs (ca. 5.5m)
- Only 5% of SMEs have dedicated finance personnel
- Min 35% of SMEs seek funding in any given year*
- 52% of SME owners are now aware of finance options beyond traditional banks
- Current Government objectives include the financing needs of scale-up businesses, and addressing regional imbalances most markedly seen in equity finance
- Bank Finance sector stood at £108.7bn (Q3 '17)
- Alternative Finance est. to be £12.3bn by 2020

Market penetration to date



- Partnership percentage indicates current live partnerships with industry bodies and similar business support organisations, will increase with CBI go-live
- Market access percentage indicates current coverage of access to UK SMEs via live programs, 40% to be covered by partnerships that have not yet launched

* Based on FSB research

England 87.80%**

Government-funded Local Enterprise Partnerships

39 Growth Hubs

North East

- Newcastle Upon Tyne

North West

- Cumbria
- Liverpool

Yorkshire and the Humber

- Leeds
- Sheffield

West Midlands

- Birmingham

East Midlands

- Peterborough

South West

- Bristol
- Plymouth

East of England

- Norwich
- Ipswich
- Cambridge

South East

- Ashford

London

Wales 4.04%

Scotland 5.91%

Northern Ireland 2.26%

** %-shares of UK business population

International expansion

Aim to establish partnerships with Small Business Industry organisations for each country we seek to operate

North America

Funder panel	<div><div></div></div> 5%
Partnerships	<div><div></div></div> 10%
Market access	<div><div></div></div> 20%

- Sizeable opportunity, need substantial resources to enter and develop the market direct or through JV / acquisition
- Very competitive SME market

Europe

Funder panel	<div><div></div></div> 40%
Partnerships	<div><div></div></div> 30%
Market access	<div><div></div></div> 25%

- Establish in-market presence, leveraging our links to SME trade bodies (in Brussels UEAPME)
- Dialogue with ZDH and UDH in Germany
- Leverage synergies from “Brexit effect” - UK funders creating dedicated EU presence
- Develop relationship with PwC

Asia

Funder panel	<div><div></div></div> 30%
Partnerships	<div><div></div></div> 40%
Market access	<div><div></div></div> 15%

- Signed JV agreement with SMITA (Malaysian SME industry body) in Q2 2017
- Requiring funding to adapt our technology and develop selected Asian markets
- Initial focus on Trade Finance

- Funder panel and Partnerships percentages are based on the number of lenders and partners we can reach in each jurisdiction
- Market Access percentage represents a combination of funding panel and partnerships by way of accessing SMEs in each jurisdiction based on the same low cost website, database and marketing methods we utilise in UK today

Strategy / Roadmap

H1 2018

FSB Funding Platform Launched

- ✓ Extensive promotion & ongoing marketing

Partnerships & PwC

- ✓ 8 new LEP/Growth Hubs to go live.
Broader UK regional coverage including Midlands and North East

FIBA Launch

- ✓ Exclusive arrangement with FIBA (Financial Intermediary Broker Association)

Brand and Digital / Direct Marketing

- ✓ Online acquisition strategy, centered around SMEs wishing to educate themselves about alternative finance and SMEs seeking finance
- ✓ Thought-leadership communication strategy to build up the Finpoint profile amongst policy makers, industry bodies and journalists

H2 2018

ICAEW

- ✓ Provide tech to update membership directory for free, tie-in with Finpoint platform as one “Access to Advice” option for SMEs
- ✓ Promote a premium profile to ICAEW members which includes a co-branded “Access to Finance” software tool

Better Business Finance (UK Finance Find Finance tool)

- ✓ Discussions begun 2017 to provide alternative solution
- ✓ Provide tech platform for a “new” find finance tool and basic “comparison” options for SMEs

International Launch

- ✓ Malaysia initiative to begin

Other ways to obtain business funding

	Broker	Google Search	Finance Platforms	Finpoint
Number of lenders	Approx. 5	10 per page, plus ads	Approx. 50	123 lenders
Estimated fees	10% or more	Free	2% – 10%	1% to 3%
Opening times	Office hours	24 / 7	Office hours	24 / 7
Telephone support	Yes	No	Some	Yes
One stop shop application		No	Some	Yes
Online Guidance	No	No	Incomplete	Yes
Proprietary technology	Some	Yes	Yes	Yes
Integration with Co. House	Some	No	Some	Yes
Integration with lenders	Some	No	Some	None yet
Comments	Limited digital experience	No ability to apply for more than one product at a time	Some are effectively voice broking and do not use technology to match projects	Partnership focused, offers real choice, transparent pricing, anonymous

FundingXchange	Part of the UK bank referral scheme, no other significant partnerships	Ability to scale origination volume is subject to bank referrals & costly paid ads	£1.64m investment for a 15.7% stake (2 Nov 2017) Pre-Money: £8,851,293 Post-Money: £10,494,985
Capitalise.com	Partnering with accounting firms, limited presence in other segments	Ability to scale origination depends on costly acquisition of accountants	£650k investment for a 13.3% stake (24 May 2017) Pre-Money: £4,224,606 Post-Money: £4,874,549
Funding Options	Part of the UK bank referral scheme, no other significant partnerships	Ability to scale origination volume is subject to bank referrals & costly paid ads	£2m investment for a 44.8% stake (21 May 2015) Pre-Money: £2,462,689 Post-Money: £4,462,412

5 year forecast

- ✓ No significant Debt
- ✓ Cash burn 2018 £40k p/m
- ✓ Expected break even Q2 2019

UK only

	2018	2019	2020	2021	2022
Revenues	565,440	1,079,670	1,468,899	1,935,600	2,514,600
Cost of Sales	501,333	595,017	659,590	662,504	682,947
Other Costs	169,114	351,858	494,900	532,300	489,018
EBITDA	(105,008)	132,795	314,409	740,796	1,342,635
Headcount (avg)	8	9.5	10.5	12	13

UK and International

	2018	2019	2020	2021	2022
Revenues	575,590	1,300,070	2,020,399	2,587,600	3,390,600
Cost of Sales	710,833	947,017	1,102,090	1,162,504	1,182,947
Other Costs	169,114	350,658	491,900	526,300	486,018
EBITDA	(304,358)	2,395	426,409	898,796	1,721,635
Headcount (avg)	10	11.5	12.5	15	18

Historic performance

- ✓ 2014 - set up costs
- ✓ 2015 – expansion, first partnerships signed PwC, NACFB
- ✓ 2016 - Sizeable technical investments required for UK market, significant spend made. NACFB business agreement cancelled unexpectedly by their Board. FL majority shareholder experienced funding difficulties leading to a Finpoint Corporate restructure
- ✓ 2017 - New approach and tight cost control

	2014	2015	2016	2017 est
Turnover/Revenue	26,409	121,348	(772)	40,823
Other Capital/Income	-	49	1,331,149*	175,000
Administrative expenses	(502,531)	(847,857)	(221,899)	(246,010)
Interest and other Charges	(914)	(44,884)	(3,031)	(369)
Tax R&D	-	-	151,634	47,179
Net Income	(477,036)	(771,344)	1,257,081	16,623
* YE in process				

* Other income due to restructure

Experienced team

Rainer Plentl

Chief Executive Officer |
Globetrotter

Rainer's international career started as a merchant banker in Buenos Aires with Citi Group, following his graduation from the Universidad Catolica Argentina.

Subsequently, Rainer has worked in senior banking positions in Toronto, Paris and London for CIBC, Morgan Grenfell and Matheson Bank, where he was Deputy chairman.

Guy Bridge

Managing Director |
Wine Enthusiast

Guy is a qualified banker with a successful track record in management, business development, risk control, regulation and operations over the past 25 years.

Prior to Finpoint, Guy held senior positions at a number of leading financial institutions including RBS, BNP Paribas and HSBC. He is also a Trustee for a charity that support adults with learning difficulties.

Marcus Gruenwald

Chief Technology Officer |
Polymath, sort of...

Marcus heads up the technology function, ensuring the platform delivers value to all users, plus enabling Finpoint to execute on strategic opportunities in UK & abroad.

Marcus started work for internet businesses in networking, security and financial services. He is well versed in promoting new technologies through partners, media and advocacy work.

Investment proposition & roadmap

Equity Requirements

Up to £2m for a 31% stake in the business

Valuation

Pre money valuation of c £4.5m, which is at the lower end of recent investment activity

Expertise Sought

FinTech, Digital Marketing,
Platform Business Models

Further Equity Requirements

Up to £1.5m

Expertise Sought

Internationalisation, i.e.
extend reach beyond markets
outlined in this proposal

Exit

IPO or
acquisition
by Financial
Institution
or PE takeout

Early stage
sector multiples
10-15 X EBITDA

Targeting £ 25m
valuation in 2022

The UK's trusted business funding platform

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