

# Fiinu Plc

London Stock Exchange-listed fintech group, including Fiinu Bank.

(BANK.LN)

1 March 2023

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# Presentation Team



**Chris Sweeney**  
CEO, Fiinu Plc & Bank

Former CEO of Vanquis Bank (LSE: PFG) 118 118 Money, and Barclays Bank executive with over 20 years' experience in consumer credit and retail banking especially credit cards, overdrafts and deposit-taking activity.



**Marko Sjoblom**  
Founder, Plc Ex.Dir

Former CEO of Vive Bank and Founder of Myjar. A second-time entrepreneur whose previous business lent over \$1 billion in 5 million overdraft style loans. He has a PhD in overdrafts and artificial neural network.





# Today's Presentation Agenda

1. Case for Plugin Overdraft®
2. Journey-to-date
3. Leveraging on Integrated Services Platform
4. Fiinu Bank Presentation

## Appendices

Fiinu Plc Board

Fiinu Bank Board

Fiinu Bank Executive Management Team

2019

33 million people used some form of overdraft



Major Overdraft Reform

2020

16.5 million people lost access to unarranged overdraft

# Case for Plugin Overdraft®

### Sources:

- FCA 2018 CP18 13 High-cost Credit Review
- Citizens Advice (Jan 2023) poll finds 37% said £20 monthly expense increase would be difficult or impossible to find
- StepChange (Jan 2023) more people were using candles or not putting the cooker on "because they're scared of the bills"
- SPAngel (Dec 2022) research, data from credit bureau
- Fiinu commissioned Populus Survey (2019)
- PwC (2022) Overlooked and financially under-served research
- Equifax primary research (Nov, 2021)



Waterbed effect

2021

15 million people started using regularly BNPL



Over £10 billion funding gap

2022

6 million lost access to arranged overdraft



Pandemic, inflation, cost-of-living crisis

2023

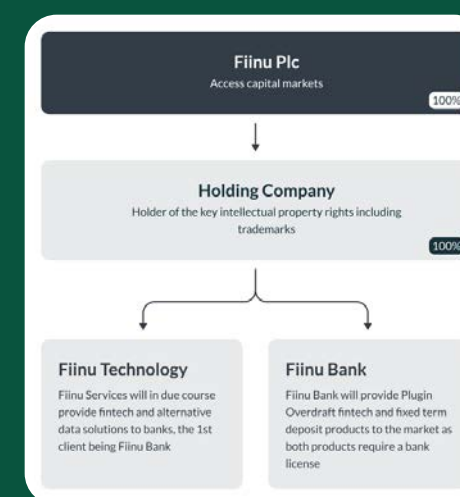
27 million are financially under-served



20 million UK adults would struggle to find extra £20 a month

This persistent financial stress is taking its toll on people, with over 15 million losing sleep at least once a week over their finances.

Nearly 8 million were increasingly resorting to desperate measures to get by, for example by eating only cold meals or using candles to heat up

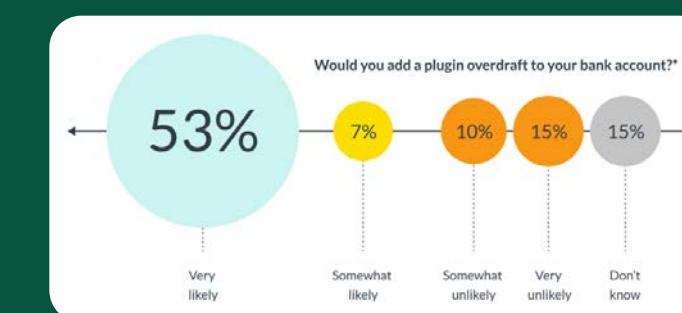


Fiinu target audience is over 16 million.

Research suggests that break-even is achieved with 234k customers.

Additional revenue streams, plus a highly automated, customer focused digital first business model which is creating financial fairness & freedom.

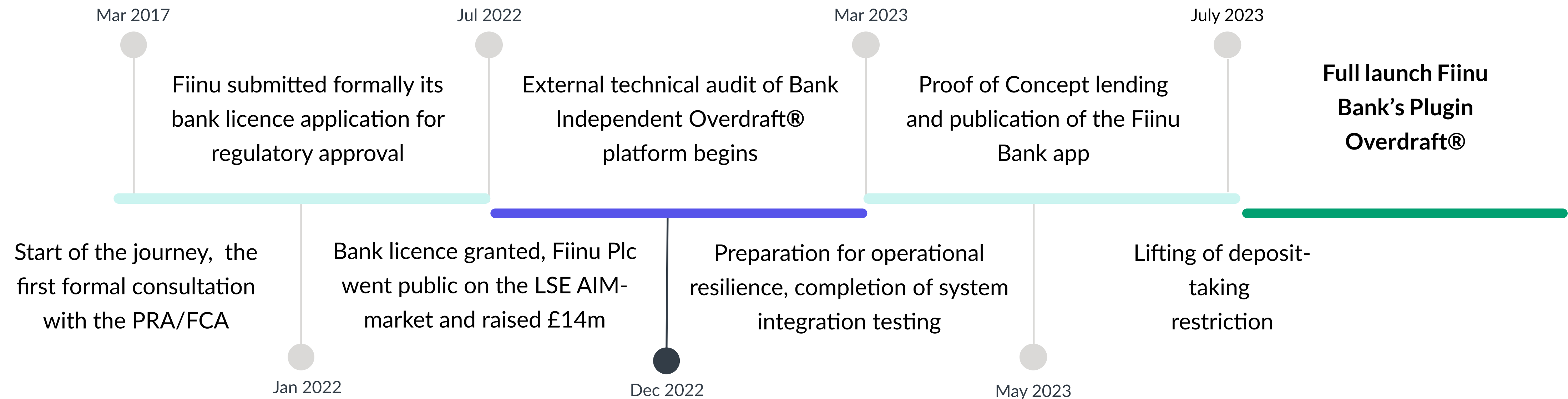
Circa 29 million consumers would be very likely to add plugin overdraft to their bank account



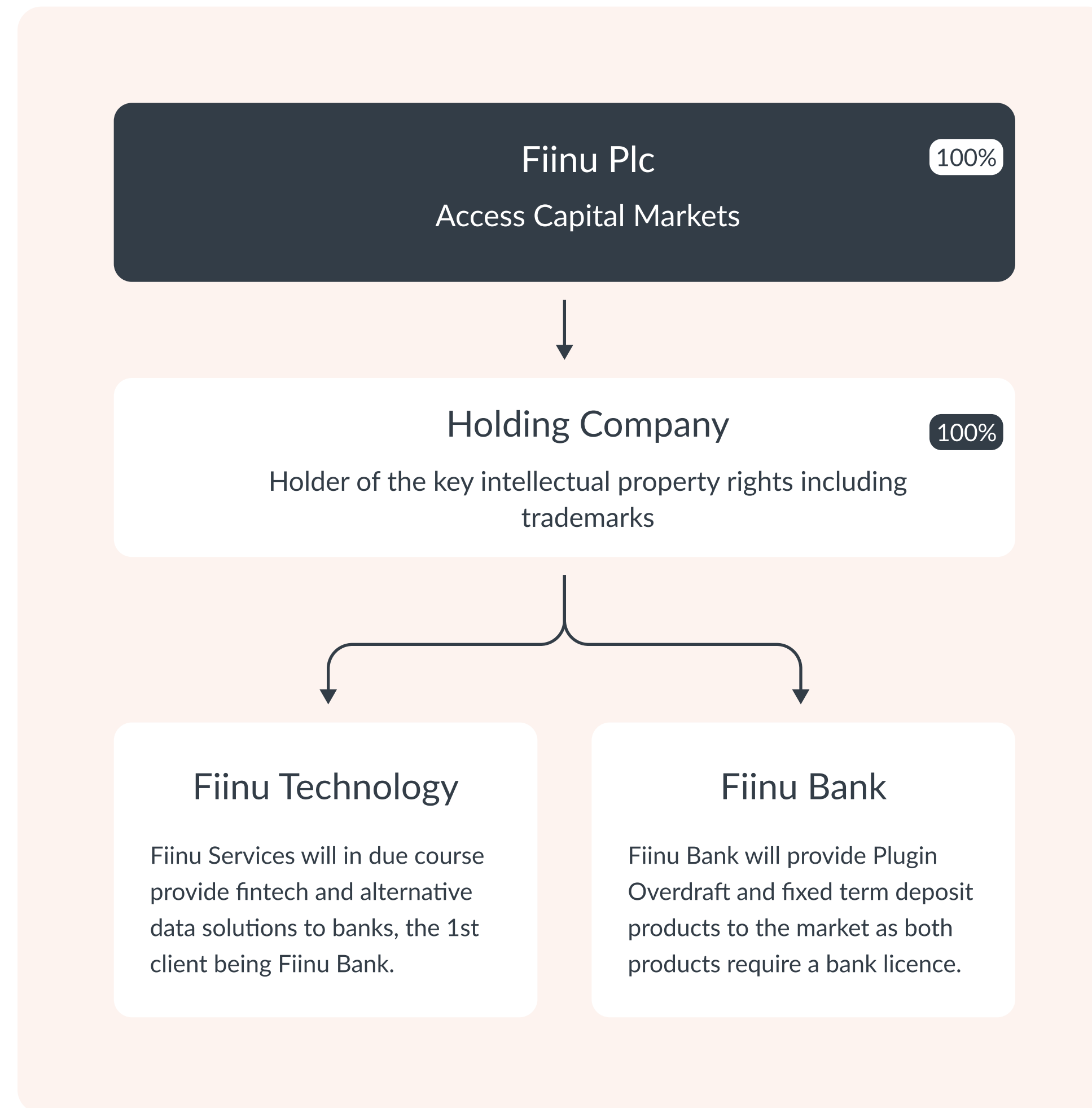
## Impact Investing & ESG



# Journey started in 2017. It took about five years from the initial meeting to obtain the bank licence.



# Leveraging on Integrated Services Platform



A large, diverse crowd of people is shown from behind, looking towards a brightly lit outdoor event. The scene is filled with people of various ages and ethnicities. In the center, a teal rectangular box contains the text: 

**At one point in their  
life, everyone needs  
access to credit.**



# Meet Margot.

A real estate agent.

Aged 35.

She's a working mum with a son, age 4.

Recently married.

She's just started paying nursery fees for her son.

Her son also plays football at the local club and has a range of other hobbies.

She's committed to giving her son every chance in life.

A few times a year she's maxed out at the end of the month and needs to go into her overdraft.



**There were 33M  
people like Margot  
who used an  
overdraft in 2019,  
but,**

**over 20  
million  
have lost  
access**

# Why did they lose access and why are retail banks not helping?

An overdraft reform, cost-of-living crisis, high inflation and banks change in risk appetite.

Reform: Banks are not allowed to charge fixed fees on overdrafts, all fees must be expressed as interest.

Arranged and unarranged overdrafts have to be charged at the same rate.



"We are removing the unarranged overdraft."

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"You can only make payments if you have enough money available."

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"We won't let you go over to an unarranged overdraft."

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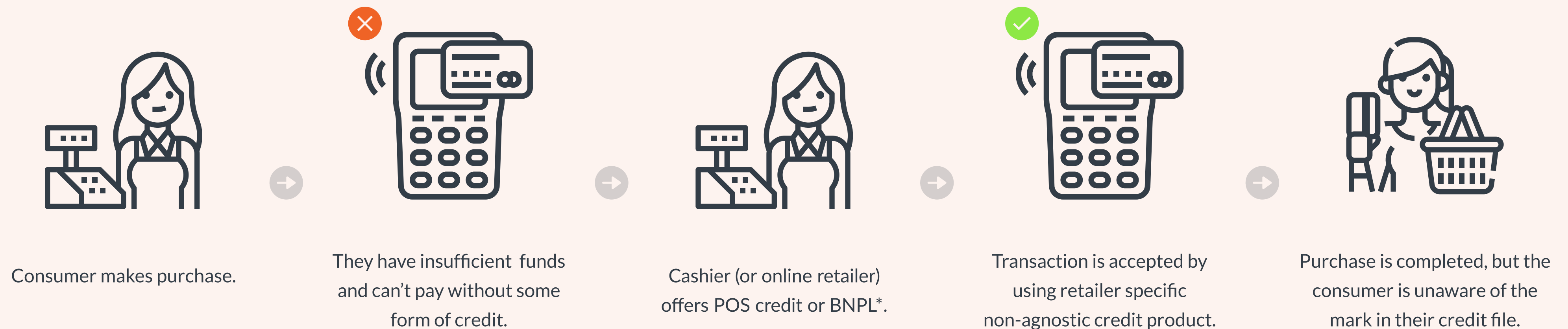
"If you don't have enough money, we refuse to make the payment."

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All existing banks removed access to unarranged overdrafts.

Banks have also been reducing access to arranged overdrafts due to their risk appetite.

# Consumers like Margot are increasingly forced to use alternatives which can damage their credit score.



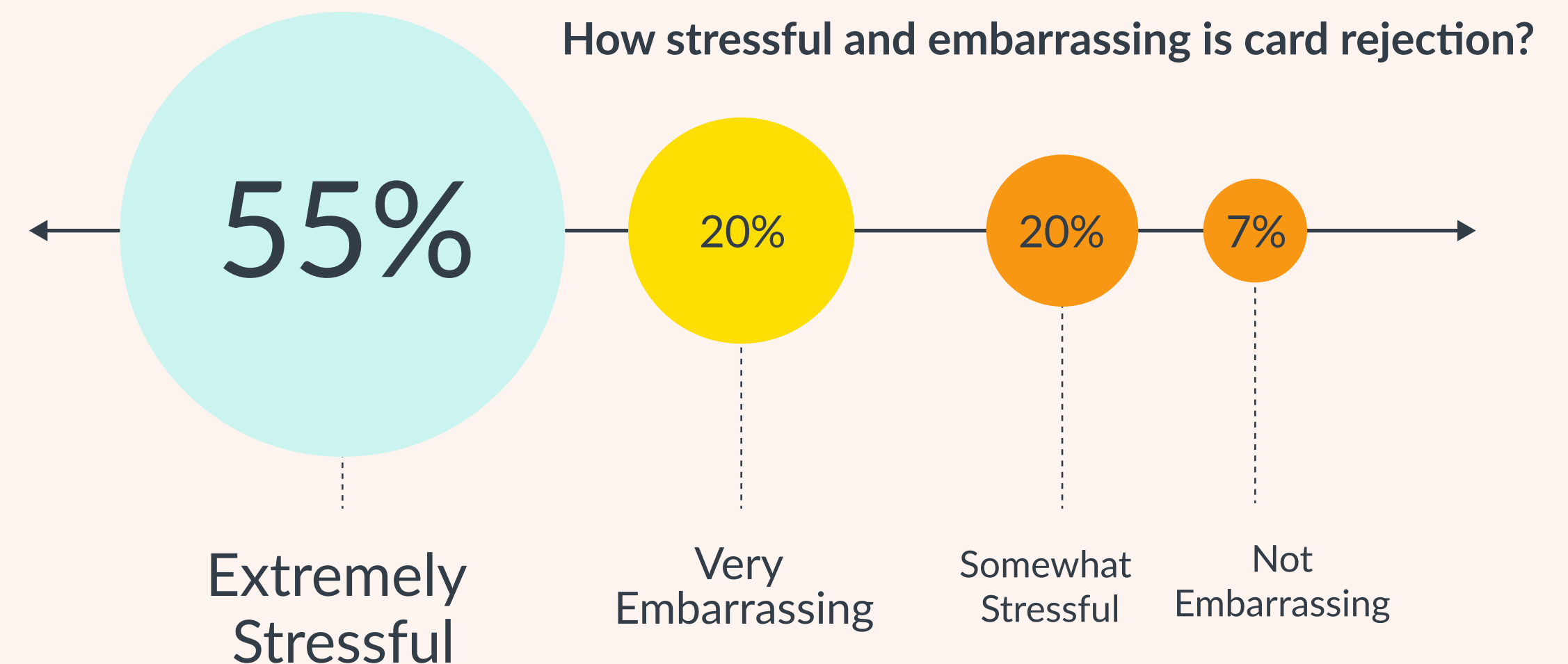
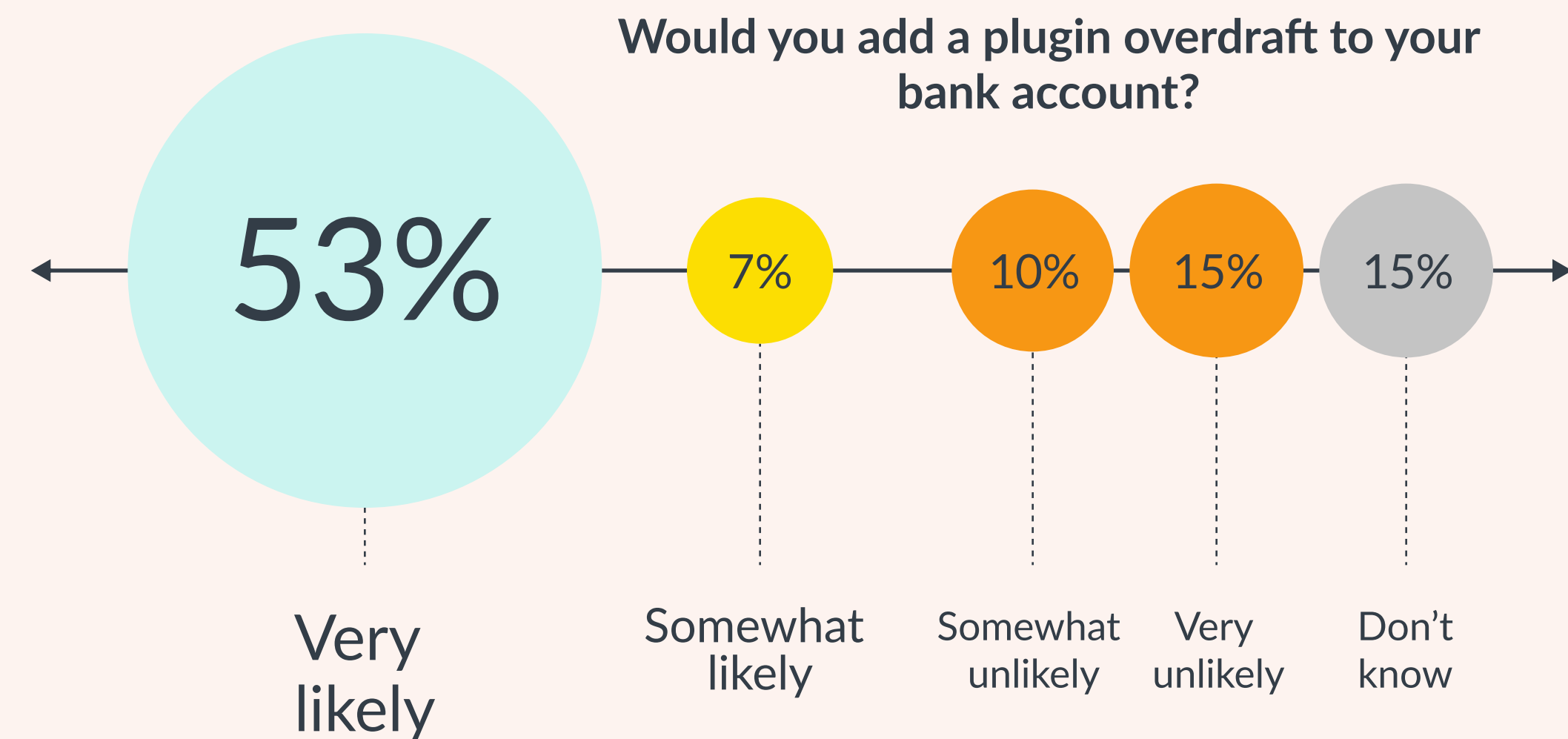
Use of some of these non-bank alternatives result in a 10% drop in credit score and may leave a negative mark in credit file, which stays there for 6 years, resulting in 65% probability of new mortgage application being declined.

\*The FCA (Jun 2022) proposed BNPL regulation may have adverse effects on consumers credit files as it would make customers look excessive hungry for credit

Source: <https://www.gov.uk/government/news/regulation-of-buy-now-pay-later-set-to-protect-millions-of-people>

# Our research shows this is a vast and receptive market, searching for a solution.

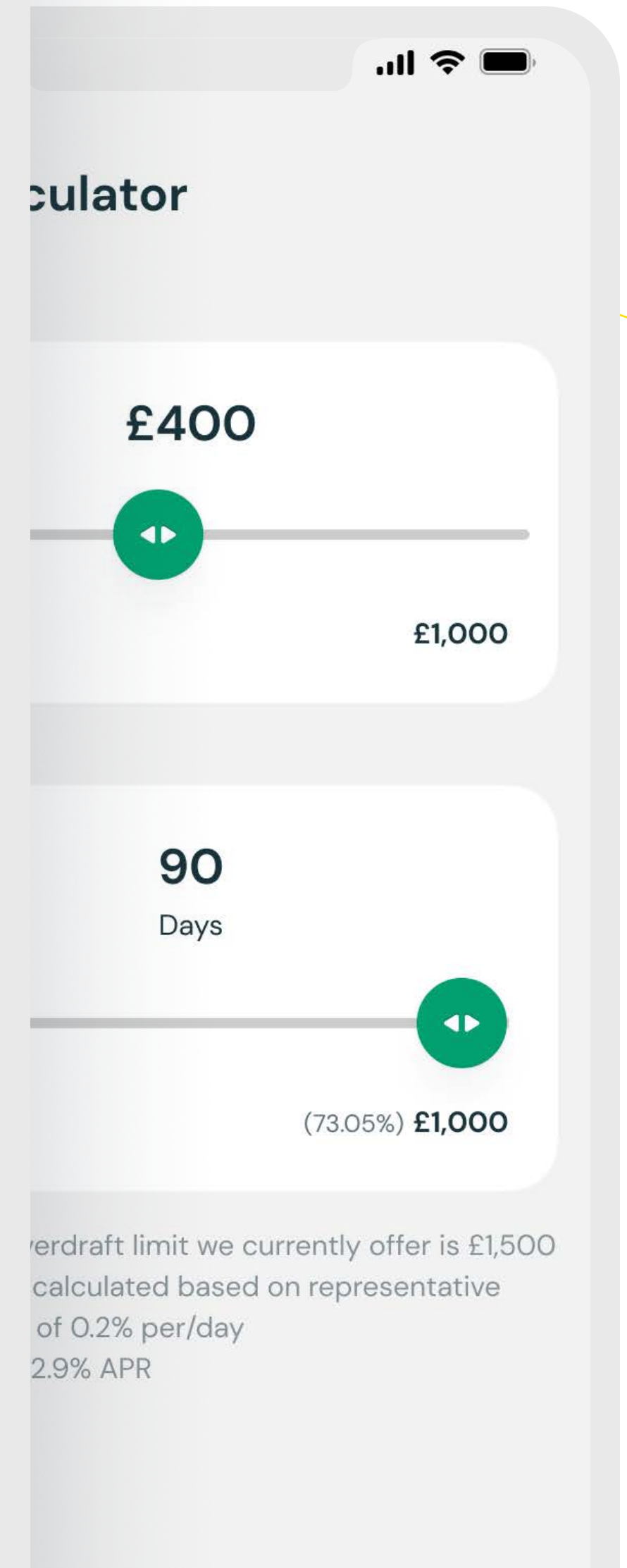
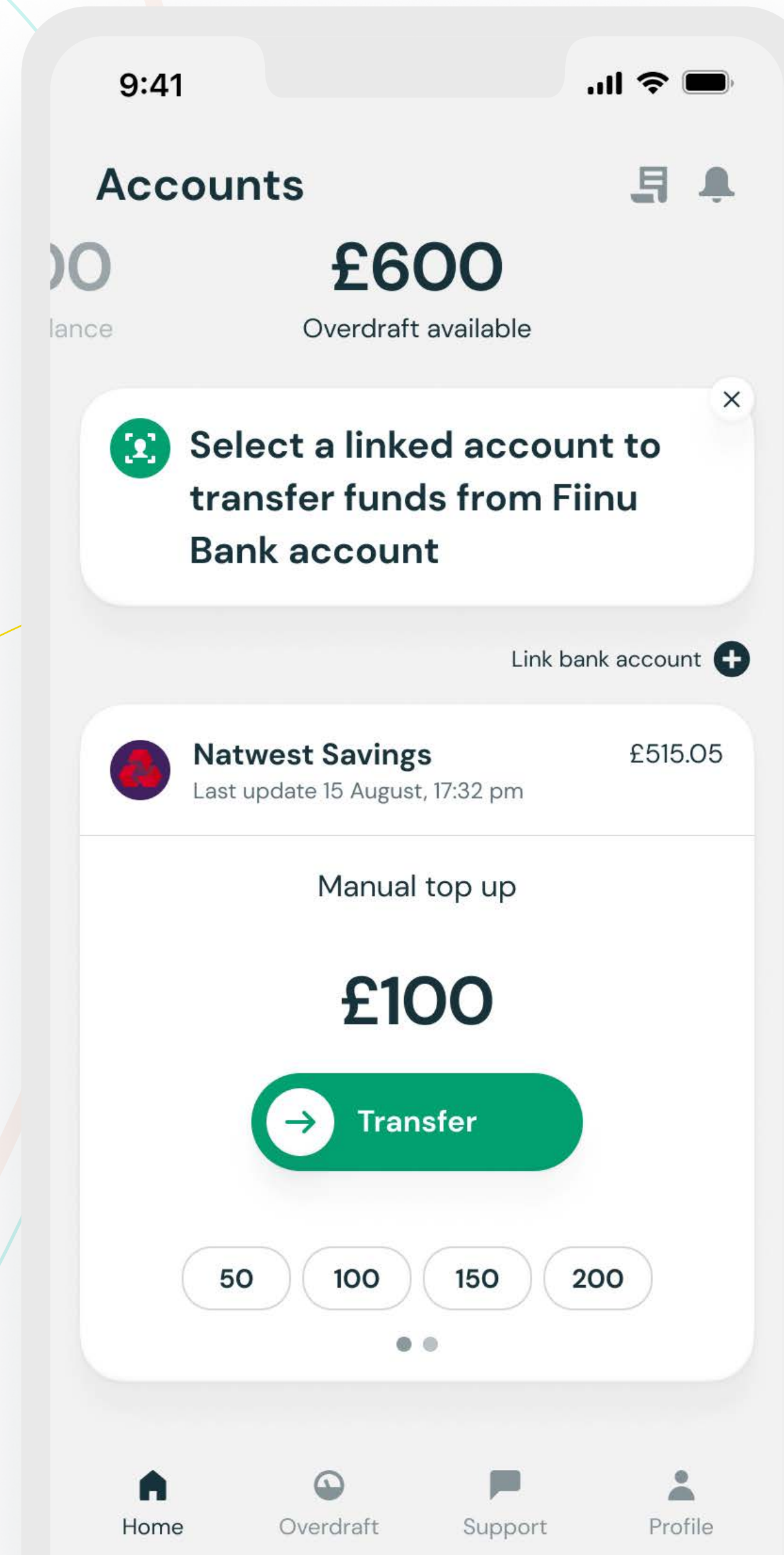
There are in excess of 100 million retail current accounts in the UK, held by 55 million adults, of which, 60% would be very likely or somewhat likely to add Plugin Overdraft to their bank account. **Circa 29 million consumers would be very likely to add Plugin Overdraft to their bank account.**



\*Fiinu commissioned Populus Survey (Jul 2019), 2065 respondents, 95% Statistical Significance, 2% margin of error, nationally representative per National Readership Survey (NRS) social grades A, B, C1, C2, D and E. Survey distributed across the country.

# Welcome to Fiinu: the Plugin Overdraft®

An unbundled overdraft solution, without changing your bank, that helps you build credit rather than erode it.



# Borrowing long and lending short

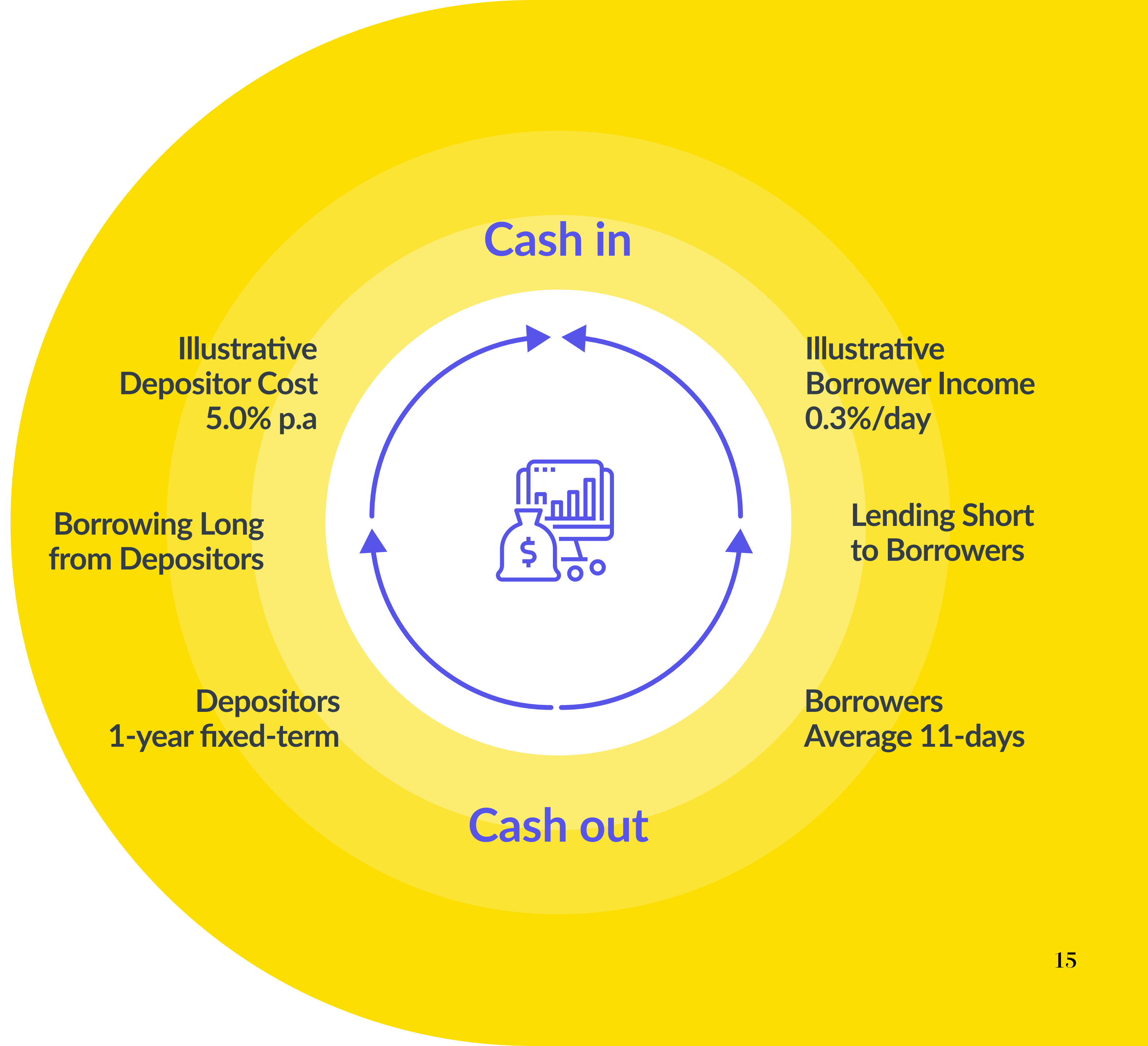
We drive good customer outcomes and give customers what they want. We won't charge interest for more than 90 days' continuous use.

We solve a problem for existing banks by carving out overdrafts, which is the most profitable product in retail banking\*.

Illustrating two customer types: Borrowers and Depositors

1. Borrowing long from depositors: e.g. £1000 one-year fixed-term deposit costs c. £50 interest/annum.
2. Lending short to overdraft borrowers: e.g. £1000 lent in £100 increments to ten, c. £3 income/day.

\*Source: FCA CP18/13 Annex: On an unbundled or stand-alone basis, overdraft return on equity (ROE) would have been 56%.



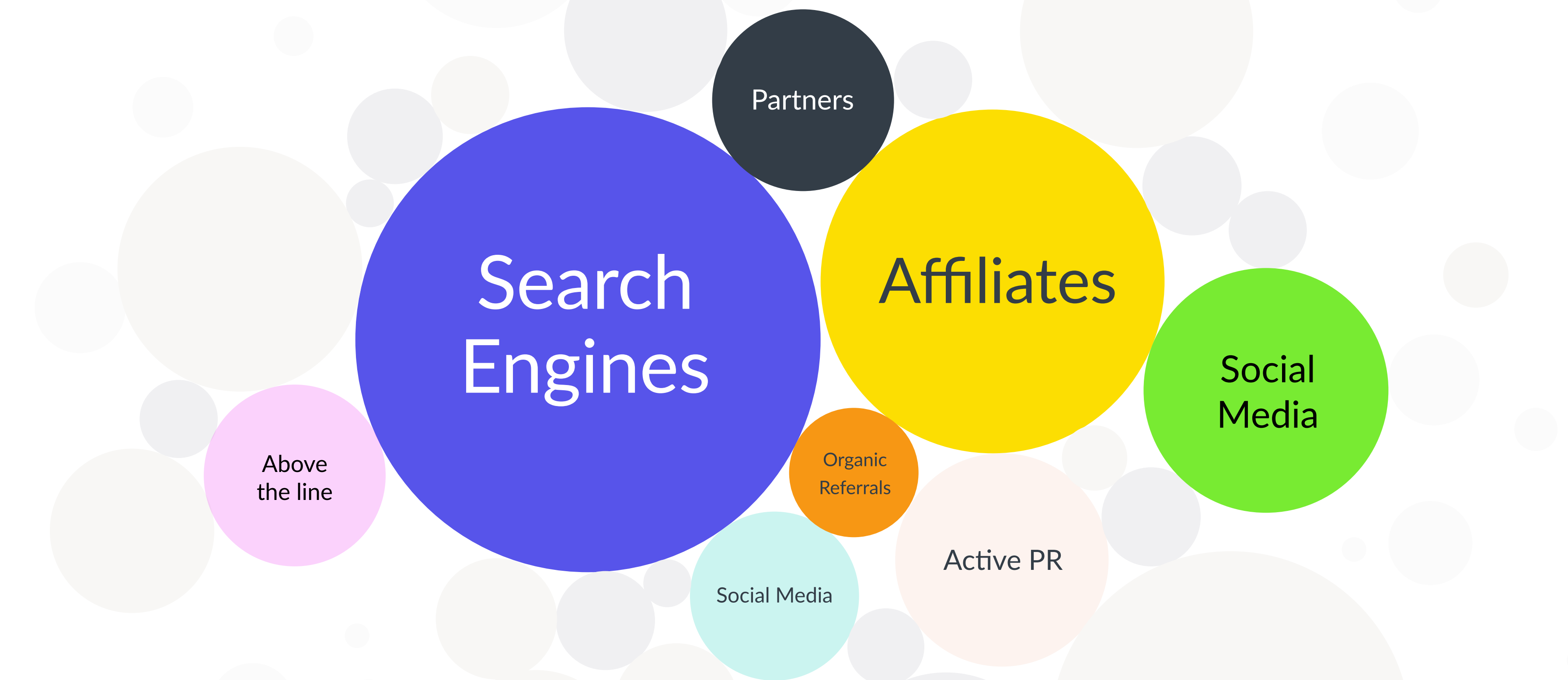
# Our competition is unable to copy us and doesn't want to

Legacy and new digital banks are concerned about reputational risk and a focus on primary banking and bundling.  
Non-bank alternative lenders such as BNPL can have negative impact on credit file.

Attribute	Plugin Overdraft (Fiinu Bank)	Legacy banks overdraft (Lloyds & Barclays)	Digital banks overdrafts (Monzo & Starling)	BNPL and non-bank alternatives (Klarna & Argos)
Credit Report Impact	● Positive	● Positive	● Positive	● Negative
Stable and low-cost funding deposits	● Yes	● Yes	● Yes	● No
Accessibility of credit for financially excluded borrowers	● Driven by bespoke underwriting model	● Driven by old tech and dated underwriting models	● Driven by new tech but dated underwriting models	● Driven by bespoke underwriting model
Technology	● New and agile	● Manual, legacy and rigid	● New and agile	● New and agile
Short-Term Credit specialists	● Yes	● No	● No	● Yes
Unbundling strategy	● Yes	● No	● No	● No

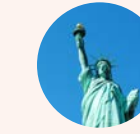
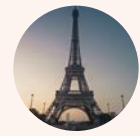


# Go-to-Market Strategy & Cost per acquisition based on diverse and dynamic model.



Founder's previous firm acquired and underwrote millions of overdraft-style loans by using similar acquisition mix.  
We intend to acquire customers by using advanced high-frequency trading type programmatic buying.

Our technology will re-open the market.  
An unbundled overdraft increases  
**financial inclusion.**



# Appendices

1. Fiinu Plc Board
2. Fiinu Bank Board
3. Fiinu Bank Executive Management Team
4. Shareholder Structure

# Fiinu Plc Board

Fiinu Plc and Fiinu Bank board of directors are led by David Hopton, with Chris Sweeney being the Group CEO and Fiinu Bank CEO.



**David Hopton**  
Chairman of the Board

Former Bank of England, for 17-years, where he served as the Secretary to a G10 Governors Committee. Nearly 20-years with Banco Santander in the U.K. and Senior iNED for Punjab National Bank (U.K.)



**Chris Sweeney**  
Group CEO

Former CEO of Vanquis Bank (LSE: PFG) and Barclays Bank executive with over 20 years' experience in consumer credit and retail banking especially credit cards, overdrafts and deposit-taking activity.



**Philip Tansey**  
Group CFO

Former CFO of WH Ireland (WHI.LN), COO of Panmure Gordon investment bank and CCO of BGC Partners. Over 20 years public markets knowledge, started his career with Salomon Brothers.



**Huw Evans**  
iNED\*

Former Chief Credit Officer at Barclays Bank and Risk Director with Barclays Africa & Middle East with over 40 years of banking experience including 30 years with Barclays Bank. Strong banking risk and credit background.



**Jerry Loy**  
iNED\*

Former KPMG and COO at QNB Banque Privée (Suisse) SA, member of the Executive Management. He has built up two start-up banks, is a fellow of the ICAEW and recently was appointed iNED at a consumer finance PLC.



**Simon Leathers**  
iNED\*

Former PwC lead adviser on a number IPOs and M&A's with over 20 years corporate finance background. Currently a CFO of Conversity which provides data integration and insights into customer journey.



**Dr Marko Sjoblom**  
Founder

Former CEO of Vive Bank and Founder of Myjar. A second-time entrepreneur whose previous business lent over \$1 billion in 5 million overdraft style loans. He has a PhD in overdrafts and artificial neural network.



\*iNED = independent Non-Executive Director

# Fiinu Bank Board

Fiinu Bank Board Board are constructed with optimal complimentary skills matrix.



**David Hopton**  
Chairman of the Board

Former Bank of England, for 17-years, where he served as the Secretary to a G10 Governors Committee. Nearly 20-years with Banco Santander in the U.K. and Senior iNED for Punjab National Bank (U.K.)



**Chris Sweeney**  
CEO

Former CEO of Vanquis Bank (LSE: PFG) and Barclays Bank executive with over 20 years' experience in consumer credit and retail banking especially credit cards, overdrafts and deposit-taking activity.



**Charles Resnick**  
CFO

Previously Head of Financial Control at ClearBank Ltd, a specialist technology enabled clearing bank. Prior to Clear Bank, Charles was Finance Director at FTSE-250 merchant bank Close Brothers Plc.



**Katrina Arnold**  
iNED\*

Former Financial Services Authority supervisor with 40 years banking experience including senior roles at the HSBC. Chair of the Remuneration Committee and Chair of the Birmingham Bank.



**Huw Evans**  
iNED\*

Former Chief Credit Officer at Barclays Bank and Risk Director with Barclays Africa & Middle East with over 40 years of banking experience including 30 years with Barclays Bank. Strong banking risk and credit background.



**Jerry Loy**  
iNED\*

Former KPMG and COO at QNB Banque Privée (Suisse) SA, member of the Executive Management. He has built up two start-up banks, is a fellow of the ICAEW and recently was appointed iNED at a consumer finance PLC.



**Martin Stewart**  
Board Advisor

Former Bank of England supervisory director of 600 banks and building societies and a director of New Bank Start-up Unit responsible for the authorisation of new banks. Chairman of Danske Bank (UK).



\*iNED = independent Non-Executive Director

# Fiinu Bank Executive Management Team



**Chris Sweeney**  
CEO

Former CEO of Vanquis Bank (LSE: PFG) and Barclays Bank executive with over 20 years' experience in consumer credit and retail banking especially credit cards, overdrafts and deposit-taking activity.



**Charles Resnick**  
CFO

Previously Head of Financial Control at ClearBank Ltd, a specialist technology enabled clearing bank. Prior to Clear Bank, Charles was Finance Director at FTSE-250 merchant bank Close Brothers Plc.



**Simon Wilson**  
CRO

Simon is an experienced risk executive with over 20 years' experience in risk management within retail and commercial banking. Prior to joining Fiinu, he ran his own specialist risk consultancy.



**Wan Chuen Lau**  
CCO

Former practising lawyer, consultant and a FCA regulator with over 20 years experience in fintech, banking, M&A and UK regulations. She is a director at Fiinu Services and full-time employee at Fiinu Bank.



**John Willcock**  
CPO

John has over 20 years product development background with previous roles at Northern Rock, Tesco Bank, Post Office Money, Argos Financial Services, N Brown and most recently William Hill International.



**Stuart Roberts**  
COO

Prior to joining Fiinu Bank as the Chief Operating Officer, Stuart held senior leadership positions in Operations and Technology for Centrica, Barclaycard, Co-operative Bank & Financial Services and 118 118 Money.



**Jason Moore**  
Programme Director

Jason is a Programme Director, with a track record of change delivery across 30 years in Financial Services including roles at Legal & General, Aegon, SS&C Technologies and most recently Brewin Dolphin Plc.

