

## **TECH NATION NAMES 20 UK FINTECH COMPANIES TO WATCH, AS UK FINTECH GOES FROM STRENGTH TO STRENGTH**

- **Landmark Tech Nation Fintech programme is delivered as part of HM Treasury's Fintech Strategy**
- **Over a third of companies selected based outside London**
- **Coaching sessions will be held in London, Manchester, Leeds and Edinburgh to foster dialogue and relationships between regional fintech ecosystems**
- **Unrivalled access to Tech Nation's network of seasoned fintech entrepreneurs, experienced investors, and company executives**
- **Five month programme culminates in trip to US to help companies establish a network of potential investors and partners**
- **UK fintech firms attracted \$19.0 billion in investment (including M&A) in 2018 up to 31 August \***

Tech Nation is thrilled to announce the 20 early-stage fintech companies that will be joining its first fintech programme this autumn.

The cohort includes some of the UK's most promising fintech startups and reflects major trends in the fast maturing fintech sector where the UK is an acknowledged global leader. The companies selected offer innovation right across the financial services sector from consumer solutions to business to business ventures, demonstrating how fintech has the potential to dramatically improve the provision of essential services like payment solutions and banking.

Services offered include:

- Leading edge payment solutions
- Innovative ways to promote financial inclusion and fair access to financial services
- Services only made possible by Open Banking
- New capital and digital tools for SMEs - the lifeblood of the UK's economy
- Companies that tackle the complex problems posed by increasing regulation in financial services
- Ventures that apply Artificial Intelligence for example to augment traders' decision-making and efficiency
- A company that is working to fight against money laundering in cryptocurrencies.

The variety and excellence of the selected companies is testimony to the strength and vigorous growth of the UK's fintech sector, which is developing rapidly right across the nation. Seven of the 20 companies are based outside London, with their offices in Norwich, Edinburgh, Cardiff, Canterbury, Manchester and Bristol.

With capital invested in fintech reaching record highs in 2017 and poised to soar even higher this year, the fintech sector now boasts hundreds of startups keen to get a foothold in the financial services market. The Tech Nation Fintech programme is targeted at those rapidly growing early stage companies and is one of the key measures announced by HM Treasury

in its Fintech Sector Strategy earlier in the year, to support the development sector at a national level.

The average age of the fintech companies chosen to join the programme is three years old. Just over half (12) are business-to-business startups, while four are B2B2C and four are hybrid B2B/B2B2C companies.

Over five months, the cohort will get the chance to work with and learn from some of the most talented fintech entrepreneurs in the UK on key topics such as scaling challenges, partnerships with incumbents, regulations and international expansion. These insight sessions will take place in London, Edinburgh, Manchester and Leeds to encourage cross-country networking.

John Glen MP, Economic Secretary to the Treasury said: “Our vibrant fintech sector continues to go from strength to strength, and it’s no wonder that UK fintech has received more investment so far this year than US fintech. I’m thrilled to see Tech Nation’s fintech programme launch with such a strong cohort of dynamic young companies - I have no doubt they’re destined for amazing things.”

Eileen Burbidge, Chair of Tech Nation, HM Treasury’s Special Envoy for Fintech, Chair of the Fintech Delivery Panel and Partner at Passion Capital, who was one of the judges for the programme, said: “The UK is an acknowledged world leader in fintech but having this programme, endorsed by HM Treasury, will help the UK to further accelerate the development of the sector. The calibre of applications for the Tech Nation Fintech programme was incredibly impressive with a wide breadth of business models. The companies chosen have already demonstrated that they are winners and will certainly have many more successes to come.”

Gregoire Michel, the Tech Nation Fintech programme lead, said: “When we devised Tech Nation’s first fintech programme we anticipated that entrepreneurs were increasingly building great companies in the regions. The number of applications we received from the regions bore out this hypothesis and while London remains the most important fintech cluster in the UK we are delighted that more than a third of the first cohort will come from outside London.”

Richard Theo, CEO, Wealthify and one of the judges for the Fintech programme, said: “The applications to the Tech Nation Fintech programme were quite fantastic but the six million dollar question is whether there’s a future unicorn lurking within the 20 companies. Given the great range of ideas, the strengths of the teams and the support they can now get – there’s a really good chance that there’s one in there.”

Louise Smith, fintech envoy for Scotland and head of design in personal and business banking at RBS, said: “I’m thrilled to see two Edinburgh startups have been chosen to join the first ever Tech Nation Fintech Programme. After London, Scotland turns out the most fintech related graduates in the UK - 12% of the annual pool of 97,000 graduates.

Fast-growing fintech startups like Float and Sustainably will make sure that Edinburgh continues to be a thriving financial centre for decades to come.”

Chris Sier, HMT Fintech envoy for the North and Professor at Leeds University, said: “I’m delighted to see Airtime Rewards, who are based in the North in Manchester, selected for the first ever Tech Nation Fintech Programme. The financial services sector already has important hubs in the North’s biggest cities and Airtime Rewards demonstrates that you can build a great fintech business in the North of England where there are plenty of skilled tech people coming out of colleges and universities.”

#### **KEY STATS:**

Average funding raised: £1,096,650

Average revenues per year: £260,406

Average company age: 3 years

Regional representation: Seven companies from outside London, including two in Scotland, one in Wales

% of companies with female founder/co-founder: 40%

#### **Full list of Fintech 2018 companies:**

##### **Airtime Rewards - Manchester**

A mobile technology business in the consumer loyalty and rewards sector. Retailers use Airtime Rewards to incentivise, reward and digitally connect to 89m consumers via their smartphone.

##### **Akoni - London**

Akoni provides cash management solutions for businesses, working both with banks and companies - leveraging Open banking to deliver personalised products.

Felicia Meyerowitz Singh, CEO and Co-founder: "We are excited to be part of the future of fintech and working together with other innovators and specialists on the TechNation programme. We see a rapidly changing future fundamentally changing the way businesses bank, driven by data and tech"

##### **AltFi Data - London**

Collates data to provide reliable like-for-like metrics for lenders.

Rupert Taylor, AltFi Data’s Founder & CEO, said: “We are delighted to be part of the first fintech nation cohort. UK fintech is proving a world leader. With the help of Tech Nation AltFi Data’s ambition is that our loan performance standard will also be established as the world leader”

##### **Coinfirm - London**

Coinfirm develops a verification and compliance platform for blockchain. It provides valuable insight into entities and transactions, allowing for the institutional adoption of blockchain and digital currencies.

Pawel Kuskowski, CEO said: “We wanted to showcase our business model and the value we can bring - and we believe Tech Nation’s first ever fintech growth programme could be a driver for a significant reduction of the time it takes to bring ideas to international markets.”

##### **Colinvestor - Canterbury**

Colinvestor provides technology solutions for wealth managers, independent financial advisers and fund managers to manage alternative asset investments, from EIS and VCTs through to private equity and yield products.

##### **CreditLadder - London**

Payments platform that utilises open banking APIs to revolutionise and optimise direct debit payment tracking. CreditLadder's technology allows renters to have their rent payment tracked, giving them the opportunity to improve their credit score while they rent.

#### **Delio - Cardiff**

Delio provides white labelled technology to financial institutions to enable them to securely connect their clients with private market investments.

#### **Enforcd - London**

A real-time register of compliance that enables users to check company and employee compliance against updated regulatory standards. Enforcd covers multiple jurisdictions.

#### **Fiskl - London**

A mobile-first, automated SaaS solution for small businesses of 1 - 10 employees that allows them to manage their daily finances from anywhere (iOS, Android and web). It offers a mix of daily financial management, productivity and staff management tools as well as relevant integrations.

#### **Float - Edinburgh**

Provides cash flow forecasts to businesses using Xero, Quickbooks Online or FreeAgent. Float can give a 'real' picture of where a business is going in the short to medium term.

Colin Hewitt, CEO, said: "There is always so much value to be had from peer learning, and building relationships with other founders that will last. Adding into that the mentorship, and experience from industry leaders, made the programme difficult to resist!"

#### **Funding Options - London**

A one-stop-shop for SME finance solutions, Funding Options is a comparative marketplace giving information and access to known and alternative finance lenders.

Conrad Ford, CEO, said: "After three years of exponential growth at Funding Options, somewhere along the way we transitioned from start-up to scale-up! The Tech Nation Fintech programme gives our leadership team a brilliant opportunity to take stock of the business we want to be, and to lay strong foundations for our international plans."

#### **LOQBOX Savings - Bristol**

LOQBOX fixes financial exclusion by providing an opportunity for users to build their credit history while saving. Users commit to save between £20 - £500 per month for a year. After that period the cash is paid into a new savings account with a partner bank.

Tom Eyre, CEO, said: "Having been involved with the FinTech For All competition previously, we knew the standard of this Tech Nation programme would be high. As an early stage business the opportunity to meet like minded people, engage with those who have been there and done it before and seek guidance and help from individuals within our potential partner organisations was too good to miss. There are so many challenges for a start up and it's easy to forget that once you're established there are still challenges when it comes to achieving high speed growth. Partnerships are a rich source of growth for us so a programme focused on helping us to achieve this has come at the right moment."

#### **Maxatta - London**

Maxatta is automating trading desks, through Artificial Intelligence and robot process automation, so that traders can focus on risk management and trading opportunities.

#### **MishiPay - London**

MishiPay is an app that allows retailers to let shoppers scan, pay and leave with their goods without having to queue.

#### **SteelEye - London**

SteelEye is a regulatory compliance technology and data analytics firm that offers transaction reporting, record keeping, trade reconstruction, best execution and data insight in one comprehensive solution.

#### **Sustainably - Edinburgh**

**A real-time social responsibility platform.** Sustainably rounds up customer's cashless transactions and donates their spare change to causes they care about automatically every time they shop.

**Tail Offers - London**

Tail uses open banking data to improve and inform consumer choices. As soon as a customer uses the Tail app to claim a discount, their bank informs Tail of the transaction in order to seamlessly provide instant cashback.

**TAINA Technology - London**

Automating regulatory compliance for financial institutions, Taina's software removes the need for manual effort and multiple systems, leading to lower costs.

**Thyngs - Norwich**

Thyngs is creating software solutions to connect the physical and digital world, such as cashless donations through mobile apps, connected payments and customer loyalty solutions.

**TransFICC - London**

TransFICC is an etrading technology company providing solutions for the fixed income and derivatives markets.

\* Source: Dealroom.co data as of 31 August 2018. \$19.0 billion includes \$1.4 billion in venture capital investment (including investments in Greensill, Revolut, Atom Bank, Zopa) which is more double the amount of any other European country, plus \$17.6 billion in acquisitions including the \$12.9 billion acquisition of WorldPay by Vantiv.