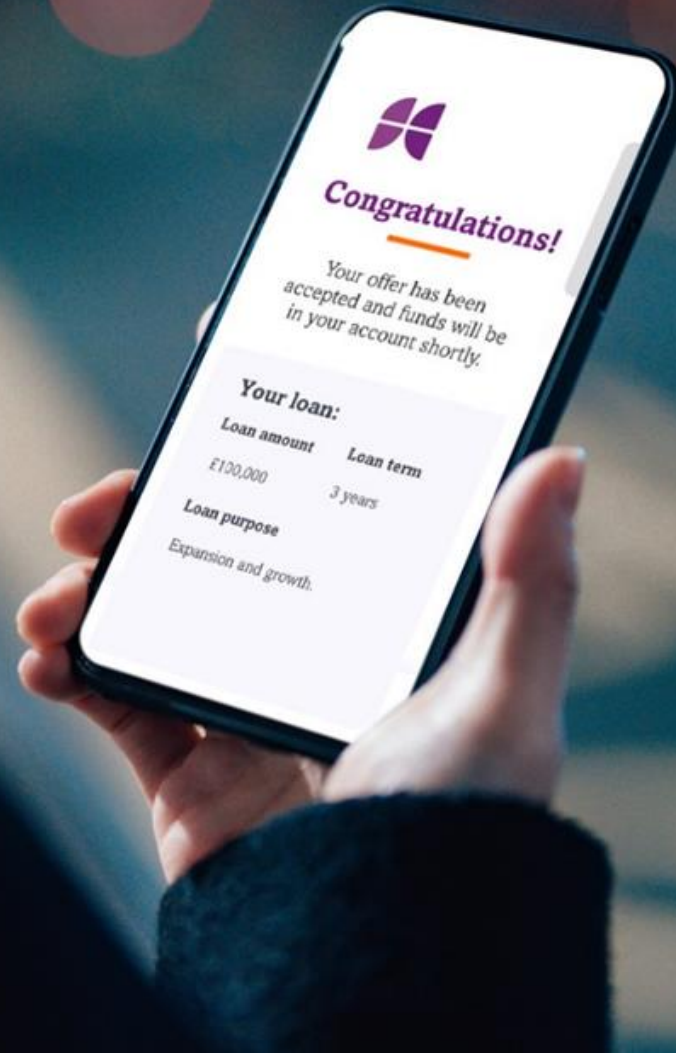


Funding Circle

Overview

September 2023



Disclaimer

THIS MATERIAL HAS BEEN APPROVED SOLELY BY, AND IS THE SOLE RESPONSIBILITY OF FUNDING CIRCLE LIMITED ("FCL") AND ITS AFFILIATES (COLLECTIVELY, "FUNDING CIRCLE").

NEITHER THE PRESENTATION NOR THE INFORMATION CONTAINED HEREIN OR CONVEYED IN CONNECTION WITH IT (THE "INFORMATION") IS INTENDED FOR DISTRIBUTION TO, OR USE BY, ANY PERSON IN ANY JURISDICTION WHERE SUCH DISTRIBUTION OR USE WOULD BE CONTRARY TO LOCAL LAWS OR REGULATIONS.

THIS PRESENTATION IS NOT A PROSPECTUS AND DOES NOT, AND IS NOT INTENDED TO, CONSTITUTE AN OFFER TO SELL OR AN OFFER, INDUCEMENT, INVITATION, RECOMMENDATION OR COMMITMENT TO PURCHASE OR SUBSCRIBE FOR ANY SHARES OR OTHER INTERESTS IN OR RELATED TO ANY FUNDING CIRCLE ENTITY. NOTHING CONTAINED IN THIS PRESENTATION SHALL FORM THE BASIS OF ANY CONTRACT OR COMMITMENT WHATSOEVER. THIS PRESENTATION MAY BE AMENDED, SUPERSEDED OR REPLACED.

THIS PRESENTATION CONTAINS CERTAIN TABLES AND OTHER STATISTICAL ANALYSES (THE "STATISTICAL INFORMATION") WHICH HAVE BEEN PREPARED BY FUNDING CIRCLE. NUMEROUS ASSUMPTIONS HAVE BEEN USED IN PREPARING THE STATISTICAL INFORMATION, WHICH MAY OR MAY NOT BE REFLECTED IN THE MATERIAL. AS SUCH, NO ASSURANCE CAN BE GIVEN AS TO THE STATISTICAL INFORMATION'S ACCURACY, APPROPRIATENESS, OR COMPLETENESS IN ANY PARTICULAR CONTEXT, OR AS TO WHETHER THE STATISTICAL INFORMATION AND/OR THE ASSUMPTIONS UPON WHICH THEY ARE BASED REFLECT PRESENT MARKET CONDITIONS OR FUTURE MARKET PERFORMANCE. THE STATISTICAL INFORMATION SHOULD NOT BE CONSTRUED AS EITHER PROJECTIONS OR PREDICTIONS OR AS LEGAL, TAX, INVESTMENT, FINANCIAL, OR ACCOUNTING ADVICE. THE AVERAGE LIFE OF OR THE POTENTIAL YIELDS ON ANY INVESTMENT CANNOT BE PREDICTED BECAUSE THE ACTUAL RATE OF REPAYMENT ON THE UNDERLYING ASSETS, AS WELL AS A NUMBER OF OTHER RELEVANT FACTORS, CANNOT BE DETERMINED. NO ASSURANCE CAN BE GIVEN THAT THE ASSUMPTIONS ON WHICH THE POSSIBLE AVERAGE LIVES OF OR YIELDS ON THE INVESTMENT ARE MADE WILL PROVE TO BE REALISTIC. THEREFORE, INFORMATION ABOUT POSSIBLE AVERAGE LIVES OF OR YIELDS ON THE INVESTMENT MUST BE VIEWED WITH CAUTION. ANY HISTORICAL INFORMATION CONTAINED IN THIS PRESENTATION IS NOT INDICATIVE OF FUTURE PERFORMANCE. INFORMATION OF THIS KIND MUST BE VIEWED WITH CAUTION.

THE CONTENTS OF THIS PRESENTATION ARE STRICTLY PRIVATE AND CONFIDENTIAL AND MAY NOT BE COPIED, DISTRIBUTED, PUBLISHED OR REPRODUCED IN WHOLE OR IN PART, OR OTHERWISE DISCLOSED WITHOUT THE CONSENT OF FUNDING CIRCLE (EXCEPT AS MAY BE REQUIRED BY LAW). TRANSMISSION OF THIS PRESENTATION TO ANY OTHER PERSON MAY CONTRAVENE APPLICABLE LAW.

THIS PRESENTATION HAS NOT BEEN VERIFIED AND NO REPRESENTATION OR WARRANTY IS GIVEN BY OR ON BEHALF OF FCL OR ANY OF FCL'S DIRECTORS, OFFICERS, EMPLOYEES, MEMBERS OR AFFILIATES OR ANY OTHER PERSON AS TO THE FAIRNESS, ACCURACY OR COMPLETENESS OF THE CONTENTS OF THIS PRESENTATION OR FOR ANY OTHER STATEMENT MADE OR PURPORTED TO BE MADE BY ANY OF THEM, OR ON BEHALF OF THEM. THERE IS NO OBLIGATION ON ANY PERSON TO UPDATE THIS PRESENTATION FOR ANY REASON. ACCORDINGLY, NOTHING IN THIS PRESENTATION MAY OR SHOULD BE RELIED UPON BY ANY PERSON.

THIS PRESENTATION DOES NOT, AND IS NOT INTENDED TO, CONSTITUTE ADVICE AND SHOULD NOT BE RELIED UPON AS SUCH. INVESTORS SHOULD OBTAIN THEIR OWN TAX, LEGAL, ACCOUNTING OR OTHER ADVICE PRIOR TO MAKING ANY INVESTMENT.

TO THE MAXIMUM EXTENT PERMITTED BY LAW, NO LIABILITY WHATSOEVER IS ACCEPTED BY FCL OR ANY OF SUCH FCL'S DIRECTORS, OFFICERS, EMPLOYEES, MEMBERS OR AFFILIATES OR ANY OTHER PERSON FOR ANY LOSS HOWSOEVER ARISING, DIRECTLY OR INDIRECTLY, FROM ANY USE OF OR RELIANCE ON THIS PRESENTATION OR THE INFORMATION OR OPINIONS CONTAINED HEREIN OR OTHERWISE ARISING IN CONNECTION HERewith.

THE INFORMATION IS PROVIDED AS OF THE DATE OF THE PRESENTATION AND IS SUBJECT TO UPDATING, COMPLETION, AND REVISION, AND MAY CHANGE MATERIALLY WITHOUT NOTICE. NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, NO PERSON IS UNDER ANY OBLIGATION TO UPDATE, COMPLETE, OR REVISE THE PRESENTATION OR INFORMATION. NO REPRESENTATION, WARRANTY, OR UNDERTAKING, EXPRESS OR IMPLIED, IS MADE BY FUNDING CIRCLE OR ANY OF ITS REPRESENTATIVES THAT THE INFORMATION, ASSUMPTIONS, PERFORMANCE DATA, MODELLING, OR SCENARIO ANALYSIS IS ACCURATE OR COMPLETE, AND NO RELIANCE SHOULD BE PLACED ON THE FAIRNESS, ACCURACY, COMPLETENESS, OR CORRECTNESS OF THE INFORMATION (OR WHETHER ANY INFORMATION HAS BEEN OMITTED FROM THE PRESENTATION). NONE OF FUNDING CIRCLE OR ANY OF ITS REPRESENTATIVES SHALL HAVE ANY LIABILITY WHATSOEVER (IN NEGLIGENCE OR OTHERWISE) FOR ANY LOSS HOWSOEVER ARISING FROM ANY USE OF THE PRESENTATION OR THE INFORMATION, OR OTHERWISE ARISING IN CONNECTION WITH THE PRESENTATION, INCLUDING ANY ORAL INFORMATION MADE IN RESPECT OF IT. FUNDING CIRCLE AND ITS REPRESENTATIVES, SAVE WITH RESPECTS TO ANY LIABILITY FOR FRAUD, EACH EXPRESSLY DISCLAIM ANY AND ALL LIABILITY IN CONNECTION WITH THE INFORMATION.

THE PRESENTATION OR INFORMATION MAY CONTAIN VARIOUS FORWARD-LOOKING STATEMENTS, WHICH ARE STATEMENTS THAT ARE NOT HISTORICAL FACTS AND THAT REFLECT FUNDING CIRCLE'S AND/OR ITS DIRECTORS' AND/OR MANAGEMENT'S BELIEFS AND EXPECTATIONS WITH RESPECT TO FUTURE EVENTS AND FINANCIAL AND OPERATIONAL PERFORMANCE. WORDS SUCH AS "BELIEVES", "ANTICIPATES", "ESTIMATES", "EXPECTS", "INTENDS", "PLANS", "AIMS", "POTENTIAL", "WILL", "WOULD", "COULD", "CONSIDERED", "LIKELY", "ESTIMATE" AND VARIATIONS OF THESE WORDS AND SIMILAR FUTURE OR CONDITIONAL EXPRESSIONS, ARE INTENDED TO IDENTIFY FORWARD-LOOKING STATEMENTS BUT ARE NOT THE EXCLUSIVE MEANS OF IDENTIFYING SUCH STATEMENTS. THESE FORWARD-LOOKING STATEMENTS, INCLUDING THE AVAILABILITY OF, AND THE ABILITY TO SECURE, ASSETS IN LINE WITH ANY INVESTMENT POLICY, OR GENERATE TARGET RETURNS AND PAY TARGET DIVIDENDS, INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES, ASSUMPTIONS, ESTIMATES AND OTHER FACTORS, WHICH MAY BE BEYOND THE CONTROL OF THE ENTITY TO WHICH THE PRESENTATION RELATES, OR OF THOSE INVOLVED IN ITS MANAGEMENT AND WHICH MAY CAUSE ACTUAL RESULTS OR PERFORMANCE TO DIFFER MATERIALLY FROM THOSE EXPRESSED OR IMPLIED FROM SUCH FORWARD-LOOKING STATEMENTS. THESE FORWARD-LOOKING STATEMENTS SPEAK ONLY AS OF THE DATE OF THE PRESENTATION. NOTHING CONTAINED WITHIN THE INFORMATION IS OR SHOULD BE RELIED UPON AS A WARRANTY, PROMISE, OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO THE FUTURE.

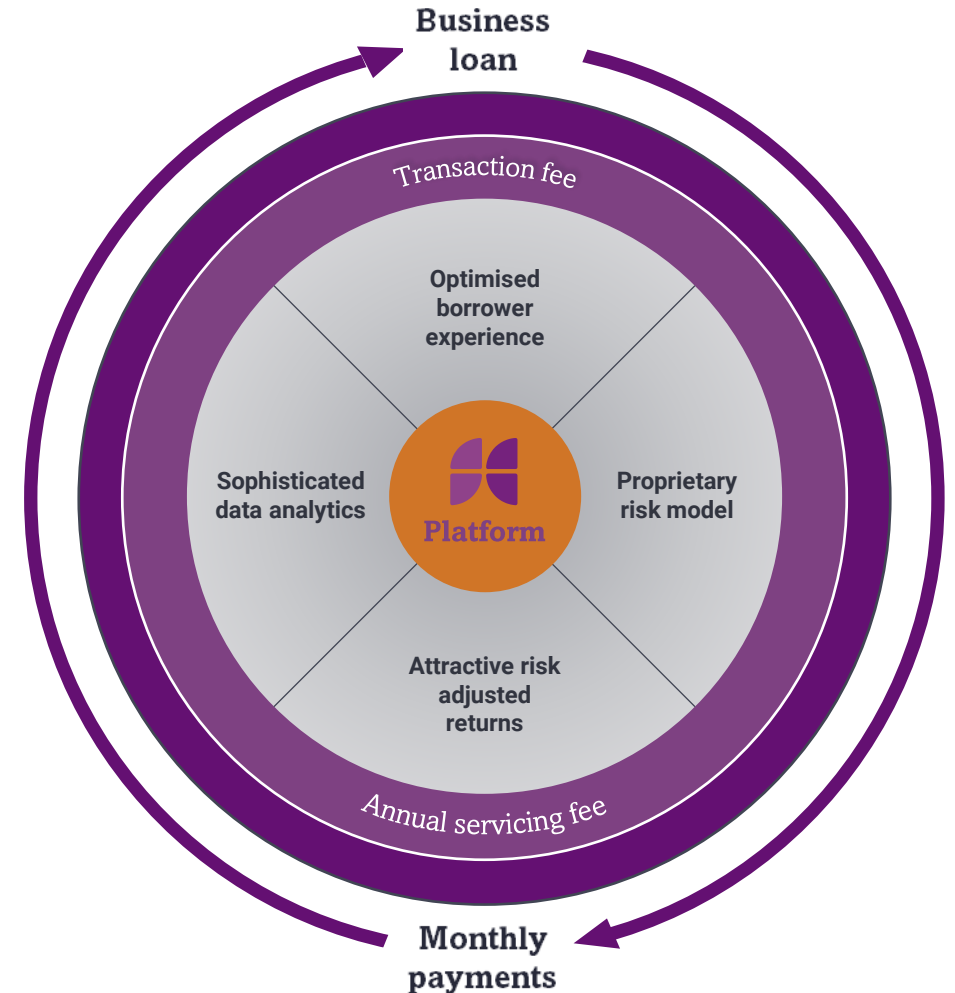
THIS PRESENTATION IS DIRECTED AT AND IS PROVIDED ONLY TO PERSONS WHO ARE "PROFESSIONAL INVESTORS" (AS DEFINED IN THE MARKETS IN FINANCIAL INSTRUMENTS DIRECTIVE (DIRECTIVE 2004/39/EC)[POINT (8) OF ARTICLE 2(1) IN REGULATION (EU) NO 600/2014 AS IT FORMS PART OF DOMESTIC LAW OF THE UNITED KINGDOM BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018]) SUBJECT TO THE TERMS SET OUT ABOVE AND BY ACCEPTING THIS PRESENTATION (HOWSOEVER IT IS DISTRIBUTED) YOU AGREE TO SUCH TERMS.

BY ATTENDING THIS PRESENTATION AND/OR ACCEPTING A COPY OF THIS DOCUMENT AND/OR ANY RELATED MATERIALS, YOU AGREE TO BE BOUND BY THE FOREGOING PROVISIONS, LIMITATIONS, AND CONDITIONS AND, IN PARTICULAR, YOU HAVE REPRESENTED, WARRANTED, AND UNDERTAKEN THAT: (I) YOU WILL OBSERVE THE FOREGOING PROVISIONS, LIMITATIONS AND CONDITIONS; (II) YOU HAVE READ AND AGREE TO COMPLY WITH THE CONTENTS OF THIS DISCLAIMER, INCLUDING, WITHOUT LIMITATION, THE OBLIGATION TO KEEP THE INFORMATION GIVEN AT THE PRESENTATION AND THIS DOCUMENT AND ITS CONTENTS CONFIDENTIAL; AND (III) YOU WILL NOT AT ANY TIME HAVE ANY DISCUSSION, CORRESPONDENCE, OR CONTACT CONCERNING THE INFORMATION GIVEN AT THE PRESENTATION WITH ANY OF THE DIRECTORS OR EMPLOYEES OF FUNDING CIRCLE, NOR WITH ANY GOVERNMENTAL OR REGULATORY BODY, WITHOUT THE PRIOR WRITTEN CONSENT OF FUNDING CIRCLE.



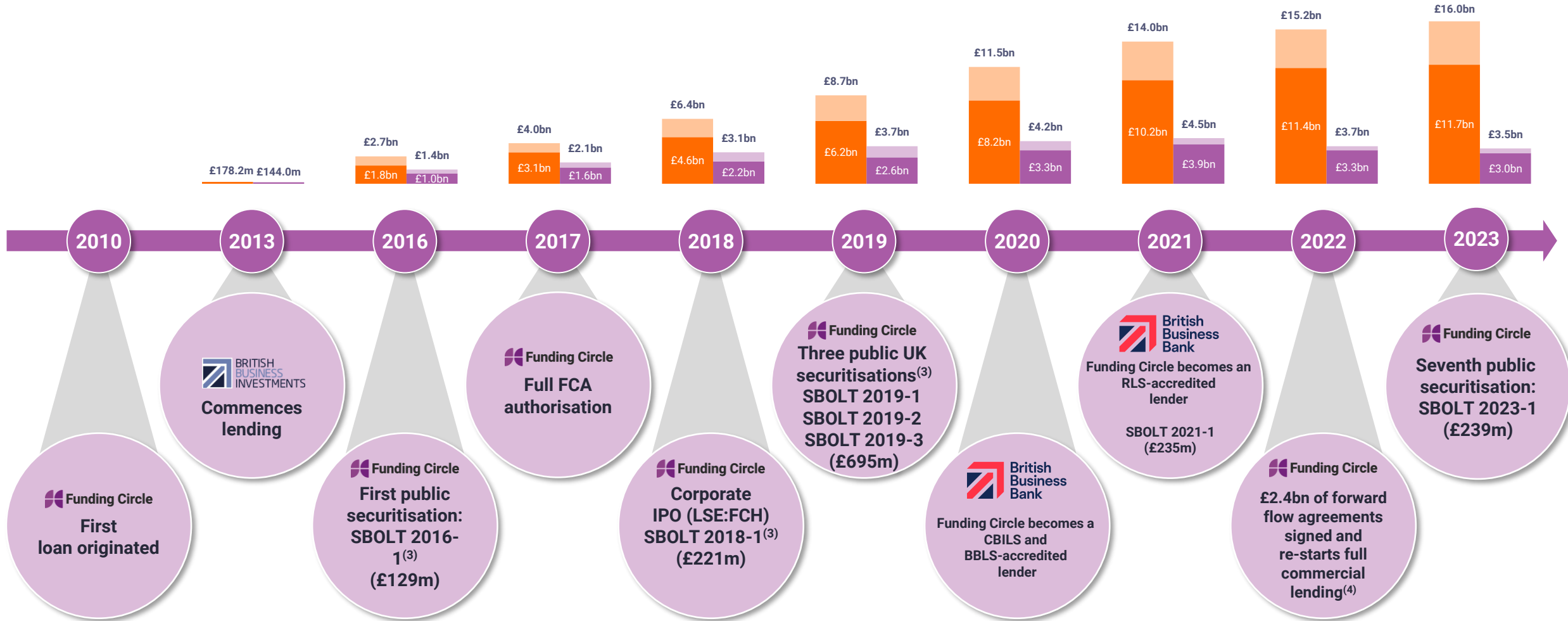
What does Funding Circle do?

- **Funding Circle is a leading online lending platform for direct lending to SMEs.**
- More than £16bn has been lent to over 140,000 small businesses in the UK and the USA⁽¹⁾ since 2010, lent by 144 investors⁽²⁾.
- Funding Circle facilitates lending to small business in the UK and USA with institutional investors through a range of wholesale funding structures.
- Funding Circle performs all credit scoring and underwriting, servicing, and collections and recoveries in-house.
- Funding Circle is an FCA authorised and listed on the LSE. It has over £3.5bn in LuM^(1,3).
- Demonstrable alignment of interest:
 - **Market reputation**
 - **Servicing model** – Servicing fees are only charged on non-defaulted loans
 - **Buyback obligations** – As part of Funding Circle’s investor obligations, Funding Circle agrees to repurchase loans that did not meet the eligibility criteria on the date of origination
 - **Repeat business**
 - Investors – Funding Circle is incentivised to maintain performance for future funding
 - Borrowers – Funding Circle targets stable businesses with the longevity to be customers for years to come
- **Balance sheet exposure** – 3% of LuM funded on Funding Circle balance sheet⁽³⁾



1. Data as at 30/06/2023
2. Including public securitisations
3. Loans under Management

Key UK milestones



1. Data as of 30th June 2023.

2. Legend:

1. ■ : cumulative originations (UK), ■ : cumulative originations (global);

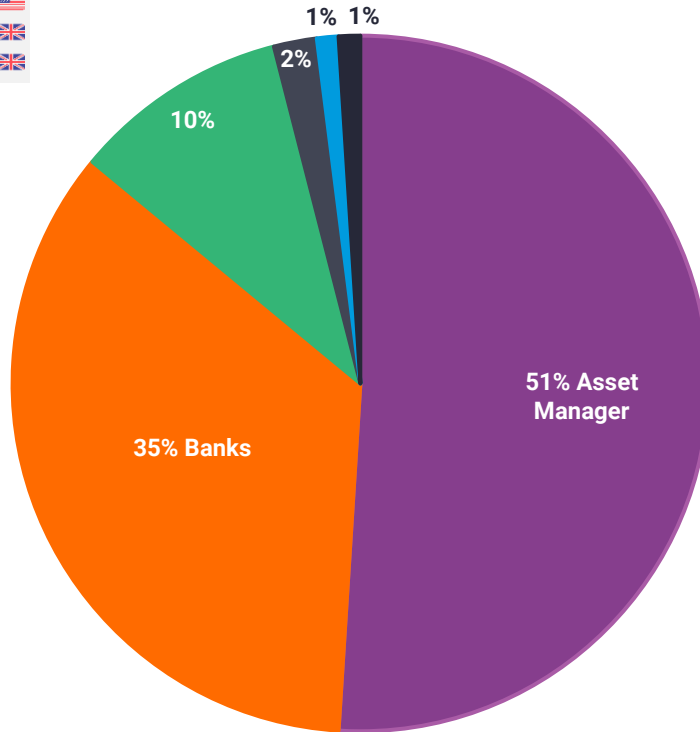
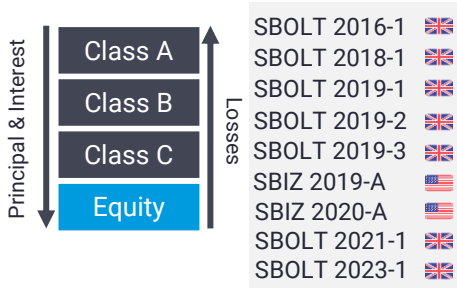
2. ■ : loans under management (UK), ■ : loans under management (global)

3. SBOLT 2016-1 clean-up call occurred in June, 2019; SBOLT 2018-1 clean up call occurred in February, 2021; SBOLT 2019-1 clean up call occurred in January, 2022; SBOLT 2019-2 clean up call occurred in March 2022; SBOLT 2019-3 clean up call occurred in June, 2022.

4. as at 31/12/2022: in the UK, £2.4bn publically announced new forward flow agreements signed with Waterfall Asset Management, Varadero, Magnetar Capital and Bayview.



A long-term focus on investor diversification ensures a sustainable supply of funding



- Asset Managers
- Banks
- Bond Programme
- FC Balance Sheet
- Retail
- Funds

Maintaining robust and attractive investor returns:

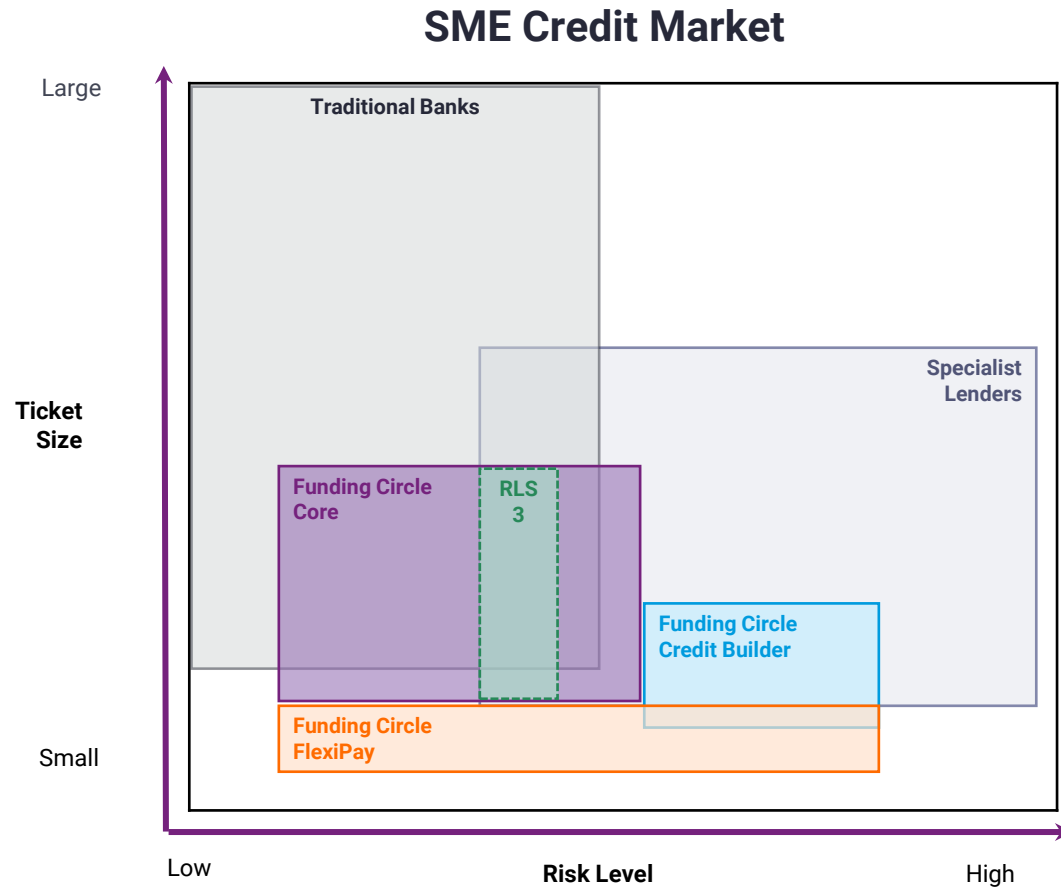
- Credit model refinement to sustain a prudent approach to originations.
- Borrower price adjustments in a rising rate environment.

Continued investor demand to fund loans:

- In the UK, we signed new forward flow agreements with Waterfall Asset Management, Varadero, Magnetar Capital, and Bayview (up to £2.4bn), and one further investor in January 2023 for £250m.
- Funding Circle funds FlexiPay off balance sheet, and arranged Senior Financing from Citi bank in May 2023 up to ~£200m.
- In the US, we signed new forward flow agreements with four banks and credit unions.



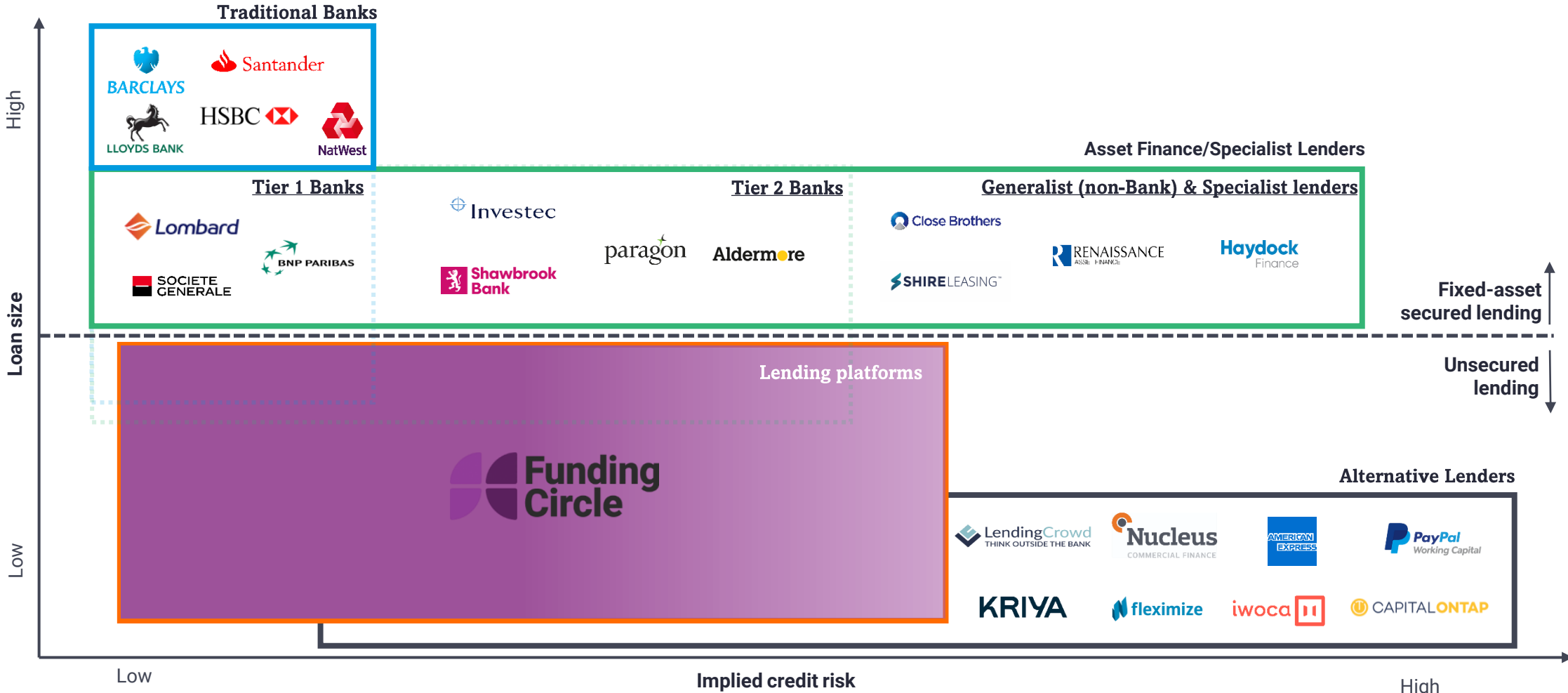
We use our technical capabilities to identify new borrower segments and develop new lending products



- Over the last 13 years, Funding Circle has established itself as a leading UK SME lender focusing on the low risk, medium-sized segment within the SME credit market.
- Funding Circle has leveraged its rich dataset of loans and technology to start serving a wider spectrum of SME borrower segments across both risk and ticket size dimensions.
- This has been enabled through the development of multiple new lending products:
 - **Core** – our standard unsecured term loan serving lower risk borrowers
 - **RLS 3** - government guaranteed loans serving a segment of borrowers aligned to the Core strategy credit parameters and representative of C and D risk bands
 - **Credit Builder** – shorter term, high interest rate unsecured terms loans serving higher risk borrowers
 - **FlexiPay** - a revolving line of credit allowing our high and low risk segments of borrowers to make lower ticket size payments



Funding Circle operates in a segment where SMEs⁽¹⁾ are underserved



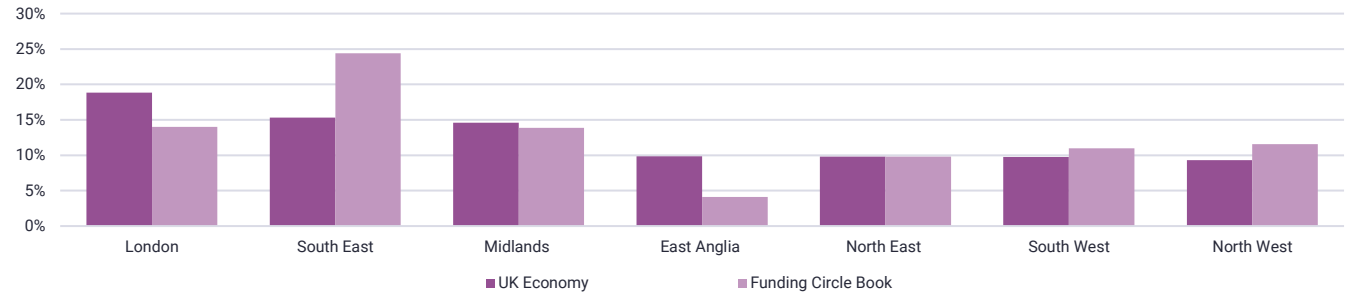
Note: SMEs defined by the European Commission as having less than 250 persons employed, an annual turnover of up to €50m or a balance sheet total of no more than €43m (<https://ec.europa.eu/eurostat/web/structural-business-statistics/structural-business-statistics/sme>).



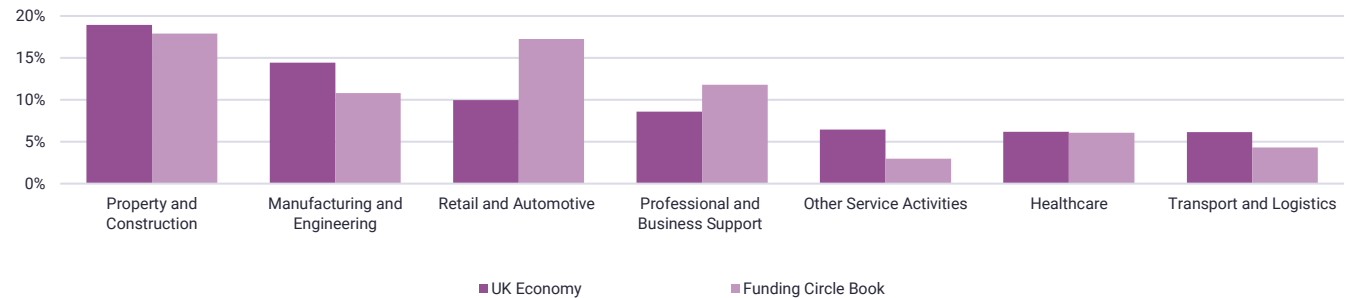
Simple, fixed rate, amortising loans & diversified portfolio

Typical FC UK Borrower	
Average turnover ⁽¹⁾	~£1m per annum
Average # years trading	12 years (2 years minimum)
Average # employees	11
Average loan size	~£87k
Average interest rate	c. 12.3% per annum
Average loan term ⁽²⁾	c. 56 months (6 to 72 months)
Fees	No prepayment fee (full prepayment only)
Security	Unsecured with personal guarantee

Regional Breakdown



Industry Sector Breakdown



- We have been doing the same lending product for 13 years: Simple, fixed rate, amortising loans to the well-established, creditworthy SMEs since 2010.
- Funding Circle's customer base is well-distributed, granular and reflective of distribution of the UK private sector. FC portfolio should therefore follow performance experiences in line with the overall UK economy.
- FC was the third largest CBILS lender, with current commercial lending representing ~15% of traditional business loan originations in the UK⁽¹⁾

1. Based on the latest audited turnover figure
 2. Weighted average by original principal amount
 Source: Funding Circle as at FY 2022

Source: Business population estimates for the UK and regions 2022: statistical release
 (1) Experian Commercial CAIS. Traditional business loan products, excluding pandemic relief loans such as BBLS
www.gov.uk/government/statistics/business-population-estimates-2022/business-population-estimates-for-the-uk-and-regions-2022-statistical-release-html#:~:text=Composition%20of%20the%202022%20business%20population,-The%20UK%20private&text=At%20the%20start%20of%202022%3A,4.1%20million%20had%20no%20employees
 Both Regional and Industry Sector Breakdowns are by number of businesses





Funding
Circle