Parachute

The Financial Care Company

Enabling financial well-being through transformative lending.

THE STORY

Bruce Hodges
Founder & CEO of Parachute

CIO, COO, CEO, Fintech

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Founder, CEO of Parachute

Bankrupt at 23

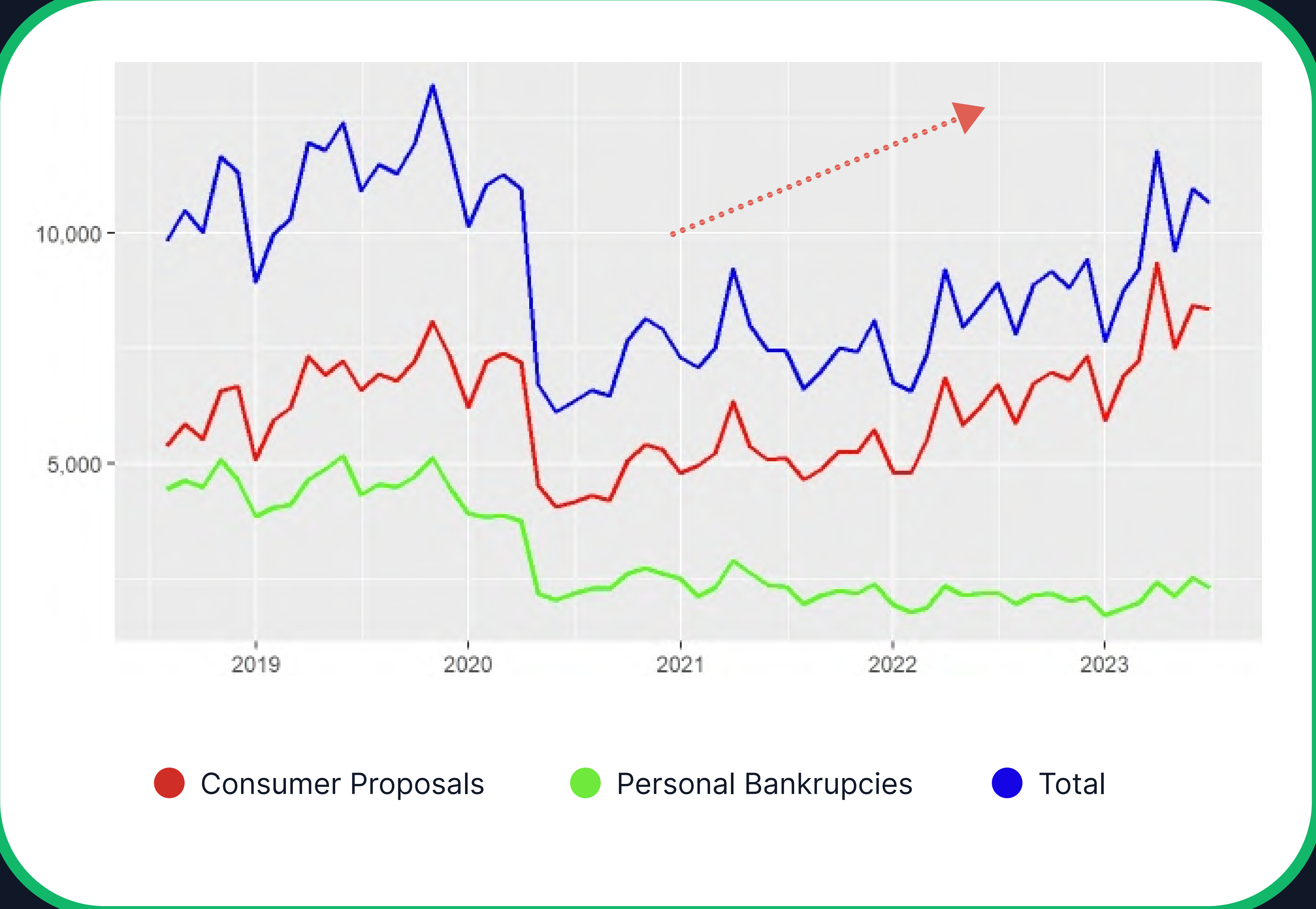
CONTEXT

Canadians are overwhelmed with their debt.

35%	Can't cover bills & debt payments (MNP)
52%	< $200 from not meeting financial obligations (MNP)
47%	Concerned about debt load (PwC)
24%	Can't find $500 without borrowing (Wealth Professional)

CONTEXT

Insolvencies increasingly fueled by predatory lending and "credit counselling".



- Consumer proposals up 31% year over year
- 53% of insolvencies have high interest loans—up from 21% in 2011

PROBLEM

Consumers with credit scores below 700 must deal with predatory lenders.

CONSUMERS

8 million

PREDATORY LENDERS

36-47% interest

(ie. EasyFinancial, Fairstone)

400% interest

(ie. MoneyMart, Pay2Day)

PROBLEM

The negative impact on people's lives is debilitating.

Predatory lenders are incentivized to keep people in debt.

Parachute

Meet Parachute

Enabling financial well-being through
transformative lending.

Changing behaviour for sustainable healthy financial habits.

Reset
RELIEVE

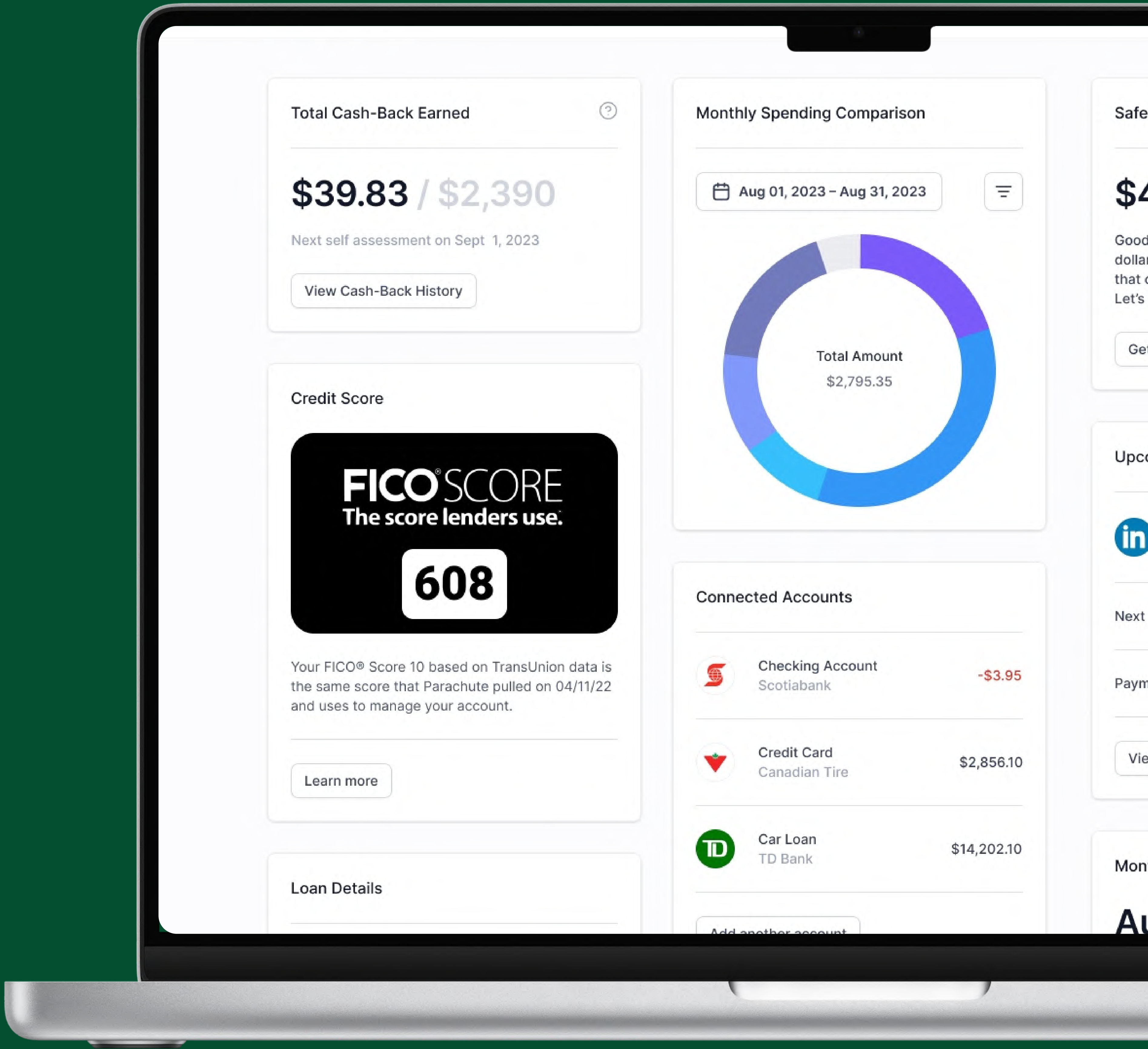
Motivate
GUIDE/EDUCATE/REWARD

Sustain
EMPOWER

THE SOLUTION

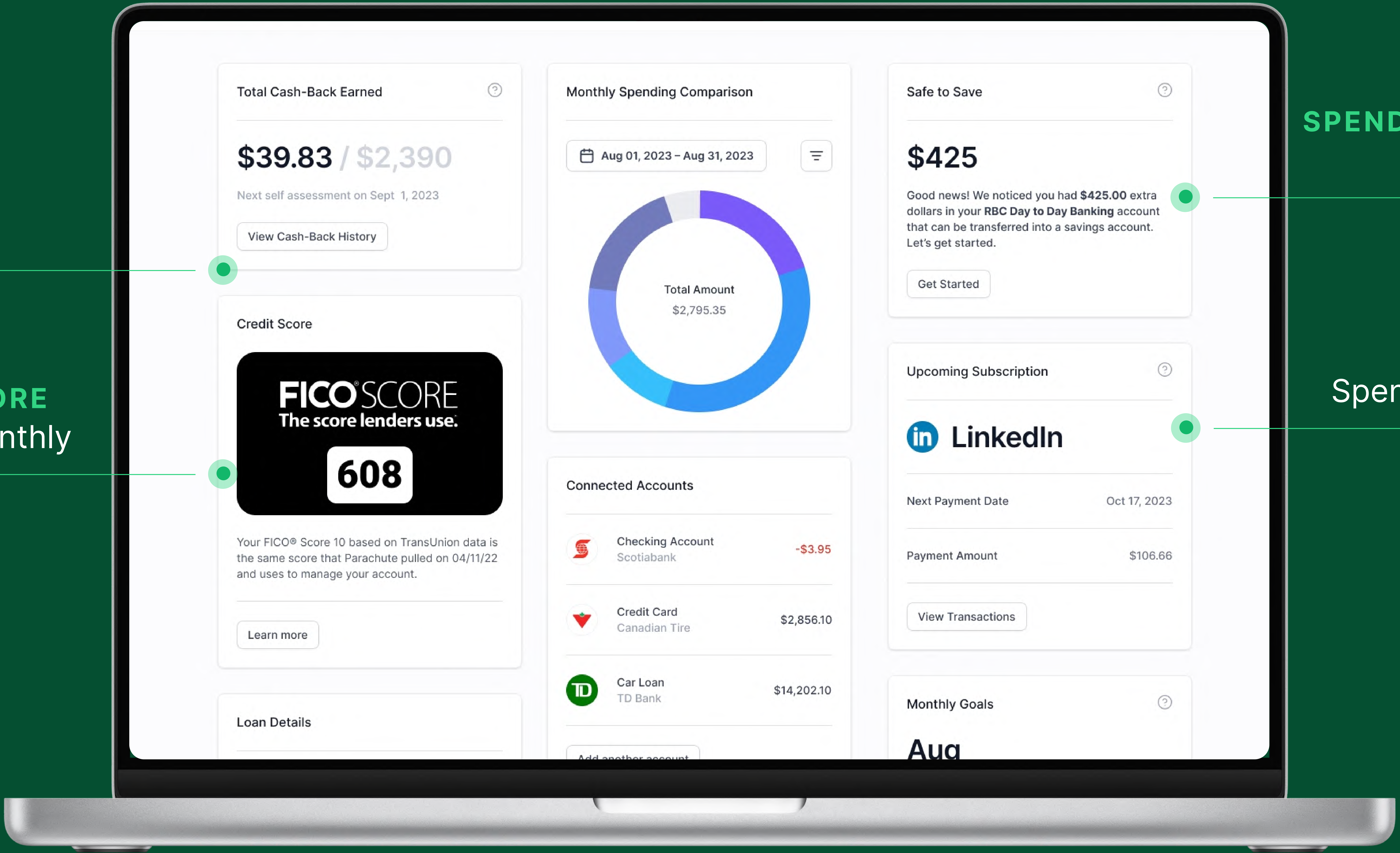
Our personalized dashboard displays financial health data, guiding educating, and rewarding healthy financial habits.

We call it the "Financial Recovery Platform™"



CASHBACK
10% of Loan

CREDIT SCORE
Updated Monthly



SPENDING HABITS
Deep Dive

DATA
Spending Insights

CUSTOMERS

Target Customers

WHO THEY ARE

- 580-700+ credit score
- Min Income $30k
- Not educated in financial management
- Life events put them in debt
- Maxed out credit cards
- Payday loans they can't pay back
- Feelings; stress, desperation, anxiety

WHAT THEY WANT

- Ability to manage payments
- Reduced payments
- More cash flow
- Trusted advice
- Higher credit scores
- Treated fairly

CUSTOMERS

Attributes

AVG. FICO
638

AVG. LOAN AMOUNT
$16k

AVG. INCOME
$82K

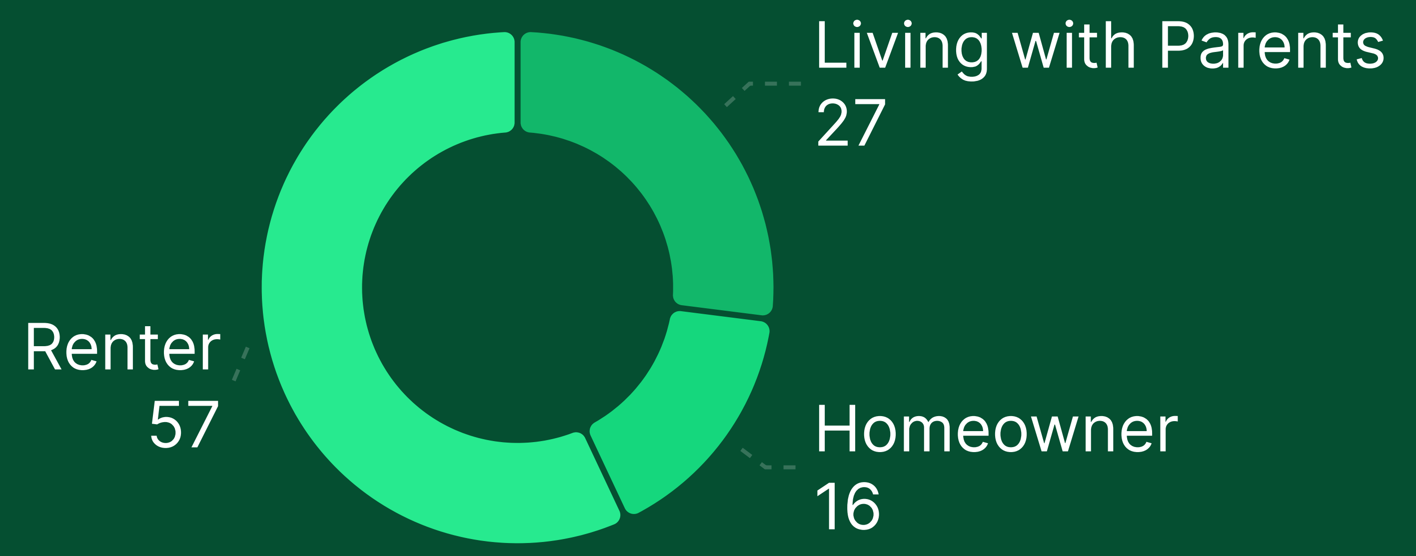
AVG.WELL BEING SCORE
48

AVG. TDS
39%

AVG. AGE
43

AVG. SAVINGS (MONTHLY)
$200-$300

AVG. INTEREST RATE
28.5%



EXAMPLE CUSTOMER

Meet Jean-Marie

Before Parachute		With Parachute
CASHFLOW $0		**CASHFLOW** $567
INTEREST RATE 41.28%		**INTEREST RATE** 27.99%
CREDIT SCORE 649		**CREDIT SCORE** 720
WELLNESS SCORE 29/82		**WELLNESS SCORE** 82/82

Age
55

Occupation:
Legal Assistant, 19 years

Income:
$81,000

Years at Residence:
2.5 years

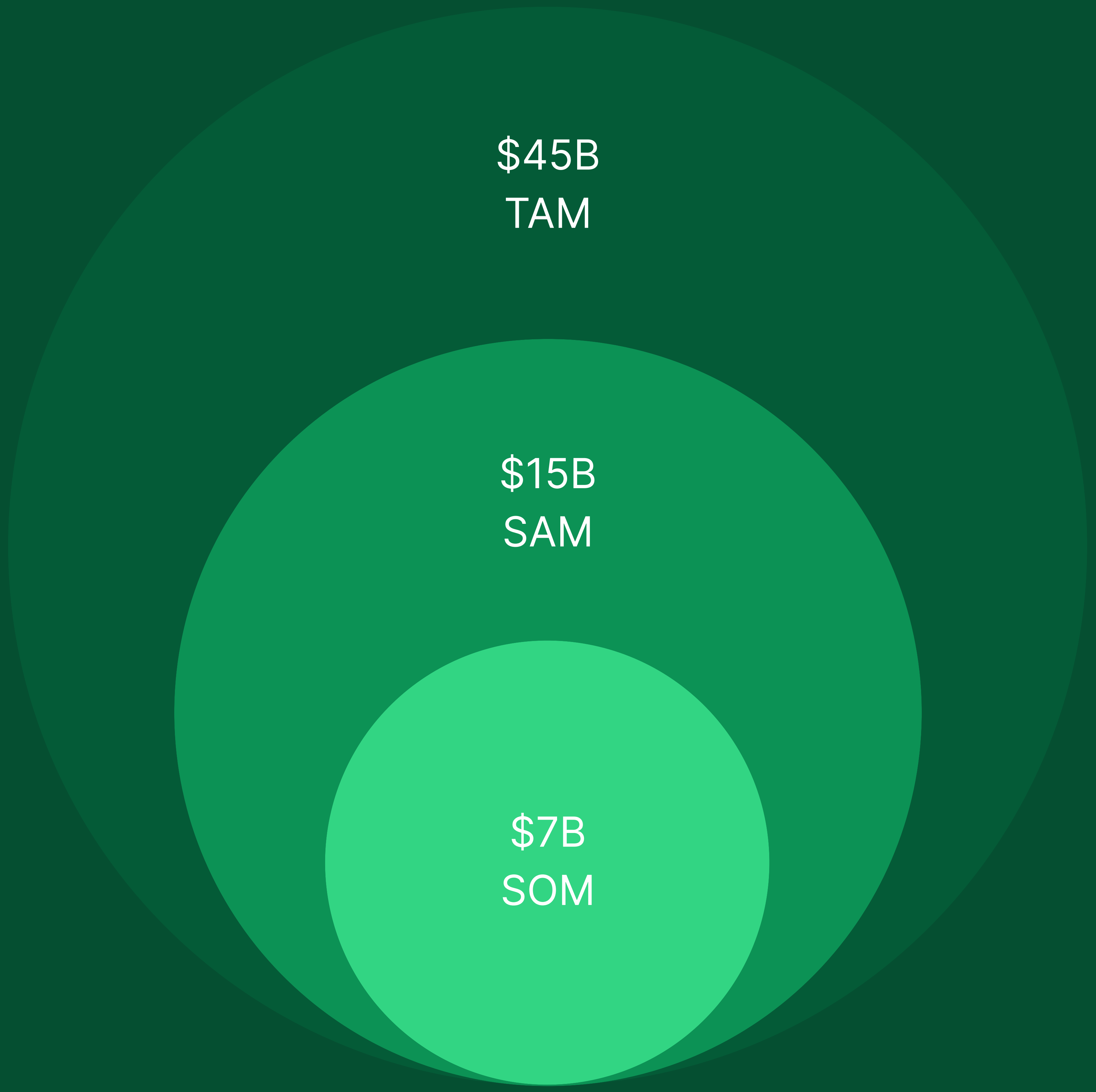
Debt:
$29,931.40 (High Interest)

Jean-Marie completed 218 activities, and earned cash-back every month.

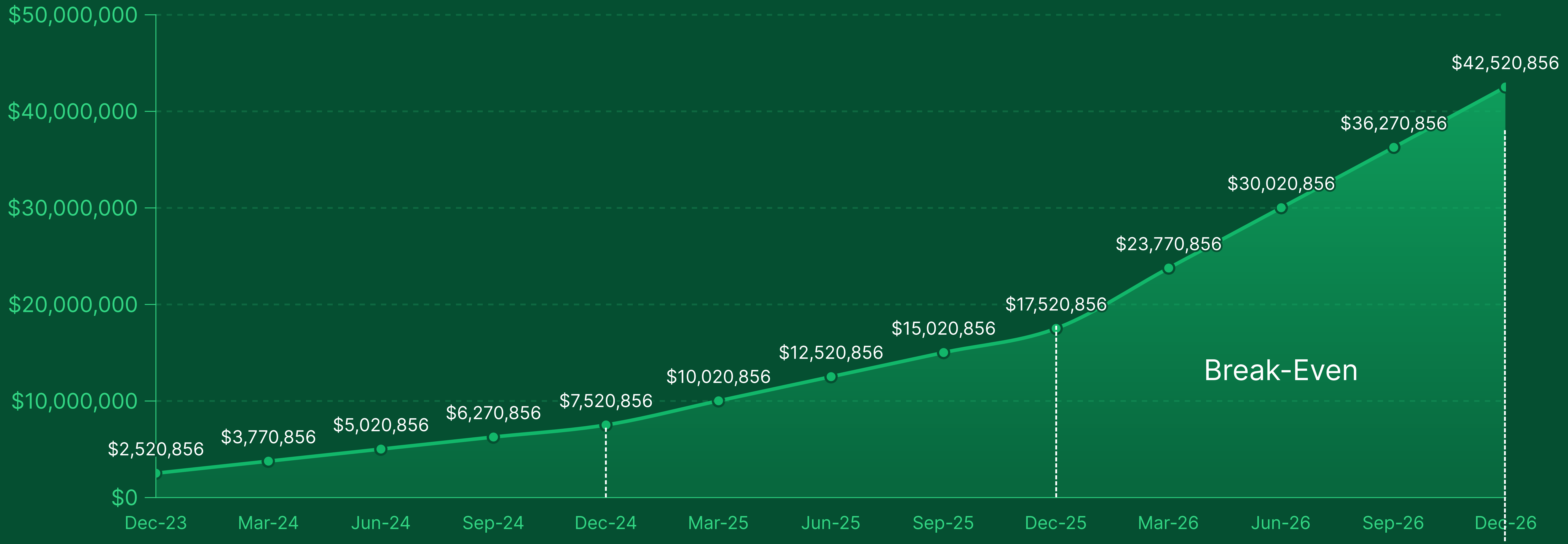
Parachute

OPPORTUNITY

There is a $45B addressable market in Canada.



PROJECTIONS



312 New Customers
$5m in loans

615 New Customers
$10m in loans

1563 New Customers
$25m in loans

MONETIZATION

How we make money.

TODAY — $2.5M in Loans (130)

Interest Revenue:	$299,424
Interest Cost: 16.5%	$170,175
Loan Losses:	$215,000
Insurance Revenue:	$2,217
Revenue Net of Interest Cost and Loan Losses:	**-$83,534**
Salaries & Benefits:	$511,849
Operational:	$338,587
Cash Back:	$2,665
Total Expenses:	**$853,101**

EBT: -$936,635

2026 — $25M in Loans (1,563)

Interest Revenue:	$7,488,280
Interest Cost: 8.25%	$1,849,513
Loan Losses:	$1,203,248
Insurance Revenue:	$90,424
Revenue Net of Interest Cost and Loan Losses:	**$4,525,943**
Salaries & Benefits:	$1,953,850
Operational:	$1,492,872
Cash Back:	$29,400
Total Expenses:	**$3,476,122**

EBT: $1,049,821

NEXT STEPS

The loan is just the beginning.

Recovery → Care → Wealth

Recovery

Parachute
FinCare Coach
Freemium

TODAY

Care

Emergency Savings
Parachute Credit Card
Parachute + (Prime/Super Prime)
Mortgages

2024/2025

Wealth

FHSA
RESP
TFSA
RRSP

2026

RESULTS

After just 18 months.

LOANS
$2.5M+

CUSTOMERS
165+

EARNED CASH-BACK
72%+

COMPLETED ACTIVITIES
88%

MONTHLY ENGAGEMENTS
9+

Our strategy utilizes a mix of B2B2C & B2B through a growing list of partners & platforms.

B2B2C

- Borrowell
- credit karma
- ClearScore
- LoanConnect
- smarter.loans

CAC: Yearly average ~ $750 per funded deal; target of $500 by year-end

B2B

- Credit Unions (in progress)
- Utilities (in progress)
- Banks

CAC: Estimated to be ~ $250 per funded deal

COMPETITION

We're building a defensible moat.

Parachute is what other loan companies aspire to become.

	Parachute	Easy Financial	Fairstone	Payday Lenders	High Int Credit Cards
Rate Range (unsecured)	**24.9% - 29.9%**	35.0% - 49.9% Advertise (29.9% - 49.9%)	33.0% - 39.9% Advertise (26.9% - 49.9%	$15/$100 (400%)	19.9% - 26.99%+
Loan Amount	**Up to $25k**	Up to $20k	Up to $25k	$120-$1500 ($15k)	Varies
Infrastructure (Cost Structure)	**Online**	Online & Branch	Online & Branch	Online & Branch	Online & Branch
Financial Health Coaching	✓	X	X	X	X
Rewards (Healthy)	✓	X	X	X	X
Trust (Personal)	✓	?	?	?	?
		$3.5B portfolio 4% market share	Est $7B portfolio Est 8% market share		

COMPETITION

We're building a defensible moat.

Parachute is what other loan companies aspire to become.

	Parachute	
Rate Range (unsecured)	24.9% - 29.9%	Lower interest rates—up to 17% better!
Loan Amount	Up to $25k	Larger loan amounts
Infrastructure (Cost Structure)	Online	Highly profitable digital model
Financial Health Coaching	✓	Exit path to financial health
Rewards (Healthy)	✓	Only company coaching & rewarding customers healthy habits
Trust (Personal)	✓	Unparalleled customer loyalty

Leadership

Bruce Hodges
CEO

30 yrs Fin Svc's; CEO, CIO and COO.

Sandra Nowlan
Customer Success

19 yrs Credit & Fin Cust Svc

Andrew Escobar
Head of Partnerships & Open Banking

14 yrs Digital Strategy & Open Banking
Accredited Canadian Credit Union Director

Mark Levitan
COO

30 yrs Fin Svc's strategy, product & operations.

Karen Radic
Credit

30 yrs; lending operations, credit & compliance.

Sumit Garg
CTO

25 yrs Fin Svc's IT.

Michelle Lennox
Finance

30 yrs Financial Services Finance, CPA.

Tanya Romanuk
Product

15 yrs Product Leader in Fintech.

Advisors

Michael Holland
Platform
Serial entrepreneur

Melaina Vinski
Behaviour
Neuroscience PhD

Darryl Knopp
Credit
Credit, scoring & digital banking

EXIT STRATEGY

Maximizing value and future opportunities.

PURCHASE BY STRATEGIC

- Bank, Credit Union, Near Bank
- 2024 we anticipate several key strategic B2B partners
- Investments under discussion
- 2025/2026 @ $25M of loans, we believe we will be a size that is interesting to strategics

IPO

- Near Prime/Sub Prime Loan is product #1
- Next up - mortgages, credit cards, deposit accounts, RRSP, RESP, etc
- Unique opportunity to capture more and more wallet share and eventually the full relationship
- Est 2026/2027

OUR RAISE

$3M Seed+ Priced Round

VALUATION CAP (PRE-MONEY)

$7,000,000

LEAD INVESTOR

ADDITIONAL VC & ANGEL GROUPS

Highline Beta

GTAN Golden Triangle Angel Network

GAN Georgian Angel Network

ADRENALINE AN ARCHANGEL FUND

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Summary

PROVEN MODEL

- > 88% of customers active in our platform
- avg of 9+ engagements per month.

STRONG REVENUE GROWTH

- 2022 revenue $36,300 (June - Dec)
- 2023 revenue $311,243

UNDENIABLE DEMAND

- 8M Canadians with credit scores below 720
- $7B SOM

ADDITIONAL REVENUE POTENTIAL

- through complimentary product extensions (credit card, mortgages, RRSP, RESP etc.)

NEW & UNIQUE CATEGORY

- redefining financial wellness via Ai, Machine Learning & financial planning tools
- powered by cashback rewards.

UNPARALLELED TEAM

- co-founders with > 25 years of financial services experience
- management team with unparalleled depth of knowledge.