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N Investor Update (10/4/2021)

1 message

Tue, Oct 5, 2021 at 2:34 AM

Hi everyone, hope you all had a nice summer. Since our last update, we have seen exceptional growth across the board, have hit our monthly growth goals on the head, and are riding a large wave of momentum driven by an exceptional team.

As of the end of August:

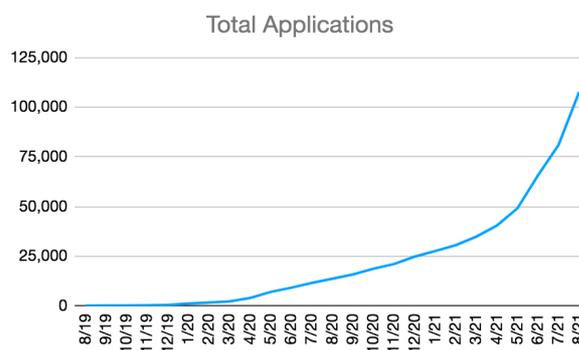
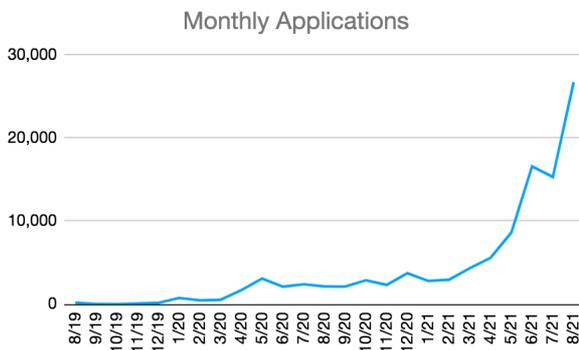
- Surpassed **107K registrations** (Growing +115% just since our last update in June, and +290% YTD).
- Hit **+27K fully opened accounts** (40% growth MOM and +453% growth YTD)
- Taking in **\$55M in deposits**, with **August** deposits alone hitting an **exponential record of \$12.9M** (+132% growth MOM and +423% growth YTD)
- **\$s transacted** has gone over **\$109M**, with **\$24.2M transacted in August alone** (+130% growth MOM and +433% growth YTD), and **monthly transaction volume** has grown **+916% YTD!**
- **Spend** has also now surpassed **\$45M**, with **August** spend alone reaching **\$10M**, (153% growth MOM and +395% growth YTD)
- Finally, our revenue trajectory is promising hitting **\$550K in ARR** growing 60% MOM, putting us on track to surpass \$1M in ARR by end of year.

As we have tested new markets, N has successfully targeted not only the 44.5 million U.S expats but also many underserved Americans and minority communities who are looking for financial simplicity, a better path to unsecured credit, and easy banking access. We will continue to evolve both our brand, positioning, product set, and defensibility to ensure we continue our path to becoming a market leader.

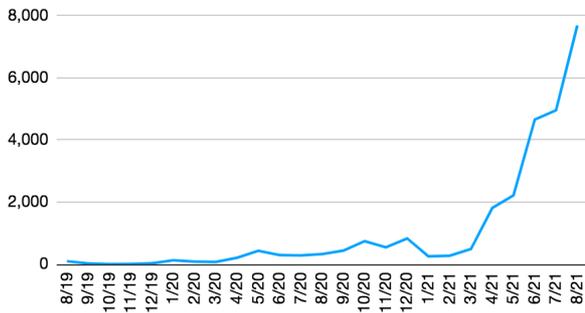
Metrics

Customer Growth

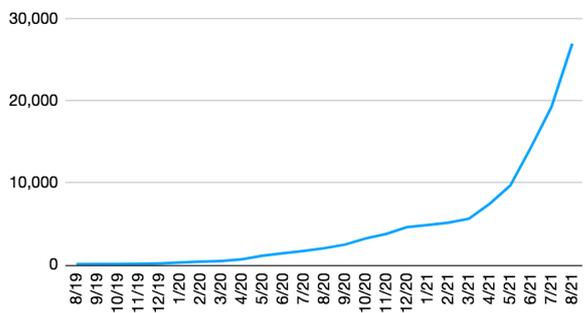
- Surpassed **107K registrations** (Growing +115% just since our last update in June, and +290% YTD). With **+27K fully opened accounts** (40% growth MOM and +453% growth YTD)



Monthly Opened Accounts



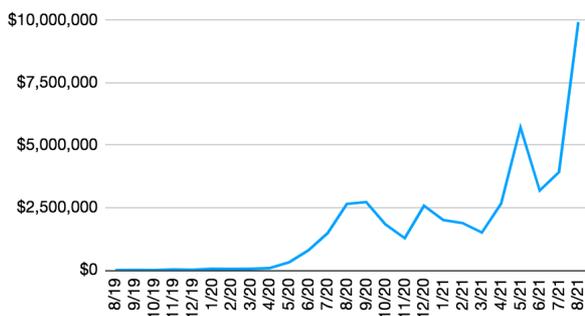
Total Opened Accounts



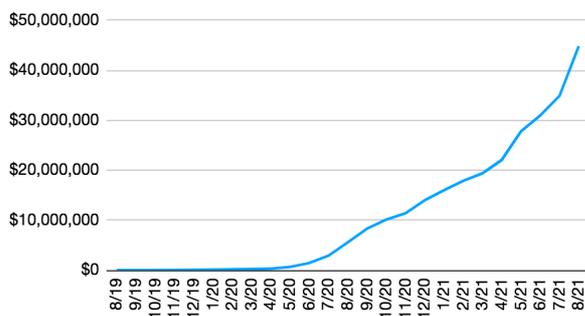
Spend Growth

- **Spend** has also now surpassed **\$45M**, with **August** spend alone reaching **\$10M**, (153% growth MOM and +395% growth YTD)

Monthly Spend



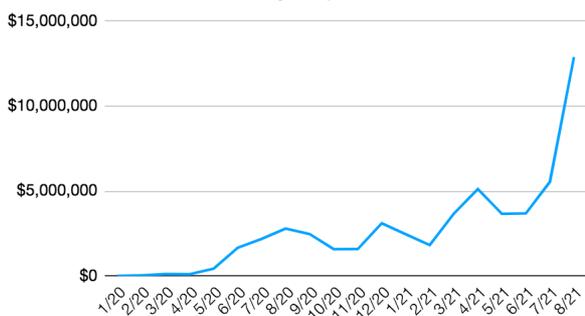
Total Spend



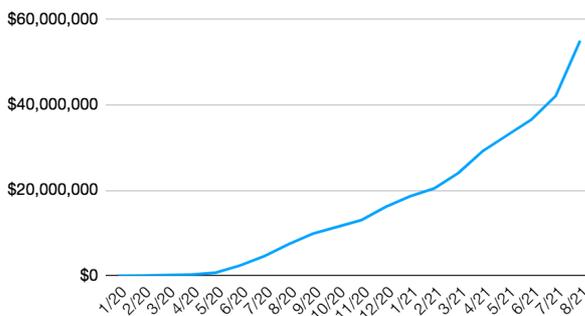
Deposit growth

- Total deposit hit **\$55M**, with **August** deposits alone reaching an **exponential record of \$12.9M** (+132% growth MOM and +423% growth YTD)

Monthly Deposits

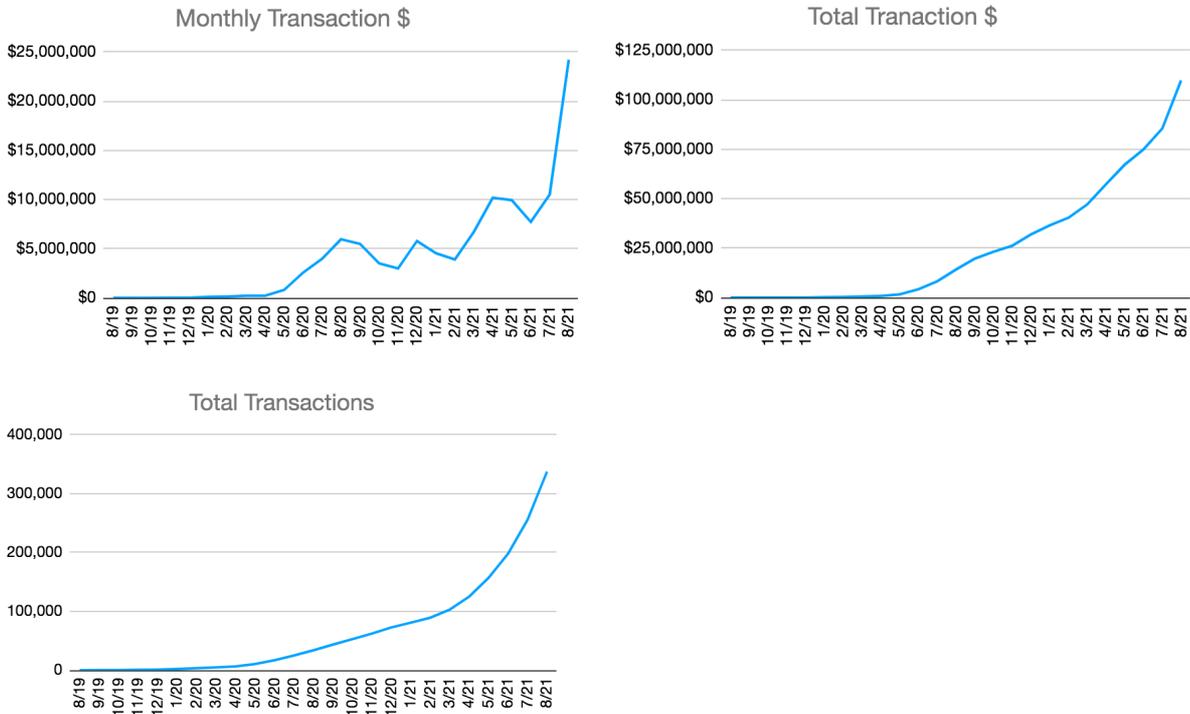


Total Deposits



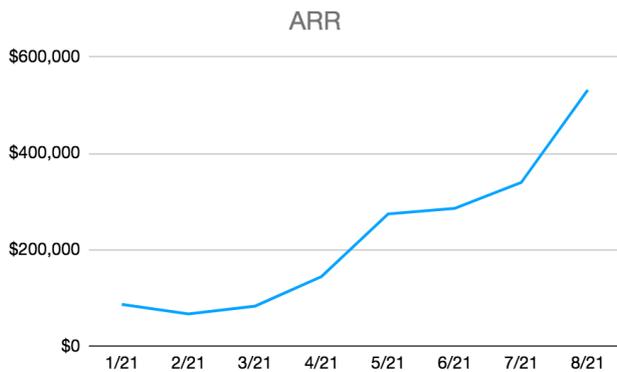
Transaction Growth

- **\$s transacted** has gone over **\$109M**, with **\$24.2M transacted in August alone** (+130% growth MOM and +433% growth YTD), and **monthly transaction volume** has grown **+916% YTD!**



Revenue Growth

- Finally, our revenue trajectory is promising hitting **\$550K in ARR** growing 60% MOM, putting us on track to surpass \$1M in ARR by end of year.



Credit

- As we move our focus towards credit, N credit card enrollments grew **+55% MOM** and over **95% of our customers have a credit card**
- Interest revenue is growing on average **120% MOM** with outstanding credit balances growing on average **70% MOM** over the last 3 months.

Burn

\$300,000 / Month

Runway

12 Months

[Series A](#)

Plan to engage in Series A conversations/introductions at the end of October and begin the active fundraising process in November with the goal to close the round by March 2022.

Help Needed

- As we begin to compile our target investor CRM, please let us know of any funds you have partner contacts with that may be interested and/or you recommend we speak to for the Series A
 - Furthermore, if you have any investor resources, databases, excel's etc that may be useful please let us know
- We will also be compiling and sending out a target list towards the end of October where we would sincerely appreciate your help with intros
- Please let us know if you know of any individuals with experience putting together Series A pitch decks and/or financial models (preferably with fintechs) that may be willing to work with us.

What Went Well

Growth Highlights

- Broke growth records across the board in August with spend and deposits growing **+153%** and **+132%** MOM respectively.
- Have started to exponentially scale out performance marketing channels, while also optimizing CPAs.
 - In August Cost per enrollment dropped 24% for Facebook and 18% for Google
 - CPA for opened accounts are currently healthy at ~\$12
- Launched new customer referrals program and have begun to scale affiliate marketing channels. Both channels are already contributing ~10% of new accounts in August.
- Launched lifecycle marketing campaigns to drive referral engagement, which have shown a +40% engagement rate
- Continued to leverage partnerships to drive growth. In addition to signing with Even Financial and inking 4 other exclusive agreements, we are starting to see previous partnerships pay off. **One partner drove 428% growth** enrollments, **494% growth** in deposits, and **1,888% growth** in spend from July to August.

Product Highlights

- **Remittance Best Rate Guarantee** (100% guaranteed cheapest in the market)
 - We are excited to announce our pioneering partnership with Wise (formerly Transferwise), which enables N to claim the best remittance rates anywhere in the market. Given our new ability to undercut rates 100% of the time, Sable's in-app remittance solution is guaranteed to be the cheapest international remittance solution in the entire U.S. Since launching marketing to existing customers on Sept 7th, our customers have already made \$300k+ in international transfers.
 - [BusinessWire](#)
 - [Yahoo Finance](#)
 - [Bloomberg](#)
- **Continuous improvements to credit**
 - Improvements to credit repayment flow, improving customer experience
- **Referrals enhancements**
 - As referrals become a bigger driver of growth, we launched a refer and referee in-app dashboard, along with in-app pop-ups and life cycle emails / notifications to keep the momentum going

- **Real-time transaction notifications**
 - For purchases, ATM withdrawals and other kinds of money movement

Challenges

1. Apple IOS Attribution
 - a. The new Apple IOS attribution issues have been challenging and have made looking at channel CPA's difficult. As a result we have taken more of a blended CAC approach, while implementing with Adjust to help attribution as much as possible.
 - i. Apple's iOS 14 was launched in Apr, and it requires new opt-in consent for advertising identifiers. According to the data, only 5% of iOS users opt-in consent for advertising identifiers. This new requirement inhibits advertisers from attributing customers by various paid channels when customers see or engage with ads. Most of the unattributed customers will become organic even though they've engaged with ads if they do not opt-in.
2. Card inventory depletion in July
 - a. Global Chip shortage in July impacted funding rate in as customers are expected to fund their cards after receiving physical cards

Whats next

Product

- "Graduation Promise" / Path to Unsecured Credit
 - Launching our "Graduation Promise" where we will provide transparent milestones to N secured credit card customers to graduate to a completely unsecured credit card, in as little as 4 months. We will become **the first in the U.S.** to launch such a program, with automated graduations taking place monthly.
- Enhanced payroll direct deposits
 - 90%+ customers will be able to - within 2 minutes - set-up (or switch) their payroll direct deposit to go into their N bank account, right through their Sable app.
- Plaid in-app flow to ease account funding process
- App and Website redesign
 - Undergoing complete UX/UI revamp of N app design, making our designs arguably the best in the fintech industry across the board. Website redesign will follow shortly after.

Growth:

- Continue to scale and optimize across affiliate, paid, referral, and partner acquisition channels
- Launch acquisition tests across various new channels including (Youtube, Snapchat, TikTok, Reddit ,and influencer)
- Build out ambassador program
- Go live with lifecycle conversion and reactivation campaigns

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Co-Chief Executive Officer

Cell:

E-mail:

WWW: