



**Stop dreaming.  
Start flying.**

**Banking and credit  
for the extraordinary**



## Building for the future - Our A Team



**Hussein Ahmed**  
**Founder & CEO**

Haas MBA, UC Berkeley  
PhD, Virginia Tech

Y Combinator 2018  
Amazon  
Transpose & Gawab



**Jonathan Consalvo**  
**Chief Compliance  
Officer**

Haas MBA, UC Berkeley

CRCM via ABA  
Treliant Risk Advisors  
(Amex, LendingClub, Square)



**Mike Garris**  
**SVP, Credit &  
Operations**

MBA Michigan Ross

Bank of America  
Prosper  
Solar Mosaic

In addition to core team: Engineering and AI from Visa, Prosper, Capital One and Apple.  
Corporate Development from MasterCard in addition to Marketing, Operations, and Customer Experience



# Building for the future - Our A Team



**Machine Learning & AI**  
 



**Data Engineering**  
PROSPER VISA 



**Business Development**  
 **worldpay**  
from FIS



**Fraud & Cyber Risk**  
 **LendingClub**



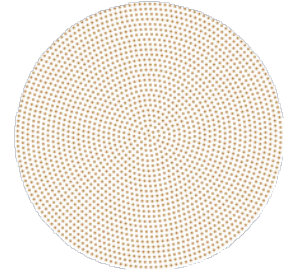
**Infrastructure**  
VISA 



**Content Marketing**  
 UNIVERSITY OF CAMBRIDGE



**Backend Engineering**  
 Tinkoff Bank



**12 Engineers Backend, iOS and Android**

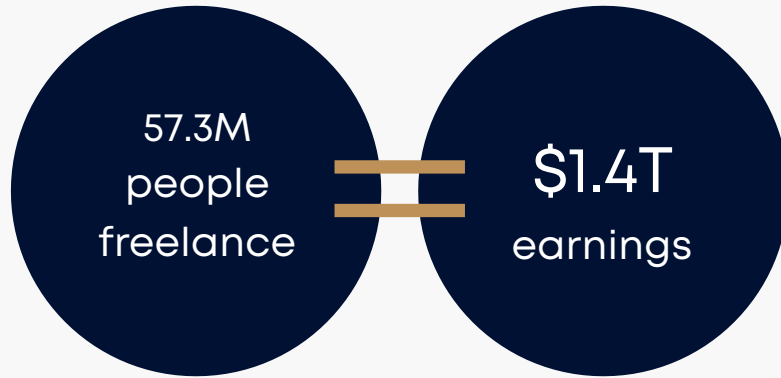


**Oxygen is the  
next generation  
financial platform**

*Built for people powering  
the modern economy*



## There are 60M freelancers **earning \$1.4T** annually



**\$69K** avg. income vs. *US median \$59K*

>**50%** of workforce by 2027

~**40%** are millennials

<**20%** would rather have a traditional job

*“Freelancers represent 35% of the total U.S. working population and could represent more than half of the country’s workforce by 2027.” - Morgan Stanley*

[www.morganstanley.com/ideas/freelance-economy](http://www.morganstanley.com/ideas/freelance-economy)



# This is Alex...



Early childhood physical therapist  
28 years old, doctorate degree holder

Independent contractor; works with hospital  
groups, clinics, and individual families

**\$70K annual income**

Denied \$10,000 credit due to no W-2

Spends **3 hours** weekly tracking and  
reconciling business expenses

## Growing segment, not low income, yet they're **not** served well..



Limited access  
to credit

No verifiable  
income, no fixed  
recurring cashflow



Comingling Personal  
& Business

Funds, accounts,  
income, expenses, and  
taxes



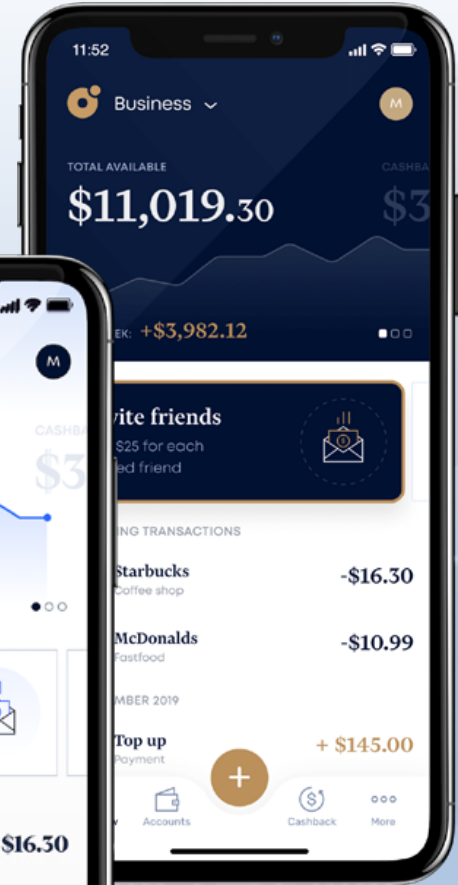
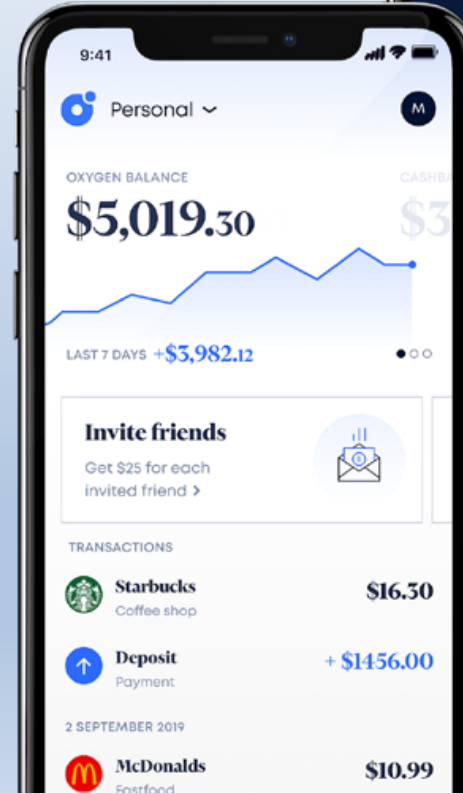
International money  
movement

Living as digital  
nomads, traveling and  
sending money home.

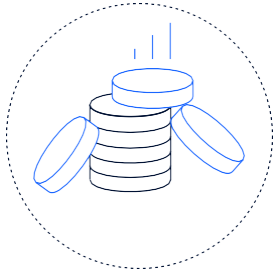


# We are a **full-service** financial platform for freelancers and businesses

Deposits, transactions, credit,  
business banking and more..

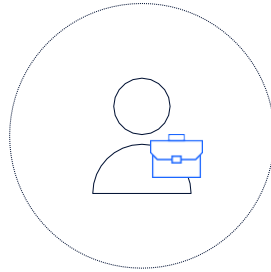


# Super serving a segment. We built features for **freelancer** needs.



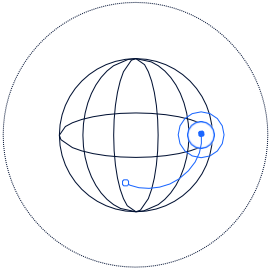
**Invoicing**

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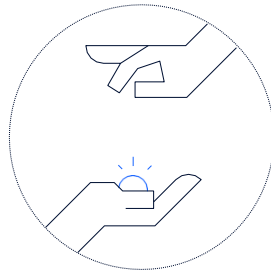
**LLC creation and  
Business Management**

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**International  
transfer**

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**Useful  
Cashback**

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# Pilot launched end of 2018 and awarded Best Digital Bank

- Proprietary Underwriting
- Seamless User Experience
- Unique Customer Acquisition
- Used a white-label Banking as a Service provider



1  
1

We took a hard decision in **April 2019** and migrated to **The Bancorp** - the same underlying infrastructure of Chime and Varo, to maximize **profitability** and **scalability**

***In 6 months we:***

- Switched to The Bancorp and Galileo
- Tuned our Proprietary Credit Modelling
- Hired the core team (*from BoA, Apple, Visa, Prosper, MasterCard, Capital One, Facebook*)
- Built out a **full** operation stack
- Closing a 100M Lending Facility
- Signed with Utah ILC bank for lending



# We are doing what a **real** bank would do, but better...

Fast, simple, and elegant  
customer experience..



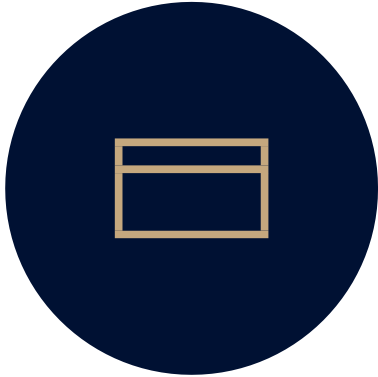
## Under the Hood

- AI-enhanced credit risk scoring
- ML-based Fraud and Operations
- KYB and full-stack business banking
- SOC2 and PCI-DSS certified to have direct Visa and payment integrations
- **Direct** relationships and integrations with **78 partners and vendors** with all operations (CIP, ATMs, Card manufacturing, payment rails, etc..)
- Mostly no revenue share, we keep it all

... powered by best in class  
infrastructure and operations  
running behind the scenes



## And we get to keep (a lot) more money!



Interchange on  
cards

100% of interchange  
1.2% to 1.35% on PoS  
transactions

*vs 0.25% w/White label*



Deposits float  
Splitting 2.25%  
interest with the  
banking partner



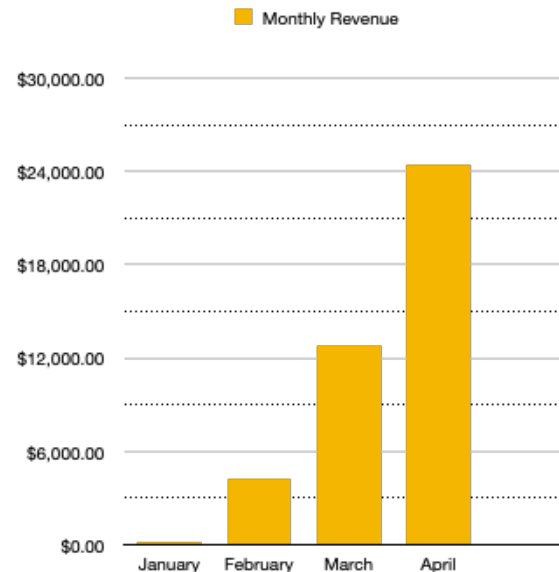
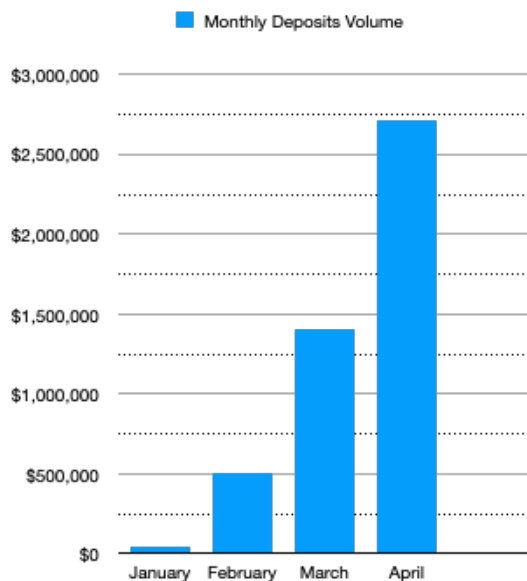
Lending  
Interest spread  
between cost  
of capital and  
customer pricing



FX trades &  
remittance  
1% on gross  
transaction volume



## And we're growing even **faster** than before..

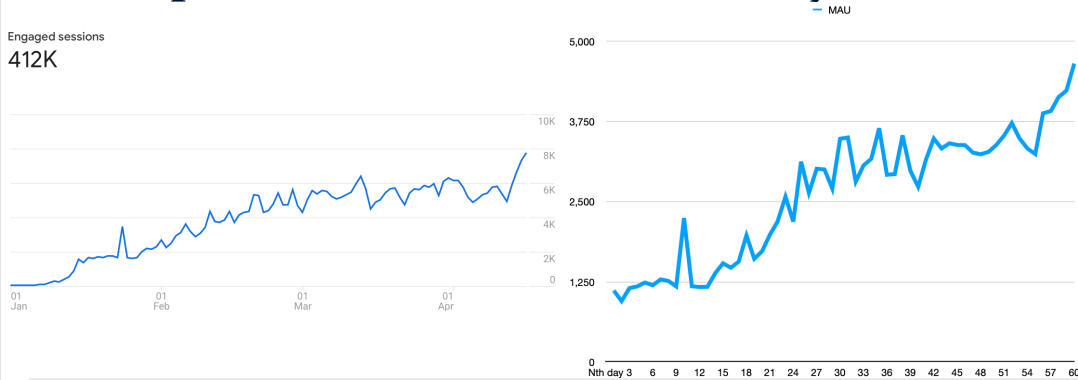


*For context:*

*SoFi Money, is acquiring ~15,000 customers per month*

# And we're growing even **faster** than before.. Despite of lockdown and economy..

Engaged sessions  
412K



Payment Volume \$ Daily

**65k**

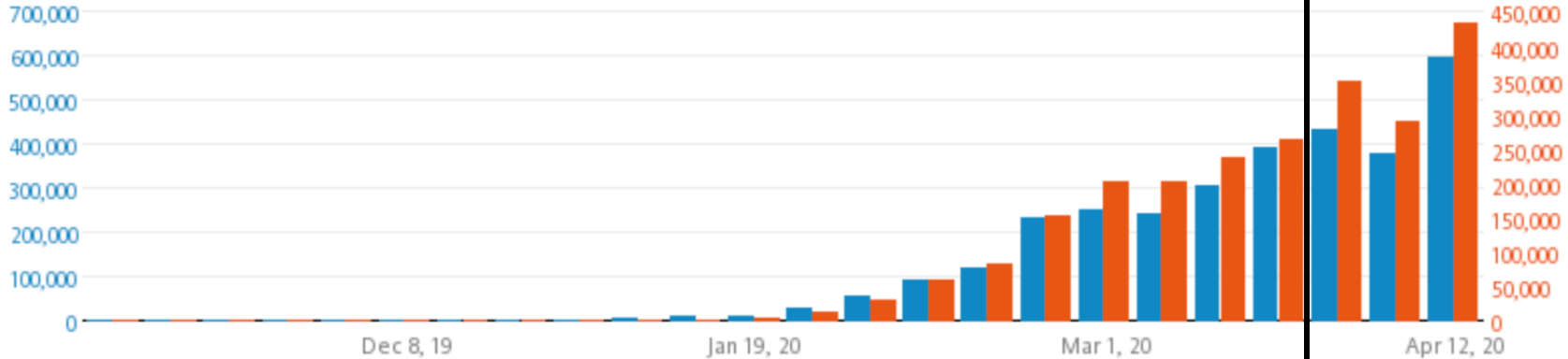
+158.6% over 30 days ago



Load \$

Transaction \$

Day Week Month



Zero \$ Ad Spend



# Product/market fit and demo-specific targeting unlocks more **efficient** customer acquisition. *Super serving a segment!*

## Targeted Campaigns

Targeting creatives (artists, musicians, designers), copywriters, real-estate agents, engineers, marketers.

## B2B2C Partners



## Organic

Given affinity, same pain points, concentrated communities, **organic accounts for 50% of signups**

**\$32**

**CAC**

**PAID**

*(vs. \$150 for peers & \$400 for incumbents)*



# Intelligent and predictive credit models paint a **complete financial picture** of customers so that we can serve them better...



- Old bank's historical data
- **90 days of banking with Oxygen**
- **AI-powered transaction & cashflow understanding**

+

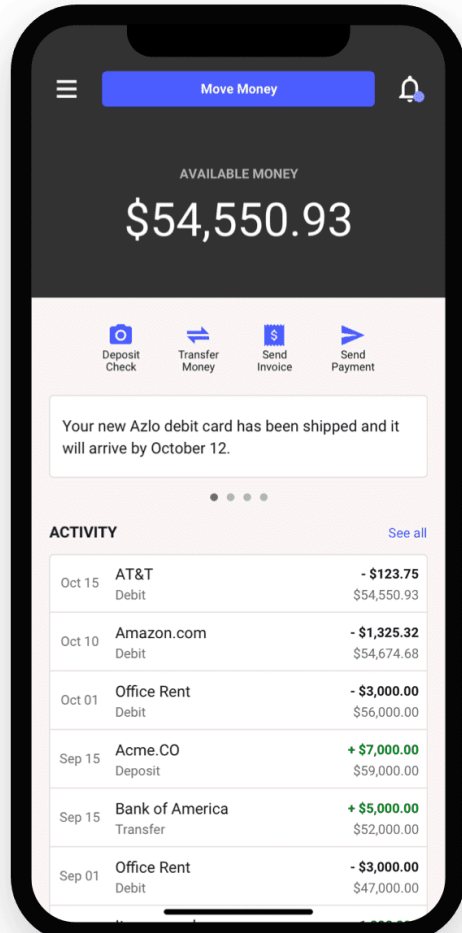


- Advanced Bureau Attributes (150+ features)
- Alternative data and signals from US and International bureaus

Proper risk modeling to unlock fair pricing

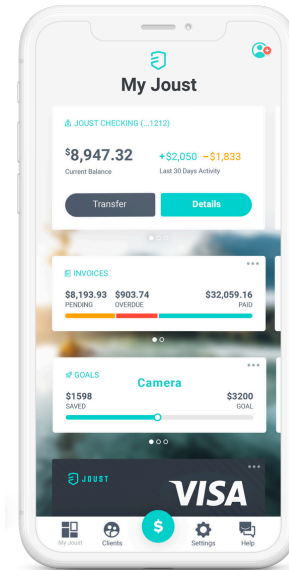


# Uninspired alternatives



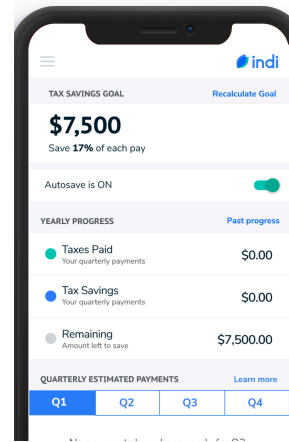
## Azlo (BBVA)

- Cannot open a consumer account without EIN.
- Dated service and experience
- No lending



## Joust

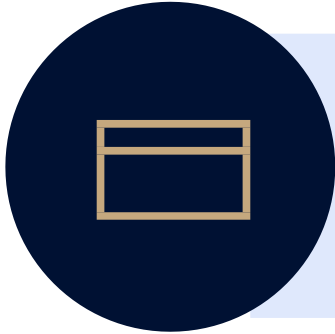
- Cannot open a consumer account without EIN.
- Cannot open a business (C-corp, S-Corp, etc.) only Sole Prop
- No lending



## PNC Indi

- A prepaid card
- Cannot open a business (C-corp, S-Corp, etc.) only Sole Prop
- No lending

## And what **business** banking means for Oxygen?



- Even higher interchange (~2x)
- Much larger transaction volume

and



- Much larger deposits
- Much less churn



*Translates to significantly higher LTV, with an even higher barrier to entry*



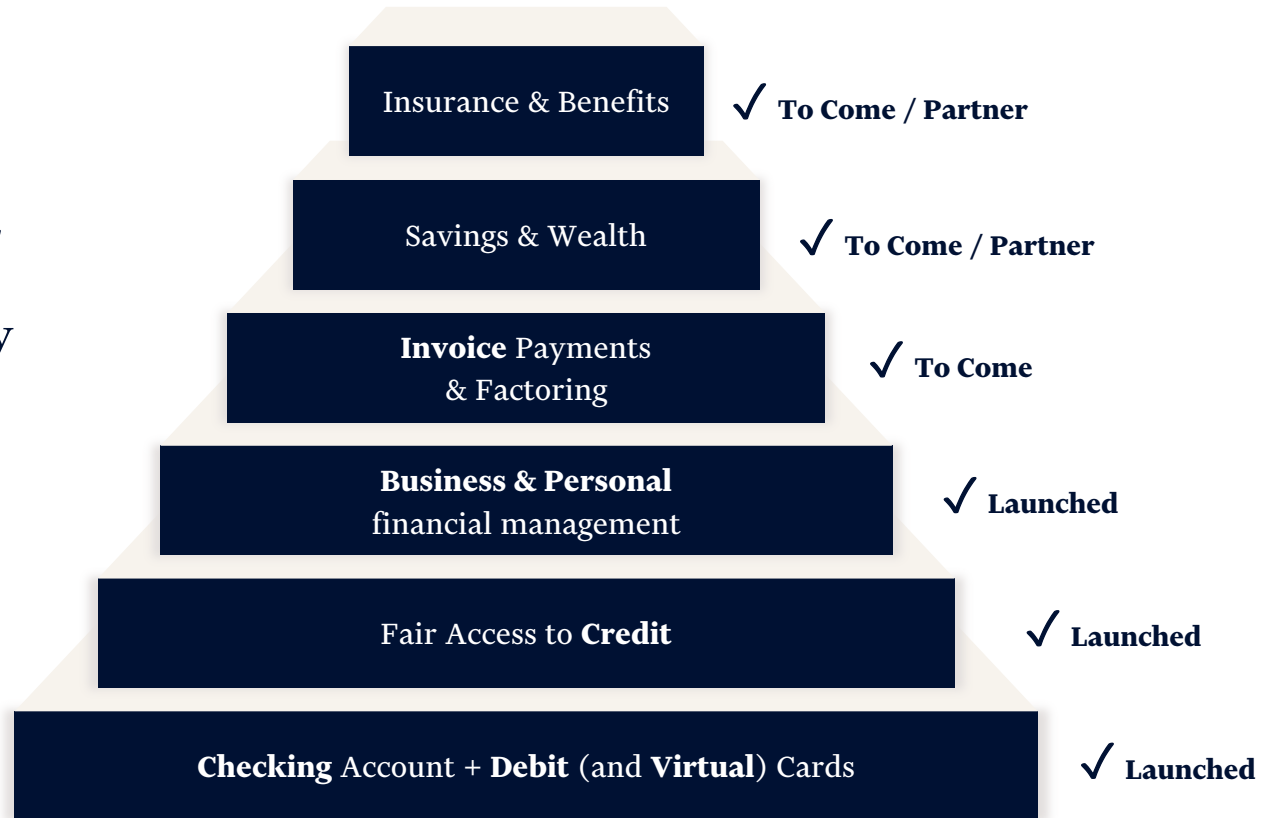
# Much stronger and diversified economics

- Going vertical then broad
- Built a strong economically viable and reliable infrastructure early
- First challenger bank to offer Personal and Business banking, in addition to large scale lending
- **Capital efficiency with super-serving a segment**
- As we grow, to expand, it's much more cost effective

# Super serving a demo, translates to much **bigger** opportunity...

**\$38B/yr**  
**Opportunity**  
**in revenue**

**2018 Revenues**  
 Capital One \$28B  
 Wells Fargo \$86B  
 Chase \$100B



# Super serving a demo, translates to much **bigger** opportunity...

Invoice details

Invoice #0004  
April 5, 2020 Draft

BILL TO

Julie Stanley  
julia.stanley@gmail.com

ITEMS/EXPENSES

- UX updates  
Item \$2350.00
- Website Photos  
Expense \$150.00
- + Add item

Subtotal \$250.00

**Total \$2600.00**

PAYMENT

Due date  
15 Apr, 2020

Payment option  
Credit card payments

REMINDER ⓘ

Automatic reminder  
If the invoice is past due

Send



# Fully relaunched in January 2020 both Personal and Business



# Timeline Recap & Financing

## Initial Launch

- YC S'18 batch
- Raised **\$2.3M**
- Launch **Sep 2018**
- \$10M Credit Facility
- Grew >45% MoM

## Platform Reboot

- Reached **25K** customers
- Got to **~900K ARR**
- Raised additional **\$5M**
- Shut down **Apr-Oct** for infrastructure migration
- Hired top-tier core team
- VPC \$100M credit facility

## Series A

- **\$5M target raise**
- US Rapid Growth
- New Lending launch
- Grow to **200,000 users**
- Get to **\$6M Run Rate**

## Beyond

- The rest of the financial products & services
- Canada and Europe expansion
- Grow team



# Banking & Credit for the Extraordinary

[husein@oxygenbank.com](mailto:husein@oxygenbank.com)



# US launch campaign



San Francisco, Jan 2020



Hello,

We wanted to let you know that a user wrote a new review for your app. You can write a reply to the user's review on the Play Console.

**New review** on Feb 29, 2020 at 11:19 PM GMT



*The package my card came in was amazing I thought I was winning an award very great presentation and amazing looking card. My new favorite bank account*

**Reply**

Sincerely,

**The Google Play team**