

FT PARTNERS FINTECH INDUSTRY RESEARCH

January 4, 2017

TANDEM

**Tandem Raises Approximately \$43 million in
Financing From**

HOUSE OF FRASER

Overview of FT Partners

- Financial Technology Partners ("FT Partners") was founded in 2001 and is the only investment banking firm focused exclusively on FinTech
- FT Partners regularly publishes research highlighting the most important transactions, trends and insights impacting the global Financial Technology landscape. Our unique insight into FinTech is a direct result of executing hundreds of transactions in the sector combined with over 15 years of exclusive focus on Financial Technology

FT Partners' Advisory Capabilities



FT Partners' FinTech Industry Research

FINTECH RESEARCH & INSIGHTS

- In-Depth Industry Research Reports
- Proprietary FinTech Infographics
- Monthly FinTech Market Analysis
- FinTech M&A / Financing Transaction Profiles



The Information

Named Silicon Valley's #1 FinTech Banker (2016) and ranked #2 Overall by The Information



Ranked #4 Most Influential Person in all of FinTech in Institutional Investors "FinTech Finance 35"



Numerous Awards for Transaction Excellence including "Deal of the Decade"

Steve McLaughlin: Founder & CEO

Tel: 415.992.8880

steve.mclaughlin@ftpartners.com

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Tandem Raises Approximately \$43 million in Financing

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Transaction Overview

Transaction Summary

- On January 4, 2017, Tandem announced it had secured a £35 million (approx. \$43.1 million) investment from UK department store House of Fraser
- The funding will be used to create an app-only banking service for House of Fraser customers, providing them with an exclusive banking tool and payment method

Transaction Commentary ⁽¹⁾

"House of Fraser is one of the great loved retail giants, with a customer-centric heritage that aligns closely with Tandem's mission and values. We're excited about the opportunity to help their loyal customers with their financial lives."

TANDEM

Ricky Knox
Founder & CEO



"House of Fraser is committed to a transformation of its business over the next five years and this new partnership is just one illustration of how we'll deliver a meaningfully different set of services to our customers."

HOUSE OF FRASER

Frank Slevin
Chairman







Tandem Overview

TANDEM

CEO:	Ricky Knox
Headquarters:	London, United Kingdom
Founded:	2013

- Tandem is an app-only challenger bank providing digital retail banking services
- The Company received its banking license in November 2015 and has rolled out its mobile app to more than 10,000 customers
- The mobile app currently offers a savings tool that lets users monitor spending on any bank account; the Company plans to launch current account and credit card products in 2017
- Tandem competes with several other recently-formed UK challenger banks, such as Atom, Starling and Monzo

Previous Equity Financings

Date	Size (\$ mm)	Key Investors
05/19/16	\$3	 (equity crowdfunding)
05/12/16	32	  

Source: Company website, PitchBook, FT Partners Proprietary Transaction Database

(1) Business Insider: "House of Fraser is planning to invest £35 million in app-only challenger bank Tandem"

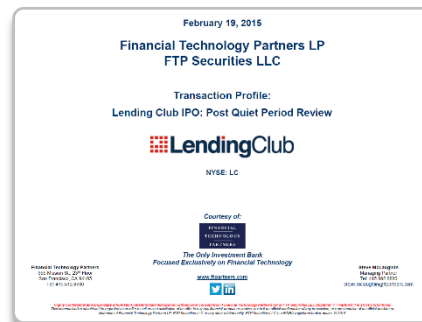
Selected FT Partners' Research – *Click to View*



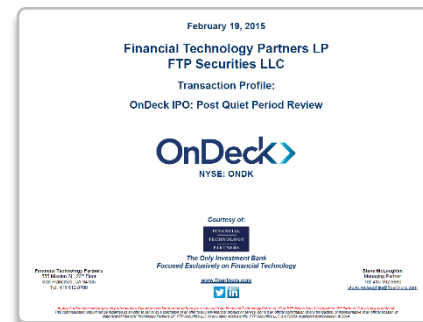
Nav Raises \$25 million in Series B Financing



Optimal Blue's Sale to GTCR



LendingClub IPO: Post Quiet Period Review



OnDeck IPO: Post Quiet Period Review



YgreneWorks Raises \$95 million in Financing



BlueVine Raises \$49 million in Series D Financing



Nubank Raises \$80 million in Series D Financing



Symantec Acquires LifeLock

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FT Partners – Focused Exclusively on FinTech

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Proven Track Record of Success Across the Banking Tech / Alternative Lending Sector



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FT Partners Advised on Three of the Largest Alternative Lending Transactions

Company	Investor(s)	Amount Raised
 SoFi	 SoftBank	\$1,000,000,000
AVANT	GENERAL ATLANTIC RRE Ventures AUGUST CAPITAL TIGER B.A.M. DFJ	325,000,000
 GreenSky™	TPG ICONIQ DST WELLINGTON MANAGEMENT	300,000,000+
AVANT	TIGER RRE Ventures DFJ KKR	225,000,000
 MOSAIC	WARBURG PINCUS CORE INNOVATION CAPITAL OBVIOUS VENTURES	220,000,000
 SoFi	THIRD POINT VENTURES AUGUST CAPITAL IIVP INSTITUTIONAL VENTURE PARTNERS WELLINGTON MANAGEMENT STAR	200,000,000
PROSPER	CREDIT SUISSE BBVA J.P.Morgan USAA BREYER CAPITAL	165,000,000
 Funding Circle	BLACKROCK TEMASEK HOLDINGS DST SANDS CAPITAL CARLISLE OFFORD	150,000,000
 Kabbage	RCP REVERENCE CAPITAL PARTNERS ING Santander InnoVentures Scotiabank*	135,000,000
 earnest	BV Bailey Ventures ADAMS STREET PARTNERS maveron	75,000,000

In addition to recent rounds for Earnest, Kabbage and GreenSky, FT Partners has advised on a number of other prominent Lending Tech / Alt Lending transactions

<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as financial advisor to</p> <p> Google Capital</p> <p>in its lead investment in</p> <p> Credit Karma</p> <p>with additional participation from</p> <p>TIGER B.A.M. Ribbit Capital</p> <p>for total consideration of approximately</p> <p>\$ 85,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as financial advisor to</p> <p> FST PSY</p> <p>in its growth financing from</p> <p>OAK HC/FT</p> <p>for total consideration of approximately</p> <p>\$ 15,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as financial advisor to</p> <p> lighter capital</p> <p>in its growth financing for total consideration of</p> <p>\$ 9,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as financial advisor to</p> <p> Upstart</p> <p>in its Series C financing led by</p> <p>THIRD POINT VENTURES</p> <p>with additional participation from</p> <p>khosla ventures</p> <p>for total consideration of approximately</p> <p>\$ 35,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>
<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as financial advisor to</p> <p> Bluebird</p> <p>in its financing, including investment from</p> <p>HIGHLAND TRINITY</p> <p>for approximately</p> <p>\$ 15,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as financial advisor to</p> <p> borro</p> <p>in its growth financing for total consideration of</p> <p>\$ 19,500,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as financial advisor to</p> <p> L2C inc</p> <p>in its sale to</p> <p>TransUnion.</p> <p>\$ 65,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as financial advisor to</p> <p> taulia</p> <p>in its investment from</p> <p>QUESTMARK PARTNERS ZOUK BBVA edbi</p> <p>for total consideration of approximately</p> <p>\$ 65,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>
<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as financial advisor to</p> <p> ELLIE MAE</p> <p>in its</p> <p>\$45,000,000</p> <p>Initial Public Offering</p> <p>valuing the equity at approximately</p> <p>\$ 146,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as financial advisor to</p> <p> CIBC</p> <p>in its strategic investment in</p> <p> Bain Capital</p> <p>for total consideration of approximately</p> <p>\$ 70,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as financial advisor to</p> <p> customcredit systems</p> <p>aportfolio company of</p> <p>TRITON PACIFIC CAPITAL PARTNERS, LLC</p> <p>in its sale to</p> <p>MISYS</p> <p>aportfolio company of</p> <p>Vista Equity Partners</p> <p>\$ 70,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as financial advisor to</p> <p> WebEquity solutions</p> <p>in its sale to</p> <p>Moody's</p> <p>\$ 70,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>

FT Partners – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

Significant Experience Advising Large Financing Rounds and “Unicorns”

FT Partners has a history of advising on some of the largest financing transactions in the FinTech space

Representing numerous FinTech “Unicorns” above \$1 billion valuations

Company	Amount Raised
 MERCURY®	\$420,000,000+
 GreenSky™	300,000,000+
 avidxchange	253,000,000
 liquidnet	250,000,000
 square trade protection plans	238,000,000
 nmi	150,000,000+
 Kabbage	135,000,000
 TradingScreen SIMPLIFYING GLOBAL MARKETS™	110,000,000+
 YAPSTONE™ POWERING PAYMENTS	110,000,000
 CHROMERIVER	100,000,000
 Credit Karma™	85,000,000
 earnest	75,000,000
 taulia	60,000,000

Selected Prominent Investors in FT Partners Led Rounds



Note: FT Partners represented investors in Dynamics (CIBC) and Credit Karma (Google Capital); some transactions include a combination of equity and smaller amount of debt financing.

Award-Winning Investment Banking Franchise Focused on Superior Client Results

FT Partners has been recognized as Investment Banking Firm of the Year and regularly achieves Merger and Financing Deal of the Year recognition



M&A Advisor Awards



Middle Market Financing Awards

2016	<ul style="list-style-type: none"> Investment Banking Firm of the Year Cross Border Deal of the Year
2015	<ul style="list-style-type: none"> Dealmaker of the Year Technology Deal of the Year
2014	<ul style="list-style-type: none"> Equity Financing Deal of the Year Professional Services Deal of the Year, Above \$100mm
2012	<ul style="list-style-type: none"> Dealmaker of the Year Professional Services Deal of the Year, Above \$100mm
2011	<ul style="list-style-type: none"> Boutique Investment Bank of the Year Deal of the Decade 10 Deal of the Year Nominations Across 9 Categories
2010	<ul style="list-style-type: none"> Upper Middle Market Deal of the Year, Above \$500 mm IT Services Deal of the Year, Below \$500mm Cross-Border Deal of the Year, Below \$500mm
2007	<ul style="list-style-type: none"> Dealmaker of the Year – Steve McLaughlin Business to Business Services Deal of the Year Computer and Information Technology Deal of the Year, Above \$100mm Financial Services Deal of the Year, Above \$100mm
2015	<ul style="list-style-type: none"> Steve McLaughlin ranked #4 in Institutional Investor's FinTech 35 List
2006 - 2008	<ul style="list-style-type: none"> Consecutively ranked (2006, 2007 and 2008) among the top Bankers in Financial Technology
2008	<ul style="list-style-type: none"> Equity Financing Dealmaker of the Year – Steve McLaughlin Information Technology Deal of the Year Financial Services Deal of the Year
2006	<ul style="list-style-type: none"> Financing Professional of the Year – Steve McLaughlin Financing Deal of the Year - Equity Financing Deal of the Year - Debt

The FT Partners Senior Banker Team

Name / Position	Prior Background	Experience / Education	Years of Experience
Steve McLaughlin <i>Founder, CEO and Managing Partner</i>		<ul style="list-style-type: none"> Formerly with Goldman, Sachs & Co. in New York and San Francisco from 1995-2002 Formerly Co-Head of Goldman Sachs' Financial Technology Group (#1 market share) Wharton M.B.A. 	21
Larry Furlong <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly with Goldman, Sachs & Co. in New York, London and Los Angeles beginning in 1995 Wharton M.B.A. 	21
Greg Smith <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly award winning Equity Research Analyst at Merrill Lynch / J.P. Morgan / Sterne Agee Recent coverage included V, MA, TSS, GPN, HPY DST, ENV, FISV, FIS, JKHY, WU & EEFT among others 	20
Steve Stout <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly with J.P. Morgan and UBS Formerly Global Head of Strategy at First Data 	18
Tim Wolfe <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly with Goldman, Sachs & Co. beginning in 2000 Started at FT Partners in 2002 40 Under 40 M&A Advisor Award Winner 2013 Harvard M.B.A. 	14
Andrew McLaughlin <i>Managing Director, Research & Business Development</i>		<ul style="list-style-type: none"> Leads FT Partners' Research and Business Development Team Formerly with Deloitte Consulting 	10