



TANDEM

Investment overview

Tandem Crowdfunding

Spring 2016

Introduction

Tandem is the next generation digital bank

The UK's
£51bn banking
industry is ripe
for disruption

We will compete
by redefining the
relationship
between the
customer, their
bank and their
money

We are a team of
proven financial
entrepreneurs
and bankers

We are licensed
with banking
systems in place
and being tested

We aim to
generate
sustained,
exceptional
returns

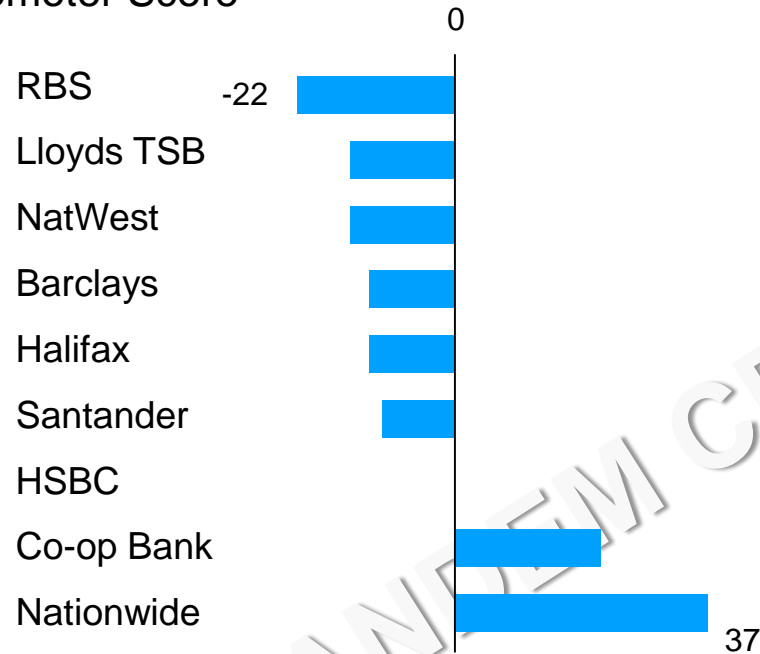
Source: Tandem, McKinsey Report 2015

Market

The banking sector in the UK is ripe for disruption

Customers are highly dissatisfied...

Net Promoter Score



Source: Bain 2014

“More than a million people switched bank in the year to March (2015), up 7% on a year ago.”

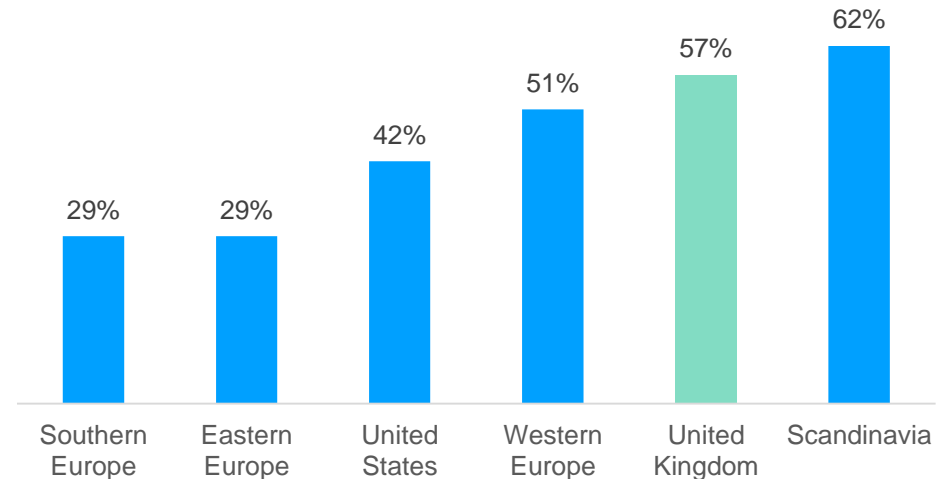
Source: Independent

...at a time when revenue is moving rapidly to digital

“...only about 10 percent of retail banking revenue is captured via online or mobile channels but this is set to rise to 30 to 60 percent by 2018 in major markets. Incumbents only have a short period to adjust to this new reality or risk becoming obsolete.”

— McKinsey, March 2015

Estimated share of new inflow revenue from digital sales in 2018



Source: McKinsey Report 2015

Founders

World-class disruptive entrepreneurs in the financial sector



Ricky Knox

Tandem Founder

- Serial entrepreneur, built multiple successful businesses
- Co-founded GSM systems, global mobile telephony network services provider
- Founded Small World Financial (global money transfer), over £4b transfers, £12m EBIT
- Founded Azimo, the leading pan-European digital remittance player
- MBA from INSEAD



Matt Cooper

Tandem Founder

- Founding team and former Principal Managing Director of Capital One Bank, currently the 5th largest bank in the US by customers
- Pioneered the use of data driven strategies
- Sold 1m Capital One credit cards in the UK during first year of operations
- Grew European operations from 1 to 2,000 people - generating over £275m in revenue
- Chairman of Octopus Investments



“We have both been successful disruptors in financial services for many years. The perfect storm of regulatory willingness, technological enablement and customer dissatisfaction make now the ideal time to launch a new bank that will redefine the industry in the UK”

Team

Management team with the best from Banking, FS, and Industry



Founder
Ricky Knox



Founded Tandem in 2013, full-time role
Founded and exited several successful Fintech businesses (Azimo, Small World)



CEO
Peter Herbert



40+ years banking experience
CEO, GE Capital restructuring
MD, Barclaycard
Strategy Director, Barclays



CFO
Steve Hulme



20+ years finance experience
CFO (Credit), PayPal
CFO Capital One, UK and International



CRO
Gavin Smyth



15+ years banking experience
Director Retail Banking, PwC
Senior Mgr, Group Risk, RBS



Chief Customer Officer
Ruth Handcock



Responsible for Tandem's customer-facing commercial activities
Global FD, Bacardi



CTO
James Greenwood



20 years technical and development experience
Digital Director, Barclays
Enterprise Architect, Egg



CPO
Nick Perrett



Responsible for Tandem's digital, financial product and design function
CEO, Jagex NA

Banking FS Industry

Source: Tandem

Team

Board and advisers provide breadth and depth of banking experience



Mike Amato

- Non-executive director on the board of Santander UK
- Head of Global Product and Distribution for Barclays (2006-11)



Heather Jackson

- CIO of Lloyds/HBOS Responsible for all IT strategy, delivery and operations - £1bn + budget and 5,500+FTE
- CIO Europe of Capital one (1999-2000) in which she grew the team from 20 – 100 FTE



John Maltby

- CEO, Williams & Glyn (2014-15)
- Group Director of Lloyds Bank (2007-12)
- Head of IT strategy and policy for NatWest Bank (1994-96)



John Llewellyn Jones

- Head of Finance, Retail Banking and Wealth Management, Europe, HSBC (2012-13)
- Chairman and Co-founder, Big Foot IT (2014-present)
- CFO of UK retail and commercial banking, HSBC (2008-12)





Team

5,000+ Co-Founders to help us build our bank

Our active community of Co-Founders is a huge asset. They are our biggest advocates and will become Tandem's first customers. They actively help us to develop our products, identify and solve consumer pain points, help us to drive referrals



Workshops

for key decisions and live product testing and feedback



Online hub

Constant engagement, research and feedback on products



Rewards

Early product access and shares in return for referrals



Events

to spread the message, provide media opportunities, drive social and community numbers

Offering

Tandem will be the customer's financial home, the bank for the Google generation

CLEAR

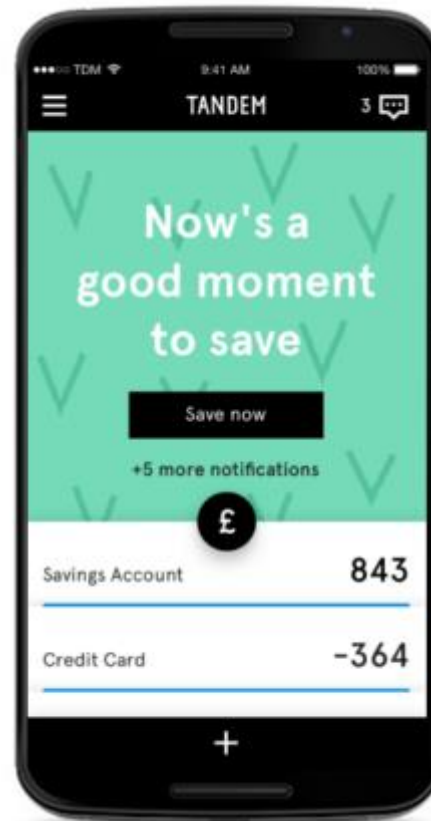
Simple, easy to read display with account aggregation and monitoring

SMART

Actively works to help customers through smart notification and offers

REWARDING

Customers projected to benefit by £1,000+ p.a. on average



EASY

Easy, multichannel onboarding and servicing with robo chat and contact centre

IN CONTROL

Customizable dashboard and interface, simple account and card management

ONE STEP

AHEAD Anticipates when customers will be low on cash

Source: Tandem, for illustration purpose only

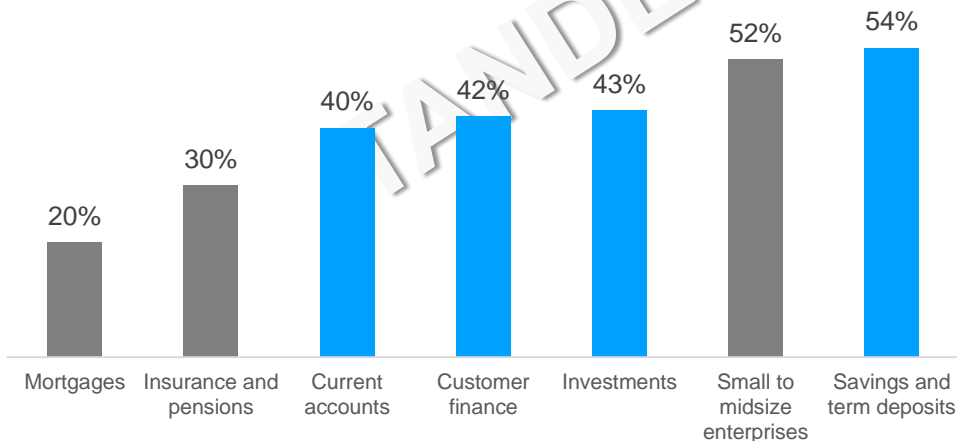
Business model

Needs-driven products address new digital revenues

Tandem has the ability to innovate and implement new products quickly

- Streamlined new product development and approval process combined with Co-Founder online platform means Tandem can innovate rapidly and be reactive to customer needs
- Marketing leading data analytics engine enables optimisation around customer behaviours

Estimated share of new inflow revenue from digital sales in 2018 by product, UK



Source: McKinsey 2015

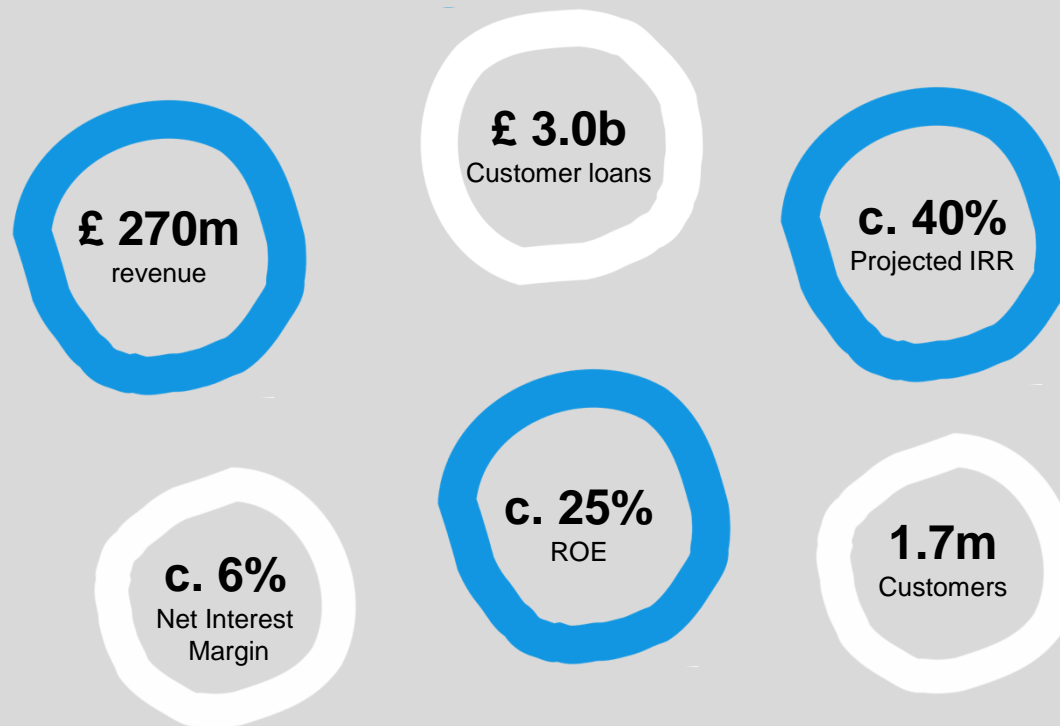
Products to serve core audience needs

- Needs based loans
- Competitive and innovative savings products
- Interactive current accounts
- Lifestyle credit cards
- Easy apply mortgages
- Products designed around individuals current finances (e.g. loan to avoid overdraft fee from other banks)

Financials

Our financial case is highly attractive*

Year 5 key financials



Source: Tandem

*Projections based on Tandem Investor Case

Conclusion

Opportunity to invest now...

Tandem has overcome the first barrier to entry: it has already been granted authorisation from the Bank of England; the team has an innovative plan to exploit the benefits of this

Tandem will re-define the relationship between the customer, their bank and their money

Tandem is led by a team of serial disrupters and bankers

Tandem is raising funds now to enable it to commence full operations. This is a unique opportunity to invest in a bank that will exploit the current situation in the UK banking market

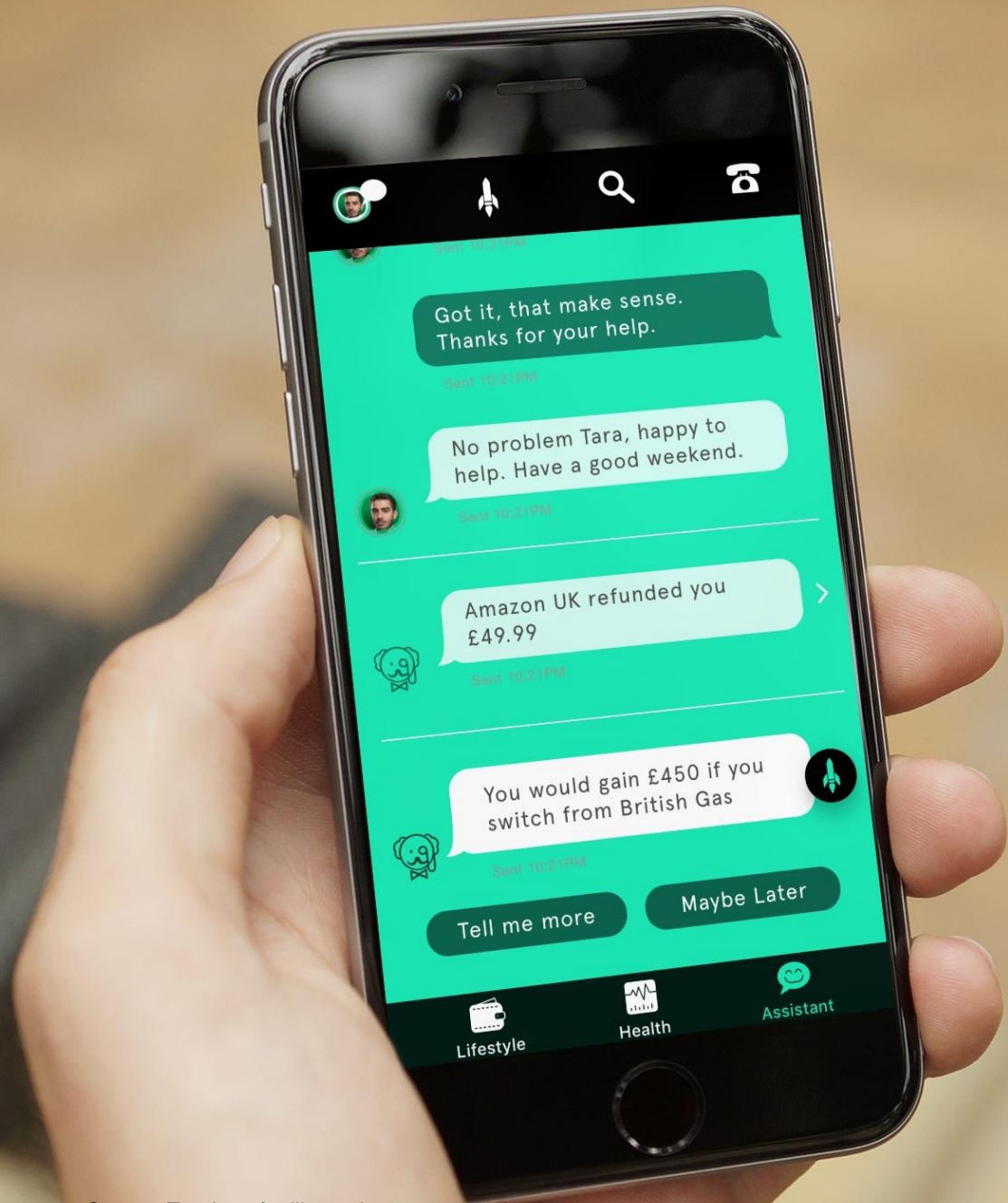
Intelligent notifications and robo advice will prompt customer behavior change and drive alternative revenue streams

Digital marketing efficiency, deep data analytics and low cost income ratios drive high ROE for investors

Disclaimer

TANDEM CROWDFUNDING

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Source: Tandem, for illustration purpose only