



Investor presentation

April 2016



Our Mission

To make the next generation of young people better at managing their money than the last



goHenry is an innovative money management & retailing platform for children & families


Children have no currency to spend in an increasingly cashless world e.g. Amazon, Steam, Xbox, App Store and many lack the tools to learn good money habits in the digital age.

We want to help children earn money, save money, spend money. We want to empower young people.

Parents can set a regular allowance, make instant one-off payments or set chores to help their children earn some extra money.

Parents also set rules that govern where and how much their children can spend.

When children purchase, their parents are notified instantly. Transparency is security.



Designed for children in collaboration with

VISA

“ An excellent way to introduce the big, bad world of spending real money ”

The Telegraph

goHenry allows parents to easily pay pocket money & set safe spending rules for children

goHenry allows parents to easily pay pocket money & set safe spending rules for children using beautifully designed mobile and web apps.

Parents can decide how much can be spent and where the card can be used (e.g. online, high street and cash machines).

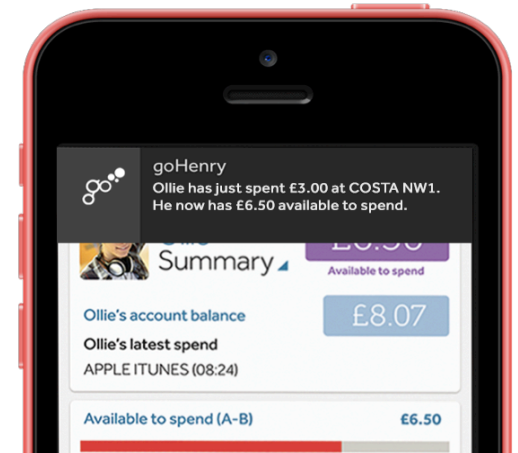
When a child makes a purchase, goHenry **interrupts** the authentication signal and runs the pre-set parent-devised rules over the proposed purchase.

Only if the purchase meets those rules, is it passed, and the child can complete their transaction.

Parents receive immediate notifications telling them when, where and how much their children have spent. Parents also receive notifications with clear reasons for declined spending where their rules were broken.

Your allowance and spending limits	
Weekly allowance	£0.00
Weekly spend limit The total you can spend in one week	£60.00
Single spend limit The maximum you can spend in one go	£30.00
Cash machine limit The maximum you can take out in one go goHenry has a daily cash machine limit of £120.00	£30.00
Where you can use your card	
High street	✓
Cash machines	✓
Online	✓
goStore what's goStore?	✗

Summary Earning Saving Spending Statement Rules



goHenry develops its own apps and rule checking technology at its London headquarters

Apps (iOS, Android, Amazon and web desktop)



Parents can

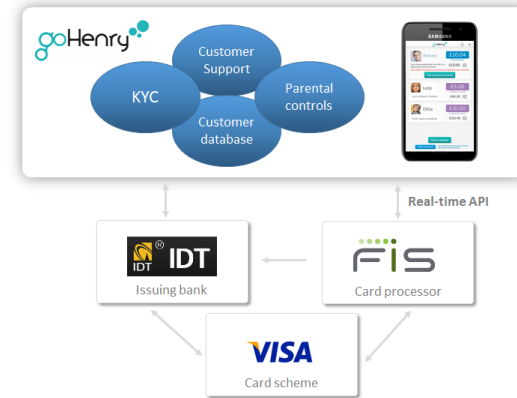
- Manage all children in one place
- Set up regular allowance transfers and make one-off immediate payments to children
- Set tasks so children can earn more
- Set spending controls (where, how much), block cards
- Receive immediate notifications when and where children spend
- Review over time how and where children are spending

Children can

- Always see how much they have available to spend, in real time
- Earn extra by completing tasks
- Spend within parent rules, anywhere Visa is accepted, including high street, online and ATM, UK and overseas
- Create wish lists and savings goals, and let goHenry automatically save towards the things kids want
- Design their own cards to make goHenry unique to them

Card technology and operating partners

goHenry manages its own customer database and develops its own website, customer registration process and mobile/web applications. goHenry also performs the **differentiated intra-transaction rule checking** against parental controls to ensure that those limits are not breached.



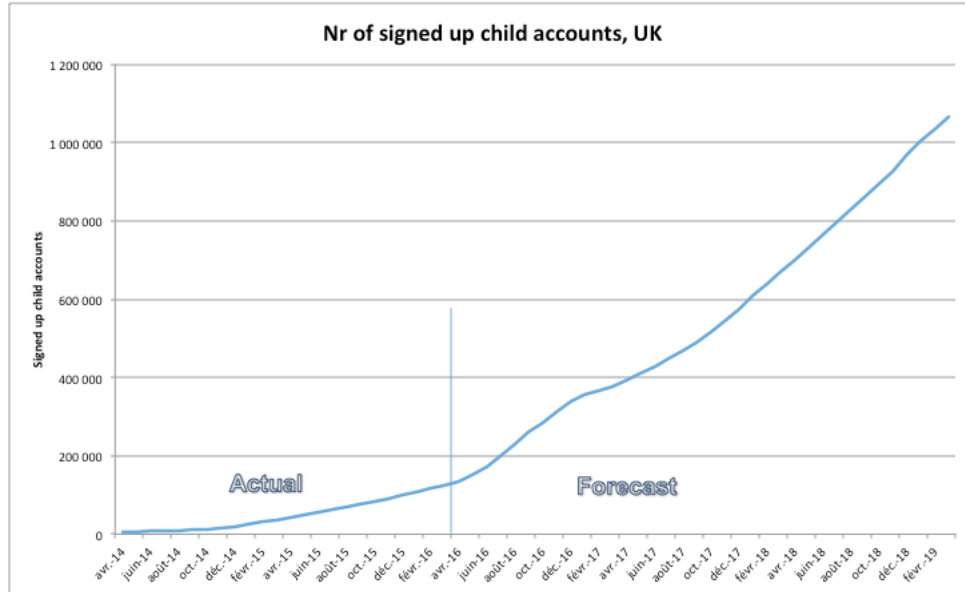
The goHenry card is licensed by **Visa** through our banking partner IDT.

IDT Financial Services is the bank that issues the cards and enables goHenry to operate an e-money service within government and industry regulations. IDT is a Visa member and issues the goHenry Visa Bank Identification Number.

FIS™ is the world's largest supplier of payment systems and operates the transaction processing systems required to operate the goHenry Visa card programme. FIS has provided a real-time interface (API) to the goHenry system that enables goHenry to add parental controls on top of the FIS standard card checks (intra transaction).

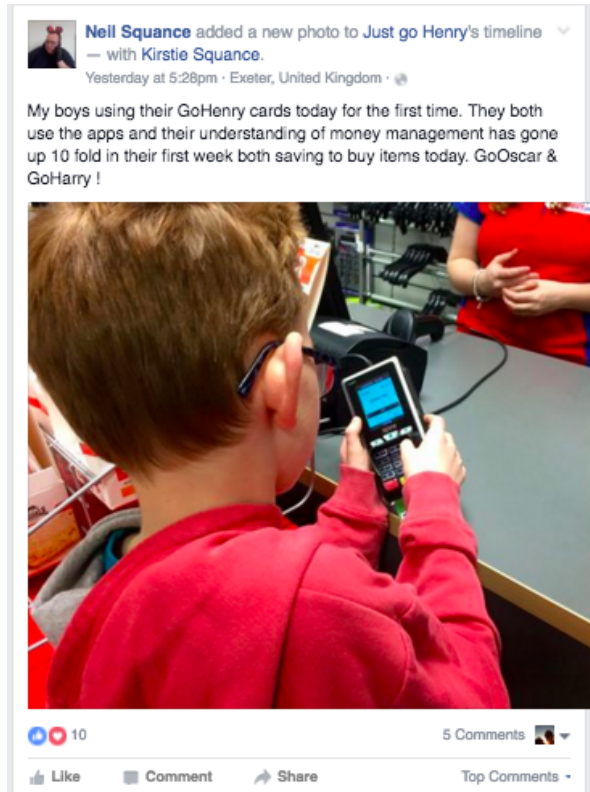
The goHenry cards are manufactured and distributed to goHenry customers by **Gemalto**, accredited by Visa and one of Europe's largest plastic card makers.

goHenry has signed up more than 135K children out of a maximum of 8m (UK)



- goHenry has made rapid progress signing up parents (and thus, children) at low & stable cost per acquisition
- Approximately 65% of UK children receive pocket money – yielding an addressable market of c.5m
- If goHenry captures c.20% of the addressable market, it can grow from today's actuals (c.135K children) to more than 1 million children in the UK
- 95% of goHenry children are aged 8-15
- Analysis confirms that goHenry customers are from a broad cross-section of society

Parents create strong 'social proof' for goHenry in ratings on AppStore & GooglePlay, and via comments on Twitter & Facebook. goHenry's NPS is 68.



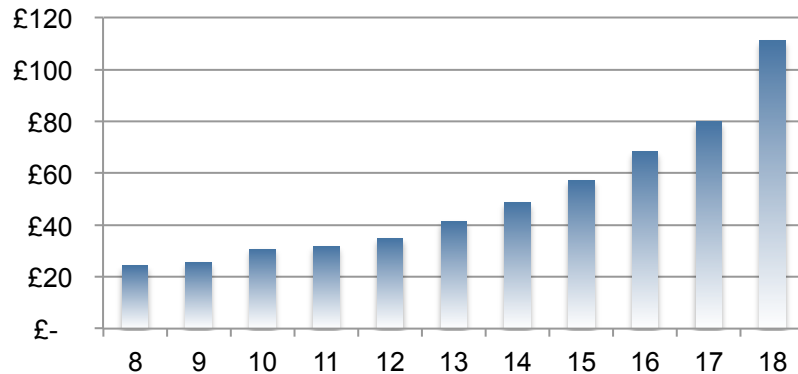
- A **5-Star** rating on the Apple AppStore, something only small minority of apps achieve
- There is a strong & growing online community of parents contributing to our Twitter & Facebook newsfeeds
- Per Satmetrix, UK banks have an average Net Promoter Score (NPS) of <20. goHenry's NPS is 68, about the same as the Apple brand*
- H2 & KPMG recognized goHenry as an Emerging Star in their 2015 FinTech100 Report



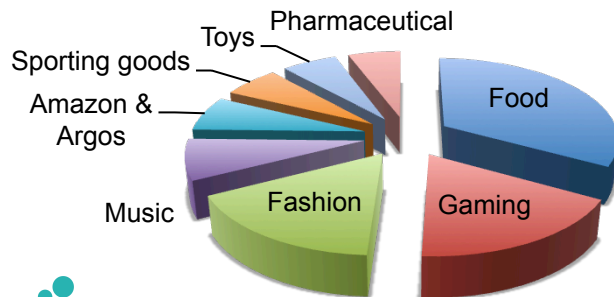
*Net Promoter Score (NPS) is an industry standard to gauge the loyalty of a company's customer relationships. It serves as an alternative to traditional customer satisfaction research and acts as a leading indicator of growth.

Children are an unrecognized economic force, directly spending £2bn annually (UK)

Monthly goHenry Pocket Money by Age Cohort



How goHenry children spend their money



- Typical monthly pocket money is c.£40, or roughly £500 per annum
- Pocket money is sourced not just from parents, but also from friends & relatives
- The total monthly retail spend through goHenry is rapidly approaching £2m
- Children shop less widely than adults, and the top 50 retailers capture significant spend
- goHenry has a huge opportunity to deliver great savings to children by working with key retailers

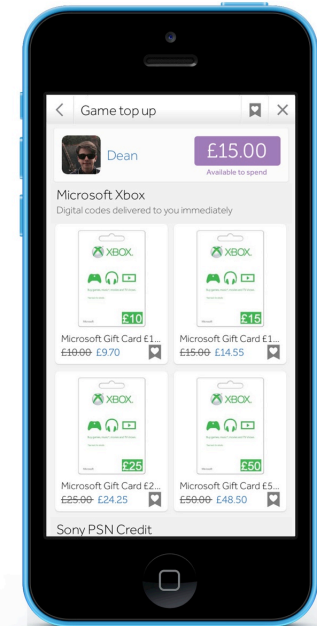
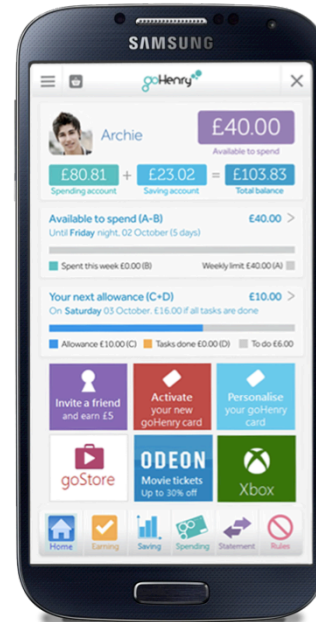
goHenry's strategy is to aggregate the combined purchasing power of children to save them money, and to reward them with retailer-specific deals.

goStore is the ecommerce area of the goHenry app - it has been created to offer children and teens a **simple and safe** way to buy the things they love and need, straight from the goHenry app. Parents can also instantly make purchases from goStore.

Safe, secure and transparent: parents are notified immediately of all purchases in the goStore, and all their spending rules apply.

Continues financial learning: young people can create wish-lists and choose to automatically save towards any item in the store, further teaching them about budgeting and money management.

Some of the brands taking part in goStore: Xbox, Nintendo, iTunes, Amazon, Vodafone, EE, T-Mobile, Orange, Virgin Mobile & Three.



goHenry's run-rate revenue is now £2m p.a., growing at 300%. A typical child account is fully paid back in 10 to 11 months.

UK P&L

Current year

UK P&L ('000£)	FY2014/15	FY2015/16	FY2016/17	FY2017/18	FY2018/19	FY2019/20	FY2020/21
Activated child a/c	28 181	85 075	261 278	472 390	773 355	951 738	1 016 986
Revenue	£225	£1,266	£5,032	£11,418	£20,735	£27,588	£31,879
Growth rate		462%	298%	127%	82%	33%	16%
Gross Profit	£344	£65	£1,126	£4,425	£8,832	£11,969	£14,515
Gross margin	-153%	-5.1%	22.4%	38.8%	42.6%	43.4%	45.5%
Marketing	£463	£521	£1,403	£1,830	£2,710	£2,400	£2,100
Overheads	£1,088	£1,173	£2,057	£2,434	£2,722	£3,214	£3,801
EBITDA	£1,895	£1,759	£2,345	£161	£3,398	£6,356	£8,614
EBITDA margin	-842%	-139%	-46%	1%	16%	23%	27%

- The UK business can break even in Q1 2017
- Primary revenue sources are membership fees, card load fees, sales of personalised cards and retail commissions
- Typically, children remain with goHenry for 5.5 years, with very low churn rates
- Growth is primarily marketing driven, requiring cash reserves to fund the 11-month payback-cycle until children are net cash-positive

NB: goHenry's fiscal year ends on March 31: FY2015/16 is now completed. Activated child accounts drive membership fee revenues. The number of activated child accounts differs from the number of signed up accounts for two reasons: 1) there is a lag between signing and activating a customer and some customers can take up to 3 months to activate; 2) a minority of parents who sign up to goHenry do not activate.

goHenry will seek to expand internationally in Q1 2017. Western European markets are quickly accessible & similar to the UK. The US market is 6x the UK market.

EU P&L, incl. UK and excl. US

Current year

Consolidated EU £000	FY2014/15	FY2015/16	FY2016/17	FY2017/18	FY2018/19	FY2019/20	FY2020/21
Activated child a/c	28,181	85 075	264,685	652,430	1,478,617	2,132,194	2,548,478
Revenue	£225	£1,266 462%	£5,108 304%	£15,238 198%	£36,952 142%	£57,263 55%	£75,196 31%
Gross Profit	-£344	-£65	£1,128	£4,723	£12,963	£22,987	£32,629
Gross margin	-153%	-5.1%	22.1%	31	35.1%	40.1%	43.4%
Marketing	£463	£521	£1,444	£3,434	£6,582	£6,552	£6,252
Overheads	£1,088	£1,173	£2,177	£2,607	£2,939	£3,430	£4,017
EBITDA	-1,895	-£1,759	-2,493	-1,318	3,442	13,005	22,360
EBITDA margin	-842%	-139%	-49%	-9%	9%	23%	30%

- Most European markets can be entered with no regulatory change and minimal technical change
- Research conducted by goHenry supports the view that most Western markets resemble the UK
- New markets primarily require cash marketing rather than new operational overhead, making it efficient to expand
- This table assumes an expansion into 6 Western European markets from early 2017
- While the US market does require some technical & regulatory changes, its size is compelling. It is not included in the table.

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The UK Fintech market and goHenry's exit options

A buoyant market: Fintech investment in the UK

UK Fintech investment grew 494% between 2011 and 2015. In 2015, \$960m was invested in the Fintech space in the UK and a total of \$1.5bn was invested across Europe.

- *KMPG, the Pulse of Fintech, Global analysis of venture Fintech funding – March 2016*

GoHenry's Exit: IPO or trade sale

"Access to different exit strategies is attractive to VCs. As the level of interest from banks and insurers grows, this will mean there are far more exit strategies. It won't just be an IPO play."

- *The Pulse of Fintech, 2015 in Review: Warren Mead Global Co-Leader of Fintech, KPMG International, Partner, KPMG in the UK.*

We project that goHenry will be big enough to justify an IPO and the business will be strategic to a few key players:

- When the business reaches the scale projected in the next 5 years (c. £75m in revenue and +£20m in EBITDA), an IPO on a main stock exchange is a viable option.
- Additionally, a number of industrial players may wish to preempt that option given goHenry's ability to serve a great digital banking experience to the family unit, currently underserved by the market. Financial institutions (e.g. banks), diversified media firms, mobile telephone operators, or one of the GAFAs (Google, Amazon, Facebook, Apple) are likely to find goHenry's customer base very attractive.

A thematically similar banking business was acquired in the US for \$117m

In February 2014, BBVA, a large Spanish bank, acquired Simple, a US business which provides a modern banking experience, for \$117m (£80m) when it had 100k customers.

goHenry's valuation

On a fully diluted basis, i.e. taking into account share options given to management, the pre-money valuation is £21.01m on a price of £1.50/share. We have taken into account the following points to derive this valuation.

1. A few innovative Fintech start ups have been funded on similar pre-money valuations, and some had neither customer nor revenue

Some recent round raises by FinTech start ups with pre-money valuations of £20 to £25m

Company	Short description	Country *	Date of round	Series	Total Raise	Pre Money	# customers at round	Revenue run rate at round
Mondo	App-only bank; raised £1m on Crowdcube	UK	FEB-16	A	£6,00m	£24,0m	None	None
Simple **	Modern web banking services	USA	AUG-11	B	£6,90m	£20,4m	None	None
CARD.com	Prepaid MasterCard for mothers w/ monthly fee	USA	FEB-16	C	£3,45m	£20,8m	100 000	N/A
ABRA (Teller)	Bitcoin-enabled P2P instant remittance service	USA	SEP-15	A	£8,28m	£21,6m	None	None

* For US companies, the \$ amounts were converted into £ by applying an exchange rate of 1,45

** Simple was acquired by BBVA, a Spanish bank, in Feb-14 for \$117m (£80m).

In addition to successfully marketing an innovative product praised by its customers, goHenry's revenue streams display 2 important features:

2. HIGH GROWTH - goHenry revenues grow at +300%, which puts it at the top of the league of UK's fastest growing start ups

The company has grown at an average of 470% in the last two fiscal years and is on target to grow at 300% this fiscal year. As a point of reference, the 2015 winner of the Financial Times Fast Track reward has grown at 250% over its last three years.

3. RECURRING REVENUE – 70% of goHenry's annual revenue will be recurring

- In FY2017/18, 69% of that year's revenue will come from customers already signed to March 31, 2017; in 2018/19, this ratio will increase to 71%.
- In FY2016/17, 45% of this year's revenue will come from the customer base signed to March 31, 2016; this ratio is lower than later years' because the customer base will grow at a very high pace in FY2016/17.

Team: a strong background in product development, marketing and scaling of B2C online businesses



CEO Alex Zivoder

The last 10 years of Alex's business life have focused on scaling disruptive e-commerce B2C businesses. Previously VP & MD lynda.com EMEA (sold to LinkedIn), COO viagogo, SVP Expedia, MD Tango & Tele2 Lux. At lynda.com, EMEA's strong growth was key in LinkedIn's \$1.5bn acquisition. With viagogo, he launched a new category, ticket marketplaces, and put the company in +50 markets. At Expedia he launched them in France and led a +\$3bn business in UK/DE/FR/IT.

PhD Economics, Statistician



COO and co-founder Louise Hill

Louise co-founded goHenry. She brings +20 years of experience in running large scale customer services, warehousing, distribution and FM operations for major UK players such as Next and Debenhams. Louise is responsible for operations and customer support.



Chief Tech Officer Jeff Faubel

Jeff is an expert at building mission critical financial systems. Prior to joining goHenry Jeff was the CTO at LatentZero. He oversees the development of goHenry's processing systems, applications and interfaces to operating partners.

Contact Point:

invest@gohenry.co.uk



Executive Chairman David Roche

David spent 10 years in Expedia as President of Hotels.com & Expedia Lodging, where he grew sales to c.\$7bn and led expansion to 80 countries. He is a non-executive director at Germany's Scout24 and shareholder in e-Travel, one of Europe's largest online travel agencies. INSEAD MBA



Head of Marketing Jenny Thwaites

Jenny joined from GreenPeace where she set up new digital channels globally, reduced CpA and churn. Aside from GreenPeace, Jenny has also held other client side marketing roles.



Chief Product Officer Richard Jones

CEO of goHenry until June 2015, Richard transitioned his role to Alex. A financial technology specialist, in 1999 Richard founded LatentZero, which he sold in 2007 to Fidessa after it became global sector leader. Richard invests in early stage technology businesses. He is in charge of product design and wants to make goHenry a pioneer in youth money management.



Product & Ecommerce Director Dean Brauer

Dean has held senior digital marketing roles in leading advertising & digital agencies for clients like PlayStation, O2 and Unilever. He helped deliver brand strategies and product development initiatives. Dean is responsible for implementing the programme across product, marketing and operations, and leads our e-commerce efforts.