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Funding Circle Holdings PLC
28 September 2018

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This announcement is an advertisement for the purposes of the Prospectus Rules of the Financial Conduct Authority ("FCA") and not a prospectus and not an offer of securities for sale in any jurisdiction, including in or into the United States, Australia, Canada or Japan.

Neither this announcement nor anything contained herein shall form the basis of, or be relied upon in connection with, any offer or announcement whatsoever in any jurisdiction. Investors should not subscribe for or purchase any ordinary shares (the "**Shares**") referred to in this announcement except on the basis of information in the prospectus (the "**Prospectus**") published by Funding Circle Holdings Limited (which has been re-registered and re-named as Funding Circle Holdings plc) (the "**Company**", and together with its subsidiaries and subsidiary undertakings, the "**Group**" or "**Funding Circle**") on 19 September 2018, in connection with the proposed admission of its Shares to the premium segment of the Official List of the Financial Conduct Authority and to trading on the main market of London Stock Exchange plc. A copy of the Prospectus is available for inspection from the Company's registered office at 71 Queen Victoria Street, London EC4V 4AY and on the Company's website at corporate.fundingcircle.com/investors/prospectus.

For immediate release

28 September 2018

Funding Circle Holdings plc

Announcement of Offer Price

Following the announcement by Funding Circle on 19 September 2018 of the offer price range and the publication of the Prospectus in connection with the initial public offer of its Shares (the "**IPO**" or the "**Offer**"), Funding Circle today announces the successful pricing of the Offer at 440 pence per Share (the "**Offer Price**").

Offer Highlights

- The Offer Price has been set at 440 pence per Share.

- The Offer comprises 68,181,818 New Shares and 31,953,668 Existing Shares, representing 29.3% of the Company's issued Shares immediately following Admission, excluding the Over-allotment Option.
- Immediately following Admission, the issued share capital of the Company will be 341,805,700 Shares.
- On the basis of the Offer Price, the market capitalisation of the Company at the commencement of conditional dealings will be approximately £1,504 million, based on the number of Shares outstanding. On a fully diluted basis (including vested and unvested options), the Company's equity value would be approximately £1,595 million.
- The Offer will raise total gross proceeds of £300 million for the Company, and £141 million for the Selling Shareholders assuming no exercise of the Over-allotment Option and £185 million assuming exercise in full of the Over-allotment Option.
- An additional 10% of the total number of Shares comprised in the Offer (10,013,548 Existing Shares, equating to proceeds of £44 million) has been made available by the Over-allotment Shareholders pursuant to the Over-allotment Option.

Samir Desai, CEO and co-founder of Funding Circle, said: *"We have always believed Funding Circle would be well-suited to the public markets and today's milestone is recognition of the strength and global impact of our model. We look forward to starting this exciting new chapter for the business as we focus on growth across all markets and seek to create a better financial world for small businesses and investors. I am pleased to welcome our new shareholders and I would like to thank my fellow Circlers for all their hard work since we launched. Funding Circle is a very ambitious company and we are excited to continue growing our business over the coming years. The UK is a great place to start and grow a FinTech business and we are proud of today's accomplishment."*

Admission and Dealings

Conditional dealings in the Shares are expected to commence on the London Stock Exchange at 8.00 a.m. on 28 September 2018 under the ticker "FCH" and ISIN GB00BG0TPX62. Investors should note that only investors who applied for, and were allocated Shares in the institutional Offer or (save in certain circumstances) the Intermediaries Offer will be able to deal in the Shares on a conditional basis.

Admission is expected to become effective, and unconditional dealings in the Shares are expected to commence on the London Stock Exchange, at 8.00 a.m. on 3 October 2018.

The Pricing Statement relating to the Offer will be available free of charge at the Company's registered office at 71 Queen Victoria Street, London EC4Y 4AY. In

addition, the Pricing Statement will (subject to certain restrictions) be published on the Company's website at corporate.fundingcircle.com/investors/prospectus.

Further Information

As disclosed in the Prospectus, it is expected that, subject to Admission the Company will on or about Admission pursue a block listing application in respect of 11,953,368 Shares which may be issued in connection with the exercise of vested options in the six month period following Admission.

The Company, Heartland and all shareholders holding more than 0.25% of the issued share capital of the Company immediately prior to Admission (other than the Directors and certain other employees of the Group) will be subject to a 180 day lock-up from the date of Admission. The Directors and certain employees of the group will be subject to a 365 day lock-up from the date of Admission. The lock-ups are subject to certain customary exemptions and may otherwise only be waived with the consent of the Joint Global Co-ordinators.

It is also expected that the Company will be eligible for inclusion in the FTSE UK indices within the Technology supersector.

Enquiries

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Notes to Editors

Except where the context otherwise requires, defined terms used in this announcement have the meanings given to such terms in the Prospectus.

About Funding Circle

Funding Circle (corporate.fundingcircle.com) is a global SME loans platform, connecting SMEs who want to borrow with investors who want to lend in the UK, US, Germany and the Netherlands. Since launching in 2010, investors across Funding Circle's geographies - including more than 80,000 retail investors, banks, asset management companies, insurance companies, government-backed entities and funds - have lent more than £5 billion to over 50,000 businesses globally.

Important legal information

The contents of this announcement, which has been prepared by and is the sole responsibility of the Company, has been approved by Merrill Lynch International, Goldman Sachs International and Morgan Stanley & Co. International plc solely for the purposes of section 21(2)(b) of the Financial Services and Markets Act 2000 (as amended).

The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed by any person for any purpose on the information contained in this announcement or its accuracy, fairness or completeness.

This announcement is not for publication or distribution, directly or indirectly, in or into the United States (including its territories and possessions, any State of the United States and the District of Columbia), Australia, Canada, Japan or any other jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction. The distribution of this announcement may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for, or otherwise invest in, securities in the United States, Australia, Canada, Japan or in any jurisdiction to whom or in which such offer or solicitation is unlawful. The Shares referred to herein may not be offered or sold in the United States unless registered under the United States Securities Act of 1933 (the "**Securities Act**") or offered in a transaction exempt from, or not subject to, the registration requirements of the Securities Act. The offer and sale of Shares referred to herein has not been and will not be registered under the Securities Act or under the applicable securities laws of Australia, Canada or Japan. Subject to certain exceptions, the Shares referred to herein may not be offered or sold in Australia, Canada or Japan or to, or for the account or benefit of, any national, resident or citizen of Australia, Canada or Japan. There will be no public offer of the Shares in the United States, Australia, Canada, Japan, or elsewhere.

In any member state of the European Economic Area ("**EEA**") other than the United Kingdom (each, a "**Relevant Member State**"), this announcement and any offer if made subsequently is directed only at persons who are "qualified investors" ("**Qualified Investors**") within the meaning of the Prospectus Directive (Directive 2003/71/EC and any amendments thereto, including Directive 2010/73/EU), and any implementing measures in each Relevant Member State (the "**Prospectus Directive**").

This announcement may include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements reflect the Company's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company's business, results of operations, financial position, liquidity, prospects, growth and strategies. Forward-looking statements speak only as of the date they are made.

Each of the Company, Merrill Lynch International, Goldman Sachs International, Morgan Stanley & Co. International plc and Numis Securities Limited and their respective affiliates as defined under Rule 501(b) of Regulation D of the Securities Act ("**affiliates**"), expressly disclaims any obligation or undertaking to update, review or revise any forward looking statement contained in this announcement whether as a result of new information, future developments or otherwise.

Any subscription or purchase of Shares in the proposed Offer should be made solely on the basis of the information contained in the Prospectus issued by the Company in connection with the Offer. The information in this announcement is subject to change. Before subscribing for or purchasing any Shares, persons viewing this announcement should ensure that they fully understand and accept the risks set out in the Prospectus. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness. This announcement does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for any Shares or any other securities nor shall it (or any part of it) or the fact of its distribution, form the basis of, or be relied on in connection with, any contract therefor.

The date of Admission may be influenced by a variety of factors which include market conditions. There is no guarantee that Admission will occur and you should not base your financial decisions on the Company's intentions in relation

to Admission at this stage. Acquiring investments to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested.

Persons considering making such investments should consult an authorised person specialising in advising on such investments. This announcement does not constitute a recommendation concerning the Offer. The value of shares can decrease as well as increase. Potential investors should consult a professional advisor as to the suitability of the Offer for the person concerned.

None of Merrill Lynch International, Goldman Sachs International, Morgan Stanley & Co. International plc and Numis Securities Limited or any of their respective directors, officers, employees, advisers or agents accepts any responsibility or liability whatsoever for/ or makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of the information in this announcement (or whether any information has been omitted from the announcement) or any other information relating to the Company, its subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of the announcement or its contents or otherwise arising in connection therewith.

Each of Merrill Lynch International, Goldman Sachs International, Morgan Stanley & Co. International plc and Numis Securities Limited is acting exclusively for the Company and no-one else in connection with the Offer. They will not regard any other person as their respective clients in relation to the Offer and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients, nor for providing advice in relation to the Offer, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

Each of Merrill Lynch International, Goldman Sachs International and Morgan Stanley & Co. International plc is authorised by the Prudential Regulation Authority and regulated by the Prudential Regulation Authority and the Financial Conduct Authority in the United Kingdom and Numis Securities Limited is authorised and regulated by the Financial Conduct Authority in the United Kingdom.

In connection with the Offer, each of Merrill Lynch International, Goldman Sachs International, Morgan Stanley & Co. International plc and Numis Securities Limited and any of their respective affiliates, may take up a portion of the Shares as a principal position and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such Shares and other securities of the Company or related investments in connection with the Offer or otherwise. Accordingly, references in the Prospectus to the Shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by any of Merrill Lynch International, Goldman Sachs International, Morgan Stanley & Co. International plc and Numis Securities Limited and any of their respective affiliates acting in such capacity. In addition, Merrill Lynch International, Goldman Sachs International, Morgan Stanley & Co. International plc, Numis Securities Limited and any of their respective affiliates may enter into financing arrangements (including swaps or contracts for differences) with investors in connection with which they may from time to time acquire, hold or dispose of Shares. None of Merrill Lynch International, Goldman Sachs International, Morgan Stanley & Co. International plc and Numis Securities Limited nor any of their respective affiliates intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

In connection with the Offer, Goldman Sachs International, as stabilisation manager, or any of its agents, may (but will be under no obligation to), to the extent permitted by applicable law, over-allot Shares or effect other transactions with a view to supporting the market price of the Shares at a level higher than that which might otherwise prevail in the open market. Goldman Sachs International is not required to enter into such transactions and such transactions may be effected on any stock market, over-the-counter market, stock exchange or otherwise and may be undertaken at any time during the period commencing on the date of the commencement of conditional dealings of the Shares on the London Stock Exchange and ending no later than 30 calendar days thereafter. However, there will be no obligation on Goldman Sachs International or any of its agents to effect stabilising transactions and there is no assurance that stabilising transactions will be undertaken. Such stabilising measures, if commenced, may be discontinued at any time without prior notice. In no event will measures be taken to stabilise the market price of the Shares above the offer price. Save as required by law or regulation, neither Goldman Sachs International nor any of its agents intends to disclose the extent of any over-allotments made and/or stabilisation transactions conducted in relation to the Offer.

In connection with the Offer, Goldman Sachs International, as stabilisation manager, may, for stabilisation purposes, over-allot Shares up to a maximum of 10% of the total number of Shares comprised in the Offer. For the purposes of allowing it to cover short positions resulting from any such over-allotments and/or from sales of Shares effected by it during the stabilisation period, Goldman Sachs International will enter into over-allotment arrangements with certain existing shareholders pursuant to which Goldman Sachs International may purchase or procure purchasers for additional Shares up to a maximum of 10% of the total number of Shares comprised in the Offer (the "**Over-Allotment Shares**") at the offer price. The over-allotment arrangements will be exercisable in whole or in part, upon notice by Goldman Sachs International, at any time on or before the 30th calendar day after the commencement of conditional trading of the Shares on the London Stock Exchange. Any Over-allotment Shares made available pursuant to the over-allotment arrangements, including for all dividends and other distributions declared, made or paid on the Shares, will be purchased on the same terms and conditions as the Shares being issued or sold in the Offer and will form a single class for all purposes with the other Shares.

Information to Distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that the Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and

risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offer. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Joint Bookrunners will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Shares and determining appropriate distribution channels.