Prosper shows demand for new way in wealth management and kicks off crowdfund as St James's Place faces FTSE exit

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London, May 2024 - Founded by Nick Perrett of digital bank Tandem, Ricky Knox of Tandem and Azimo, and Phil Bungey of Nutmeg, new WealthTech platform Prosper is offering an alternative to how people save and invest.

Where other FinTechs have transformed payments, currency exchange and banking, Prosper is building a customer champion business designed to maximise people's long term wealth.

Prosper is now offering the highest interest rates available in the UK on some cash savings products and zero cost index funds from major asset managers. Since bringing ISAs, GIAs and SIPPs to its early adopters it has seen average initial transfers of around £90,000 per account on over 700 active app users. Prosper is targeting mass affluent and high net worth investors who reject the high costs and fees of legacy wealth management.

Founders of Monzo, Capital One, World First, Tandem, Azimo, Embark, Comply Advantage, and Connect, MMC and Portfolio Ventures all contributed to Prosper's initial angel round, backing the company to shake up the way people manage their wealth.

Prosper is raising a further crowdfunding to add to its recent angel and Andreesen Horowitz raise adding to the total invested capital of £4m.

"In the last couple of months testing the zero fees offer and since launching high interest cash products a few weeks ago, we can clearly see that people are waking up to how much they are paying to have their money managed. They are starting to realise these costs can literally cut their future wealth in half," said Nick Perrett, founder and CEO of Prosper.

"It's probably the largest bill you have, but never see. Our mission is to change that for millions of people."

"We also know just how much interest customers fail to get on their cash - we want to make it easier to just keep cash at top rates. We are excited to give more back to our members, helping them get more of the life they want."

And it's not just about costs, as Ricky Knox, Prosper's co-founder and Chairman notes, it's about access to the best returns, net of those charges.

"The investment universe has moved on," said Ricky. "There are less than half the number of public companies than there were 30 years ago, and over 85% of all US companies with more than $100m in revenue are not listed on the stock market. And yet the investment products we put money into haven't changed for most people!"

"Unless you're ultra wealthy you can't access these potentially higher-yielding private investment opportunities. We want to give our members that access, levelling the playing field for everyone else."

Early investors in Prosper's vision include Tom Blomfield, founder of Monzo which now has over £6bn in deposits and 7.4 million customers; and Matt Cooper, founder of Capital One Bank, one of the world's first true fintech business which he helped grow to 2 million customers and £275 million in revenue.

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Prosper's founders' prior experience lends itself to the challenge of building a wealth-tech:

Nick Perrett and Ricky Knox, built digital bank Tandem together, now with over £3bn in deposits one of the leading purpose-driven FinTechs in the UK, focused on green lending.

Phil Bungey, former COO of Nutmeg, one of the most successful digital challengers in the British wealth management market, building a customer base of over 140,000 investors, and amassing over £3.5 billion of assets under management (AUM) before being bought by JP Morgan for £700 million in 2021.

With around 14 million mass affluent and high net worth people in the UK alone getting a raw deal on the money they've earned, Prosper will be on their side, a customer champion business, helping realise the full potential of the largest financial asset they have.

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About Prosper

Prosper was founded to maximise our members' potential wealth. We provide pensions, investments and savings that have clear charges. And we keep them low.

Our members benefit from zero fee access on 30 index funds from the world's leading asset managers, zero platform fees and zero transaction fees. In the future, we will charge members a fair platform fee and low, fair and transparent fees for any other investment products we think represent great value.

The business will always be run with a lean team so that we can pass on as much value as possible to our members.

Prosper founder and CEO Nick Perrett and Chairman Ricky Knox have previously worked together building Tandem Bank. The company is backed by the founders of Monzo, Capital One and Admiral and other leaders in financial services.

As with all investing, your capital is at risk and you may get back less than you put in. Any reference to tax is subject to personal circumstance and may change in the future. We do not offer investment advice. If you are unsure about investing, please speak to an independent financial advisor before proceeding.

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