

# FT PARTNERS FINTECH INDUSTRY RESEARCH

October 4, 2022

## FINTECH CEO INTERVIEW:

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**TBC BANK**  
Group PLC

*with CEO Vakhtang Butskhrikidze*

**Digital Banking & Payments Solutions**

*The Only Investment Bank Focused Exclusively on FinTech*

San Francisco • New York • London

## TBC Bank Overview: Digital Banking & Payments Solutions

### Company Overview



CEO:	Vakhtang Butskhrikidze
Headquarters:	Tbilisi, Georgia
Founded:	1992

- TBC Bank Group Plc (LSE: TBCG) is the largest banking group in Georgia with a market capitalization of over GBP 900 million
- As part of TBC Bank Group's plan to expand internationally, TBC Bank launched its first digital banking operations in Uzbekistan in 2020, specifically focusing on consumer lending to promote growth
  - TBC UZ looks to make banking products easily accessible for individuals, small businesses and entrepreneurs
  - It offers an array of banking products including payroll, instant cash loans, and auto loans, as well as current accounts, cards, and savings accounts
- In 2019, TBC Bank Group entered into an agreement to acquire a 51% stake in LLC Inspired, operating under the brand name Payme, for approximately \$5.5 million
  - Payme provides various payment products and was the second largest payment service provider in Uzbekistan at the time of the acquisition
- In addition to TBC UZ and Payme, TBC also offers an online ticketing platform and point of sale consumer financing platform in Uzbekistan

### FinTech Ecosystem



#### TBC Bank Uzbekistan

TBC Bank's first digital bank, allowing customers to be in control of their finances through innovative payments, savings and loan products

##### Key Stats from Q2 2022:

- 2.4 million Downloads
- 1.8 million Registered Users
- ~\$82 million Deposit Portfolio
- ~\$63 million Loan Portfolio

#### Payme


High-quality payments solution that handles P2P transfers, utility payments, e-commerce payments, QR payments, invoice payments, cross border money remittances as well as loan repayments



##### Key Stats from Q2 2022:

- 2.0 million Monthly Active Users
- 3.4 thousand Active Merchants
- ~\$2.4 billion in Run-Rate<sup>1</sup> Payments Volume
- ~\$16.8 million in Run-Rate Revenue
- \$10.0 million Run-Rate Net Profit

### Selected M&A History

Date	Amount (\$mm)	Target	Target Sub-Sector
04/10/19	\$5.5		Payment Service Providers and Gateways

Source: Company website, Q1 2022 Investor Presentation

Note 1: Annualized run-rate calculated as Q2-2022 multiplied by 4

Note 2: TBC Bank Key Stats from Q2 2022 are converted at 1 USD = 2.82 GEL

## Interview with TBC Bank: Digital Banking & Payments Solutions



**TBC BANK**  
Group PLC  
**Vakhtang**  
**Butskhrikidze**  
CEO

Vakhtang Butskhrikidze is the CEO of TBC Bank Group Plc and is a leading banker in the Caucasus and Eastern European region. He has extensive strategic and financial leadership experience, having spent over 30 years in the industry. Vakhtang's expertise ranges from strategic planning and development, startup and FinTech management, M&A, equity and debt capital raising and investor relations.

***"The shared values, strong team spirit and clear visions helped us navigate through many challenges and transform into the largest banking institution in the country."***

### ***Can you tell us about your background and how you first decided to pursue a career in Banking and FinTech?***

I started working at TBC 30 years ago, back in 1992. I think it was just a pure luck. Back then, there was no banking system in Georgia, and of course, none of us had any banking experience. We were just a team of motivated young people eager to work hard. The shared values, strong team spirit and clear visions helped us navigate through many challenges and transform into the largest banking institution in the country.

### ***How have your prior experiences with the TBC Bank prepared you for building out the neobanking and FinTech businesses across Georgia and later in Uzbekistan?***

Our digitalization journey in Georgia began in 2012, when the first versions of our internet and mobile banking were launched. Ten years have passed since then and we have come a long way to create the best-in-class digital channels and make digital banking convenient, simple, and secure.

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### CEO Interview – Vakhtang Butskhrikidze

***“As the trend towards digitization intensified, we decided to create an innovative FinTech platform, Space, which challenges and redefines the traditional banking experience and strives to make banking much simpler and more appealing.”***

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Over those years, we have always led the market in terms of innovations, having pioneered the introduction of various digital solutions including P2P payments, a Georgian speaking chatbot available via Facebook messenger, as well as a voice biometric recognition system in our call center.

As a result, today around 98% of all transactions are conducted digitally, with mobile banking being the most preferred channel of communication for our customers.

As the trend towards digitization intensified, we decided to create an innovative FinTech platform, Space, which challenges and redefines the traditional banking experience and strives to make banking much simpler and more appealing. Space was introduced and tested in Georgia back in 2018. Subsequently it was launched in Uzbekistan in 2020.

The success of Space was heavily based on our previous digitalization experience: we knew what our clients wanted from the banking application, what they expected to see and how to exceed their expectations. Building upon that knowledge allowed us to create a truly innovative platform which offers a smooth, simple, and intuitive banking experience.

As a result, we created a platform which can be scaled and serve our local country operations from one geographic location, which in this case is Georgia. Space serves currently Georgian and Uzbekistan banking operations. The team of 200+ people in Georgia is developing and managing products, technology, processes, digital sales activities, and basically almost all activities which are needed to scale up the FinTech business in each country. The approach has always been to develop once and deploy many times.



### CEO Interview – Vakhtang Butskhrikidze

***“Having large population of around 35 million, a low retail loan penetration coupled with high smartphone usage, Uzbekistan seemed to be a perfect market for us to start our international expansion.”***

#### ***How did the idea of the Uzbekistan FinTech business arise and what strategic goals did TBC Bank hope to achieve?***

Space platform is a cloud-based modular solution, with flexible IT architecture, which supports fast deployment and low-cost adaptation to local regulatory requirements. From the very beginning, it was developed with the aim of using it in multiple international markets – “develop once and deploy many times”.

Having a large population of around 35 million, a low retail loan penetration coupled with high smartphone usage, Uzbekistan seemed to be a perfect market for us to start our international expansion. So, we started exploring the local market context back in 2018.

We realized that launching a greenfield Digital Bank operations is a good way to start, however, we also clearly understood that we should not wait until the bank is launched for attracting customers.

Therefore, in 2019 we acquired majority stake in one of the biggest payment apps on the market called Payme, which at that moment had approximately 1.3 million customers. The business has been profitable since we bought it. Today, Payme already serves up to 7 million registered users. This of course creates a massive synergy potential between successfully launched TBC Bank and Payme going forward.

By the end of 2020, we successfully launched our banking operations in Uzbekistan via our FinTech platform, Space. It was the first digital bank in the country, revamping the traditional banking landscape of the country. Currently, we already have 1.8 million registered users with a fast-growing retail book and deposit portfolios.

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### CEO Interview – Vakhtang Butskhrikidze

***“... we have brought together an experienced management team, which is comprised of Georgian and Uzbek professionals with vast experiences in different countries and industries.”***

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Our goal is to be the most innovative digital bank in the country serving retail and MSME customers, generating meaningful contribution towards the Group’s net profit and balance sheet growth. We plan to disclose our mid-term targets during our capital markets day <sup>(1)</sup> on 4 November 2022 in Samarkand, Uzbekistan.

***Tell us about the team that is managing the TBC FinTech assets – who is going to be driving the business to the future success?***

Our international expansion is overseen by Nika Kurdiani, Deputy CEO of TBC Bank Group PLC, who also serves as the Chairman of the supervisory board at TBC Uzbekistan and Payme. Nika has 20 years of experience in the banking industry in Central Asia, CEE and Europe. Prior to joining TBC Bank, Nika was the managing director at Kaspi Bank, a leading retail bank in Kazakhstan. Nika has been also leading our digital platform, Space, since its inception.

As for the executive team, we have brought together an experienced management team, which is comprised of Georgian and Uzbek professionals with vast experiences in different countries and industries. The CEO of TBC UZ, Nukri Tetrashvili has more than 20 years of banking experience and 10 years in senior positions at various banks, including our Azerbaijani subsidiary, TBC Kredit.

Payme is led by David Melikidze, who was the CFO of TBC Bank in Uzbekistan from the very first days of its launch and contributed massively to its success until very recently when he was appointed as the CEO of Payme. Before joining TBC in Uzbekistan, he held various positions in the FinTech and banking sphere, including nine years as a CFO of the third biggest bank in Georgia, Liberty Bank, as well as payment startups in Baltic countries.

The three founding shareholders of Payme remained with the Group having significantly contributed to Company success by sharing their vast experience and expertise.

1) The Company’s Capital Market’s Day can be accessed here: <https://www.tbcbankgroup.com/news-and-media/press-releases/news/2022/update-regarding-tbc-capital-markets-day-2022/>



### CEO Interview – Vakhtang Butskhrikidze

***“TBC UZ was the first fully digital bank to enter Uzbekistan, which certainly gave us some advantage over the competition. This means we were the first one to launch end-to-end digital products like consumer loan, deposit, digital card, etc.”***

***TBC UZ has been incredibly successful with over 2.4 million downloads to date. What key elements of the bank have set it apart from competitors in the space? Can you please elaborate on the product and tech differentiation?***

TBC UZ was the first fully digital bank to enter Uzbekistan, which certainly gave us some advantage over the competition. This means we were the first one to launch end-to-end digital products like consumer loan, deposit, digital card, etc. We also pioneered the digital sales practice in banking industry as well as 24/7 availability and service – basically, everything that is very much possible when you do your business digitally.

However, as our efforts paid off and many people became interested in our platform, other banks followed our fully digital approach. In order to maintain our edge, we realize that we need to continuously polish our value proposition by adding new product offerings, while maintaining excellent customer service and focusing on simplicity.

The former can be seamlessly achieved thanks to specifics of our FinTech platform, Space. As already mentioned, the platform has a flexible IT architecture, which supports fast deployment of new products.

Operationally, Space is run centrally by a Georgia-based team, which owns the backlog for the development of the global platform and its products, as well as business development functions and risk management, while a local team in Uzbekistan is responsible for local market business operations. This approach ensures that new products can be developed, tested, and deployed with the collaboration of Georgian and Uzbek teams in minimal time.

In parallel, in order to boost customer experience and build loyalty to the bank, we run a Happiness Center, an omnichannel service that provides customers with real-time, on-demand 24/7 consultation and welcome calls via chatbots, social media channels and Mobile/SMS texting.





### CEO Interview – Vakhtang Butskhrikidze

***“Consumers in Uzbekistan are digitalizing very quickly. As the market opens up and becomes accessible for many foreign companies, the world’s leading trends and insights are also influencing the customer choices.”***

***What are the regional / national consumer preferences and ways of doing business that fuel your strategy, especially in the light of recent liberalization within UZ?***

Consumers in Uzbekistan are digitalizing very quickly. As the market opens up and becomes accessible for many foreign companies, the world’s leading trends and insights are also influencing the customer choices. The customers want more transparency, quality, and simplicity. Basically, it all translates to User Journey and Experience design – who does that better, wins.

***TBC Bank Group acquired approximately 51% of Payme in 2019, expanding the bank’s reach into the payments vertical. What was the rationale behind this acquisition and how has it helped diversify TBC’s product suite?***

We acquired a 51% stake in Payme, a leading Uzbek payments app, in 2019. This transaction marked our first steps in the Uzbek market. The business was already profitable at the time we bought it. Through Payme, we gained an immediate access to a large customer base of 1.3 million, which enabled us to get acquainted with the Uzbek market and helped us get insights on local consumer preferences to better prepare for the rollout of TBC UZ at the end of 2020. Currently, Payme already has 7 million users and now that the bank is up and running, both companies will launch synergy programs that will allow to cross-offer the value propositions of both companies to the vast customer base.

***How has TBC Bank helped Payme to expand its business since acquisition? How does Payme plan to expand the product suite further?***

As TBC was busy with launching the greenfield digital bank, for Payme the main priority was to grow the customer base and make sure that the current revenue streams grow in line with the growth of the customer base. Payme also actively entered the merchant payment business currently serving more than 30 thousand merchants.





### CEO Interview – Vakhtang Butskhrikidze

***“In 2023, we will seriously consider exercising our option to buy the minority interest in Payme. After this we will start utilizing the synergies between two companies, however still keeping them as two separate legal entities.”***

***How does TBC Bank Group plan to drive growth of the FinTech assets in Uzbekistan in the long term? Do you plan to merge the assets or continue to develop separately? Are there operational synergies that are already in place?***

Currently, TBC UZ and Payme operate fully separately.

We believe that right now both companies have their own, different targets to pursue: TBC UZ is still expanding rapidly, and we want to allow it to grow independently at this stage; Payme already has an established user base of around 7 million registered users and works on retaining them while attracting new customers by continuously improving and adding functionality to the app.

In 2023, we will seriously consider exercising our call option to buy the minority interest in Payme. After this we will start utilizing the synergies between two companies, however still keeping them as two separate legal entities. Payme will enter various verticals including the banking one, which in turn will be provided by TBC UZ.

***Do you have any international expansion plans for the future?***

While, we do not have any specific plans at this moment, we are open to new opportunities. As already mentioned, our FinTech platform, Space, provides us with significant competitive edge by allowing us to deploy our banking operations in new markets swiftly and efficiently.

# FT Partners – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

## Selected Experience Across the BankTech Sector

<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as exclusive strategic and financial advisor to</p> <p><b>Revolut</b></p> <p>on its Series E financing led by SoftBank TIGERGLOBAL</p> <p>for a total amount of <b>\$800,000,000</b> at a valuation of <b>~\$33,000,000,000</b></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 role as exclusive strategic and financial advisor to</p> <p><b>GreenSky™</b></p> <p>on its sale to Goldman Sachs</p> <p>for total consideration of <b>~\$2,240,000,000</b></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 role as exclusive strategic and financial advisor to</p> <p><b>Truebill</b></p> <p>on its sale to ROCKET</p> <p>for total consideration of <b>\$1,275,000,000</b></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 role as exclusive strategic and financial advisor to</p> <p><b>cross river</b></p> <p>on its Series D financing led by ELDRIDGE andressen horowitz</p> <p>for a total amount of <b>\$620,000,000</b></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 role as exclusive strategic and financial advisor to</p> <p><b>upgrade</b></p> <p>on its Series F financing led by COATUE DST GLOBAL</p> <p>for a total amount of <b>\$280,000,000</b> at a valuation of <b>\$6,000,000,000</b></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 role as exclusive strategic and financial advisor to</p> <p><b>Varo</b></p> <p>on its E Round financing led by LOVE PINE CAPITAL</p> <p>for a total amount up to <b>\$510,000,000</b></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 role as exclusive strategic and financial advisor to</p> <p><b>OpenLending</b></p> <p>on its merger with Nebula Acquisition Corporation (NASDAQ: NEBU)</p> <p>sponsored by TRUE WIND</p> <p>for total consideration of up to approximately <b>\$1,700,000,000</b></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 role as exclusive strategic and financial advisor to</p> <p><b>neon</b></p> <p>on its Series D financing from BBVA</p> <p>for a total investment of <b>\$300,000,000</b></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 role as exclusive strategic and financial advisor to</p> <p><b>MAMBU</b></p> <p>on its Series E financing led by IEQT</p> <p>with participation from existing investors for a total primary amount of <b>~\$266,000,000</b> at a valuation of <b>~\$5,500,000,000</b></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 role as exclusive strategic and financial advisor to</p> <p><b>TCI</b></p> <p>on its sale to meridianlink</p> <p>a portfolio company of THOMABRAVO</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 role as exclusive strategic and financial advisor to</p> <p><b>dailypay.</b></p> <p>on its Series D financing led by CARRICK</p> <p>investing more than capital for a total amount of <b>\$175,000,000</b></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 role as exclusive strategic and financial advisor to</p> <p><b>digit</b></p> <p>on its sale to OPORTUN</p> <p>for total consideration of <b>\$238,000,000</b></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 role as exclusive strategic and financial advisor to</p> <p><b>OakNorth</b></p> <p>on the sale of a minority stake for</p> <p><b>\$270,000,000+</b></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 role as exclusive strategic and financial advisor to</p> <p><b>MoneyLion</b></p> <p>on its merger with Fusion Acquisition Corp. (NYSE: FUSE)</p> <p>post-transaction equity value <b>\$2,900,000,000</b></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 role as exclusive strategic and financial advisor to</p> <p><b>Finicity</b></p> <p>on its sale to mastercard</p> <p>for total consideration of up to <b>~\$1,000,000,000</b></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 role as exclusive strategic and financial advisor to</p> <p><b>AMOUNT</b></p> <p>on its Series C financing led by Goldman Sachs</p> <p>for a total amount of <b>\$81,000,000</b></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 role as exclusive financial advisor to</p> <p><b>BlueVine</b></p> <p>on its Series F financing led by ION</p> <p>for total consideration of <b>\$102,500,000</b></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 role as exclusive strategic and financial advisor to</p> <p><b>SWIFT   FINANCIAL</b></p> <p>in its sale to PayPal</p> <p>for approximately <b>\$200,000,000</b></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 role as exclusive strategic and financial advisor to</p> <p><b>tide.</b></p> <p>on its Series C financing led by Apax</p> <p>for a total amount of <b>\$100,000,000+</b></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 role as exclusive strategic and financial advisor to</p> <p><b>Porch</b></p> <p>on its merger with PROPTech ACQUISITION (NASDAQ: PTAC)</p> <p>for a post-transaction equity value <b>\$1,079,000,000</b></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 role as exclusive strategic and financial advisor to</p> <p><b>acima</b></p> <p>on its sale to FSC</p> <p>for total consideration of <b>\$1,650,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>

## FT Partners Advises Revolut on its \$800 million Series E Financing

### Overview of Transaction

- On July 15, 2021, Revolut announced that it has raised \$800 million in financing from Softbank and Tiger Global, valuing the business at ~\$33 billion
- SoftBank and Tiger Global join existing investors including Balderton Capital, DST, Ribbit Capital, TCV and TSG Consumer Partners
- Revolut is building the world's first truly global financial superapp to help people get more from their money
  - In 2015, Revolut launched in the UK offering money transfer and exchange; Today, more than 16 million customers around the world use dozens of Revolut's innovative products to make more than 150 million transactions a month

### Significance of Transaction

- The investment will enable the Company to further its growth plans, in particular its ongoing product innovation aimed at meeting customers' everyday financial needs and aspirations, from quick and easy global transfers, to managing everything from savings to insurance to democratizing wealth and trading
- It will also support the expansion of Revolut's offering to US customers and its entry to India and other international markets
- Revolut is now the most valuable financial superapp and the 4<sup>th</sup> most valuable private FinTech company globally

### FT Partners' Role

- FT Partners served as exclusive financial and strategic advisor to Revolut
- This transaction underscores FT Partners' deep expertise in the Consumer FinTech and Banking Tech space, as well as our successful track record generating highly favorable outcomes for high-growth, unicorn FinTech companies globally

### Financial Technology Partners LP FTP Securities LLC

*is pleased to announce its role as  
exclusive strategic and financial advisor to*

# Revolut

*on its Series E financing led by*

SoftBank TIGERGLOBAL

*for a total amount of*

# \$800,000,000

*at a valuation of*

# ~\$33,000,000,000



*The Only Investment Bank  
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## FT Partners Advises Cross River on its \$620 million Financing

### Overview of Transaction

- On March 30, 2022, Cross River announced its \$620 million Series D financing round led by Eldridge and Andreessen Horowitz
  - Cross River provides essential infrastructure enabling strategic partners to offer leading embedded payments, cards, lending and crypto solutions to customers
  - T. Rowe Price, Whale Rock, Hanaco and other investors also participated in the round
- Cross River is a leading technology infrastructure provider enabling the delivery of innovative financial solutions to millions of consumers and business
  - Built on its proprietary real-time banking core, Cross River provides essential services to the fastest growing fintech platforms
  - Cross River is the technology supporting many of the largest fintech companies in the world such as Affirm, Coinbase, Rocket Loans, Stripe, Upgrade and Upstart

### Significance of Transaction

- The capital infusion will accelerate Cross River's tech-focused growth strategy by building out embedded financial solutions, bolstering strategic partnerships and continuing plans for international expansion

### FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Cross River
- This transaction highlights FT Partners' industry-leading expertise across the Banking Tech space and its successful track record generating highly favorable outcomes for FinTech companies globally

Financial Technology Partners LP  
FTP Securities LLC

*is pleased to announce its role as  
exclusive strategic and financial advisor to*



**cross river**

*on its Series D financing led by*



ELDRIDGE



andreessen  
horowitz

*with participation from*



WHALE ROCK  
CAPITAL MANAGEMENT LLC



T.RowePrice®



Hanaco

*for a total amount of*

**\$620,000,000**



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## FT Partners Advises Varo on its \$510 million Financing

### Overview of Transaction

- On September 9<sup>th</sup>, 2021, Varo announced that it had raised \$510 million of capital in its E Round equity financing
- The E Round investment was led by Lone Pine Capital with participation from existing investors and new investors including Declaration Partners, Eldridge, Marshall Wace, Berkshire Partners / Stockbridge, and funds and accounts managed by BlackRock
- Headquartered in San Francisco, Varo is on a mission to make financial inclusion and opportunity a reality for all - by empowering people with the products and support they need to create healthy financial habits and be in control of their finances

### Significance of Transaction

- The investment will be used to further accelerate Varo's rapid customer growth and support additional investment in product and technology innovation
- In the last 13 months since obtaining its bank charter, Varo doubled its opened accounts to four million
- In addition, the company has experienced record revenue growth, unlocked new cost efficiencies, and expanded its suite of innovative financial products to include Varo Advance, a short-term line of credit, Varo Perks cashback rewards, and the forthcoming Varo Believe credit building credit card program

### FT Partners' Role

- FT Partners served as the exclusive financial and strategic advisor to Varo
- This transaction highlights FT Partners' deep domain expertise with neobanks, Banking Tech, and Consumer FinTech, as well as its successful track record generating highly favorable outcomes for high-growth FinTech companies

## Financial Technology Partners LP FTP Securities LLC

*FT Partners is Pleased to Announce its Role as  
Exclusive Financial & Strategic Advisor to*

# Varo

*on its E Round financing led by*

LONE PINE CAPITAL<sup>®</sup> 

*with participation from*

DECLARATION  
PARTNERS

ELDRIDGE

MARSHALL WACE

STOCKBRIDGE INVESTORS

BlackRock.

*for a total amount of*

# \$510,000,000

FINANCIAL  
TECHNOLOGY  
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Focused Exclusively on Financial Technology*

## FT Partners Advises Upgrade on its Series F Financing

### Overview of Transaction

- On November 16, 2021, Upgrade announced it raised \$280 million in Series F financing led by Coatue Management and DST Global with participation from Dragoneer Investment Group and existing investors
  - The round values the Company at more than \$6 billion, which represents a ~2x increase over the prior 2021 round
- Upgrade is a neobank that offers affordable and responsible credit to mainstream consumers through cards and personal loans, along with a rewards checking account that offers 2% cashback rewards to consumers on common everyday expenses and monthly subscriptions
- Upgrade has delivered over \$10 billion in affordable credit to mainstream consumers through cards and loans since inception in 2017, and is on track to deliver \$8 billion in 2021 alone
- Upgrade was recognized as the fastest growing company in the Americas by the Financial Times earlier this year, and Upgrade Card was recently recognized by Nilson Report as the fastest growing credit card in the US, marking the first time a FinTech company is listed among the top 50 US credit card issuers

### Significance of Transaction

- The investment will fuel the rapid growth of Upgrade Card, an innovative credit card that brings the low cost of responsible credit of installment lending to millions of retail locations in the U.S.

### FT Partners' Role

- FT Partners served as exclusive financial and strategic advisor to Upgrade
- FT Partners previously advised Upgrade on its Series D financing led by Santander InnoVentures in 2020 and Series E financing led by KDT in August 2021 – over this time period, Upgrade's valuation has grown over ~6x
- This transaction highlights FT Partners' deep domain expertise with neobanks and Consumer FinTech, as well as its successful track record generating highly favorable outcomes for high-growth FinTech companies globally

### Financial Technology Partners LP FTP Securities LLC

*is pleased to announce its role as  
exclusive strategic and financial advisor to*



*on its Series F financing led by*



*for a total amount of*

**\$280,000,000**

*at a valuation of*

**\$6,000,000,000**



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Focused Exclusively on Financial Technology*

## FT Partners Advises Neon on its \$300 million Series D Financing

### Overview of Transaction

- On February 14, 2022, Neon Pagamentos, S.A. (Neon) announced that it has raised US\$300 million (R\$1.6 billion) of new capital from BBVA (NYSE:BBVA) in its Series D financing round
- Neon is Brazil's first neobank dedicated to serving the underbanked Brazilian working class, offering no-fee digital accounts, credit cards, payroll/personal loans, investment services, and microentrepreneur financial services
  - Neon provides its customers with a broad menu of digital banking products, democratizing access to credit for individual workers and supporting Brazil's thriving ecosystem of microentrepreneurs (MEIs)
  - The company's "Democredit" platform, a proprietary underwriting model, leverages over 20 adaptive AI models to instantly offer credit to underbanked Brazilian workers
- Today, Neon handles more than R\$5.8 billion in monthly transactions and serves more than 15 million customers throughout Brazil

### Significance of Transaction

- Neon has a demonstrated track record of rapid growth; the transaction will enable Neon to invest in technology, marketing, new products, and capital to accelerate Neon's goal of being the best partner for the Brazilian worker
- BBVA's is one of the largest financial services institutions in Latin America, and the investment represents a continued commitment to foster top-tier fintech innovation in one of the most promising emerging markets

### FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Neon
- The transaction highlights FT Partners' industry-leading expertise and successful track record within consumer FinTech and emerging markets

### Financial Technology Partners LP FTP Securities LLC

*is pleased to announce its role as  
exclusive strategic and financial advisor to*



*on its Series D financing from*

# BBVA

*for a total investment of*

# \$300,000,000

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## FT Partners Advises Tide on its \$100+ million Series C Financing

### Overview of Transaction

- On July 12, 2021, Tide announced a \$100+ million Series C financing round
- The oversubscribed round is led by funds advised by Apax Digital (growth equity team of Apax Partners) as well as participation from existing investors Anthemis, Augmentum, Jigsaw, Local Globe / Latitude, SBI, and SpeedInvest
- Tide is the emerging leader in SME challenger banking in the UK, serving around 6% of UK businesses
  - Since launching in 2017, Tide has experienced rapid and sustained growth
  - The business more than doubled its user base in the UK in 2020
  - Now Tide holds over 350,000 members, over 400,000 business accounts and a proposition ranging from business banking to payments and accounting software
- Tide, in partnership with ClearBank, has also been awarded a total of nearly \$120 million in grants from the RBS Alternative Remedies Package

### Significance of Transaction

- The new funding puts Tide in a position to continue to develop its business financial platform, expand its market share, as well as expand globally
- Earlier this year, Tide announced that it was expanding into India, with a full launch of the platform planned for 2022

### FT Partners' Role

- FT Partners served as the exclusive strategic and financial advisor to Tide on this transaction
- The Tide transaction underscores FT Partners' deep Payments and Banking expertise, and successful track record of executing deals in Europe

### Financial Technology Partners LP FTP Securities LLC

*is pleased to announce its role as exclusive  
strategic and financial advisor to*

**tide**®

*on its Series C financing led by*

**Apax**✓  
/ DIGITAL

*for a total amount of*

**\$100,000,000+**

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## FT Partners’ Recent Awards and Recognition

### Bloomberg

#### Bloomberg

- FT Partners’ Steve McLaughlin was featured on Bloomberg / Bloomberg TV
- View the [full article](#) and watch the live [TV interview](#)



#### M&A Advisor Awards

- Technology Deal of the Year (2019)
- Cross Border Deal of the Year and Corporate / Strategic Deal of the Year (2018)
- Investment Banker of the Year (2017) – Steve McLaughlin, CEO & Managing Partner of FT Partners
- Investment Banking Firm of the Year (2016) – FT Partners



#### LendIt FinTech Industry Awards 2018:

- FT Partners wins Top Investment Bank in FinTech

### Institutional Investor



#### The FinTech Finance 40:

- Steve McLaughlin ranked #1 in 2017 and 2018

### The Information

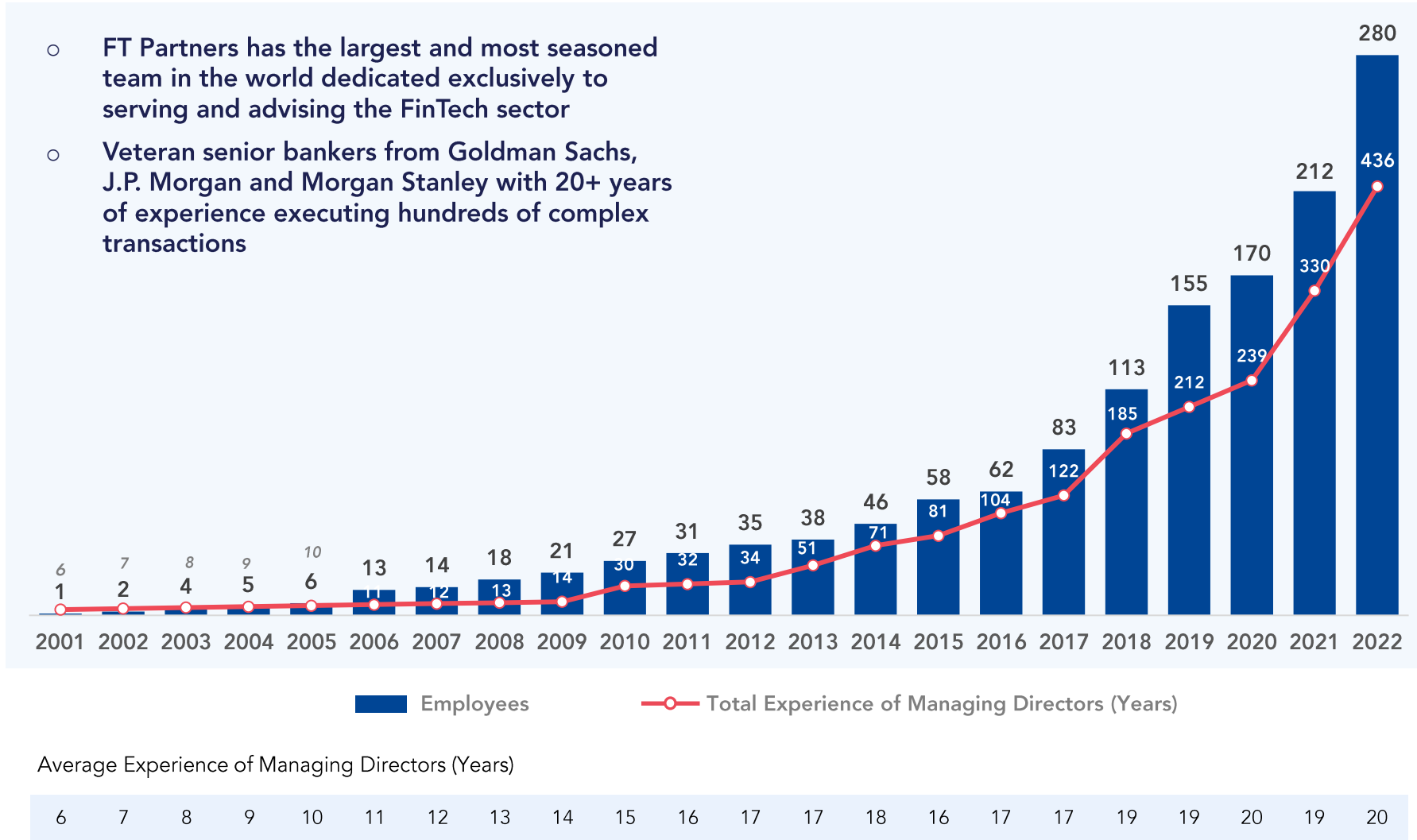


#### The Information’s “Silicon Valley’s Most Popular Dealmakers”

- Ranked as the #2 top Technology Investment Banker by The Information subscribers (2016)
- Only FinTech focused investment banking firm and banker on the list

## The Largest FinTech Advisory Practice in the World

- FT Partners has the largest and most seasoned team in the world dedicated exclusively to serving and advising the FinTech sector
- Veteran senior bankers from Goldman Sachs, J.P. Morgan and Morgan Stanley with 20+ years of experience executing hundreds of complex transactions



## FT Partners' Disclaimer

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