

# FT PARTNERS FINTECH INDUSTRY RESEARCH

July 25, 2017



**Ingenico Group (ENXTPA:ING) Acquires Bambora  
for €1.5 billion (~\$1.7 billion)**



## Overview of FT Partners

- Financial Technology Partners ("FT Partners") was founded in 2001 and is the only investment banking firm focused exclusively on FinTech
- FT Partners regularly publishes research highlighting the most important transactions, trends and insights impacting the global Financial Technology landscape. Our unique insight into FinTech is a direct result of executing hundreds of transactions in the sector combined with over 15 years of exclusive focus on Financial Technology

### FT Partners' Advisory Capabilities



### FT Partners' FinTech Industry Research

**FINTECH RESEARCH & INSIGHTS**

- In-Depth Industry Research Reports
- Proprietary FinTech Infographics
- Monthly FinTech Market Analysis
- FinTech M&A / Financing Transaction Profiles



**The Information**

Named Silicon Valley's #1 FinTech Banker (2016) and ranked #2 Overall by *The Information*



Ranked #4 Most Influential Person in all of FinTech in *Institution Investor's* "FinTech Finance 35"



Numerous Awards for Transaction Excellence including "Deal of the Decade"

Steve McLaughlin: *Founder & CEO*

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# Ingenico Acquires Bambora for €1.5 billion

## Transaction Summary

### Transaction Summary

- On July 20, 2017, Ingenico announced that it has entered into an agreement to acquire Bambora for approximately €1.5 billion (about \$1.7 billion) from Nordic Capital
  - The transaction will be financed through available cash and debt and Ingenico's financial leverage will remain below 3x EBITDA
- Bambora's 2016 gross revenue was €202 million, an implied multiple of 7.4x, and, according to equity research from J.P. Morgan Cazenove, an EBITDA multiple of around 30x
- The acquisition will allow Ingenico to continue its strategy of expanding its offering towards integrated payment systems
  - Add a direct-to-SMB sales channel for Ingenico's Retail Business Unit
  - Gain new online acquiring capabilities in Europe and specific advanced functionalities for cross border companies around the world
  - Increase online and in-store offerings around the world with a complementary footprint and addition of new gateways
- Ingenico expects that the acquisition will be significantly accretive starting in 2018
  - Organic growth profile to increase by 1 to 2% per year
  - About a 0.5% EPS accretive impact in 2018 before synergies
  - €30 million of run rate synergies to be realized over the next 3 years, for an EPS accretive impact of 0.13%
- Bambora's top management will reinvest part of their proceeds into Ingenico shares and will remain fully involved in Bambora's development with Ingenico
- The acquisition is expected to close by the end of 2017

### Transaction Commentary

*"The acquisition of Bambora represents a key milestone in our strategic plan providing a more integrated client offering and omnichannel solutions. Coupled with the investments made in our platforms and the development of new technological features, Bambora will enhance our customer centric approach and will reinforce our online and in-store positioning through a perfect complementarity. This transaction will be additive to our growth profile and will create value for our shareholders, customers and employees."*

ingenico GROUP

Philippe Lazare  
Chairman, CEO



*"With our one stop shop payment services, our cross border acquiring capabilities and our customers' digital approach, Bambora fits perfectly with Ingenico's strategic initiatives to address market evolutions and focus on merchants' needs. The combination of our scalable end-to-end solutions with Ingenico's assets will create great value to our customers by helping them to drive performance. I am very excited about pursuing our development alongside Ingenico and being fully involved within the integration process to offer a world class experience to our customers."*

bambora 

Johan Tjärnberg  
CEO



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## Bambora Overview

### Company Overview



**CEO:** Johan Tjärnberg  
**Headquarters:** Stockholm, Sweden  
**Founded:** 2015

- **Bambora provides online, in-store and mobile payment solution services to small and medium sized merchants around the world**
  - The Company is one of the very few payment providers with omni-channel payment capabilities and global reach
  - Bambora continues to grow as it develops new products for SMEs to simplify payments and processes
- **Bambora was formed in 2015 by Nordic Capital, who has combined thirteen leading payments businesses, including Euroline, KeyCorp, Samport, MPS, DK Online and ePay**
  - Nordic Capital initially acquired Euroline in 2014 from SEB and continued to add-on acquisitions until relaunching as Bambora
- **The Company currently processes €55 billion per year across 70 markets and 300 commercial partners**
  - Currently Bambora serves more than 450,000 merchants

### Products & Services Overview

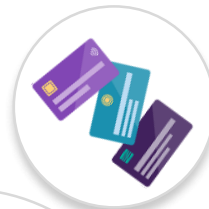


#### Online Solutions

- ✓ Merchant Account
- ✓ Checkout
- ✓ Custom Checkout
- ✓ Fraud Defense
- ✓ Recurring Billing
- ✓ Batch Processing
- ✓ Virtual Terminal
- ✓ Currency Solutions
- ✓ Gateway

#### In-app Solutions

- ✓ Checkout for iOS and Android
- ✓ Apple Pay Acceptance



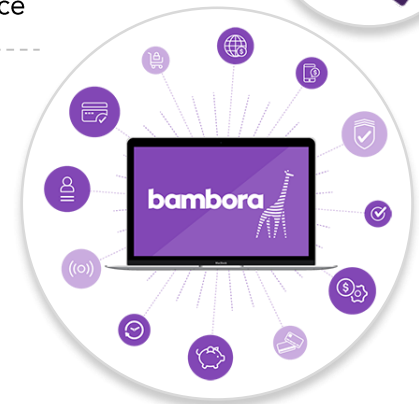
#### Partnerships



Referral









Integrated



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## Bambora Transaction History



| Date     | Target / Buyer  | Amount (\$ in mm) | Commentary   |
|----------|---|-------------------|--|
| 05/12/17 |  INNOCARD                        | na                | Bambora acquired Innocard, which provides payment solutions to small and medium sized businesses and whose largest verticals are hospitality and gastronomy                          |
| 09/16/15 |  beanstream<br>A Bambora Company | na                | Acquired Beanstream, a provider of card no present, payment processing, risk management and authentication services for small and medium sized businesses in Canada and the U.S.     |
| 09/08/15 |  dsafe                           | na                | Acquired dSafe, which delivers electronic receipts, loyalty programs and real time analytics to both physical and online retailers   |
| 08/03/15 |  IP Payments<br>making cash flow | na                | Bambora acquired IP Payments, which offers cloud-based accounts receivable automation, credit card data storage, tokenization and payment solutions in Australia and internationally |
| 05/15    |  bambora                         | na                | Nordic Capital rebranded and launched the Bambora Group, a combination of Euroline, KeyCorp, Samport, MPS, DK Online and ePay  |
| 02/04/15 | <b>DK Online</b>  | na                | Nordic Capital acquired DK Online through its subsidiary Cidron SuperPay and it became an add-on for Euroline  |
| 12/09/14 |  MobilePay                      | na                | Cidron SuperPay acquired Mobile Payment Solutions (MPS) from Industrifonden and other investors; MPS was another add-on for Euroline   |
| 09/26/14 | <b>samport</b>  | na                | Nordic Capital acquired Samport Payment Services as an add-on acquisition for Euroline, later becoming part of Bambora   |
| 06/03/14 | <b>keycorp</b>  | na                | Nordic Capital and its subsidiary SuperPay Australia acquired Keycorp and merged it to help create the Bambora brand   |
| 05/28/14 | <b>EUROLINE</b>   | \$331             | On May 22, 2015, Nordic Capital acquired Euroline from SEB, which was the building block for the Bambora brand   |

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## Ingenico Overview

### Company Overview



**CEO:** Philippe Lazare  
**Headquarters:** Paris, France  
**Founded:** 1980

- Ingenico is a global leader in seamless payment, providing solutions across in-store, online and mobile channels
- Initially beginning with payment terminals, Ingenico has since expanded across the value chain, allowing merchants to accept any means of payment
  - Operates using three main brands: Ingenico Smart Terminals, Ingenico Payment Services and Ingenico ePayments
  - The Company offers the world's largest payment acceptance network and operates on local, national and international levels
- The Company is partnered with over 1,000 banks and acquirers and connected to over 250,000 merchants, including 70% of the Top30 leading retail brands

### Stock Performance (ENXTPA:ING)

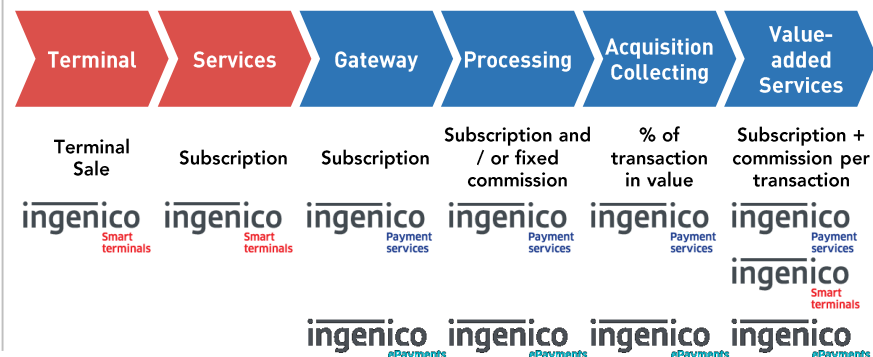


Source: Company website, Company filings, Capital IQ  
 (1) Market Cap as of July 24, 2017

### Recent Selected Acquisition History

| Announce Date | Target  | Amount (\$ in mm) |
|---------------|---|-------------------|
| 01/30/17      | TechProcess Payment Services                  | na                |
| 05/19/16      | NERA  | \$64              |
| 04/26/16      | LYUDIA  | 6                 |
| 04/11/16      | think&go                                      | na                |
| 01/20/15      | ROAM DATA™                                    | na                |
| 07/02/14      | globalcollect™ international payment services | 1,120             |
| 01/29/13      | ogone   | 535               |

### Payment Services Across all Channels



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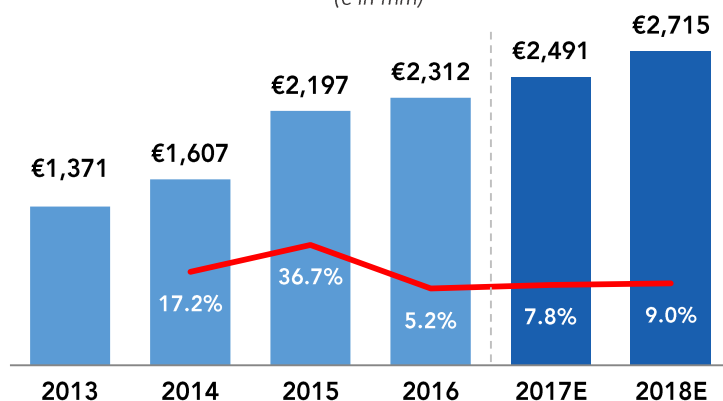


## Ingenico Financial Overview

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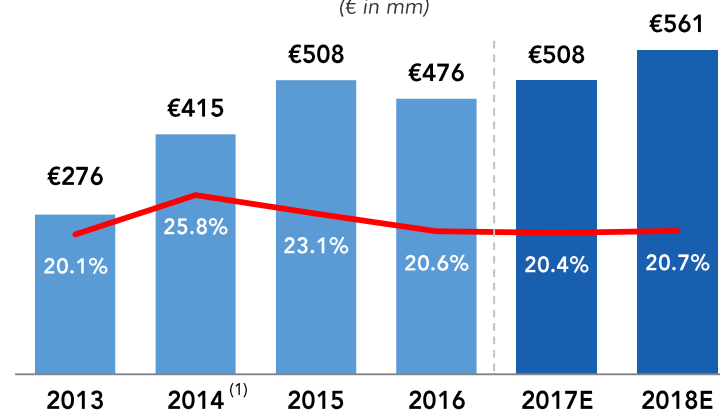
### Net Revenue / % Growth

(€ in mm)



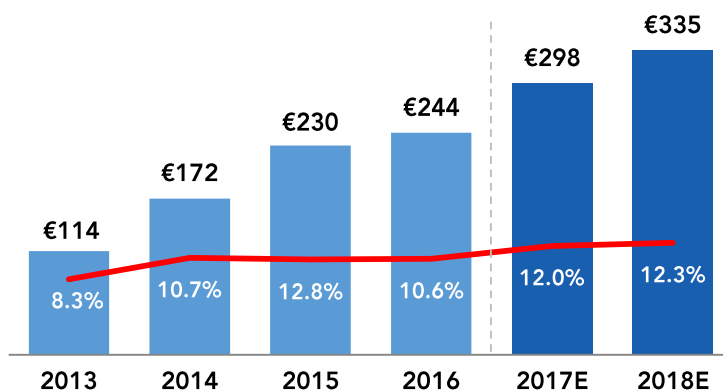
### EBITDA / % Margin

(€ in mm)

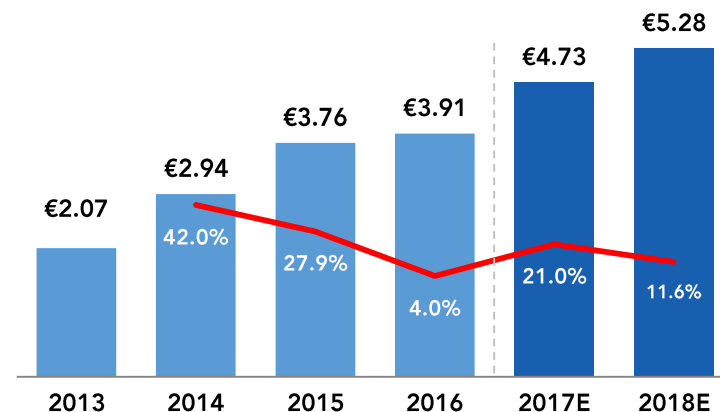


### Net Income / % Margin

(€ in mm)



### Diluted EPS / % Growth



Source: Company filings, Capital IQ

(1) 2014 figure is pro forma to account for the contribution of GlobalCollect from January 1, 2014



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## Recent Merchant Acquirer / Payment Processor Transactions

| Selected FT Partners<br>Deals Noted | Seller                              | Buyer                                       | Date    | Transaction Value<br>(\$ in mm) | Research<br>Profile  |
|-------------------------------------|-------------------------------------|---|---------|---------------------------------|----------------------|
|                                     | worldpay                            | vantiv™                                     | 07/2017 | \$11,680                        | <a href="#">VIEW</a> |
|                                     | sage Payment Solutions              | GTCR  | 06/2017 | 260                             | <a href="#">VIEW</a> |
|                                     | cardconnect.                        | First Data.                                 | 05/2017 | 750                             | <a href="#">VIEW</a> |
|                                     | total merchant services             | North American BANCARD                      | 05/2017 | NA                              | <a href="#">VIEW</a> |
|                                     | CentralPayment®                     | TSYS®                                       | 02/2017 | 700 <sup>(1)</sup>              | <a href="#">VIEW</a> |
|                                     | HARBORTOUCH™                        | SEARCHLIGHT                                 | 06/2016 | NA                              | <a href="#">VIEW</a> |
|                                     | cardconnect.                        | FinTech Acquisition Corp<br>(NASDAQ : FNTC) | 03/2016 | 438                             | <a href="#">VIEW</a> |
|                                     | TRANSFIRST®                         | TSYS®                                       | 01/2016 | 2,350                           | <a href="#">VIEW</a> |
|                                     | Heartland                           | globalpayments                              | 12/2015 | 4,300                           | <a href="#">VIEW</a> |
|                                     | Direct Connect                      | BEEKMAN GROUP                               | 01/2015 | NA                              | <a href="#">VIEW</a> |
|                                     | securenet™<br>GET PAID.™ GET SMART. | worldpay                                    | 11/2014 | NA                              |                      |
|                                     | TRANSFIRST®                         | Vista Equity Partners                       | 10/2014 | 1,500                           | <a href="#">VIEW</a> |
|                                     | FIRST AMERICAN PAYMENT SYSTEMS      | TEACHERS' PENSION PLAN                      | 07/2014 | 700                             |                      |
|                                     | MERCURY®                            | vantiv™                                     | 05/2014 | 1,650                           | <a href="#">VIEW</a> |
|                                     | nmi                                 | Great Hill PARTNERS                         | 05/2014 | NA                              | <a href="#">VIEW</a> |
|                                     | CentralPayment®                     | TSYS®                                       | 03/2014 | 250 <sup>(1)</sup>              |                      |

(1) [TSYS 2016 10-K](#)



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## Recent Merchant Acquirer / Payment Processor Transactions

| Selected FT Partners<br>Deals Noted | Seller                                   | Buyer           | Date     | Transaction Value<br>(\$ in mm) | Research<br>Profile  |
|-------------------------------------|--|-----------------|----------|---------------------------------|----------------------|
|                                     | <b>PayPros</b>                           | globalpayments  | 01/2014  | \$420                           |                      |
|                                     |  | worldpay        | 09/2013  | NA                              | <a href="#">VIEW</a> |
|                                     |  | BregalSagemount | 09/2013  | 200                             | <a href="#">VIEW</a> |
|                                     |  | TA Associates   | 09/2013  | NA                              |                      |
|                                     |  | <b>vantiv</b>   | 07/25/13 | 163                             |                      |
|                                     |  | <b>TSYS</b>     | 11/15/12 | 135                             | <a href="#">VIEW</a> |
|                                     |  | <b>vantiv</b>   | 10/31/12 | 361                             |                      |
|                                     |  | globalpayments  | 08/15/12 | 413                             |                      |
|                                     |  | <b>TSYS</b>     | 08/09/12 | 110 <sup>(1)</sup>              |                      |
|                                     |  |                 | 07/06/12 | 670                             |                      |
|                                     | <b>CAYAN</b><br>(fka Merchant Warehouse) |                 | 07/05/12 | NA                              | <a href="#">VIEW</a> |
|                                     |  | TRANSFIRST      | 08/24/11 | NA                              | <a href="#">VIEW</a> |
|                                     |  |                 | 06/07/11 | 50                              | <a href="#">VIEW</a> |
|                                     |  |                 | 04/14/10 | 900                             | <a href="#">VIEW</a> |
|                                     |  |                 | 01/09/06 | 325                             | <a href="#">VIEW</a> |
|                                     | <b>Lynk</b>                              |                 | 08/03/04 | 525                             | <a href="#">VIEW</a> |

(1) [TSYS 2012 10-K](#)

## Selected FT Partners' Research – *Click to View*



Global Money Transfer



Transaction Security



Heartland's Sale to Global Payments



Adyen's Rise to One of the Most Valuable Payments Companies



CardConnect's \$750 million to First Data



Central Payment's Strategic Investment from TSYS



North American Bancard Acquires Total Merchant Services



Moneycorp Acquires Commonwealth FX



Ebix Acquires an 80% Stake in ItzCash for \$120 million



Vista Equity Partners Acquires PayLease



Vantiv Acquires Paymetric



GTCR Acquires Sage Payment Solutions for \$260 million

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# FT Partners – Focused Exclusively on FinTech

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## Strong Domain Expertise in Payments Investment Banking



## Ground-Breaking Payments Transactions Pioneered by FT Partners



Sale of a payment processor to a SPAC vehicle



Largest U.S. strategic merchant acquiring acquisition in over the last decade



Significant capital raise for next gen processor serving commerce startups and disruptors



Groundbreaking strategic round for early stage European payments company



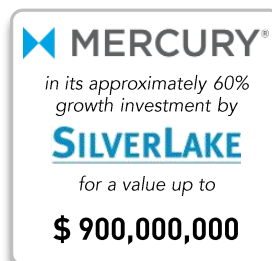
First sale of a payments company to an established social media company



First sale of an "International Payments Specialist" to a pure-play consumer remittance provider



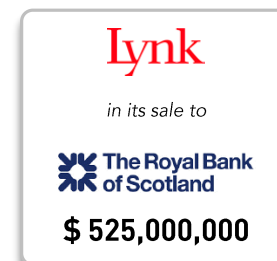
Substantial growth investment in leading payments enablement technology provider



First large-scale transaction for an integrated merchant acquirer



First sale of a U.S. merchant acquirer to an international software company; became Sage Payments



First sale of a U.S. merchant acquirer to a large international financial institution; became Worldpay U.S.

## Award-Winning Investment Banking Franchise Focused on Superior Client Results

**FT Partners has been recognized as Investment Banking Firm of the Year and regularly achieves Merger and Financing Deal of the Year recognition**



M&A Advisor Awards

2016

- **Investment Banking Firm of the Year**
- **Cross Border Deal of the Year**

2015

- **Dealmaker of the Year**
- **Technology Deal of the Year**

2014

- **Equity Financing Deal of the Year**
- **Professional Services Deal of the Year, Above \$100mm**

2012

- **Dealmaker of the Year**
- **Professional Services Deal of the Year, Above \$100mm**

2011

- **Boutique Investment Bank of the Year**
- **Deal of the Decade**
- *10 Deal of the Year Nominations Across 9 Categories*

2010

- **Upper Middle Market Deal of the Year, Above \$500 mm**
- **IT Services Deal of the Year, Below \$500mm**
- **Cross-Border Deal of the Year, Below \$500mm**

2007

- **Dealmaker of the Year – Steve McLaughlin**
- **Business to Business Services Deal of the Year**
- **Computer and Information Technology Deal of the Year, Above \$100mm**
- **Financial Services Deal of the Year, Above \$100mm**



2015

- **Steve McLaughlin ranked #4 in Institutional Investor's FinTech 35 List**

2006 - 2008

- **Consecutively ranked (2006, 2007 and 2008) among the top Bankers in Financial Technology**



Middle Market Financing Awards









2008

- **Equity Financing Dealmaker of the Year – Steve McLaughlin**
- **Information Technology Deal of the Year**
- **Financial Services Deal of the Year**

2006

- **Financing Professional of the Year – Steve McLaughlin**
- *Financing Deal of the Year - Equity*
- *Financing Deal of the Year - Debt*

## The FT Partners Senior Banker Team

| Name / Position   | Prior Background  | Experience / Education   | Years of Experience |
|---|---|--|---------------------|
| <b>Steve McLaughlin</b><br><i>Founder, CEO and Managing Partner</i>                       |    | <ul style="list-style-type: none"> <li>Formerly with Goldman, Sachs &amp; Co. in New York and San Francisco from 1995-2002</li> <li>Former Co-Head of Goldman Sachs' Financial Technology Group (#1 market share)</li> <li>Wharton M.B.A.</li> </ul>   | 22                  |
| <b>Larry Furlong</b><br><i>Managing Director</i>  |    | <ul style="list-style-type: none"> <li>Formerly with Goldman, Sachs &amp; Co. in New York, London and Los Angeles beginning in 1995</li> <li>Wharton M.B.A.</li> </ul>   | 22                  |
| <b>Greg Smith</b><br><i>Managing Director</i>   |    | <ul style="list-style-type: none"> <li>Formerly award winning Equity Research Analyst at Merrill Lynch / J.P. Morgan / Hambrecht &amp; Quist</li> <li>20+ years of experience covering FinTech as both an Analyst and Investment Banker</li> </ul>   | 21                  |
| <b>Osman Khan</b><br><i>Managing Director</i>   |    | <ul style="list-style-type: none"> <li>Former Managing Director / Head of FIG M&amp;A at Alvarez &amp; Marsal</li> <li>15+ years FIG deal, consulting and assurance experience at PwC</li> <li>40 Under 40 M&amp;A Advisor Award Winner in 2013</li> <li>LSE (BSc w/Honors), MBS (MBA w/Distinction), ICAEW (FCA)</li> </ul> | 20                  |
| <b>Steve Stout</b><br><i>Managing Director</i>  |    | <ul style="list-style-type: none"> <li>Former Global Head of Strategy at First Data</li> <li>Formerly Led J.P. Morgan Payments Investment Banking</li> <li>Former Equity Research Analyst on #1 ranked team at UBS and Economist at the Federal Reserve Bank</li> </ul>  | 19                  |
| <b>Tim Wolfe</b><br><i>Managing Director</i>  |   | <ul style="list-style-type: none"> <li>Formerly with Goldman, Sachs &amp; Co. beginning in 2000</li> <li>Started at FT Partners in 2002</li> <li>40 Under 40 M&amp;A Advisor Award Winner 2013</li> <li>Harvard M.B.A.</li> </ul>  | 15                  |
| <b>Timm Schipporeit</b><br><i>Managing Director</i>                                       |  | <ul style="list-style-type: none"> <li>11+ years with Morgan Stanley, Senior Executive Director of European Technology Investment Banking Team in London</li> <li>Formerly a Venture and Growth Investor focused on FinTech at Index Ventures</li> </ul>   | 14                  |
| <b>Andrew McLaughlin</b><br><i>Managing Director, Research &amp; Business Development</i> |  | <ul style="list-style-type: none"> <li>Leads FT Partners' Research and Business Development Team</li> <li>Formerly with Deloitte Consulting</li> </ul>   | 11                  |