

# FT PARTNERS FINTECH INDUSTRY RESEARCH

November 7, 2019

# riskified

**Riskified Raises \$165 million in Series E  
Financing Led by General Atlantic**

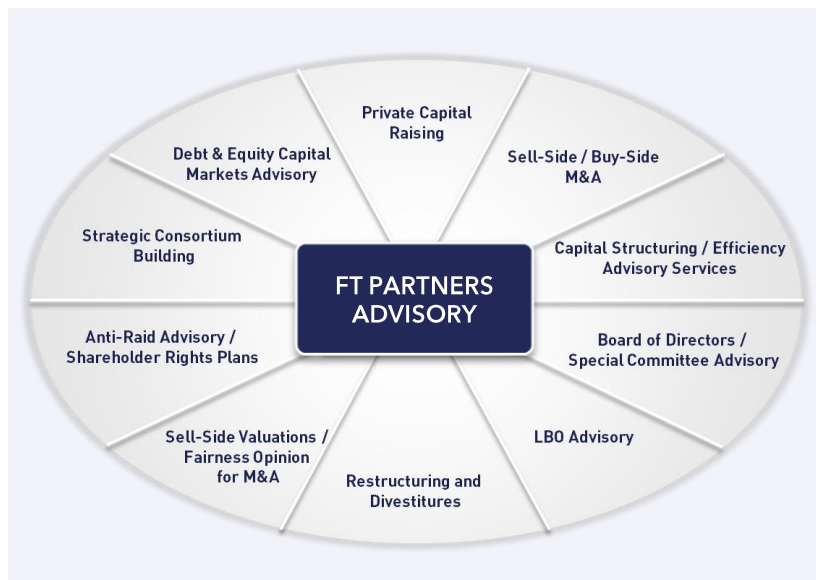


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ATLANTIC

## 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 17 years of exclusive focus on Financial Technology

### FT Partners' Advisory Capabilities



### FT Partners' FinTech Industry Research



**The Information**

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



**Ranked #1 Most Influential Person in all of FinTech in Institutional Investors "FinTech Finance 40"**



**THE M&A ADVISOR**

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

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# Riskified Raises \$165 million in Series E Financing

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## Transaction Overview

### Transaction Summary

- On November 5, 2019, Riskified, a payments and fraud-prevention solutions provider, announced it has secured \$165 million in Series E financing led by General Atlantic at a valuation of over \$1 billion
  - New investors Fidelity and Winslow Capital Management also participated in the round, along with existing investors Qumra Capital, Pitango Venture Capital and Entrée Capital
- The new funding will primarily be used to rapidly scale the business domestically and internationally, and to expand its product footprint

### Selected Financing History

Date	Size (\$ mm)	Investor(s)
11/05/19	\$165	General Atlantic; Fidelity; Winslow Capital Management; Qumra Capital; Pitango Venture Capital; Entrée Capital
06/27/17	33	Pitango Venture Capital; Capital One Growth Ventures; Groupe Arnault; C4 Ventures; Qumra Capital; Phoenix Group; Genesis Partners
02/10/16	25	Qumra Capital; Entrée Capital; Phoenix Group; Genesis Partners; NTT Docomo Ventures
08/19/14	4	Genesis Partners; Founder Collective; Entrée Capital
07/09/13	2	Genesis Partners; Formation 8; Founder Collective; Entrée Capital; The Accelerator Group; T5 Capital

### Management and Investor Commentary

"Riskified began as a new and unproven approach to fraud prevention and payments. Achieving success required merchants to believe in our vision and partner with us. Today's announcement is a testament to those partnerships and the leadership position we attained in this important market...These funds will allow us to continue to develop innovative solutions that help move commerce forward."

**riskified**

**Eido Gal**  
Co-Founder & CEO



"Our work in the payments space has shown us that Riskified's machine learning-based approach provides material improvements over legacy fraud and risk management solutions...We believe that the Riskified team is strategically positioned to continue capturing this substantial market opportunity."



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**Aaron Goldman**  
Managing Director



"Riskified is the rare blend of realized performance and considerable potential. The company's innovative model has enabled it to deliver significant ROI to its customers and partners, with a clear runway ahead for strategic expansion of its geographic footprint, product offering, and consumer base...We are thrilled to partner with Eido and the Riskified team to reinvent the payments ecosystem and add real value for customers."



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**Tanzeen Syed**  
Managing Director



# Riskified Raises \$165 million in Series E Financing

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## Riskified Overview

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### Company Overview

riskified

**CEO:** Eido Gal

**Headquarters:** Tel Aviv, Israel

**Founded:** 2013

- Riskified provides e-commerce fraud-prevention technology
- The Company's solutions utilize machine learning algorithms and proprietary behavioral analytics to protect the bottom line and customer experience, as well as to offer an adaptive approach to stay ahead of the constantly changing fraud landscape
- In addition to preventing fraud, Riskified protects shoppers' retail accounts, increases bank-authorization rates, and improves communication between merchants and financial institutions
- Riskified has reviewed hundreds of millions of transactions and approved billions of dollars of revenue for merchants across virtually all industries, including many Fortune 500 companies

### Management Overview



**Eido Gal**  
Co-Founder & CEO



**Assaf Feldman**  
Co-Founder & CTO



**Aglika Dotcheva**  
CFO



**Naama Ofek-Arad**  
COO



**Oded Weinreb**  
VP Product

### Products Overview



#### Account Protection

- Prevents ATO (account takeover) attacks, stops bad actors from exploiting loyalty programs and safeguards sales promotions



#### Payment Authorization

- Minimizes PSD2's negative impact on customer experience by routing exempt orders to Transaction Risk Analysis (TRA)



#### Dynamic Checkout

- Adjusts the checkout experience to the shopper's risk profile and offers customers various ways to verify their purchase



#### Alternative Payment

- Solution to payment declines that lets customers complete their purchase, even if their bank declined the transaction



#### Chargeback Guarantee

- Accurately rejects fraud, instantly recognizes good orders and prevents false declines



#### Representment

- Automated chargeback representment overturns incorrectly-decided disputes to reclaim payment

### Key Metrics

- **250%** CAGR over the past five years
- **\$100 million+** ARR in 2018
- **235** countries from which purchases have been approved
- **420** employees in New York and Tel Aviv

# Riskified Raises \$165 million in Series E Financing

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**riskified**

## General Atlantic Overview

### Overview



**Aaron Goldman**  
Managing Director,  
Co-Head of  
Financial Services



**Paul Stamas**  
Managing Director,  
Co-Head of  
Financial Services



**Tanzeen Syed**  
Managing Director,  
Technology



**Anton Levy**  
Managing Director,  
Global Head of  
Technology



**Alex Crisses**  
Managing Director



**Gabriel Caillaux**  
Managing Director  
and Head of EMEA

### Locations

- New York, NY (HQ)
- Greenwich, CT
- Palo Alto, CA
- Sao Paulo, Brazil
- London, UK
- Amsterdam, Netherlands
- Mumbai, India
- Shanghai, China

### About

- Founded in 1980, General Atlantic is an investment firm focused on growth equity with \$35 billion in assets under management and 114 current portfolio companies
- Large emphasis on 4 sectors: Consumer, Financial Services, Healthcare, and Technology
- Capital base is largely composed of entrepreneurial and philanthropic families

### Investment Preferences

#### Investment Criteria

<b>Fund Size:</b>	\$3,370 mm
<b>Fund Raised:</b>	Evergreen
<b>Investment Range:</b>	\$25 - 500 mm
<b>Revenue:</b>	NA
<b>EBITDA:</b>	NA

#### General Preferences

<b>Control:</b>	Minority, Majority
<b>Geography:</b>	North America, Europe, Asia / Pac, Latin America
<b>Transaction Type:</b>	Venture, Growth, Buyout, Recapitalization, PIPE, Secondary, IPO
<b>Industry Focus:</b>	FinTech, Retail & Consumer, Healthcare, Internet & Technology

### Selected Recent Investments / Exits

#### FinTech / Financial Services Investments

Date	Company	Deal Amt. <sup>1</sup>	Board Rep.	Sector
11/19	Riskified (Series E)	\$165	NA	Pymts
10/19	NoBroker (Series D)	50	NA	Bnkg
09/19	QuintoAndar (Series D)	250	NA	Bnkg
06/19	StockX (Series C)	110	NA	CapMkts
06/19	Blend (Series E)	130	NA	Bnkg
06/19	Alkami Technology (Series E)	55	Raphael Osnoos	Bnkg
06/19	Finacity (Buyout)	NA	NA	FMS
06/19	NoBroker (Series C)	51	NA	Bnkg
05/19	PayClip (Late Stage)	20	NA	Pymts
04/19	Axioma (M&A)	850	NA	FMS
04/19	Deutsche Börse Group (PIPE)	715	NA	Sec
03/19	OpenDoor (Series E2)	300	NA	Bnkg
03/19	Chime (Series D)	200	NA	Bnkg
12/18	Invoice Cloud (Buyout)	NA	NA	FMS
09/18	Opendoor (Series E)	725	NA	Bnkg
08/18	WPS Advisory (M&A)	NA	NA	CapMkts
08/18	Wealth Advisors (India) (Buyout)	57	NA	CapMkts
07/18	Greensill Capital (Growth)	250	Gabriel Caillaux	FMS

Source: Company website, PitchBook

1) Deal Amount in mm



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



Global Money Transfer



Transaction Security



Klarna: Company and Financial Overview



Remitly's \$220 million Series E Equity and Debt Financing



REPAY's Merger With Thunder Bridge



Marqeta's \$260 million Series E Financing



Checkout.com's \$230 million Series A Financing



Fawry's \$100 million IPO



Stripe Raises \$250 million in Financing



REPAY Acquires TriSource Solutions for up to \$65 million



Rapyd Raises \$100 million in Series C Financing

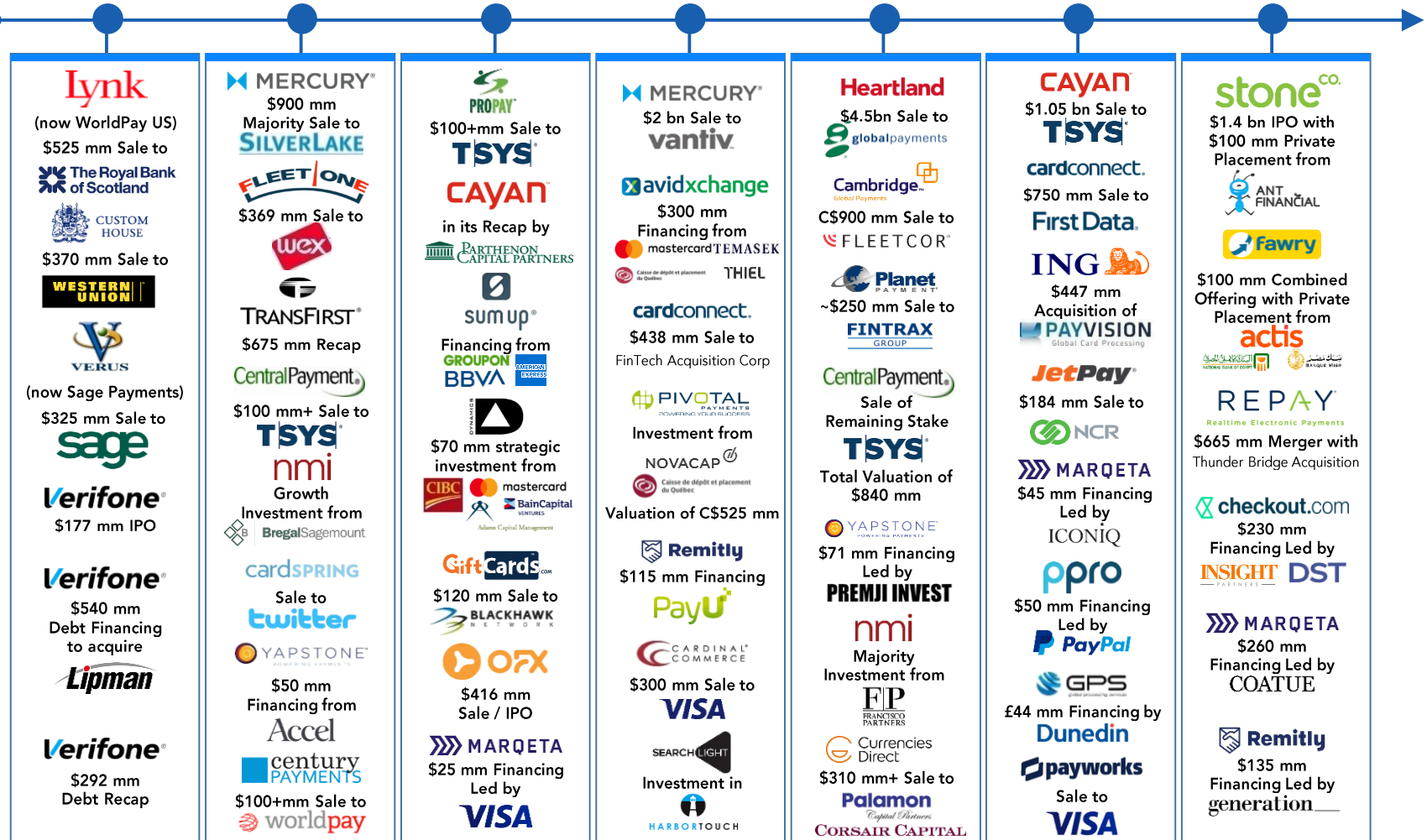


Galileo Raises \$77 million in Series A Financing

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## Timeline of Selected FT Partners Payments Processing Transactions

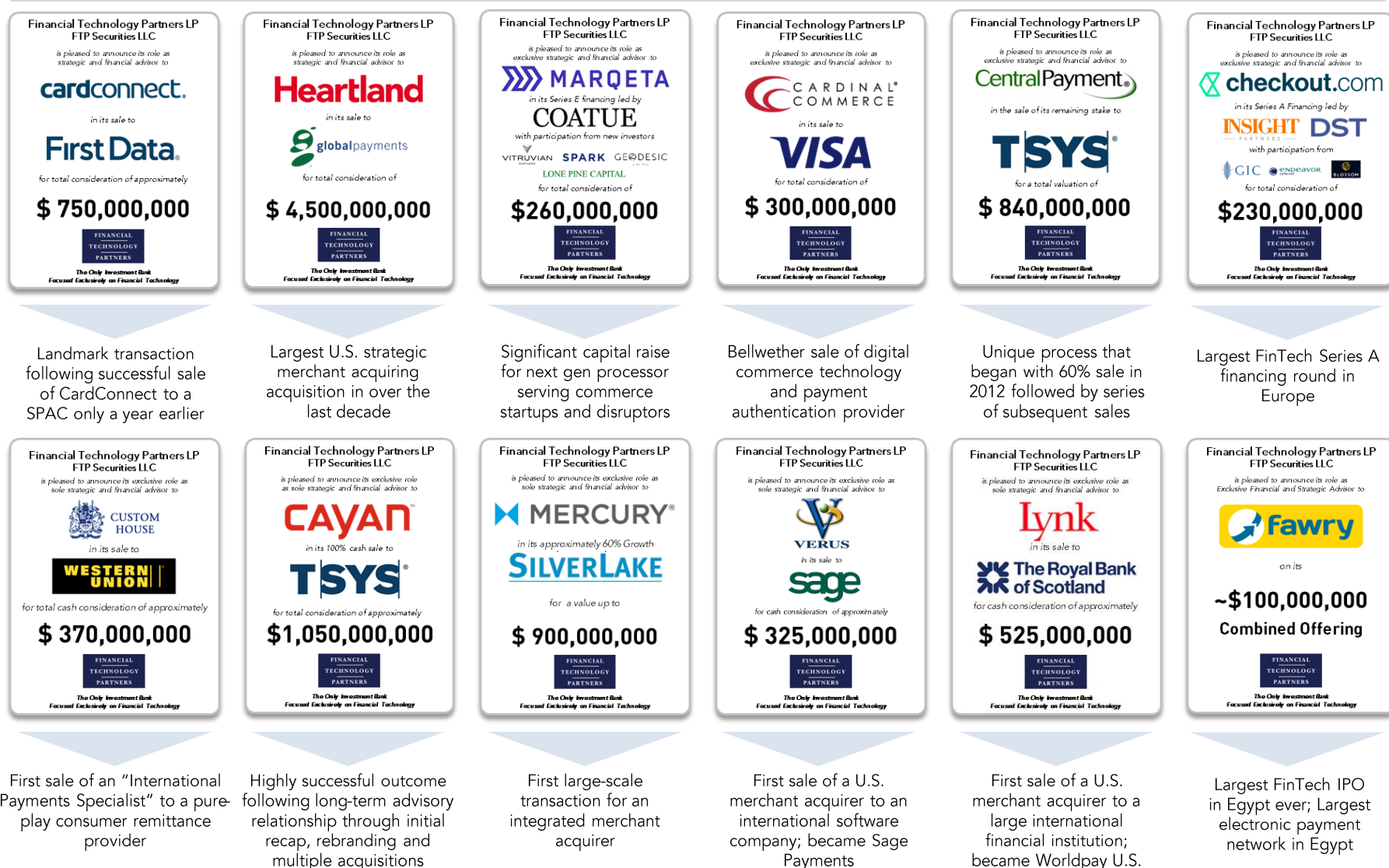
FT Partners has a history of executing on many of the most ground-breaking Payments transactions in the last 15+ years



# FT Partners – Focused Exclusively on FinTech

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## Ground-Breaking Payments Transactions Pioneered by FT Partners





## FT Partners Advises CardinalCommerce in its Strategic Sale to Visa

### Overview of Transaction

- On December 1, 2016, CardinalCommerce announced its strategic sale to Visa in one of the largest payments deals of the year
- Headquartered in Cleveland, Ohio, CardinalCommerce is a pioneer and global leader in enabling authenticated payment transactions in the card-not-present payments industry and is the largest authentication network in the world
- Founded in 1999, CardinalCommerce's products are used globally: across 6 continents (Africa, Asia, Australia, Europe, North America and South America), in more than 200 countries and used with more than 180 different currencies

### Significance of Transaction

- The acquisition will help accelerate the growth of Visa's digital commerce by enabling more secure, seamless payments, through browsers, mobile apps and connected devices
- As Visa plans to integrate tokenization into Visa Checkout over the next 18 months, the addition of CardinalCommerce will allow a more seamless integration of 3-D Secure and delivery of these new fraud mitigation capabilities to merchants

### FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to CardinalCommerce and its Board of Directors
- This transaction demonstrates FT Partners' continued leadership position as the "advisor of choice" to the highest quality FinTech companies

### Financial Technology Partners LP FTP Securities LLC

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



*in its sale to*



*for total consideration of approximately*

**\$ 300,000,000**



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## FT Partners Advises Feedzai on its Series C Financing

### Overview of Transaction

- On October 17, 2017 Feedzai announced it has raised \$50 million in its Series C financing round from an undisclosed investor with participation from existing investor Sapphire Ventures
- This new funding brings the total venture capital raised to \$82 million from nine major investors including Oak HC/FT, Capital One Growth Ventures, Citi Ventures and more.
- Founded in 2009 and headquartered in San Mateo, CA, Feedzai is a leader in using artificial intelligence to empower enterprises to manage risk and fight fraud in real-time
  - Feedzai's machine learning technology and its omnichannel fraud prevention solutions serve customers that transact in virtually every country in the world, across numerous use cases for leading banks and merchants

### Significance of Transaction

- Feedzai will use the capital to continue its rapid growth trajectory
- The Company is on track to more than double its headcount this year from where it was at the end of 2016, planning to reach 300 employees by the end of 2017
- Additionally, Feedzai has added key sales leaders worldwide, including hiring former Box SVP Jim Priestley as Chief Revenue Officer

### FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Feedzai and its Board of Directors
- FT Partners also represented Feedzai on its [\\$17.5 million Series B financing](#) from Oak HC/FT, Sapphire Ventures and Espirito Ventures
- This transaction demonstrates FT Partners' continued leadership role advising world-class FinTech companies

### Financial Technology Partners LP FTP Securities LLC

*is pleased to announce its exclusive role as  
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*in its Series C financing  
for a total consideration of*

**\$ 50,000,000**



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## FT Partners Advises Signicat on its Sale to Nordic Capital

### Overview of Transaction

- On April 11, 2019, Signicat announced its sale to Nordic Capital
  - Signicat was acquired from Secure Identity Holding<sup>1</sup> and other shareholders
  - Viking Venture, Signicat's other major shareholder, will re-invest all proceeds and continue as a minority owner, together with employee shareholders and with Nordic Capital as the majority owner
- Headquartered in Trondheim, Norway, Signicat is a SaaS verified digital identity hub, which enables its enterprise customers to seamlessly onboard and authenticate end-users as well as sign and store their documents
  - Signicat provides a single integration point providing customers access to the widest available pool of electronic IDs (eIDs), registry lookups, and ID document scanning solutions via a single interface
- Nordic Capital is a leading private equity firm based in Sweden with offices across the Nordics and Europe, which invests in large and middle-market companies globally with a primary focus in Northern Europe and the DACH region
- Viking Venture is a Norwegian venture capital firm that invests in growth companies in the technology sector
- This transaction is comprised of both primary and secondary capital from Nordic Capital, as well as reinvestment from Viking Venture and current management

### Significance of Transaction

- This transaction will enable Signicat to expand into new markets across Europe, North America and globally through hiring and establishing local offices, entering into partnerships with digital identity players, and by supporting existing customers to expand into new geographies
- This transaction will also support Signicat's development of its proprietary platform and widen its product capabilities

### FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Signicat
- This transaction underscores FT Partners' expertise in sell-side advisory across a broad range of SaaS-based companies in the fraud and identity management space

### Financial Technology Partners LP FTP Securities LLC

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

# SIGNICAT

*in its sale to*

# NORDIC CAPITAL

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TECHNOLOGY  
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<sup>(1)</sup> SIH is an SPV owned by Kantega's shareholders, established when Signicat spun out of Kantega through a demerger in 2007; Kantega is a Norwegian IT company providing bespoke software services

## FT Partners Advises Riskconnect in its Sale to Thoma Bravo

### Overview of Transaction

- On June 7, 2017, Riskconnect announced its sale to Thoma Bravo
- Headquartered in Kennesaw, GA, Riskconnect is a leading provider of Integrated Risk Management technology solutions for enterprises around the world
- Thoma Bravo is a leading private equity firm focused on the software and technology-enabled services sectors
- As part of the agreement, Riskconnect's three founders will retain a significant minority stake in the business

### Significance of Transaction

- The investment recognizes Riskconnect's strong momentum and will help the rapidly growing Company expand and broaden its software platform
- Thoma Bravo's investment will better position the company to accelerate investments in its Integrated Risk Management platform and take advantage of the converging use cases across traditional Risk Management, Governance, Risk, and Compliance (GRC); and Environmental, Health, and Safety (EHS) functionalities

### FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Riskconnect and its Board of Directors
- This transaction highlights FT Partners' expertise in the Risk Management space and continued success advising top-tier FinTech companies

### Financial Technology Partners LP FTP Securities LLC

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



*in its sale to*

**THOMA BRAVO**

**FINANCIAL  
TECHNOLOGY  
PARTNERS**

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



**2018** Top Investment Bank in FinTech



Institutional Investor  
Annual Ranking

**2018** Steve McLaughlin Ranked #1 for the Second Year in a Row on Institutional Investor's FinTech 40 List

**2017** Ranked #1 on Institutional Investor's FinTech 40 List

**2015 & 2016** Ranked Top 5 on Institutional Investor's FinTech 35 List

**2006 – 2008** Consecutively Ranked (2006, 2007 and 2008) among the Top Bankers on Institutional Investor's "Online Finance 40"



The Information

**2016** Ranked #2 Top Technology Investment Banker on The Information's "Silicon Valley's Most Popular Dealmakers"



M&A Advisor  
Awards

**2018** Corporate / Strategic Deal of the Year

**2018** Cross Border Deal of the Year

**2017** Investment Banker of the Year

**2016** Investment Banking Firm of the Year

**2016** Cross Border Deal of the Year

**2015** Dealmaker of the Year

**2015** Technology Deal of the Year

**2014** Equity Financing Deal of the Year

**2014** Professional Services Deal of the Year, \$100 mm+

**2012** Dealmaker of the Year

**2012** Professional Services Deal of the Year, \$100 mm+

**2011** Boutique Investment Bank of the Year

**2011** Deal of the Decade

**2010** Upper Middle Market Deal of the Year, \$500 mm+

**2010** IT Services Deal of the Year, Below \$500 mm

**2010** Cross-Border Deal of the Year, Below \$500 mm

**2007** Dealmaker of the Year – Steve McLaughlin

**2007** Business to Business Services Deal of the Year

**2007** Computer & Information Tech Deal of the Year, \$100 mm+

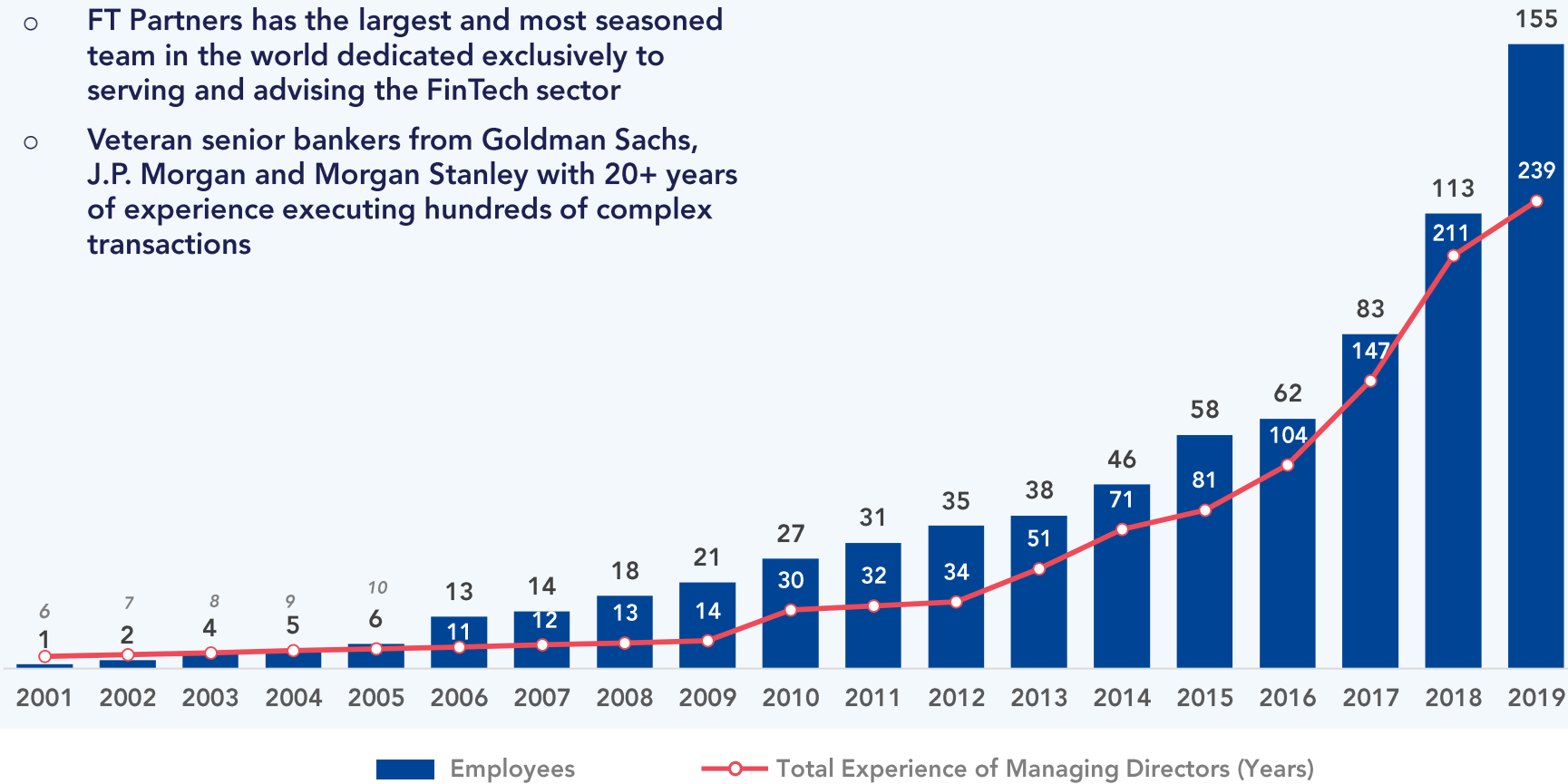
**2007** Financial Services Deal of the Year, \$100 mm+

**2004** Investment Bank of the Year



## Platform of Choice for Clients and Bankers Alike

- 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



Average Experience of Managing Directors (Years)



## The FT Partners Senior Banker Team

Name / Position	Prior Background	Experience / Education	Years of Experience
<b>Steve McLaughlin</b> <i>Founder, CEO and Managing Partner</i>		<ul style="list-style-type: none"> <li>Formerly with Goldman Sachs 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>	<b>24</b>
<b>Mohit Agnihotri</b> <i>Managing Director</i>	J.P.Morgan	<ul style="list-style-type: none"> <li>Formerly Managing Director and Global Head of Payments Investment Banking at J.P. Morgan</li> <li>Wharton M.B.A.</li> </ul>	<b>17</b>
<b>Kate Crespo</b> <i>Managing Director</i>	RAYMOND JAMES®	<ul style="list-style-type: none"> <li>Formerly with Raymond James' Technology &amp; Services investment banking</li> <li>12+ years of FinTech transaction execution experience</li> <li>Dartmouth M.B.A.</li> </ul>	<b>17</b>
<b>Larry Furlong</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with Goldman Sachs in New York, London and Los Angeles from 1995-2004</li> <li>Wharton M.B.A.</li> </ul>	<b>23</b>
<b>Osman Khan</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly Managing Director and 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> </ul>	<b>22</b>
<b>Andrew McLaughlin</b> <i>Managing Director</i>	Deloitte.	<ul style="list-style-type: none"> <li>20+ years experience executing / implementing financial and operational strategy</li> <li>Formerly with Deloitte Consulting</li> </ul>	<b>13</b>
<b>Mike Nelson</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly head of FinTech M&amp;A at SunTrust Robinson Humphrey</li> <li>Kellogg M.B.A.</li> </ul>	<b>19</b>
<b>Timm Schipporeit</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with Morgan Stanley as 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>	<b>16</b>
<b>Greg Smith</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly award winning Equity Research Analyst at Merrill Lynch, J.P. Morgan and Hambrecht &amp; Quist</li> <li>20+ years of experience covering FinTech as both an Analyst and Investment Banker</li> </ul>	<b>23</b>
<b>Tim Wolfe</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with Goldman Sachs from 2000-2002</li> <li>40 Under 40 M&amp;A Advisor Award Winner 2013</li> <li>Harvard M.B.A.</li> </ul>	<b>17</b>