

May 11, 2021

**Featuring:**

**Exclusive CEO Interview**

Luis Silva

# FT PARTNERS TRANSACTION ANNOUNCEMENT

FINANCIAL  
—  
TECHNOLOGY  
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PARTNERS

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on FinTech**

San Francisco • New York • London

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



**cloudwalk**

**on its Series B financing led by**

**COATUE**

**for a total consideration of**

**\$190,000,000**

## CloudWalk's Series B Financing



### Overview of Transaction

- On May 11, 2021, CloudWalk announced that it had raised \$190 million of capital in its Series B financing
- The investment was led by Coatue Management with participation from DST Global as well as existing investors FIS, The Hive Brazil and Valor Capital
- Headquartered in São Paulo, Brazil, CloudWalk is a cutting-edge global payment network built from the ground up on modern technology stacks, focused on disrupting the payments ecosystem for small-and-medium enterprise merchants and their customers
- CloudWalk provides merchant acquiring services, data processing services, and sells Point-of-Sale solutions to the company's ~70,000 active merchants located in 3,300+ cities and towns across the country

### Significance of Transaction

- The \$190 million raised is the largest ever Series B financing for a company headquartered in Brazil <sup>(1)</sup>
- This commitment from a variety of investors recognizes CloudWalk's strong momentum since its inception, and will be used to continue accelerating the company's domestic presence in Brazil

### FT Partners' Role

- FT Partners served as the exclusive financial and strategic advisor to CloudWalk
- This transaction highlights FT Partners' deep domain expertise in the Payments sector, as well as its successful track record generating highly favorable outcomes for high-growth, Brazilian FinTech companies

#### Financial Technology Partners LP FTP Securities LLC

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



*on its Series B financing led by*

## COATUE

*for a total consideration of*

# \$190,000,000



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## CloudWalk Overview



### Company Overview



<b>CEO:</b>	Luis Silva
<b>Headquarters:</b>	São Paulo, Brazil
<b>Employees:</b>	164 (December 2020)

- CloudWalk is a Next-Generation merchant acquirer serving small and medium businesses in Brazil focused on providing exceptional offerings at industry-lowest fees to merchants
- CloudWalk has a unique digital-first approach that integrates blockchain and machine learning elements in its core processing stack, allowing for a leaner and more efficient cost structure
- These cost savings translate to CloudWalk being able to offer the best MDRs and Anticipation rates amongst its peers, for both regular credit card transactions as well as installment-based payment plans

### Serving 70,000+ Merchants in Brazil

<b>9 mm+</b>	<b>3,300+</b>	<b>4.6 mm+</b>	<b>~\$1.2 bn</b>
SMBs in Brazil	Brazilian Municipalities Served	Consumers on Platform	Run-Rate Processing Volume

### Current Products



#### InfinitePay

*Generation 3.0 Payments Processing*

InfinitePay is CloudWalk's payments platform and allows merchants to also offer anticipation at the lowest rates in the market through its innovative technology stack



#### Payment Link

*Mobile Payments*

Online payment acceptance system for merchants with ability to send a link to consumers to pay via various social media platforms



#### Confere

*Cash Reconciliation & Other Software*

Cashflow reconciliation and data aggregation software for merchants with multiple POS devices



#### Digital Wallet & More...

*Two-sided Network for Consumers and Merchants*

Multiple consumer-facing solutions to purchase products from merchants on Payment Link, establishing a unique two-sided network of merchants and consumers



**Luis Silva**  
CEO

***“Cloudwalk’s long-term vision is to create a global payment network. Our immediate goal is to become the top payment company in Brazil. To this end, we have been re-imagining the payment experience for both merchants and shoppers in Brazil, and developing new technology to fix the current outdated systems.”***

### ***What was the vision behind CloudWalk?***

Cloudwalk’s long-term vision is to create a global payment network. Our immediate goal is to become the top payment company in Brazil. To this end, we have been re-imagining the payment experience for both merchants and shoppers in Brazil, and developing new technology to fix the current outdated systems.

### ***You’ve seen tremendous growth with your merchant customer base in a very short time. What do you think is really resonating with them about CloudWalk?***

Our goal is to move money at the speed of light while offering cutting-edge customer experience and innovative technology. Before we launched our payment acquirer, Brazilian merchants had a hard time obtaining next day payments for installment and credit card transactions. The fees charged by the existing merchant acquirors was very prohibitive – merchants were paying up to 50% fee rates to accept credit cards. This is in contrast to the ~2.7% fee rates that merchants pay in developed markets. We are bringing a world-class product and service at a fair fee, to the Brazilian industry.

### ***Can you provide some more color on the Payment Link product you launched recently and how that has been received?***

The launch of Payment Link represents a step shift in our offerings. Payment Link offers merchants an avenue to sell their products online and without payment hardware. The product also includes a digital wallet that creates an effective 2-sided network between merchants and consumers. The wallet application is also being enhanced to support P2P payments, and includes gamification and social element. The initial reviews have been wildly positive, and we are ecstatic to continue developing other in-demand solutions.



***“We think launching PIX was a brilliant move from Brazil's Central Bank. Now our customers have one more tool enabling them to accept payments and get paid faster and cheaper. We believe that PIX will help us rather than hinder us, as more consumers realize the need for a better payments system and customer experience.”***

### ***How have the needs of merchants and consumers changed in the light of the Covid pandemic, and what was the impact on CloudWalk?***

Through the pandemic, we have continued to be focused on bringing the best product to market and providing exceptional customer experience. During the pandemic, next-day settlement of payments (the anticipation product) was particularly important to merchants, and we remained the only platform able to provide that service to all merchants, on all transactions, from the time of onboarding. The launch of Payment Link's card was also helpful for merchants to be able to quickly pivot to an online selling portal, offering Card-Not-Present services. Overall, we were able to validate our product through the functionality we were able to provide to both merchants and consumers.

### ***Does the launch of the PIX payment system change anything for CloudWalk?***

We think launching PIX was a brilliant move from Brazil's Central Bank. Now our customers have one more tool enabling them to accept payments and get paid faster and cheaper. We believe that PIX will help us rather than hinder us, as more consumers realize the need for a better payments system and customer experience.

### ***What is next on CloudWalk's roadmap?***

Payments are just the tip of the iceberg. We are focused on developing new AI tools to offer tailored financial services to our customers, including merchant and consumer lending. We are on our way to becoming a one-stop-shop for all the financial needs of our SMB merchant base.



### **cloudwalk** Exclusive CEO Interview – Luis Silva

***“In 10 years, we will have created a global payment network, in which humans and AGIs (artificial general intelligence) will issue credit, payments and settlement at the speed of light, at little to no cost.”***

***There’s a huge opportunity for you in Brazil, but do you have any plans to expand beyond Brazil?***

We look at the US and European markets as our next potential markets. The Brazilian market has given us the opportunity to learn in the most challenging way, preparing us to tackle many different economic scenarios in our pursuit of creating a more democratic and sustainable financial system.

***What are some key milestones that you would like to see the company achieving over the next 5 – 10 years?***

In 10 years, we will have created a global payment network, in which humans and AGIs (artificial general intelligence) will issue credit, payments and settlement at the speed of light, at little to no cost. Thousands of CBDCs (Central Bank Digital Currency) and card brands will interact with our products and services.



# FT Partners – Focused Exclusively on FinTech

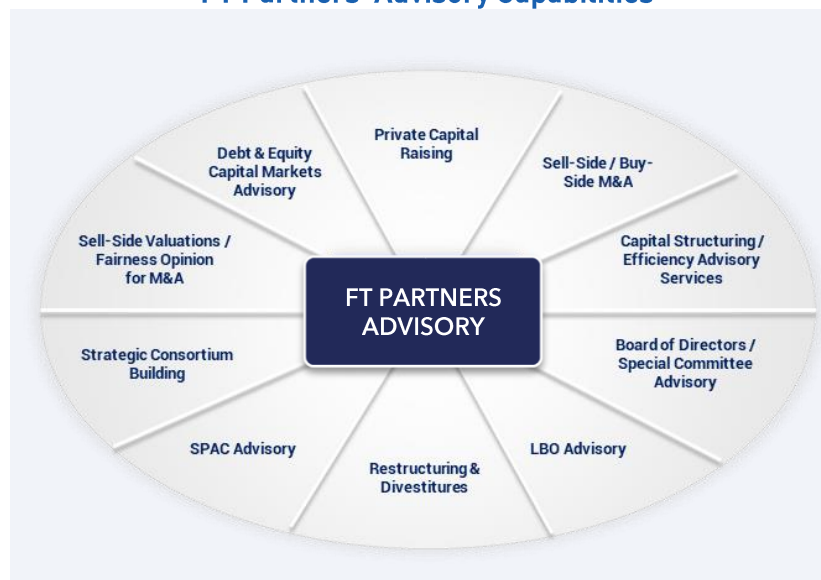
FT PARTNERS ADVISES



## 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 19 years of exclusive focus on Financial Technology

### FT Partners' Advisory Capabilities



### FT Partners' FinTech Industry Research



**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"**



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

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- Regulatory environment in Brazil and recent updates
- Brazilian Payments, Banking, Lending, InsurTech, Financial Management Solutions, and WealthTech sector overviews
- 14 exclusive interviews with FinTech executives, entrepreneurs and investors in Brazil
- A detailed market landscape of FinTech companies operating in Brazil
- Individual profiles of 26 companies playing a significant role in the Brazilian FinTech universe
- Highlights of active investors in the space and recent financing transactions



# FT Partners – Focused Exclusively on FinTech

## Track Record of Success in Emerging Markets

FT PARTNERS ADVISES



### FT Partners has advised on several transactions across 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 B financing led by

COATUE

for a total consideration of

**\$190,000,000**



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FTP Securities LLC

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



on its strategic minority investment from



for a total enterprise value of

**\$1,000,000,000**



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on its

**~\$100,000,000**

**Initial Public Offering**



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in its

**\$1,400,000,000**

**Initial Public Offering**



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in its sale



for total consideration of

**\$165,000,000**



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



in its Series D financing led by



with participation from



for total consideration of approximately

**\$ 30,000,000**



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



in its Series G financing with



for total consideration of

**\$145,000,000**



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in its Series B financing from



for total consideration of

**\$ 22,000,000**



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strategic and financial advisor to



in its private placement at the IPO price with



for total consideration of

**\$100,000,000**



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## FT Partners Advises Stone on its IPO



### Overview of Transaction

- On October 25, 2018, StoneCo Ltd. (Nasdaq: STNE) priced its IPO at \$24 per share, raising approximately \$1.4 billion
  - High-profile new and existing investors participating in the IPO include Berkshire Hathaway, T. Rowe Price, Madrone Capital Partners, and Ant Financial
- Due to strong demand, the deal priced above the initial \$21 - \$23 filing range
- Stone is a leading provider of FinTech solutions that empower merchants and integrated partners to conduct electronic commerce seamlessly across in-store, online, and mobile channels in Brazil
  - Founded in only 2014, São Paulo-based Stone has quickly grown to serve over 230,000 active clients with a focus on SMBs
  - Within the first half of 2018, the Company processed over \$9 billion of transactions and posted revenue of \$171 million and net income of \$24 million

### Significance of Transaction

- Stone's IPO is among the largest FinTech IPOs ever
- Demonstrates strong investor appetite for high growth FinTech companies globally
- Further supports FT Partners' continued success advising leading FinTech companies

### FT Partners' Role

- FT Partners served as exclusive IPO Advisor to Stone on this transaction
- FT Partners also advised Stone on its \$145 million Series G financing in September 2017 as well as its \$100 million private placement with Ant Financial, which occurred concurrently with the IPO
- FT Partners leveraged its deep industry knowledge, extensive transaction expertise, and broad scope of relationships to achieve a highly favorable outcome for Stone

### Financial Technology Partners LP FTP Securities LLC

*is pleased to announce its role as  
exclusive IPO Advisor to*

**stone<sup>co.</sup>**

*in its*

**\$1,400,000,000**

**Initial Public Offering**

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## FT Partners Advises Interswitch on its Strategic Investment by Visa



### Overview of Transaction

- On November 12, 2019, Interswitch, an Africa-focused integrated digital payments company, and Visa (NYSE: V), announced a strategic partnership that will further advance the digital payments ecosystem across Africa
- As part of the agreement, Visa will acquire a significant minority equity stake in Interswitch at a total company valuation of \$1 billion
- Headquartered in Lagos, Nigeria, Interswitch is a leading tech-driven company focused on the digitization of payments in Nigeria and other African countries
- Founded in 2002, Interswitch disrupted the traditional cash-based payments value chain in Nigeria by introducing electronic payments processing and switching services
- Today, Interswitch is a leading player in Nigeria's developing financial ecosystem with omni-channel capabilities across the payments value chain, processing over 500 million transactions per month in May 2019
- In addition to its switching and processing services, Interswitch owns Verve, the largest domestic debit card scheme in Africa with more than 19 million cards activated on its network as of May 2019; Interswitch also operates Quickteller, a leading multichannel consumer payments platform, driving financial inclusion across Nigeria

### Significance of Transaction

- The investment makes Interswitch one of the most valuable FinTech companies in Africa
- The partnership will create an instant acceptance network across Africa to benefit consumers and merchants and facilitate greater connectivity for communities

### FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Interswitch
- This transaction underscores FT Partners' unparalleled domain expertise in the Payments space and successful track record of executing deals in emerging markets

### Financial Technology Partners LP FTP Securities LLC

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

**Interswitch** 

*on its strategic minority investment from*

**VISA**

*for a total enterprise value of*

**\$1,000,000,000**

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## FT Partners Advises Ebury on its £350 million Majority Investment



### Overview of Transaction

- On November 4, 2019, Santander announced it has invested £350 million in Ebury for a 50.1% stake
- Headquartered in London, UK, Ebury delivers a full suite of foreign exchange and international payments services to SMEs, mid-sized corporations and financial institutions
  - Ebury employs a data driven, digital model and provides a unique distribution platform to its 43,000 clients globally
  - Ebury processed approximately £17 billion in payments in 2018 and employs 900 individuals across its 22 offices in 19 countries

### Significance of Transaction

- Santander's acquisition of a majority stake in Ebury represents the largest acquisition of a FinTech company in EMEA by a bank ever and one of the top 5 VC-backed FinTech M&A exits ever in EMEA
- Combining Ebury's global transaction capabilities with Santander's international footprint and full suite of banking products will accelerate growth for both
- The partnership will strengthen Santander's position as the premier bank for SMEs trading internationally and accelerates its digital strategy of growth through new ventures
- The transaction will enhance Ebury's growth through multiple avenues including expansion in new markets in Latin America and Asia, and leveraging Santander's brand reputation to capture new clients globally

### FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Ebury
- This transaction underscores FT Partners' deep domain expertise and successful track record in the Cross-Border Payments space

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

# Ebury

*on its majority investment from*



*representing a 50.1% stake for  
total consideration of*

# £350,000,000

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### Overview of Transaction

- On April 3, 2018, ContaAzul announced a new round of equity financing of approximately US\$ 30 million led by Tiger Global Management, a New York-based investment firm
- ContaAzul, founded in 2012, provides an innovative, modern and easy-to-use Cloud Accounting Platform tailored to the needs of Brazilian small businesses and their accountants
- With the transaction, Tiger Global – which first invested in ContaAzul in 2015 – is now expanding its stake in the company
- Endeavor Catalyst, an innovative co-investment fund that invests exclusively in entrepreneurs in the Endeavor Global network, also participated in the round

### Significance of Transaction

- The investment recognizes ContaAzul's strong momentum and will help the rapidly growing Company expand and broaden its product offerings and market presence
- The Company's growth strategy is focused on expanding its platform, aiming to improve collaboration between small businesses and their accountants, while also enhancing its connection capabilities with banks, apps, FinTech companies and government institutions

### FT Partners' Role

- FT Partners served as sole strategic and financial advisor to ContaAzul and its Board of Directors
- This transaction highlights FT Partners' expertise in the Brazilian FinTech environment and continued success advising top-tier FinTech companies

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

**ContaAzul**

*in its Series D financing led by*

**TIGERGLOBAL**

*with participation from*



*for total consideration of approximately*

**\$ 30,000,000**



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## FT Partners Advises YellowPepper on its Sale to Visa



### Overview of Transaction

- On October 27, 2020, Visa announced it has agreed to acquire YellowPepper
  - The acquisition of YellowPepper builds on a strategic partnership and investment Visa made in YellowPepper in May 2018
- Founded in 2004 and based in Miami, FL, YellowPepper provides innovative digital financial solutions in nine Latin American countries and currently serves 50 clients and five million monthly active users
- The Company's platform enables financial institutions to easily launch card and account agnostic real-time solutions, while providing value added services such as tokenization, identity validation and risk tools to deliver a complete transaction and service offering

### Significance of Transaction

- The acquisition of YellowPepper will accelerate the adoption of Visa's "network of networks" strategy by significantly reducing the time-to-market and cost for issuers and processors associated with accessing innovative and interoperable solutions, regardless of who owns or operates the payment rails
- YellowPepper will facilitate an easier integration to Visa Direct, Visa's real-time push payments platform, Visa B2B Connect, Visa's non-card-based payment cross-border B2B network, and value added services, expanding digital products and services enablement

### FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to YellowPepper
- FT Partners previously advised YellowPepper on its [strategic financing from Visa in May 2018](#)
- This transaction demonstrates the long-term nature of many of FT Partners' client relationships and highlights our deep domain expertise and transactional excellence across FinTech and the Payments sector

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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”

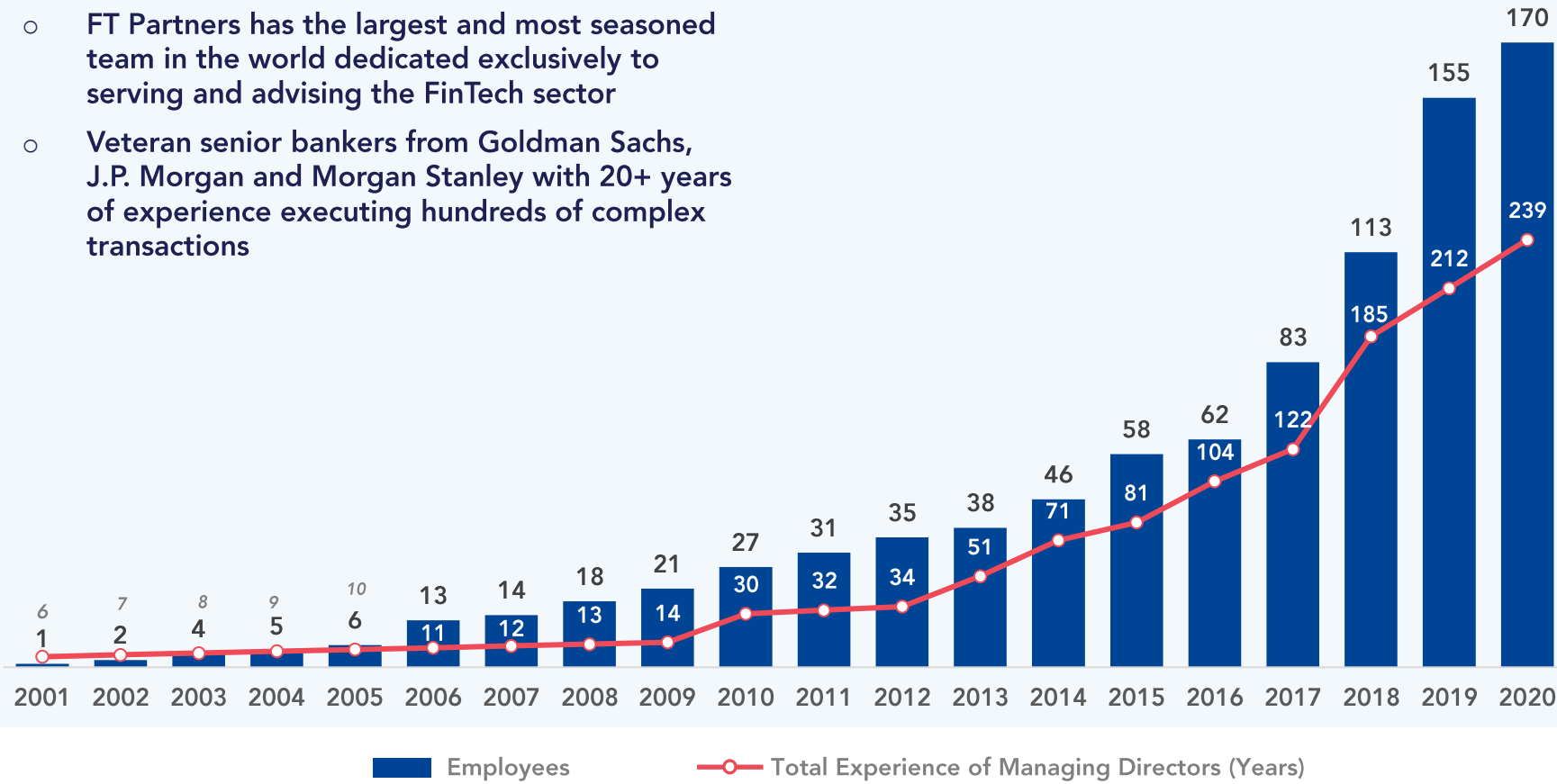
- Ranked as the #2 top Technology Investment Banker by The Information subscribers (2016)
- Only FinTech focused investment banking firm and banker on the list

# FT Partners – Focused Exclusively on FinTech



## 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



Average Experience of Managing Directors (Years)

