

FT PARTNERS FINTECH INDUSTRY RESEARCH

January 22, 2018



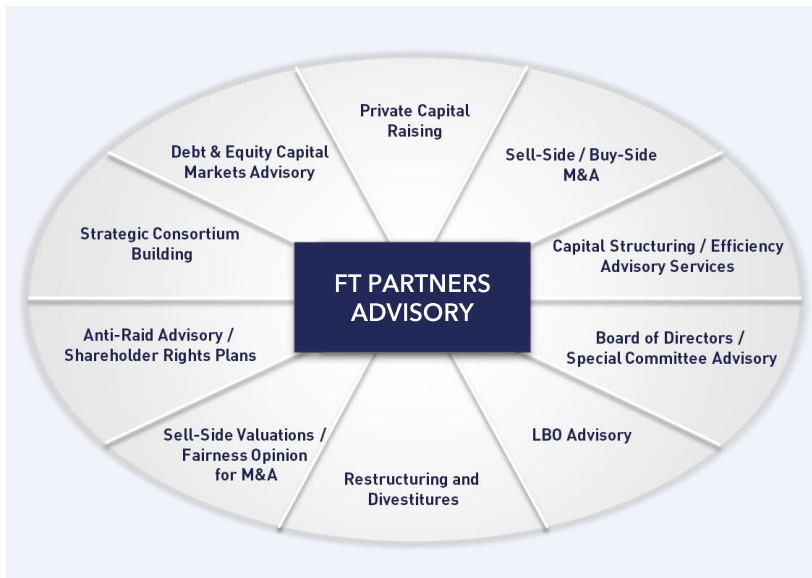
Paytronix Systems Raises \$65 million in Growth Financing from Great Hill Partners



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 #1 Most Influential Person in all of FinTech in *Institution Investor's* "FinTech Finance 40"



THE M&A ADVISOR

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

Steve McLaughlin: *Founder & CEO*

Tel: 415.992.8880

steve.mclaughlin@ftpartners.com

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Paytronix Raises \$65 mm from Great Hill Partners

FT PARTNERS RESEARCH

PAYTRONIX

Transaction Summary

Transaction Summary

- On January 22, 2018, Paytronix Systems announced that it has raised \$65 million in growth financing from Great Hill Partners
 - First institutional capital raised by Paytronix
- This round of financing will be used to continue scaling the Company through the following initiatives:
 - Development of CXM technology in order to further relationships with current clients and gain new customers
 - Expand product suite and geographic reach of company
- Paytronix is aiming to increase its reach as a CXM industry leader
 - Currently serving over 330 customers and 16,000 store locations
 - Generating around \$18B in guest spending at client establishments

Management Overview



Andrew Robbins *President*

- Co-Founded Paytronix in August of 2001
- Earned degrees in mechanical engineering and business administration from MIT, Princeton, and Harvard



Matt d'Arbeloff *Head of Finance and Operations*

- Co-Founded Paytronix in August of 2001
- Experienced financial professional through past roles at Sparkventures and Frost & Berman



Michelle Tempesta *Head of Marketing*

- Joined Paytronix team in March of 2010
- Works with both external marketing as well as product management in order to develop new content and services

Transaction Commentary

"Restaurant and convenience store operators are seeking more efficient and scalable ways to engage with their customers in real-time to increase foot traffic and sales. Paytronix is the clear market leader, providing its robust platform to brands such as Panera Bread, California Pizza Kitchen, Thorntons and Bloomin' Brands. Great Hill's investment model is to partner with strong founders and management teams of high growth companies. We are excited to work with Andrew Robbins and the entire Paytronix management team to help with the next stage of growth."

Great Hill
PARTNERS

Nick Cayer
Partner



"To fully execute the vision we've set for the company, we needed a financial partner that could quickly scale with us. With its expertise in growing tech companies, Great Hill Partners fits our needs perfectly. I look forward to accelerating the development of our technology to redefine the guest experience and perpetuate our strategic advantage"

PAYTRONIX

Andrew Robbins
President



Paytronix Raises \$65 mm from Great Hill Partners

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PAYTRONIX

Paytronix Overview

Company Overview

PAYTRONIX

CEO: Andrew Robbins
Headquarters: Newton, MA
Founded: 2001

- Provides SaaS customer experience management solutions (loyalty, reward, gift, mobile applications and data insights) for restaurants and convenience store brands
 - Highly integrated with functionalities such as email marketing, data insights, and reward programs
- Industry leader within the restaurant sales/loyalty space
 - Caters to large portion of the fast food and fast casual space
 - Great opportunity for upsell within current clients
- Manages sales through comprehensive analytics and tracks purchase behavior in order to tailor customer experience
 - Provide sales dashboard that centralizes financial management, promotions and marketing campaigns

Industries



Convenience Stores



Restaurants

Solutions



Rewards Programs



Email Marketing



Data Insights



Gift Programs



Comp Programs



POS, Mobile & Online Integrations

Marketing Management

- Runs synergized promotional campaigns, loyalty / membership programs and gift programs

Sales and Financial Management

- Synchronizes point of sale, payment processing software, and financial analytics
- Tracks purchase activity of individuals in order to modify customer experience to each customer

Select Customers

WHICH WICH?
SUPERIOR SANDWICHES



THORNTONS



california
PIZZA KITCHEN

BRAVO | BRIO
RESTAURANT GROUP

Paytronix Raises \$65 mm from Great Hill Partners

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PAYTRONIX

Great Hill Partners Overview

Overview



Matt Vettel
Managing Partner
Pymts / Fin.
Mgmt. Solutions



Nick Cayer
Partner
Pymts / Fin. Mgmt.
Solutions



Joe Germanese
Vice President
Pymts / Fin. Mgmt.
Solutions



Chris Busby
Partner
HCM / RMS



Mark Taber
Managing Partner
HCIT



Rafael Cofino
Partner
HCIT

Locations

- Boston, MA

About

- Launched Fund VI (\$1.6 bn of capital) in 2017
- Investors include foundations, endowments, family offices, healthcare institutions, pensions, and financial institutions
- Raised over \$5 bn in capital commitments across 6 funds
- Invests in public and private companies of all stages (beyond early stage)
- Active board participants in all portfolio companies
- Generally maintains a holding period of 3-7 years for portfolio companies

Investment Preferences

Investment Criteria

Fund Size:	\$1,581mm
Fund Raised:	2017
Investment Range:	\$25 – 200mm
Revenue:	NA
EBITDA:	NA

General Preferences ¹

Control:	Majority, Minority
Geography:	US, Europe, South America
Transaction Type:	Growth Equity, Recapitalizations, PIPE, Buyout, Take-Private
Industry Focus:	B2B, Cloud & IT Infrastructure, Consumer, Consumer Internet, Digital Media, eCommerce, Education, Enterprise SaaS, Financial Technology, HCIT, Software, IT Services

Selected Recent Investments

FinTech / Financial Services Investments ²

Date	Company	Deal Amt. ³	Board Rep.	Sector
01/18	Paytronix (PE Growth)	\$65		Pymts
06/17	Quantum Health (Recap)	NA	Mark Taber, Rafael Cofino	HCIT
10/16	Confirmation.com (PE Growth)	NA	Matt Vettel, Nick Cayer, Joe Germanese	Fin Mgmt Solutions
01/16	RxBenefits (PE Growth)	NA	Mark Taber, Rafael Cofino	HCIT
09/15	AffiniPay (PE Growth)	NA	Nick Cayer, Matt Vettel	Pymts
08/15	PlanSource (Series C)	70	Chris Busby, Matt Vettel	HCM
07/15	Reward Gateway (Buyout)	218	Chris Busby, Matt Vettel	HCM
06/15	Chrome River Technology (Series D)	100	Matt Vettel, Nick Cayer, Joe Germanese	Fin Mgmt Solutions
11/14	Bluesnap (PE Growth)	NA	Matt Vettel, Chris Busby, Nick Cayer	Pymts
07/14	Qualifacts Systems (Buyout)	NA	Mark Taber, Rafael Cofino	HCIT
05/14	Network Merchants (PE Growth)	NA	Matt Vettel, Nick Cayer, Joe Germanese	Pymts
04/14	bswift (Aetna)*	51	Chris Busby, Matt Vettel	HCM
01/12	Vanco Payment Solutions (PE Growth)	NA	Matt Vettel, Nick Cayer, Bill Hurley	Pymts
02/11	All Web Leads (Genstar Capital)*	NA	Chris Gaffney, Michael Kumin	Ins
07/10	Credibility Corp. (D&B)*	NA	Michael Kumin	Bnkg

Source: Company website, PitchBook

1) Italics indicate preferred control / geography

3) Deal Amount in mm

2) * denotes M&A exit; ** denotes IPO exit

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Timeline of Selected FT Partners Payments Processing Transactions

[illegible]

Paytronix Raises \$65 mm from Great Hill Partners

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Strong Domain Expertise in Payments Investment Banking

PAYTRONIX

Financial Technology Partners LP
FTP Securities LLC

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

Heartland

in its sale to

globalpayments

for total consideration of

\$ 4,500,000,000

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TECHNOLOGY
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The Only Investment Bank
Focused Exclusively on Financial Technology

Financial Technology Partners LP
FTP Securities LLC

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

MERCURY®

in its cash sale to

vantiv™

for total consideration of

\$ 1,650,000,000

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Financial Technology Partners LP
FTP Securities LLC

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

TRANSFIRST™

in its sale to

Vista Equity Partners
from
WCAS

for total consideration of

\$ 1,500,000,000

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Financial Technology Partners LP
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is pleased to announce its exclusive role as
sole strategic and financial advisor to

GiftCards.com

in its sale to

**BLACKHAWK
NETWORK**

for total consideration of

\$ 120,000,000

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is pleased to announce its exclusive role as
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CAYAN®

in its Significant Growth Recapitalization by

PARthenon CAPITAL PARTNERS

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Financial Technology Partners LP
FTP Securities LLC

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

MERCURY®

in its approximately 60% Growth

SILVERLAKE

for a value up to

\$ 900,000,000

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in its sale to

twitter

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

**CARDINAL
COMMERCE**

in its sale to

VISA

for total consideration of

\$ 300,000,000

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sole strategic and financial advisor to

MARQETA

in its Series C minority financing from

COMMERZ VENTURES
Commerzbank Group

83NORTH
EV
CAPITAL GROUP

for total consideration of

\$ 25,000,000

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

YAPSTONE™
ePayments as a Service

in its Series investment led by

**ACCEL
PARTNERS**

for total consideration of approximately

\$ 50,000,000

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PARTNERS

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Focused Exclusively on Financial Technology

Financial Technology Partners LP
FTP Securities LLC

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

VERUS

in its sale to

sage

for cash consideration of approximately

\$ 325,000,000

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SOLVERAS
PAYMENT SOLUTIONS™

in its sale to

TRANSFIRST™

for total consideration of approximately

\$ 51,000,000

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FTP Securities LLC

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sole strategic and financial advisor to

Lynk

in its sale to

**The Royal Bank
of Scotland**

for cash consideration of approximately

\$ 525,000,000

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in its sale to

TSYS®

for total consideration of approximately

\$ 135,000,000

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in its growth investment by

Bregal Sagemount

for total consideration of approximately

\$ 200,000,000

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PARTNERS

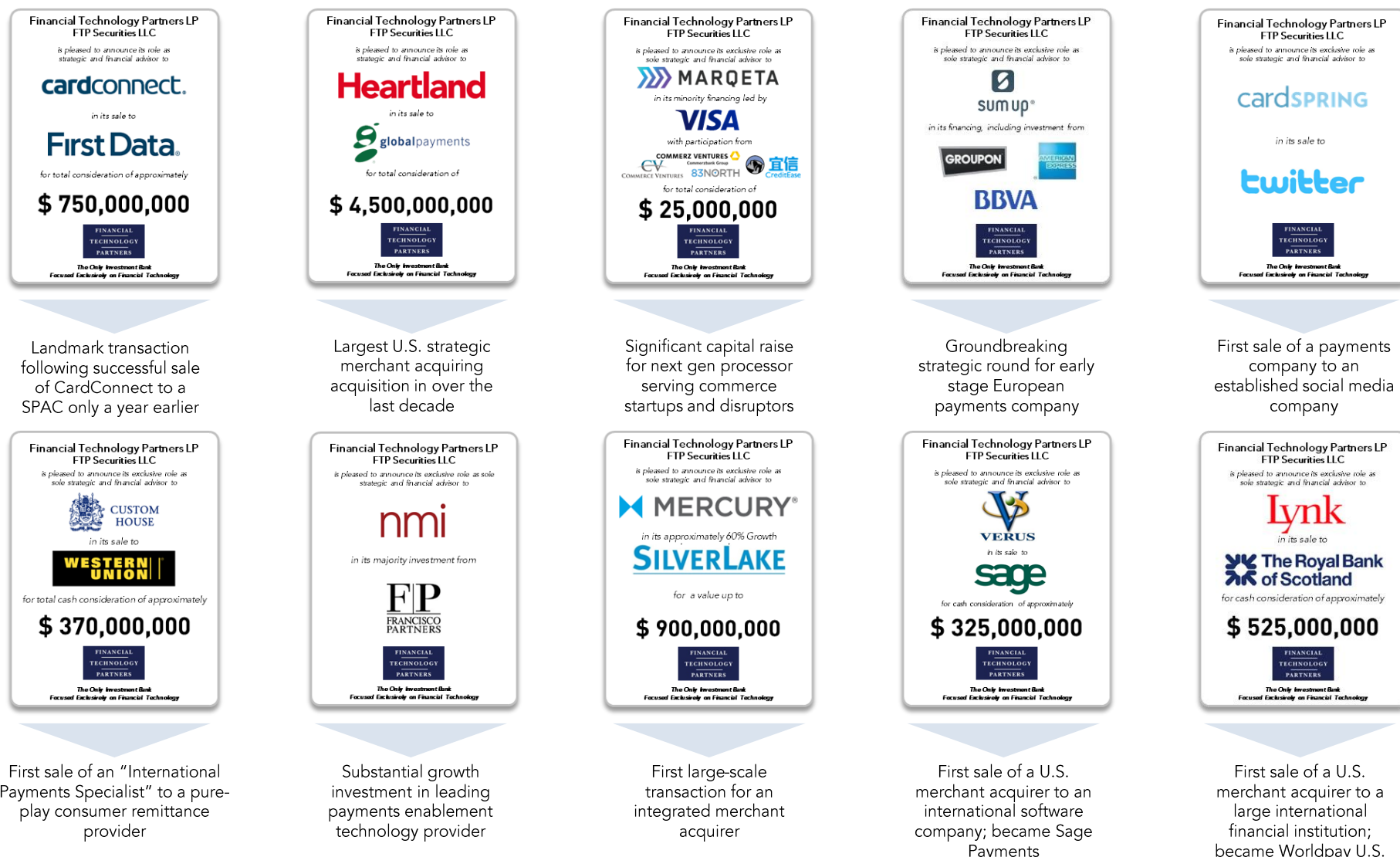
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FT PARTNERS RESEARCH

PAYTRONIX

Ground-Breaking Payments Transactions Pioneered by FT Partners



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FT PARTNERS RESEARCH

PAYTRONIX

Award-Winning Investment Bank Franchise Focused on Superior Client Results

Institutional Investor
Institutional Investor
Annual Ranking

2017
2015 - 2016
2006 - 2008

- Ranked #1 Most Influential Executive on Institutional Investor's FinTech 40 List
- Steve McLaughlin Ranked Top 5 on Institutional Investor's FinTech 35 List
- Consecutively Ranked (2006, 2007 and 2008) among the Top Bankers on Institutional Investor's "Online Finance 40"

I The Information

2016

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



M&A Advisor
Awards

2015 - 2017

2010 - 2014

2004 - 2007

- Investment Banker of the Year - 2017
- Investment Banking Firm of the Year - 2016
- Cross Border Deal of the Year - 2016
- Dealmaker of the Year - 2015
- Technology Deal of the Year - 2015
- Equity Financing Deal of the Year - 2014
- Professional Services Deal of the Year, Above \$100 mm - 2014
- Dealmaker of the Year - 2012
- Professional Services Deal of the Year, Above \$100 mm - 2012
- Boutique Investment Bank of the Year - 2011
- Deal of the Decade - 2011
- Upper Middle Market Deal of the Year, Above \$500 mm - 2010
- IT Services Deal of the Year, Below \$500 mm - 2010
- Cross-Border Deal of the Year, Below \$500 mm - 2010
- Dealmaker of the Year - Steve McLaughlin - 2007
- Business to Business Services Deal of the Year - 2007
- Computer and Information Technology Deal of the Year, Above \$100 mm - 2007
- Financial Services Deal of the Year, Above \$100 mm - 2007
- Investment Bank of the Year - 2004



Middle Market
Financing Awards

2006 - 2008

- Equity Financing Dealmaker of the Year - Steve McLaughlin - 2008
- Information Technology Deal of the Year - 2008
- Financial Services Deal of the Year - 2008
- Financing Professional of the Year - Steve McLaughlin - 2006

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FT PARTNERS RESEARCH

PAYTRONIX

The FT Partners Senior Banker Team

Name / Position	Prior Background	Experience / Education	Years of Experience
Steve McLaughlin <i>Founder, CEO and Managing Partner</i>		<ul style="list-style-type: none"> Formerly with Goldman, Sachs & Co. in New York and San Francisco from 1995-2002 Former Co-Head of Goldman Sachs' Financial Technology Group (#1 market share) Wharton M.B.A. 	23
Greg Smith <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly award winning Equity Research Analyst at Merrill Lynch / J.P. Morgan / Hambrecht & Quist 20+ years of experience covering FinTech as both an Analyst and Investment Banker 	22
Osman Khan <i>Managing Director</i>		<ul style="list-style-type: none"> Former Managing Director / Head of FIG M&A at Alvarez & Marsal 15+ years FIG deal, consulting and assurance experience at PwC 40 Under 40 M&A Advisor Award Winner in 2013 LSE (BSc w/Honors), MBS (MBA w/Distinction), ICAEW (FCA) 	21
Steve Stout <i>Managing Director</i>		<ul style="list-style-type: none"> Former Global Head of Strategy at First Data Formerly Led J.P. Morgan Payments Investment Banking Former Equity Research Analyst on #1 ranked team at UBS and Economist at the Federal Reserve Bank 	20
Tim Wolfe <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly with Goldman, Sachs & Co. beginning in 2000 Started at FT Partners in 2002 40 Under 40 M&A Advisor Award Winner 2013 Harvard M.B.A. 	16
Timm Schipporeit <i>Managing Director</i>		<ul style="list-style-type: none"> 11+ years with Morgan Stanley, Senior Executive Director of European Technology Investment Banking Team in London Formerly a Venture and Growth Investor focused on FinTech at Index Ventures 	15
Andrew McLaughlin <i>Managing Director</i>		<ul style="list-style-type: none"> 20+ years experience executing / implementing financial and operational strategy Formerly with Deloitte Consulting 	12