

FT PARTNERS FINTECH INDUSTRY RESEARCH

March 29, 2018



**Pine Labs Raises \$82 million in Financing
led by Actis Capital**



Pine Labs Raises \$82 million in Financing Led by Actis

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Transaction Summary

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- On March 13, 2018, India-based Pine Labs announced that it has raised \$82 million in growth financing led by Actis Capital
 - Altimeter Capital also participated in the round
 - Sequoia Capital invested in the Company in 2009 and remains the largest shareholder ⁽¹⁾
- The Company will use proceeds to continue scaling operations in India, while also expanding internationally
 - Pine Labs is looking at entering United Arab Emirates, Saudi Arabia, Indonesia, the Philippines, Thailand, Vietnam and Qatar
- Pine Labs will also use a portion of the funds to develop new products and services for merchants
- According to Mint, this latest round values the Company at nearly \$1 billion ⁽¹⁾
 - Pine Labs is growing **60-70%** annually within India ⁽¹⁾
 - The Company is currently processing **450 million** transactions worth nearly **\$15 billion** annually ⁽¹⁾
 - Through its **300,000** POS systems installed throughout India, the Company processes roughly **15%** of the total card volume in the market ⁽¹⁾

Transaction Commentary

"The plan is to continue to grow in the domestic market at the rate that we have been growing at. In the next three-to-four years we expect to grow from the current level of 300,000 to 1 million terminals, and we plan to go live in four or five markets over the next three-four years. In the next two-three years, we are looking at a revenue of around 25% from international markets." ⁽¹⁾



Lokvir Kapoor
CEO



"Actis has invested in payments businesses across the growth markets operating in more than 50 countries, from Brazil to Malaysia, helping to build the financial infrastructure of the future. We are keenly looking forward to working closely with the team at Pine Labs over the coming years." ⁽¹⁾



Asanka Rodrigo
Partner, Head of South Asia



Management Overview



Lokvir Kapoor
CEO



Kush Mehra
President, APAC



Vikas Bhasin
CFO



Nipun Mehra
Chief Product
& Strategy Officer

Source: Company website, Mint

⁽¹⁾ Mint: "Pine Labs raises \$82 million from Actis Capital, Altimeter, others"

Pine Labs Raises \$82 million in Financing Led by Actis



Pine Labs Overview

Company Overview



CEO: Lokvir Kapoor
Headquarters: Noida, India
Founded: 1998

- **Pine Labs is a leading POS solutions provider in India**
 - The Company provides POS devices and a number of additional services to its merchants ranging from data analytics to loyalty programs
- **The Company is an industry leader with significant market share in India**
 - Pine Labs processes about 15% of the country's card volume through its 300,000 POS terminals
 - The Company processes 450 million transactions worth over \$15 billion annually
- **The Company is working to expand its Indian presence while also looking at international expansion**
 - In the next three to four years, Pine Labs will deploy an additional 700,000 terminals throughout India
 - In the next two to three years, the Company plans to earn 25% of revenue from international markets

Solutions



Plutus
Cloud-based POS solution



Plutus GPRS
EMV-compliant mobile payment solution



Bharat QR & UPI
QR code United Payments Interface acceptance



Plutus TRM
Web-based transaction reconciliation management



Pine Analytics
Deep insights into customer behavior



Pine EMI
EMI processing at the POS terminal



Loyalty & Rewards
Loyalty program management and points acceptance



Pine DCC
Integrated Dynamic Currency Converter



Pine Perks
Gifting, voucher and allowances platform



Promozone
Targeted promotions on customer charge slips



Encore
Fully automated, data-based marketing tool



Business Loan @ POS
Hassle-free business loans for merchants

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Actis Capital Overview

Overview



Hossam Abou Moussa
Partner



David Cooke
Partner



Sherif Elkholy
Partner



Rick Phillips
Partner



Asanka Rodrigo
Partner, Head of South Asia



Ali Mazanderani
Director

Locations

- London, UK (HQ)
- Beijing, China
- Sao Paulo, Brazil
- New York, NY
- Mexico City, Mexico
- Johannesburg, South Africa

About

- Founded in 2004 as CDC Capital Markets, Actis operates a multi-asset strategy through the asset classes of private equity, energy and real estate
- Actis has approximately \$20 bn assets under management
- The Firm invests in growth companies across Africa, Asia and Latin America
- Actis invests in sectors such as: consumer, energy, financial services, healthcare, industrial and real estate

Investment Preferences

Investment Criteria

Fund Size:	\$1,700mm
Fund Raised:	2012
Investment Range:	\$50 – 250mm
Revenue:	NA
EBITDA:	NA

General Preferences ¹

Control:	Majority, Minority
Geography:	Africa, China, Latin America, South Asia
Transaction Type:	Growt, IPO, Buyout, MBO/LBO
Industry Focus:	Consumer, Financial Services, Healthcare, Industrials, Energy, Real Estate

Selected Recent Investments

FinTech / Financial Services Investments ²

Date	Company	Deal Amt. ³	Board Rep.	Sector
03/18	Pine Labs (Series F)	\$82	Ali Mazanderani	Pymts
03/17	GHL Systems (Buyout)	NA	Ali Mazanderani	Pymts
11/13	Paycorp (Secondary)	92	Ali Mazanderani	Pymts
08/12	AGS Transact (PE Growth)	40	Nick Luckock	Pymts
11/10	XP Investimentos (General Atlantic)*	58	Chu Kong	CapMkts
02/10	Integreon (NewQuest Capital Partners)*	50	JM Trivedi	FMS
10/07	Alexander Forbes Ltd. (Buyout)**	1,200	Peter Schmid	Ins

FinTech / Financial Services Investments ²

Date	Company	Deal Amt. ³	Board Rep.	Sector
04/14	Upstream (PE Growth)	NA	Nick Luckock	Telecom
01/05	Starcomms (Buyout)	\$43	NA	Telecom
12/99	Netkraft (Early Stage VC)	2	NA	IT

Source: Company website, PitchBook

1) Italics indicate preferred control / geography

3) Deal Amount in mm

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



Other Selected Indian POS Payments Players

Payswiff Company Profile

Company Overview

MD & Group CEO:  Prabhu Ram
Headquarters: Hyderabad, India
Founded: 2013

- Payswiff is an omnichannel payment solution provider
- The Company has six offices in India and six throughout the rest of world, with its international operations HQ in Singapore
- Payswiff offers solutions to merchants, ISOs and banks
 - Mobile POS, Feature POS (3G & WiFi), Smart POS (Android) with app-based dashboard for sales management and reporting, contactless and other new age modes of payment
 - App-based payment gateway for offline e-merchants
 - E-commerce payment solutions
- The Company processes over 10 million transactions per month through its 175,000 devices deployed globally
 - Payswiff is present in over 12 countries with a global market presence covering CIS, Africa, South East Asia, the U.S. and the Middle East
- Payswiff is partnered with Axis Bank, RBL Bank and HDFC Bank along with 38 other banks for its transaction processing in India
 - Global partnerships include Mashreq Bank, GCB Bank, Bay Bank, Qazkom Bank, Prior Bank, ING, Unicredit Bank, Eurasian Bank and Telcos such as Indosat



**View FT Partners'
Exclusive Interview with
Payswiff CEO Prabhu Ram**

[VIEW](#)

Products and Services

Omnichannel Processing



- Credit and debit cards (POS & Payment gateway)
- Net banking
- Wallets
- Multi-bank EMI
- Reward & loyalty points
- UPI, EMI processing
- QR payments

Allied Services



- Prepaid recharges
- Bill payment, ticketing
- Money transfer
- Insurance collections
- Mini ATM

Value Added Services



- Invoicing software
- Customer data acquisition
- Customer engagement tools
- Analytics, risk mitigation
- Reports
- GST Tax Filing
- Inventory & Billing
- Accounting

Industry Partners



Payswiff Company Profile (cont.)

Omnichannel transaction processing and cost-effective payment solutions for small, medium and large enterprises



Payswiff ONE mPOS Card Reader

- Easily accept card payments
- Automatic settlements
- Settlements directly to existing bank accounts



Android POS

- Compact design with an integrated Android device which accepts payments



Payswiff Feature POS

- Accept contact and contactless cards
- Accept e-wallet payments
- Wireless connectivity
- Offer cash withdrawal



White Label MPOS and POS

- Merchant acquiring solutions for acquirers, banks, independent service providers and payment service providers



Payment Gateway

- Accept online payments
- Independent platform with simply integration
- Offer monthly installments



Accounting Software

- GST ready software for SMBs, large enterprises and tax consultants
- Easy integration and comprehensive dashboard

Mswipe Company Profile

Company Overview



CEO: Manish Patel
Headquarters: Mumbai, India
Founded: 2011

- **Mswipe is an independent merchant acquirer that provides payment processing solutions for merchants**
 - The Company offers mobile POS devices, a payment gateway for online payments and automated payment settlement for merchants
- **The Company has a strong presence throughout the Indian market**
 - Throughout 650 Indian towns, Mswipe has roughly 280,000 POS devices deployed at merchants
- **Mswipe's proprietary technology offers merchants the first EMV, PCI-PTS and NFC compliant mobile POS solutions in India**

Select Merchants



Products and Services



Accept Payments

- Accept all cards, UPI, Samsung Pay
- Portable, wireless terminals
- Electronic charges slips
- Works with existing bank account



Manage Business

- All-in-one inventory management
- Multi-user, multi-store
- Android POS app
- Integrated payments, GST ready
- Owner dashboard & MIS reports



Grow Business

- Faster loans
- Low rates
- EMI payments via Mswipe account
- Easy top up

Financing History

Date	Size (\$ mm)	Investor(s)
12/07/17	\$10	B Capital Group, DSG CONSUMER PARTNERS
06/21/17	31	UC-RNT FUND, FALCON EDGE, DSG CONSUMER PARTNERS, matrix PARTNERS, Meru Capital, OLA
07/22/15	25	AXIS BANK, FALCON EDGE, DSG CONSUMER PARTNERS, matrix PARTNERS, Meru Capital, OLA
01/10/14	NA	AXIS BANK, DSG CONSUMER PARTNERS, matrix PARTNERS
01/11/13	NA	matrix PARTNERS

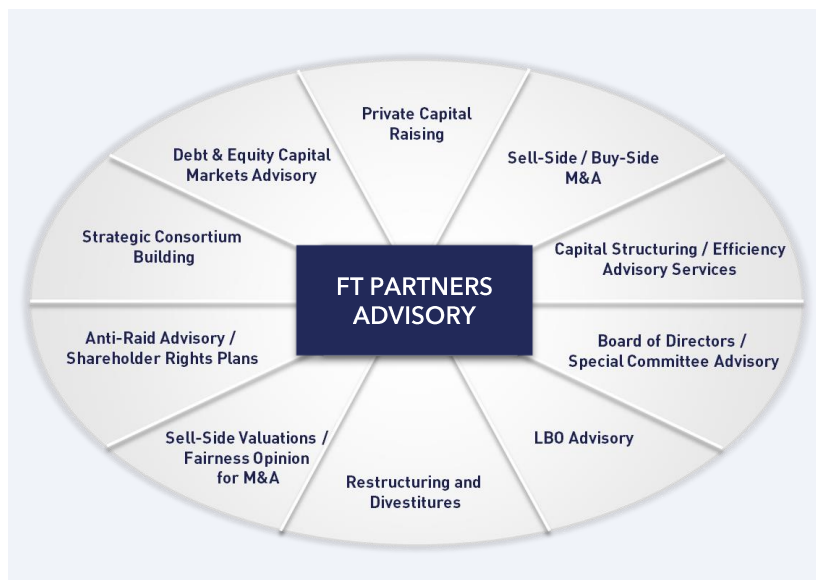


Overview of FT Partners

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

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Selected FT Partners' Research – *Click to View*



Global Money Transfer



Transaction Security



Klarna: An Online Payments and POS Lending Leader



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



Heartland's Sale to Global Payments



CardConnect's \$750 million to First Data



Cayan's \$1.05 billion Sale to TSYS



YapStone's \$71 million Series C Financing



Remitly's \$115 million Financing Led By PayU



M I Acquisitions Acquires Priority Holdings for \$1 billion



FinTech Acquisition Corp II Acquires Intermex for an EV of \$365 million



ING's Acquisition of Payvision for Approximately \$447 million

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***FT Partners has a history of
executing on some of the
most ground-breaking
Payments transactions in the
last decade+***



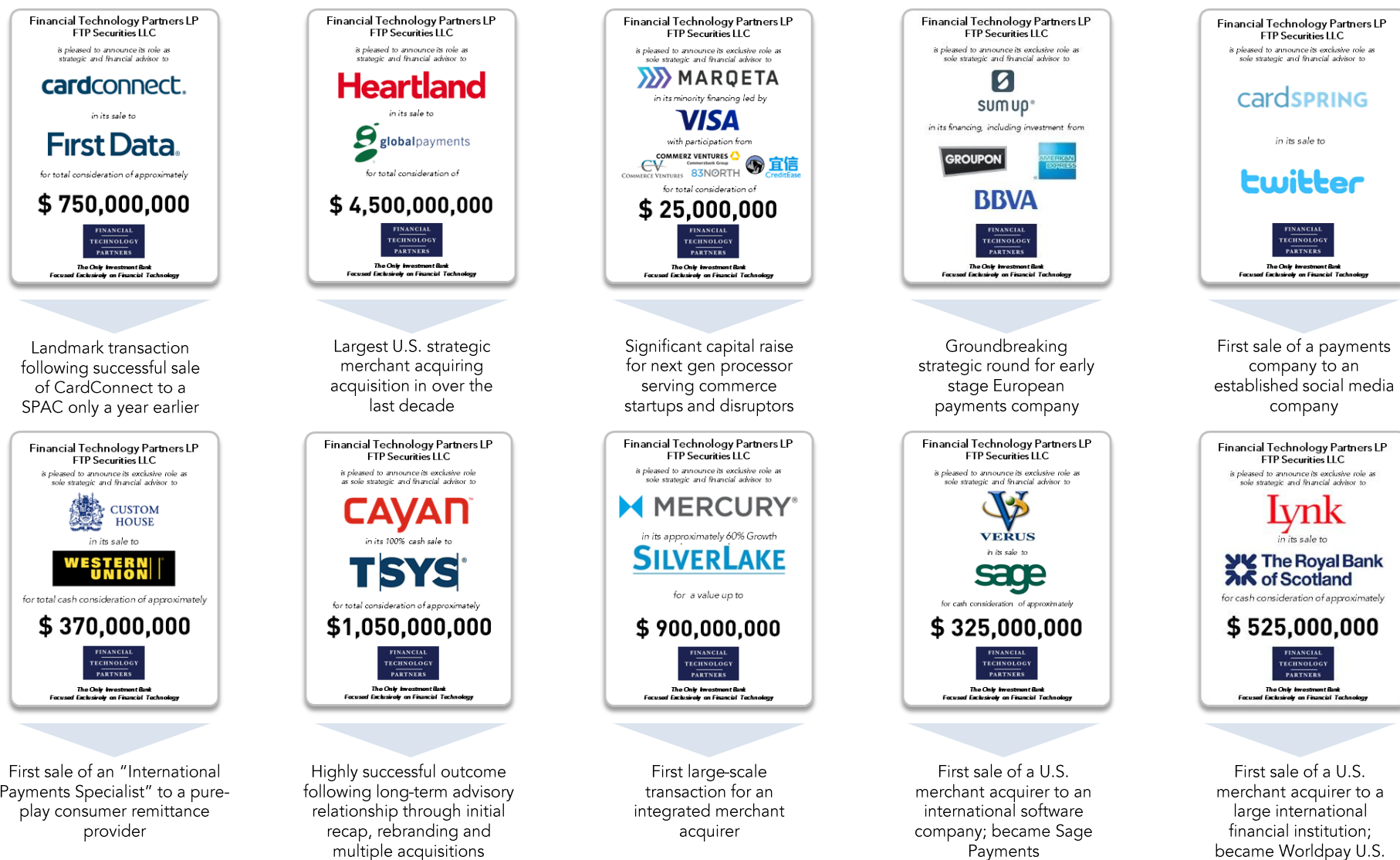
FT Partners – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

Strong Domain Expertise in Payments Investment Banking



Ground-Breaking Payments Transactions Pioneered by FT Partners



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

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