

FT PARTNERS FINTECH INDUSTRY RESEARCH

August 12, 2019



Toss Raises \$64 million in Financing Led by Aspex Management



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

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 Institutional Investors "FinTech Finance 40"



THE M&A ADVISOR

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

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Toss Raises \$64 million in Financing



Transaction Overview

Transaction Summary

- **On August 8, 2019, Toss announced that it has raised \$64 million in financing**
 - The round was led by Hong Kong-based investment firm Aspex Management
 - Existing investors Kleiner Perkins, Altos Ventures, GIC, Sequoia Capital China, Goodwater Capital, and Bessemer Venture Partners also participated
- **With this round, the Company has raised more than \$260 million in total equity financing**
- **According to the Company, Toss is now valued at \$2.2 billion**
 - Toss was previously valued at \$1.2 billion after its \$80 million raise in 2018
- **Toss has over 13 million registered users, and has processed more than \$29 billion in transactions ⁽²⁾**

Selected Financing History

Date	Size (\$ mm)	Investor(s)
08/08/19	\$64	Aspex Management, Kleiner Perkins, Altos Ventures, GIC, Sequoia Capital China, Goodwater Capital, Bessemer Venture Partners
12/09/18	80	Kleiner Perkins, Ribbit Capital, Qualcomm Ventures, PayPal, Bessemer Venture Partners, KTB Network, Altos Ventures, Goodwater Capital, Novel
06/18/18	40	GIC, Sequoia Capital China
03/09/17	48	Goodwater Capital, Altos Ventures, Bessemer Venture Partners, PayPal, Partech Ventures
04/13/16	23	Goodwater Capital, Qualcomm Ventures, Altos Ventures, Novel, KTB Network
07/21/15	5	KTB Network, Goodwater Capital, Altos Ventures, Industrial Bank of Korea

Transaction Commentary

"We are truly pleased that Toss has gained further momentum to embark upon the next phase of its journey. Our mission is to provide the best possible financial service experience to users, and we will continue to do our best for Toss to become the only service needed for users' safe and easy day-to-day financial lives." ⁽¹⁾

"Korea's online banking system is too complicated and inefficient. We created Toss to solve this problem by combining every financial service in a single app, focusing on making the customer experience as easy and frictionless as possible."



Lee Seung-gun
Founder & CEO



"We like the large addressable market financial services offer and the unique leading position Toss occupies amongst mobile consumers. We are confident that the exceptional Toss team will solidify the company into a fully integrated consumer financial services platform." ⁽¹⁾



Hermes Li
Founder and CIO



Source: Company Website, Company Press Release, FT Partners' Proprietary Transaction Database

(1) The investor: "Toss operator Viva Republica secures \$64m at \$2.2b valuation"

(2) Deal Street Asia: "South Korean fintech unicorn Toss scores \$64 mm in fresh funding"

Toss Raises \$64 million in Financing



Viva Republica / Toss Overview

Company Overview



CEO:	Lee Seung-gun
Headquarters:	Seoul, South Korea
Founded:	2013

- Founded in 2013, Viva Republica launched Korea's first P2P money transfer service, Toss, in 2015
- In addition to the platform's P2P money transfer and payments system, Toss provides a suite of financial services including banking services, a financial dashboard, credit score management tools, and investment products
- The Company is the number one P2P transfer service in Korea with 30 million downloads, 36 trillion won transferred, and zero security breaches
- As of June 2018, Toss processed more than \$1.4 billion in monthly transactions, allowing users to send each other as much as \$1,822 a day, cutting the time needed for money transfer to seconds ⁽¹⁾
- Toss has over 13 million registered users, over one fifth of South Korea's population ⁽²⁾

Products & Solutions Overview

Seamless Money Transfer



- Supporting features include auto-filling of bank information, "split the bill" functionality, automatic / recurring transfer set up, and QR code payment options

Bank and Bill Management



- Access to bank accounts with fingerprint identification
- View all card statements at once and check statements within seconds

Loan & Securities Account Management



- 1.3% interest account with unlimited free transfers on up to 2 million won per day
- Fund investment, P2P investment, and micro-investment in real estate services

Insurance Products



- Insurance comparison tools and custom recommendations based on situation parameters and budget across 36 providers

Selected FT Partners' Research – *Click to View*



Global Money Transfer



Transaction Security



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



GoCardless' \$75.5 million
Series E Financing



REPAY's Merger With
Thunder Bridge



Marqeta's \$260 million
Series E Financing



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



Payworks' Sale to Visa



KKR Acquires Majority
Stake in heidelpay



Finablr Completes its IPO
Raising Approximately
\$395 million



Network International
Completes its IPO



Nexi Completes its IPO

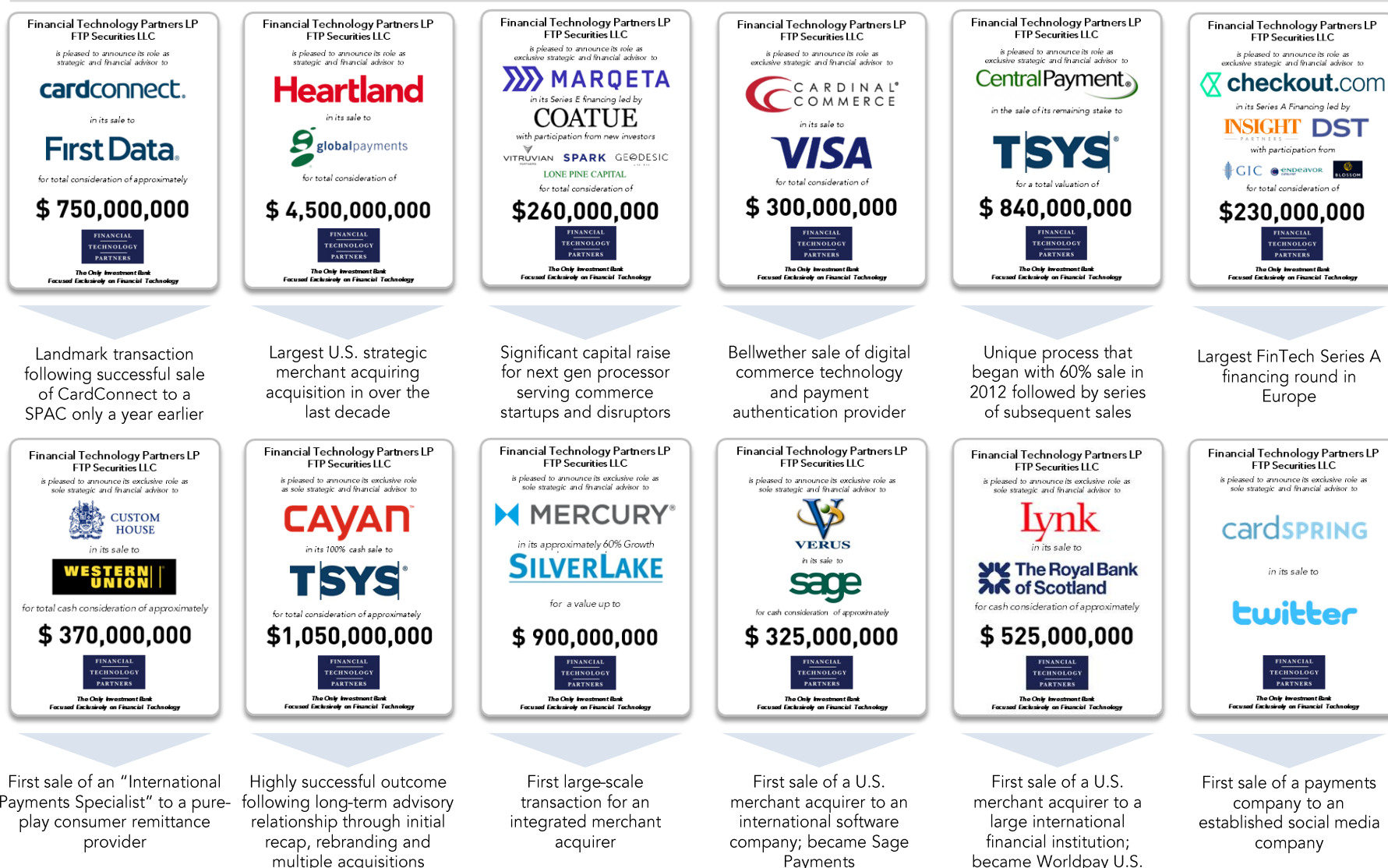
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FT Partners' International / Cross-Border Capabilities (Selected Examples)

FT Partners' global presence offers capabilities reaching far beyond North America, as demonstrated by our numerous international clients and successful transactions with international firms & investors

Target	Buyer / Investor	International Aspect
		 
	 	 
		
		
	 	
		 
		 
		 
	  	
	  	 
	 	
		
		
	 	
	  	 
		
		

Ground-Breaking Payments Transactions Pioneered by FT Partners



FT Partners Advises Remitly on its \$220 million Series E Equity and Debt Financing

Overview of Transaction

- On July 10, 2019, Remitly announced \$220 million in new financing, consisting of \$135 million in Series E equity and \$85 million in syndicated debt financing
 - The equity financing was led by Generation Investment Management
 - Other participants in the equity portion are Owl Rock Capital, Princeville Global, Prudential Financial, Schrodgers, and Top Tier, alongside Remitly's existing investors, including DN Capital, Naspers' PayU, and Stripes Group
 - Debt financing came from Goldman Sachs, Barclays, Silicon Valley Bank, and Bridge Bank
- Remitly is an independent digital remittance company that transfers over \$6 billion in annualized volume through its proprietary global money transfer network across Africa, Asia, Central Europe, Central and South America

Significance of Transaction

- The investment is a signal of Remitly's strong momentum; over the past year, Remitly has expanded to 16 send and 44 receive countries, and the Company's annual revenue growth was nearly 100% for the past three years
- Remitly will use the latest round of financing to extend and deepen its presence internationally, bringing its money transfer services to many more countries

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Remitly and its board of directors on its \$135 million in Series E Equity financing
- FT Partners previously advised Remitly on its [\\$115 million Series D financing led by Naspers' PayU](#) in 2017 and its [\\$39 million Series C financing led by Stripes Group](#) in 2016
- This transaction demonstrates the long-term nature of many of FT Partners' client relationships and highlights our deep domain expertise and transactional experience across Payments and in the Money Transfer sector, in particular

Financial Technology Partners LP FTP Securities LLC

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



*on its Series E equity financing
led by*

generation_____

*as part of a total financing
consideration of*

\$220,000,000



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FT Partners Advises iyzico on its \$165 million Sale to PayU

Overview of Transaction

- On June 11, 2019, PayU announced the acquisition of iyzico for a total consideration of \$165 million
 - The transaction is expected to close in the coming months, subject to regulatory approval
- Headquartered in Istanbul, Turkey, iyzico provides secure payments to over 300 marketplace merchants (with over 400,000 subsellers of different sizes) as well as 30,000 online merchants which are using its checkout solution
- PayU, the FinTech and electronic payments arm of internet and media conglomerate Naspers (JSE: NPN), is the leading online payment service provider in 18 high growth markets, dedicated to creating a fast, simple and efficient payment process for merchants and buyers
- With more than 250 payment methods, PayU has more than 1,800 payment specialists based in local markets supporting PayU's 300,000+ merchants and the millions of consumers making online payments

Significance of Transaction

- Complementing PayU's own digital offering, the deal will allow PayU to not only strengthen its presence in Turkey but accelerate its SMB business with iyzico's automated solutions and cross-border product suite
- The acquisition, which adds to PayU's \$500 million investment portfolio, is a further step in the Company's mission to become both the number one payments provider in every market in which it operates and the world's leading FinTech investor
- The acquisition will also allow PayU to consolidate its position as a leader in the Turkish payments space and accelerate scale and efficiency across its payments business in Europe, the Middle East and Africa (EMEA)
- iyzico's Series A round investors, including Speedinvest, realized an 11x return on their investment through the acquisition

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to iyzico
- The transaction highlights FT Partners' continued success advising leading Payments companies across emerging markets

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

iyzico

in its sale to

PayU

for total consideration of

\$165,000,000



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FT Partners Advises Checkout.com on its \$230 million Series A Financing

Overview of Transaction

- On May 2, 2019, Checkout.com announced it has raised \$230 million in Series A financing led by Insight Partners and DST Global with participation from GIC, Endeavor Catalyst, Blossom Capital and other strategic investors
- This is the first financing round for Checkout.com since its foundation in 2012
- Headquartered in London, UK, Checkout.com offers the world's most comprehensive cross-border payment solution for digital commerce
 - The Company specializes in accepting, acquiring and processing international and local payments and also provides fraud management tools, analytics and comprehensive reporting features for merchants
 - Checkout.com is a direct acquirer of all major card schemes, accepting international cards, local card schemes and many of the most popular global alternative payment methods
 - Checkout.com handles every step of the payment process on a proprietary technology platform, so merchants benefit from feature parity across regions, faster processing speeds, greater reliability, and full data visibility

Significance of Transaction

- This financing will enable Checkout.com to continue its rapid growth in Europe, the US and the Middle East, with further expansion into Asia and Latin America
- This transaction is the largest ever Series A Financing round for a Technology or FinTech company in Europe

FT Partners' Role

- FT Partners served as sole strategic and financial advisor to Checkout.com
- This transaction underscores FT Partners' unparalleled track record in the Payments space and highlights the Firm's strong capabilities in finding the best investors for our clients worldwide

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



in its Series A Financing led by



with participation from



for total consideration of

\$230,000,000



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FT Partners Advises YellowPepper on its Financing from Visa

Overview of Transaction

- On May 24, 2018, YellowPepper announced that Visa has made a strategic investment in the Company; the round also saw participation from current investors
- Headquartered in Miami, FL, YellowPepper is the mobile payments pioneer in Latin America with proprietary technology and partnerships with leading financial institutions and FinTech companies
 - YellowPepper provides a payment platform that gives consumers, merchants, issuers and processors the means to revolutionize the purchasing experience
- Visa Inc. (NYSE: V) is a leader in digital payments, connecting the world through its innovative, reliable and secure payment network - enabling individuals, businesses and economies to thrive
 - Its advanced global processing network, VisaNet, provides secure and reliable payments around the world, and is capable of handling more than 65,000 transaction messages a second

Significance of Transaction

- The funds raised will enable YellowPepper to accelerate innovation in digital payments technology in the LatAm region
- YellowPepper and Visa are also expanding their partnership and preliminary efforts of this agreement will focus on growing opportunities for tokenized payments, increasing access to Visa APIs, and expanding the usage of push payments via Visa Direct

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to YellowPepper on this transaction
- This transaction demonstrates FT Partners' continued success advising leading mobile payments companies, as well as its position as the "go-to" investment bank for FinTech in high-growth markets globally

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



in its Strategic Financing from

VISA & **Current
Investors**

for approximately

\$12,500,000

FINANCIAL
TECHNOLOGY
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FT Partners Advises RecargaPay on its Series B Financing

Overview of Transaction

- On February 22, 2018, RecargaPay announced it has raised \$22 million in Series B financing
 - New investors in the round include IFC, a member of the World Bank Group, TheVentureCity and Ventech
 - Notable entrepreneurs Fabrice Grinda and Martin Varsavsky, more than 100 angel investors through AngelList and FundersClub, as well as existing investors DN Capital and FJ Labs, also participated
- Headquartered in Sao Paulo, Brazil, RecargaPay is democratizing mobile payments for banked and unbanked consumers in Brazil
 - RecargaPay simplifies daily transactions such as mobile top ups, transport cards, bill payments, gift cards and much more
 - The Company has over 10 million mobile wallet users today and supports millions of monthly mobile transactions

Significance of Transaction

- With this latest capital raise, RecargaPay will continue to grow its world-class team and focus on building out its products and technology

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to RecargaPay and its Board of Directors
- This transaction underscores FT Partners' successful track record generating highly favorable outcomes for high growth FinTech companies globally

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in its Series B financing from



VENTECH

for total consideration of

\$ 22,000,000



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FT Partners Advises PPRO on its \$50 million Minority Financing

Overview of Transaction

- On July 16, 2018, PPRO Group (“PPRO”) announced it has raised \$50 million in financing led by PayPal (Nasdaq:PYPL) with participation from Citi Ventures and return investor HPE Growth Capital
- Headquartered in London, UK, with several offices across Europe and the US, PPRO is leading the under-served alternative payments (acquiring) market
- As alternative payment methods (APMs) such as bank transfers, e-wallets and cash-based e-payments continue to become more popular, merchants are increasingly choosing payment partners based on the ever-expanding range of locally relevant payment methods available
- PPRO, through partnerships with leading payment service providers and financial institutions, provides a single platform and relationship for online merchants to accept more than 250 alternative payment options¹ globally
- PPRO also has a leading consumer digital account issuing business in Europe

Significance of Transaction

- Through this investment, PPRO plans to accelerate the expansion of its payments platform and international presence of its alternative payments acquiring business
- PPRO will also offer a suite of alternative payment methods to PayPal’s merchants through the new PayPal Smart Payment Buttons™ product

FT Partners’ Role

- FT Partners served as exclusive strategic and financial advisor to PPRO and its Board of Directors
- This transaction underscores FT Partners’ deep Payments domain expertise and its successful track record generating highly favorable outcomes for high growth FinTech companies globally

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



in its financing led by



with participation from



for total consideration of

\$ 50,000,000

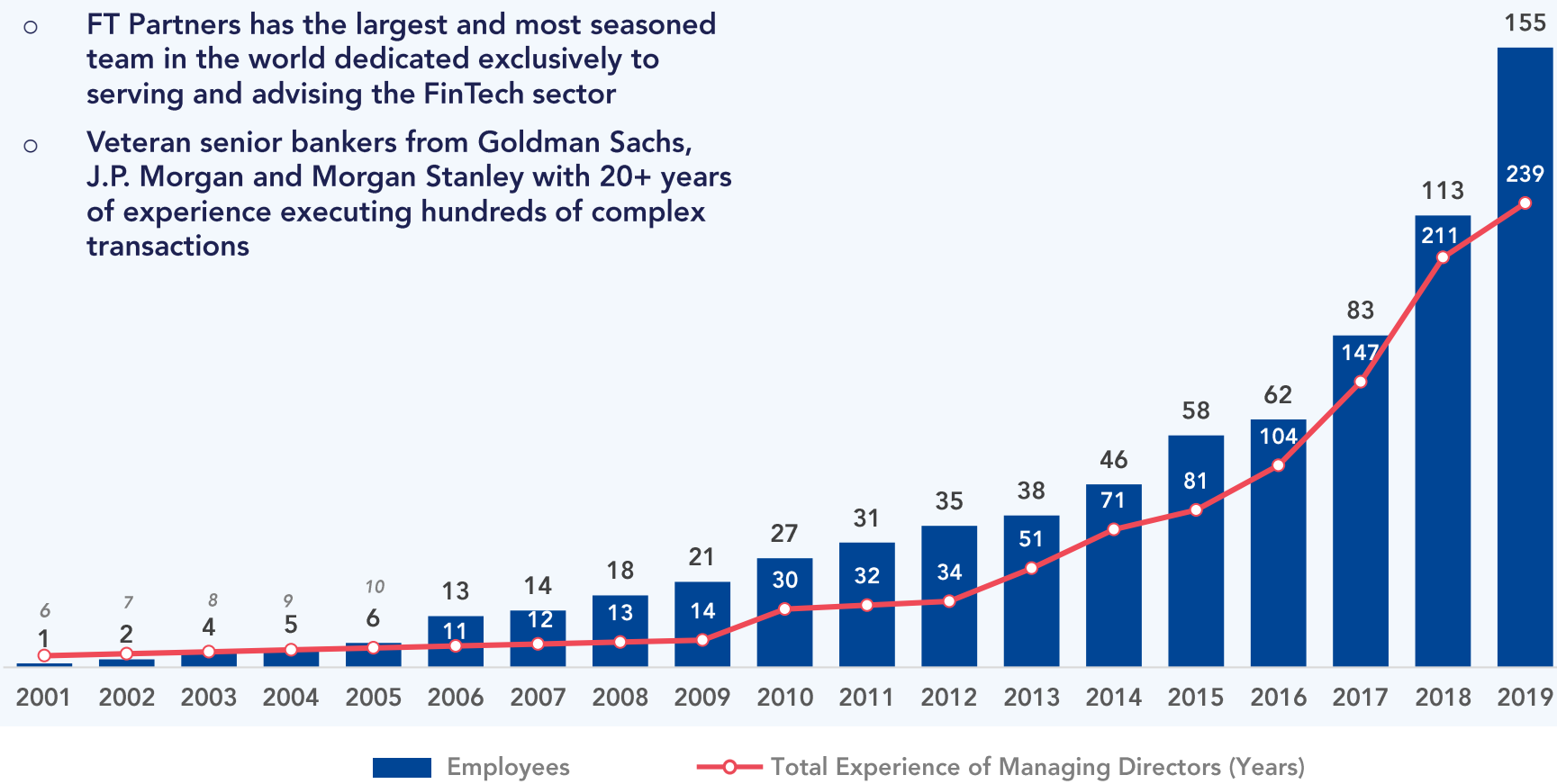


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1. The number of alternative payments methods (APMs) calculated by breaking down by scheme, connecting bank and country

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



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