

FT PARTNERS FINTECH INDUSTRY RESEARCH

February 1, 2019



Stripe Raises \$100 million in Financing From Tiger Global Management

TIGERGLOBAL

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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Stripe Raises \$100 million in Financing

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Transaction Summary

Transaction Summary

- On January 29, 2019, Stripe announced it has raised \$100 million in financing from Tiger Global Management at a \$22.5 billion dollar post-money valuation according to the Company
- The investment follows a previous \$245 million Series E round in September 2018 that valued the Company at a \$20.3 billion post-money valuation
- Stripe will use the financing to continue to scale internationally, deepen its platform, and add new services and features for larger users
- Stripe announced the addition of Diane Greene, prior CEO of Google Cloud, to its Board of Director

Transaction Commentary

"Stripe is rapidly scaling internationally, as well as extending our platform into issuing, global fraud prevention, and physical stores with Stripe Terminal. The follow-on funding gives us more leverage in these strategic areas."⁽¹⁾



Stripe Spokesperson



"We're building Stripe for the long-term, We're lucky to do so alongside a roster of detail-oriented directors who think that infrastructure revolutions can compound for decades and that operational excellence can be a surprisingly durable competitive advantage"⁽¹⁾



Patrick Collinson
Co-Founder, President



Selected Financing History

Date	Size (\$ mm)	Investor(s)	Valuation (\$ mm)
01/30/19	\$100	TIGERGLOBAL	\$22,500
09/26/18	245	TIGERGLOBAL, DST, SEQUOIA, ANDREESSEN HOROWITZ, GENERAL CATALYST, khosla ventures, THRIVE CAPITAL	20,250
11/25/16	150	capitalG, GENERAL CATALYST, SEQUOIA	9,200
10/04/16	na	SUMITOMO MITSUI CARD	na
07/28/15	na	VISA	5,000
12/02/14	70	THRIVE CAPITAL, GENERAL CATALYST, khosla ventures, SEQUOIA, FOUNDER'S FUND	3,570
01/22/14	80	khosla ventures, ALLEN & COMPANY, FOUNDER'S FUND	1,750
07/09/12	20	SEQUOIA, GENERAL CATALYST, Redpoint VENTURES	na
02/10/12	18	SEQUOIA	100
03/29/11	2	ANDREESSEN HOROWITZ, SVAngel, SEQUOIA	20
08/02/10	na	Y Combinator	na

Source: Company website, Bloomberg, TechCrunch, FT Partners' Proprietary Transaction Database

(1) CNBC: "Stripe rides the online payments boom to a \$22.5 billion valuation"

Stripe Raises \$100 million in Financing

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Stripe Overview








Company Overview



CEO / President: Patrick Collison
Headquarters: San Francisco, CA
Founded: 2010

- Stripe enables businesses to accept payments online and in mobile applications
 - The API allows the consumer checkout experience to happen on the merchant's website or app and avoid the risk of consumers visiting an outside site to checkout and perhaps dropping the transaction in the process
- The Company provides tools for fraud prevention, data security, accounting and billing – essentially everything needed to allow users to build and run an online business
 - Stripe is developer friendly encouraging integration and a number of add ins that function in tandem with the platform including Slack, Formstack, Alipay and WeChat Pay
- Stripe currently supports businesses in over 120 countries, enabling them to instantly accept payments from around the world
 - The Company also maintains 9 global offices and has 1,300+ employees
 - Accepts transactions in over 130 currencies and automatically handles currency conversions
- Pricing for credit and debit cards: 2.9% + \$0.30 per transaction; \$15 chargeback fee; custom pricing on volumes greater than \$1 mm / year
 - There is also separate pricing offered for ACH and Bitcoin payments of 0.8% per transaction with a \$5 cap

Products & Services Overview

-  **Payments:** Scalable developer-centric global payments platform
-  **Billing:** Easy API integration with end to end billing and invoice management
-  **Connect:** Everything platforms need to get sellers paid including payment routing, onboarding and verification
-  **Sigma:** Optimized business data used for business operations, financial analysis and product management
-  **Atlas:** Toolkit for starting and managing new businesses
-  **Radar:** Comprehensive fraud solutions driven by machine learning and Stripe's extensive network of data
-  **Issuing:** Platform for quickly creating and managing physical and virtual cards

Selected Clients

	Mobile Commerce	    
	On-Demand Economy	     
	SaaS	   
	Non-Profits	     
	Platform Payments	     

Stripe Raises \$100 million in Financing

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Tiger Global Management Overview

Overview

TIGERGLOBAL



Chase Coleman
Founder & Partner



Anil Castro
Partner, CFO, &
COO



Lee Fixel
Partner & Head of
Private Equity



Scott Shleifer
Partner & Head of
Public Equity
Business

Locations

- New York, NY (HQ)
- Hong Kong
- Melbourne, Australia
- Bangalore, India
- Singapore

About

- Tiger Global was founded in 2001 and is headquartered in New York, NY
- Tiger is an investment manager that deploys capital through two primary funds: a private equity fund and a public equity fund
- Prefers to invest in the technology, internet, telecom, media, retail, and consumer businesses with a focus in the US, China, India, Southeast Asia, Latin America, and Eastern Europe

Investment Preferences

Investment Criteria

Fund Amount:	\$3,750 mm (Tiger Global Private Investment Partners XI)
Fund Raised:	2018
Investment Size:	NA
Revenue:	NA
EBITDA:	NA

General Preferences ¹

Control:	Minority, Majority
Geography:	US, China, India, Asia, Latin America, Europe
Transaction Type:	Seed, Venture, Growth, M&A
Industry Focus:	Technology, Internet, Telecom, Media, Retail, Consumer Business

Selected Recent Investments / Exits

FinTech / Financial Services Investments ²

Date	Company	Deal Amt. ³	Board Rep.	Sector
01/19	Stripe (Later-Stage VC)	\$100	NA	Pymts
01/19	OLO (Later-Stage VC)	18	NA	Pymts
12/18	Guideline (Series C)	35	NA	CapMkts
11/18	PAYFAZZ (Early-Stage VC)	21	NA	Pymts
11/18	Checkmate (Series A)	3	NA	Pymts
10/18	Coinbase (Series E)	300	NA	CapMkts
09/18	Stripe (Later Stage VC)	245	NA	Pymts
08/18	Root (Series D)	100	NA	Ins
07/18	Toast (Series D)	115	NA	Pymts
04/18	Green Bits (Series A)	17	NA	Pymts
04/18	ContaAzul (Series D)	30	NA	FMS
03/18	ChargeBee (Series C)	18	NA	FMS
03/18	NestAway (Series D)	51	NA	Bankg
01/18	Razorpay (Early-Stage VC)	20	NA	Pymts
01/18	Wealthfront (Later-Stage VC)	75	NA	Bankg
10/17	PolicyBazaar (Series E)	77	NA	Ins
11/16	Nubank (Series D)	80	NA	Bankg
04/16	Nest Away (Series C)	30	NA	Bankg
01/16	Nubank (Series C)	52	NA	Bankg
11/15	Tyro Payments (Growth)	72	NA	Pymts

Source: PitchBook, FT Partners' Proprietary Database

1) Italics indicate preferred control / geography

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

3) Deal Amount in mm

Selected FT Partners' Research – *Click to View*



Global Money Transfer



Transaction Security



Klarna: An Online Payments and POS Lending Leader



Adyen's €947 million IPO



REPAY's Merger With Thunder Bridge



PPro Raises \$50 million in Financing Led by PayPal



GPS Raises £44 million in minority financing



Poynt Raises \$100 million in Series C Financing



Voyager Innovations Raises \$215 million in Financing



Vista Equity Partners Acquires MINDBODY for \$1.9 billion



Fiserv Acquires First Data for an Implied Enterprise Value of \$41 billion



Mastercard Launches Rival Bid for Earthport for Approximately £233 in Cash

[VIEW MORE FT PARTNERS RESEARCH](#)

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



Ground-Breaking Payments Transactions Pioneered by FT Partners



FT Partners Advises Heartland Payment Systems on its Sale

Overview of Transaction

- FT Partners served as strategic and financial advisor to Heartland Payment Systems (NYSE: HPY) in its landmark \$4.5 billion sale to Global Payments (NYSE: GPN) for a combination of cash and stock
- Global Payments acquired Heartland for \$100 per share, representing a total transaction value of approximately \$4.5 billion at the closing of the deal
- Consideration for the transaction consisted of 0.6687 shares of Global Payments stock and \$53.28 for each share of Heartland stock at closing
- This transaction creates the leading global provider of integrated payments technology solutions
- This deal represents the largest U.S. strategic merchant acquiring acquisition in over a decade
- Also represents the single largest U.S. strategic payment processing deal in the last 8 years
- This transaction underscores FT Partners' continued leadership position as "advisor of choice" to the highest-quality companies in the FinTech space

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

Heartland

in its sale to



for total consideration of

\$ 4,500,000,000



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FT Partners Advises Stone on its Initial Public Offering

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^{co.}

in its

\$1,400,000,000

Initial Public Offering

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FT Partners Advises Cayan on its Sale to TSYS

Overview of Transaction

- On December 18, 2017, TSYS announced it has entered into an agreement to acquire Cayan in an all cash transaction valued at approximately \$1.05 billion
 - The transaction is expected to close in Q1 2018
- Cayan, a portfolio company of Parthenon Capital Partners, provides technology led acquiring services to more than 70,000 merchants and 100+ integrated partners in the U.S.
 - The Company's flagship Genius platform delivers a seamless and scalable unified commerce experience across channels
- TSYS (NYSE: TSS) is a leading global payments provider, offering innovative and secure solutions across the payments spectrum — from issuer processing and merchant acquiring to prepaid program management

Significance of Transaction

- The acquisition strategically complements TSYS' merchant goals to become a leading payment provider to small and medium size businesses in the U.S.
- The addition of Cayan's unified commerce solutions elevates TSYS' competitive position to jointly offer a broader set of value-add products and services to partners and merchants

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Cayan and its Board of Directors
- FT Partners also advised Cayan on its [recapitalization by Parthenon Capital Partners](#) along with numerous acquisitions made by the Company
- This transaction highlights FT Partners' continued success advising prominent companies in the Payments and Merchant Acquiring space and its 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 role as exclusive
strategic and financial advisor to*

CAYANTM

in its 100% cash sale to

TSYS[®]

for total consideration of approximately

\$ 1,050,000,000

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FT Partners Advises CardConnect on its \$750,000,000 Sale to First Data

Overview of Transaction

- On May 29, 2017, CardConnect (NASDAQ: CCN) announced that it has entered into a definitive agreement to be acquired by First Data (NYSE: FDC) for \$15.00 per share in cash, for an aggregate transaction value of approximately \$750 million
 - The transaction is expected to close in 3Q17, subject to customary closing conditions
- Headquartered in King of Prussia, PA, CardConnect is an innovative provider of payment processing and technology solutions
 - CardConnect processes approximately \$26 billion of volume annually from 67,000 merchant customers
- First Data is a global leader in commerce-enabling technology and solutions
- FT Partners also represented [CardConnect on its sale to FinTech Acquisition Corp for \\$438 million](#), which closed in July 2016

Significance of Transaction

- The CardConnect transaction is consistent with First Data's strategy of integrating and scaling innovative technologies across its distribution footprint; CardConnect is one of First Data's largest distribution partners
- CardConnect brings First Data innovative partner management technology, accelerates the Company's integrated solutions initiative and provides it with an ERP-integrated payment solution set

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to CardConnect and its board of directors
- This transaction highlights FT Partners' continued success advising prominent companies in the Payments and Merchant Acquiring space and its leadership position as the "advisor of choice" to the highest quality FinTech Companies

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

cardconnect.

in its sale to

First Data.

for total consideration of approximately

\$ 750,000,000

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FT Partners Advises Poynt on its Series C Financing

Overview of Transaction

- On November 13, 2018, Poynt announced its \$100 million Series C financing with participation from strategic partners Elavon and National Australia Bank (NAB)
 - This financing brings Poynt's total funding to \$133 million; existing investors include GV (Google Ventures), Matrix Partners, NYCA Partners, Oak HC/FT, Stanford-StartX Fund, and Webb Investment Network
- Headquartered in Palo Alto, CA, Poynt is a connected commerce platform empowering merchants with the technology to transform their businesses
 - Poynt has re-imagined the ubiquitous payment terminal into a connected, multi-purpose device that runs third party apps; as smart terminals become mainstream, Poynt OS is an open operating system that can power any smart payment terminal worldwide, creating a new app economy for merchants
- Elavon, wholly owned by U.S. Bank, is a leading provider of end-to-end payment processing solutions and services to more than 1.3 million customers in the U.S., Europe, Canada, Mexico, and Puerto Rico
- NAB is Australia's largest business bank with a large merchant customer base; NAB serves more than 9 million customers at more than 900 locations in Australia, New Zealand and around the world

Significance of Transaction

- This financing will enable Poynt to expand into new markets across Asia, Europe and South America, grow its talent base, and invest in product and partner development as the Company executes on its vision to become the operating system on smart terminals worldwide

FT Partners' Role

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

Financial Technology Partners LP FTP Securities LLC

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



*in its Series C Financing
with participation from*



for total consideration of

\$100,000,000



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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

Financial Technology Partners LP FTP Securities LLC

*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

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

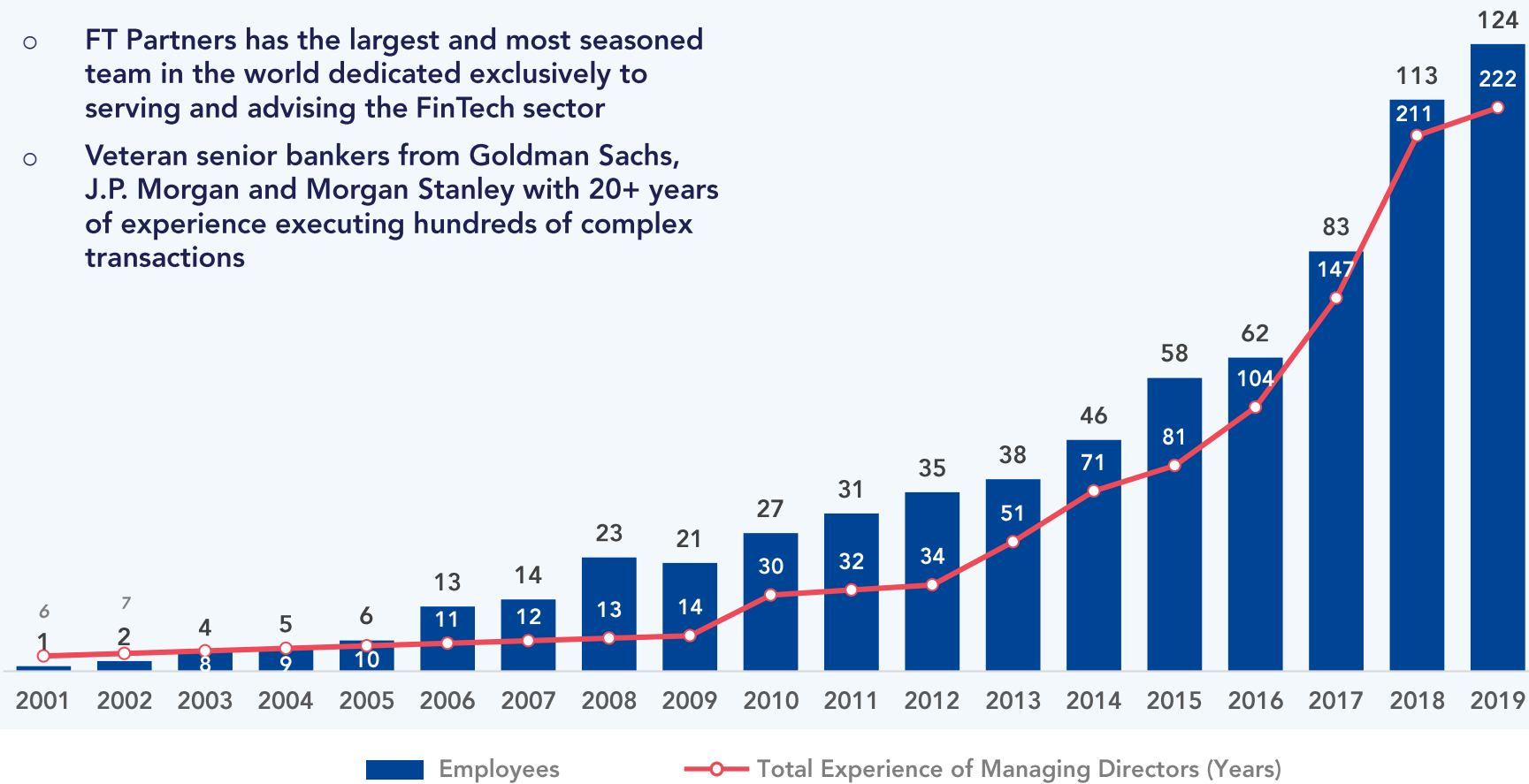
2007 Computer & Information Tech Deal of the Year, \$100 mm+

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

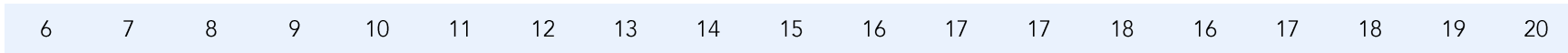
2004 Investment Bank of the Year

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
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
Kate Crespo <i>Managing Director</i>		<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 LSE (BSc w/Honors), MBS (MBA w/Distinction), ICAEW (FCA) 	22
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 	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
Steve Stout <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly Global Head of Strategy at First Data Formerly Led J.P. Morgan Payments Investment Banking Practice Former Equity Research Analyst on #1 ranked team at UBS Former Economist at the Federal Reserve Bank 	21
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