

September 30, 2015

Financial Technology Partners

FT Partners Research – Transaction Profile



Secures Financing from



Courtesy of:



***The Only Investment Bank
Focused Exclusively on Financial Technology***

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Paytm Secures Financing from Alibaba

Transaction Overview

Transaction Overview and Rationale



- On September 29, 2015, Paytm announced it received an undisclosed investment for 20% of the Company from Alibaba
 - The investment is rumored to be in \$600-700 mm range and would value the Company around \$4 bn ⁽¹⁾
- In February, Ant Financial acquired 25% of the Company for \$575 mm, of which \$200 mm came in as the first tranche; this fresh investment by Alibaba Group subsumes the outstanding \$375 mm and will see Ant Financial's stake lowered to 20%
 - Alibaba Group will now own approximately 40% of the Paytm through its two entities
- The investment will be used for developing technology, increasing the workforce, building its expertise in the online-to-offline business model as well as marketing and expanding operations

Commentary

"Ant Financial has worked seamlessly with Paytm in the past few months and our technical teams have developed significant improvements on the user experience for Indian consumers. Ant Financial and Paytm will collaborate to capture mobile payment opportunities in India. We believe that Paytm, as a leader in this field, is best equipped to build a mobile payment ecosystem in the country."



- Eric Jing, President, Ant Financial

"India is an important emerging market with strong e-commerce potential. This investment will further expand Alibaba Group's global footprint to India's thriving mobile commerce market."



- Daniel Zhang, CEO, Alibaba Group

[The Company is looking] "to bring half a billion Indians to the mainstream economy and help millions of small businesses leverage this large m-commerce opportunity."



- Vijay Shekhar Sharma, Founder / CEO, Paytm

Paytm Secures Financing from Alibaba

Paytm Overview

Company Overview



President: Harinder Takhar
Headquarters: Noida, India
Founded: 2009

- Paytm is an Indian mobile ecommerce platform; originally started as a provider of mobile recharge and utility bill payments, it now offers a full marketplace to consumers through its mobile application
- In addition to e-commerce and recharge services, the Company offers Paytm wallet, a mobile wallet and payment gateway
- The Company has over 100 million mobile wallet users who carry out over 75 million transactions per month
- The Company will soon start a payments bank, enabling users to make deposits, transfer money and more ⁽¹⁾
- Paytm is the consumer brand of One97 Communications and considers SAIF Partners, Sapphire Ventures and Silicon Valley Bank among its investors

Products & Services Overview



Online Recharging:

- Recharges for mobile, DTH and data card services
- Bill payment services for mobile, landline, data cards services as well as electricity and gas utilities



E-Commerce:

- Platform offering a wide variety of goods including: Electronics, Home & Kitchen, Men & Women Clothing, Sports & Health, Stationary and Books
- Mobile app compatible with all mobile platforms
- Offers exclusive discounts and flash sales



Paytm Wallet:

- Consumers: RBI approved digital wallet with over 2 million daily transactions; enables online payments and p2p money transfer
- Merchants: Paytm provides a payment gateway for merchants with a dashboard for tracking payments, chargebacks, and refunds



Paytm Secures Financing from Alibaba

Investor Overview – Alibaba Group

Overview



Daniel Zhang
CEO



Michael Evans
President



Jack Ma
Chairman and
Executive Director

Location

- Hangzhou, China (HQ)

About

- Founded in 1999 by Jack Ma and 18 other individuals
- Alibaba Group operates online and mobile marketplaces in retail and wholesale trade, as well as offering cloud computing and other services
- The Group has 255 million active buyers
- Alibaba Group began trading on the NYSE on 9/19/2014
- Jack Ma serves as Executive Chairman and Joe Tsai is Executive Vice Chairman
- The Company generated \$270.5 bn in gross merchandise volume (GMV) during FY2014

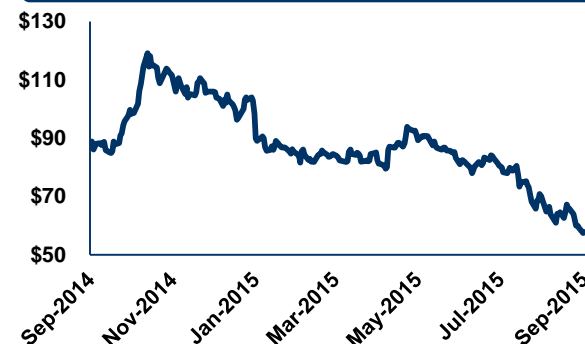
Key Financial Metrics ⁽¹⁾

Ticker:	NYSE:BABA
Market Cap:	\$144.8 bn ⁽²⁾
Revenue :	\$11.4 bn
EBITDA:	\$4.9 bn
Net Income:	\$4.3 bn

Products and Services Overview

- Taobao Marketplace – Online shopping destination for a wide selection, value and convenience
- Tmall – Provides a premium shopping experience dedicated to top-quality branded merchandise
- Juhuasuan – Group buying marketplace that offers discounted prices by aggregating demand from numerous consumers
- Alibaba.com – Online business-to-business marketplace that focuses on global trade
- 1688.com – Online wholesale marketplace
- AliExpress – Platform that enables international consumers to buy directly from wholesalers and manufacturers in China at competitive prices
- Alimama – Marketing technology platform that provides the Group's sellers marketing services
- Aliyun.com – Provides cloud computing services to support the participants of the Group's online ecosystem
- Cainiao – Logistics information platform which provides real time access to information for both buyers and sellers
- Ant Financial Services – Focused on providing financial services to small and micro enterprises as well as consumers ⁽³⁾

Stock Performance



Select Recent Investments

Date	Company	Amount (mm)
07/29/15	Aliyun Computing	\$966
07/07/15	Mei.com	na
03/11/15	Snapchat	200
03/06/15	Quixey	60
02/09/15	Meizu Telecom Equipment	650
01/20/15	Visualead	na

Top Shareholders

Company	Ownership
SoftBank Corp	19%
SB China Holdings	13%
Yahoo	12%
Jack Ma	5%



Paytm Secures Financing from Alibaba

Investor Overview – Ant Financial Services

Overview



Lucy Peng
CEO



Eric Jing
President

Location

- Hangzhou, China (HQ)

About

- Founded in 2004 (Alipay founding), but spun off from Alibaba in 2011 into a separate entity so not part of the publicly traded Alibaba; in 2014, changed name from Alipay to Ant Financial to recognize multiple brands working together
- Ant Financial Services is the umbrella company for Alipay, Alipay Wallet; Yu'e Bao, Zhao Cai Bao; Ant Micro; and MYBank
- Owns and operates an online payment platform; offers mobile payment services; sells insurance products; and provides small loans to the businesses that set up virtual storefronts on Alibaba's retail website
- Legal name is Zhejiang Ant Small and Micro Financial Services Company, but goes by Ant Financial Services

Key Financial Metrics ⁽¹⁾

Privately Held

Revenue: \$1.6 bn

Products and Services Overview

- Alipay is the main payment processor for Alibaba and sister site Taobao, which is an online shopping destination for a wide selection, value and convenience
- Alipay provides an escrow payment service that reduces transaction risk for online consumers
- Alipay Wallet and Mobile App – Allows users to electronically store and manage credit cards, gift cards and discount coupons
- Yu'e Bao – Money market mutual fund; offered for individuals to manage excess funds in their Alipay accounts and allows them to receive daily yields
 - \$93 bn under management
 - Joint offering by Alipay and Tianhong Asset Management in June 2013
- Zhao Cai Bao – A platform that allows small businesses and individuals to borrow from investors directly, creating a \$2.26 bn marketplace
- Ant Micro – A provider of micro loans
- MYBank – Online private bank launching in June 2015
 - MYBank will help Alibaba build an internet finance platform to offer services for banking, loans and credit, insurance, and payment systems

Select Recent Investments

Date	Company	Amount (mm)
09/14/15	Cathay Insurance	\$188
04/08/15	One97 Communications	na
11/17/14	V – Key	na

Additional Information

- Alipay partners with multiple financial institutions across China: Bank of China, Agricultural Bank of China, China Construction Bank, China Merchants Bank and more
- Partnerships with Visa and MasterCard
- Verticals include online retail, virtual gaming, digital communications, commercial services, air ticketing and utilities
- Supports transactions in 14 currencies
- Completes 80 million transactions per day, including 45 million through its mobile wallet
- Alipay has over 800 million registered users
- Also owns a controlling stake in Tianhong, a money market fund management firm
- Primary competitor: PayPal

Overview of FT Partners

FT Partners is the Leader in Financial Technology Investment Banking

<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as strategic and financial advisor to</p> <p>MERCURY® in its cash sale to</p> <p>vantiv for total consideration of approximately \$1,650,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p>MERCURY® in its approximately 60% majority sale to</p> <p>SILVERLAKE for aggregate consideration of approx. \$ 900,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p>Currencies Direct in its sale to</p> <p>Palamon Capital Partners CORSAIR CAPITAL for a total consideration of \$310,000,000+</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p>KUBRA in its 80% majority sale to</p> <p>HEARST corporation</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p>YAPSTONE® POWERING PAYMENTS in its debt financing by</p> <p>BregalSagemount Comerica Bank totaling approximately \$ 60,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p>OZFOREX FOREIGN EXCHANGE SERVICES in its Initial Public Offering valuing the equity at approximately A\$480,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>
<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as advisor to</p> <p>CIBC in its strategic investment in</p> <p>Mediacore with additional participation from Bain Capital Ventures</p> <p>\$70,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p>VERUS in its sale to sage for cash consideration of approximately \$ 325,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p>CentralPayment® in its Strategic Investment by TSYS® for total consideration of approximately \$ 100,000,000+</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p>FLEET ONE in its cash sale to wex for total consideration of approximately \$ 369,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p>nmi in its growth investment by BregalSagemount for a total valuation of nearly \$ 200,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p>century PAYMENTS in its sale to WorldPay a portfolio company of BainCapital</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>
<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as strategic and financial advisor to</p> <p>TRANSFIRST® in its cash sale to Vista Equity Partners from WCAS \$1,500,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole debt capital advisor to</p> <p>jack henry & ASSOCIATES INC. in its acquisition of iPay Technologies for total consideration of approximately \$ 300,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p>cardsPRING in its sale to twitter</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p>VeriFone THE WAY TO PAY™ in its \$177,000,000 Initial Public Offering valuing the equity at approximately \$ 650,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p>PROPAY™ in its sale to TSYS® \$ 100,000,000+</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p>lynk in its sale to The Royal Bank of Scotland for cash consideration of approximately \$ 525,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>

Overview of FT Partners

Award-Winning Investment Banking Franchise Focused on Financial Technology

FT Partners has been recognized as Investment Banking Firm of the Year and regularly achieves Merger and Financing Deal of the Year recognition



M&A Advisor Awards

- 2014 ■ **Equity Financing Deal of the Year**
■ Professional Services Deal of the Year, Above \$100mm
- 2012 ■ **Dealmaker of the Year**
■ Professional Services Deal of the Year, Above \$100 mm
- 2011 ■ **Boutique Investment Bank of the Year**
■ Deal of the Decade
■ *10 Deal of the Year Nominations Across 9 Categories*
- 2010 ■ **Upper Middle Market Deal of the Year, Above \$500 mm**
■ IT Services Deal of the Year, Below \$500mm
■ Cross-Border Deal of the Year, Below \$500mm
- 2007 ■ **Dealmaker of the Year – Steve McLaughlin**
■ Business to Business Services Deal of the Year
■ Computer and Information Technology Deal of the Year, Above \$100mm
■ Financial Services Deal of the Year, Above \$100mm

Institutional Investor
Institutional Investor Annual Ranking

- 2006-2008 ■ Steve McLaughlin consecutively ranked (2006, 2007 and 2008) among the top Bankers in Financial Technology



WINNER
Middle Market Financing Awards

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

FINANCIAL
TECHNOLOGY
PARTNERS

Note: Awards won highlighted in **bold**, italics denote categories where Financial Technology Partners was a finalist.