

FT PARTNERS FINTECH INDUSTRY RESEARCH

May 15, 2017



**Kreditech Raises €110 million
(Approximately \$120 million)
From PayU**



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



Named Silicon Valley's #1 FinTech Banker (2016) and ranked #2 Overall by *The Information*



Ranked #4 Most Influential Person in all of FinTech in *Institutional Investor* "FinTech Finance 35"



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

Steve McLaughlin: *Founder & CEO*

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Transaction Overview

Transaction Summary

- On May 10, 2017, Kreditech announced it had received a €110 mm (approximately \$120 mm) strategic investment from PayU, a payments-focused subsidiary of Naspers
 - Majority of the funding is a direct equity investment, while the remainder is in the form of a convertible bond ⁽¹⁾
 - Additionally, some early Kreditech investors, including Global Founders Capital and Point Nine Capital, are selling their shares to PayU in the transaction ⁽¹⁾
- The investment gives PayU a significant minority stake in Kreditech, joining existing investors including JC Flowers, Varde, Blumberg Capital, HPE, Peter Thiel, Rakuten and the World Bank's IFC
- The round represents one of the largest ever equity investments in a German FinTech company
- The investment follows a successful 12-month pilot program in Poland that issued more than €10 mm in credit to Polish consumers

Strategic Partnership

- Kreditech and PayU will also launch a global partnership focused on bringing Kreditech's Lending-as-a-Service platform and underwriting technology to PayU's network of merchants
 - Through the agreement, retailers in high-growth emerging markets will be able to offer their customers new ways of financing purchases online
 - The partnership will help PayU become a leading financial technology provider in high growth markets, where it already has a strong track record building payments businesses including Eastern Europe, India and Latin America
 - The partnership aligns with Kreditech's vision of serving underbanked customers around the world, as it will help the Company expand into new territories

Management Commentary

"We are thrilled to offer online point-of-sale finance in markets where the development of consumer credit has been severely constrained by the lack of reliable credit risk assessment. Our credit scoring and underwriting technology allows PayU and its merchant partners to offer a competitive, convenient credit product to their retail customers. Teaming up with PayU provides underbanked customers new possibilities and supports our mission of providing financial freedom through technology. At the same time, we enable retailers to reach a new customer group and significantly increase sales volume."

 Kreditech

Alexander Graubner-Müller
CEO



Investor Commentary

"We are excited to build a leading innovative online consumer lending player in high growth markets. With our substantial investment we deepen our relationship with the industry-leading management team at Kreditech, and help to bring pioneering machine learning and AI technology to the many high growth markets around the world that need better access to financial services. At PayU we believe in the enormous potential of technology to unlock credit and financial services for underserved populations. In the past 12 months, we have become the leading corporate venture capital investor in FinTech, investing more than EUR 245 million around the world. This latest investment in Kreditech fits perfectly with this vision."

 PayU

Laurent le Moal
CEO



Kreditech Overview

Company Overview



CEO Alexander Graubner-Müller
Headquarters: Hamburg, Germany
Founded: 2012

- Kreditech provides underbanked European consumers with digital banking services and better access to credit
 - The Company provides credit products through its own consumer facing platform as well as partnerships with other companies
- The Company utilizes non-traditional data sources (20,000 data points per application) and machine learning to score customers
 - The Company has processed four million loan applications through its subsidiaries and has granted over 1.5 million loans to date
- The Company operates in five core markets: Poland, Spain, Czech Republic, Mexico and Russia

Selected Funding History

Date	Size (\$ mm)	Investor(s)
12/15/16	\$11	Rakuten
03/24/16	103	J.C. Flowers; International Finance Corporation; Amadeus Capital Partners; Varde Partners; Valar Ventures; HPE Growth Capital; Bloomberg Capital
06/18/14	40	Varde Partners; Bloomberg Capital; Point Nine Capital
04/22/13	4	Global Founders Capital; Point Nine Capital; H2 Investments
12/17/12	4	Bloomberg Capital; Point Nine Capital

Products / Services Overview

Through its Monedo platform, Kreditech offers a wide range of consumer finance and digital banking products directly to consumers

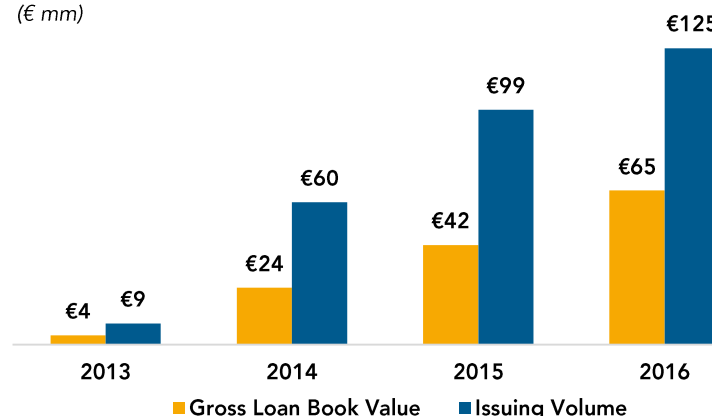


- Short- to long-term loans
- Digital wallet
- Physical and virtual prepaid cards
- Personal finance management tool

Kreditech also offers a “Lending-as-a-Service” partnership model where partnering companies (for example, e-commerce companies, payment service providers and financial institutions) can utilize Kreditech technology and credit products to offer customers point-of-sale financing and other credit solutions

Company Growth

(€ mm)



PayU Overview

Company Overview



CEO Laurent le Moal
Headquarters: Hoofddorp, Netherlands
Founded: 2005

- **PayU is a provider of payment services solutions for consumers and merchants in growing and emerging markets across the world**
 - Through the PayU platform, businesses can offer consumers local payment methods including credit cards, cash payments, bank transfer and eWallets
 - PayU's developer-centric platform features several integration methods and a test mode for compatibility
- **PayU is a division of Naspers, a publicly-traded, multinational internet and media company (see profile on following page)**
- **PayU's network supports over 300,000 merchants in 16 countries**
 - Merchants have over 250 payment options available
 - More than 1,800 payment specialists on the platform
- **Over 10 million customers have created a digital account**
- **In September 2016, PayU acquired Citrus Pay, an Indian payments solution provider, for \$130 mm in cash**
- **In December 2016, PayU invested in ZestMoney's \$6.5 mm Series A round**
 - ZestMoney partners with Indian merchants to offer point-of-sale financing options

Products / Services Overview

APIs, Encryption and SDKs



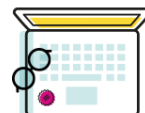
- PayU offers several software compatibility tools to provide maximum customization for merchants
- Tokenization provides safety for the customer in encrypting online payments
- Integration of PayU's mobile platform allows merchants to adapt to increasing online demand from consumers

Alternative Payments



- PayU provides over 250 different payment forms that allow merchants to encompass their entire potential market
- One click express payment lets customers purchase faster, leading to higher conversion rates

Web Checkout



- Hosted checkout allows immediate integration and gives merchants a quicker means of collecting local payments
- Recurring payments help control revenue by automating certain types of payments
- Every type of currency is accepted in the country where PayU is used

Kreditech Raises €110 million from PayU

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Naspers Overview

Overview



Bob van Dijk
Group CEO,
Naspers



Larry Illg
CEO, Naspers
Ventures



Mike Katz
US Investments



Russel Dreisenstock
International
Investments

Locations

- Cape Town, South Africa (HQ)
- San Francisco, CA

About

- Founded in 1915, Naspers is a global internet and entertainment group and one of the largest technology investors in the world
- The group has sizeable investments in Tencent (SEHK 00700), Mail.ru (LSE: MAIL) and Flipkart
- Naspers is listed on the Johannesburg Stock Exchange (NPN.SJ) and has an ADR listing on the London Stock Exchange (LSE: NPSN)
- Looks for companies that are addressing big societal needs in markets with great growth potential

Financials / Investment Preferences

Financial Overview

Market Cap <i>As of 5/15/17</i>	\$87.9 bn
Enterprise Value	\$91.1 bn
2016 Revenue:	\$5.9 bn
2016 Net Income	\$1.0 bn
2016 Diluted EPS	\$2.32

Investment Preferences¹

Control:	Minority; Majority
Geography:	North America, Europe
Transaction Type:	Venture, Growth, Buyout
Industry Focus:	Mobile, Media, Video Entertainment, Internet, FinTech

Selected Recent Investments / Exits

FinTech / Financial Services Investments²

Date	Company	Deal Amt. ³	Board Rep.	Sector
02/17	Creditas (Series B)	\$19	NA	Bnkg
02/14	PayU India (M&A)	NA	NA	Pymts
08/13	PayProp (Growth)	NA	NA	Pymts

Other Notable Technology Investments²

Date	Company	Deal Amt. ³	Board Rep.	Sector
05/17	Delivery Hero (Growth)	\$421	NA	Delivery App
04/17	Takealot.com (M&A)	71	NA	E-Comm
02/17	Konga (Later-Stage VC)	NA	NA	E-Comm
01/17	FarmLogs (Series B)	22	Mike Katz	Platform
01/17	letgo (Series C)	175	NA	E-Comm
07/16	Codecademy (Series C)	30	Larry Illg	Online
06/16	Movile (Series C)	40	NA	E-Comm
06/16	Udemy (Series D)	60	Larry Illg	Software
05/16	Twigggle (Series A)	13	Lee Clancy	E-Comm
05/16	Brainly (Series B)	18	NA	Platform
12/15	Avito (M&A)	992	NA	E-Comm
10/15	SimilarWeb (Later-Stage VC)	25	NA	Data Software
07/15	Avenida (Series C)	30	NA	E-Comm
07/15	Flipkart (Series H)	700	NA	E-Comm
10/14	Konga (Series C)	50	NA	E-Comm

Source: Company website, PitchBook, S&P Capital IQ

1) Italics indicate preferred control / geography 3) Deal Amount in mm

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

Naspers' fiscal year ends March 31

FT Partners – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

Selected FT Partners' Research – *Click to View*



Upgrade Raises \$60 mm in Series A Financing



Real Matters Completes its IPO



SoFi Raises \$500 million in Financing



Wecash Raises \$80 million in Series C Financing



JD.com Divests JD Finance



Atom Bank Raises £83 million in Financing



Vista Equity Partners Acquires D+H for Approximately \$3.6 billion



Warburg Pincus Acquires a 35% Stake in Avalog for ~\$353 million

[VIEW MORE FT PARTNERS RESEARCH](#)

Track Record of Success in the Alternative Lending / Credit Space

Student / Personal Loan

Financial Technology Partners LP
FTP Securities LLC

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

earnest

in its Series B minority financing led by



for total consideration of

\$ 75,000,000



The Only Investment Bank
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Consumer Home Improvement Financing

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive
role as financial advisor to

GreenSky

in its minority investment from



for total consideration of

\$ 300,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Consumer Marketing / Credit Lead Generation

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its role as advisor
to

**Google
capital**

in its lead investment in

Credit Karma

with additional participation from



for approximately

\$ 85,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Contract Financing

Financial Technology Partners LP
FTP Securities LLC

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

**BlueTarp
Financial**

in its financing, including investment from



for approximately

\$ 15,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Marketplace Lending

Financial Technology Partners LP
FTP Securities LLC

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

PROSPER

in its loan purchase agreement with a
consortium of institutional investors
Affiliates of



for up to

\$ 5,000,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

SaaS-based Loan Origination

Financial Technology Partners LP
FTP Securities LLC

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

**WebEquity
solutions**

in its sale to

MOODY'S



The Only Investment Bank
Focused Exclusively on Financial Technology

SMB Financing

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its
role as advisor to

Kabbage

in its Series E minority financing led by



for total consideration of

\$ 135,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Supplier Finance Solutions

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as
financial advisor to

taulia

in its investment from



for total consideration of approximately

\$ 65,000,000
















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FT PARTNERS RESEARCH

FT Partners Advised on Many of the Largest Alternative Lending Transactions

Company	Investor(s)	Amount Raised
	Affiliates of   	\$5,000,000,000 Loan Commitment
		2,000,000,000 Loan Commitment 50,000,000 Investment
	   	300,000,000
	    	135,000,000
	  	75,000,000
	QUESTMARK PARTNERS   	65,000,000

In addition to these large rounds, FT Partners has advised on a number of other prominent Lending Tech / Alt Lending transactions

<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></p> <p>in its lead investment in</p> <p></p> <p>with additional participation from</p> <p>  </p> <p>for total consideration of approximately</p> <p>\$ 85,000,000</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></p> <p>in its growth financing from</p> <p> </p> <p>for total consideration of approximately</p> <p>\$ 15,000,000</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></p> <p>in its growth financing for total consideration of</p> <p>\$ 9,000,000</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></p> <p>in its Series C financing led by</p> <p></p> <p>with additional participation from</p> <p></p> <p>for approximately</p> <p>\$ 35,000,000</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></p> <p>in its financing, including investment from</p> <p> </p> <p>for approximately</p> <p>\$ 15,000,000</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></p> <p>in its growth financing for total consideration of</p> <p>\$ 19,500,000</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></p> <p>in its sale to</p> <p></p> <p>\$ 25,000,000</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></p> <p>in its minority investment from</p> <p></p> <p>KPCB  CROSSLINK CAPITAL</p> <p>for total consideration of</p> <p>\$ 25,000,000</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></p> <p>in its</p> <p>\$45,000,000 Initial Public Offering</p> <p>valuing the equity at approximately</p> <p>\$ 146,000,000</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></p> <p>in its strategic investment in</p> <p></p> <p>for total consideration of approximately</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></p> <p>specialty company of</p> <p></p> <p>in its sale to</p> <p></p> <p>specialty company of</p> <p></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></p> <p>in its sale to</p> <p></p> <p>\$ 70,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>

FT Partners – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

Significant Experience Advising Large Financing Rounds and “Unicorns”

FT Partners has a history of advising on some of the largest financing transactions in the FinTech space

Representing numerous FinTech “Unicorns” above \$1 billion valuations

Company	Amount Raised
 MERCURY®	\$420,000,000+
 GreenSky™	300,000,000+
 avidxchange	253,000,000
 liquidnet	250,000,000
 square trade protection plans	238,000,000
 nmi	150,000,000+
 Kabbage	135,000,000
 TradingScreen SIMPLIFYING GLOBAL MARKETS™	110,000,000+
 YAPSTONE™ POWERING PAYMENTS	110,000,000
 CHROMERIVER	100,000,000
 Credit Karma™	85,000,000
 earnest	75,000,000
 taulia	65,000,000

Selected Prominent Investors in FT Partners Led Rounds



Note: FT Partners represented investors in Dynamics (CIBC) and Credit Karma (Google Capital); some transactions include a combination of equity and smaller amount of debt financing.

Award-Winning Investment Banking Franchise Focused on Superior Client Results

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

2016

- **Investment Banking Firm of the Year**
- **Cross Border Deal of the Year**

2015

- **Dealmaker of the Year**
- **Technology Deal of the Year**

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 \$100mm**

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**



2015

- **Steve McLaughlin ranked #4 in Institutional Investor's FinTech 35 List**

2006 - 2008

- **Consecutively ranked (2006, 2007 and 2008) among the top Bankers in Financial Technology**



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*

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. 	22
Larry Furlong <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly with Goldman, Sachs & Co. in New York, London and Los Angeles beginning in 1995 Wharton M.B.A. 	22
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 	21
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) 	20
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 	19
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. 	15
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 	14
Andrew McLaughlin <i>Managing Director, Research & Business Development</i>		<ul style="list-style-type: none"> Leads FT Partners' Research and Business Development Team Formerly with Deloitte Consulting 	11