

FT PARTNERS FINTECH INDUSTRY RESEARCH

November 11, 2021

HoneyBook

**HoneyBook Raises \$250 million in Series E
Financing Led by Tiger Global**

TIGERGLOBAL

HoneyBook Raises \$250 million in Series E Financing

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Transaction Summary

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- On November 3, 2021, HoneyBook, a provider of an online client management platform for independent business owners, announced that it has raised \$250 million in Series E financing led by Tiger Global
 - New and existing investors participated in the round, including Durable Capital Partners, Norwest Venture Partners, Citi Ventures, and OurCrowd
- The fundraising comes approximately six months after HoneyBook's \$155 million Series D round and brings its total capital raised to over \$450 million
- According to TechCrunch, this round values HoneyBook at \$2.4 billion ⁽¹⁾
- The new funding will be used to further advance product development
- HoneyBook has experienced strong growth recently, driven by increasing demand for independent business software as new business formation has picked up in the U.S.
- The Company has doubled its annual recurring revenue since the start of 2021, and has more than doubled its new subscribers in the past twelve months ⁽¹⁾
- Additionally, HoneyBook has booked more than \$1.8 billion in business on its platform in 2021 so far
 - This brings the Company's total bookings since its 2013 launch to over \$5 billion

Transaction Commentary

"We know that cash flow is one of the biggest challenges independent businesses face. To do that we also need to continue attracting great talent and we are hiring for a number of exciting roles across our teams in the U.S. and Israel. We have big goals for 2022 and beyond as we continue to support the independent business category." ⁽¹⁾



Oz Alon
CEO & Co-Founder



"We're witnessing unprecedented changes in the American workforce and immense momentum towards independent work. With a proven track record of innovation and decisive action, HoneyBook is the best-in-market solution to support the success of this emerging category of independent businesses. We look forward to strengthening our partnership with this visionary company as they power the future of work."



John Curtis
Partner



HoneyBook Raises \$250 million in Series E Financing

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HoneyBook Overview

Company Overview



Co-Founder & CEO:	Oz Alon
Headquarters:	San Francisco, CA
Founded:	2013

- HoneyBook is a provider of an integrated online platform that empowers independent business owners to manage their client flow and cash flow
- The Company's all-in-one platform can be used to keep track of projects, documents, client communications, bookings, payments, and more
- HoneyBook's mission is to support service-based small business owners and allow them to spend more time on their core business and less time on administrative tasks

Selected Financing History

Date	Size (\$ mm)	Round Type	Selected Investor(s)
11/03/21	\$250	Series E	Tiger Global; Durable Capital Partners; Citi Ventures; OurCrowd; Norwest Venture Partners
05/04/21	155	Series D	Norwest Venture Partners; Durable Capital Partners; Tiger Global; Battery Ventures; Zeev Ventures; 01 Advisors; OurCrowd; Citi Ventures; Aleph; Hillsven Capital; UpWest Labs; Vintage Investment Partners
03/22/19	28	Series C	Norwest Venture Partners; Aleph; Citi Ventures; Hillsven Capital; Vintage Investment Partners
03/06/15	22	Series B	Norwest Venture Partners; Aleph; Hillsven Capital
09/22/14	10	Series A	Aleph; Ooga Labs; AngelList; Khosla Ventures; Bebo; Undisclosed Investors

Products & Services Overview

All-in-One Platform

HoneyBook's platform allows businesses to manage and organize all in one place

Online Payments

Clients have a quick & easy payments process that ensures cashflow with instant deposits

Online Contracts

The Company provides a secure online platform for contracts to get signed

Scheduling

Online scheduling for meetings; books meetings 2x faster

Online Invoices

Creates and sends custom invoices in just seconds

Automation

Can automate sending emails and files, creating tasks, setting reminders, and notify on certain client behaviors



Selected FT Partners' Research (click to view)



AvidXchange's \$388 million Financing



Divvy's \$2.5 billion Sale to Bill.com



ContaAzul's \$30 million Series D Financing



Feedzai's Series D Financing



Gusto Raises \$175 million in Series E Financing Led by T. Rowe Price



ForgeRock Completes its IPO Raising \$275 million



EngageSmart Completes its IPO Raising \$378 million



Riskified Completes its IPO

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FT Partners' Superior Industry Knowledge and Execution History



FT Partners Advises Divvy on its Sale to Bill.com

Overview of Transaction

- On May 6, 2021, Bill.com (NYSE:BILL) announced it has entered into a definitive agreement to acquire Divvy in a stock and cash transaction valued at approximately \$2.5 billion
 - Bill.com will acquire Divvy for \$625 million in cash and approximately \$1.875 billion of Bill.com Common Stock, subject to customary adjustments for transactions of this nature
- Divvy modernizes finance for business by combining expense management software and smart corporate cards into a single platform
- Bill.com is a leading provider of cloud-based software that simplifies, digitizes, and automates complex back-office financial operations for small and midsize businesses (SMBs)

Significance of Transaction

- The combination will expand the market opportunity for both companies
- Bill.com can offer expense management and budgeting software combined with smart corporate cards to its more-than 115,000 customer base and its network of 2.5 million members
- Divvy will be able to offer automated payable, receivables, and workflow capabilities to the more-than 7,500 active customers that it serves

FT Partners' Role

- FT Partners served as exclusive financial and strategic advisor to Divvy and its Board of Directors
- FT Partners previously advised Divvy on its [\\$165 million Series D financing](#) in January 2021, demonstrating FT Partners' long-term commitment to its clients, and the repeat nature of many of FT Partners' advisory engagements
- This transaction underscores FT Partners' deep payments and software domain expertise, as well as our successful track record generating highly favorable outcomes for high-growth, unicorn FinTech companies globally

Financial Technology Partners LP FTP Securities LLC

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



on its sale to



for total consideration of

~\$2,500,000,000



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FT Partners Advises Wave on its Sale to H&R Block

Overview of Transaction

- On June 11, 2019, H&R Block, Inc. (NYSE: HRB) announced that it has agreed to acquire Wave Financial Inc. for \$405 million in cash
- Headquartered in Toronto, Ontario, Wave provides award-winning accounting, invoicing, payroll, and payments software solutions, as well as bookkeeping services, built into a comprehensive platform
 - Wave has a low-cost customer acquisition model and currently serves over 400,00 monthly active global small businesses
- H&R Block is a global consumer tax services company, providing tax return preparation services through 11,000 company-owned and franchise retail tax offices worldwide as well as tax software for DIY consumers

Significance of Transaction

- This transaction will expand H&R Block's product and client portfolio as well as enhance its position in the small business space
- H&R Block estimates that the transaction will generate \$40 to \$45 million of revenue for fiscal 2020
- Following the closing of the transaction, Wave will maintain its leadership team, including Kirk Simpson, operating independently within H&R Block from its headquarters in Toronto, Ontario.

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Wave
- FT Partners also previously advised Wave on its \$10 million [Series C financing](#)
- This transaction underscores FT Partners' expertise in sell-side advisory across a broad range of SaaS, financial management, and payments companies that target small businesses

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*is pleased to announce its role as
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on its sale to



for total consideration of approximately

\$ 405,000,000



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FT Partners Advises AvidXchange on its \$388 million Growth Financing

Overview of Transaction

- On April 23, 2020, AvidXchange announced it has raised \$128 million in additional equity financing in an oversubscribed round, which brings it to a total of \$388 million, after raising \$260 million in January of this year
- Participating investors include a number of the foremost capital management firms, including new investors Neuberger Berman, on behalf of clients, Lone Pine Capital, and Schonfeld Strategic Advisors, along with existing investors
- AvidXchange is a best-in-class business-to-business payments company that is revolutionizing how companies pay their bills by automating the invoice and payment processes for middle market companies
 - The Company focuses on serving mid-market clients and spans multiple industries including Real Estate, Financial Services, Home Owners Associations (HOA), Healthcare Facilities / Social Services, and Construction

Significance of Transaction

- The new capital will fuel AvidXchange's continued growth and innovation, allowing the Company to invest in its solutions for both buyers and suppliers while reaching more customers in the middle market
- The transaction firmly positions the Company for its next phase of growth

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to AvidXchange
- FT Partners has been AvidXchange's advisor since 2009, working with the Company on multiple capital raises, as well as a number of acquisitions
- Transaction underscores the long-term nature of many of FT Partners' relationships, as well as our deep expertise in advising leading Financial Management Solution providers

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



*on its growth financing
with new investors*

NEUBERGER BERMAN LONE PINE CAPITAL



for a total amount of

\$ 388,000,000



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FT Partners Advises Chrome River Technologies on its \$100 million Financing

Overview of Transaction

- On June 30, 2015, Chrome River announced a \$100mm Series D financing round from Great Hill Partners
- Chrome River is a leading, independent, enterprise-grade SaaS corporate expense control solution provider
- The Company's integrated expense and invoice offerings are built on a scalable, flexible platform that delivers best-in-class solutions to mid-size and multinational corporations
- Great Hill Partners is a leading middle market private equity firm with over \$3.8 bn in capital under management
- Bain Capital Ventures maintains a significant ownership stake in the Company

Significance of Transaction

- The transaction will further help Chrome River expand as the leading independent solution provider in the space and help fund international development and product innovation
- Firmly positions the Company to capitalize on strong traction in the large enterprise space and to continue to bring much needed efficiency and financial controls to the market

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Chrome River and its Board of Directors
- FT Partners leveraged its deep knowledge of the Company, extensive experience and broad industry relationships to help achieve a highly favorable outcome for the Company
- Transaction demonstrates FT Partners' continued success advising top-tier financial technology companies

Financial Technology Partners LP FTP Securities LLC

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

CHROMERIVER

in its Series D investment from

Great Hill
P A R T N E R S

for total consideration of approximately

\$ 100,000,000

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FT Partners Advises ContaAzul on its Series D Financing

Overview of Transaction

- On April 3, 2018, ContaAzul announced a new round of equity financing of approximately US\$ 30 million led by Tiger Global Management, a New York-based investment firm
- ContaAzul, founded in 2012, provides an innovative, modern and easy-to-use Cloud Accounting Platform tailored to the needs of Brazilian small businesses and their accountants
- With the transaction, Tiger Global – which first invested in ContaAzul in 2015 – is now expanding its stake in the company
- Endeavor Catalyst, an innovative co-investment fund that invests exclusively in entrepreneurs in the Endeavor Global network, also participated in the round

Significance of Transaction

- The investment recognizes ContaAzul's strong momentum and will help the rapidly growing Company expand and broaden its product offerings and market presence
- The Company's growth strategy is focused on expanding its platform, aiming to improve collaboration between small businesses and their accountants, while also enhancing its connection capabilities with banks, apps, FinTech companies and government institutions

FT Partners' Role

- FT Partners served as sole strategic and financial advisor to ContaAzul and its Board of Directors
- This transaction highlights FT Partners' expertise in the Brazilian FinTech environment and continued success advising top-tier FinTech companies

Financial Technology Partners LP FTP Securities LLC

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

ContaAzul

in its Series D financing led by

TIGERGLOBAL

with participation from



for total consideration of approximately

\$ 30,000,000



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FT Partners’ Recent Awards and Recognition

Bloomberg

Bloomberg

- FT Partners’ Steve McLaughlin was featured on Bloomberg / Bloomberg TV
- View the [full article](#) and watch the live [TV interview](#)



M&A Advisor Awards

- Technology Deal of the Year (2019)
- Cross Border Deal of the Year and Corporate / Strategic Deal of the Year (2018)
- Investment Banker of the Year (2017) – Steve McLaughlin, CEO & Managing Partner of FT Partners
- Investment Banking Firm of the Year (2016) – FT Partners



LendIt FinTech Industry Awards 2018:

- FT Partners wins Top Investment Bank in FinTech

Institutional Investor



The FinTech Finance 40:

- Steve McLaughlin ranked #1 in 2017 and 2018

The Information

Silicon Valley's Most Popular Dealmakers

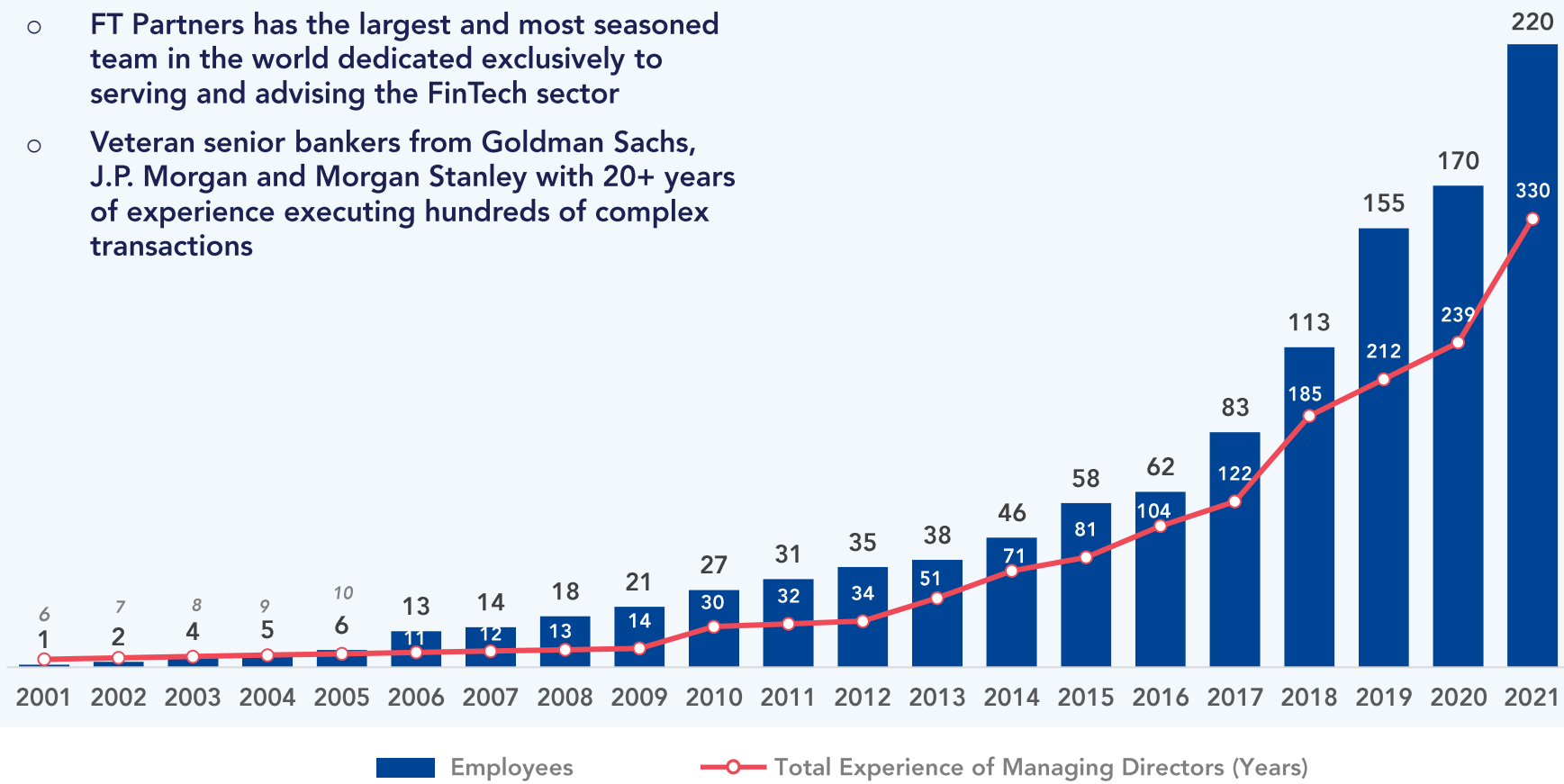
Name	Title	Company
Sam Smith	Managing Director	Golden Gate
Steve McLaughlin	Managing Partner	FT Partners
Michael Hedges	Managing Director	Golden Gate
Mark Winkler	Managing Director	Golden Gate
Paul Rosen	Managing Director	Golden Gate
Quincy Smith	Partner	Golden Gate

The Information’s “Silicon Valley’s Most Popular Dealmakers”

- Ranked as the #2 top Technology Investment Banker by The Information subscribers (2016)
- Only FinTech focused investment banking firm and banker on the list

The Largest FinTech Advisory Practice in the World

- 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)

6	7	8	9	10	11	12	13	14	15	16	17	17	18	16	17	17	19	19	20	19
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