

FT PARTNERS FINTECH INDUSTRY RESEARCH

November 13, 2018



Bitfury Raises \$80 million in Financing Led by Korelya Capital



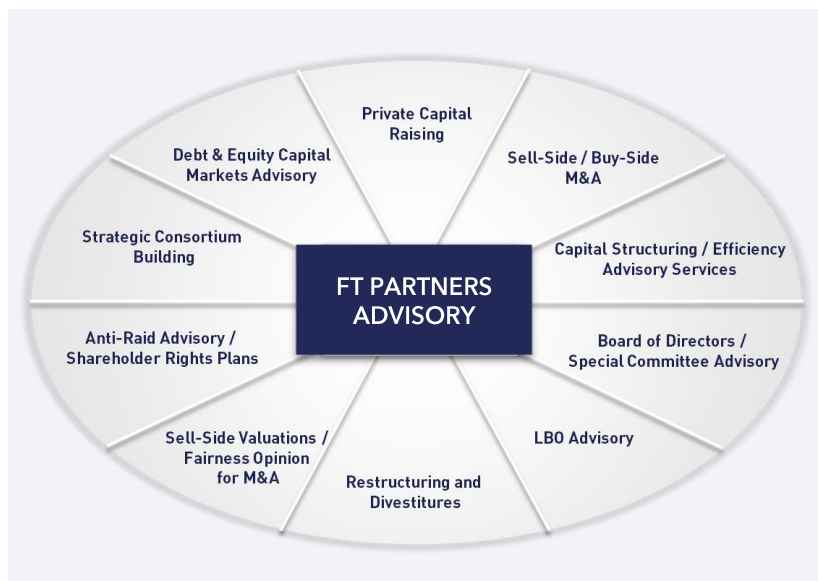
The Only Investment Bank Focused Exclusively on FinTech

San Francisco • New York • London

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



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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Bitfury Raises \$80 million in Financing



Transaction Summary

Transaction Summary

- On November 6, 2018, Bitfury announced it has raised \$80 million in financing led by Korelya Capital
- The round also included participation from Macquarie Capital, Dentsu Japan, Jabre, Lian Group, Argenthal Capital Partners, Armat Group, Foyer, MACSF, Galaxy Digital, and iTech Capital
- The investment will be used by the Company to help accelerate growth while moving into other adjacent markets where high performance computing is in demand, such as artificial intelligence
- Bitfury executive vice chairman George Kikvadze stated in the Company's announcement that it has "half a billion dollars in revenues"

Financing History

Date	Size (\$ mm)	Investor(s)
11/06/18	\$80	
01/25/17	30 Secondary	
07/09/15	20	
10/10/14	20	
05/01/14	20	
08/02/10	na	Undisclosed Investors

Transaction Commentary

"The institutionalization of blockchain and cryptocurrencies, partnered with the opportunity of these emerging technologies, is a natural expansion opportunity that Bitfury will build on — in 2019 and beyond."



Valery Vavilov
Co-Founder, CEO



"Bitfury has grown from a small startup to the largest western blockchain unicorn, equipped with worldclass leadership and expertise, consistently delivering innovative solutions across the entire blockchain ecosystem."



Antoine Dresch
Co-Founder, Managing Partner



"We are impressed with Bitfury's unparalleled team, as well as the company's vision, technical expertise and global reach, all of which are essential to advancing the underlying bitcoin ecosystem."



Mike Novogratz
Founder, CEO



Bitfury Raises \$80 million in Financing

Bitfury Overview



Company Overview



CEO / President: Valery Vavilov
Headquarters: England, UK
Founded: 2011

- Bitfury is a provider of blockchain hardware and software solutions that serve businesses, governments, organizations and individuals, allowing them harness the advantages of blockchain technology
- The Company is a leading security and infrastructure provider for the Bitcoin Blockchain, designing and producing mining hardware, as well as providing software and developer tools
- Bitfury believes blockchain technology can:
 - Enable economic opportunity and prosperity
 - Increase transparency of government functions, greater security of data and enhanced citizen engagement
 - Drive the advancement of the peer-to-peer economy
- The Bitfury Group has offices in Washington D.C., London, Amsterdam, Tokyo, Hong Kong, Seoul, Dubai and Moscow, and datacenter operations in Iceland, the Republic of Georgia, Canada and Norway
 - Bitfury is committed to operating its datacenters on renewable energy and is also the world leader in immersion cooling technology, a new high-performance computing solution that decreases datacenter electricity use

Products & Services Overview

Hardware



Bitfury Clarke ASIC is a bitcoin mining chip that can be fully customized and is designed to be energy efficient keeping mining and environmental costs low



Bitfury Tardis is an enterprise grade bitcoin mining server and is available in multiple configurations



Bitfury Blackbox AC is a ready-to-use bitcoin mining datacenter pre-built and configured in a 500 square feet shipping container



Patented immersion cooling technology immerses hardware in liquid and can reduce cooling costs by 95%

Software



EXONUM

Exonum is a permissioned blockchain framework enabling the development of decentralized blockchain networks for people, companies, and governments



CRYSTAL

Software tool that provides blockchain analytics enabling identification of illicit activities, autonomous tracking, and secure infrastructure



A second layer protocol built on top of the Bitcoin Blockchain that enables the instant transfer of micropayments through off-chain payment channels

Selected FT Partners' Crypto and Blockchain Research – *Click to View*



Bitmain files for its IPO



Chain Merges with Stellar-backed Lightyear



BlockFi Raises \$52.5 million in Equity and Lending Capital



Block.one Closes Strategic Investment Round



Coinbase Raises \$300 million in Series E Financing



Axoni Raises \$32 million in Series B Financing



ICE Announces New Digital Asset Company Bakkt



tZERO Raises ~\$270 million in Financing

[VIEW MORE FT PARTNERS RESEARCH](#)

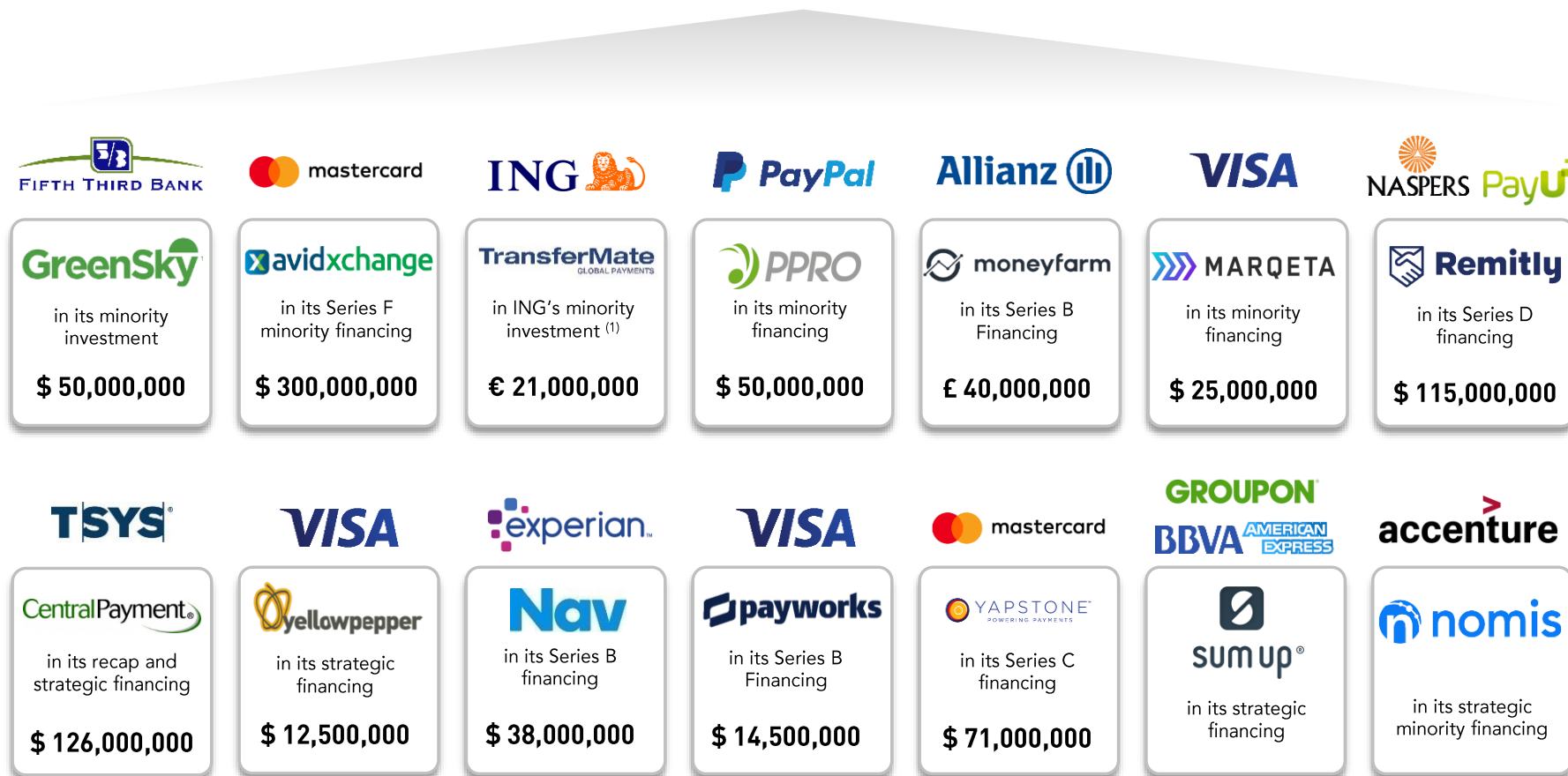
FT Partners – Focused Exclusively on FinTech

Leading Advisor Across the FinTech Ecosystem

<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as strategic and financial advisor to</p> <p>Heartland</p> <p>in its sale to</p> <p>globalpayments</p> <p>for total consideration of</p> <p>\$ 4,500,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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 strategic and financial advisor to</p> <p>MERCURY®</p> <p>in its cash sale to</p> <p>vantiv™</p> <p>for total consideration of</p> <p>\$ 1,650,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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®</p> <p>in its approximately 60% Growth</p> <p>SILVERLAKE</p> <p>for a value up to</p> <p>\$ 900,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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>AmWINS Group, Inc.</p> <p>in its growth recapitalization by</p> <p>NMC NEW MOUNTAIN CAPITAL LLC</p> <p>valued at approximately</p> <p>\$ 1,300,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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 Capital Markets & IPO Advisor to</p> <p>R1</p> <p>in its</p> <p>\$138,000,000 Initial Public Offering</p> <p>valuing the equity at approximately</p> <p>\$ 1,200,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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 exclusive Financial, Strategic and IPO Advisor to</p> <p>ORX</p> <p>in its</p> <p>Initial Public Offering</p> <p>valuing the equity at approximately</p> <p>A\$ 480,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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 IPO Advisor to</p> <p>GreenSky™</p> <p>in its</p> <p>\$1,010,000,000 Initial Public Offering</p> <p>for a total enterprise value of</p> <p>\$4,500,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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>Cambridge Global Payments</p> <p>in its sale to</p> <p>FLEETCOR®</p> <p>for total consideration of</p> <p>C \$ 900,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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 exclusive strategic and financial advisor to</p> <p>square trade</p> <p>in its sale to</p> <p>Allstate.</p> <p>for total consideration of</p> <p>\$ 1,400,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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>CAYAN</p> <p>in its 100% cash sale to</p> <p>TSYS®</p> <p>for total consideration of approximately</p> <p>\$1,050,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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 sole strategic and financial advisor to</p> <p>cardconnect.</p> <p>in its sale to</p> <p>First Data®</p> <p>for total consideration of approximately</p> <p>\$ 750,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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>avidexchange</p> <p>in its Series F minority financing from</p> <p>mastercard TEMASEK THIEL</p> <p>for total consideration of approximately</p> <p>\$ 300,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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</p> <p>in its sale to</p> <p>Vista Equity Partners from WCAS</p> <p>\$ 1,500,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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.</p> <p>in its acquisition of</p> <p>iPayTechnologies</p> <p>for total consideration of approximately</p> <p>\$ 300,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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 exclusive strategic and financial advisor to</p> <p>CentralPayment™</p> <p>in the sale of its remaining stake to</p> <p>TSYS®</p> <p>for a total valuation of</p> <p>\$ 840,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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 Capital Markets & IPO Advisor to</p> <p>Verifone®</p> <p>in its</p> <p>\$177,000,000 Initial Public Offering</p> <p>valuing the equity at approximately</p> <p>\$ 650,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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>PROSPER</p> <p>in its loan purchase agreement with a consortium of institutional investors</p> <p>Affiliates of NEW RESIDENTIAL Jefferies</p> <p>THIRD POINT</p> <p>for up to</p> <p>\$ 5,000,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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</p> <p>in its sale to</p> <p>The Royal Bank of Scotland</p> <p>for cash consideration of approximately</p> <p>\$ 525,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>

Extensive Relationships Among Strategic FinTech Investors

FT Partners has been highly successful in bringing our clients together with world class strategic investors



Strategic investor shown on top; includes deals with strategic lead or follow-on participation

























































(1) FT Partners served as advisor to ING

FT Partners – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

Strong International / Cross-Border Experience

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
		 
		 
	  	
		
	  	 
	 	
		
		
		
	 	
	  	
		
		
		
		

Award-Winning Investment Banking Franchise Focused on Superior Client Results



2018

- 2018 Top Investment Bank in FinTech



Institutional Investor
Annual Ranking

2017

2015 - 2016

2006 - 2008

- Ranked #1 Most Influential Executive on Institutional Investor's FinTech 40 List
- Steve McLaughlin Ranked Top 5 on Institutional Investor's FinTech 35 List
- 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

2015 - 2017

2010 - 2014

2004 - 2007

- Investment Banker of the Year – 2017
- Investment Banking Firm of the Year – 2016
- Cross Border Deal of the Year - 2016
- Dealmaker of the Year – 2015
- Technology Deal of the Year – 2015
- Equity Financing Deal of the Year - 2014
- Professional Services Deal of the Year, Above \$100 mm – 2014
- Dealmaker of the Year – 2012
- Professional Services Deal of the Year, Above \$100 mm – 2012
- Boutique Investment Bank of the Year – 2011
- Deal of the Decade – 2011
- Upper Middle Market Deal of the Year, Above \$500 mm – 2010
- IT Services Deal of the Year, Below \$500 mm – 2010
- Cross-Border Deal of the Year, Below \$500 mm – 2010
- Dealmaker of the Year – Steve McLaughlin – 2007
- Business to Business Services Deal of the Year - 2007
- Computer and Information Technology Deal of the Year, Above \$100 mm – 2007
- Financial Services Deal of the Year, Above \$100 mm – 2007
- Investment Bank of the Year – 2004



Middle Market
Financing Awards

2006 - 2008

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

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. 	23
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. 	16
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. 	22
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) 	21
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 	12
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. 	18
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 	15
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 	22
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 	20
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. 	16