

FT PARTNERS FINTECH INDUSTRY RESEARCH

March 29, 2019



**Toast Raises \$250 million in Series E Financing
Led by TCV and Tiger Global Management**

TCV

TIGER

Tiger Global Management, LLC

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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Toast Raises \$250 million in Series E Financing

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Transaction Summary



Transaction Summary

- On March 29, 2019, Toast announced that it has raised \$250 million in Series E financing led by TCV and Tiger Global Management
 - Bessemer Venture Partners, T. Rowe Price Associates, and other existing investors also participated in the round
 - David Yuan, General Partner at TCV, will be joining the Board of Directors with this round
- According to TechCrunch, the round puts Toast at a valuation of \$2.7 billion
- The new funding will be used to invest in building technology to help restaurants with recruitment, marketing, and operational efficiency
 - Toast will also begin exploring expanding outside of the U.S.
- Toast has committed approximately \$1 billion in R&D for the next five years to build additional software and hardware ⁽¹⁾
- Last year the Company processed transactions in the “tens of billions of dollars”, and experienced revenue growth of around 148% ⁽¹⁾

Financing History

“At TCV, we invest in companies that have the potential to reshape entire industries. By providing restaurants of all sizes with access to innovative technology, Toast is leveling the playing field and leading the industry’s transition to the cloud. Our investment will enable Toast to extend their platform beyond point-of-sale and guest-facing technology, and in doing so, create a powerful SaaS platform with a superlative business model. We’re excited to partner with Toast as they accelerate the growth of the community they serve.” ⁽¹⁾

TCV

David Yuan
General Partner



“I was first a busboy, and then I worked in pizza delivery for years. Seventy percent of our employees have worked at restaurants, including those in our product leadership, and that helps us understand the problem.”

toast

Tim Barash
CFO



Toast Raises \$250 million in Series E Financing

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Toast Overview



Company Overview



CEO: Chris Comparato
Headquarters: Boston, MA
Founded: 2013

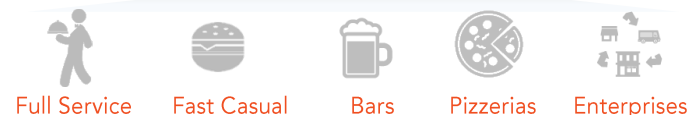
- **Toast provides an all in one, cloud based point of sale and restaurant management platform**
 - The Company offers additional functions including table side and online ordering, real time reporting, labor management and loyalty programs
- **Toast currently has over 50 mid-market and enterprise level customers and continues to add smaller local restaurants as well**
 - Toast's API Partner Program, which offers software integrations for merchants, includes partners such as Grubhub, LevelUp, Paytronix and Restaurant 365
- **The Company also has solutions specifically for cafes, pizzerias, food trucks and ice cream shops, among others**
- **Currently employs over 1,400 people globally**
- **There are over 230 cities with a local Toast presence**

Products & Services Overview



Full service, tablet based or mobile point of sale systems

- ✓ **Point of Sale** – POS platform to run entire restaurant
- ✓ **Online Ordering** – POS integrations and kitchen workflow management
- ✓ **Loyalty** – Integrate loyalty with ordering and payment processes
- ✓ **Gift Cards** – Physical and virtual cards
- ✓ **Kitchen Display System** – Connect front of staff and kitchen staff
- ✓ **Kiosk** – Kiosks for table side ordering, integrated into CRM
- ✓ **Inventory** – Inventory control, reports, calculators
- ✓ **Reporting and Analytics** – Sales, customers, labor, menu
- ✓ **Hardware** – Toast Go Handheld, terminals, kiosk, guest facing display, system accessories





Toast Raises \$250 million in Series E Financing

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Toast Overview (cont.)



Selected Financing History

Date	Selected Investor(s)	Amount (\$ in mm)	Post-Money Valuation ⁽¹⁾ (\$ in mm)
03/29/19	  Tiger Global Management, LLC	\$250	\$2,700
07/10/18	  Tiger Global Management, LLC	115	1,400
07/25/17	  	101	504
01/06/16	 	30	125
12/31/13	Steve Papa	2	10

TCV Overview

Overview

TCV



Rick Kimball
Founding General Partner



Jay Hoag
Founding General Partner



Woody Marshall
General Partner



David Yuan
General Partner



Nari Ansari
General Partner



David Eichler
Vice President

Locations

- Palo Alto, CA (HQ)
- New York, NY
- London, UK

About

- Founded in 1995, Technology Crossover Ventures ("TCV") has raised nearly \$10 bn since inception
- Has a particular interest in FinTech, with specific focus verticals including money remittance, alternative lending, robo-advisory, insurance and payments
- Leverages a flexible investment mandate, seeking to invest in both profitable and unprofitable companies that are growing at 20%+ annually
- Provides portfolio companies with long-term financial support, access to a network of industry executives and advisors, introductions to new customers and partners, and strategic advice regarding future IPO and M&A exits

Investment Preferences

Investment Criteria

Fund Size:	\$3,000 mm
Fund Raised:	2019
Investment Range:	\$20 – 400 mm
Revenue:	NA
EBITDA:	NA

General Preferences ¹

Control:	Majority, Minority
Geography:	North America, Europe
Transaction Type:	Venture, Growth, Buyout, Spinoff, PIPE, Recapitalization
Industry Focus:	Internet, Financial Technology, Infrastructure, Communications, Software and Services

Selected Recent Investments / Exits

FinTech / Financial Services Investments ²

Date	Company	Deal Amt. ³	Board Rep.	Sector
03/19	Toast (Series E)	\$250	David Yuan	Pymts
06/18	tastytrade (Series C)	20	NA	Software
12/17	WorldRemit (Series C)	40	John Rosenberg	Pymts
08/17	The Pracuj Group (Later Stage VC)	95	John Doran	FMS
08/17	EtQ (Buyout)	130	Kapil Venkatachalam	FMS
07/17	AxiomSL (Growth)	NA	Nari Ansari	CapMkts
04/17	Xero (Secondary)	36	NA	BPO
04/17	Elevate Credit (IPO)	81	NA	Banking
10/16	Payoneer (Series E)	180	Woody Marshall	Pymts
09/16	Avalara (Series D2)**	96	Nari Ansari	FMS
08/15	IQMS (Growth)	40	NA	FMS
06/15	OneSource (Growth)	150	NA	FTBPO
06/15	GoFundMe (Early Stage VC)	NA	NA	Banking
03/15	FinancialForce (Series B)	110	Tim McAdam	FMS
02/15	WorldRemit (Series B)	58	John Rosenberg	Pymts
07/14	Dough (Series B)	25	John Rosenberg	CapMkts
05/14	Swagbucks (Growth)	60	NA	Pymts
01/12	iPipeline (Thoma Bravo)*	71	Robert Trudeau	Ins
08/11	Envestnet (Growth)	NA	NA	CapMkts

Source: Company website, PitchBook

1) Italics indicate preferred control / geography

3) Deal Amount in mm

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

Tiger Global Management Overview

Overview

TIGER

Tiger Global Management, LLC



Chase Coleman
Founder & Partner



Gregory Mazlin
Partner



Lee Fixel
Partner



Edward Huanzhong Lei
Partner



Evan Feinberg
Investor



Alex Cook
Investor

Locations

- New York, NY
- Hong Kong, HK
- Singapore
- Melbourne, Australia
- Bangalore, IN

About

- Founded in 2001 by Chase Coleman, a Tiger Cub who received \$25 million from Julian Robertson
- Manages over \$7.5 billion of assets under management, with \$1.5 billion in the private equity vehicle
- Current fund is divided into two strategies: Global Internet Opportunities and Global Long Opportunities
- Recently invested \$450 million into Coinbase, Stripe, and Root Insurance
- Moving more aggressively into FinTech investments

Investment Preferences

Investment Criteria

Fund Size:	\$3,750 mm
Fund Raised:	2018
Investment Range:	NA
Revenue:	NA
EBITDA:	NA

General Preferences ¹

Control:	Minority
Geography:	North America, America, Europe, Asia / Pac
Transaction Type:	Venture, Growth, Buyout, LBO
Industry Focus:	Technology, Internet, Telecomm, Media Commercial Services, Retail, Software

Selected Recent Investments / Exits

FinTech / Financial Services Investments ²

Date	Company	Deal Amt. ³	Board Rep.	Sector
03/19	Toast (Series E)	\$250	NA	Pymts
02/19	Danke Apartment (Series C)	500	NA	Banking
02/19	Fyle (Series A)	4	NA	FMS
01/19	Stripe (Growth)	100	NA	Pymts
01/19	OLO (Growth)	18	NA	Pymts
12/18	Guideline Technologies (Series C)	35	NA	CapMkts
11/18	PAYFAZZ (Growth)	21	NA	Pymts
11/18	Checkmate (Series A)	3	NA	Pymts
11/18	Root Insurance (Series D)	100	NA	Ins
10/18	Coinbase (Series E)	300	NA	CapMkts
09/18	Udesk (Series C)	44	NA	BPO
09/18	Stripe (Series E)	245	NA	Pymts
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	Banking
01/18	RazorPay (Series B)	20	NA	Pymts
01/18	Wealthfront (Series G)	75	NA	CapMkts
10/17	PolicyBazaar (Series E)	77	NA	Ins
12/16	Nubank (Series D)	80	NA	Banking

Source: Company website, PitchBook

1) Italics indicate preferred control / geography

3) Deal Amount in mm

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

Selected FT Partners' Research – *Click to View*



Global Money Transfer



Transaction Security



Klarna: An Online Payments and POS Lending Leader



GoCardless' \$75.5 million Series E Financing



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



Lightspeed Completes its IPO Raising C\$240 million



FIS Acquires Worldpay for ~\$43 billion



ACI Worldwide Acquires Speedpay for \$750 million



Nexi Prepares for its IPO

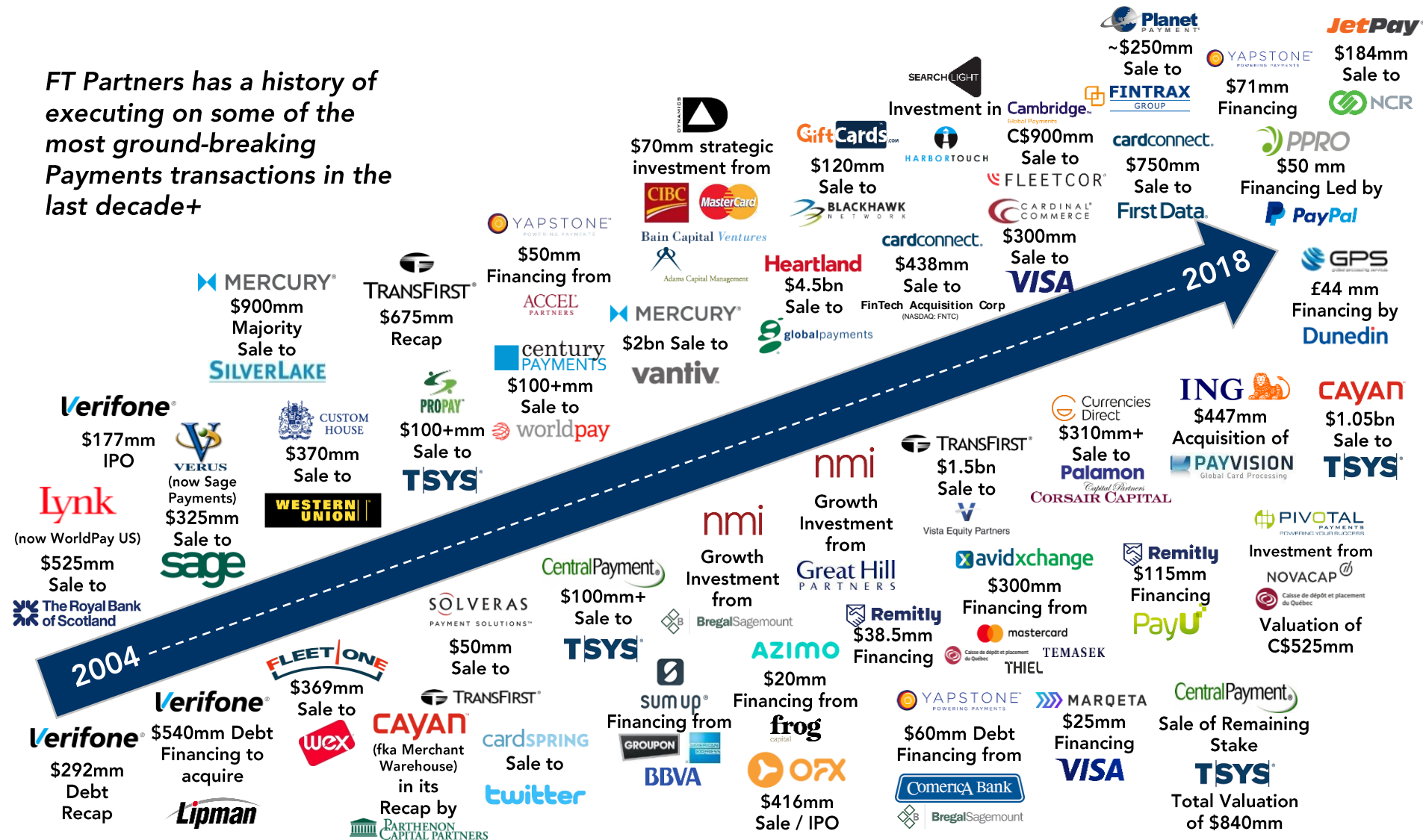
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FT Partners – Focused Exclusively on FinTech

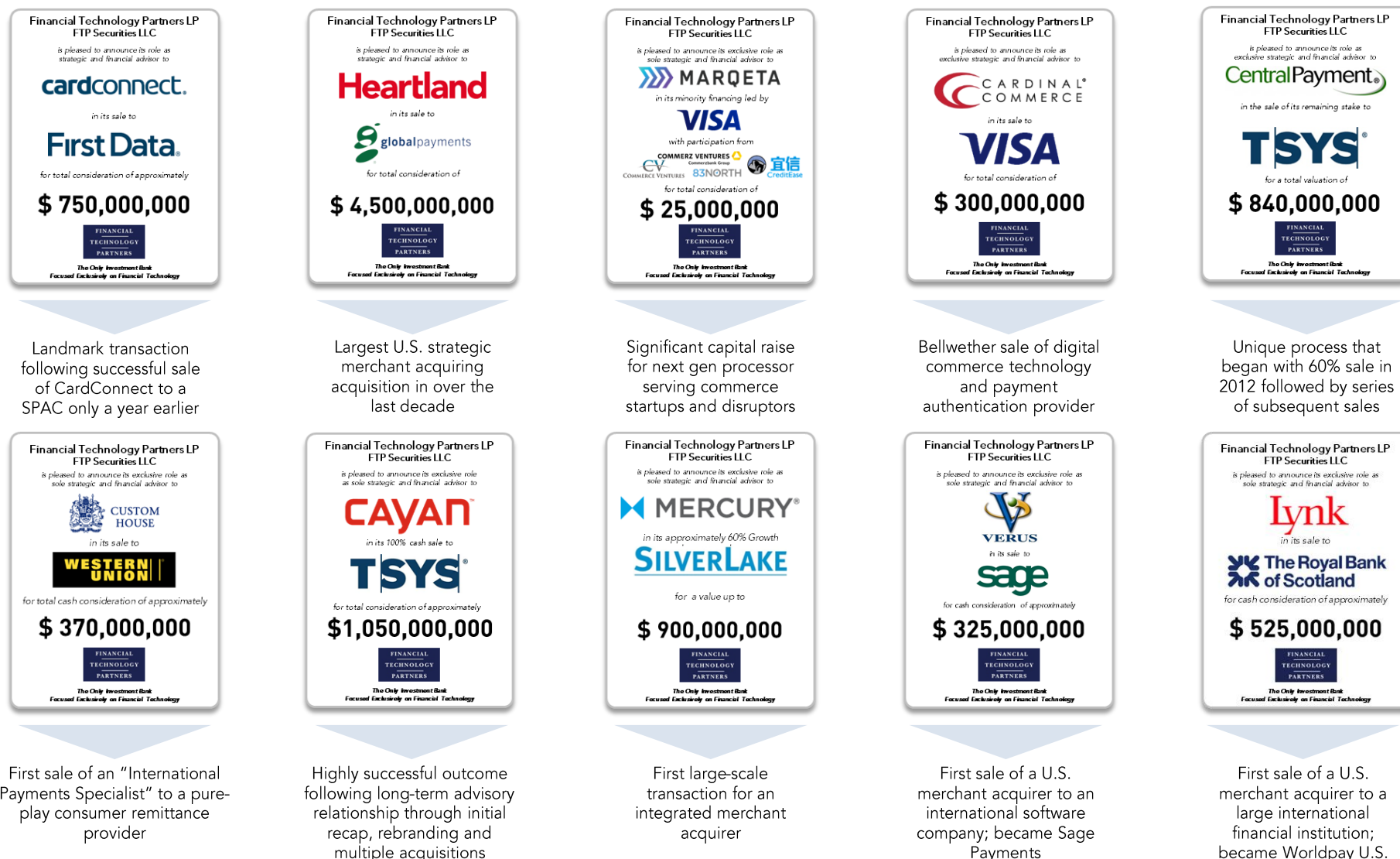
FT PARTNERS RESEARCH

Timeline of Selected FT Partners Payments Processing Transactions

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 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

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*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 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

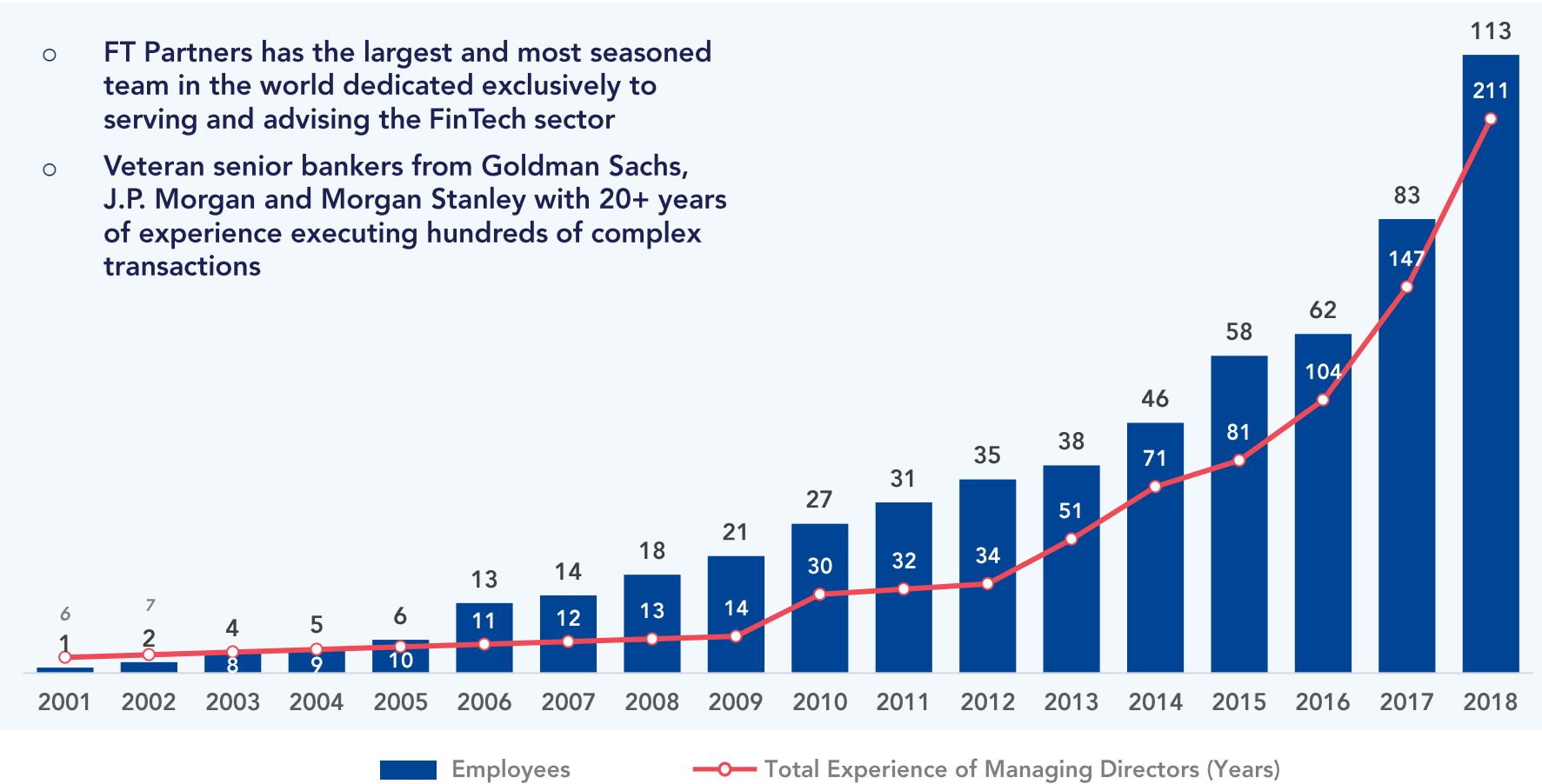
\$ 1,050,000,000

FINANCIAL
TECHNOLOGY
PARTNERS

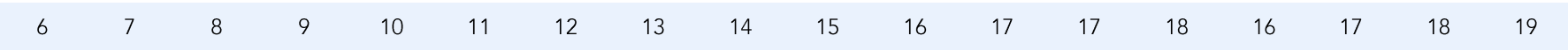
*The Only Investment Bank
Focused Exclusively on Financial Technology*

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