

FT PARTNERS FINTECH INDUSTRY RESEARCH

December 10, 2018



Pindrop Secures \$90 million in Series D Financing Led by Vitruvian Partners



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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Pindrop Raises \$90 million in Series D Financing



Transaction Overview

Transaction Summary

- **On December 5, 2018, Pindrop announced it has raised \$90 million in Series D financing led by Vitruvian Partners**
 - New strategic investors include Allegion Ventures, Cross Creek, Dimension Data, Singapore-based EDBI, and Goldman Sachs
 - Existing investors CapitalG, IVP, Andreessen Horowitz, GV (formerly Google Ventures) and Citi Ventures also participated in the round
- **The investment will be used to address two key efforts for the Company**
 - Pindrop plans to expand into international markets including the UK, Europe and Asia
 - Additionally, Pindrop will expand its security and identity services into other applications that use voice interfaces such as connected car platforms, home security devices, and smart office / home products

Selected Financing History

Date	Size (\$ mm)	Investor(s)
12/05/18	\$90	Citi Ventures, GV, CapitalG, Allegion Ventures, Dimension Data, EDBI, Vitruvian Partners, IVP, Cross Creek Advisors, Andreessen Horowitz, Goldman Sachs
01/28/16	75	Andreessen Horowitz; GV; Citi Ventures; Felicis Ventures; IVP
02/18/15	35	Institutional Venture Partners, Andreessen Horowitz, Google Ventures, Citi Ventures, Felicis Ventures, Redpoint Ventures, Webb Investment Network
06/07/13	11	Andreessen Horowitz, Citi Ventures, Webb Investment Network, Redpoint Ventures, Hamilton Ventures, Felicis Venture, Benjamin Ling, Caleb Sima, Kenneth Leiter, Atlanta Technology Angels, Kevin Donahue, Undisclosed Investors

Transaction Commentary

"Our broad range of investors collectively view Pindrop as the established industry leader for securing the future of voice as it moves beyond the voice channel and towards voice-enabled devices. This investment enables us to quickly boost our advancements in consumer IoT and voice technology while also continuing to strengthen our market leading solutions for anti-fraud and authentication solutions for the global enterprise."



Vijay Balasubramanian
Co-Founder, CEO & CTO



"One of our key goals is to help leading high-growth companies like Pindrop grow in Europe and internationally. We are confident that Pindrop is poised for massive expansion given the company's depth of engineering expertise, pioneering efforts in machine learning technology and patent portfolio."



David Nahama
Senior Partner



"Voice-enabled interfaces are expanding how consumers interact with IoT devices in their everyday lives – as well as IoT manufacturers' ability to offer smarter and stronger solutions. We're excited about the future of voice technology and see Pindrop as a pioneer in the space."



Rob Martens
President



Pindrop Raises \$90 million in Series D Financing



Pindrop Overview

Company Overview



CEO:	Vijay Balasubramanian
H.Q. Location:	Atlanta, GA
Founded:	2011

- Pindrop, a leader in voice security and authentication, provides enterprise solutions to secure phone and voice communications
- The Company's solutions reduce fraud losses and authentication expenses for some of the largest call centers in the world
 - 8 of the 10 largest banks and 5 of the 7 largest insurance companies in the U.S. are Pindrop customers
 - Pindrop currently protects over 200 million customer accounts and has stopped over \$350 million in voice-based fraud and attacks in 2018
- Pindrop's patented phone-printing technology can identify, locate and authenticate phone devices uniquely just from the call audio thereby detecting fraudulent calls as well as verifying legitimate callers
- The Company's solutions allow its customers to reduce call time and improve customer experience, while reducing fraud losses
- Pindrop has experienced a 137% compounded annual growth rate (CAGR) in revenue over the last three years

Products & Solutions Overview

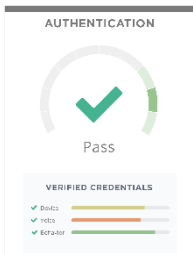
Anti-Fraud



Pindrop Protect provides a risk score and call intelligence to call centers within the first seconds of a every call.

The proprietary risk score is created using all portions of the call including device, voice, and behavior.

Authentication



Pindrop Passport evaluates and authenticates customers in real-time.

The solution creates a unique deviceprint credential for each caller and uses over 1,300 factors to reduce identification time and improve reliability.

Internet of Things Devices



Enterprise voice biometric technology for voice-enabled connected devices used to detect and protect users against fraud.

Pindrop for Amazon Connect



Pindrop technology integrated on Amazon Connect enables anti-fraud risk assessments and real time authentication within the interactive voice response system.

Selected FT Partners' Research – *Click to View*



Global Money Transfer



Transaction Security



Klarna: An Online Payments and POS Lending Leader



Adyen's €947 million IPO



Cayan's \$1.05 billion Sale to TSYS



PPRO Raises \$50 million in Financing Led by PayPal



GPS Raises £44 million in minority financing



Poynt Raises \$100 million in Series C Financing



Flywire Raises \$100 million in Series D Financing



Paytm Raises Approximately \$300 million in Financing from Berkshire Hathaway



Stripe Raises \$245 million in Financing



Ant Financial Raises \$14 billion in Financing

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FT Partners Advises Feedzai on its Series C Financing

Overview of Transaction

- On October 17, 2017 Feedzai announced it has raised \$50 million in its Series C financing round from an undisclosed investor with participation from existing investor Sapphire Ventures
- This new funding brings the total venture capital raised to \$82 million from nine major investors including Oak HC/FT, Capital One Growth Ventures, Citi Ventures and more.
- Founded in 2009 and headquartered in San Mateo, CA, Feedzai is a leader in using artificial intelligence to empower enterprises to manage risk and fight fraud in real-time
 - Feedzai's machine learning technology and its omnichannel fraud prevention solutions serve customers that transact in virtually every country in the world, across numerous use cases for leading banks and merchants

Significance of Transaction

- Feedzai will use the capital to continue its rapid growth trajectory
- The Company is on track to more than double its headcount this year from where it was at the end of 2016, planning to reach 300 employees by the end of 2017
- Additionally, Feedzai has added key sales leaders worldwide, including hiring former Box SVP Jim Priestley as Chief Revenue Officer

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Feedzai and its Board of Directors
- FT Partners also represented Feedzai on its [\\$17.5 million Series B financing](#) from Oak HC/FT, Sapphire Ventures and Espirito Ventures
- This transaction demonstrates FT Partners' continued leadership role advising world-class FinTech companies

Financial Technology Partners LP FTP Securities LLC

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

feedzai

*in its Series C financing
for a total consideration of*

\$ 50,000,000

FINANCIAL
TECHNOLOGY
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FT Partners Advises CardinalCommerce in its Strategic Sale to Visa

Overview of Transaction

- On December 1, 2016, CardinalCommerce announced its strategic sale to Visa in one of the largest payments deals of the year
- Headquartered in Cleveland, Ohio, CardinalCommerce is a pioneer and global leader in enabling authenticated payment transactions in the card-not-present payments industry and is the largest authentication network in the world
- Founded in 1999, CardinalCommerce's products are used globally: across 6 continents (Africa, Asia, Australia, Europe, North America and South America), in more than 200 countries and used with more than 180 different currencies

Significance of Transaction

- The acquisition will help accelerate the growth of Visa's digital commerce by enabling more secure, seamless payments, through browsers, mobile apps and connected devices
- As Visa plans to integrate tokenization into Visa Checkout over the next 18 months, the addition of CardinalCommerce will allow a more seamless integration of 3-D Secure and delivery of these new fraud mitigation capabilities to merchants

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to CardinalCommerce and its Board of Directors
- This transaction demonstrates FT Partners' continued 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 exclusive role as
sole strategic and financial advisor to*



in its sale to



for total consideration of approximately

\$ 300,000,000



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FT Partners Advises TouchCommerce on its Sale to Nuance

Overview of Transaction

- On July 21, 2016, Nuance announced it had signed a definitive agreement to acquire TouchCommerce, a technology partner and leader in digital customer service and engagement solutions for total consideration of \$215 million
- The addition of TouchCommerce will help accelerate Nuance's Enterprise business and expand its customer care solutions with a range of new digital engagement offerings, including live chat, customer analytics and personalization solutions

Significance of Transaction

- The combination of Nuance and TouchCommerce will provide an end-to-end engagement platform that merges intelligent self-service with assisted service, increasing customer satisfaction, strengthening customer loyalty, and improving business results.
- Nuance Enterprise business gains
 - The best of self-service and best of assisted-service solutions
 - Strong customer relationships and synergies
 - Expanded addressable market opportunity
 - Magnified analytics and AI differentiation

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to TouchCommerce and its Board of Directors in this transaction
- Transaction highlights FT Partners' continued success in achieving highly attractive outcomes for leading technology firms

Financial Technology Partners LP FTP Securities LLC

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



in its sale to



for total consideration of

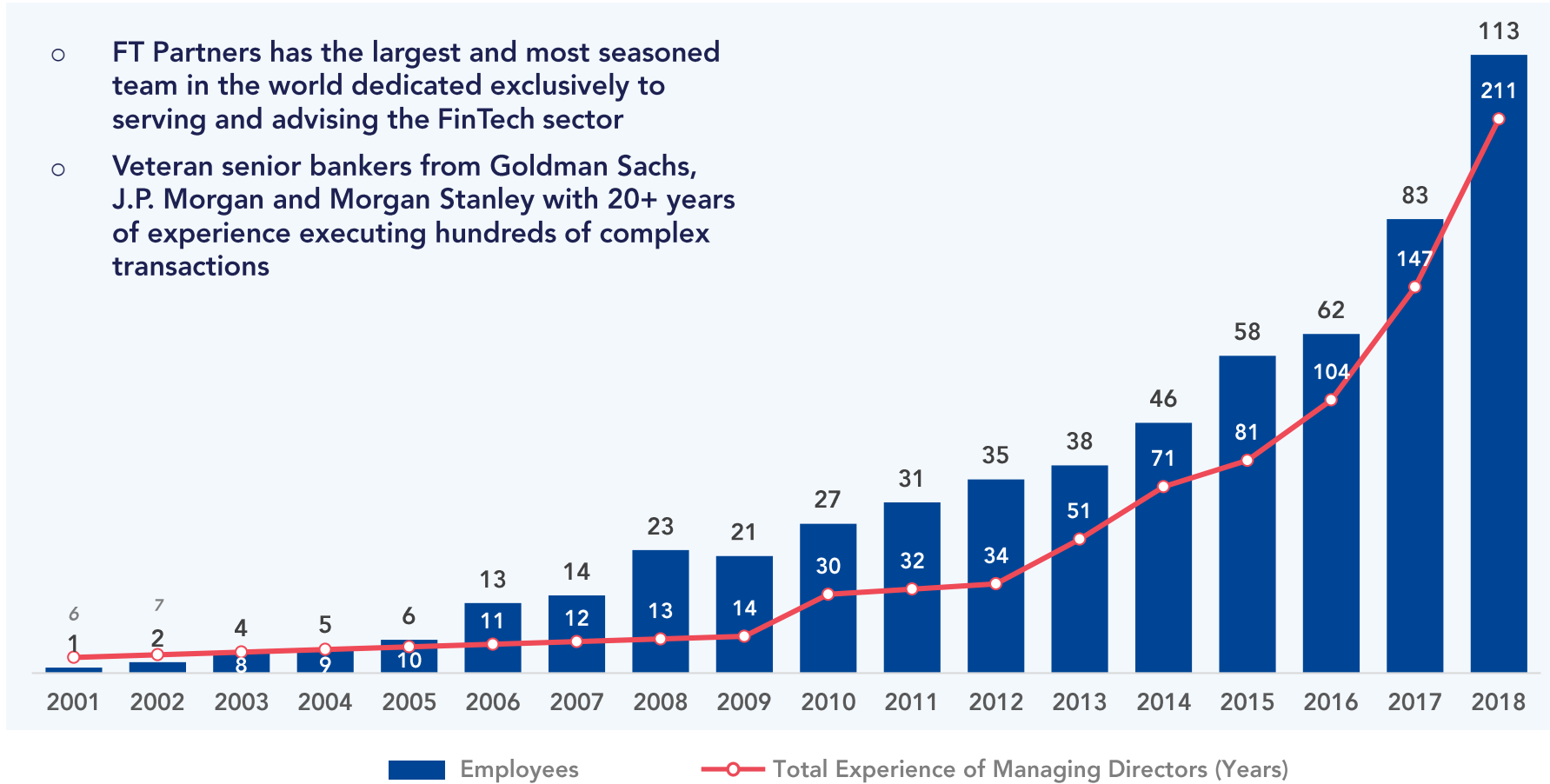
\$ 215,000,000



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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



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