

# FT PARTNERS FINTECH INDUSTRY RESEARCH

August 15, 2017



## Global Payments (NYSE: GPN) Acquires ACTIVE Network for Approximately \$1.2 billion



## 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 #4 Most Influential Person in all of FinTech in *Institution Investor's* "FinTech Finance 35"



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

Steve McLaughlin: *Founder & CEO*

Tel: 415.992.8880

[steve.mclaughlin@ftpartners.com](mailto:steve.mclaughlin@ftpartners.com)

SUBSCRIBE



# Global Payments Acquires ACTIVE Network for ~\$1.2 bn

FT PARTNERS RESEARCH



## Transaction Summary

### Transaction Summary

- On August 3, 2017, Global Payments announced that it has entered an agreement to acquire the communities and sports division of ACTIVE Network from Vista Equity Partners
  - Vista will retain the outdoors division of ACTIVE Network
- The acquisition price is approximately \$1.2 billion, including a tax asset, to be paid with a mixture of cash and stock
  - Without the tax asset, the effective purchase price is approximately \$1 billion
  - Vista will receive \$600 million worth of Global Payments Stock and \$600 million of cash
  - The cash will be sourced from an existing credit facility and cash on hand
  - Global Payments paid 12–12.5x EBITDA on a next-twelve-month basis for ACTIVE Network's divisions <sup>(1)</sup>
- Global Payments expects the transaction to have an immaterial impact on 2017 adjusted earnings per share
- The transaction is expected to close during the fourth quarter of 2017, pending customary closing conditions
- Global Payments also announced that it has entered into a strategic partnership with Vista
  - Global Payments will provide payment technology expertise to Vista's portfolio of companies
  - Recent payment companies that Vista has invested in include Upserve and PayLease (view detailed profile [here](#))

### Transaction Commentary

*"ACTIVE Network aligns perfectly with our technology-enabled, software driven strategy and complements our existing businesses well. With ACTIVE Network, we are adding an enterprise software business operating in two new vertical markets that are highly fragmented and underpenetrated with attractive growth fundamentals. We also are delighted to enter into a strategic partnership with Vista Equity Partners to provide payment technology expertise to their portfolio of companies. This represents a unique and exciting opportunity to integrate our distinctive payment technologies with a number of leading enterprise software companies to enhance their solutions and drive further market share gains."*



Jeff Sloan  
CEO



*"I am pleased to announce this acquisition and Vista's strategic partnership with Global Payments. I am confident that Global Payments will be the ideal partner to extend and expand ACTIVE Network's global reach and scale, as well as offer innovative and differentiated payment technology solutions worldwide to our portfolio companies going forward."*



Robert Smith  
Founder, Chairman, CEO



Source: Company press release

(1) Global Payments conference call on 08/03/17, based on the effective purchase price of \$1 bn without the tax asset

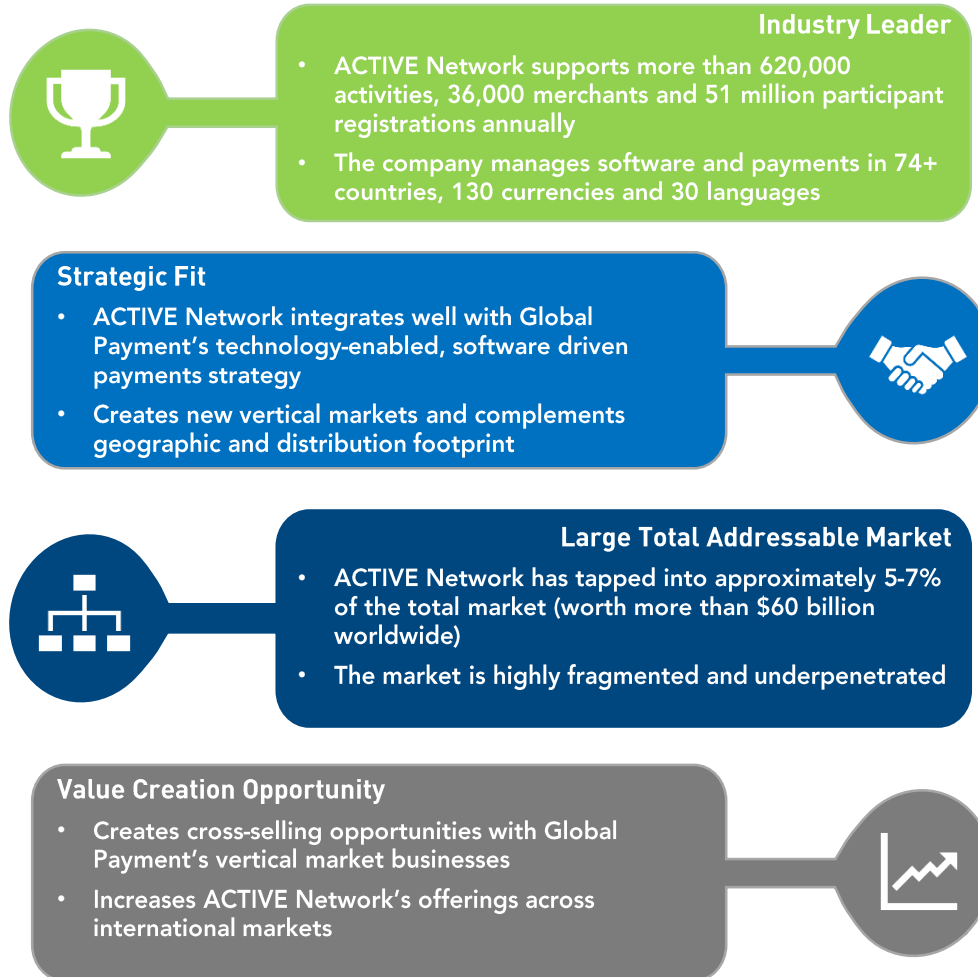
# Global Payments Acquires ACTIVE Network for ~\$1.2 bn

FT PARTNERS RESEARCH

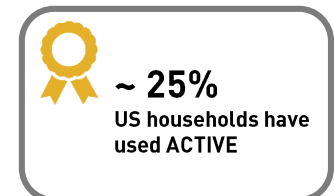
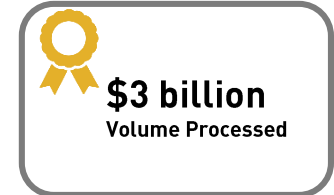


## Strategic Rationale & Investment Highlights

### Strategic Rationale



### ACTIVE Network Metrics



# Global Payments Acquires ACTIVE Network for ~\$1.2 bn

FT PARTNERS RESEARCH



## ACTIVE Network Overview

### Company Overview



**CEO:** Dana Jones  
**Headquarters:** Dallas, TX  
**Founded:** 1999

- ACTIVE Network is a leading provider of cloud-based, enterprise software solutions to event organizers in the communities and the health & fitness vertical markets
- The Company's Active Works Platform, Activity Cloud Platform and Active Engagement Platform enable event planners to streamline managerial and administrative processes such as registrations, reservations, schedules, facilities, on-site check-ins, and payments
- ACTIVE Network has developed a global presence with offices located throughout North America, Europe, Asia and Australia



### Products & Services Overview

#### ACTIVE Works Platform Services

##### Scalable Cloud Platform:

- Enables secure PCI DSS Level 1 compliant online payment processing system
- Support for processing electronic checks, as well as debit and credit card payments
- Supports registration, reporting and CRM solutions

##### Sophisticated Data Infrastructure:

- Data Centers are constantly monitored and maintained by skilled technology professionals

#### ACTIVE Network Activity Cloud

Intelligence solutions and data tools enable organizers to manage events through intelligence insights, participant trackers, marketing solutions and revenue generators

#### ACTIVE Engagement Platform

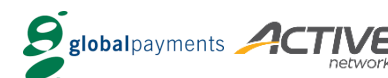
Offers customized solutions to facilitate communication between event organizers and customers, while tracking customer engagement with intuitive marketing platforms

ACTIVE Network offers management software categorized within health and fitness activities such as:



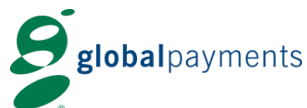
# Global Payments Acquires ACTIVE Network for ~\$1.2 bn

FT PARTNERS RESEARCH



## Global Payments Overview

### Company Overview



**CEO:** Jeff Sloan  
**Headquarters:** Atlanta, GA  
**Founded:** 1967

- **Global Payments is a leading provider of payment technology services and electronic transaction processing services globally**
  - The Company offers a comprehensive line of processing solutions for credit and debit cards, B2B purchasing cards, gift cards, electronic check conversion and check guarantee, as well as terminal management
- **Global Payments currently has over 8,500 employees and partners in 30 countries worldwide**
  - The Company has processed around 11 billion transactions at about 2.5 million merchant locations

### Stock Performance (NYSE:GPN)



### Recent Selected Acquisition History

Announce Date	Target	Amount (\$ in mm)
04/11/16	eWay*	\$50
12/15/15	Heartland Payment Systems	4,500
03/25/15	reallex payments	126
12/17/14	BPI (Joint Venture)	na
09/30/14	FIS Gaming Business	237
09/15/14	ezidebit.	277
01/24/14	PayPros®	420
07/29/13	Comercia Global Payments (Joint Venture)	na
08/15/12	ACCELERATED™ payment technologies	413
07/27/12	globalpayments Asia Pacific	242
11/18/10	"la Caixa" (Joint Venture)	na

Source: Company website, Company filings, Capital IQ

(1) Market Cap as of August 7, 2017

# Global Payments Acquires ACTIVE Network for ~\$1.2 bn

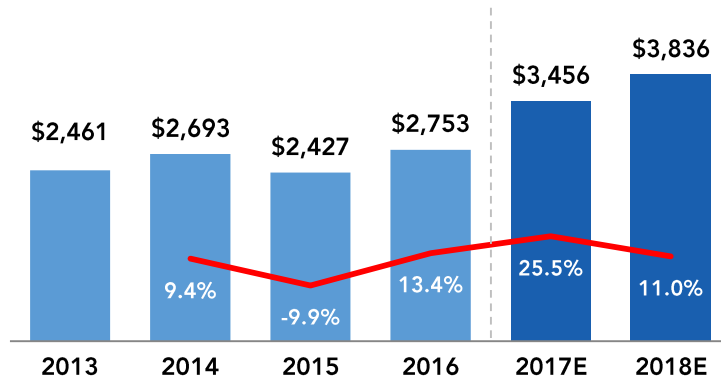
FT PARTNERS RESEARCH



## Global Payments Financial Overview

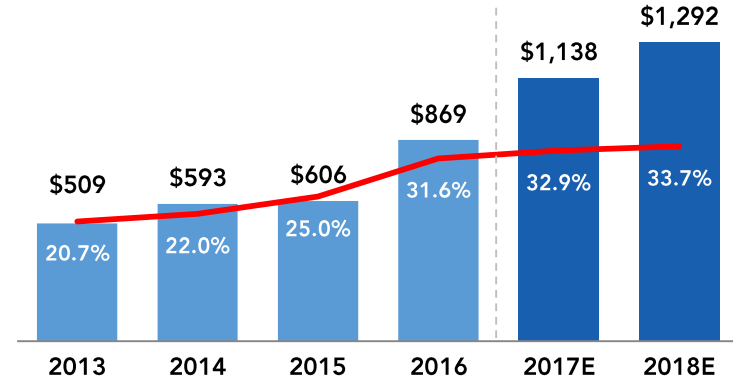
### Net Revenue / % Growth

(\$ in mm)



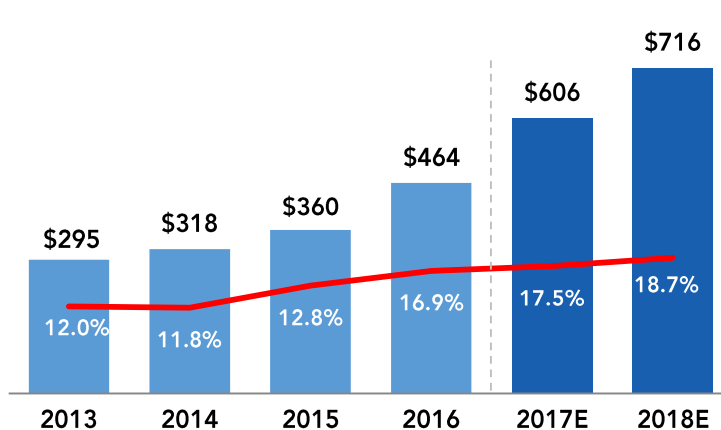
### EBITDA / % Margin

(\$ in mm)

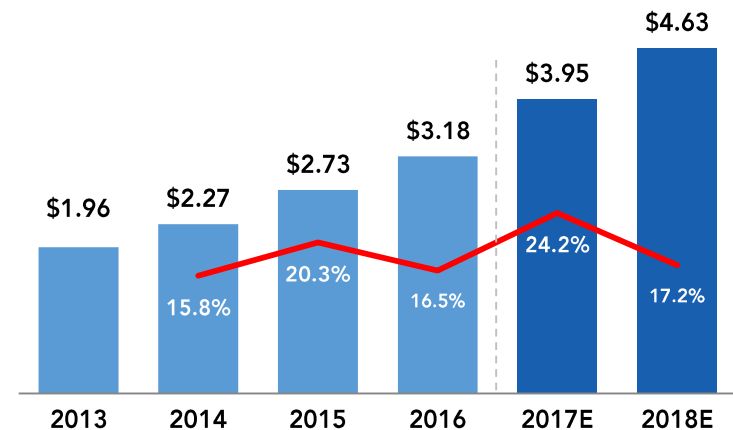


### Adjusted Net Income / % Margin

(\$ in mm)



### Adjusted EPS / % Growth





## Selected FT Partners' Research – *Click to View*



Global Money Transfer



Transaction Security



Heartland's Sale to Global Payments



Adyen's Rise to One of the Most Valuable Payments Companies



CardConnect's \$750 million to First Data



Central Payment's Strategic Investment from TSYS



Marqeta's \$25 million Financing Led by Visa



Vantiv Acquires Worldpay for ~\$9.9 billion



Paysafe Acquires Merchants' Choice Payment Solutions



Toast Raises \$101 million in Financing



Ingenico Group Acquires Bambora for ~\$1.7 billion



Vista Equity Partners Acquires a Majority Stake in PayLease

[VIEW MORE FT PARTNERS RESEARCH](#)



# FT Partners – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

## Strong Domain Expertise in Payments Investment Banking

<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as strategic and financial advisor to</p> <p><b>Heartland</b></p> <p>in its sale to</p> <p><b>globalpayments</b></p> <p>for total consideration of</p> <p><b>\$ 4,500,000,000</b></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 role as strategic and financial advisor to</p> <p><b>MERCURY®</b></p> <p>in its cash sale to</p> <p><b>vantiv™</b></p> <p>for total consideration of</p> <p><b>\$ 1,650,000,000</b></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 role as strategic and financial advisor to</p> <p><b>TRANSFIRST™</b></p> <p>in its sale to</p> <p>Vista Equity Partners from <b>WCAS</b></p> <p>for total consideration of</p> <p><b>\$ 1,500,000,000</b></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><b>GiftCards.com</b></p> <p>in its sale to</p> <p><b>BLACKHAWK NETWORK</b></p> <p>for total consideration of</p> <p><b>\$ 120,000,000</b></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><b>CAYAN®</b></p> <p>in its Significant Growth Recapitalization by</p> <p><b>PARthenon CAPITAL PARTNERS</b></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><b>MERCURY®</b></p> <p>in its approximately 60% Growth</p> <p><b>SILVERLAKE</b></p> <p>for a value up to</p> <p><b>\$ 900,000,000</b></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><b>cardsPRING</b></p> <p>in its sale to</p> <p><b>twitter</b></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 role as exclusive strategic and financial advisor to</p> <p><b>CARDINAL® COMMERCE</b></p> <p>in its sale to</p> <p><b>VISA</b></p> <p>for total consideration of</p> <p><b>\$ 300,000,000</b></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><b>MARQETA</b></p> <p>in its Series C minority financing from</p> <p><b>COMMERZ VENTURES</b> Commerce Group</p> <p><b>83NORTH</b> EV a capital group</p> <p>for total consideration of</p> <p><b>\$ 25,000,000</b></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><b>YAPSTONE™</b> ePayments as a Service</p> <p>in its minority investment led by</p> <p><b>ACCEL PARTNERS</b></p> <p>for total consideration of approximately</p> <p><b>\$ 50,000,000</b></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><b>VERUS</b></p> <p>in its sale to</p> <p><b>sage</b></p> <p>for cash consideration of approximately</p> <p><b>\$ 325,000,000</b></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><b>SOLVERAS</b> PAYMENT SOLUTIONS™</p> <p>in its sale to</p> <p><b>TRANSFIRST™</b></p> <p>for total consideration of approximately</p> <p><b>\$ 51,000,000</b></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><b>Lynk</b></p> <p>in its sale to</p> <p><b>The Royal Bank of Scotland</b></p> <p>for cash consideration of approximately</p> <p><b>\$ 525,000,000</b></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><b>PROPAY™</b></p> <p>in its sale to</p> <p><b>TSYS®</b></p> <p>for total consideration of approximately</p> <p><b>\$ 135,000,000</b></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><b>nmi</b></p> <p>in its growth investment by</p> <p><b>Bregal</b> Sagemount</p> <p>for total consideration of approximately</p> <p><b>\$ 200,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>

## Ground-Breaking Payments Transactions Pioneered by FT Partners



in its sale to

**FinTech Acquisition Corp**  
(NASDAQ: FNTC)

**\$ 438,000,000**

Sale of a payment processor to a SPAC vehicle



in its sale to



**\$ 4,500,000,000**

Largest U.S. strategic merchant acquiring acquisition in over the last decade



in its Series C financing from



**\$ 25,000,000**

Significant capital raise for next gen processor serving commerce startups and disruptors



in its financing from



Groundbreaking strategic round for early stage European payments company



in its sale to



First sale of a payments company to an established social media company



in its sale to



**\$ 370,000,000**

First sale of an "International Payments Specialist" to a pure-play consumer remittance provider




in its growth investment by



for a total valuation of nearly

**\$ 200,000,000**

Substantial growth investment in leading payments enablement technology provider



in its approximately 60% growth investment by



for a value up to

**\$ 900,000,000**

First large-scale transaction for an integrated merchant acquirer



in its sale to



**\$ 325,000,000**

First sale of a U.S. merchant acquirer to an international software company; became Sage Payments



in its sale to



**\$ 525,000,000**

First sale of a U.S. merchant acquirer to a large international financial institution; became Worldpay U.S.

## 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	<ul style="list-style-type: none"> <li>Investment Banking Firm of the Year</li> <li>Cross Border Deal of the Year</li> </ul>
2015	<ul style="list-style-type: none"> <li>Dealmaker of the Year</li> <li>Technology Deal of the Year</li> </ul>
2014	<ul style="list-style-type: none"> <li>Equity Financing Deal of the Year</li> <li>Professional Services Deal of the Year, Above \$100mm</li> </ul>
2012	<ul style="list-style-type: none"> <li>Dealmaker of the Year</li> <li>Professional Services Deal of the Year, Above \$100mm</li> </ul>
2011	<ul style="list-style-type: none"> <li>Boutique Investment Bank of the Year</li> <li>Deal of the Decade</li> <li>10 Deal of the Year Nominations Across 9 Categories</li> </ul>
2010	<ul style="list-style-type: none"> <li>Upper Middle Market Deal of the Year, Above \$500 mm</li> <li>IT Services Deal of the Year, Below \$500mm</li> <li>Cross-Border Deal of the Year, Below \$500mm</li> </ul>
2007	<ul style="list-style-type: none"> <li>Dealmaker of the Year – Steve McLaughlin</li> <li>Business to Business Services Deal of the Year</li> <li>Computer and Information Technology Deal of the Year, Above \$100mm</li> <li>Financial Services Deal of the Year, Above \$100mm</li> </ul>
2015	<ul style="list-style-type: none"> <li>Steve McLaughlin ranked #4 in Institutional Investor's FinTech 35 List</li> </ul>
2006 - 2008	<ul style="list-style-type: none"> <li>Consecutively ranked (2006, 2007 and 2008) among the top Bankers in Financial Technology</li> </ul>
2008	<ul style="list-style-type: none"> <li>Equity Financing Dealmaker of the Year – Steve McLaughlin</li> <li>Information Technology Deal of the Year</li> <li>Financial Services Deal of the Year</li> </ul>
2006	<ul style="list-style-type: none"> <li>Financing Professional of the Year – Steve McLaughlin</li> <li>Financing Deal of the Year - Equity</li> <li>Financing Deal of the Year - Debt</li> </ul>

## The FT Partners Senior Banker Team

Name / Position	Prior Background	Experience / Education	Years of Experience
<b>Steve McLaughlin</b> <i>Founder, CEO and Managing Partner</i>		<ul style="list-style-type: none"> <li>Formerly with Goldman, Sachs &amp; Co. in New York and San Francisco from 1995-2002</li> <li>Former Co-Head of Goldman Sachs' Financial Technology Group (#1 market share)</li> <li>Wharton M.B.A.</li> </ul>	22
<b>Larry Furlong</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with Goldman, Sachs &amp; Co. in New York, London and Los Angeles beginning in 1995</li> <li>Wharton M.B.A.</li> </ul>	22
<b>Greg Smith</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly award winning Equity Research Analyst at Merrill Lynch / J.P. Morgan / Hambrecht &amp; Quist</li> <li>20+ years of experience covering FinTech as both an Analyst and Investment Banker</li> </ul>	21
<b>Osman Khan</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Former Managing Director / Head of FIG M&amp;A at Alvarez &amp; Marsal</li> <li>15+ years FIG deal, consulting and assurance experience at PwC</li> <li>40 Under 40 M&amp;A Advisor Award Winner in 2013</li> <li>LSE (BSc w/Honors), MBS (MBA w/Distinction), ICAEW (FCA)</li> </ul>	20
<b>Steve Stout</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Former Global Head of Strategy at First Data</li> <li>Formerly Led J.P. Morgan Payments Investment Banking</li> <li>Former Equity Research Analyst on #1 ranked team at UBS and Economist at the Federal Reserve Bank</li> </ul>	19
<b>Tim Wolfe</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with Goldman, Sachs &amp; Co. beginning in 2000</li> <li>Started at FT Partners in 2002</li> <li>40 Under 40 M&amp;A Advisor Award Winner 2013</li> <li>Harvard M.B.A.</li> </ul>	15
<b>Timm Schipporeit</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>11+ years with Morgan Stanley, Senior Executive Director of European Technology Investment Banking Team in London</li> <li>Formerly a Venture and Growth Investor focused on FinTech at Index Ventures</li> </ul>	14
<b>Andrew McLaughlin</b> <i>Managing Director, Research &amp; Business Development</i>		<ul style="list-style-type: none"> <li>Leads FT Partners' Research and Business Development Team</li> <li>Formerly with Deloitte Consulting</li> </ul>	11