

# FT PARTNERS FINTECH INDUSTRY RESEARCH

January 25, 2019



## **Advent International Acquires Majority Stake in Prisma Medios de Pago Valuing the Company at \$1.4 billion**



**PRISMA**  
medios de pago

FINANCIAL  
TECHNOLOGY  
PARTNERS

*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 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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## Transaction Overview

### Transaction Summary

- On January 22, 2019, Advent International announced that it has entered an agreement to acquire a majority stake in Prisma Medios de Pago ("Prisma")
  - The transaction values Prisma at \$1.42 billion
  - Advent International will acquire 51% of the Company from a group of 14 Argentinian banks and Visa International
- Advent plans to support Prisma's growth through further product innovation and international expansion
- The deal is expected to close at the end of January 2019
- This is Advent International's sixth investment in Argentina ever and eighth investment in the payments sector globally since 2008
- Prisma is a payments leader in Argentina and one of the largest payment companies in Latin America
  - Largest merchant acquirer and payment processor in Argentina
  - Number one player in electronic bill payments and number two ATM operator in Argentina

### Transaction Commentary

*"We are pleased to welcome a leading global investor such as Advent International as a new shareholder."*

*"Advent brings deep sector expertise, a broad international network and significant financial resources to support our continued growth and leadership in payments, both in Argentina and beyond."*



**Diego Maffeo**  
President and CEO



*"We have been following Prisma Medios de Pago closely for some time and have been impressed by its growth and strong market position across the entire payments value chain. We are excited to partner with the company's local bank owners to create value for all stakeholders."*



**Chris Egan**  
Managing Partner



*"Prisma Medios de Pago is the leading player in a market poised for strong growth driven by the increasing penetration of electronic payments in Argentina."*



**Juan Pablo Zucchini**  
Managing Partner





## Prisma Medios de Pago Overview

### Company Overview



**CEO:** Diego Maffeo  
**Headquarters:** Buenos Aires, Argentina  
**Founded:** 2014  
**Employees:** 1,300

- Prisma Medios de Pago develops payment technology solutions enabling connections between financial intuitions, merchants, and consumers
  - The Company was established in 2014 through the merger of Visa Argentina and Banelco
- The Company offers merchant acquiring, point-of-sale rental (LaPOS), e-commerce gateway (Decidir), transaction processing, and other value-added services to all types of merchants
- Additionally, the Company's newest brand, TodoPago, offers an e-wallet featuring peer-to-peer payments, mobilePOS, and QR code payment capabilities
- Prisma operates in Argentina and 14 other countries across Latin America
- The Company processes more than 7 billion transactions annually

### Products and Services



#### LaPOS

- Prisma's point of sale rental offering available via a traditional terminal POS format, an integrated POS system, or a self-assisted terminal



#### Decidir

- Online eCommerce payment gateway serving over 620 customers and accepting over 50 payment methods



#### BANELCO

- ATM network and mobile banking application enabling cash disbursement, money transfer, deposits, and payment of services



#### PagoMisCuentas

- Bill payments administrator allowing consumers to manage and pay for bills via debit or credit card all on one platform



#### TodoPago

- Mobile E-wallet application enabling P2P payments, mobile POS and QR code payment solutions

### Card Acceptance Partners





## Advent International Overview

### Overview



**Chris Pike**  
Managing Partner



**James Brocklebank**  
Managing Partner



**Chris Egan**  
Managing Partner



**Jeff Paduch**  
Managing Director



**Jeff Case**  
Managing Director



**Juan Pablo Zucchini**  
Managing Director

### Selected Locations

- Boston, MA (HQ)
- London, UK
- New York, NY
- São Paulo, Brazil

### About

- Founded in 1984 by Peter Brooke as a spinout from TA Associates
- Has invested ~\$42 bn in over 340 companies across 41 countries
- Particularly interested in the merchant acquiring, pre-paid, ISO and agent bank verticals within financial services
- Traditionally seeks to invest in companies with enterprise values of ~\$50 mm - \$4 bn and selected larger transactions

### Investment Preferences

#### Investment Criteria

<b>Fund Sizes:</b>	\$13 bn
<b>Funds Raised:</b>	2016
<b>Investment Range:</b>	\$50 - \$1,000 mm
<b>Revenue:</b>	NA
<b>EBITDA:</b>	NA

#### General Preferences <sup>1</sup>

<b>Control:</b>	Majority, Minority
<b>Geography:</b>	Global
<b>Transaction Type:</b>	Growth, Buyout, Recapitalization, Take-Privates
<b>Industry Focus:</b>	Business Services, Financial Services, Healthcare, Industrial, Retail, Consumer, Leisure, Technology, Media, Telecommunications

### Selected Recent Investments / Exits

#### FinTech / Financial Services Investments <sup>2</sup>

Date	Company	Deal Amt. <sup>3</sup>	Board Rep.	Sector
01/19	Prisma Medios de Pagos (Buyout)	NA	NA	Pymts
03/18	Clearant (Buyout)	NA	NA	Pymts
09/17	Stone (Series G)	145	NA	Pymts
04/17	RatePAY (Buyout)	NA	NA	Pymts
04/17	Easynvest (PE Growth)	NA	NA	CapMkts
02/17	CCC Information Services (Buyout)	NA	NA	Pymts
01/17	ConCardis GmbH (Sponsor-backed Buyout)	785	NA	Pymts
05/16	ISP Processing (Divestiture)	1,200	NA	Pymts
07/15	LifeMiles (Secondary)	344	Mauricio Salgar	Pymts
06/15	ICBPI (Buyout)	2,400	Jeff Paduch	Bnkg
03/15	Mifel (PE Growth)	53	Luis Solorzano	Bnkg
12/14	SecureNet (Buyout)	NA	NA	Pymts
07/14	Nets (Buyout)*	3,140	Humphrey Battcock	Pymts
06/14	iHealth Technologies (Buyout)	1,000	John Maldonado	HCIT
04/14	FinancialForce (Early-Stage VC)	50	Frederic Wakeman	FMS

Source: Company website, PitchBook

1) Italics indicate preferred control / geography

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

3) Deal Amount in mm



## 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



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



Voyager Innovations Raises \$215 million in Financing



Vista Equity Partners Acquires MINDBODY for \$1.9 billion



Fiserv Acquires First Data



Visa Acquires Earthport for Approximately £198 million

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**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' International / Cross-Border Capabilities (Selected Examples)

*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
		 
		 
	  	
		
	  	 
	 	
		
		
		
	 	
	  	
		
		
		
		

## 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<sup>co.</sup>**

*in its*

**\$1,400,000,000**

**Initial Public Offering**

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## Stone's \$100 million Private Placement with Ant Financial

### Overview of Transaction

- On October 22, 2018, StoneCo Ltd. (Nasdaq: STNE) entered into an agreement to sell \$100 million of Class A common shares to Ant Financial at its IPO price
  - The Class A common shares issued in the Ant Financial placement will be subject to a 180-day lock-up agreement, which is similar to the lock-up agreements entered into by Stone's directors, executive officers and existing shareholders
- 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

- Ant Financial's investment adds a high-profile, strategic name to the list of highly-regarded, long-term investors that participated in Stone's IPO, underscoring confidence in the potential growth of electronic payments in Brazil

### FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Stone on the private placement in addition to serving as Stone's IPO Advisor
- FT Partners also advised Stone on its \$145 million Series G financing round in September 2017
- 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 exclusive role as  
strategic and financial advisor to*

**stone<sup>co.</sup>**

*in its private placement at the IPO price with*



*for total consideration of*

**\$100,000,000**

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## REPAY's Merger with Thunder Bridge

### Overview of Transaction

- On January 22, 2019, REPAY, together with its parent company Hawk Parent Holdings, announced it has entered into a definitive merger agreement with Thunder Bridge Acquisition Ltd. (NASDAQ: TBRG), a special purpose acquisition company ("SPAC")
- Under the terms of the agreement, Thunder Bridge will acquire REPAY, and the combined company will continue as a publicly-listed company with an implied enterprise value of approximately \$653 million
  - REPAY's management team will continue to lead the Company and its existing majority equity holder, Corsair Capital is expected to remain the Company's largest stockholder
- Headquartered in Atlanta, GA, REPAY is a leading provider of vertically-integrated payment solutions
  - REPAY's proprietary, integrated payment technology platform reduces the complexity of electronic payments for merchants, while enhancing the overall experience for consumers
- Thunder Bridge is a blank check company formed for the purpose of effecting a merger, or similar business combination with one or more businesses
  - In June 2018, Thunder Bridge completed a \$258 million IPO

### Significance of Transaction

- As a publicly-listed company, REPAY will have access to capital to further support its acquisition strategy and invest in technology, while continuing to develop software integration partners

### FT Partners' Role

- FT Partners served as sole strategic and financial advisor to REPAY
- This transaction underscores FT Partners' deep expertise in the Payments space and highlights our strong track record in consistently generating great outcomes for our clients and their shareholders

### Financial Technology Partners LP FTP Securities LLC

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

**REPAY**<sup>®</sup>

**Realtime Electronic Payments**

*in its merger with*

### Thunder Bridge Acquisition (NASDAQ: TBRG)

*for a total implied enterprise value of*

**\$653,000,000**

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## FT Partners Advises RecargaPay on its Series B Financing

### Overview of Transaction

- On February 22, 2018, RecargaPay announced it has raised \$22 million in Series B financing
  - New investors in the round include IFC, a member of the World Bank Group, TheVentureCity and Ventech
  - Notable entrepreneurs Fabrice Grinda and Martin Varsavsky, more than 100 angel investors through AngelList and FundersClub, as well as existing investors DN Capital and FJ Labs, also participated
- Headquartered in Sao Paulo, Brazil, RecargaPay is democratizing mobile payments for banked and unbanked consumers in Brazil
  - RecargaPay simplifies daily transactions such as mobile top ups, transport cards, bill payments, gift cards and much more
  - The Company has over 10 million mobile wallet users today and supports millions of monthly mobile transactions

### Significance of Transaction

- With this latest capital raise, RecargaPay will continue to grow its world-class team and focus on building out its products and technology

### FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to RecargaPay and its Board of Directors
- This transaction underscores FT Partners' successful track record generating highly favorable outcomes for high growth FinTech companies globally

### Financial Technology Partners LP FTP Securities LLC

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



*in its Series B financing from*



VENTECH

*for total consideration of*

# \$ 22,000,000



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## FT Partners Advises YellowPepper on its Financing from Visa

### Overview of Transaction

- On May 24, 2018, YellowPepper announced that Visa has made a strategic investment in the Company; the round also saw participation from current investors
- Headquartered in Miami, FL, YellowPepper is the mobile payments pioneer in Latin America with proprietary technology and partnerships with leading financial institutions and FinTech companies
  - YellowPepper provides a payment platform that gives consumers, merchants, issuers and processors the means to revolutionize the purchasing experience
- Visa Inc. (NYSE: V) is a leader in digital payments, connecting the world through its innovative, reliable and secure payment network - enabling individuals, businesses and economies to thrive
  - Its advanced global processing network, VisaNet, provides secure and reliable payments around the world, and is capable of handling more than 65,000 transaction messages a second

### Significance of Transaction

- The funds raised will enable YellowPepper to accelerate innovation in digital payments technology in the LatAm region
- YellowPepper and Visa are also expanding their partnership and preliminary efforts of this agreement will focus on growing opportunities for tokenized payments, increasing access to Visa APIs, and expanding the usage of push payments via Visa Direct

### FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to YellowPepper on this transaction
- This transaction demonstrates FT Partners' continued success advising leading mobile payments companies, as well as its position as the "go-to" investment bank for FinTech in high-growth markets globally

### Financial Technology Partners LP FTP Securities LLC

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



*in its Strategic Financing from*

**VISA** & **Current  
Investors**

*for approximately*

**\$12,500,000**



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## Award-Winning Investment Banking Franchise Focused on Superior Client Results



**2018** Top Investment Bank in FinTech



Institutional Investor  
Annual Ranking

**2018** Steve McLaughlin Ranked #1 for the Second Year in a Row on Institutional Investor's FinTech 40 List

**2017** Ranked #1 on Institutional Investor's FinTech 40 List

**2015 & 2016** Ranked Top 5 on Institutional Investor's FinTech 35 List

**2006 – 2008** 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

**2018** Corporate / Strategic Deal of the Year

**2018** Cross Border Deal of the Year

**2017** Investment Banker of the Year

**2016** Investment Banking Firm of the Year

**2016** Cross Border Deal of the Year

**2015** Dealmaker of the Year

**2015** Technology Deal of the Year

**2014** Equity Financing Deal of the Year

**2014** Professional Services Deal of the Year, \$100 mm+

**2012** Dealmaker of the Year

**2012** Professional Services Deal of the Year, \$100 mm+

**2011** Boutique Investment Bank of the Year

**2011** Deal of the Decade

**2010** Upper Middle Market Deal of the Year, \$500 mm+

**2010** IT Services Deal of the Year, Below \$500 mm

**2010** Cross-Border Deal of the Year, Below \$500 mm

**2007** Dealmaker of the Year – Steve McLaughlin

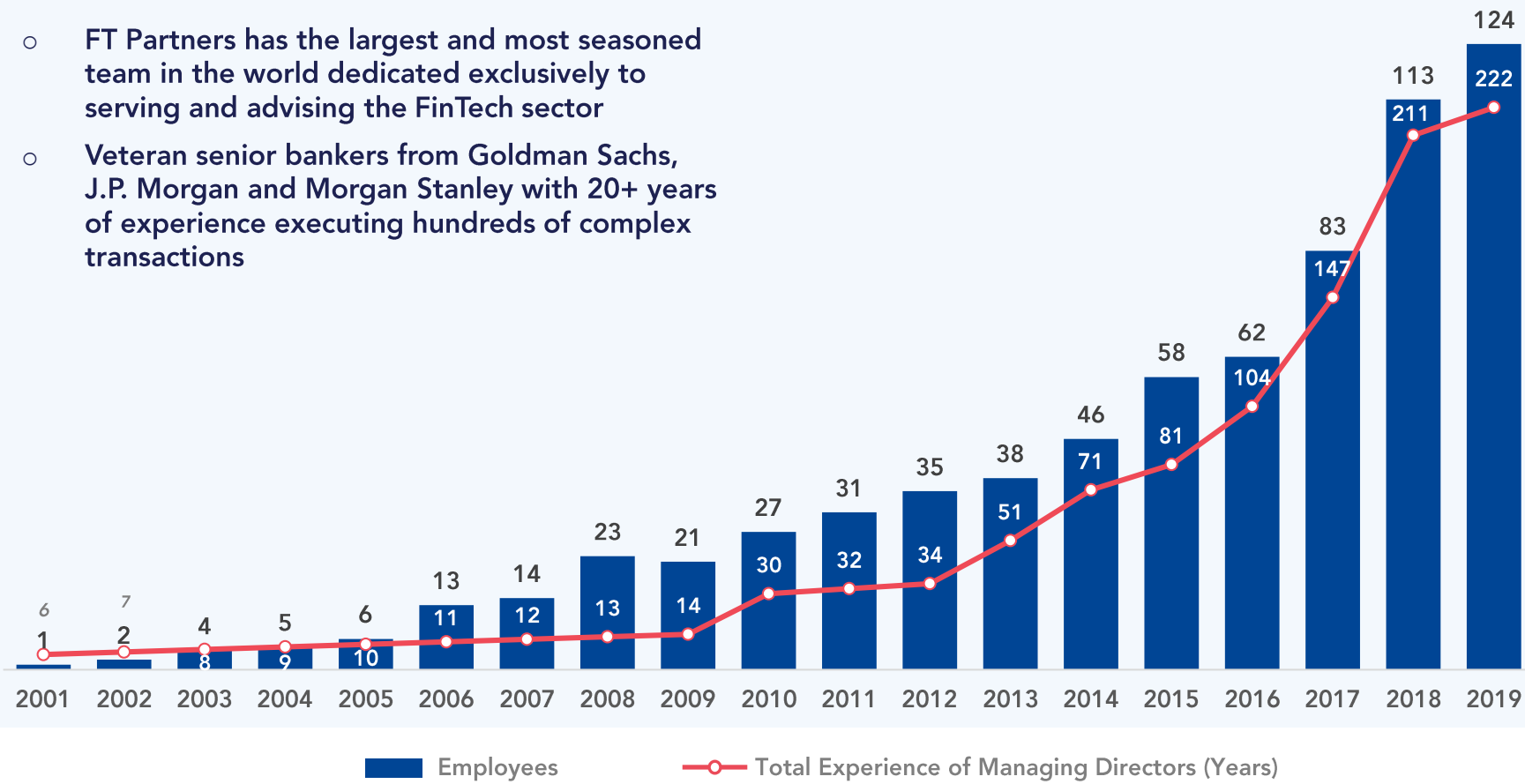
**2007** Business to Business Services Deal of the Year

**2007** Computer & Information Tech Deal of the Year, \$100 mm+

**2007** Financial Services Deal of the Year, \$100 mm+

**2004** Investment Bank of the Year

- 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	18	19	20
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## 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 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>	<b>24</b>
<b>Kate Crespo</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with Raymond James' Technology &amp; Services investment banking</li> <li>12+ years of FinTech transaction execution experience</li> <li>Dartmouth M.B.A.</li> </ul>	<b>17</b>
<b>Larry Furlong</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with Goldman Sachs in New York, London and Los Angeles from 1995-2004</li> <li>Wharton M.B.A.</li> </ul>	<b>23</b>
<b>Osman Khan</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly Managing Director and 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>	<b>22</b>
<b>Andrew McLaughlin</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>20+ years experience executing / implementing financial and operational strategy</li> <li>Formerly with Deloitte Consulting</li> </ul>	<b>13</b>
<b>Mike Nelson</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly head of FinTech M&amp;A at SunTrust Robinson Humphrey</li> <li>Kellogg M.B.A.</li> </ul>	<b>19</b>
<b>Timm Schipporeit</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with Morgan Stanley as 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>	<b>16</b>
<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 and Hambrecht &amp; Quist</li> <li>20+ years of experience covering FinTech as both an Analyst and Investment Banker</li> </ul>	<b>23</b>
<b>Steve Stout</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly Global Head of Strategy at First Data</li> <li>Formerly Led J.P. Morgan Payments Investment Banking Practice</li> <li>Former Equity Research Analyst on #1 ranked team at UBS</li> <li>Former Economist at the Federal Reserve Bank</li> </ul>	<b>21</b>
<b>Tim Wolfe</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with Goldman Sachs from 2000-2002</li> <li>40 Under 40 M&amp;A Advisor Award Winner 2013</li> <li>Harvard M.B.A.</li> </ul>	<b>17</b>