

# FT PARTNERS FINTECH INDUSTRY RESEARCH

March 27, 2019



**Airwallex Raises \$100 million in Series C  
Financing Led by DST Global**

**DST**

## 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

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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# Airwallex Raises \$100 million in Series C Financing

## Transaction Summary



### Transaction Summary

- On March 25, 2019, Airwallex announced that it has raised \$100 million in Series C financing led by DST Global
  - According to Airwallex, the round values the Company at over \$1 billion
- Existing investors Sequoia China, Tencent, Hillhouse Capital, Gobi Partners, Horizons Ventures, and SquarePeg Capital also participated
- The new funding brings Airwallex's total capital raised to over \$200 million
- The financing will be used to expand the Company's suite of international collection and payment products and to enable global expansion into the U.S., U.K., Europe, and Southeast Asia
- According to TechCrunch, Airwallex is potentially planning to acquire a banking license in selected markets <sup>(1)</sup>

*"The growing eCommerce industry needs a technology-focused payments network that is reliable, cost-effective and provides data transparency. Airwallex has built such a network and we are excited to partner with Jack and the team as they continue to grow their business."*



**Tom Stafford**  
Managing Partner



### Financing History

#### Equity Financing History

Date	Size (\$ mm)	Investor(s)
03/25/19	\$100	
07/03/18	80	
12/14/2017	6	
05/01/2017	13	
07/05/2016	3	

Gravity VC

## Airwallex Overview



### Company Overview



CEO:	Jack Zhang
Headquarters:	Hong Kong
Founded:	2015
Employees:	260

- Airwallex is a FinTech company that offers integrated solutions for cross-border payments
- Airwallex facilitates international money transfers through a combination of payment collection, foreign exchange and local payment distribution
- The platform is able to support thousands of transactions per second and provides a cost-effective alternative to existing payment networks for businesses looking to automate and scale international payment workflows

### Management Team



**Jack Zhang**  
Co-Founder & CEO



**Lucy Liu**  
Co-Founder & President



**Xijing Dai**  
Co-Founder & CTO



**Kai Wu**  
CFO

### Products & Services

#### Collect



- Allows customers to make payments to businesses in their preferred currency and payment method
- Create global accounts and collect payments locally in international markets
- Improves reconciliation and financial control with centralized collection and the ability to transfer funds back to users' own currency

#### Convert

- Sources competitive rates that are passed on to customers through a transparent pricing model
- Partnerships with liquidity providers in all corners of the globe
- Expansive global payments network built with smart auto-routing algorithms that bypass traditional payment rails



#### Pay



- Determines the most direct route for money to deliver funds quicker and with fewer intermediary banks
- Works with security and compliance providers to ensure funds are secure at all parts of the payment experience
- Complete batch payments via the Webapp or "integratable" API to automate payments
- Strong relationships with banks around the world, providing access to local payout capabilities

#### Scale

- Brings all Airwallex capabilities together in a single centralized solution to enable straightforward management of full ecosystem



## DST Global Overview

### Overview

# DST



**Yuri Milner**  
Founder,  
President



**Tom Stafford**  
Managing Partner



**Saurabh Gupta**  
Managing Partner



**Rahul Mehta**  
Managing Partner

### Locations

- Moscow, Russia
- Hong Kong
- London, UK

### About

- Founded in 2005 as Digital Sky Technologies by Russian entrepreneur Yuri Milner
- Invests in venture- and growth-stage companies, specializing in fast-growing internet businesses
- Has invested in some of the most recognizable internet and consumer companies in the world, including Facebook, Groupon, Twitter, Zynga, Airbnb and Spotify
- Prefers to invest in late-stage companies with enterprise values greater than \$500 mm

### Investment Preferences

#### Investment Criteria

<b>Fund Size:</b>	\$1,700 mm
<b>Fund Raised:</b>	2015
<b>Investment Range:</b>	\$5 mm+
<b>Revenue:</b>	NA
<b>EBITDA:</b>	NA

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

<b>Control:</b>	Minority
<b>Geography:</b>	US, China, Europe
<b>Transaction Type:</b>	Venture, Growth, Secondary
<b>Industry Focus:</b>	Commercial Services, Mobile, Media, Retail, Software, E-Commerce

### Selected Recent Investments / Exits

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

Date	Company	Deal Amt. <sup>3</sup>	Board Rep.	Sector
03/19	<b>Airwallex</b> (Series C)	\$100	NA	Pymts
03/19	<b>Chime</b> (Series D)	200	NA	Bnkg
02/19	<b>Figure</b> (Series B)	65	NA	Bnkg
02/19	<b>Alan</b> (Series B)	45	NA	Ins
02/19	<b>Acorns</b> (Series E)	105	NA	CapMkts
12/18	<b>Earnin</b> (Series C)	125	NA	Bnkg
11/18	<b>Plastiq</b> (Series C)	27	NA	Pymnts
10/18	<b>Brex</b> (Series C)	125	NA	Bnkg
09/18	<b>Stripe</b> (Series E)	245	NA	Pymts
05/18	<b>Robinhood</b> (Series D)	363	NA	CapMkts
04/18	<b>Revolut</b> (Series C)	250	NA	Bnkg
03/18	<b>Nubank</b> (Series E)	150	NA	Bnkg
06/17	<b>Cadre</b> (Series C)	65	NA	CapMkts
01/17	<b>Funding Circle</b> (Series E)**	100	Yuri Milner	Bnkg
08/15	<b>ZocDoc</b> (Series D)	152	NA	HCIT
12/14	<b>GreenSky</b> (PE Growth)**	300	NA	Bnkg
06/14	<b>WeLab</b> (Series A)	20	NA	Bnkg

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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## Leading Advisor in the Cross Border Payments Industry

<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as strategic and financial advisor to</p>  <p>on its minority investment in</p>  <p>for total consideration of</p> <p><b>€ 21,000,000</b></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>in its Series D financing led by</p>  <p>for total consideration of up to</p> <p><b>\$115,000,000</b></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 Financial, Strategic and IPO Advisor to</p>  <p>in its</p> <p><b>Initial Public Offering</b></p> <p>valuing the equity at approximately</p> <p><b>A\$ 480,000,000</b></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 sole strategic and financial advisor to</p>  <p>in its sale to</p>  <p>for total cash consideration of approximately</p> <p><b>\$ 370,000,000</b></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>in its sale to</p>  <p>for total consideration of</p> <p><b>C \$ 900,000,000</b></p>  <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>
<p>Ireland-based cross-border payments platform</p>	<p>Largest independent digital money transmitter in the U.S.</p>	<p>International payment specialist providing online international payment services for consumer and business clients</p>	<p>Leading independent provider of robust, multi-channel, international B2B payment solutions</p>	<p>Leading provider of integrated, B2B cross-border payment services</p>
<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as financial advisor to</p>  <p>in its sale to</p>  <p>for total consideration of</p> <p><b>\$ 310,000,000+</b></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 strategic and financial advisor to</p>  <p>in its Series B financing led by</p>  <p>for approximately</p> <p><b>\$ 20,000,000</b></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>in its sale of</p>  <p>for total consideration of</p> <p><b>A\$ 65,000,000</b></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 sole strategic and financial advisor to</p>  <p>in its sale to</p>  <p>a portfolio company of</p>  <p>for total consideration of approximately</p> <p><b>\$ 250,000,000</b></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>in its growth financing led by</p>  <p>for total consideration of</p> <p><b>\$ 38,500,000</b></p>  <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>
<p>Leading, privately-owned, non-bank provider of non-cash foreign exchange and payments solutions to private and corporate clients</p>	<p>Global payment processing business providing internet and mobile-based inter-country consumer money transfer services</p>	<p>Leading provider of electronic payment transaction processing services, including DCC, MCP and payment card acceptance</p>	<p>Leading provider of international payment processing and multi-currency processing services</p>	<p>Largest independent digital money transmitter in the U.S.</p>

***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 Remitly on its Series D Financing

### Overview of Transaction

- On October 31, 2017, Remitly announced it has agreed to raise up to \$115 million in Series D financing led by Nasper's FinTech investment division PayU, a global online payment service provider
  - Existing investors, Stripes Group, DFJ and DN Capital will also participate in the round
  - Laurent le Moal, PayU CEO, will join Remitly's board of directors following the investment
- Remitly is the largest independent digital remittance company in North America, transferring nearly \$4 billion in annualized volume
- Naspers is a global internet and entertainment group and one of the largest technology investors in the world, with investments in Tencent and Flipkart, among others
  - PayU is focused on empowering people through financial services supporting over 300,000 merchants and millions of consumers making online payments

### Significance of Transaction

- PayU's heritage in local payments in growth markets along with its focus on providing access to products that meet local needs, will assist Remitly in further expanding its global footprint

### FT Partners' Role

- FT Partners served as the exclusive strategic and financial advisor to Remitly on this transaction
- FT Partners also previously advised Remitly on its [\\$38.5 million Series C financing](#)
- This transaction further supports FT Partners' continued success advising leading companies in the Money Transfer / International Payments space

### Financial Technology Partners LP FTP Securities LLC

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



*in its Series D financing led by*



*for total consideration of up to*

**\$115,000,000**



*The Only Investment Bank  
Focused Exclusively on Financial Technology*

## FT Partners Advises ING on its Minority Investment in TransferMate

### Overview of Transaction

- On July 27, 2018, ING announced that it has reached an agreement to invest €21,000,000 in TransferMate
- TransferMate and ING have also agreed to a strategic partnership across 18 countries in mainland Europe
- Headquartered in Amsterdam, ING is a global financial institution with a strong European base, offering banking services through its operating company ING Bank
  - The purpose of ING Bank is to empower people to stay a step ahead in life and in business
  - ING Bank's more than 51,000 employees offer retail and wholesale banking services to customers in over 40 countries
- Founded in 2010 in Ireland, TransferMate is a cross-border payments platform that harnesses its technology and global banking infrastructure to serve businesses worldwide

### Significance of Transaction

- The transaction and partnership will allow ING to better serve its customers by harnessing TransferMate's cross-border API technology and payments licenses to reduce costs and improve cash flow

### FT Partners' Role

- FT Partners served as strategic and financial advisor to ING on this transaction
- This transaction further supports FT Partners' continued success in the Payments space and highlights the Firm's versatility in generating attractive outcomes on both the sell-side and the buy-side
- FT Partners leveraged its deep, global industry knowledge and transaction expertise to help achieve a favorable transaction outcome

### Financial Technology Partners LP FTP Securities LLC

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



*on its minority investment in*

**TransferMate**  
GLOBAL PAYMENTS

*for a total consideration of*

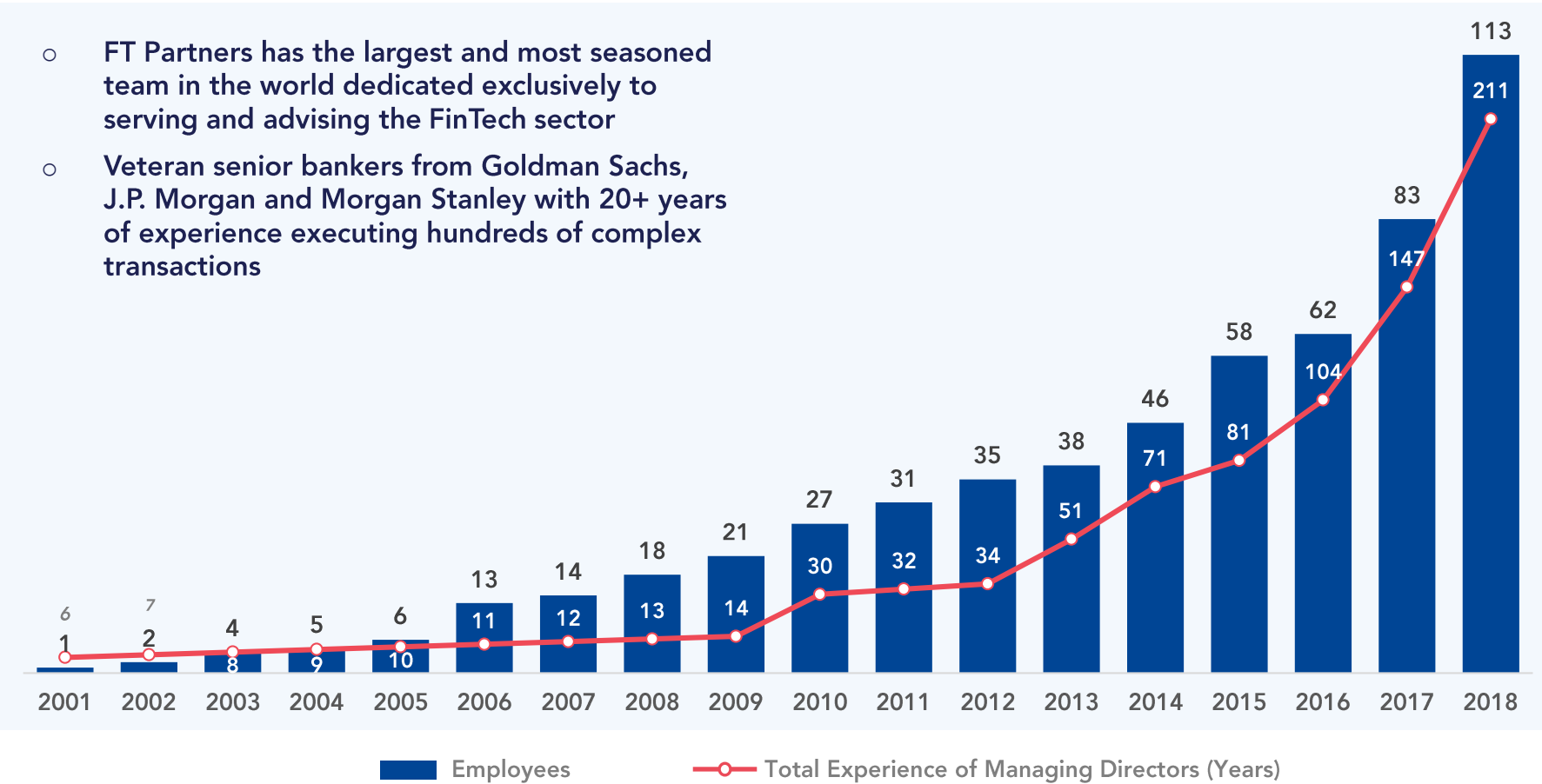
**€ 21,000,000**



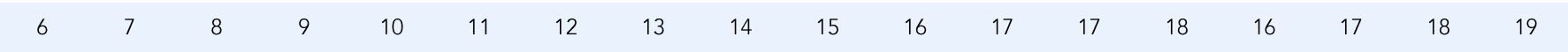
*The Only Investment Bank  
Focused Exclusively on Financial Technology*

## 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
<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>