

FT PARTNERS FINTECH INDUSTRY RESEARCH

December 17, 2018



**Toss Raises \$80 million in Financing Led by
Kleiner Perkins & Ribbit Capital**



KLEINER PERKINS

Ribbit Capital

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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Toss Raises \$80 million in Financing

Transaction Overview

Transaction Summary

- On December 9, 2018, Viva Republica, provider of financial services platform Toss, announced it has raised \$80 million in financing co-led by Kleiner Perkins and Ribbit Capital at a \$1.2 billion post-money valuation
 - Existing investors Altos Ventures, Bessemer Venture Partners, Goodwater Capital, KTB Network, Novel, PayPal and Qualcomm Ventures also participated
- The investment will be used to add more users and advance the platform's offerings including partnering with more companies to offer financial products
- Additionally, the Company plans to expand beyond South Korea with Southeast Asia being named as the most likely starting point

Selected Financing History

Date	Size (\$ mm)	Investor(s)
12/09/18	\$80	Kleiner Perkins, Ribbit Capital, Qualcomm Ventures, PayPal, Bessemer Venture Partners, KTB Network, Altos Ventures, Goodwater Capital, Novel
06/18/18	40	Citi Ventures, GV, CapitalG, Allegion Ventures, Dimension Data, EDBI, Vitruvian Partners, IVP, Cross Creek Advisors, Andreessen Horowitz, Goldman Sachs
03/09/17	48	Goodwater Capital, Tekton Ventures, Altos Ventures, Bessemer Venture Partners
04/13/16	23	Goodwater Capital, Qualcomm Ventures, Altos Ventures, Novel, KTB Network
07/21/15	5	KTB Network, Goodwater Capital, Altos Ventures, Industrial Bank of Korea
08/01/14	1	Altos Ventures

Source: Company press release, FT Partners' Proprietary Transaction Database

(1) TechCrunch: "Payment service Toss becomes Korea's newest unicorn after raising \$80M"

(2) PayPal: "Toss Raises \$80 Million in Funding at a \$1.2 Billion Valuation"

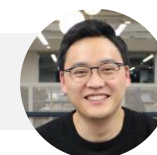


Transaction Commentary

"Korea is a top 10 global economy, but no there's no Mint or Credit Karma to help people save and spend money smartly. We saw the same deep problems we need to solve [as the U.S.] so we're just digging in. We want to help financial institutions to build on top of Toss... we're kind of building an Amazon for the financial services industry. We try to aggregate all those activities, covering saving accounts, loan products, insurance, etc. ...We're thinking seriously about going beyond Korea because sooner or later we will hit a saturation point. We think Vietnam is quite promising. We've talked to potential partners and are currently articulating ideas and strategy material for next year." ⁽¹⁾



SeungGun Lee
Co-Founder, CEO



"We're excited to be part of one of the fastest growing FinTech companies we have seen globally. As an investor focused on FinTech, we believe Toss has significant possibilities ahead for growth and profitability, particularly when comparing Toss to other global FinTech players and seeing the size of Korea's financial market. We look forward to Toss' next phase with us." ⁽²⁾

Ribbit Capital

Nikolay Kostov
Partner



"Led by a focused and driven leadership team, Toss' best-in-class product portfolio is poised to fundamentally transform how consumers access and manage their finances securely and with ease." ⁽²⁾



Noah Knauf
General Partner



Toss Raises \$80 million in Financing

Viva Republica / Toss Overview

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Company Overview



CEO: SeungGun Lee

H.Q. Location: Seoul, South Korea

Founded: 2013

- Founded in 2013, Viva Republica launched Korea's first P2P money transfer service Toss in 2015
- In addition to the platform's P2P money transfer and payments system, Toss now provides a suite of financial services including banking services, a financial dashboard, credit score management tools, and investment products
- The Company is the number one P2P transfer service in Korea with 21 million downloads, 27 trillion won transferred, and zero security breaches
- Toss currently processes more than \$1.4 billion transactions a month and allows users to send each other as much as \$1,822 a day, cutting the time needed for money transfer to seconds ⁽¹⁾
- Toss has over 8 million registered users

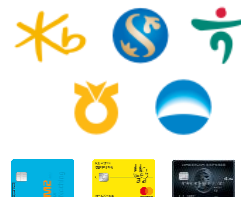
Products & Solutions Overview

Seamless Money Transfer



- Supporting features include auto-filling of bank information, "split the bill" functionality, automatic / recurring transfer set up, and QR code payment options

Bank and Bill Management



- Access to bank accounts with fingerprint identification
- View all card statements at once and check statements within seconds

Loan & Securities Account Management



- 1.3% interest account with unlimited free transfers on up to 2 million won per day
- Fund investment, P2P investment, and micro-investment in real estate services

Insurance Products

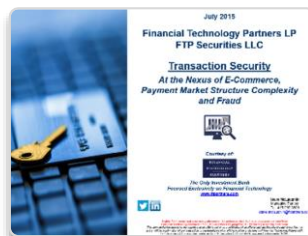


- Insurance comparison tools and custom recommendations based on situation parameters and budget across 36 providers

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



Voyager Innovations Raises \$215 million in 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 – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

Significant Experience Advising Large Financing Rounds and “Unicorns”






















































FT Partners has a history of advising on some of the largest financing transactions in the FinTech space

Representing numerous FinTech “Unicorns” above \$1 billion valuations

Company	Amount Raised	Selected Prominent Investors in FT Partners Led Rounds
 stone ^{co.}	\$1,400,000,000	Accel DST VISA ANT FINANCIAL
 GreenSky™	1,010,000,000	ICONIQ RCP REVERENCE CAPITAL PARTNERS TEMASEK
 MERCURY®	420,000,000	BainCapital PRIVATE EQUITY TPG PIMCO
 GreenSky™	300,000,000	BainCapital VENTURES CDPQ Great Hill PARTNERS
 avidxchange	300,000,000	capitalG CIBC Scotiabank®
 avidxchange	253,000,000	nyca QED INVESTORS Redpoint
 liquidnet	250,000,000	KeyBank WELLINGTON MANAGEMENT BBVA
 square trade protection plans	238,000,000	maveron Santander InnoVentures nabventures nab
 GreenSky™	200,000,000	ADAMS STREET PARTNERS Elavon BV THIEL
 nmi	150,000,000	khosla ventures mastercard PayU edbi
 stone ^{co.}	145,000,000	QUESTMARK PARTNERS SUMMIT PARTNERS
 ADDEPAR	140,000,000	SILVERLAKE PARTHENON CAPITAL PARTNERS
 Kabbage	135,000,000	
 Remitly	115,000,000	
 TradingScreen SIMPLIFYING GLOBAL MARKETS®	110,000,000	
 stone ^{co.}	100,000,000	
 POYNT	100,000,000	
 CHROMERIVER	100,000,000	
 NEXT INSURANCE	83,000,000	

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 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 on Stone's 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

FINANCIAL
TECHNOLOGY
PARTNERS

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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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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

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*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 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

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*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

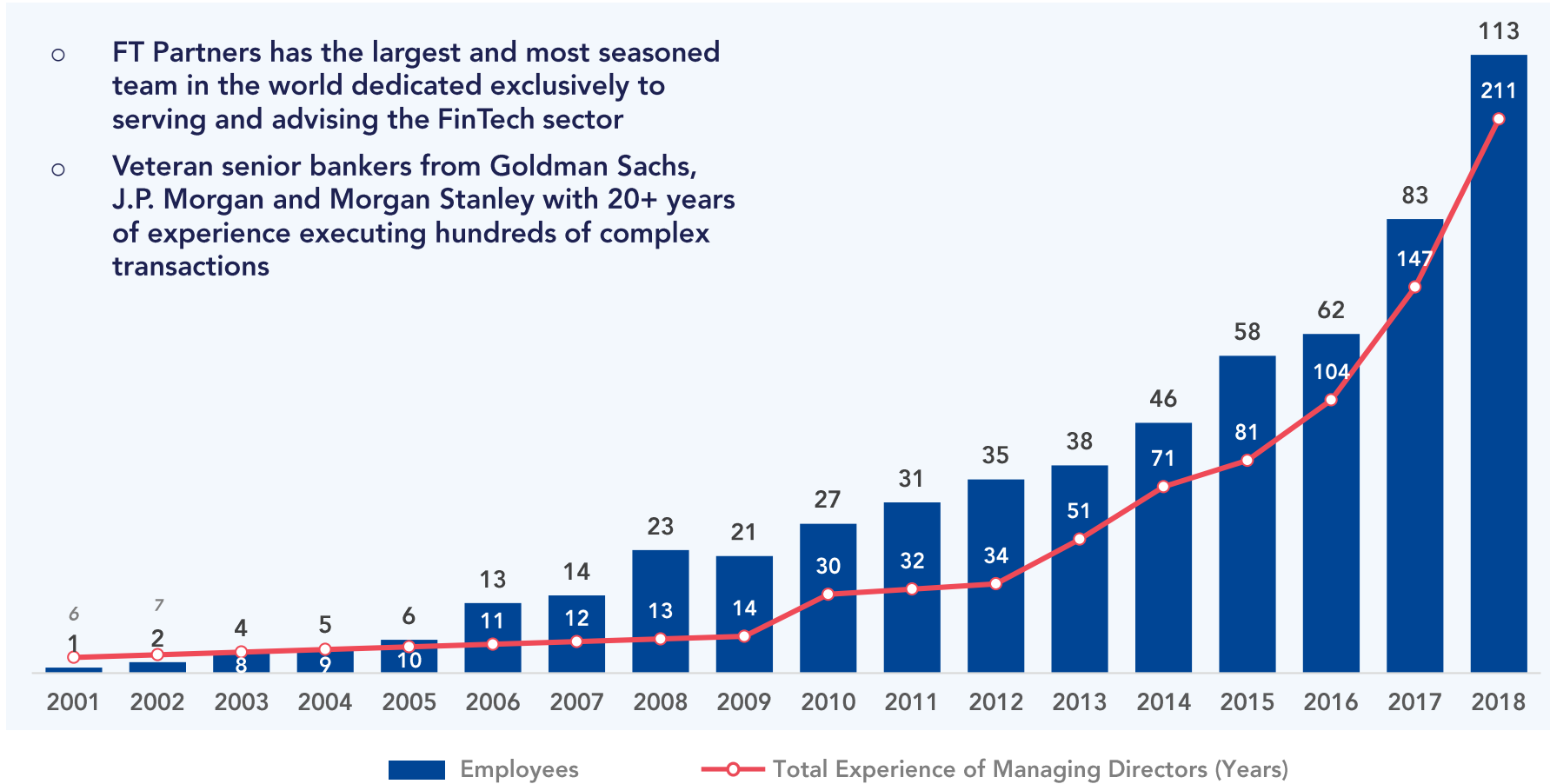
\$115,000,000



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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