

FT PARTNERS FINTECH INDUSTRY RESEARCH

January 14, 2022



Petal Raises \$140 million in Series D Financing Led by Tarsadia Investments



The Only Investment Bank Focused Exclusively on FinTech

San Francisco • New York • London

Petal Raises \$140 million in Series D Financing



Transaction Summary

Transaction Summary

- On January 5, 2022, Petal, a credit card company that helps individuals without traditional credit histories build credit and spend responsibly, announced that it has raised \$140 million in Series D financing
 - Tarsadia Investments led the round, with participation from Valar Ventures, CUNA Mutual, Encore Bank, Volery Capital Partners, Gopher Asset Management, RiverPark Ventures, Afore Capital, and Gaingels, among others
 - According to TechCrunch, the round values the Company at \$800 million ⁽¹⁾
- The raise comes over a year after Petal's \$55 million Series C in September of 2020, and brings the Company's cumulative equity financing raised to over \$240 million
 - The Company has also raised over \$450 million in debt financing
- Petal tripled its user base and more than quadrupled its revenue in 2021
 - Today, there are nearly 300,000 approved Petal cards, and the Company has been adding 10,000 to 20,000 new cardholders every month ⁽¹⁾
 - The Company's revenue reached \$50 million in 2021, up from \$11 million in 2020 ⁽¹⁾
- The Company is planning to use the new capital to continue adding to its team, and to add new features and benefits to its cards
- Petal also announced the hiring of Erin Allard to lead its newly formed B2B data intelligence business, Prism Data

Transaction Commentary

"We're following in the footsteps of other fintech firms like Lithic and Upstart that have created sizable new B2B platforms by productizing the novel technologies they initially created to solve their own problems. With this change, the credit score of the future will be a complete, real-time and holistic assessment of a consumer's financial position, including their income, cash flows and assets, in addition to debt and repayment history. Prism Data exists to give financial providers the tools they need to create next-generation products and capabilities." ⁽¹⁾



Jason Gross
CEO & Co-Founder



"[Consumers] are in desperate need of more modern and accessible financial products... In addition to exponential user growth, Petal has proven the power of its tech as evidenced by stellar credit performance and the rapid scaling of Prism. We are excited to double down on Jason and the team as they pioneer a new way to accelerate financial inclusion." ⁽¹⁾



Rishi Reddy
Head of Venture and Growth Investing



Petal Raises \$140 million in Series D Financing



Petal Overview

Company Overview



Co-Founder & CEO:	Jason Gross
Headquarters:	New York, NY
Founded:	2016

- Petal is a credit card provider that aims to offer more accessible credit to underserved consumers with nontraditional credit history
- The Company uses its proprietary technology, called CashScore, to assess creditworthiness by considering income, spending and savings
 - Petal recently announced the launch of Prism, a B2B enterprise service that makes the data from CashScore available to third-party partners

Selected Financing History

Date	Size (\$mm)	Investors
01/05/22	\$140	Tarsadia Investments, Afore Capital, CMFG Life Insurance, Encore Bank, Gaingels, Gopher Asset Management, ReverPark Ventures, Valar Ventures, Volery Capital Partners
09/24/20	55	Valar Ventures, Abstract Ventures, Adventure Collective, Afore Capital, GR Capital, Great Oaks Venture Capital, Neslone Ventures, Ride Ventures, RiverPark Advisors, Rosecliff Venture Management, Starta Ventures, The Gramercy Fund
01/29/19	30	Valar Ventures, Afore Capital, Greyhound Capital, RiverPark Advisors, Rosecliff Venture Management, Story Ventures, Third Prime Capital
01/10/18	14	Valar Ventures, Abstract Ventures, Afore Capital, Brooklyn Bridge Ventures, Great Oaks Venture Capital, New Ground Ventures, Ride Ventures, RiverPark Advisors, Rosecliff Venture Management, Story Ventures, The Gramercy Fund, The Social Entrepreneurs' Fund, Third Prime Capital

Products and Services Overview

Cards



- Petal 1**
- 2% - 10% cash back at select merchants
 - \$300 - \$5,000 limits
 - APRs 19.99% - 29.49%
 - No annual fee
 - Path to a credit limit increase



- Petal 2**
- 1% - 1.5% cash back and more offers
 - \$300 - \$10,000 limits
 - APRs 12.99% - 26.99%
 - No fees
 - Path to a credit limit increase

Services

CashScore

- Proprietary technology that analyzes banking history to assess creditworthiness and makes credit accessible to a greater pool of people on terms personalized to each individual.

Prism

- A B2B enterprise service that uses CashScore's raw data to produce valuable insights and scores.

Key Stats

\$11 million
2020 Revenue ⁽¹⁾



\$50 million
2021 Revenue ⁽¹⁾

~300k
Petal cardholders ⁽¹⁾

10k – 20k
New cardholders
each month ⁽¹⁾

Source: Company website, FT Partners' Proprietary Transaction Database

(1) TechCrunch: "Petal nears unicorn status with fresh \$140M in capital to upend 'broken' traditional credit system"

FT Partners – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

Selected FT Partners Research – *Click to View*

July 15, 2021

FT PARTNERS
TRANSACTION ANNOUNCEMENT

FT PARTNERS is Pleased to Announce its Role as Exclusive Strategic and Financial Advisor to

Revolut

on its Series E financing led by

SoftBank
TIGERGLOBAL

for a total amount of
\$800,000,000
at a valuation of
~\$33,000,000,000

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Revolut's \$800 million Series E Financing

September 9, 2021

FT PARTNERS
TRANSACTION ANNOUNCEMENT

FT PARTNERS is Pleased to Announce its Role as Exclusive Financial & Strategic Advisor to

Varo

on its E Round financing led by

LONG PINE CAPITAL
with participation from
ELDRIDGE

for a total amount of
\$510,000,000

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Varo's \$510 million E Round Financing

December 20, 2021

FT PARTNERS
TRANSACTION ANNOUNCEMENT

FT PARTNERS is Pleased to Announce its Role as Exclusive Strategic and Financial Advisor to

Truebill

on its sale to

ROCKET

for total consideration of
\$1,275,000,000

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Truebill's \$1.3 billion Sales to Rocket

November 16, 2021

FT PARTNERS
TRANSACTION ANNOUNCEMENT

FT PARTNERS is Pleased to Announce its Role as Exclusive Strategic and Financial Advisor to

upgrade

on its Series F financing led by

COATUE
DST GLOBAL

for a total amount of
\$280,000,000
at a valuation of
\$6,000,000,000

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Upgrade's \$280 million Series F Financing

FT PARTNERS FINTECH INDUSTRY RESEARCH

November 16, 2021

Featuring:
Exclusive CEO Interview

zilch

Zilch Raises \$110 million in Financing Led by Ventura Capital and Gauss Ventures

VENTURA CAPITAL
GAUSS VENTURES

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Zilch Raises \$110 million in Financing

FT PARTNERS FINTECH INDUSTRY RESEARCH

November 4, 2021

Nerdwallet.

NerdWallet Completes its IPO Raising \$131 million (NASDAQ: NRDS)

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NerdWallet Raises \$131 million in its IPO

FT PARTNERS FINTECH INDUSTRY RESEARCH

December 6, 2021

slice

Slice Raises \$220 million in Series B Financing Led by Tiger Global and Insight Partners

TIGERGLOBAL
INSIGHT PARTNERS

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Slice Raises \$220 million in Series B Financing

FT PARTNERS FINTECH INDUSTRY RESEARCH

December 14, 2021

Lydia

Lydia Raises \$100 million in Series C Financing Led by Accel, Founders Future, and Tencent

Accel
FOUNDERS FUTURE
Tencent 腾讯

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Lydia Raises \$100 million in Series C Financing

[VIEW MORE FT PARTNERS RESEARCH](#)

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FT PARTNERS RESEARCH

Leading Advisor Across the Banking and Lending Tech Sector



FT Partners Advises Truebill's \$1.275 billion Sale to Rocket

Overview of Transaction

- On December 20, 2021, Rocket Companies (NYSE: RKT), the Detroit-based platform company consisting of tech-driven real estate, mortgage and financial services businesses, announced it has entered into an agreement to acquire Truebill, the leading personal finance app that helps consumers manage every aspect of their financial lives
 - Rocket will acquire Truebill for approximately \$1.275 billion in cash
- Founded in 2015, Truebill currently has 2.5 million members, and has doubled its user base in just the last year
 - The Company currently analyzes \$50 billion in monthly transaction volume and has saved consumers \$100 million+ since its founding
- Truebill's ability to leverage technology to improve its clients' financial health adds to Rocket's end-to-end real estate and home financing experience, expanding real estate platform, and quickly growing automotive sales marketplace

Significance of Transaction

- The acquisition of Truebill accelerates Rocket Companies' vision to help clients in complex moments; Truebill will deepen engagement with clients and help millions of consumers improve their financial lives
- The acquisition brings millions of clients to the Rocket platform and adds more than \$100 million in annual recurring revenue and supports a new organic growth opportunity and a significant channel to nurture clients – keeping them engaged in Rocket's FinTech ecosystem by providing value between the large financial transactions that Rocket Companies is known for

FT Partners' Role

- FT Partners served as exclusive financial and strategic advisor to Truebill
- This transaction highlights FT Partners' deep domain expertise in the Consumer FinTech sector, and its successful track record generating highly favorable outcomes for high-growth FinTech companies globally

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*is pleased to announce its role as
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on its sale to

ROCKET

for total consideration of

\$1,275,000,000

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FT Partners Advises Revolut on its \$800 million Series E Financing

Overview of Transaction

- On July 15, 2021, Revolut announced that it has raised \$800 million in financing from Softbank and Tiger Global, valuing the business at ~\$33 billion
- SoftBank and Tiger Global join existing investors including Balderton Capital, DST, Ribbit Capital, TCV and TSG Consumer Partners
- Revolut is building the world's first truly global financial superapp to help people get more from their money
 - In 2015, Revolut launched in the UK offering money transfer and exchange; Today, more than 16 million customers around the world use dozens of Revolut's innovative products to make more than 150 million transactions a month

Significance of Transaction

- The investment will enable the Company to further its growth plans, in particular its ongoing product innovation aimed at meeting customers' everyday financial needs and aspirations, from quick and easy global transfers, to managing everything from savings to insurance to democratizing wealth and trading
- It will also support the expansion of Revolut's offering to US customers and its entry to India and other international markets
- Revolut is now the most valuable financial superapp and the 4th most valuable private FinTech company globally

FT Partners' Role

- FT Partners served as exclusive financial and strategic advisor to Revolut
- This transaction underscores FT Partners' deep expertise in the Consumer FinTech and Banking Tech space, as well as our successful track record generating highly favorable outcomes for high-growth, unicorn FinTech companies globally

Financial Technology Partners LP FTP Securities LLC

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

Revolut

on its Series E financing led by

 SoftBank **TIGER**GLOBAL

for a total amount of

\$800,000,000

at a valuation of

~\$33,000,000,000

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FT Partners Advises Finicity on its Sale to Mastercard

Overview of Transaction

- On June 23, 2020, Mastercard (NYSE: MA) announced it has entered into an agreement to acquire Finicity, a leading North American provider of real-time financial data access and insights
 - The acquisition is valued at up to ~\$1 billion in total consideration, which is comprised of \$825 million at close and up to \$160 million in earn-out consideration
- Finicity enables a secure and innovative financial data-sharing ecosystem through direct connectivity to thousands of North American financial institutions, including next generation open banking API connections with the largest banks in the US
 - Finicity helps power the programs of banks and FinTech companies, using approvals to securely access customer information to provide value-added services such as streamlined loan and mortgage processes, rapid account-based payment initiation and personal financial management solutions

Significance of Transaction

- The addition of Finicity's complementary technology and innovative team strengthens the existing Mastercard open banking platform to enable and safeguard a greater choice of financial services, reinforcing the Company's long-standing partnerships with and commitment to financial institutions and FinTech companies across the globe

FT Partners' Role

- FT Partners served as the exclusive strategic and financial advisor to Finicity and its board of directors
- This transaction highlights FT Partners' deep domain expertise across the FinTech sector and further supports FT Partners' role as the Advisor of Choice to the highest quality FinTech companies

Financial Technology Partners LP FTP Securities LLC

*is pleased to announce its role as
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Finicity[®]

on its sale to

 **mastercard.**

for total consideration of up to

~\$1,000,000,000

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FT Partners Advises Varo on its \$510 million Financing

Overview of Transaction

- On September 9th, 2021, Varo announced that it had raised \$510 million of capital in its E Round equity financing
- The E Round investment was led by Lone Pine Capital with participation from existing investors and new investors including Declaration Partners, Eldridge, Marshall Wace, Berkshire Partners / Stockbridge, and funds and accounts managed by BlackRock
- Headquartered in San Francisco, Varo is on a mission to make financial inclusion and opportunity a reality for all - by empowering people with the products and support they need to create healthy financial habits and be in control of their finances

Significance of Transaction

- The investment will be used to further accelerate Varo's rapid customer growth and support additional investment in product and technology innovation
- In the last 13 months since obtaining its bank charter, Varo doubled its opened accounts to four million
- In addition, the company has experienced record revenue growth, unlocked new cost efficiencies, and expanded its suite of innovative financial products to include Varo Advance, a short-term line of credit, Varo Perks cashback rewards, and the forthcoming Varo Believe credit building credit card program

FT Partners' Role

- FT Partners served as the exclusive financial and strategic advisor to Varo
- This transaction highlights FT Partners' deep domain expertise with neobanks, Banking Tech, and Consumer FinTech, as well as its successful track record generating highly favorable outcomes for high-growth FinTech companies

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Varo

on its E Round financing led by

LONE PINE CAPITAL[®] 

with participation from

DECLARATION
PARTNERS

ELDRIDGE

MARSHALL WACE

STOCKBRIDGE INVESTORS

BlackRock.

for a total amount of

\$510,000,000

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FT Partners Advises Upgrade on its Series F Financing

Overview of Transaction

- On November 16, 2021, Upgrade announced it raised \$280 million in Series F financing led by Coatue Management and DST Global with participation from Dragonair Investment Group and existing investors
 - The round values the Company at more than \$6 billion, which represents a ~2x increase over the prior 2021 round
- Upgrade is a neobank that offers affordable and responsible credit to mainstream consumers through cards and personal loans, along with a rewards checking account that offers 2% cashback rewards to consumers on common everyday expenses and monthly subscriptions
- Upgrade has delivered over \$10 billion in affordable credit to mainstream consumers through cards and loans since inception in 2017, and is on track to deliver \$8 billion in 2021 alone
- Upgrade was recognized as the fastest growing company in the Americas by the Financial Times earlier this year, and Upgrade Card was recently recognized by Nilson Report as the fastest growing credit card in the US, marking the first time a FinTech company is listed among the top 50 US credit card issuers

Significance of Transaction

- The investment will fuel the rapid growth of Upgrade Card, an innovative credit card that brings the low cost of responsible credit of installment lending to millions of retail locations in the U.S.

FT Partners' Role

- FT Partners served as exclusive financial and strategic advisor to Upgrade
- FT Partners previously advised Upgrade on its Series D financing led by Santander InnoVentures in 2020 and Series E financing led by KDT in August 2021 – over this time period, Upgrade's valuation has grown over ~6x
- This transaction highlights FT Partners' deep domain expertise with neobanks and Consumer FinTech, as well as its successful track record generating highly favorable outcomes for high-growth FinTech companies globally

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on its Series F financing led by



for a total amount of

\$280,000,000

at a valuation of

\$6,000,000,000



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FT Partners Advises Happay on its ~\$180 million Sale to CRED

Overview of Transaction

- On December 1, 2021, CRED announced it has signed a definitive agreement to acquire Happay for ~\$180 million in a cash and stock deal
- The acquisition of Happay will enable CRED to launch its business segment leveraging Happay's expense management and corporate payments expertise
 - Over 6,000 companies use Happay to manage their business expenses across a suite of products including: travel expenses, employee tax benefits, branch petty cash, fleet expense management, and Happay's corporate cards
- This acquisition extends CRED's position as one of India's leading digital financial services providers

Significance of Transaction

- This transaction enables CRED to expand its offerings to businesses via Happay's established expense management software and corporate card offering already serving over 6,000 companies

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Happay
- This transaction highlights FT Partners' deep Payments and Financial Management Solutions domain expertise, as well as our successful track record generating highly favorable outcomes for high-growth FinTech companies globally

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on its sale to



for total consideration of

~\$180,000,000



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FT Partners Advises Mission Lane on its \$150 million Preferred Equity Financing

Overview of Transaction

- On October 26, 2021, Mission Lane announced it has raised \$150 million in redeemable preferred funding led by Oaktree Capital Management with participation from Invus Opportunities, QED Investors, and LL Funds
 - Oaktree Capital Management is a leading global investment manager specializing in alternative investments, with \$156 billion in assets under management as of June 30, 2021
- Mission Lane is a digital platform for personal finance that provides a comprehensive suite of products for underserved non-prime consumers
- Mission Lane has built a credit-first banking platform for the half of America left behind by traditional banks
- The Company leverages advanced technology, data analytics, and machine learning to provide an exceptional customer experience to people who are working hard to build or rebuild their credit, and currently has over 1 million customers
- Mission Lane spun out of LendUp in December 2018

Significance of Transaction

- The capital infusion enables Mission Lane to continue developing new digital banking and lending products to help serve more customers
- Mission Lane continues to expand its team and invest in core product growth

FT Partners' Role

- FT Partners served as financial and strategic advisor to Mission Lane
- This transaction highlights FT Partners' deep domain expertise with Consumer FinTech, as well as its successful track record generating highly favorable outcomes for high-growth FinTech companies

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*is pleased to announce its role as
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on its preferred equity financing led by funds managed by



OAKTREE

with participation from



INVUS



LL FUNDS

for a total amount of

\$150,000,000



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FT Partners Advises BigPay on its \$100 million Series A Financing

Overview of Transaction

- On August 6, 2021, BigPay announced that it raised up to \$100 million in Series A financing led by SK Group to further its mission to become the leading neobank in Southeast Asia
- Founded in 2017, BigPay is present in both Malaysia and Singapore; Its current offering includes a prepaid debit card which can be used to spend anywhere Visa or Mastercard is accepted, local and international money transfers, micro-insurance, bill payments and a budgeting tool
- BigPay is in the midst of launching fully digital personal loans, transactional lending, wealth and saving products, along with an offering for mSMEs and freelancers
- The announcement comes a few weeks after BigPay announced its application for a digital banking license where it reiterated the commitment to build a connected financial future for Malaysian consumers and entrepreneurs

Significance of Transaction

- The funding will fuel BigPay's ambition to expand its financial product offerings to provide fair financial services to communities across Southeast Asia
- The transaction represents the largest Series A fundraiser ever for a neobank in Southeast Asia

FT Partners' Role

- FT Partners served as exclusive financial and strategic advisor to BigPay
- This transaction underscores FT Partners' deep Digital Banking domain expertise and successful track record of generating favorable outcomes for leading companies globally

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strategic and financial advisor to*



on its Series A financing led by



for a total amount up to

\$100,000,000



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Deserve's \$50 million Financing Led by a Group of Marquee Investors

Overview of Transaction

- On June 24, 2021, Deserve announced it has raised \$50 million in financing led by Mission Holdings, Mastercard (NYSE: MA), and Ally Ventures, with participation from Goldman Sachs, Sallie Mae, and other existing investors
- Deserve is powering the future of FinTech through digital-first, mobile-centric, highly configurable API and SDK based credit card solutions
 - Deserve partners with financial institutions, FinTechs, modern consumer brands, universities and associations to develop, deploy, and power white label and co-branded credit card programs
- Deserve's modern platform also provides partners the capability to offer an embedded and seamless credit card experience to customers and members

Significance of Transaction

- Deserve is the first credit card-as-a-service platform to leverage Mastercard's Digital First Program for instant issuance/provisioning for credit
- With the new funding, Deserve will be able to accelerate its mission to modernize the credit card stack, and enable the industry to launch and scale credit card programs quickly via modern APIs

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Deserve
- FT Partners previously advised Deserve on its [\\$50 million financing](#) led by Goldman Sachs in 2019 and its [\\$17 million financing](#) led by Sallie Mae in 2018
- This transaction underscores FT Partners' deep Banking Tech domain expertise and its 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
strategic and financial advisor to*



on its financing led by



with participation from



*Other existing
investors*

for total consideration of

\$50,000,000



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FT Partners’ Recent Awards and Recognition

Bloomberg

Bloomberg

- FT Partners’ Steve McLaughlin was featured on Bloomberg / Bloomberg TV
- View the [full article](#) and watch the live [TV interview](#)



M&A Advisor Awards

- Technology Deal of the Year (2019)
- Cross Border Deal of the Year and Corporate / Strategic Deal of the Year (2018)
- Investment Banker of the Year (2017) – Steve McLaughlin, CEO & Managing Partner of FT Partners
- Investment Banking Firm of the Year (2016) – FT Partners



LendIt FinTech Industry Awards 2018:

- FT Partners wins Top Investment Bank in FinTech

Institutional Investor



The FinTech Finance 40:

- Steve McLaughlin ranked #1 in 2017 and 2018

The Information

A screenshot of a list titled "Silicon Valley's Most Popular Dealmakers" from The Information. The list includes names, titles, and firms. Steve McLaughlin is listed as Managing Director at FT Partners.

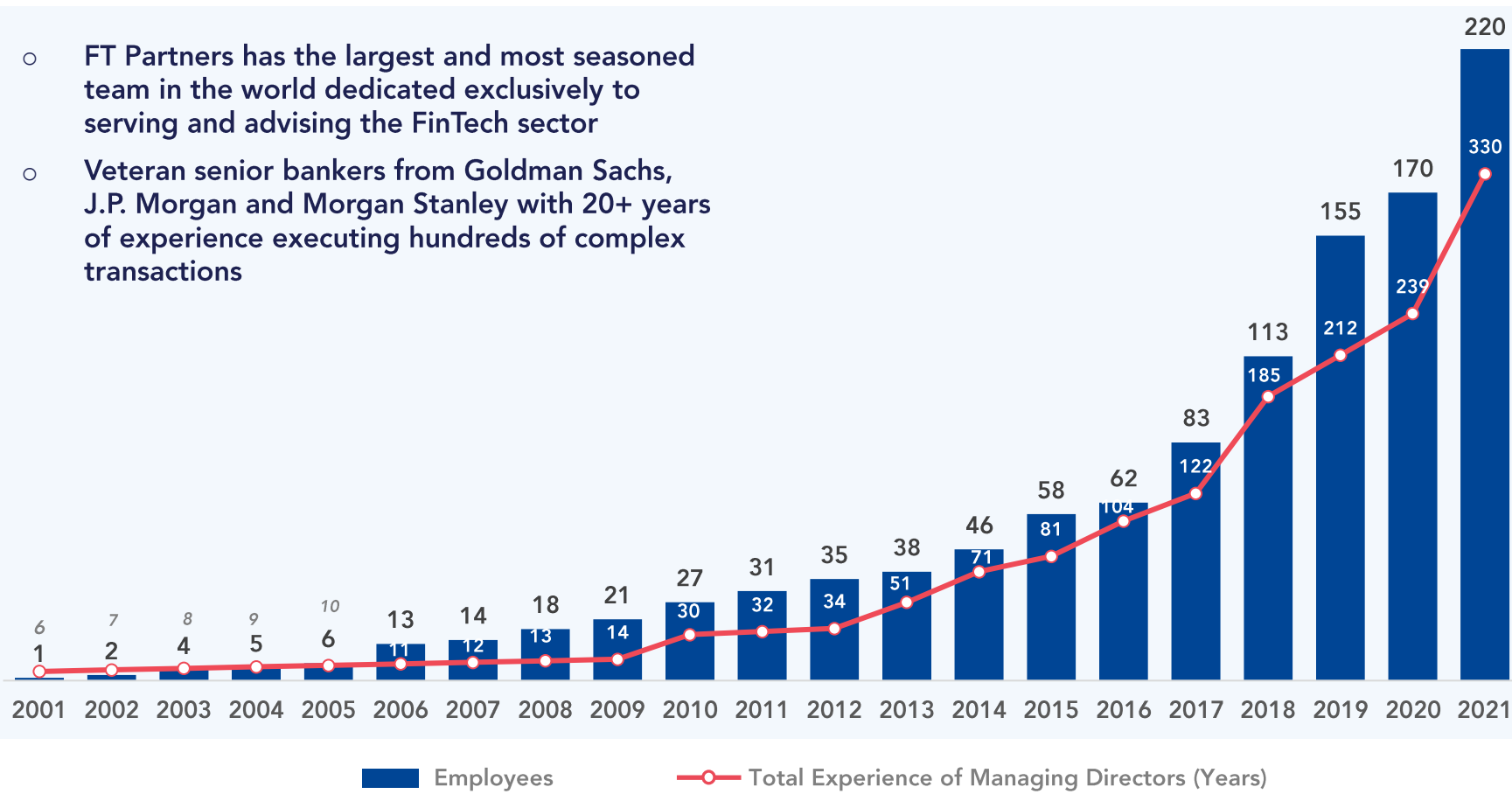
Name	Title	Firm
Steve McLaughlin	Managing Director	FT Partners
Markus Heide	Managing Director	FT Partners
Paul Rosen	Managing Director	FT Partners
Quincy Smith	Partner	Goldman Sachs

The Information’s “Silicon Valley’s Most Popular Dealmakers”

- Ranked as the #2 top Technology Investment Banker by The Information subscribers (2016)
- Only FinTech focused investment banking firm and banker on the list

The Largest FinTech Advisory Practice in the World

- 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)

