

FT PARTNERS FINTECH INDUSTRY RESEARCH

June 1, 2018

PAYMENTS CEO INTERVIEW:



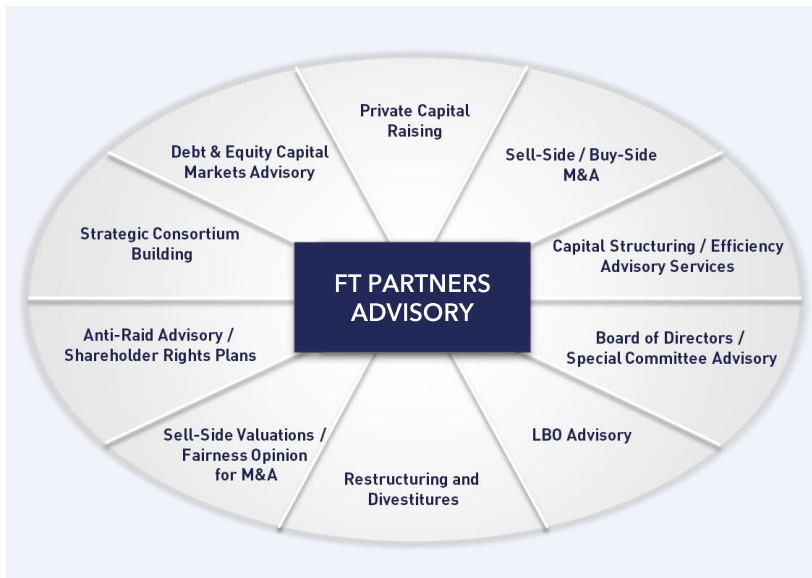
with CEO Christian Deger

POS / Payment Gateway Solutions

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 #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"

Steve McLaughlin: *Founder & CEO*

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Payworks Overview



Company Overview



CEO:	Christian Deger
Headquarters:	Munich, Germany
Founded:	2012
Employees:	60+

- Payworks is revolutionizing the Point of Sale by developing the world's foremost payment gateway technology platform
- Its cloud-based solution serves payment providers utilizing a Software-as-a-Service (SaaS) model
- Payworks has simplified omnichannel card acceptance by offering a white-label, pre-certified and easily accessible gateway solution that enables ISVs, PSPs, ISOs and merchant acquirers to quickly and cost effectively provide an integrated payment acceptance solution to merchants
- Enables international commerce through modern technology which requires just one integration to process transactions globally
- The Company also provides a full suite of developer tools and seamless integrations into systems such as loyalty programs and CRMs

Product and Services Overview

Payworks enables ISVs, PSPs & ISOs and Merchant Acquirers to better serve their merchants and enable true omni-channel solutions



ISVs



PSPs / ISOs



Acquirers

Payworks Pulse Gateway Technology



White label solution for payment providers



Extensive developer tools & APIs for seamless integration



Card reader agnostic, supporting major manufacturers



Global connectivity to leading Acquirers and Processors



Latest card acceptance technology & support for alternative payment schemes



Value Added Services – mPOS solution "Accept" and "Engage" shopper analytics

Investors

COMMERZ VENTURES



VISA



Speedinvest

finparx

HW CAPITAL



Christian Deger

CEO, Co-Founder

Bio: Christian is a founder and CEO at Payworks. Prior to founding Payworks, Christian built PAYRETO in South East Asia, one of the leading BPO companies for payment providers. Christian attended TU Munich, Georgia Tech and CDTM Munich and holds degrees in Business Administration and Technology Management.

1. What is your background and what motivated you to start Payworks?

My educational background is in Management and Mechanical Engineering. After graduating I went directly into the payments space. As I began to understand and learn the industry, I realized how far behind POS technology is, especially when comparing to what is happening within eCommerce. More specifically, developers and innovators are working to improve the POS solutions for merchants, but no one is focusing on upgrading the legacy technology and underlying infrastructure which is being used. In order to fix this problem, we started Payworks.

2. Please tell us about Payworks' products and services. What types of customers are you targeting?

Payworks develops and operates Pulse – a next generation payment gateway technology, operated in the cloud and provided in a Software as a Service model to payment providers. Pulse has simplified card acceptance by offering a pre-certified and easily accessible gateway technology for integrated POS solutions. The platform is very developer friendly, terminal agnostic and certified with Acquirers, alternative payment schemes and DCC providers globally. With Pulse, developers of Point of Sale solutions are able to integrate payment acceptance in less than 5 minutes.

Payworks counts the world's leading payment companies as clients. They rely on Payworks to support their next generation point of sale solutions. Our customers include leading Acquirers and payment service providers covering POS providers that need to upgrade their existing gateway infrastructure, eCommerce players that want to make their solutions POS capable and ISVs that want to take on more control.



Exclusive CEO Interview – Christian Deger

3. Please describe traditional POS gateways and how Payworks is different.

Traditional POS gateways are very complex and cumbersome. They are locally hosted and very expensive to run. They are very limited regarding integration of card terminals into POS systems, backend integration, and geographically with respect to their processing capabilities. They require a very specialized knowledge, and they are not built to support modern-day POS solutions.

In contrast to the very slow and complex traditional POS gateways, Payworks has made the process quick and easy. Payworks' gateway technology is built for developers, so it is quickly integrated into POS solutions as well as the associated backend systems. Our platform is not only easy in terms of integration, but it is cloud-based and very cost efficient to run. And while the traditional gateways are only focused on specific merchant verticals, Payworks supports many different verticals and can accommodate a wide range of customers.

4. What market forces are driving the need for Payworks' proprietary technology?

Digitalization at the POS is increasing rapidly and with that comes the need for a seamlessly integrated omnichannel customer experience. Consumers expect a unified shopping experience regardless of in-store or online. Payworks understands the need for our eCommerce clients to grow and expand their solutions to include card present capabilities. Other factors such as speed and the need for global rollouts really drive innovation and the need for technology like ours. If you are a merchant or POS provider with global ambitions, you need one unified infrastructure to help you grow and successfully compete in a fast and dynamic marketplace. In the past, these projects would have taken months, if not years, but now clients expect a faster, more streamlined rollout to decrease their go-to-market time.



Exclusive CEO Interview – Christian Deger

5. How are you current clients using the Payworks solution? Can you point to a few examples of how they are using your solution to drive business?

What's amazing is that all of our clients use the same platform, but in different ways which perfectly fit their need in their market. For our ISV customers, we support their need to process payments with different devices and Acquirers located in multiple countries without the hassle of certification. By using Pulse, our ISV client in South Africa, Yoco, is able to board thousands of new merchants every month and can really focus on improving their product for merchants rather than dealing with payment processing technology themselves. On the other hand, an eCommerce business may need the ability to expand into POS and provide an omni-channel solution. Our client, CyberSource uses Pulse to do exactly this. Acquirers need to be able to partner with ISVs to provide merchants with integrated solutions. This use is integral for some of our clients' daily business models (like Concardis or Stripe). Since the Pulse platform is so versatile, we are able to give our clients the flexibility they need to support many different merchant verticals across Europe, North America and Africa.

6. What advice would you give to other entrepreneurs starting a new payments venture?

There are a lot of "payment experts" out there who will all tell you what is not possible. If we would have listened to the nay-sayers, we would not be where we are today. In addition to that, you should always believe in your vision, build a strong team, be patient and show perseverance.

7. What can you share about your future growth plans? What is your long-term vision for the Company?

Payworks is working towards developing and providing a new operating system for the Point of Sale, which will enable capabilities that are far beyond processing payments. We are working on and solving the global terminal fulfillment problem and plan to increase the work that we do with AI and big data. This will significantly impact the value POS solutions are able to provide to merchants. Currently, we are geographically focused on Europe, North America and Africa, but I see large potential and market gaps in Latin America and Asia as well.

FT Partners' Research – Click to View



Global Money Transfer



Transaction Security / Fraud



Klarna: An Online Payments and POS Lending Leader



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



Cayan's \$1.05 billion Sale to TSYS



CardConnect's \$750 million to First Data



Remitly's \$115 million Financing Led By PayU



YapStone's \$71 million Series C Financing



TransUnion Acquires iovation



Sift Science Raises \$53 million in Series D Financing



Francisco Partners Acquires Verifone for \$3.4 billion



Worldline Acquires SIX Payment Services

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FT Partners – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

Selected Transactions - Superior Industry Knowledge and Execution History

<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as sole strategic and financial advisor to</p> <p>CAYAN in its 100% cash sale to</p> <p>TSYS for total consideration of approximately \$1,050,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as sole strategic and financial advisor to</p> <p>avidxchange in its Series F minority financing from</p> <p>mastercard TEMASEK THIEL for total consideration of approximately \$ 300,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as sole strategic and financial advisor to</p> <p>CHROMERIVER in its Series D investment from</p> <p>Great Hill PARTNERS for total consideration of approximately \$ 100,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its role as strategic and financial advisor to</p> <p>cardconnect. in its sale to</p> <p>First Data for total consideration of approximately \$ 750,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its role as exclusive strategic and financial advisor to</p> <p>YAPSTONE POWERING PAYMENTS in its Series C financing led by</p> <p>Premji Invest for total consideration of approximately \$ 71,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as sole strategic and financial advisor to</p> <p>feedzai in its Series C financing for a total consideration of \$ 50,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its role as exclusive strategic and financial advisor to</p> <p>CARDINAL[®] COMMERCE in its sale to</p> <p>VISA for total consideration of \$ 300,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>
<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as sole strategic and financial advisor to</p> <p>GreenSky in its investment from</p> <p>PIMCO for total consideration of \$ 200,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as sole strategic and financial advisor to</p> <p>YAPSTONE POWERING PAYMENTS in its Series C financing led by</p> <p>Premji Invest for total consideration of approximately \$ 71,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as financial advisor to</p> <p>taulia in its investment from</p> <p>QUESTMARK PARTNERS zouk BBVA edbi for total consideration of approximately \$ 65,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as sole strategic advisor to</p> <p>feedzai in its Series B financing from</p> <p>OAK HC/FT ESPIRITO SANTO SAPPHIRE VENTURES for approximately \$ 17,500,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as sole strategic and financial advisor to</p> <p>KUBRA in its 80% majority sale to</p> <p>HEARST corporation</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as sole strategic and financial advisor to</p> <p>billtrust in its strategic financing from</p> <p>VISA</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as sole debt capital advisor to</p> <p>jack henry & ASSOCIATES INC. in its acquisition of</p> <p>iPay Technologies for total consideration of approximately \$ 300,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>
<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its role as strategic and financial advisor to</p> <p>MERCURY in its cash sale to</p> <p>vantiv for total consideration of \$ 1,650,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as sole strategic and financial advisor to</p> <p>CUSTOM HOUSE in its sale to</p> <p>WESTERN UNION for total cash consideration of approximately \$ 370,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as sole strategic and financial advisor to</p> <p>avidxchange in its Series E minority financing from</p> <p>Bain Capital Ventures FOUNDRY TPG KeyBank nyca for total consideration of \$ 235,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as sole strategic and financial advisor to</p> <p>billtrust in its minority financing led by</p> <p>RIVERWOOD CAPITAL for total consideration of \$ 50,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as sole strategic and financial advisor to</p> <p>FLEET ONE in its cash sale to</p> <p>wex for total consideration of approximately \$ 369,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its role as exclusive strategic and financial advisor to</p> <p>CentralPayment in its recapitalization and strategic investment by</p> <p>TSYS for a total valuation of \$ 700,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its role as strategic and financial advisor to</p> <p>Heartland in its sale to</p> <p>globalpayments for total consideration of \$ 4,500,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>

FT Partners Advises Payworks on its Financing

Overview of Transaction

- On January 31, 2018, Payworks closed a \$14.5 million Series B capital raise
- Founded in 2012 and headquartered in Munich, Germany, Payworks is a leading global provider of Point of Sale payment technology
 - Payworks' technology has simplified omnichannel card acceptance through its pre-certified and easily accessible gateway solution
- CommerzVentures is the corporate venture capital fund of Commerzbank Group, that invests in early- and growth-stage companies in the financial services and insurance sectors
- Visa is an American global payments technology company processing over \$10 trillion in volume, with expansive operations across over 200 countries and territories

Significance of Transaction

- The additional capital will drive global growth and scale with focus on R&D and Product teams
- Expanding across offices in Munich, New York, London and Barcelona will enable the company to fulfill the growing demand for its solution amongst its global client base

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Payworks and its Board of Directors
- This transaction underscores FT Partners' successful track record generating highly favorable outcomes for leading Payments companies
- FT partners leveraged its deep industry knowledge, extensive experience, and broad scope of relationships to help achieve a positive result for the Company

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 with participation from

COMMERZ VENTURES 

&

VISA

for total consideration of

\$14,500,000



*The Only Investment Bank
Focused Exclusively on Financial Technology*

Award-Winning Investment Banking Franchise Focused on Superior Client Results

Institutional Investor
Institutional Investor
Annual Ranking

2017
2015 - 2016
2006 - 2008

- Ranked #1 Most Influential Executive on Institutional Investor's FinTech 40 List
- Steve McLaughlin Ranked Top 5 on Institutional Investor's FinTech 35 List
- Consecutively Ranked (2006, 2007 and 2008) among the Top Bankers on Institutional Investor's "Online Finance 40"

I The Information

2016

- Ranked #2 Top Technology Investment Banker on The Information's "Silicon Valley's Most Popular Dealmakers"



M&A Advisor
Awards

2015 - 2017

2010 - 2014

2004 - 2007

- Investment Banker of the Year – 2017
- Investment Banking Firm of the Year – 2016
- Cross Border Deal of the Year - 2016
- Dealmaker of the Year – 2015
- Technology Deal of the Year – 2015
- Equity Financing Deal of the Year - 2014
- Professional Services Deal of the Year, Above \$100 mm – 2014
- Dealmaker of the Year – 2012
- Professional Services Deal of the Year, Above \$100 mm – 2012
- Boutique Investment Bank of the Year – 2011
- Deal of the Decade – 2011
- Upper Middle Market Deal of the Year, Above \$500 mm – 2010
- IT Services Deal of the Year, Below \$500 mm – 2010
- Cross-Border Deal of the Year, Below \$500 mm – 2010
- Dealmaker of the Year – Steve McLaughlin – 2007
- Business to Business Services Deal of the Year - 2007
- Computer and Information Technology Deal of the Year, Above \$100 mm – 2007
- Financial Services Deal of the Year, Above \$100 mm – 2007
- Investment Bank of the Year – 2004



Middle Market
Financing Awards

2006 - 2008

- Equity Financing Dealmaker of the Year – Steve McLaughlin – 2008
- Information Technology Deal of the Year – 2008
- Financial Services Deal of the Year – 2008
- Financing Professional of the Year – Steve McLaughlin – 2006

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 & Co. 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
Greg Smith <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly award winning Equity Research Analyst at Merrill Lynch / J.P. Morgan / Hambrecht & Quist 20+ years of experience covering FinTech as both an Analyst and Investment Banker 	22
Osman Khan <i>Managing Director</i>		<ul style="list-style-type: none"> Former Managing Director / 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
Steve Stout <i>Managing Director</i>		<ul style="list-style-type: none"> Former Global Head of Strategy at First Data Formerly Led J.P. Morgan Payments Investment Banking Former Equity Research Analyst on #1 ranked team at UBS and Economist at the Federal Reserve Bank 	20
Tim Wolfe <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly with Goldman, Sachs & Co. beginning in 2000 Started at FT Partners in 2002 40 Under 40 M&A Advisor Award Winner 2013 Harvard M.B.A. 	16
Timm Schipporeit <i>Managing Director</i>		<ul style="list-style-type: none"> 11+ years with Morgan Stanley, Senior Executive Director of European Technology Investment Banking Team in London Formerly a Venture and Growth Investor focused on FinTech at Index Ventures 	15
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