



Evolve
Capital Partners

QUARTERLY DEALS & MARKET UPDATE

Payments

December 2019



Closed Payment Network



eCommerce / Internet Payments



Networks



Payment Infrastructure



Payment Processing



Payments Core Banking



POS Products



Prepaid / Money Transfer

Specialized investment bankers at the intersection of finance and technology

Overview of Evolve Capital Partners

ABOUT EVOLVE CAPITAL PARTNERS

- Evolve Capital Partners (Evolve) is a specialized investment bank focused on businesses serving industries at the intersection of finance and technology.
- We are dedicated investment bankers focused on evolving industries, and we support sustainable growth through transformational M&A / financing transactions.
- Evolve is a dedicated, creative, and fully independent investment bank that advises private and public companies on merger, divestiture and acquisition transactions, and capital raising through private placements.
- We also provide structured financial advisory services — our investment banking practice provides a comprehensive suite of solutions to businesses.
- With over 30 engagements executed by its leaders, Evolve has served as a proud partner, bringing renewed value to companies at the intersection of finance and technology.
- Founded in 2012 and based in New York, NY.

HIGH-TOUCH INVESTMENT BANKING

Few investment banks have transaction experience across both corporate and asset finance.



Our Clients

- Corporations
- Management Teams
- VC & PE Backed Companies
- Independent Directors / Boards



Investment Banking Advisory

- M&A
- Strategic Alliances
- Capital Raises and Asset Finance
- Financial Restructuring



Industry Focus

Finance and Technology Firms

Securities

Financial Services

Financial Management

Specialty Finance

Enterprise Software

Analytics

Payments

Lending

Insurance

BPO

IoT

B2B

We Focus Exclusively on Finance and Technology-Related Firms

Securities



Payments



Insurance



BPO



Capabilities

M&A Advisory

Sales / Recaps

Acquisitions

Divestiture

Strategic Advisory

Specialty Finance / Alternative Lending



Enterprise Software / Data & Analytics



Financing

Private Placements

Debt Capital

Restructuring

Bank Technology / Solutions



Healthcare Tech



Financial Management Solutions



Market Summary and Key Multiples

Industry Stock Market Performance of Evolve Sector Coverage

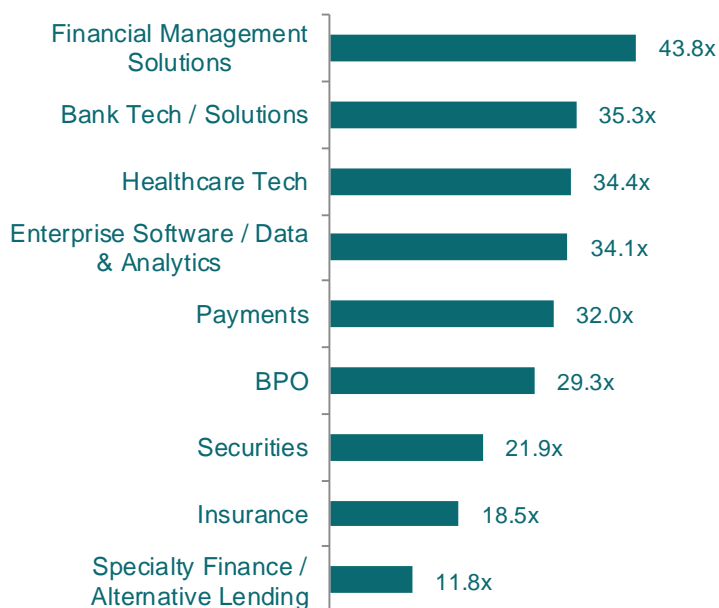
Indexed Price Performance *

Sector	3 Months	1 Year	3 Years
Bank Tech / Solutions	1.0%	23.1%	67.8%
BPO	6.2%	11.8%	64.4%
Enterprise Software / Data & Analytics	8.3%	19.3%	63.6%
Financial Management Solutions	8.0%	37.6%	127.2%
Healthcare Tech	14.0%	6.5%	59.0%
Insurance	7.8%	19.2%	53.3%
Payments	1.6%	20.8%	116.0%
Securities	10.8%	9.0%	31.8%
Specialty Finance / Alternative Lending	4.4%	10.4%	34.3%

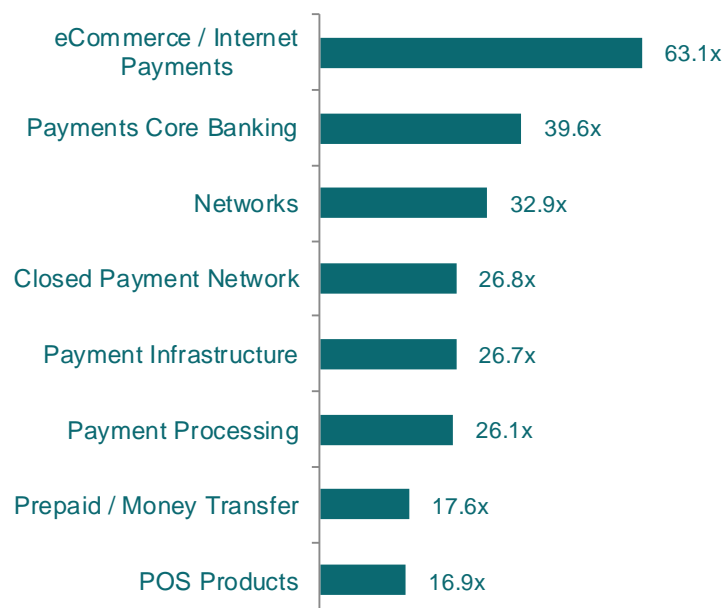
* Equal weighting method.

Industry-wide Multiples and Subsector Multiples

Sector 2020E Price / Earnings Multiples



Payments 2020E Price / Earnings Multiples



Data as of December 1, 2019
Source: Pitchbook

Stock Comparables – Payments Sub-Sectors (1/2)

(All figures in millions of USD, except per share data. Data as of December 1, 2019)

Closed Payment Network

	Stock Price	% of 52-Wk. High	Market Value	Enterprise Value	LTM		Growth Rates:			LTM Margins:		EV / Revenue			EV / EBITDA		
					Revenue	EBITDA	Revenue:		LT	Gross	EBITDA	LTM	CY 2020	CY 2021	LTM	CY 2020	CY 2021
							CY 2020	CY 2021									
Edned	\$24.88	94.2%	NA	NA	\$1,700	\$668	5%	11%	18%	90%	39%	NA	NA	NA	NA	NA	NA
Alliance Data Systems	\$106.91	52.4%	\$4,924	\$10,458	\$7,710	\$1,972	(27%)	2%	13%	43%	26%	1.4x	1.9x	1.8x	5.3x	8.0x	7.1x
FleetCor Technologies	\$306.92	99.2%	\$26,635	\$30,049	\$2,593	\$1,597	2%	10%	35%	80%	62%	11.6x	11.3x	10.2x	18.8x	18.9x	16.7x
WEX	\$201.13	90.7%	\$8,707	\$11,310	\$1,665	\$519	4%	10%	(8%)	63%	31%	6.8x	6.5x	5.9x	21.8x	15.3x	13.5x
MEAN							(4%)	8%	14%	69%	39%	6.6x	6.6x	6.0x	15.3x	14.1x	12.4x
MEDIAN							3%	10%	15%	72%	35%	6.8x	6.5x	5.9x	18.8x	15.3x	13.5x

eCommerce / Internet Payments

	Stock Price	% of 52-Wk. High	Market Value	Enterprise Value	LTM		Growth Rates:			LTM Margins:		EV / Revenue			EV / EBITDA		
					Revenue	EBITDA	Revenue:		LT	Gross	EBITDA	LTM	CY 2020	CY 2021	LTM	CY 2020	CY 2021
							CY 2020	CY 2021									
Shopify	\$336.75	82.2%	NA	NA	\$1,417	(\$95)	8%	36%	NA	56%	(7%)	NA	NA	NA	NA	NA	NA
Adyen	\$770.00	93.0%	NA	NA	\$2,395	\$270	(77%)	37%	NA	20%	11%	NA	NA	NA	NA	NA	NA
PayPal Holdings	\$108.01	88.9%	\$126,825	\$121,327	\$17,037	\$3,640	4%	17%	24%	45%	21%	7.1x	6.8x	5.8x	33.3x	25.4x	21.7x
Square	\$69.12	83.1%	\$29,700	\$28,930	\$4,333	\$97	(48%)	26%	NA	40%	2%	6.7x	12.9x	10.2x	NMF	69.9x	54.6x
Stone Pagamentos	\$40.98	89.8%	\$11,366	\$10,990	\$264	\$58	128%	39%	NA	61%	22%	41.6x	18.2x	13.1x	NMF	35.3x	25.4x
PagSeguro	\$33.94	63.5%	\$11,160	\$10,663	\$864	\$500	57%	27%	NA	21%	58%	12.3x	7.9x	6.2x	21.3x	22.2x	17.5x
Eventbrite	\$21.51	63.6%	\$1,816	\$1,358	\$320	(\$34)	1%	14%	NA	61%	(11%)	4.2x	4.2x	3.7x	NMF	NMF	NMF
Boku	\$1.10	58.8%	\$278	\$258	\$42	(\$2)	24%	21%	NA	90%	(6%)	6.2x	5.0x	4.1x	NMF	27.9x	14.2x
MEAN							12%	27%	24%	49%	11%	13.0x	9.2x	7.2x	27.3x	36.2x	26.7x
MEDIAN							6%	26%	24%	50%	7%	6.9x	7.3x	6.0x	27.3x	27.9x	21.7x

Networks

	Stock Price	% of 52-Wk. High	Market Value	Enterprise Value	LTM		Growth Rates:			LTM Margins:		EV / Revenue			EV / EBITDA		
					Revenue	EBITDA	Revenue:		LT	Gross	EBITDA	LTM	CY 2020	CY 2021	LTM	CY 2020	CY 2021
							CY 2020	CY 2021									
Visa	\$184.51	98.6%	\$410,203	\$420,320	\$22,977	\$16,073	2%	11%	29%	82%	70%	18.3x	17.9x	16.1x	26.2x	25.0x	22.8x
MasterCard	\$292.23	99.5%	\$294,820	\$296,803	\$16,276	\$9,167	4%	13%	23%	NA	56%	18.2x	17.6x	15.5x	32.4x	29.3x	25.1x
PayPal Holdings	\$108.01	88.9%	\$126,825	\$121,327	\$17,037	\$3,640	4%	17%	24%	45%	21%	7.1x	6.8x	5.8x	33.3x	25.4x	21.7x
American Express	\$120.12	92.9%	\$98,291	NA	\$30,266	NA	44%	8%	13%	NA	NA	NA	NA	NA	NA	NA	NA
MEAN							14%	12%	22%	63%	49%	14.6x	14.1x	12.5x	30.6x	26.5x	23.2x
MEDIAN							4%	12%	23%	63%	56%	18.2x	17.6x	15.5x	32.4x	25.4x	22.8x

Payment Infrastructure

	Stock Price	% of 52-Wk. High	Market Value	Enterprise Value	LTM		Growth Rates:			LTM Margins:		EV / Revenue			EV / EBITDA		
					Revenue	EBITDA	Revenue:		LT	Gross	EBITDA	LTM	CY 2020	CY 2021	LTM	CY 2020	CY 2021
							CY 2020	CY 2021									
Cardtronics	\$42.22	96.6%	\$1,883	\$2,704	\$1,338	\$251	1%	4%	(28%)	34%	19%	2.0x	2.0x	1.9x	10.8x	8.8x	8.3x
Everi Holdings	\$13.47	98.0%	\$974	\$1,844	\$508	\$235	3%	9%	NA	79%	46%	3.6x	3.5x	3.2x	7.9x	7.3x	6.6x
Diebold Nixdorf	\$7.27	49.6%	\$558	\$2,667	\$4,547	\$190	(3%)	(1%)	NA	22%	4%	0.6x	0.6x	0.6x	14.0x	6.6x	6.2x
CPI Card Group	\$1.21	30.1%	\$14	\$311	\$274	\$37	0%	4%	NA	33%	13%	1.1x	1.1x	1.1x	8.4x	8.2x	7.6x
MEAN							0%	4%	(28%)	42%	21%	1.8x	1.8x	1.7x	10.3x	7.7x	7.2x
MEDIAN							0%	4%	(28%)	34%	16%	1.6x	1.6x	1.5x	9.6x	7.8x	7.1x

Payment Processing

	Stock Price	% of 52-Wk. High	Market Value	Enterprise Value	LTM		Growth Rates:			LTM Margins:		EV / Revenue			EV / EBITDA		
					Revenue	EBITDA	Revenue:		LT	Gross	EBITDA	LTM	CY 2020	CY 2021	LTM	CY 2020	CY 2021
							CY 2020	CY 2021									
Global Payments	\$181.10	99.4%	\$54,429	\$62,051	\$3,805	\$1,393	48%	63%	3%	65%	37%	16.3x	11.0x	6.8x	44.5x	30.6x	18.0x
Square	\$69.12	83.1%	\$29,700	\$28,930	\$4,333	\$97	(48%)	26%	NA	40%	2%	6.7x	12.9x	10.2x	297.1x	69.9x	54.6x
Wirecard	\$131.91	67.9%	\$16,300	\$14,128	\$2,862	\$819	5%	28%	23%	48%	29%	4.9x	4.7x	3.7x	17.3x	16.1x	12.0x
Worldline	\$64.69	87.1%	\$11,761	\$12,053	\$2,343	\$460	12%	7%	(0%)	64%	20%	5.1x	4.6x	4.3x	26.2x	18.6x	16.5x
GMO Payment Gateway	\$70.84	87.1%	\$5,218	\$5,102	\$282	\$82	9%	21%	37%	64%	29%	18.1x	16.6x	13.8x	62.2x	NA	NA
Cielo (Brazil)	\$1.86	55.6%	\$5,049	\$8,066	\$2,941	\$959	2%	1%	(18%)	40%	33%	2.7x	2.7x	2.7x	8.4x	8.0x	9.0x
Evertic	\$32.42	86.7%	\$2,332	\$2,793	\$478	\$209	1%	5%	7%	57%	44%	5.8x	5.8x	5.5x	13.3x	12.3x	11.6x
EVO Payments International	\$28.07	87.9%	\$2,303	\$3,342	\$507	\$100	18%	8%	NA	76%	20%	6.6x	5.6x	5.2x	33.4x	21.0x	18.9x
Deluxe	\$51.08	94.3%	\$2,151	\$3,046	\$2,011	(\$9)	(0%)	(1%)	NA	59%	(0%)	1.5x	1.5x	1.5x	NMF	6.4x	6.6x
QIWI	\$19.82	78.5%	\$1,218	\$669	\$579	\$119	(37%)	23%	9%	50%	21%	1.2x	1.8x	1.5x	5.6x	4.6x	3.4x
PayPoint	\$13.12	89.7%	\$897	\$870	\$267	\$80	(29%)	(15%)	28%	48%	30%	3.3x	4.6x	5.4x	10.8x	10.2x	9.7x
i3 Verticals	\$27.32	86.9%	\$749	\$949	\$376	\$23	(12%)	(50%)	NA	24%	6%	2.5x	2.9x	5.7x	41.4x	34.2x	19.5x
Newtek Business Services	\$23.37	97.4%	\$463	\$862	\$59	\$56	2%	18%	(13%)	72%	96%	14.7x	14.5x	12.2x	15.4x	NA	NA
Net 1 UEPS Technologies	\$3.50	63.2%	\$198	\$256	\$316	(\$272)	(8%)	5%	NA	40%	(86%)	0.8x	0.9x	0.8x	NMF	NMF	NA
MEAN							(3%)	10%	9%	53%	20%	6.4x	6.4x	5.7x	48.0x	21.1x	16.4x
MEDIAN							1%	8%	7%	54%	25%	5.0x	4.7x	5.3x	21.7x	16.1x	12.0x

Source: Pitchbook

Stock Comparables – Payments Sub-Sectors (2/2)

(All figures in millions of USD, except per share data. Data as of December 1, 2019)

Payments Core Banking

	Stock Price	% of 52-Wk. High	Market Value	Enterprise Value	LTM		Growth Rates:			LTM Margins:		EV / Revenue			EV / EBITDA			
					Revenue	EBITDA	Revenue:		Earnings	LT	Gross	EBITDA	LTM	CY 2020	CY 2021	LTM	CY 2020	CY 2021
							CY 2020	CY 2021										
Fidelity National Information Sen	\$138.15	97.7%	\$84,907	\$103,812	\$9,158	\$3,158	13%	32%	12%	34%	34%	11.3x	10.1x	7.7x	32.9x	24.6x	16.9x	
Fiserv	\$116.24	99.3%	\$79,031	\$101,677	\$7,693	\$2,535	89%	7%	2%	48%	33%	13.2x	7.0x	6.6x	40.1x	24.2x	16.6x	
Jack Henry and Associates	\$151.94	99.4%	\$11,690	\$11,593	\$1,598	\$526	1%	6%	3%	41%	33%	7.3x	7.2x	6.7x	22.0x	21.9x	21.0x	
ACI Worldwide	\$37.50	98.6%	\$4,335	\$5,684	\$1,178	\$258	12%	15%	(2%)	53%	22%	4.8x	4.3x	3.8x	22.0x	15.4x	13.3x	
Bottomline Technologies	\$49.49	86.3%	\$2,176	\$2,213	\$428	\$52	1%	9%	NA	57%	12%	5.2x	5.1x	4.7x	42.5x	38.8x	19.7x	
MEAN							23%	14%	4%	47%	27%	8.4x	6.7x	5.9x	31.9x	25.0x	17.5x	
MEDIAN							12%	9%	2%	48%	33%	7.3x	7.0x	6.6x	32.9x	24.2x	16.9x	

POS Products











	Stock Price	% of 52-Wk. High	Market Value	Enterprise Value	LTM		Growth Rates:			LTM Margins:		EV / Revenue			EV / EBITDA			
					Revenue	EBITDA	Revenue:		Earnings	LT	Gross	EBITDA	LTM	CY 2020	CY 2021	LTM	CY 2020	CY 2021
							CY 2020	CY 2021										
Ingenico Group	\$95.78	97.5%	\$6,676	\$8,829	\$3,450	\$559	9%	6%	(2%)	35%	16%	2.6x	2.4x	2.2x	15.8x	13.3x	12.1x	
NCR	\$32.83	93.6%	\$4,189	\$8,214	\$6,830	\$829	(1%)	1%	(27%)	27%	12%	1.2x	1.2x	1.2x	9.9x	7.7x	7.4x	
GRG Banking	\$1.11	78.4%	\$2,684	\$2,333	\$913	\$135	4%	18%	(11%)	40%	15%	2.6x	2.5x	2.1x	17.3x	NA	NA	
Lightspeed POS	\$25.96	69.1%	\$2,215	\$2,058	\$93	(\$214)	NA	NA	NA	67%	(229%)	22.0x	NA	NA	NMF	NA	NA	
Par Technology	\$30.09	94.8%	\$492	\$508	\$181	(\$11)	4%	27%	NA	19%	(6%)	2.8x	2.7x	2.1x	NMF	NA	NA	
PAX Global Technology	\$0.44	87.4%	\$481	\$152	\$626	\$87	(10%)	6%	(1%)	37%	14%	0.2x	0.3x	0.3x	1.7x	1.7x	1.5x	
PT M Cash Integrasi	\$0.20	72.2%	\$177	\$178	\$657	\$29	NA	NA	NA	3%	4%	0.3x	NA	NA	6.1x	NA	NA	
MEAN							1%	12%	(10%)	33%	(25%)	4.5x	1.8x	1.6x	10.2x	7.6x	7.0x	
MEDIAN							4%	6%	(6%)	35%	12%	2.6x	2.4x	2.1x	9.9x	7.7x	7.4x	

Prepaid / Money Transfer

	Stock Price	% of 52-Wk. High	Market Value	Enterprise Value	LTM		Growth Rates:			LTM Margins:		EV / Revenue			EV / EBITDA			
					Revenue	EBITDA	Revenue:		Earnings	LT	Gross	EBITDA	LTM	CY 2020	CY 2021	LTM	CY 2020	CY 2021
							CY 2020	CY 2021										
Western Union	\$26.88	96.0%	\$11,270	\$11,032	\$5,386	\$1,766	(1%)	(1%)	16%	41%	33%	2.0x	2.1x	2.1x	6.2x	8.4x	8.2x	
Euronet Worldwide	\$157.19	91.8%	\$8,493	\$8,207	\$2,706	\$526	2%	10%	19%	43%	19%	3.0x	3.0x	2.7x	15.6x	13.5x	11.7x	
Green Dot	\$23.76	27.7%	\$1,224	\$382	\$1,081	\$194	(2%)	0%	43%	63%	18%	0.4x	0.4x	0.4x	2.0x	1.6x	2.2x	
OFX	\$0.91	66.7%	\$222	\$217	\$91	\$20	(7%)	(0%)	(8%)	NA	22%	2.4x	2.6x	2.6x	11.0x	8.8x	NA	
Moneygram International	\$3.07	45.8%	\$193	(\$1,356)	\$1,310	\$88	(1%)	(0%)	NA	32%	7%	(1.0x)	(1.0x)	(1.1x)	NMF	NMF	NMF	
MEAN							(2%)	2%	17%	45%	20%	1.4x	1.4x	1.3x	8.7x	8.1x	7.3x	
MEDIAN							(1%)	(0%)	18%	42%	19%	2.0x	2.1x	2.1x	8.6x	8.6x	8.2x	

Source: Pitchbook

Key M&A Transaction Activity Summary

Date	Target	Acquirer(s)	Sector	Value (\$mm)	Transaction Comments
11/20/2019			eCommerce / Internet Payments	\$4,000	<ul style="list-style-type: none"> Honey is an online shopping and reward platform that allows consumers to find the best deals PayPal hopes to enhance shopping experience for its customers while increasing sales and engagement for its merchants
11/18/2019		 	Payment Processing	\$300	<ul style="list-style-type: none"> Sage Pay is a payment processing provider offering online payments, POS and other payment solutions to organizations The transaction will add software capabilities to Evalon's payment expertise
11/11/2019			Prepaid / Money Transfer	\$359	<ul style="list-style-type: none"> Prepaid Financial Services is a payment technology provider that offers e-wallet solutions and physical/virtual prepaid cards The transaction enables EML to expand its customer base and technical capabilities
10/21/2019			Payment Processing	NA	<ul style="list-style-type: none"> Frontierpay is an international provider of payroll payment services The transaction expands Ebury's fast-growing business to the Asia-Pacific region
10/14/2019			Payment Processing	\$60	<ul style="list-style-type: none"> APS Payments is a B2B payment provider, integrated with many ERP platforms Following the transaction, REPAY will integrate APS into its existing platform
10/14/2019			Payment Processing	NA	<ul style="list-style-type: none"> BillHighway provides cloud-based solutions that combine payment processing, banking, and accounting for financial processing in real-time for non-profit organizations Funding will be used for talent acquisition and expand products into adjacent industries















Source: Pitchbook and Media Reports

Key Financing Transaction Activity Summary

Date	Target	Sector	Amount (\$mm)	Type	Key Investor(s)
12/4/2019	 Shift4 PAYMENTS	Payment Processing	NA	IPO	NA
11/18/2019	 OPay	eCommerce / Internet Payments	\$120	Series B	 SEQUOIA CAPITAL 紅杉資本 CHINA  源码资本 SOURCE CODE CAPITAL  IDG Capital
11/12/2019	 Interswitch	eCommerce / Internet Payments	NA	Strategic Investment	
10/31/2019	 paidy	Networks	\$83	Series C (Extension)	 PayPal  SOROS Soros Fund Management
10/17/2019	 GALILEO	Payment Infrastructure	\$77	Series A	
9/18/2019	 TouchBistro	POS Products	\$158	Series E	

Source: Pitchbook and Media Reports

IPO Activity Summary

Company	IPO Date	Amount Raised (\$mm)	IPO Price	Current Market Price	Total Return
 lightspeed	3/8/2019	\$181	\$12.06	\$25.96	115%
 stone	10/25/2018	\$1,210	\$24.00	\$40.98	71%
 eventbrite	8/23/2018	\$230	\$23.00	\$21.51	(6%)
 i3 Verticals	6/21/2018	\$86	\$13.00	\$27.32	110%
 adyen	6/13/2018	\$1,006	\$284.44	\$770.00	171%
 EVO PAYMENTS INTERNATIONAL	5/22/2018	\$224	\$16.00	\$28.07	75%
 PagSeguro	1/23/2018	\$2,265	\$21.50	\$33.94	58%
 boku	11/14/2017	\$59	\$0.70	\$1.10	58%
 MCASH	10/31/2017	\$22	\$0.10	\$0.20	104%
 shopify	5/18/2017	\$501	\$91.00	\$336.75	270%
	11/18/2015	\$243	\$9.00	\$69.12	668%
 cpi card group	10/8/2015	\$150	\$10.00	\$1.21	(88%)
 PayPal	7/6/2015	\$3,971	\$34.50	\$108.01	213%
 QIWI	3/6/2014	\$168	\$16.00	\$19.82	24%
 Quotient	11/10/2013	\$416	\$1.89	\$10.43	452%
 OFX	5/2/2013	\$213	\$17.00	\$0.91	(95%)

Price as of December 1, 2019
Source: Pitchbook

Select Wall Street Research Updates and Commentary



Update from Citi, November 2019

Underneath headline numbers, we were impressed with macro-neutral growth of 11.4%, which was ~80bps above our expectations particularly off a more challenging compare. **Corporate Payments continued its string of outperformance with ~25% growth**, while FLT's "Beyond Initiatives" continue to contribute a meaningful 1.-2% to growth with a long runway still to go. Of note, full AP automation represents ~15% of the segment (excluding cross border), while cross-border revenue maintained its up 30% YoY pace – cross-border growth was a key element in 20% revenue per transaction expansion. **Also, the board increased FLT's share repurchase capacity from \$550 million to \$1.5 billion**, while management notes a number of potential acquisition candidates currently in the pipeline. In our view, FleetCor continues to impress above elevated expectations and fuel/FX headwinds with a number of "irons in the fire" that bode well for the trajectory in 2020. Buy FLT.



Update from Citi, November 2019

Bottomline delivered consistent results in the Sep-2019 quarter, featuring a top-line beat and step-up in Subscription and Transaction (S&T) revenue growth. Good bookings suggest positive sales execution, supported by Paymode-X, European payments products, and Digital Banking. **The Dec-2019 quarter outlook for S&T revenues was favorable and highlights positive momentum. Beyond the current quarter, forward demand indicators appear robust.** Digital Banking implementations planned for F2H20 go-live appear to be on track, supportive of S&T growth acceleration. Emerging growth drivers over the next year include improved products/investments, the independent sales build out, and better cross-selling. Further execution remains, but improving consistency and S&T growth visibility support a more positive EPAY view and greater investor interest. Buy EPAY.



Update from Stifel, November 2019

Eventbrite reported better than expected 3Q results. **Revenue and adj. EBITDA exceeded our and consensus expectations, driven by strong sales in international markets and healthy paid ticket growth in the self-sign-on channel.** The company largely completed the migration of Ticketfly customers to the Eventbrite platform. Churn in the quarter was in line with internal estimates, though management is cautious there may be incremental churn in 4Q by certain larger newly migrated customers. Eventbrite is in the process of reallocating resources and reducing expenses to reinvest in more strategic focus areas of the business to drive longterm growth. The company guided 4Q revenue and adj. EBITDA in line with prior expectations. Eventbrite is nearing the conclusion of the Ticketfly migration which will allow resources to be focused back on growing the platform. While visibility into FY:20 remains somewhat limited we remain Hold rated and raise our price target to \$21.



Update from Morgan Stanley, November 2019

PayPal's \$4B announced acquisition of Honey Science offers some near-term revenue growth support, offsetting some of the headwinds the company faces in 2020 (e.g. eBay roll off, product/pricing implementation delays). **Longer term, we think it is an interesting opportunity to engage more frequently and holistically in the consumer shopping experience and potentially capture a greater portion of eCommerce growth** (e.g. Honey is available as an extension on Amazon). However, adoption of this offering will take time to play out and, nearer term, investors are more likely to focus on the roll out of other initiatives like Venmo monetization, Paymentus, and partnerships with Uber, PAGOseguro and Facebook.



Update from Citi, November 2019

EVOP's 3Q headline results were mixed, with an EPS beat driven by lower D&A relative to our estimates. EVOP revised its FY19 revenue outlook downward due to Santander's accelerated consolidation of Banco Popular branches in Spain. The lower-than-expected CapEx for FY19 is what drives EVOP to maintain its adj. EBITDA and raise its adj. EPS outlook. Overall, we continue to view EVOP as fully valued for the growth it delivers. We maintain our Neutral rating.

Appendix – Coverage Universe Components

The coverage universe for various sectors is as follows:

- 1 Payments:**

PINX:EDNMY, NYS:ADS, NYS:FLT, NYS:WEX, NYS:SHOP, NAS:PYPL, NYS:SQ, PINX:ADYYF, LON:BOKU, NYS:PAGS, NAS:STNE, NYS:EB, NAS:PYPL, NYS:AXP, NYS:MA, NYS:V, NAS:PMTS, NAS:CATM, NYS:DBD, NYS:EVRI, BSP:CIEL3, PAR:WLN, NAS:NEWT, NAS:QIWI, NAS:UEPS, ETR:WDI, NYS:DLX, NYS:EVTC, NYS:GPN, TKS:3769, LON:PAY, NYS:TSS, NAS:IIIV, NAS:EVOP, NAS:ACIW, NAS:EPAY, NAS:FISV, NAS:JKHY, NYS:FIS, GREY:INGIF, HKG:327, SHE:2152, NYS:NCR, NYS:PAR, TSE:LSPD, IDX:MCAS, NAS:EEFT, NAS:MGI, NYS:GDOT, ASX:OFX, NYS:WU
- 2 Bank Technology Solutions:**

NAS:INTC, NAS:PYPL, NYS:AXP, NYS:IBM, BOM:532466, BOM:538835, NAS:EPAY, NAS:FISV, NAS:JKHY, PINX:CSVI, SWX:CLXN, NYS:FIS, TKS:6457, NYS:QWTO, SES:5CP, SWX:TEMN, STO:INTRUM, NYS:EFX, LON:EXPN, NYS:FICO, NYS:TRU, NAS:ASPS, NAS:CSGP, NAS:RDFN, NAS:RP, NAS:ZG, NYS:BKI, NYS:CLGX, NYS:FNF, TSE:REAL, NYS:STC, AMS:WKL, PAR:SOP, NAS:MITK, NAS:NTWK, NAS:PEGA, PINX:ASOZY
- 3 Specialty Finance / Alternative Lending:**

NAS:ASFI, NAS:PCPG, NAS:NAVI, NAS:PFMT, NAS:PRAA, NAS:PRGX, NYS:NNI, NAS:CPSS, NAS:CACC, LON:FCH, NAS:MRLN, TSE:CHW, NYS:CIT, ASX:Z1P, NAS:ATLC, NAS:EZPW, NYS:AAN, NAS:FCFS, NAS:SLM, NAS:TBBK, NAS:WRLD, TSE:ECN, NYS:CURO, NAS:GSKY, NYS:AAN, NYS:COF, NYS:DFS, LON:IPF, NYS:OMF, LON:PFG, NYS:RM, NYS:SC, NYS:SYF, LON:TCS, NAS:RCII, NYS:AL, NYS:CAI, TSE:EFN, ASX:FXL, NYS:FLY, NYS:TGH, NYS:URI, NAS:CASH, PINX:DHCPQ, NYS:OCN, NYS:PFSI, NAS:TREE, ETR:FRU, STU:MBC, NYS:XRF, NYS:ELVT, NYS:ENVA, NYS:LC, NYS:ONDK, NYS:YRD
- 4 Securities:**

AMS:FLOW, PAR:VIL, IEXG:IBKR, NAS:BGCP, NAS:TW, NAS:VIRT, LON:IGG, NYS:LM, NYS:IVZ, NAS:WETF, NYS:BLK, NYS:BEN, NYS:AB, MEX:FINAMEXO, NAS:INTL, SWX:CFT, MIL:MB, PAR:BNP, NSE:ICIBANK, NSE:IIFL, PINX:HSNGY, ETR:COM, NYS:AXP, NYS:BAC, LON:BARC, TSE:BMO, TSE:CM, NYS:C, LON:CBG, ASX:CBA, SES:D05, NYS:FII, LON:HSBA, NYS:JPM, NYS:BAC, NYS:HSBC, LON:LLOY, NYS:MTB, ASX:NAB, NYS:PNC, TSE:RY, LON:RBS, TSE:TD, NYS:USB, NYS:WFC, LON:BME, BSP:B3SA3, PAR:ENX, NAS:CME, NAS:NDAQ, PINX:HKXCY, ETR:DB1, ASX:ASX, BATS:CBOE, NYS:ICE, LON:LSE, SES:S68, TSE:X, NAS:VALU, NAS:MORN, NSE:CRISIL, NYS:FDS, NYS:INFO, NYS:MCO, NYS:MSCI, NYS:IT, NAS:FORR, NYS:RELX, NYS:SPGI, TSE:TRI, LON:NUM, NYS:COWN, ETR:DBK, SWX:CSGN, NYS:GHL, NYS:JPM, NYS:JMP, ASE:LTS, NYS:LAZ, ASX:MQG, NYS:MS, TKS:8604, NYS:PJC, NYS:RFJ, NYS:SF, NYS:GS, SWX:UBSG, NYS:AB, NYS:AMP, NYS:APAM, NYS:BLK, NYS:BK, NYS:CNS, NYS:BEN, LON:HL, NYS:IVZ, NYS:JHG, NAS:NTRS, NAS:SEIC, NAS:UMBF, NYS:MTB, NAS:TROW, NAS:VRTS, NYS:WDR, NAS:WETF, NYS:SCHW, LON:CMCX, NAS:ETFC, NYS:GCAP, NAS:MKTX, TKS:8628, NAS:VIRT, IEXG:IBKR, NAS:TIGR, NAS:FHL, TKS:8698, LON:PLUS, SWX:SQN, NAS:AMTD, NAS:YIN, AMS:KA, NAS:LPLA, NYS:AMK, NAS:SEIC, ASX:BVS, NYS:BR, ASX:CPU, NYS:ENV, LON:SNN, NYS:STT, LON:TCAP, PINX:FDRVF, LON:SOG, CSE:SIM, PAR:LIN, NAS:SSNC, LON:ALFA, ASX:IRE, SWX:TEMN
- 5 Insurance:**

NAS:BNFT, NAS:HQY, NAS:PAYX, NAS:WDAY, NYS:NSP, NYS:TNET, NAS:VRSK, NYS:RAMP, LON:REL, NYS:CLGX, NYS:FICO, NAS:WLTW, NYS:AON, NYS:AJG, NYS:BRO, NYS:MMC, NAS:GSHD, PINX:AZSEY, PINX:AXAHY, NYS:ALL, NYS:AFG, NYS:AIG, SWX:ZURN, NAS:EVER, NAS:EHTH, NAS:QNST, LON:GOCO, ASX:ISU, LON:MONY, NAS:CINF, NAS:SIGI, NAS:STFC, NYS:CB, NYS:EIG, NYS:MCY, NYS:PGR, LON:RSA, NYS:THG, NYS:HIG, NYS:TRV, HKG:6060, NAS:AMSF, NAS:GBLI, NYS:ARGO, NYS:AIZ, NYS:MKL, NYS:PRA, NYS:RLI, NYS:WRB, NAS:SPNS, NAS:MJCO, NAS:EBIX, NYS:CRD.B, NYS:GWRE, NYS:FNF, NYS:FAF, NYS:ORI, NYS:STC, PINX:AEQOF, NAS:ANAT, NAS:PFG, NYS:AFL, LON:AV, NYS:CI, TSE:GWO, LON:HSD, LON:LGEN, NYS:LNC, TSE:MFC, NYS:MET, NYS:PRI, NYS:PRU, LON:SLA, TSE:SLF, SWX:SLHN, NYS:GL
- 6 BPO:**

PINX:TLFPY, NAS:SYKE, NAS:TTEC, BSP:QUAL3, NAS:CPSI, NAS:HMSY, NAS:HQY, NAS:MDRX, NAS:NXGN, NAS:RCM, NYS:CSLT, NAS:BNFT, NAS:ADP, NAS:CSOD, NAS:PAYX, NYS:NSP, NYS:TNET, MIL:BET, BOM:507685, NYS:ATO, PINX:CGEMY, NAS:OSPN, NAS:CTSH, NAS:DOX, NAS:EXLS, TSE:OTEX, NAS:VRTU, NSE:HCLTECH, NSE:HEXAWARE, NSE:INFY, NSE:MINDTREE, NSE:TCS, NSE:TECHM, NYS:ACN, LON:APTD, NYS:CACI, NYS:DXC, NYS:UIS, NYS:WNS, LON:IBPO, BOM:526299, BOM:532809, NAS:PRGX, LON:CPI, TSE:GIB.A, NYS:G
- 7 Financial Management Solutions:**

NAS:BL, NAS:COUP, NAS:INTU, ASX:RKN, NAS:DOCU, LON:SGE, NYS:AVLR, ASX:XRO, NAS:MSTR, NAS:SPLK, NYS:TDC, NAS:AMSWA, NAS:APPN, NAS:EPAY, NYS:PLAN, PINX:BPRMF, LON:APTD, NAS:PEGA, NAS:QADA, NSE:RAMCOSYS, ASX:TNE, BSP:TOTS3, NYS:TYL, NAS:ADP, NAS:CSOD, NYS:CDAY, NAS:PAYX, NAS:PCTY, NAS:WDAY, NYS:HRB, NYS:NSP, NYS:PAYC
- 8 Enterprise Software / Data & Analytics:**

ETR:SAP, NAS:VERI, NAS:MSTR, TSE:OTEX, NAS:SPLK, PINX:STWRY, NYS:AYX, NAS:WDAY, NYS:MDLA, NAS:CDLX, NYS:CLDR, LON:EXPN, NYS:FICO, NYS:NEWR, NYS:ORCL, NYS:CRM, NYS:VMW, HEL:NOKIA, GREY:SSNLF, NAS:AMBA, NAS:AMZN, NAS:CMCSA, NAS:GOOGL, NAS:GRMN, NAS:IDCC, NAS:LOGM, NAS:MSFT, NAS:QCOM, NAS:SLAB, NAS:TMUS, NYS:T, NYS:FIT, NYS:GLOB, NYS:S, NYS:VZ, ETR:SAP, NYS:ZUO, NYS:ORCL, NYS:IBM, NYS:CRM, NAS:ADBE, NAS:MSFT, NYS:VMW, NAS:SYMC, NAS:PEGA, NAS:FORR, NAS:VRNT, NAS:VRSK, TSE:AIM, NYS:CLGX, NYS:EFX, NYS:IT, NYS:IBM, NYS:RAMP, LON:REL, NYS:TDC, NYS:NLSN, NYS:TRU
- 9 Healthcare Tech:**

LON:EMIS, NAS:CERN, NAS:CPSI, NAS:HSTM, NAS:MDRX, NAS:NXGN, ETR:COP, NAS:NH, NYS:EVH, NAS:HIIQ, NAS:MGLN, NAS:NUAN, NYS:ANTM, NYS:CNC, NYS:HUM, NYS:MMS, NYS:MOH, NYS:GTS, NYS:UNH, NYS:WCG, NAS:STRM, NAS:TRHC, NAS:HCAT, NAS:INOV, NAS:OMCL, NYS:VCRA, LON:CRW, NAS:STRM, NYS:PHR, NAS:HMSY, NAS:CHNG, NAS:RCM, NAS:SREV



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