Evolve
Capital Partners

Weekly Deals Update

Week Ending 02/02/18

SPECIALIZED INVESTMENT BANKERS AT THE INTERSECTION OF FINANCE AND TECHNOLOGY

Key Deals

M&A

Date	Target	Acquirer(s)	Sector	Amount ($mm)
2/2/18	Janashakthi Insurance	Allianz	Insurance	$106
1/30/18	THOMSON REUTERS	Blackstone	Securities	$1700
1/29/18	CallidusCloud	SAP	BPO	$2485
1/29/18	PAYVISION Global Card Processing	ING BANK	Payments	$444

Financing

Date	Target	Lead Investor	Sector	Amount ($mm)
1/31/18	TRIFACTA	COLUMBIA PACIFIC ADVISORS	Data & Analytics / IoT	$48
1/30/18	mnubo	Munich RE	Insurance	$16
1/29/18	BehavioSec	ABN·AMRO	Bank Technology Solutions	$17

Preface

Each week, Evolve Capital Partners compiles select M&A and financing transactions across the finance and technology sectors. We analyze multiples sources of publicly available information and source each transaction. We also release a weekly news update of relevant news and press releases across the sector.

Evolve Capital Partners is a specialized investment bank focused on businesses serving industries at the intersection of finance and technology. We are 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. Founded in 2012, we are based in New York.

You can learn more about us at www.evolve-capital.com. We post past weekly transaction and news updates on our website, plus in-depth industry research reports.

To contact us, please email admin@evolve-capital.com or call (646) 688-2792.

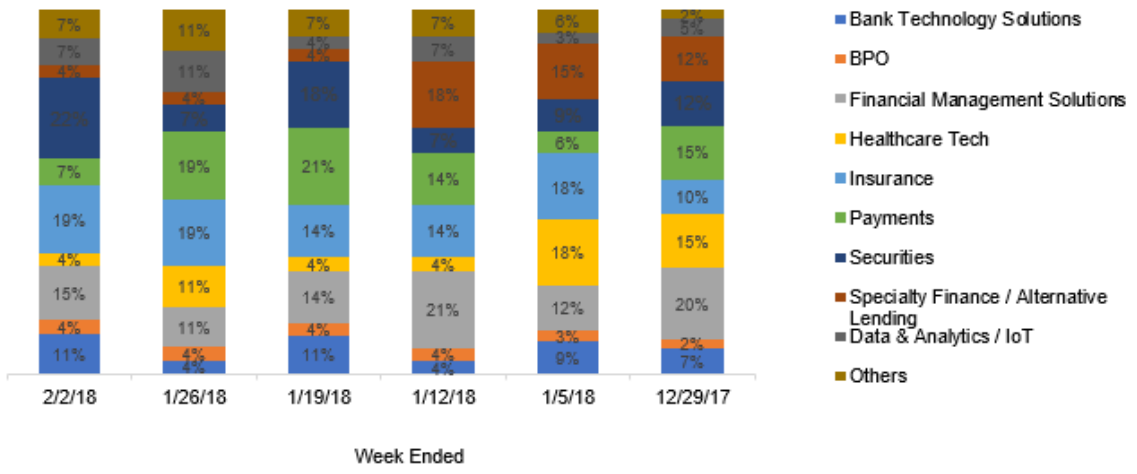
Sectors we cover at the intersection of finance and technology include:

Bank Technology Solutions	Healthcare Tech	Securities
BPO	Insurance	Specialty Finance / Alternate Lending
Financial Management Solutions	Payments	Data & Analytics / IoT

Deals Count

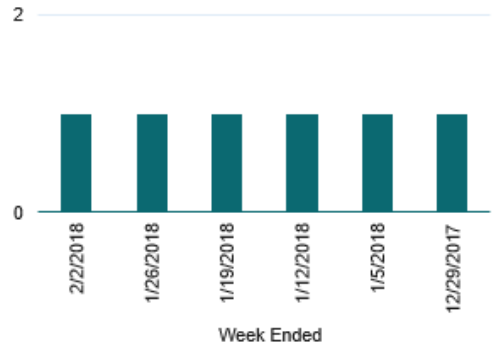
Sector	Number of Deals	% of Total
Bank Technology Solutions	3	9%
BPO	1	3%
Financial Management Solutions	4	13%
Healthcare Tech	2	6%
Insurance	5	16%
Payments	2	6%
Securities	6	19%
Specialty Finance / Alternative Lending	1	3%
Data & Analytics / IoT	6	19%
Others	2	6%
Total	**32**	**100%**

Sector-Wise Deals Breakdown



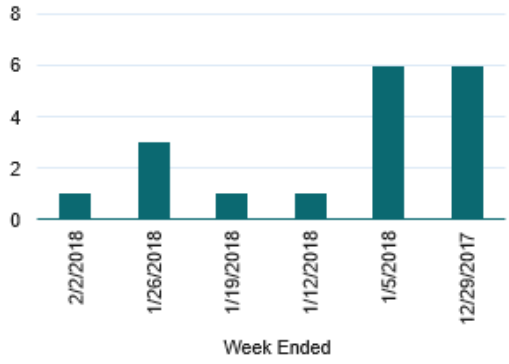
Bank Technology Solutions

BPO



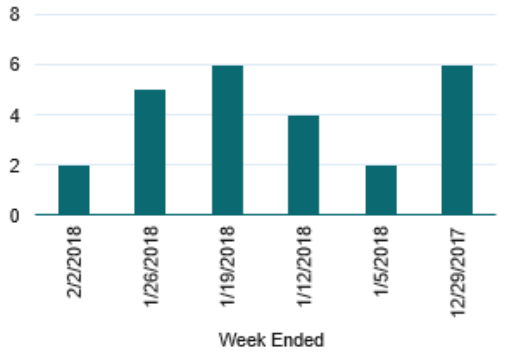
Financial Management Solutions

Healthcare Tech

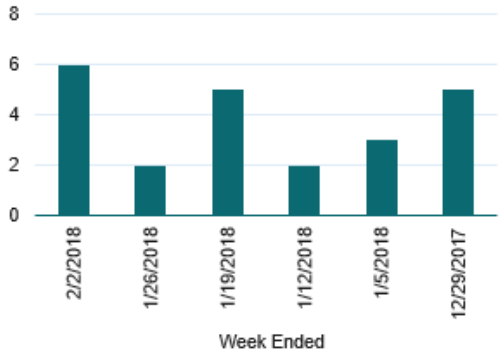


Insurance

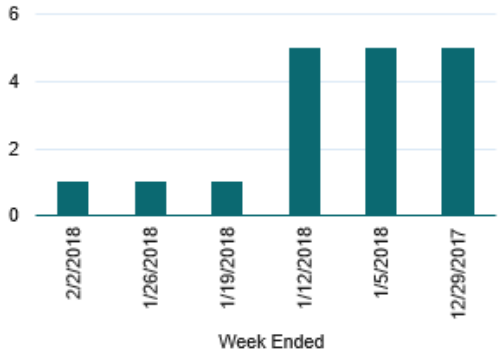
Payments



Securities



Speciality Finance / Alternative Lending



Data & Analytics / IoT

Others

BANK TECHNOLOGY SOLUTIONS

Urban FT agrees to buy Digiliti Money

Bank Technology Solutions

2/2/18

SaaS-based digital banking platform Urban FT has finally agreed a deal to buy remote deposit capture vendor Digiliti Money. Terms have not been disclosed.

Under the agreement, set to be closed by the end of the month, Urban FT will buy the business and certain assets of Digiliti Money, and merge it into an affiliate, FinTech Imaging Solutions.

Urban FT emerged as a surprise bidder for Digiliti Money in August, just a day after the beleaguered remote deposit capture company warned that it was contemplating bankruptcy after auditors refused to sign off on its financial accounts for 2016.

An offer which following initial due diligence valued the firm at $10.5 million on a net equity basis, was made but rejected by Digiliti, which proposed alternative terms. Urban FT called these "unreasonable and unacceptable".

Six months on - during which Urban FT provided "significant financial support" to ensure uninterrupted service to Digiliti clients and continued employment for staffers - the two firms have come to an agreement.

Richard Steggall, CEO, Urban FT, says: "The merger is a fantastic outcome for both companies, their employees, and most importantly, for the clients we respectively serve.

"Our complementary client bases will benefit significantly by working with us as a single provider delivering best-in-breed remote deposit capture and digital banking solutions. Over the next 12 months, we'll focus on meeting more of our clients' needs by aggressively introducing our complete solution suite to more than 600 current clients."

https://www.finextra.com/newsarticle/31623/urban-ft-agrees-to-buy-digiliti-money?utm_medium=newsflash&utm_source=2018-2-2&member=93489

Salesforce boosts nCino global expansion plans

Bank Technology Solutions

1/31/18

NCino, a vendor of cloud-based banking technology, announced a new round of funding led by Salesforce Ventures to help fund its global expansion strategy.

The funding round led by Salesforce Ventures, the corporate investment group of Salesforce, also featured participation from another existing nCino shareholder. The amount of investment was not disclosed.

The vendor said this additional investment will further fuel the company's global growth initiatives and accelerate the continued development and innovation of its Bank Operating System, built on the Salesforce platform, and integrated with Salesforce Financial Services Cloud.

The firm noted that it now counts more than 180 financial clients worldwide. At the beginning of January, nCino announced Navy Federal would use its technology. The credit union said nCino's platform would streamline the commercial lending process across its organization.

The Wilmington, N.C., company was initially created in 2012 as a digital lending platform by Live Oak Bancshares and was later spun out in and is now a separate entity. It has since branched out to offer nonlending services, such as deposit account opening.

Overall, the firm says it has raised $140 million in investments; that figure includes the latest round of funding. The company's investors include former Morgan Stanley Chief Executive John Mack, Promontory Financial founder Eugene Ludwig and Live Oak Bank Chairman Chip Mahan.

"From day one, our vision has been to be the worldwide leader in cloud banking," Pierre Naudé, nCino's CEO, said in a press release Wednesday. "We are successfully executing on that vision and empowering financial institutions around the globe to grow their business and better serve their customers. Our strong alignment with Salesforce has been a key factor in our growth and success."

https://www.americanbanker.com/news/salesforce-ventures-adds-funding-to-ncino

ABN Amro venture arm invests in BehavioSec

Bank Technology Solutions

1/30/18

ABN Amro's fintech venture fund has participated in a $17.5 million raise for cybersecurity firm BehavioSec.

BehavioSec creates digital fingerprints of specific users by combining unique attributes such as keystroke cadence or finger pressure to create a clear picture of a user's identity while working across mobile devices as well as traditional computers or web browsers.

ABN Amro says it intends to investigate how BehavioSec's technology can be used for the benefit of the bank's clients by providing an additional passive layer of security controls.

ABN Amro was joined by Trident Capital Cybersecurity, Cisco Investments, Octopus Ventures and Conor Venture Partners in the funding round.

The Dutch bank set up its EUR10 million Digital Impact Fund in October 2015. BehavioSec is the third company to join its portfolio, alongside Swedish mobile app Tink and US-based Cloud Lending Solutions.

https://www.finextra.com/newsarticle/31594/abn-amro-venture-arm-invests-in-behaviosec?utm_medium=dailynewsletter&utm_source=2018-1-31&member=93489

BPO

SAP acquires Callidus Software in $2.4 billion deal

BPO

1/30/18

SAP has announced the acquisition of Callidus Software in a deal worth $2.4 billion.

On Tuesday, ahead of SAP's Q4 and full year financial earnings disclosure, the cloud services provider said that its US unit, SAP America, has entered into an agreement to acquire Callidus Software.

The agreement has been secured by SAP offering a purchase price of $36 per share, a 21 percent premium over an average of the last 30 days, a 28 percent premium over a 90-day average, and a 10 percent boost based on Monday close of $32.70.

In total, the buyout is worth approximately $2.4 billion. SAP will fund the transaction through existing cash and an acquisition term loan.

Trading as CallidusCloud, the company provides cloud-based human resource software, sales, Lead to Money (Quote-to-Cash) systems, marketing, and customer experience solutions. The company counts roughly 5,800 businesses as clients.

"The transaction is expected to be essentially neutral to SAP's non-IFRS earnings per share for fiscal 2018 and accretive to SAP's non-IFRS earnings per share for fiscal 2019," SAP said.

SAP and CallidusCloud have been sales partners for several years, and now the cloud services provider wants to boost its portfolio with the "the most complete, end-to-end, fully cloud-based 'Lead-to-Cash' offering" by combining SAP and CallidusCloud solutions.

SAP added that the deal would "significantly strengthen" the firm's position in the customer relationship management (CRM) space. On completion, SAP will consolidate the CallidusCloud portfolio and integrate it with SAP Hybris solutions as part of SAP's Cloud Business Group.

"We are super excited to join forces with SAP," CallidusCloud CEO Leslie Stretch said. "This move gives customers precisely what they want, the market leading Sales Performance (SPM), Sales Execution (CPQ) and Sales Enablement clouds combined with SAP Hybris and S/4HANA. This is true Lead to Money, beyond CRM and beyond Quote-to-Cash. It's the joined-up Front Office and Back Office Cloud everyone needs for 21st Century Business."

The acquisition is expected to close in Q2 2018, subject to approval by CallidusCloud stockholders and regulators.

www.zdnet.com/article/sap-acquires-callidus-software-in-2-4-billion-deal/

FINANCIAL MANAGEMENT SOLUTIONS

Moven lands investment from SBI, ponders bank acquisition

Financial Management Solutions

2/1/18

Financial engagement and digital experiences platform Moven Enterprise is going to receive a multi-million dollar investment from Japan's SBI Group, reports Julie Muhn at Finovate (FinTech Futures' sister company).

The investment is part of a joint venture agreement between the two, in which SBI will bring Moven's technology into Japan under the Moven brand, offering mobile banking tools to domestic and international banks. The agreement also gives SBI one of six seats on Moven's board of directors.

Moven has already partnered with a number of financial institutions, including TD Bank and Westpac. The agreement with SBI, however, is understood to be Moven's first foray into Asia/Asia Pacific.

Moven Enterprise takes a Software-as-a-Service (SaaS) approach by allowing banks and financial services companies to white-label its financial management technology. Moven Enterprise offers tools to help banks engage with their existing customers, acquire new customers and drive revenue through their mobile channel.

According to American Banker, Moven's consumer-facing brand – a challenger banking service that launched in 2011 – is seeking to acquire a bank in the US. The company's founder, Brett King, said the reasoning behind a bank purchase would be to help Moven scale faster and access more services for its customers.

www.bankingtech.com/2018/02/moven-lands-23m-investment-from-sbi-ponders-bank-acquisition/

Bench bookkeeping service raises $18 million in funding

Financial Management Solutions

1/31/18

Bench, the TechStars-backed bookkeeping service for SMBs, has today announced the close of an $18 million B-1 funding round led by iNovia Capital. Existing investors, including Bain Capital Ventures, Altos Ventures, and Silicon Valley Bank, also participated in the round.

Bench first launched out of TechStars NYC in 2012. Back then, the company was called 10Sheet, and it aimed to providing accounting/bookkeeping services to small businesses through machine learning and an intuitive user interface. Users simply integrated their corporate credit cards and bank accounts and let Bench do its thing, tracking transactions and expenses to handle basic accounting for a business.

In 2013, 10Sheet relaunched as Bench with $2 million in seed funding, refocusing the business to more deeply involve human accountants. Since then, Bench has gone on to crunch $19 billion in expenses for its users, automating 60 percent of the tasks that its bookkeepers perform. This allows Bench's human accountants to focus on customer service and CRM.

Bench offers various tiers for customers, according to the size of the transactions. Over the last year, the company has cut prices by 10 percent to 30 percent.

Bench currently has more than 250 employees, with 150 bookkeepers on staff.

CEO Ian Crosby says his greatest challenge is his own inexperience.

"I'm a first-time founder, and I'm having to learn how to be the CEO of the largest company I've ever run," said Crosby. "The biggest challenge is my own inexperience, which is something I'm constantly trying to mitigate."

Crosby hopes to use the funding to fuel growth and fund momentum of the company, with the goal of improving the automation side of the company even further and ultimately lower prices.

https://techcrunch.com/2018/01/31/bench-bookkeeping-service-raises-18-million-in-funding/

Spendesk raises €8 million to expand its platform for all company purchases

Financial Management Solutions

1/30/18

Spendesk, a fintech solution that helps businesses manage their spending, has raised an €8 million Series A round led by Index Ventures, with participation from existing investors. The funds will be used to accelerate product development and expand across Europe.

Founded in 2016 and based in Paris, Spendesk rethinks the way employees make company purchases and the way businesses manage all expenses. Instead of wasting time on painful expense reports, tedious approval processes and sharing of company credit cards, Spendesk has developed an innovative solution that gives businesses all the control they require and employees the autonomy they need to get the job done.

Spendesk addresses a widespread frustration faced by all types of businesses: making and processing a simple payment can be an administrative burden for both operational and finance teams. According to research by JP Morgan, an employee waits on average 17.2 days to complete a purchase, costing €57 per transaction in lost productivity with a traditional process.[1] "In most companies, expense management and team purchases are handled with outdated, paper-based processes. Booking a plane ticket online, paying at a restaurant or settling a supplier invoice are frequent and essential actions that should be as easy as checking your inbox," says Rodolphe Ardant, Spendesk co-founder and CEO.

Employees of Spendesk clients use the SaaS solution to make purchase requests, instantly access virtual cards to pay online or scan their receipts when paying in-person with their prepaid Mastercard® card. They have full autonomy within the pre-defined company's spending limits and benefit from transparent approval flows. Finance teams monitor spending in real time and have immediate visibility over all company spending. They save time on repetitive bookkeeping tasks by automating receipt recovery and VAT extraction. All payments are instantly categorised, matched with invoices and exported into the company's accounting software. Spendesk clients do away with the time-consuming and loathed expense reports and the need for managing reimbursements.

Since its inception, Spendesk has grown rapidly, adding new features and new clients at a record speed. With more than €40 million spent through the Spendesk platform, its SaaS solution has already been adopted by more than 600 companies across Europe in less than 12 months. "Our ambition is to create the perfect tool for finance teams to handle all their payment workflows. Ultimately, finance departments should only use their bank account, their accounting software and Spendesk," says Ardant.

"Spendesk has created a seamless product that their customers love, which is not an easy task when you talk about expenses," said Dominique Vidal, partner at Index Ventures, a venture capital

firm that has backed many leading fintech companies including Adyen, Funding Circle and Robinhood. “Whilst many other solutions have digitised the expense management process, Spendesk has built an entirely new workflow to manage spending across the company.”

This funding round is led by Index Ventures with the participation of business angels such as Michael Benabou, co-founder of Vente Privée, Laurent Asscher and Showpad cofounders – Louis Jonckheere and Pieterjan Bouten – and comes just 12 months after a seed round of €2 million in January 2017, bringing the total amount raised to €10million.

http://paymentsjournal.com/spendesk-raises-e8-million-expand-platform-company-purchases/

Wipro makes $9.9 million investment in Harte Hanks

Financial Management Solutions

1/24/18

Harte Hanks (NYSE:HHS), a leader in developing customer relationships, experiences and interaction-led marketing, today announced Wipro LLC (a wholly owned subsidiary of Wipro Limited) would make a $9.9 million-dollar investment in the company and the companies announced a joint go-to-market strategy to bring combined marketing and marketing technology services to large global brands. Harte Hanks and Wipro jointly issued a separate press release today on this go-to-market initiative.

To be effective, marketers need to deeply understand their customers, which requires investments in marketing tools and technology. By bundling marketing and technology solutions, Harte Hanks and Wipro will offer integrated solutions, which address marketing needs in a holistic manner.

As part of the transaction, Wipro will receive preferred stock convertible into 16% of the Company's outstanding Common Stock on a pre-closing basis, priced at $0.991 per share of Common Stock (based on a ten-day average closing price of the underlying Common Stock). Along with customary protective provisions and a 5% dividend (payable upon liquidation events), Wipro will be able to designate an observer or director to Harte Hanks' board of directors. The transaction is expected to close in approximately one week.

Karen Puckett, Harte Hanks' Chief Executive Officer said, "Since announcing our joint go-to-market strategy in March, it has become clear that the opportunity to help customers to more effectively utilize marketing technology combined with providing consulting and strategy is sizable and valued in the marketplace. With this investment, Harte Hanks will formalize its relationship with Wipro and step up our combined go-to-market efforts."

"Wipro's investment in Harte Hanks reflects our continued commitment to offer leading-edge marketing technology and digital services that cater to the needs of Chief Marketing Officers and marketing professionals, across industry segments. This investment strengthens our existing partnership with Harte Hanks and enables us to address a key industry challenge by offering 'Marketing as a Service'," said Srini Pallia, President, Consumer Business Unit, Wipro Limited.

https://globenewswire.com/news-release/2018/01/24/1304170/0/en/Wipro-makes-9-9-million-investment-in-Harte-Hanks.html

HEALTHCARE TECH

Netsmart acquires HomeCare Accounting Solutions to integrate clinical and financial workflows for home health and hospice

Healthcare Tech

2/1/18

Today Netsmart announced it has acquired HomeCare Accounting Solutions (HAS), a cloud-based software company that automates back-office and clinical field operations of home care agencies such as home health, hospice, palliative care and private duty. This acquisition signifies another important piece for the Netsmart platform that will represent a new standard for the post-acute community.

"Post-acute providers have an opportunity to take the lead when it comes to managing a person's healthcare journey and coordinating the performance of a variety of providers," said Netsmart CEO Mike Valentine. "In a value-based world, providers who can prove they can coordinate care across multiple venues and manage the complexities and outcomes will be well positioned for success. The ability to have a seamless connection between clinical and financial will only make reporting easier as providers can show cost savings correlated with clinical outcomes."

Netsmart announced its acquisition of DeVero in July 2017 and has been deploying enhanced solutions to home health and hospice clients over the last six months. The addition of HAS to the Netsmart suite of solutions will enable a more integrated workflow for clients who use our DeVero CareRecord.

"Clients want a SaaS approach where all of the operations are managed for them so they can concentrate on what they do best: patient care," said HAS CEO Mike DelCollo. "We are looking forward to the deep integration and streamlined processes Netsmart provides and giving our clients one system with a single, simple workflow."

As part of this acquisition, Netsmart will further the innovation of the two solutions to create a single unified solution that can grow and adapt as healthcare shifts to different care and payment models. The go-forward platform will maintain focus on the three principles that have made it one of the fastest growing solutions in home care – simple, scalable and affordable.

"The addition of HAS to our Netsmart family provides our clients who leverage the DeVero CareRecord with a one-stop-shop for clinical and financial solutions," said Valentine. "We have a long-standing relationship with HAS in serving a shared client base. With this step forward, we will essentially move out of the interface world with HAS and into the integration world. Our mutual clients will benefit greatly by this step."

https://www.businesswire.com/news/home/20180201006410/en/Netsmart-Acquires-HomeCare-Accounting-Solutions-Integrate-Clinical

Israeli telehealth company TytoCare raises $25 million

Healthcare Tech

1/30/18

Israeli telehealth startup TytoCare, a company with breakthrough technology for conducting remote medical examinations and telehealth services, announced on Monday that it has raised $25 million in its most recent funding round. The round was led by Ping An Global Voyager Fund and including both new and existing investors. Other investors include Cambia Health Solutions, Walgreens, Orbimed, Fosun Pharma and LionBird. The growth round also includes new participants like Israel's first exclusive digital health fund Qure, established with Johns Hopkins University. TytoCare has the option the extend the round to $28 million in the next few months.

The company will use the additional funding to continue furthering its expansion in the US market. After its clearance with the FDA in late 2016 and the launch of its products in early 2017, TytoCare has made a name for itself among major US health systems. They will use the funding to enhance their products and meet the demand for their products outside the US. TytoCare and the Ping An group will form a strategic partnership to implement Tyto Care into the Chinese market. Founded in 2012, Tyto Care specializes in telehealth, creating products with breakthrough technology that provide remote home examination and diagnosis solutions.

Their offerings include TytoHome for patients, TytoPro for professionals, and TytoClinic for remote point-of-care testing. They also have a complete telehealth platform, analytics, built-in guidance technology, and machine learning algorithms. At the recent Digital Health IL event, TytoCare COO Ofer Tzadik showed the audience how, using an electronic Tyto stethoscope, for example, a patient may record his/her heart rate, send it to a health organization through a secure Amazon cloud service, and receive feedback from a physician.

http://nocamels.com/2018/01/tytocare-telehealth-israel-round/

INSURANCE

Ryan Specialty Group completes acquisition of New York's Irwin Siegel Agency

Insurance

2/2/18

Ryan Specialty Group LLC, a Chicago, Ill.-headquartered international specialty insurance organization, has completed its acquisition of the assets and operations of the Irwin Siegel Agency Inc. (ISA). This transaction was previously announced on January 24, 2018.

ISA is a human and social service managing general underwriter and is based in Rock Hill, N.Y. Its specialties include developmental disability organizations, addiction treatment and behavioral/mental healthcare, youth programs and more.

ISA's operations are a part of RSG Underwriting Managers LLC (RSGUM), the managing general underwriting division of Ryan Specialty Group.

For nearly 60 years, ISA has been a family-owned business providing property and casualty insurance products and risk management. It has remained focused on improving the quality of life for the developmentally disabled.

In 1985, ISA developed the first property and casualty insurance package specifically designed for non-profit organizations serving individuals with disabilities. The agency is led by Howard Siegel who has been with the agency for nearly 40 years. He will continue as CEO of the Irwin Siegel Agency going forward.

https://www.insurancejournal.com/news/east/2018/02/02/479400.htm

Allianz to acquire Sri Lanka's Janashakthi General Insurance for €85.9 million

Insurance

2/2/18

Allianz announced it has entered into an agreement with Janashakthi Insurance PLC (JINS) to acquire 100 of its subsidiary Janashakthi General Insurance Ltd. (JGIL) for LKR 16.4 billion (€85.9 million, or approximately US$106.3 million).

The transaction is subject to regulatory approval and is expected to complete in the first quarter of 2018.

This acquisition makes Allianz Insurance Lanka (Allianz Lanka) one of the country's largest general insurers, with a market share of approximately 20 percent, said Allianz in a statement.
Allianz said the acquisition will deliver a range of strategic benefits to all stakeholders, including:

- Strengthening Allianz Lanka's customer reach and service capabilities. With close to a million policyholders across the island, the expanded client base represents a significant growth opportunity for Allianz in Sri Lanka.
- Janashakthi's general insurance portfolio complements Allianz Lanka's existing business and represents a strategic fit across both corporate and retail lines.
- JGIL will benefit from Allianz' capabilities in data science and technology.
- Support of Allianz' strategic priorities of achieving market leadership positions and high-quality growth in the Asia Pacific region.

Janashakthi Insurance has been operating in Sri Lanka for over 23 years with a focus on motor, fire and health protection for individuals and corporates. It will continue to focus on its life insurance portfolio in order to strengthen its presence in the Sri Lankan life insurance industry.

Allianz noted that the transaction represents one of the largest investments into Sri Lanka, which demonstrates its confidence in this market. The country's general insurance market has posted a compound annual growth rate (CAGR) of 12.1 percent between 2010-2016, which is expected to accelerate to 12.5 percent by 2020, according to Allianz Group Economic Research. Such growth will be driven by improving trade and macro-economic conditions, as well as increased insurance penetration, the company noted.

"This transaction provides a highly attractive opportunity to transform our market presence in Sri Lanka, while accelerating our growth agenda in the Asia Pacific region," said George Sartorel, Allianz's regional CEO for Asia Pacific. "We are greatly impressed with the JGIL team, and believe the expanded business provides a strong foundation from which to drive continued innovation and excellence for our customers."

Prakash Schaffter, managing director, Janashakthi Insurance, said: “I am convinced that this amalgamation with Allianz represents the natural progression of JGIL’s evolution from a small, home grown general insurance business to a leader in the industry, while reflecting the strength of the business we’ve built over the last 23 years. Becoming part of Allianz’s larger organization also provides many new opportunities for our employees and our customers.”

https://www.insurancejournal.com/news/international/2018/02/02/479373.htm

FinanceApp receives investment from SBI Investment

Insurance

2/2/18

FinanceApp AG, a Zurich, Switzerland-based insurtech startup, received an investment from SBI Investment Co., Ltd.

The amount of the deal was not disclosed.

SBI Investment Co., Ltd. a subsidiary of SBI Holdings, has invested in the company through the FinTech Fund.

Establishment in 2014 and led by Julian Teicke, CEO, FinanceApp offers wefox, an insurance product management app, for insurance brokers to manage all insurance products and build their customers' portfolio. Insurance brokers can use wefox as a sales tool that will reduce customer acquisition costs and enhance customer satisfaction, by diagnosing and recommending insurance products through the app based on an original algorithm. In addition, FinanceApp promotes API connection with insurance companies and has developed a system that enables the policyholder to claim insurance payments to its insurance company via smartphone.

Furthermore, FinanceApp develops and offers online insurance products, including home contents insurance via its very own insurance carrier named ONE. These insurances are distributed through wefox's platform.

http://www.finsmes.com/2018/02/financeapp-receives-investment-from-sbi-investment.html

Munich Re leads $16.5 million financing for AI, IoT startup Mnubo

Insurance

1/31/18

Munich Re's HSB Ventures led a $16.5 million venture financing for Mnubo, an Internet of Things (IoT), data analytics and artificial intelligence (AI) startup, which is seeking to expand internationally.

Founded in 2012 and headquartered in Montreal, Canada, Mnubo said it plans to use the funding to help connected product manufacturers and service providers advance "their data monetization strategy."

The investment is being made in parallel with an HSB strategic commercial partnership with Mnubo, in which both companies will collaborate to bring to market financial products that provide risk management and enable Mnubo's customers to achieve positive bottom line results from their IoT investments.

"The Mnubo partnership is pivotal to unlocking the business value that companies will derive from their smart equipment," said Greg Barats, president and CEO of HSB, in a statement. "Mnubo's IoT data expertise and market-leading IoT analytics platform will enable HSB to build tailored financial solutions to improve companies business and/or facilitate new business models."

The strategic partnership with Mnubo will help bring to market a suite of financial and insurance-related products based on AI intelligence and machine learning on IoT equipment datasets, Barats added. "HSB can help Mnubo's customers realize meaningful results from their IoT investments."

"HSB has 150 years of experience in insuring commercial and industrial equipment," said Frederic Bastien, Mnubo's president and CEO. He noted that HSB's alliance with Mnubo enables the next-generation of IoT manufacturers and enterprises to benefit from a portfolio of IoT-based, data-driven financial products to accelerate their return on investment "by enabling IoT data monetization."

In addition to Munich Re/HSB Ventures, the $16.5 million investment in Mnubo includes participation by its existing investors: White Star Capital, a venture fund operating in New York, Montreal and Paris, which led Mnubo's Series A in 2015, and McRock Capital, the industrial IoT venture capital fund backed by companies such as Cisco Systems and Caterpillar.

https://www.insurancejournal.com/news/international/2018/01/31/478933.htm

UK insurtech startup Inzura raises $1 million for international growth plans

Insurance

1/31/18

Inzura, the London-headquartered insurtech startup, announced the completion of its first major funding round, raising US$1 million to pursue its "ambitious growth plans."

The funds will be used to accelerate new technology developments, which include:

- Machine learning and artificial intelligence (AI) to deliver insight into customer behavior and insurance needs
- Dynamic pricing to allow insurance products to adapt quickly to real-time data
- On-demand features allowing new business models.

"Our strategy is to help insurers engage with their customers via access to rich data from smartphones," commented Richard Jelbert, CEO and co-founder of Inzura, which was founded in December 2015 to provide insurers with mobile-centric offerings that aim to accelerate the industry's digitization.

"The next step is to use this rich data to deliver enhanced, personalized insurance services," he added. "Customer demands are evolving rapidly, and our technology allows insurance providers to keep pace with that change, without having to rip out all legacy systems."

He said that Inzura's sales figures have doubled every year since the company was launched and this trend is expected "to continue as the business advances."

The new investment will also enable Inzura to enhance delivery and support capacity worldwide. As well as hiring in the UK, Inzura will be bolstering its team in Asia to offer in-time-zone operations and support. The new team will be based in Singapore, and a substantial presence is also being built in Thailand to support numerous active projects.

Investors include insurance executives such as Julian Edwards, CEO of MCE Insurance; Michael Blaney, managing director of Autoline Insurance Group; Phil Bunker, partner in ABC Investors and former managing director of LV Broker; Paul Cosh, former director of Budget Insurance Group and Highway Insurance Group plc; and Hauw-Quek Soo Hoon, a Singapore-based investor.

"We're hugely excited about fundamentally changing the way the insurance industry works," said Ian McWilliams, co-founder of Inzura. "Inzura has created a strong international presence, especially in the Asian market, and major insurers in the region as well as global insurance firms are selecting us to drive their digital strategies."

"I immediately recognized how Inzura is transforming insurance distribution, customer engagement and data analytics," said lead investor Julian Edwards, CEO and founder of MCE Insurance, a tech-centric, motorcycle insurer in the UK. "For me investing in Inzura is a unique opportunity to support and work with the most exciting insurtech today."

Inzura operates in both the UK and Asia where it already supports global brands such as Chubb, Sompo and Ageas.

https://www.insurancejournal.com/news/international/2018/01/31/478911.htm

PAYMENTS

Brazilian cross-border payment processing firm Ebanx raises $30 million

Payments

2/1/18

Ebanx, a Brazilian startup bringing cross-border e-commerce payments to Latin America, has raised $30 million from FTV Capital, with participation from Endeavor Catalyst Fund.

Founded in 2012, last year Ebanx processed $1.2 billion in cross-border transactions, helping 30 million people from countries including Brazil, Mexico, Argentina and Chile gain access to international ecommerce sites.

The firm works with over 500 merchants, enabling the likes of Spotify, Airbnb and Udacity to accept more than 100 Latin American local payment options.

Recently the firm secured a UK e-Money license from the FCA and is also planning to open a new sales and IT office in San Francisco as it works to ensure it is the entry point for sellers looking to Latin America.

"Integrate with Ebanx and sell two to three times more within the region was, and still is, our mantra," says Alphonse Voigt, CEO, Ebanx. "By 2019, there will be more than 150 million online consumers throughout Latin America, and we will be central to helping facilitate this expansion seamlessly."

Ebanx's first institutional investor, FTV has a history of scaling global fintech firms, including WePay, which was recently acquired by JPMorgan Chase, and CardConnect, bought for $750 million by First Direct.

As part of the transaction, FTV Capital principal Robert Anderson will join the Ebanx board of directors, and partner Chris Winship will become a board observer.

https://www.finextra.com/newsarticle/31605/brazilian-cross-border-payment-processing-firm-ebanx-raises-30m?utm_medium=dailynewsletter&utm_source=2018-2-2&member=93489

ING buys majority stake in payment processor Payvision

Payments

1/29/18

ING said on Monday it has agreed to buy a majority stake in payment group Payvision as the Dutch lender looks to boost its foothold in the payment processing market.

The lender's business clients will be able to accept payments through "any channel" including online stores and through retail terminals by using the Payvision platform. Payvision, founded in 2002, allows payments through 150 currencies, 80 payment methods and has offices in the US, Europe and Asia.

"Payvision's founding team has developed a great business with a proven technology in an area where ING wants to grow," said Ralph Hamers, ING chief executive.

The group said it will buy three-quarters of Payvision. Payvision as a whole is valued at €360m.

The global payments market is rapidly growing as an increasing number of consumers shift from cash to credit cards and other payment methods. Non-cash transaction volumes globally are expected to reach 726bn per year by 2020 from 433bn in 2015, according to research by Capgemini and BNP Paribas.

Payvision's founding management team will hold a 25 per cent stake after the conclusion of the deal and will continue to lead the company. The tie-up is not expected to have a material impact on ING's common equity tier one ratio.

https://www.ft.com/content/528c8cb0-04c3-11e8-9650-9c0ad2d7c5b5

SECURITIES

Spanish fintech Finect raises capital as BME takes minority stake

Securities

2/2/18

Bolsas y Mercados Españoles (BME) has acquired a 9.7% stake in Spanish fintech Finect, in a transaction valued at "lower than €1 million", reports David Penn at Finovate (FinTech Futures' sister company).

Finect provides a social trading community for investors to communicate with and learn from financial professionals. Nearly two million users take advantage of Finect's solutions, the company says, including its financial aggregator for portfolio tracking, interactive "pildoras" to respond to specific user questions, and a knowledgeable community of both private and professional investors.

"The transaction is a milestone in our mission to assist investors in their financial decisions," says Antonio Botas, Finect's CEO. "BME will bring us experience and leadership, both financial and technological."

BME's CEO, Javier Hernani, adds: "This investment and the alliance with Finect is another step forward in the company's diversification policy and growth of the business' technological area."

BME's investment comes amid a major digitalisation initiative for the Spanish stock market operator, which is moving to increase the role of technological consultancy services among its offerings. BME integrated its IT, consulting, regulation, and innovation value-added services into BME Inntech last year, as part of this process.

With origins as a social network for financial advisors, asset managers and their clients, Finect was launched by founder Nicolas Oriol in Spain in 2008 and in the US in 2012.

http://www.bankingtech.com/2018/02/spanish-fintech-finect-raises-capital-as-bme-takes-minority-stake/

Juniper Square raises $6 million for its real estate investment platform

Securities

1/31/18

Ex-Apple execs take on Twitch with launch of new social broadcasting platform Caffeine. The real estate industry was relatively slow to adopt technology, but it's now quickly catching up. That means that virtually every part of the industry is seeing a lot of startup activity. Juniper Square, which today announced it has raised a $6 million Series A round led by Felicis Ventures, is tackling the real estate investment side by helping investment managers raise and manage outside capital for their projects.

The company was founded in 2014 and launched its investment platform in 2017. Today's funding round brings the company's total funding to date to $8 million; the company plans to use the new influx of capital to accelerate its product development and grow its team to better service its user base.

San Francisco-based Juniper Square, which also recently opened an office in Austin, says it has quadrupled both its revenue and managed assets over the course of the last year. More than 100 real estate managers switched their private equity funds to the company's platform last year, and these now service more than 50,000 investors and manage more than 3,000 investments on the platform that have a total worth of almost $200 billion.

"The real estate industry has historically been very underserved by technology, especially in investment management," said Alex Robinson, Juniper Square's co-founder and CEO. "Real estate firms are seeking to benefit from innovations in technology, and our solution helps firms of all sizes better manage the entire life cycle of their capital relationships. This new round of investment will enable us to rapidly improve our product for both sponsors and investors."

Robinson told me the company almost broke even last year, despite adding 25 new employees. But the new funding will now allow the company to invest in forward-looking projects that probably won't pay off until a year or two from now. "As an example of this, we're really excited by the opportunity to invest even more in the investor experience on our platform," he said. "There's a lot we can do to further simplify the complex process of private investing for investors, and to help them get more insight from their investments."

With more than 30,000 funds currently in business, Juniper Square still has plenty of room to grow, but the company hopes that its platform, which gives managers all the tools they need to keep track of their investments and investors, will win over more of the existing funds over time.

When I asked Robinson about Juniper Square's roadmap, he noted that the company's mission is essentially to replace all the Excel spreadsheets that currently float around these investment firms. "Excel is an incredible product — I know, I used to be a product manager for Microsoft

Office — but it was never intended to be a database or a workflow/collaboration tool. Yet that's exactly how it's used inside of 99 percent of investment firms," he said. "So our roadmap is pretty simple: We look for places where Excel shouldn't be used, and we replace it with purpose-built software. There are a lot of spreadsheets flying around firms, so there's still a lot to do."

https://techcrunch.com/2018/01/31/juniper-square-raises-6m-for-its-real-estate-investment-platform/

Thomson Reuters Sells Stake in Financial Unit to Blackstone-Led Group for $17 Billion

Securities

1/30/18

Thomson Reuters Corp. TRI -1.58% struck a deal to sell a majority stake in its financial-information and terminal business for $17 billion to a group led by Blackstone Group BX +0.00% LP, a significant bet by the private-equity giant on financial data.

Under the agreement, the consortium will take a 55% stake in the financial and risk unit, which will become a separate privately held firm, and Thomson Reuters will hold a 45% stake. The deal values the new firm, which serves banks, money managers and other financial institutions, at $20 billion, Blackstone and Thomson Reuters said.

The remaining Thomson Reuters business will receive $17 billion when the deal closes, funded by $14 billion of debt and preferred stock and a $3 billion equity contribution. The Canada Pension Plan Investment Board and Singaporean sovereign-wealth fund GIC Pte. Ltd. are investing in the new firm alongside Blackstone.

The deal marks a new chapter for Reuters, a storied news organization that traces its history back to the 1850s. A 2008 merger between Reuters Group PLC and Thomson Corp. represented a bet that combining the news operation with a financial data and analytics business would set it up to weather the storms in the punishing business of news publishing.

Now the news service will be split from the financial and risk business, albeit with a stable revenue line from the newly formed company. The remaining company will supply its news services to the new partnership in exchange for at least $325 million a year over a 30-year contract.

Thomson Reuters's financial and risk business has struggled to generate revenue growth over the years, hurt by cutbacks in spending by banks forced to contend with the fallout from the credit crisis. More recently, it has been hurt by uncertainty among financial institutions in Europe over the adoption of new regulatory rules known as the Market in Financial Instruments Directive, or Mifid II. That uncertainty has curbed spending.

In an interview, Thomson Reuters CEO James Smith said the deal with Blackstone better positions the financial services business "to accelerate growth faster than we can do on our own."

Thomson Reuters CEO James Smith said the deal helps provide a 'stable floor' for the company's news business. Photo: mark blinch/Reuters

After noting that the business was at a crossroads, he said, "We've gone from declining revenues back to growth. We've moved to new and modern platforms, and improved reliability. Our focus is how to accelerate top-line growth."

For the news business, the agreement provides “a stable floor from the financial-services business that is predictable, with room for annual increases,” he said. The news business also generates about $300 million of media revenue today from television stations, newspapers, and other media outlets around the world, as well as corporations that buy news feeds.

For Blackstone, the deal is one of the largest in its history, reflecting the private-equity firm’s focus on the value of data. Blackstone has hired data scientists to help it evaluate ways it could profit from nontraditional sets of data. The financial and risk unit, which is a major provider of data to Wall Street trading floors, could become a platform for consolidating some of that data.

“Data distribution and analytics is a very fast-growing space,” said Martin Brand, a senior managing director at Blackstone who led the deal, in an interview. “This is one of the very few data assets available at scale.”

Private-equity firms typically buy companies and work to improve their businesses by cutting costs or finding new areas of revenue growth in order to sell them for a higher price down the line.

The deal would be the largest corporate buyout to be done out of Blackstone’s private-equity funds. The only larger deals the firm as a whole has completed were done in 2007 by its real estate group: its buyouts of Hilton Hotels Corp. and Equity Office Properties Trust for $26 billion and $39 billion, respectively, including debt.

Blackstone is one of the world’s largest private-equity firms, with about $387 billion of assets under management. Blackstone’s interest in the deal also underscores the pressure that large private-equity firms face to make bigger bets as they seek to deploy their cash hoards.

During a call with analysts, Thomson Reuters said the pending transaction will leave its news business in a strong position because of the revenue stream from the 30-year deal. After the deal closes, that business will have about $625 million in revenue, slightly higher than its cost basis, the company said.

Thomson Reuters plans to use proceeds from the deal to invest in its legal and tax-and-accounting units, pay down debt and repurchase $9 billion to $11 billion of its stock, it said. The company’s market value stood at about $33.1 billion on Tuesday after a 7.1% stock-price increase amid reports of the deal.

Thomson Reuters is controlled by Canada’s Thomson family. It competes with Bloomberg LP and Dow Jones & Co., owner of The Wall Street Journal, to sell data and analytical tools to traders of stocks and other securities.

https://www.wsj.com/article_email/thomson-reuters-to-sell-majority-stake-in-unit-to-blackstone-group-1517355170-lMyQjAxMTE4MTM3MTEzNjE2Wj/

Finastra acquires Olfa Soft SA

Securities

1/30/18

Finastra has acquired Olfa Soft SA and its cutting edge FX e-trading platform for banks and financial institutions. The move enables Finastra to deliver a unique end-to-end real-time eFX trading solution for banks' treasury departments, covering distribution, position-keeping, post-trade and payments.

Nadeem Syed, CEO at Finastra said, "As the FX trading market shifts to automated, machine-to-machine electronic trading, it is crucial that we also evolve our solutions to stay ahead of industry developments and meet our customers' needs. Bringing Olfa Soft into the Finastra fold enables us to provide treasurers around the world with an innovative approach to eFX trading which is unmatched in comprehensiveness in the market. What's more, this is our first acquisition as Finastra and signals our commitment to ongoing innovation and growth."

Finastra has collaborated with Olfa Soft since June 2017 and has already seen significant interest from the market. Now, as one combined company, we can ensure even tighter integration of the FusionCapital Treasury solution suite with the Olfa Soft Seamless FX platform. Treasurers are able to manage FX positions and exposures in real-time with a single user experience, providing deeper insight across the entire trade lifecycle and mitigating operational risk end to end. As well as offering direct access to 48 liquidity providers, straight-through-processing (STP) capabilities in the platform mean treasurers can act faster in response to changing market conditions and benefit from a competitive edge where milliseconds count.

Based in Geneva, Switzerland, Olfa Soft specializes in the field of trading platform design and integration, providing seamless FX services. The company is a natural fit for Finastra given its complementary solutions and customers.

Fabrice Benouaich, Co-Founder and CEO at Olfa Soft said, "As FX markets become more competitive with trading increasingly conducted electronically, technology has to keep up with the pace and efficiency the market demands. We already know that our combined proposition works and now we'll be able to help treasurers take eFX trading to the next level."

Olivier Virzi, Co-Founder and COO at Olfa Soft SA said, "We're extremely proud of the Seamless FX platform and the competitive edge it affords our customers. This new chapter enables us to combine our offering with Finastra's leading solutions in this space to deliver even greater insight and efficiency to treasurers. We are thrilled to become part of the Finastra family."

Nadeem added, "This acquisition is a great opportunity to build on our expertise, capture significant market share in this space, and retain our position as the leading FX trading system provider. It's a very exciting time for our treasury and capital markets business."

The combined eFX trading solution is already available and will be delivered as a micro-service on the Finastra FusionFabric architecture, adding value for capital markets clients who prefer a cloud-based approach.

https://www.realwire.com/releases/Finastra-acquires-Olfa-Soft-SA

Tradeworx sells trading business to focus on tech subsidiary Thesys

Securities

1/26/18

Tradeworx, Inc. announced today it has sold its trading business in order to focus solely on the continued growth and expansion of the financial technology business of its wholly owned subsidiary, Thesys Technologies, Inc., a leading capital markets provider.

As a result, Tradeworx Inc. has changed its name to Thesys Group, Inc. and the former trading business of Tradeworx was established as a separate firm named Blueshift Asset Management (Blueshift). Terms of the transaction were not disclosed.

The trading business was sold to a group led by Mani Mahjouri, Chief Executive Officer and Chief Investment Officer of Blueshift, who previously served as Tradeworx's Chief Investment Officer. As part of the transaction, Blueshift acquired all the trading assets from Tradeworx. Mike Beller, will remain CEO of Thesys Technologies and its holding company Thesys Group Inc., formerly Tradeworx Inc.

Mike Beller, Chief Executive Officer of Thesys Group, Inc. said, "As we evolved both our technology and trading businesses over time, we realized it was mutually beneficial to separate the two businesses to maximize their potential. This new corporate structure better aligns with our recent growth as a market structure technology leader within capital markets, while allowing the team at Blueshift Asset Management to focus solely on institutional asset management."

Mani Mahjouri, Chief Executive Officer of Blueshift commented, "I want to thank Mike and the entire team at Thesys for the support they've provided to the Blueshift team over the past several years and as we set out to launch our firm. As a standalone entity, we are very excited to have the opportunity to focus entirely on the pursuit of alpha generation on behalf of our investors."

The trading business team formerly with Tradeworx is now part of Blueshift, which is based in Red Bank, New Jersey. Thesys Technologies, along with its holding company Thesys Group Inc. will remain in New York with offices in South Carolina.

https://www.finextra.com/pressarticle/72343/tradeworx-sells-trading-business-to-focus-on-tech-subsidiary-thesys?utm_medium=dailynewsletter&utm_source=2018-1-29&member=93489

BlockEx raises over $24 million for its blockchain financial exchange platform

Securities

1/26/18

Blockchain startups make the news for many reasons, not all of them good. Claims of scams, fraudsters, and charlatans are rife in the industry.

So how does an investor know which ICO or token generation event to back?

Today, BlockEx, which provides a financial exchange platform for blockchain-based digital assets, announced it has raised over $24 million (€20 million) in presale and institutional investment. The problem this platform solves? It promises to give investors access to a large variety of high-quality ICOs with institutional procedures and standards, operating much like the standard financial securities market.

BlockEx has also announced the upcoming launch of its ICO for its Digital Asset Exchange Token (DAXT). The sale will begin on February 10, 2018.

The DAXT is the utility token used to access the BlockEx ICO Market. Holders of DAXT will be able to get exclusive access to the presale feature for ICOs that feature in BlockEx's markets, as well as other BlockEx services.

But how does BlockEx know which ICOs are legitimate and likely to turn into something tangible?

"This is a multi-stepped process," BlockEx CEO Adam Leonard told me. "One step is for the issuer to provide us with a legal opinion that the issue is a utility token. We research the team and speak to the advisers to gauge the legitimacy of the people attached the projects. Are the employees/advisers really involved with the company, and if they are, are they working or just accepting tokens in exchange for their name attached to the project?"

The due diligence process continues with a technical review of the startup.

"We review the white paper and business plans to decide whether the project is financially feasible," Leonard said. "We force all ICO issuers to subscribe to a set of governance guidelines we have adopted from our regulatory business plan. We have third-party legal teams, accountancy firms, and fiduciaries that help with four-eyed checks, and we use third-party security companies to audit the smart contracts."

In addition to that scrutiny, BlockEx still employs good old-fashioned checks and balances before adding the startup to its exchange.

"In the end, we use all this information to decide if we will still work with the company," Leonard said. "In some cases, an ICO has checked all the boxes, and we still took a pass. The very final test, the very last question we ask ourselves before saying yes to a company doing an ICO or token offering is 'would we sell this to our mothers.' Even if the company checked all the boxes, if we would not let our mothers buy it, it won't go on the platform."

So what is next for BlockEx as it prepares for its ICO?

"BlockEx is currently working on its FCA sandbox test, we are issuing traditional cash bonds on the platform leveraging the benefits of blockchain technology," Leonard said. "This product we have called the "digital asset creation tool," or DACT. We have partnerships with Open Text to roll out supply chain finance, leveraging our platform and blockchain technology, and we have a partnership with a government research arm in Asia to build out syndicated loans using the same DACT and DAXT. Additionally, we have nine brokerage clients who are in the process of going live with our white label brokerage software and 10 ICOs launching in Q1 2018."

The funds announced today have come from accredited token buyers in a private sale. This includes some individuals, some crypto hedge funds, and family offices. Part of that $24 million has come in via traditional institutional investors for equity purchase.

https://venturebeat.com/2018/01/26/blockex-raises-over-24-million-for-its-blockchain-financial-exchange-platform/

SPECIALTY FINANCE / ALTERNATE LENDING

UK SME lender Ezbob raises $21 million from Russian PE firm

Specialty Finance / Alternate Lending

2/1/18

Small business online lender Ezbob has raised £15 million ($21 million) in new funding, courtesy of an investment from Moscow-based PE firm Da Vinci Capital Management, reports David Penn at Finovate (FinTech Futures' sister company).

The funding puts the company's total capital at more than £103 million ($146 million).

Founded in 2011, UK-based Ezbob provides small and medium-sized enterprises (SMEs) with up to £120,000 in financing in minutes. There are no pre-payment penalties, and borrowers are offered a flexible repayment schedule of up to 24 months and an APR as low as 18%.

What will Ezbob do with the additional financing? Some clues hinted at in a Forbes interview with Ezbob co-founder and CEO Tomer Guriel from last summer suggest that new products ("such as a consumer lending platform and a mortgage platform") may be in the offering. The idea is to model any new lending product after the company's current SME lending platform.

So it was no surprise that when asked by interviewer Omri Barzilay what Ezbob's advantage is in the SME lending space, Guriel answered "technology" and discussed the company's commitment to improving the customer experience. But he segued quickly to the "fin" part of "fintech," adding that: "Our advantage is that we are solely focused on digital lending solutions. We live and breathe the lending space. Lending is at the heart of the bank's business and our experience in lending has given us phenomenal insight into what works for a customer and from a lender perspective." In November, UK-based Yorkshire Bank said that it would deploy technology from Ezbob to speed the loan application process from two weeks to less than 24 hours. Back in August, the company announced that it would extend its contract with AU10TIX for ID authentication and automating customer onboarding. NatWest has also used Ezbob's technology to launch its automated lending platform, Esme.

www.bankingtech.com/2018/02/uk-sme-lender-ezbob-raises-21m-from-russian-pe-firm/

DATA & ANALYTICS / IoT

Trifacta raises $48 million in financing to democratize data wrangling

Data & Analytics / IoT

1/31/18

Trifacta, the global leader in data wrangling, announced $48 million in financing from new strategic investors, including Columbia Pacific, Deutsche Börse, Ericsson, Google, and New York Life along with participation from existing investors Accel, Cathay Innovation, Greylock Partners, Ignition Partners, and Ridge Ventures. This brings Trifacta's total financing to $124 million to date.

Building on the company's more than 3x increase in customer count, the new funding will support continued development of Trifacta's award-winning data wrangling platform and accelerate the company's continued cloud and geographic expansion. According to IDC, the big data and business analytics market will be worth $210 billion by 2020, and the market for data wrangling technologies is anticipated to grow 2.5x faster than the market for traditional data preparation tools. In addition, Gartner reports1 that data preparation technologies will be used in more than 50 percent of new data integration efforts for analytics by 2020.

"Investing in and partnering with Trifacta, an innovator with its leading data wrangling offering, helps us expand our capabilities in data-driven areas such as risk management, investment decision making and trading analytics meaningfully," said Ankur Kamalia, MD & Head of Venture Portfolio Management and DB1 Ventures, Deutsche Börse.

"Trifacta's cutting-edge technology, client success and vision position the company for continued growth," said Paul McNamara, VP of Ericsson Ventures. "Ericsson is honored to invest with Trifacta to help drive further momentum in data wrangling that will help our telecommunications customers to get actionable insights and create business value from their data."

"At New York Life, we're keenly focused on new analytics technologies to enhance our speed to insight," said Joel Albarella, Head of New York Life Ventures. "As part of this effort, we're investing in Trifacta for its forward-thinking approach to data wrangling."

https://globenewswire.com/news-release/2018/01/31/1329240/0/en/Trifacta-Raises-48-Million-in-Financing-to-Democratize-Data-Wrangling.html

Nasdaq divests GlobeNewswire to concentrate on analytics business

Data & Analytics / IoT

1/30/18

Nasdaq Inc. (Nasdaq: NDAQ) has agreed to sell its public relations and web hosting businesses to West Corp. for $335 million. The deal is part of Nasdaq's strategy to focus on the company's data and analytics services. In 2017, Nasdaq paid $705 million for eVestment.

The businesses being sold include press release distributor GlobeNewswire, web hosting and multimedia providers Webhosting and and Webcasting, along with media monitor Media intelligence. As part of the deal, Omaha, Nebraska-based West and Nasdaq have agreed to a partnership to continue to provide certain Nasdaq customers access to the products that are exchanging hands.

"This strategic decision will allow us to focus our efforts on strengthening technology, data and analytics capabilities within our core investor relations and board collaboration solutions, which are an important component of Nasdaq's relationships with its corporate clients," says Stacie Swanstorm, the executive vice president of Nasdaq corporate solutions.

Data providers for retailers are in great demand, and they have become valuable acquisition targets, particularly among strategic buyers. For example, ION acquired a majority stake in Dealogic; Morningstar Inc. purchased an 80 percent stake in Pitchbook; and Broadridge Financial Solutions Inc. (NYSE: BR) agreed to acquire Morningstar Inc.'s 15(c) board consulting services business.

West is a communications technology company that helps businesses with voice and data services. The company serves a number of sectors including telelcome, consumer, financial services, healthcare and transportation.

Credit Suisse, LionTree are advising West, which is being represented by Watchtell Lipton Rosen & Katz along Paul Weiss Rifkind Wharton & Garrison. Evercore Inc. (NYSE: EVR). Skadden Arps Slate Meagher & Flom, Baker McKenzie and Jones Day are advising Nasdaq.

https://www.themiddlemarket.com/news/nasdaq-divests-globenewswire

Datawatch acquires data science platform leader Angoss Software

Data & Analytics / IoT

1/30/18

Datawatch Corporation (NASDAQ-CM: DWCH), the data intelligence provider with market leading enterprise data preparation, predictive analytics, and visualization solutions, today announced that it has acquired Angoss Software Corporation, a privately-held data science platform provider based in Toronto, Canada. The acquisition will augment Datawatch's Monarch data intelligence offering with expanded capabilities that enable data scientists to perform predictive and prescriptive analytics in a wide variety of enterprise applications. The transaction was completed today for US$24.5 million in an all-cash transaction, which was financed through a combination of Datawatch's cash on hand and funding from a new credit facility with Silicon Valley Bank.

Angoss delivers powerful predictive and prescriptive analytics that help businesses discover valuable insights and intelligence in their data, and the company was recognized as one of the leaders in the Forrester Wave: Predictive Analytics and Machine Learning Solutions, Q1 2017. Angoss data science solutions are used by more than 300 organizations in 30 countries, including many global firms such as Barclays, Scotiabank, TD Bank, Bayer, Wells Fargo, Bank of America and Air Canada. Angoss provides rigorous modeling and validation tools for machine learning in high-value applications for customer segmentation, customer churn, credit risk scoring, fraud detection, next best action, collections and recovery, and many other mission-critical solutions.

"This is a transformative acquisition for Datawatch that offers a very natural complement to our core Monarch technology platform, significantly expands our addressable market and thus strengthens our competitive position," said Michael A. Morrison, president and chief executive officer. "Our legacy in data preparation serves as the ideal foundation to extend into all levels of analytics, including predictive and prescriptive analytics. With the Angoss data science platform, we are uniting data preparation, machine learning and predictive analytics to provide an end-to-end data intelligence solution for the enterprise. We welcome the Angoss team to Datawatch, and we know that everyone is excited to work together to make advanced analytics even more accessible to users of all skill levels."

Transaction Highlights

- Enhances Datawatch's financial profile. More than 80% of Angoss revenue is recurring, with industry-leading retention rates, which aids predictability. The transaction is expected to be accretive to Datawatch in fiscal 2019 on a non-GAAP earnings per share basis, although dilutive in fiscal 2018 due to certain purchase accounting adjustments related to deferred revenue.
- Expands Datawatch's addressable market. Gartner projects that the data science platform market, which is nearly three times as large as the self-service data preparation market, will grow at a CAGR of 11% through 2021.

- Extends the Monarch platform. Angoss' data science platform is a natural extension of the Monarch data preparation platform, and allows Datawatch to unify the analytics experience for business analysts through to data scientists.
- Strengthens the company's presence in financial services. A significant number of Angoss' customers are in the financial services industry, which also represents more than 30% of Datawatch's business today. Many of Angoss' financial services customers are existing Datawatch customers, which presents significant cross-sell and upsell opportunities.

https://www.datawatch.com/press-releases/datawatch-acquires-data-science-platform-leader-angoss-software/

Saagie raises €5 million in Series A+ funding

Data & Analytics / IoT

1/29/18

Saagie, a Petit Quevilly, France-based provider of a smart big data processing platform, raised €5M in Series A+ funding.

Backers included:
– C.Entrepreneurs, the venture capital fund managed by Cathay Innovation,
– CapHorn Invest,
– BNP Paribas Développement, and
– the Matmut group.

The company intends to use the funds to continue to improve the product and expand its business reach internationally.

Founder in 2013 by CEO Arnaud Muller, Saagie leverages AI technologies to provide a SaaS and on premise platform enables users to speed up the development of business applications.

The platform, which provides pre-integrated open source blocks for collecting, analyzing and processing large enterprise data, is massivelyused in the Bank & Insurance industry.

The company, which also has offices Paris, France and San Francisco, CA, aims to open in NYC.

http://www.finsmes.com/2018/01/saagie-raises-e5m-in-series-a-funding.html

RELX Group announces definitive agreement to acquire ThreatMetrix

Data & Analytics / IoT

1/29/18

RELX Group announced today that it has entered into a definitive agreement to acquire the entire issued share capital of ThreatMetrix, for a consideration of £580m payable in cash.

ThreatMetrix is a leader in the global risk-based authentication sector, headquartered in San Jose, California and founded in 2005. ThreatMetrix's technology analyses connections among devices, locations, anonymised identity information and threat intelligence, and combines this data with behavioural analytics to identify high-risk digital behaviour and transactions in real time.

ThreatMetrix has strong client relationships across financial services, e-commerce, and media sectors and offers authentication solutions for account origination, payments, "card not present" transactions and account logins.

ThreatMetrix's Digital Identity Network analyses over 100 million transactions per day across 35,000 websites from 5,000 customers. This makes it the one of the largest repositories of online digital identities in the world, encompassing 1.4 billion unique online identities from 4.5 billion devices in 185 countries.

ThreatMetrix will become part of Risk & Business Analytics, which under the LexisNexis Risk Solutions brand addresses fraud and authentication challenges by applying advanced analytics to physical identity attributes, including identity credentials, addresses and asset ownership.

LexisNexis Risk Solutions already has an established commercial partnership with ThreatMetrix, including ThreatMetrix's device intelligence solutions in its Risk Defense Platform. Further integration of ThreatMetrix's capabilities in device, email and social intelligence will build a more complete picture of risk in today's global, mobile digital economy, providing both physical and digital identity solutions.

Risk & Business Analytics CEO, Mark Kelsey, said: "ThreatMetrix is widely recognised as a leader in the digital identity space. Bringing that together with our own strengths in physical identity attributes will give our clients across all forms of commerce and geographies a more reliable, comprehensive approach to fraud and identity risk management while maintaining the privacy and security principles our customers have come to expect. The acquisition is in line with our organic growth driven strategy, supported by acquisitions of targeted data sets and analytics that are natural additions to our existing business."

Reed Taussig, President and CEO of ThreatMetrix, said: "Our partnership with LexisNexis Risk Solutions over the past two years has fully demonstrated the strong synergies between our two organizations. The benefits our shared customers have realized from the integration of our

respective products are unmatched in the industry. Over the past ten years the ThreatMetrix team has pioneered the digital identity space, and by combining the strength of LexisNexis Risk Solutions and ThreatMetrix into a single business, our customers, partners, and employees will benefit with a unique and compelling market opportunity."

The transaction is subject to customary conditions and regulatory consents and is expected to close during the first half of 2018. It is not expected to have a material impact on 2018 RELX Group earnings.

In 2017, RELX Group completed eight acquisitions for a total consideration of £123m, and disposed of 17 assets for a total of £87m. This compares to an average acquisition spend in the previous five years of approximately £300m per annum.

https://www.threatmetrix.com/press-releases/relx-group-announces-definitive-agreement-acquire-threatmetrix/

London fintech start-up Duco raises £20 million

Data & Analytics / IoT

1/28/18

Duco allows financial institutions to manipulate enormous amounts of data through remote internet servers

A London-based developer of software used by banks and hedge funds has raised $28m (£19.8m) from two early backers of tech giant Alibaba and Michael Spencer's Nex Group.

Duco, which was founded eight years ago by a computer science postgraduate from University College London, allows financial institutions to manipulate enormous amounts of data through remote internet servers, popularly known as the cloud. It is understood the funding round values the company at about $100m.

The investors behind Duco's latest funding included Fidelity International's investment arm Eight Roads and Insight Venture Partners, both of which backed the $500bn ecommerce giant Alibaba. Duco, which employs 50 people, was founded by chief executive Christian Nentwich after the financial crisis.

https://www.thetimes.co.uk/edition/business/london-fintech-start-up-duco-raises-20m-jld2cv7g6

OTHERS

DN Capital has raised €200 million for its new fund

Others

1/25/18

DN Capital Nenad Marovac Anthony Harvey/Getty DN Capital managing partner and CEO Nenad Marovac

Shazam and Purplebricks investor DN Capital has raised €200 million for its fourth fund, targeted at early stage startups in the UK, Western Europe, and the US.

Like rival fund Balderton Capital, DN Capital has bucked a post-Brexit trend and secured funding from the European Investment Fund.

CEO Nenad Marovac believes post-Brexit uncertainty is bad for the tech sector and thinks it will probably discourage talent from coming to the UK.

London-based venture capital firm DN Capital has raised €200 million (£175 million, $248 million) for its fourth investment fund, targeted at early-stage startups.

The fund is DN Capital's biggest to date, with money from a mix of institutional investors, family offices, and high net worth individuals. Europe's fund-of-funds, the European Investment Fund, has also invested.

DN Capital is one of the most established venture firms in Europe, founded in 2000 by current managing partners Nenad Marovac and Steve Schlenker. It has funded firms such as music recognition company Shazam, acquired by Apple for a reported $400 million (£281 million), online estate agents Purplebricks, and used car marketplace Auto1.

Two-thirds of the new fund will be targeted at startups in Western Europe, with the rest going to US companies.

DN Capital invests heavily in Berlin startups, with Marovac spending 50% of his time there.

The single biggest concern for the sector, according to partner Thomas Rubens, is talent. "It's the simple nature of feeling welcome. Cities like Berlin and Paris are trying to attract [tech] talent, but the message from London was 'Please don't join us.'"

Marovac echoed existing concerns that it will be difficult for smaller, UK-focused funds to raise money from Europe.

"[Brexit] will make it very complicated for VC firms raising money on the continent. People will have to set up a European structure - it's very expensive if you're small."

DN Capital is willing to replace founding teams to make startups succeed

DN Capital can boast a number of successful exits and follow-ons aside from Shazam. Purplebricks went public in late 2015, while Auto1 raised €460 million (£401 million) from Softbank. Marovac said DN Capital's "active approach" differentiated the firm from other investors.

https://www.businessinsider.in/Shazam-investor-DN-Capital-has-raised-200-million-for-its-new-fund/articleshow/62642576.cms

Tryb Group raises $30 million to develop fintech platforms for Southeast Asia

Others

1/24/18

Tryb Group, a Singapore-based organization focused on fintech services in Southeast Asia, has landed a $30 million investment from Makara Capital.

The investment comes from Makara's $770 million joint fund with the Intellectual Property Office of Singapore (IPOS), which is focused on finding valuable IP in the tech and startup space. TechCrunch understands that Tryb is talking to a range of other investors with a view to closing the round with at least $20 million in additional capital.

Tryb is focused on fintech in Southeast Asia, but, unlike most startups in the region, it operates like an umbrella company by taking stakes in promising businesses and buying up others via acquisitions. The firm started out acting as a VC, but Tryb CEO Markus Gnirck explained to TechCrunch that it decided to actively play in the space and thus it switched modes to become an enabler or collector of businesses.

For a Western comparison, Tryb aspires to be like LendingClub with a focus on digitizing the predominantly analog systems of financial services and banking in Southeast Asia, a region of over 600 million consumers.

"Still the majority of consumers in Southeast Asia are under-banked and under-served," Gnirck told TechCrunch. "For example, most lending is in cash or informal lending, there's a strong need to digitize."

The company's other major focus is in capital markets, where Gnirck said he sees increasing interest in Southeast Asia from outside of the region.

"There's strong demand to start buying ASEAN credit, with Japanese, Chinese, American and other investors looking to buy up $50-100 million worth. But they don't know where to start since it's all on paper," he said.

"We want to make the movement of local markets, and particularly credit, more accessible to global markets via Singapore."

Currently, the Tryb business doesn't make direct revenue. It holds stakes in a number of businesses — including MC Payment which is in the process of going public in Singapore — but Gnirck said it has two acquisitions that he expects to finalize in the coming months. These companies, which are both in the enterprise space and are established for a number of years, will bring revenue to the group once acquired, he explained.

Gnirck said he is particularly excited at the potential to work with Makara, and its portfolio companies which include broadband provider MyRepublic. He believes the ISP, which is entirely digital, could have synergies with financing and lending services in the future.

https://techcrunch.com/2018/01/24/tryb-raises-30m/