

eCommerce & Payments Monthly Tracker

June 2021



Index

Section I

eCommerce

Section II

Payments

Global eCommerce Category Leaders, As of 28-Jun-21

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No	Company Name	Country	Market Indicators			EV ¹ / Adj. GMV Multiples		EV ¹ / GP1 ² Multiples		EV ¹ / GP2 ² Multiples		Financial Performance Indicators ⁴			
			Share Price US\$ (28-Jun-21)	EV (US\$ b)	Adj. EV ¹ (US\$ b)	LTM	CY21	LTM	CY21	LTM	CY21	LTM Adj. GMV Growth ³	CY20-21 Adj. GMV Growth ³	GP1 ² Margin	GP2 ² Margin
Primarily 3P Model															
1	Alibaba	Global	229	594.4	496.8	0.4x	0.3x	13.2x	10.9x	16.0x	13.5x	23%	30%	43%	35%
2	Pinduoduo	Asia	125	145.8	145.8	0.6x	0.5x	25.6x	19.7x	60.2x	38.5x	78%	43%	59%	25%
3	MercadoLibre	LATAM	1,571	79.6	47.4	2.0x	2.1x	37.0x	37.3x	42.5x	45.0x	64%	8%	45%	39%
4	Allegro	Poland	17	18.4	18.4	2.1x	1.8x	28.2x	21.7x	43.8x	37.0x	56%	22%	75%	48%
5	Jumia	Africa	32	2.6	2.6	3.8x	3.7x	52.0x	42.7x	103.5x	76.9x	(17%)	0.3%	50%	25%
Median			125	79.6	47.4	2.0x	1.8x	28.2x	21.7x	43.8x	38.5x	56%	22%	50%	35%
Average			395	168.2	142.2	1.8x	1.7x	31.2x	26.5x	53.2x	42.2x	41%	21%	54%	35%
Primarily 1P Business & Hybrid Model															
1	Amazon	Global	3,444	1,765.1	1,243.6	2.4x	2.1x	11.6x	9.1x	15.0x	11.4x	48%	29%	36%	28%
2	JD.com	Global	77	109.4	109.4	0.3x	0.3x	9.0x	7.2x	13.0x	10.3x	33%	32%	11%	7%
3	OZON	Russia	61	11.4	11.4	4.4x	2.8x	27.5x	14.5x	233.3x	97.9x	150%	94%	28%	3%
4	B2W	LATAM	14	7.4	7.4	1.3x	0.9x	12.4x	9.8x	14.1x	11.3x	61%	58%	29%	25%
5	made.com	Europe	3	1.1	1.1	2.5x	n.a.	7.0x	n.a.	9.8x	n.a.	n.a.	n.a.	48%	34%
Median excl. Ozon			46	58.4	58.4	1.8x	0.9x	10.3x	9.1x	13.5x	11.3x	48%	32%	32%	27%
Average excl. Ozon			884	470.8	340.4	1.6x	1.1x	10.0x	8.7x	13.0x	11.0x	48%	40%	31%	24%
On-demand Delivery															
1	Meituan Dianping	China	42	254.5	213.4	3.6x	2.5x	66.3x	52.7x	124.1x	64.0x	46%	59%	50%	27%
2	Doordash	US	176	53.0	53.0	1.7x	1.6x	19.8x	18.9x	29.8x	28.3x	229%	34%	83%	55%
3	Delivery Hero	Global	132	33.1	33.1	1.2x	0.9x	n.a.	n.a.	n.a.	n.a.	78%	56%	n.a.	n.a.
4	Ocado	UK	28	19.9	19.9	n.a.	n.a.	24.5x	17.5x	32.0x	22.3x	n.a.	n.a.	29%	22%
5	Just Eat Takeaway	Global	92	19.5	19.5	1.5x	1.0x	10.1x	6.5x	16.7x	11.3x	51%	45%	78%	47%
Median excl. Meituan Dianping			112	26.5	26.5	1.5x	1.0x	19.8x	17.5x	29.8x	22.3x	78%	45%	78%	47%
Average excl. Meituan Dianping			107	31.4	31.4	1.5x	1.2x	18.1x	14.3x	26.1x	20.6x	119%	45%	63%	41%

Notes:

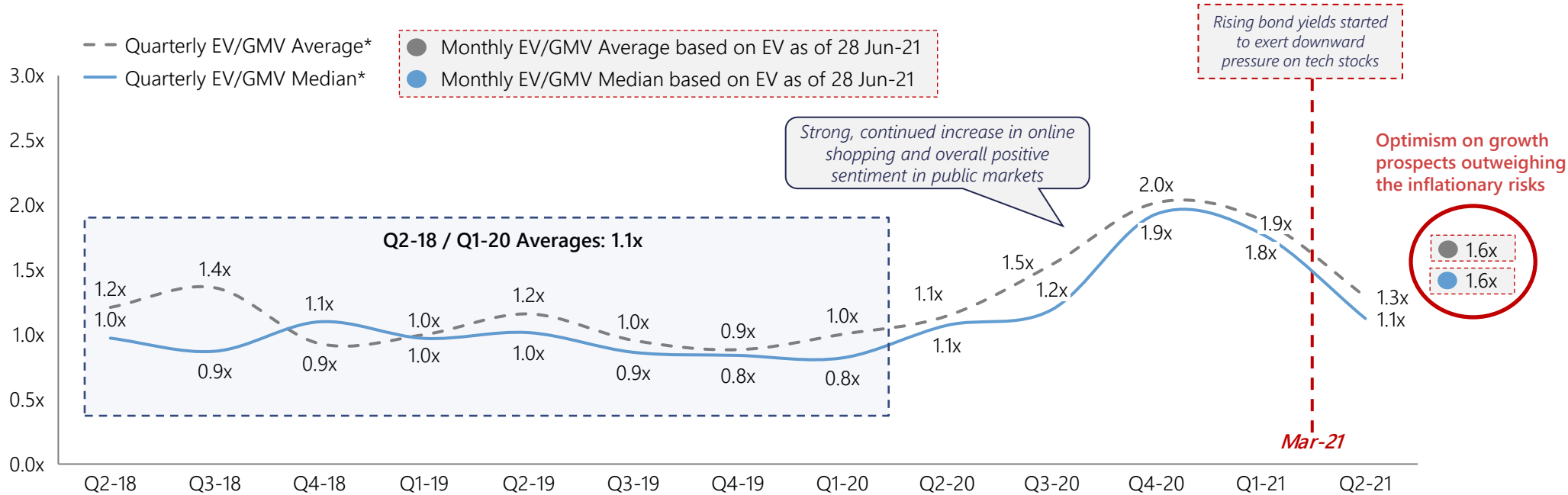
- Estimated ecommerce related EV, excluding non e-commerce operations (e.g. cloud computing from Amazon and Alibaba, fintech operations from Mercado Libre, and Hotel & Travel business of Meituan Dianping)
- Adjusted GMV = Total e-commerce platform volume net of returns, VAT and shipping income
Net Sales: 1P+3P Revenue excluding shipping revenue and other services
GP1 = Net Sales less COGS/CoS
GP2 = GP1 less (i) Delivery costs incl. last mile delivery; (ii) Payment processing costs; plus shipping income
- Local Currency Growth
- 2020 Actual or closest LTM results for each company

Evolution of Global eCommerce Leaders EV/GMV (LTM) Index

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EV/GMV Evolution, 2018 Q2 – 2021 Q2

Multiple (x)



Basis of Preparation

- ❖ **Quarterly Multiples:** In order to provide a like-for-like approach in the historical period, quarterly EV/GMV (LTM) multiples have been consistently calculated based on market caps of the indexed companies on the 25th day of the second month (the date that covers all earnings release dates of index companies) following each fiscal quarter end, employing LTM GMV figures as of the latest quarter ends. (e.g. Quarterly Q1-21 multiples above have been calculated based on the market capitalizations as of 25-Feb 2021 and the LTM GMV figures as of 30 Dec-20)
- ❖ **Monthly Multiples** have been calculated based on the market capitalizations as at the latest available date and the LTM GMV figures published as of the latest quarter ends in order to reflect the most updated valuations

❖ As of Q2-21, this Index tracks EV/GMV (LTM) multiples for a basket of **12** publicly traded prominent, regional category leader eCommerce companies. **made.com**- a UK-based online furniture retailer- has just been added into the Index after completing its IPO in Jun-21; whereas Grubhub has been removed from the list, as the stock was delisted from NYSE following the completion of its all-stock merger with Just Eat Takeaway.

❖ The surge in valuations driven by accelerated shift to digital commerce and unprecedented influx of cash from monetary authorities globally had been decelerating since **Mar-21** due to investors' concerns over inflation and heightened valuations. Despite hawkish Fed bringing forward the interest rate hike schedule at its last meeting, technology stocks regained momentum in **Jun-21** on the back of investors' optimism on the earnings growth prospects in the technology industry.

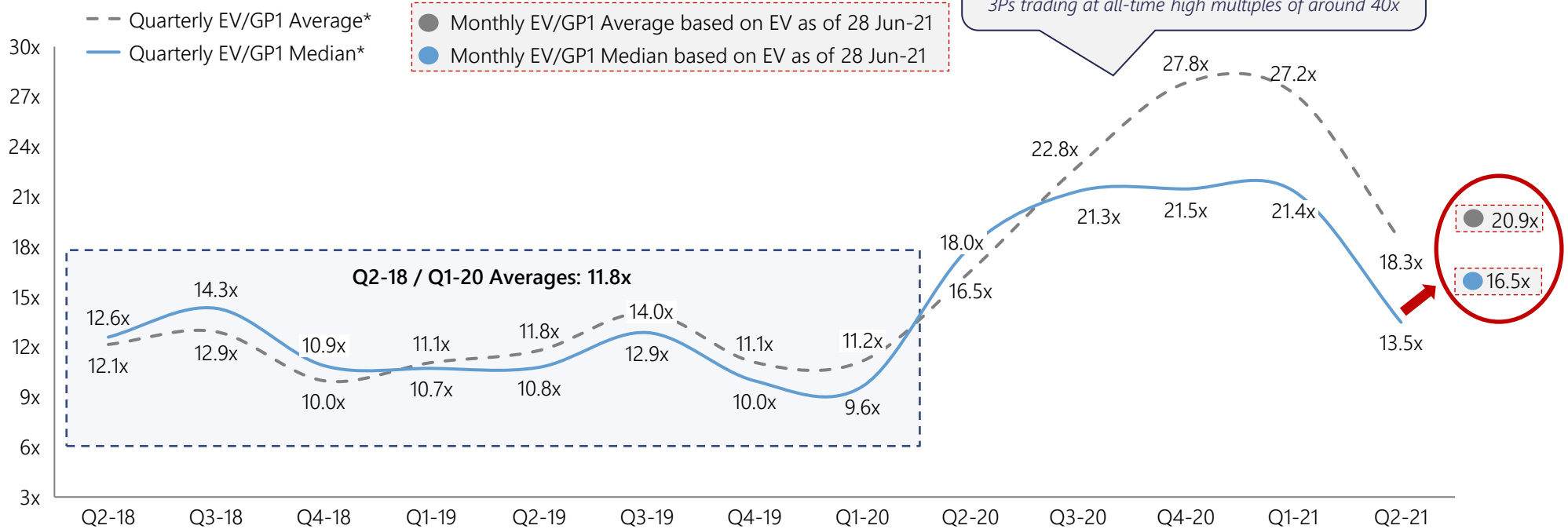
❖ This basket of public eCommerce leaders was close to **\$2.9tr** in cumulative market capitalization as of June 28, 2021.

Evolution of Global eCommerce Leaders EV/GP1 (LTM) Index

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EV/GP1 Evolution , 2018 Q2 – 2021 Q2

Multiple (x)



- ❖ After reaching all-time highs in **Q4-20**, the average EV/GP1 (LTM) multiple declined to **18.3x** as of May-21 from **27.8x** as of Q4-21 due to the combination of rising Treasury yields and concerns over extended valuations.
- ❖ eCommerce valuations partially recovered in **Jun-21**, as investors more focused on the steep earnings growth trajectory in the eCommerce industry rather than on rising inflation.

* Please refer to p.4 for the Basis of Preparation

Source: Company Data, Annual Reports, Analyst Reports, S&P CapIQ, Desk Research

Index

Section I

eCommerce

Section II

Payments

Global Payments Category Leaders, As of 28-Jun-21

ODIN FINANCIAL ADVISORS

No	Company Name	Country	Market Indicators			EV / TPV Multiples		EV / Revenue ¹ Multiples		EV / GP ¹ Multiples		Financial Performance Indicators				
			Share Price US\$ (28-Jun-21)	MCAP (US\$ b)	EV (US\$ b)	LTM	CY21	LTM	CY21	LTM	CY21	LTM Revenue Growth ²	CY20-21 Revenue Growth ²	Take Rate ³	Gross Profit ¹ Margin	EBITDA Margin
Digital PSPs																
1	PayPal	Global	294	345	341.6	0.3x	0.3x	14.9x	13.4x	23.7x	21.2x	25%	19%	2.2%	63%	28%
2	Shopify	Global	1,495	186.4	179.6	2.8x	2.5x	52.1x	44.3x	95.8x	82.5x	100%	38%	3.8%	54%	17%
3	Square	US	247	112.3	112.5	0.9x	0.8x	8.5x	7.0x	35.5x	28.9x	157%	69%	4.3%	24%	5%
4	Adyen	Europe	2,430	73.9	70.8	0.2x	0.1x	17.0x	10.9x	93.7x	61.6x	37%	47%	1.2%	18%	11%
5	StoneCo	Brazil	68	21.0	20.2	0.5x	0.4x	32.8x	20.6x	46.4x	26.5x	29%	69%	1.5%	71%	41%
6	PagSeguro	Brazil	56	18.3	18.1	0.5x	0.4x	13.6x	10.2x	33.2x	21.2x	17%	45%	4.0%	41%	28%
7	Marqeta	Global	28	15.1	15.3	0.2x	0.1x	43.6x	33.3x	102.3x	72.1x	111%	58%	0.5%	43%	n.a.
8	Nuvei	Global	81	11.3	11.4	0.2x	0.1x	15.4x	11.2x	31.6x	23.2x	56%	62%	1.3%	49%	27%
9	PaySafe	Global	12	8.9	10.9	0.1x	0.1x	5.3x	5.0x	12.3x	7.1x	1%	8%	2.0%	43%	21%
10	Fawry	Egypt	1.2	1.1	1.0	0.2x	0.1x	12.3x	9.5x	22.3x	16.9x	37%	38%	1.5%	54%	32%
Median excl. Shopify & Marqeta			74	19.6	19.1	0.3x	0.2x	14.3x	10.6x	32.4x	22.2x	33%	46%	1.8%	46%	27%
Average excl. Shopify & Marqeta			399	74.0	73.3	0.4x	0.3x	15.0x	11.0x	37.4x	25.8x	45%	45%	2.3%	45%	24%
Traditional PSPs & Processors																
1	Global Payments	US	190	56.0	64.3	n.a.	n.a.	8.6x	8.5x	11.9x	12.0x	26%	2%	n.a.	72%	38%
2	Worldline	France	95	26.7	31.9	n.a.	n.a.	5.9x	5.2x	n.a.	n.a.	n.a.	6%	n.a.	n.a.	n.a.
3	Nexi	Italia	22	14.1	18.0	0.04x	0.03x	14.6x	12.9x	20.1x	17.6x	5%	11%	0.3%	73%	57%
4	Shift4	US	96	5.0	5.4	0.2x	0.1x	15.9x	11.2x	29.1x	18.7x	7%	50%	1.3%	55%	28%
5	Network Int	MEA	5	2.8	2.9	0.1x	0.1x	10.0x	8.6x	n.a.	n.a.	(15%)	17%	0.9%	n.a.	40%
6	Repay	US	24	2.1	2.2	0.1x	0.1x	13.7x	12.1x	18.7x	16.5x	35%	19%	1.0%	74%	44%
7	Paya	US	11	1.4	1.5	0.04x	0.04x	7.0x	6.3x	13.8x	12.4x	5%	16%	0.6%	51%	25%
Median			24	5.0	5.4	0.1x	0.1x	10.0x	8.6x	18.7x	16.5x	6%	16%	0.9%	72%	39%
Average			63	15.4	18.0	0.1x	0.1x	10.8x	9.3x	18.7x	15.5x	10%	17%	0.8%	65%	39%
Payment Networks																
1	Visa	Global	234	499.3	505.0	0.04x	0.04x	17.8x	16.4x	23.7x	21.5x	(7%)	9%	0.2%	75%	50%
2	Mastercard	Global	368	364.4	370.1	0.06x	0.05x	15.5x	13.3x	24.0x	20.4x	(6%)	18%	0.4%	65%	37%
Average			301	432	438	0.05x	0.05x	16.6x	14.9x	23.8x	21.0x	(7%)	13%	0.3%	70%	43%
B2B Payment Solutions																
1	FleetCor	Global	255	21.3	24.8	n.a.	n.a.	10.6x	9.3x	13.4x	12.0x	(13%)	11%	n.a.	79%	54%
2	Edenred	Global	59	14.6	16.2	n.a.	n.a.	9.5x	8.5x	n.a.	n.a.	(5%)	11%	n.a.	n.a.	41%
3	Bill.com	US	187	17.6	16.8	0.1x	0.1x	83.1x	69.0x	n.a.	n.a.	37%	33%	n.a.	n.a.	n.a.
4	Wex	Global	193	8.6	11.1	0.2x	0.1x	7.2x	6.2x	10.4x	8.4x	(13%)	16%	2.8%	69%	24%
5	Flywire	Global	38	3.8	4.0	0.5x	0.4x	27.8x	26.2x	43.6x	40.8x	n.a.	16%	1.7%	64%	4%
Median excl. Bill.com			126	11.6	13.7	0.3x	0.3x	10.1x	8.9x	13.4x	12.0x	(13%)	14%	2.2%	69%	32%
Average excl. Bill.com			136	12.1	14.0	0.3x	0.3x	13.8x	12.6x	22.5x	20.4x	(10%)	14%	2.2%	71%	31%

Notes:

1. a) For PSPs: GP= Revenue less CoS; i) Revenue: Transaction Revenue + Value-added Services (VAS) + Prepayment/Credit products, ii) CoS: Transaction Costs + Service Costs + Funding Costs of Prepayment/Credit products; b) For Payment Networks: GP= Gross Revenue less Rebates and Client Incentives

2. Local Currency Growth

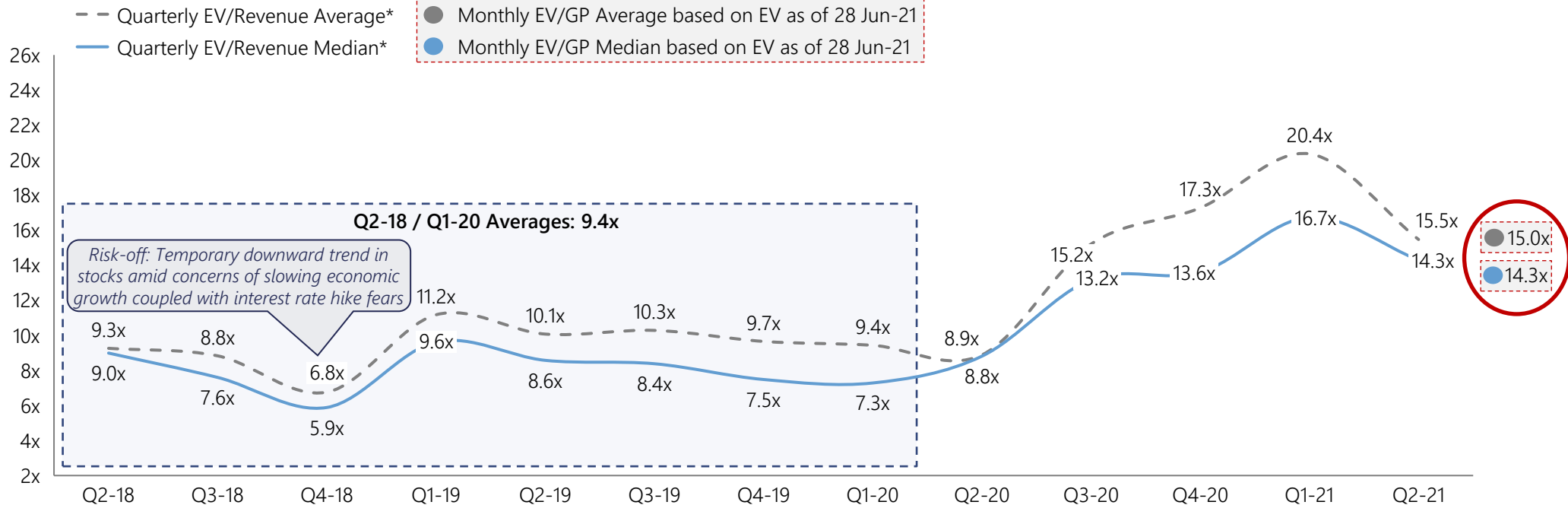
3. Take Rate: Revenue/TPV

Source: Company Data, Annual Reports, Analyst Reports, Desk Research

Evolution of Digital PSPs EV/Revenue (LTM) Index

EV/Revenue Evolution, 2018 Q2 – 2021 Q2

Multiple (x)



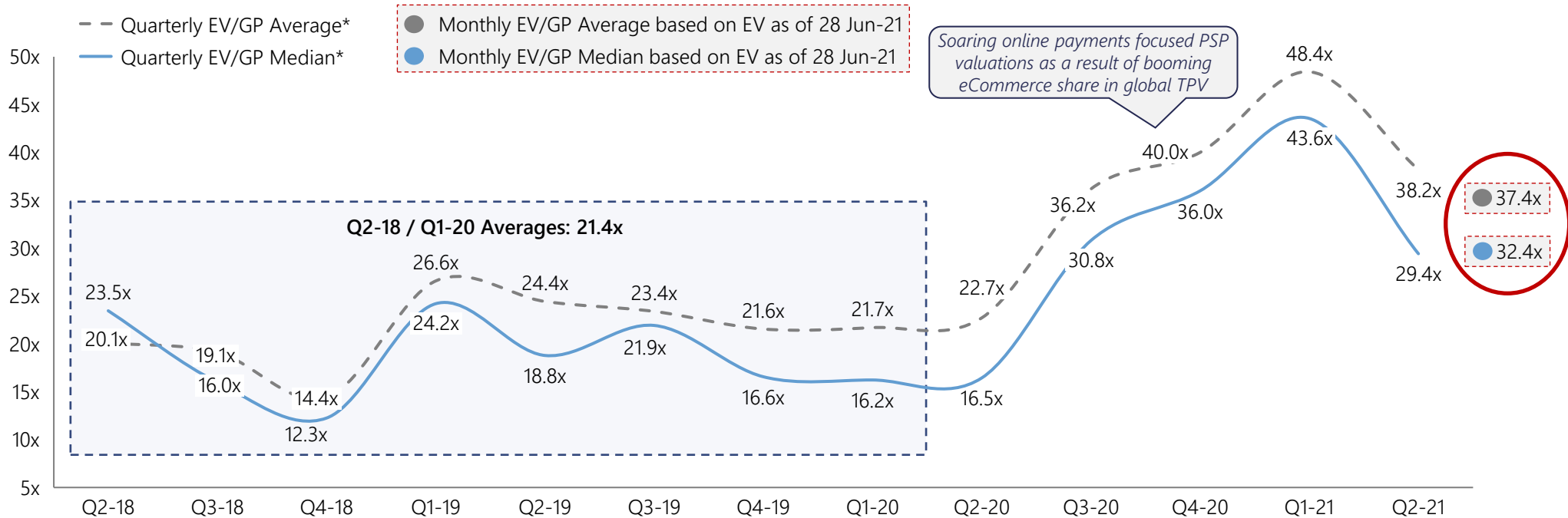
- ❖ As of Q2-21, this Index tracks EV/Revenue (LTM) multiples for a basket of **8** publicly traded prominent digital PSPs, all market leaders within their respective operating regions. **PaySafe-** a multinational payments company- has just been added into the Index, completing its IPO at the end of Mar-21.
- ❖ Payments stocks along with overall technology sector had been declining since **Mar-21** amid rising inflation concerns and investors' shift towards the cheaper and more cyclical industries. So-called "value-trade" retreated in **Jun-21** with stronger earnings growth expectations in technology stocks in the following quarters. As a result; the downward trend in the average EV/Revenue (LTM) multiples ended in **Jun-21** and remained almost flat from May-21.
- ❖ This basket of public digital PSP leaders is worth around **\$592b** in terms of cumulative market capitalization as of June 28, 2021.

* Please refer to p.4 for the Basis of Preparation

Source: Company Data, Annual Reports, Analyst Reports, S&P CapIQ, Desk Research

Evolution of Digital PSPs EV/GP (LTM) Index

EV/GP Evolution, 2018 Q2 – 2021 Q2 Multiple (x)



- ❖ After reaching all-time highs in **Feb-21**, the average EV/GP1 (LTM) multiple declined to **38.2x** as of May-21 from **48.4x** as of Feb-21 due to the rising inflation and concerns over high valuations.
- ❖ The average EV/GP1 (LTM) slightly decreased to **37.4x** as of Jun-21 from **38.2x** as of May-21, mostly due to the newly added index constituent PaySafe with an average EV/GP (LTM) multiple of **12.3x**, whereas the median EV/GP1 (LTM) multiple increased to **32.4x** from **29.4x** reflecting the investors' rotation into technology stocks.

* Please refer to p.4 for the Basis of Preparation

Source: Company Data, Annual Reports, Analyst Reports, S&P CapIQ, Desk Research

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