FT PARTNERS FINTECH INDUSTRY RESEARCH

January 25, 2018



PrecisionHawk Raises \$75 million in Financing Led By Third Point Ventures



InsurTech: Aerial Data & Analytics



The Only Investment Bank Focused Exclusively on FinTech

Overview of FT Partners

- Financial Technology Partners ("FT Partners") was founded in 2001 and is the only investment banking firm focused exclusively on FinTech
- FT Partners regularly publishes research highlighting the most important transactions, trends and insights impacting the global Financial Technology landscape. Our unique insight into FinTech is a direct result of executing hundreds of transactions in the sector combined with over 15 years of exclusive focus on Financial Technology

FT Partners' Advisory Capabilities



FT Partners' FinTech Industry Research





Named Silicon Valley's #1 FinTech Banker (2016) and ranked #2 Overall by The Information



Ranked #1 Most Influential Person in all of FinTech in Institutional Investors "FinTech Finance 40"



Numerous Awards for Transaction Excellence including "Deal of the Decade"

Steve McLaughlin: Founder & CEO

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steve.mclaughlin@ftpartners.com



PrecisionHawk Raises \$75 million in Financing

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Transaction Summary

Transaction Summary

- On January 24, 2018 PrecisionHawk announced it has raised \$75 million in a funding round led by Third Point Ventures
 - Additional new investors include Comcast Ventures, Senator Investor Group, Constellation Technology Ventures and Syngenta Ventures
 - Participating existing investors include Intel Capital,
 Millennium Technology Value Partners, DuPont, Verizon
 Ventures, USAA and Indiana University's Innovate Indiana
 Fund
- The company intends to use the capital to expand its team, focus on product innovation and make strategic acquisitions
- James Goldinger, Managing Director at ClearSky, joined the PrecisionHawk board of directors

Management Commentary (1)

"We've become an end-to-end solution provider for customers that are looking to implement drone technologies.

The fact that we were able to raise so much capital from a great series of investors... I think that's showing how much of a focus and belief there is that this technology is really going to be something that isn't just revolutionizing the drone industry, but that drones themselves—as the touch-all for industries like agriculture, construction, energy, insurance and government—can fundamentally change and improve the way that these companies do business"



Michael Chasen



Investor Commentary

"We see the potential for PrecisionHawk to enable enterprises around the world with new tools for 21st century opportunities. We believe the business insight that can be achieved with PrecisionHawk technology will be a catalyst for profound transformation, and this investment gives us an opportunity to support their growth and continued industry leadership."



Robert Schwartz Managing Partner



"Syngenta has been a PrecisionHawk customer since 2015 and has experienced firsthand the impact of the technology platform; both augmenting and replacing a variety of manual processes for more efficient and scalable operations. This investment reflects our commitment to advancing technologies that could have a real impact within agriculture and our excitement about the potential for PrecisionHawk to lead the commercial drone space across multiple industries."



Katrin Burt Managing Director



"Drones are increasingly providing valuable insights to businesses across a wide variety of industries, and PrecisionHawk is leading the way in many innovative and forward-thinking applications."



James Goldinger *Managing Director*



"We've followed the enterprise drone market the last few years and noticed the commercial progress Michael Chasen has been able to make since he joined as CEO last year. Under his leadership, the company has extended its lead in agriculture and expanded into verticals like insurance, construction, energy and the government with outstanding success. We believe PrecisionHawk's drone solutions will deliver tremendous value for customers in these sectors."



Michael Yang Managing Director



PrecisionHawk Raises \$75 million in Financing

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PrecisionHawk Overview

Company Overview

CEO:

Headquarters:

Founded:



Michael Chasen Raleigh, NC

2010

- PrecisionHawk develops drones and aerial vehicle technology, offering an enterprise drone platform for better business intelligence
- The company's clients include Fortune 500 companies and leading enterprises in 150 countries in select key verticals, including insurance
 - PrecisionHawk's applications and analytics enable insurers to assess aerial data and convert it to models and actionable insights – for example, through roof hail damage reports, crop and field damage reports, property water damage reports, post-catastrophe damage assessment and 2D / 3D mapping

Date	Size (\$ mm)	Selected Investor(s)
02/23/16	\$18	Verizon Ventures, Yamaha Motor Ventures & Laboratory Silicon Valley, DuPont Pioneer, NTT DoCoMo Ventures, Intel Capital, USAA, Millennium Technology Value Partners, Innovate Partners, Oberlin Holdings, Hippo Ventures, Zmv Holdings, DuPont Pioneer, Innovate Indiana Fund
09/16/14	10	Millennium Technology Value Partners, Intel Capital, Innovate Indiana Fund
08/13/13	1	Innovate Indiana Fund

Products & Services Overview

End-to-End Aerial Data Platform



Drones:

Multi-rotor and fixed wing drones from top vendors



Sensors:

Variety of plug-and-play sensors allowing for full customization



Software:

Platform to fly, review, process and analyze drone data



Analytics:

Algorithms, models and reports to run against survey data



Tracking:

Drone safety platform with real-time airspace and ground obstacle data



Services:

Supplementary flight services and consulting services

Industry Verticals

- Insurance: automate and optimize assessment and reporting
- Agriculture: automate and optimize farm management
- **Energy:** automate and optimize asset and infrastructure management
- Construction: automate and optimize on-the-job decision making
- Government: automate and optimize inspection, surveys and security

PrecisionHawk Raises \$75 million in Financing

Third Point Ventures Overview



Overview





Daniel Loeb Founder & CEO



Robert Schwartz Managing Partner



David Bonanno Managing Director



Jason Hong Principal

Locations

Menlo Park, CA

About

- Founded in 2000 as the technology and healthcare investment arm of Third Point LLC, a global hedge fund
- Likes to lead investments in early-stage, growth and cross-over transactions
- Leverages Third Point LLC's public market expertise, relationships and research capabilities to provide portfolio companies with resources and networking opportunities
- Takes an active participation role in portfolio companies, often as a member of the company's board of directors
- · Particularly interested in the alternative lending and specialty finance spaces within FinTech

Investment Preferences

Investment Criteria

Fund Size: NA

Fund Raised: NA

Investment Range: NA

Revenue: NA

EBITDA: NA

General Preferences 1

Control: Minority

Geography: U.S.

Venture, Growth **Transaction Type:**

Enterprise, **Industry Focus:**

Mobile, Healthcare

Selected Recent Investments / Exits

FinTech / Financial Services Investments 2

Date	Company	Deal Amt. ³	Board Rep.	Sector
03/17	Upstart (Series C)	\$33	Robert Schwartz	Bnkg
03/16	Swift Financial (PayPal)*	30	Shawn Cherian	Bnkg
08/15	SoFi (Series E)	1,000	NA	Bnkg
07/15	Upstart (Series C)	35	NA	Bnkg
06/15	Harvest Exchange (Series B)	5	NA	CapMkts

Other Notable Investments 2

Date	Company	Deal Amt. ³	Board Rep.	Sector
07/17	Oryx Vision (Series B)	\$50	NA	Auto
04/17	Surface Hotels (Seed)	4	NA	Travel
01/17	Aryaka Networks (Series D)	45	Shawn Cherian	Cloud
09/16	Grab (Series F)	800	NA	Mobile
08/16	Kentik (Series B)	23	Robert Schwartz	Software
06/16	Didi Chuxing (Early-Stage VC)	7,300	NA	Mobile
10/15	Sentinel Labs (Series B)	25	Robert Schwartz	Security
07/15	Channel Medsystems (Series C)	24	Jason Hong	HCIT
04/15	Yellowbrick Data (Series A)	NA	NA	Data
03/15	Elastica (Blue Coat Systems)*	9	Robert Schwartz	Security
02/15	Lyric (Series A)	20	Jason Hong	Biotech

Source: Company website, PitchBook

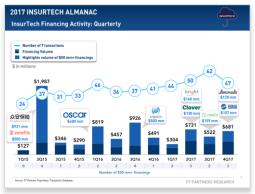
Italics indicate preferred control / geography

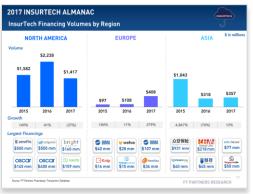
FT Partners Research – 2017 InsurTech Almanac

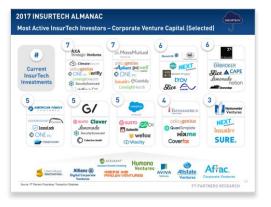


Highlights of the report include:

- 2017 and historical InsurTech financing and M&A volume and deal count statistics
- Largest InsurTech financings and M&A transactions in 2017
- Most active InsurTech investors
- Corporate VC activity and strategic investor participation
- Other industry, capital raising and M&A trends in InsurTech

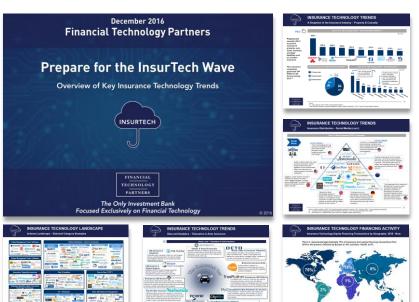






FT Partners Research – InsurTech Industry Report

Prepare for the InsurTech Wave: Overview of Key InsurTech Trends



FT Partners' 269-page report provides an in-depth look at the major waves of innovation and disruption that are beginning to radically alter the insurance industry.

Additional highlights of the report include:

- An analysis of specific trends across: Insurance Distribution, Sales, Marketing and Engagement, Data and Analytics and Insurance Administration
- The responses of incumbents to date including the innovations, investments, partnerships and acquisitions being made to stay ahead of the game
- Proprietary InsurTech financing and M&A statistics and a comprehensive list of transactions in the space
- A detailed industry landscape of InsurTech providers as well as other innovative, tangential companies and profiles of 54 companies operating in the InsurTech ecosystem

FT Partners Research - Transaction Profiles -- Click to View



SquareTrade's \$1.4 billion Sale to Allstate



Automatic's \$115 million Sale to SiriusXM



Goji's \$15 million Financing Round Led by HSCM Bermuda



Lemonade Raises \$120 million in Series C Financing



Health IQ Raises \$35 million in Series C Financing



Assurant Acquires The Warranty Group



Verisk Analytics Acquires Sequel for \$322 million



InsurTech CEO Interview: Coalition

VIEW MORE FT PARTNERS RESEARCH

Leading Advisor Across the InsurTech Landscape

Consumer Protection Plans

Financial Technology Partners LP FTP Securities LLC

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



in its sale to



for total consideration of

\$ 1,400,000,000



The Only Investment Bank Focused Exclusively on Financial Technology

Telematics / Connected Car Solutions

Financial Technology Partners LP FTP Securities LLC

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



in its sale to



for total consideration of approximately

\$ 115,000,000



The Only Investment Bank Focused Exclusively on Financial Technology

Online Small Business Insurance

Financial Technology Partners LP FTP Securities LLC

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



in its equity capital raise led by

OAK **HC/FT**

for total consideration of

\$ 31,000,000



The Only Investment Bank Focused Exclusively on Financial Technology

Sales Automation Technology & Platform

Financial Technology Partners LP FTP Securities LLC

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



in its sale to

MOELIS CAPITAL PARTNERS



The Only Investment Bank Focused Exclusively on Financial Technology

Largest Wholesale Brokerage in U.S.

Financial Technology Partners LP FTP Securities LLC

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



in its growth recapitalization by



New Mountain Capital li

valued at approximately

\$ 1,300,000,000



The Only Investment Bank Focused Exclusively on Financial Technology

Auto Finance and Insurance Solutions

Financial Technology Partners LP FTP Securities LLC

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



on its sale to an Affiliate of



FINANCIAL TECHNOLOGY PARTNERS

The Only Investment Bank Focused Exclusively on Financial Technology

Agency Management / Marketing Technology

Financial Technology Partners LP FTP Securities LLC

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



in its sale of

Zywave Insurance Solutions to



FINANCIAL TECHNOLOGY PARTNERS

The Only Investment Bank Focused Exclusively on Financial Technology

Life & Annuity Technology Solutions

Financial Technology Partners LP FTP Securities LLC

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



in its sale to





The Only Investment Bank Focused Exclusively on Financial Technology

Online Personal Lines Insurance Agency

Financial Technology Partners LP FTP Securities LLC

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



H S HSCM BERMUDA

for total consideration of

\$ 15,000,000



The Only Investment Bank Focused Exclusively on Financial Technology

SaaS / Claims for Property & Contents

Financial Technology Partners LP

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



in its sale to



TECHNOLOGY

FT Partners Advises Goji on its Financing

Transaction Overview

- On November 15, 2017, Goji announced it has raised \$15 million in financing led by Hudson Structured Capital Management Ltd., doing business as HSCM Bermuda
- Founded in 2007 and headquartered in Boston, MA, Goji is the country's leading independent online personal lines insurance agency
 - Goji's data-driven home and automobile insurance platform enables
 Goji agents to seamlessly match the optimal coverage needs of its
 preferred buyers with Goji's integrated network of more than a dozen insurance carriers
- HSCM Bermuda was founded in 2015 and invests in reinsurance and insurance-linked assets across all lines of businesses through an array of innovative structures that allow risk transference, including from the life and property/casualty sectors, to the capital markets
- Goji's existing investors include: Thayer Street Partners, a tech-enabled financial- and business services-oriented private investment firm, Matt Coffin's Coffin Capital & Ventures, and Five Elms Capital, a Kansas City-based growth capital investment firm focused on tech-enabled companies

Significance of Transaction

- The investment allows Goji to benefit from HSCM Bermuda's sophisticated knowledge of insurance and its strong access to the insurance and reinsurance markets
- · Additionally, the investment will drive accelerated growth at Goji

FT Partners' Role

- FT Partners served as a strategic and financial advisor to Goji and its Board of Directors
- This transaction underscores FT Partners' successful track record generating highly favorable outcomes for leading InsurTech companies

Financial Technology Partners LP FTP Securities LLC

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



in its financing led by



for total consideration of

\$15,000,000



FT Partners Advises SquareTrade on its Sale to Allstate

Overview of Transaction

- On November 28, 2016, SquareTrade announced its \$1.4 billion all-cash strategic sale to the Allstate Corporation
- Headquartered in San Francisco, CA, SquareTrade offers top-rated protection plans trusted by millions of consumers for electronics and appliances
 - SquareTrade's branded products are sold through major retailers
- Allstate is the largest publicly held personal lines property and casualty insurer in America serving more than 16 million households nationwide
- More details available in Allstate's transaction <u>press release</u> and <u>investor</u> presentation

Significance of Transaction

- This transaction expands Allstate's protection offering to consumer electronics, connected devices and appliances
- SquareTrade substantially increases Allstate's customer relationships while providing both strong near-term and long-term growth opportunities

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to SquareTrade and its Board of Directors
- This transaction demonstrates FT Partners' continued leadership position as the "advisor of choice" to the highest quality FinTech companies
- FT Partners represented <u>SquareTrade in its \$238 million strategic growth</u> investment with Bain Capital and Bain Capital Ventures
- FT Partners also recently represented Bain Capital Ventures' portfolio company Enservio in its sale to Solera demonstrating our long-term trusted relationship

Financial Technology Partners LP FTP Securities LLC

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



in its sale to



for total consideration of

\$1,400,000,000



FT Partners Advises Automatic on its Sale to SiriusXM

Overview of Transaction

- On April 27, 2017, Automatic Labs ("Automatic" or the "Company") announced that it has been acquired by SiriusXM ("Sirius") for a purchase price of approximately \$115 million
- Automatic provides a data-driven platform that enables vehicle owners to be safer and drive smarter; The Company's proprietary Automatic Pro and Automatic Lite connected car adapters provide vehicle diagnostic alerts, emergency services, fuel monitoring, access to parking information, vehicle location and much more
 - Automatic also works with insurance carriers to enable usage-based savings and teen driver coaching, and works with automotive dealers to provide tools that help manage their vehicle inventory and customer service relationships
- Headquartered in New York, NY, SiriusXM holds a unique position in the connected vehicle space, offering unparalleled audio entertainment and data services in vehicles from every major carmaker

Significance of Transaction

- The acquisition deepens and expands SiriusXM's connected vehicle offerings for drivers nationwide and the industry's leading carmakers
 - SiriusXM's position will be further strengthened with data collection and analytical tools that will ultimately enrich key elements of the connected vehicle experience

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Automatic
- This transaction demonstrates FT Partners' continued success advising the highest quality FinTech companies and achieving outstanding results in the InsurTech sector

Financial Technology Partners LP FTP Securities LLC

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



in its sale to



for total consideration of approximately

\$ 115,000,000



FT Partners Advises Enservio on its Sale to Solera

Overview of Transaction

- On July 19, 2016 Enservio, Inc. ("Enservio" or the "Company") announced it has entered into a definitive agreement to be acquired by Solera
- Headquartered in Needham, Massachusetts, Enservio is the largest U.S. provider of SaaS-based software and services to the property contents insurance marketplace
 - Existing investors include Bain Capital Ventures and Matrix Partners
- Solera Holdings ("Solera") is a leading provider of digitally-enabled risk and asset management software and services to the automotive and property marketplace
 - Acquired by Vista Equity Partners for \$6.4bn in Sept. 2015

Significance of Transaction

- Enservio's proprietary database of more than \$10 billion in property contents information will add another component to Solera's Digital Home platform
- Move signals accelerated expansion of Solera's asset management and risk protection technologies for life's most important assets
- Acquisition leverages Solera's unique Invent & Acquire ("I&A") strategy
- Highly-attractive outcome for both Enservio and Solera

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Enservio and its Board of Directors
- Transaction demonstrates FT Partners' continued success advising top-tier companies and achieving outstanding results within the Insurance IT and Services sector

Financial Technology Partners LP FTP Securities LLC

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



in its sale to





FT Partners Advises Insureon on its \$31 million Financing

Overview of Transaction

- On October 21, 2015 Insureon ("Insureon" or the "Company") announced a \$31mm Series B minority investment round
 - Investment round led by Oak HC/FT ("Oak")
 - Existing investor Accretive LLC ("Accretive") also participated
- Insureon is the leading insurance online marketplace for small and micro businesses
 - Serves retail clients directly and also supports banks, brokerages and insurance companies through a wholesale offering
 - Coverage provided for 175,000+ small businesses
- Oak HC/FT is a \$500mm venture capital fund focused on investing in healthcare and financial services technology companies
- Accretive is a leading private investment firm specializing in the creation of disruptive technology companies

Significance of Transaction

- Creates opportunity for Insureon to accelerate its growth in the small business insurance sector
- Enables Insureon to increase its investment in technology development, and enhance its sales and marketing capabilities

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Insureon and its Board of Directors
 - Follows FT Partners' role advising Insureon on its 2014 acquisition of Insurance Noodle from Willis
- Transaction demonstrates FT Partners' continued success advising top-tier companies and achieving outstanding results within the Insurance IT and Services sector

Financial Technology Partners LP FTP Securities LLC

is pleased to announce its exclusive role as



in its equity capital raise led by



for total consideration of

\$31,000,000



Award-Winning Investment Banking Franchise Focused on Superior Client Results

Institutional Investor Institutional Investor Annual Ranking	2017 2015 - 2016 2006 - 2008	 Ranked #1 Most Influential Executive on Institutional Investor's FinTech 40 List Steve McLaughlin Ranked Top 5 on Institutional Investor's FinTech 35 List Consecutively Ranked (2006, 2007 and 2008) among the Top Bankers on Institutional Investor's "Online Finance 40"
The Information	2016	Ranked #2 Top Technology Investment Banker on The Information's "Silicon Valley's Most Popular Dealmakers"
	2015 - 2017	 Investment Banker of the Year – 2017 Investment Banking Firm of the Year – 2016 Cross Border Deal of the Year - 2016 Dealmaker of the Year – 2015 Technology Deal of the Year – 2015
2017 - 2004 ANNUAL AWARDS WINNER M&A Advisor Awards	2010 -2014	 Equity Financing Deal of the Year - 2014 Professional Services Deal of the Year, Above \$100 mm - 2014 Dealmaker of the Year - 2012 Professional Services Deal of the Year, Above \$100 mm - 2012 Boutique Investment Bank of the Year - 2011 Deal of the Decade - 2011 Upper Middle Market Deal of the Year, Above \$500 mm - 2010 IT Services Deal of the Year, Below \$500 mm - 2010 Cross-Border Deal of the Year, Below \$500 mm - 2010
	2004 - 2007	 Dealmaker of the Year – Steve McLaughlin – 2007 Business to Business Services Deal of the Year - 2007 Computer and Information Technology Deal of the Year, Above \$100 mm – 2007 Financial Services Deal of the Year, Above \$100 mm – 2007 Investment Bank of the Year – 2004
Middle Market Financing Awards	2006 - 2008	 Equity Financing Dealmaker of the Year – Steve McLaughlin – 2008 Information Technology Deal of the Year – 2008 Financial Services Deal of the Year – 2008 Financing Professional of the Year – Steve McLaughlin – 2006

The FT Partners Senior Banker Team

Name / Position	Prior Background	Experience / Education	Years of Experience
Steve McLaughlin Founder, CEO and Managing Partner	Goldman Sachs	 Formerly with Goldman, Sachs & Co. in New York and San Francisco from 1995-2002 Former Co-Head of Goldman Sachs' Financial Technology Group (#1 market share) Wharton M.B.A. 	23
Paul VanderMarck Managing Director	R <u>M</u> S	 Former Chief Product Officer at Risk Management Solutions, a global technology business in the catastrophic risk space 25+ years of experience as an InsurTech operating executive Experienced advisor and investor in the InsurTech space 	26
Greg Smith Managing Director	Merrill Lynch J.P.Morgan	 Formerly award winning Equity Research Analyst at Merrill Lynch / J.P. Morgan / Hambrecht & Quist 20+ years of experience covering FinTech as both an Analyst and Investment Banker 	22
Osman Khan Managing Director	Â pwc	 Former Managing Director / Head of FIG M&A at Alvarez & Marsal 15+ years FIG deal, consulting and assurance experience at PwC 40 Under 40 M&A Advisor Award Winner in 2013 LSE (BSc w/Honors), MBS (MBA w/Distinction), ICAEW (FCA) 	21
Steve Stout Managing Director	J.P.Morgan First Data	 Former Global Head of Strategy at First Data Formerly Led J.P. Morgan Payments Investment Banking Former Equity Research Analyst on #1 ranked team at UBS and Economist at the Federal Reserve Bank 	20
Tim Wolfe Managing Director	Goldman Sachs	 Formerly with Goldman, Sachs & Co. beginning in 2000 Started at FT Partners in 2002 40 Under 40 M&A Advisor Award Winner 2013 Harvard M.B.A. 	16
Timm Schipporeit Managing Director	Morgan Stanley Index Ventures	 11+ years with Morgan Stanley, Senior Executive Director of European Technology Investment Banking Team in London Formerly a Venture and Growth Investor focused on FinTech at Index Ventures 	15
Andrew McLaughlin Managing Director	Deloitte.	 20+ years experience executing / implementing financial and operational strategy Formerly with Deloitte Consulting 	12