

FT PARTNERS FINTECH INDUSTRY RESEARCH

February 1, 2019

Clover

**Clover Health Raises \$500 million in Financing
Led by Greenoaks Capital Management**



GREENOAKS

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 17 years of exclusive focus on Financial Technology

FT Partners' Advisory Capabilities



FT Partners' FinTech Industry Research

FINTECH RESEARCH & INSIGHTS

- In-Depth Industry Research Reports
- Proprietary FinTech Infographics
- Monthly FinTech Market Analysis
- FinTech M&A / Financing Transaction Profiles



The Information

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



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



THE M&A ADVISOR

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

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Clover Health Raises \$500 million in Financing

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Transaction Summary

Transaction Summary

- On January 29, 2019, Clover Health announced it has raised \$500 million in financing led by Greenoaks Capital Management
 - With this latest financing, the Company's total debt and equity financing reaches \$925 million
 - The Company declined to disclose the current valuation but was valued at \$1.2 billion after its \$130 million Series D round in 2017 according to TechCrunch ⁽¹⁾
- The Company also announced the promotion of Andrew Toy, its Chief Technology officer, to the role of President and CTO ⁽¹⁾
- The new funding will be used to focus on growth, innovation, deepening Company ties with physicians, and improving the quality of care afforded to members
 - The Company is currently developing predictive technologies including a machine learning model called "QuickScore" that boasts an 85% accuracy rate in identifying members who are at risk of being admitted to the hospital in the next 28 days ⁽²⁾
- The Company competes for a share of the 20 million enrollee Medicare Advantage market that boasts over \$200 billion in annual revenue ⁽¹⁾
- Clover has differentiated itself from incumbents by collecting and analyzing health and behavioral data to lower costs and improve medical outcomes for members ⁽¹⁾

Company Overview and Stats

Clover Health provides an online health insurance platform and services for Medicare patients, focusing on collecting and monitoring patient data for better preventative and real-time care

\$400 million

Annual Revenue ⁽¹⁾

\$838 million

Equity Financing raised to date

40,000

Members in GA, NJ, AZ, PA, SC,
TN, and TX ⁽¹⁾

Management Commentary

"Clover's continuously improving economic fundamentals have allowed us to build sustainably, thoughtfully enter new markets and increase our overall membership by 35 percent during the last 12 months, compared with nationwide growth of 8 percent for Medicare Advantage overall. This has made Clover one of the fastest growing insurers in [Medicare Advantage] over the past three years. That said, there is much more to accomplish, which is why I am so excited about entering this next phase in our company's history." ⁽²⁾

Clover

Vivek Garipalli
CEO & Co-Founder



Source: Company website, FT Partners' Proprietary Transaction Database

⁽¹⁾ Tech Crunch: "Alphabet-backed Medicare Advantage startup Clover Health raises \$500m"

⁽²⁾ Clover: "The next step in advancing Clover Health's mission to improve every life"

Clover Health Raises \$500 million in Financing

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Clover

Clover Health Overview

Company Overview


















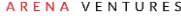







CEO: Vivek Garipalli

Headquarters:  San Francisco, CA

Founded: 2012

- Clover Health is a Preferred Provider Organization (PPO) with a Medicare contract
- The Company utilizes patient-centered analytics and dedicated care management to better prevent illness and help seniors
- Like Medicare, Clover offers coverage to see any doctor and visit any hospital, but also includes prescription coverage with \$0 generic prescriptions

Selected Equity Financing

Date	Size (\$ mm)	Type	Investor(s)
05/11/17	\$500	Late Stage VC	 Undisclosed Investors
05/11/17	130	Series D	     
04/26/16	160	Series C	           
08/20/14	35	Series B	    
09/08/15	13	Series A	 Undisclosed Investors

Products & Services Overview

With Clover Plans, every member gets their own Personal Care Team

Nurse Practitioners

- Visit your home and do check-ups to make sure you're healthy and safe
- Follow up after hospital visits and procedures to speed up recovery

Customer Experience

- Help to coordinate members with available services and work to ensure members have a great experience with Clover
- Answer questions about bills or coverage, whenever you need help

Clover Plan Core Benefits

- **Equal Cost Sharing:** The same low costs for services both in and out of Clover's doctor network
- **Vision Coverage:** Low copays for eye exams, glasses (frames & lenses), and contact lenses
- **Gym Membership:** Free membership to 13,000 gyms and fitness centers
- **Personal Care Team:** Nurse Practitioners and Customer Experience Agents work together to give each member personalized support

Leadership Team



Vivek Garipalli
Co-Founder & CEO



Kris Gale
Co-Founder



Andrew Toy
President & CTO



Varsha Rao
COO

Clover Health Raises \$500 million in Financing

Greenoaks Capital Overview

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Clover

Overview



GREENOAKS



Neil Mehta
Founder &
Managing Partner



Benny Peretz
Managing Partner



Bob Scully
Principal



Patrick Backhouse
Associate

Locations

- San Francisco, CA (HQ)

About

- Founded in 2009 by Neil Mehta
- Greenoaks makes long-term concentrated investments in high-growth internet businesses globally
- Focused on making a select number of investments and contributes more capital as follow-on investments
- Willing to hold investments up to 10 years to build out businesses to their greatest potential
- Investments in FinTech include Robinhood and Addepar – other notable investments include Coupang, Flipkart and Oyo Rooms
- Extensive network of Family Offices and LP's that allow Greenoaks to compete with top tier PE firms

Investment Preferences

Investment Criteria

Fund Amount:	NA
Fund Raised:	NA
Investment Size:	\$20 – 100 mm
Revenue:	NA
EBITDA:	NA

General Preferences ¹

Control:	Majority, Minority
Geography:	Global
Transaction Type:	Seed, Venture, Growth, Later Stage
Industry Focus:	FinTech, Software, Ecommerce, Mobile, Tech, Alt Lending

Selected Recent Investments / Exits

FinTech / Financial Services Investments ²

Date	Company	Deal Amt. ³	Board Rep.	Sector
01/19	Clover (Series E)	\$500	Benny Peretz	Ins
10/18	Brex (Series C)	125	NA	Bnkg
05/17	Socotra (Series A)	17	NA	Ins
05/18	Robinhood (Series D)	363	NA	Sec
06/17	Clover Health (Series D)	130	Benny Peretz	Ins
04/17	Robinhood (Series C)	110	NA	CapMkts
05/14	Addepar (Series C)	50	NA	CapMkts
02/13	Plastiq (Series A)	6	NA	Pymts

Other Technology Investments ²

Date	Company	Deal Amt. ³	Board Rep.	Sector
12/18	Discord (Later Stage VC)	\$150	NA	Online Gaming
09/18	OYO Rooms (Series E)	1,000	Niel Mehta	Travel
08/18	Sonder (Series C)	85	NA	Travel
01/18	Katerra (Series D)	865	NA	Software
06/17	Atrium LTS (Early Stage VC)	10	NA	Legal
06/17	Alto Pharmacy (Series B)	23	NA	Health

Source: PitchBook, FT Partners' Proprietary Database

1) Italics indicate preferred control / geography

2) * denotes M&A exit; ** denotes IPO exit

3) Deal Amount in mm

Selected FT Partners InsurTech Research – *Click to View*



SquareTrade's \$1.4 billion Sale to Allstate



Lennar's Co-Lead Investment in Hippo



Goji's Sale to Seeman Holtz P&C



Next Insurance's \$83 million Series B Financing



The Carlyle Group Acquires Majority Stake in Sedgwick for \$6.7 billion



Devoted Health Raises \$300 million in Series B Financing



Bright Health Raises \$200 million in Series C Financing



Cambridge Mobile Telematics Raises \$500 million in Financing

[VIEW MORE FT PARTNERS RESEARCH](#)

FT Partners Research – Annual InsurTech Almanac

2018 InsurTech Insights



Click pictures to view report

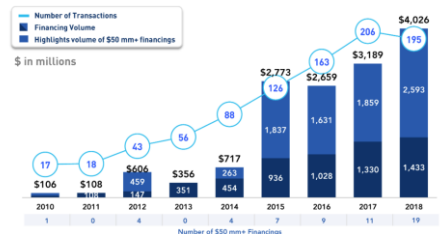
Highlights of the report include:

- 2018 and historical InsurTech financing and M&A volume and deal count statistics
- Largest InsurTech financings and M&A transactions in 2018
- Most active InsurTech investors
- Corporate VC activity and strategic investor participation
- Other industry, capital raising and M&A trends in InsurTech

2018 INSURTECH ALMANAC

InsurTech Financing Activity: Annually

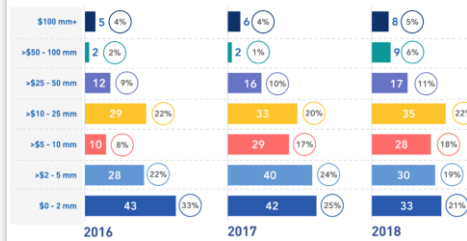
InsurTech Private Company financing volume reached a record level in 2018, driven by a significant increase in financings of more than \$50 million



2018 INSURTECH ALMANAC

Number of InsurTech Financings by Round Size

The distribution of InsurTech financing amounts has been slowly shifting towards larger rounds as the sector has matured



ALLOCATION OF INSURTECH INVESTMENTS – P&C vs. L&H

Selected P&C Financings				Selected L&H Financings			
Target	Amount (\$ in mm)	Type		Target	Amount (\$ in mm)	Type	
BITSIGHT	\$40	Cyber Risk Rating Platform		COYA	\$30	Digital Insurer	
ROG	38	Vehicle Insurance Specialist		alan	28	Online Health Insurance	
CLARK	29	Digital Insurance Platform		bestow	23	Group Dental Insurance	
TRACTABLE	25	AI for Claims		bestow	15	Life Insurance	
simpleinsurance	24	Digital Insurance Solutions		ETHOS	15	Digital Insurance Platform	
CAPE	17	Property Intelligence Platform		ETHOS	12	Life Insurance	
atpay	13	Cyber Insurance Provider		hint	10	Care Administration Platform	
BriteCore	13	Software for Insurers		Ladder	10	Life Insurance	
kin.	13	Digital Home Insurance Agency		Fabric	10	Life Insurance	
GOO	12	Digital Insurer		Selected Diversified Financings			
LessLock	10	Rent Payment Insurance		Target	Amount (\$ in mm)	Type	
BEIN	7	Insurance Technology Provider		policybazaar	\$238	Online Distribution	
				WorkFusion	50	Claims Automation	

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



AUTOMATIC

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 role as
exclusive strategic and financial advisor to



in its Series B financing led by



for total consideration of

\$ 83,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Homeowners / P&C Insurance

Financial Technology Partners LP
FTP Securities LLC

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



in its minority investment in



with participation from new
and existing investors

for total consideration of

\$ 70,000,000



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 LLC

valued at approximately

\$ 1,300,000,000



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



for total consideration of

\$ 31,000,000



The Only Investment Bank
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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



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Agency Management / Marketing Technology

Financial Technology Partners LP
FTP Securities LLC

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in its sale of

Zywave Insurance Solutions
to



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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



in its sale to



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SaaS / Claims for Property & Contents

Financial Technology Partners LP
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sole strategic and financial advisor to



in its sale to



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FT Partners Advises Eliza on its \$170 million Strategic Sale to HMS

Overview of Transaction

- On March 13, 2017, Eliza announced its strategic sale to HMS in one of the largest healthcare software deals of the year
 - HMS will acquire Eliza for a cash purchase price of \$170 million
- Headquartered in Danvers, MA and majority owned by Parthenon Capital Partners, Eliza is a leading engagement and population analytics platform integrating proprietary data assets, a deep understanding of the healthcare consumer, and omni-channel outreach technology to deliver mission-critical results for key constituents in the healthcare market
- Since its founding in 2000, Eliza has consistently been a market leader and innovator, as evidenced by more than 50 domestic and international patents and patent applications, which HMS will acquire
- HMS operates in the healthcare insurance benefit cost containment market, using innovative technology and powerful data services and analytics to cover the entire payment continuum including eligibility verification, payment accuracy, fraud prevention, cost savings, performance improvement and provider education

Significance of Transaction

- The acquisition further expands HMS' member health and care management analytics footprint
- Eliza's engagement platform is complementary to HMS' cost containment solutions and together create a more sophisticated and integrated platform

FT Partners' Role

- FT Partners leveraged its deep domain expertise and transactional experience in the Healthcare and Insurance Services market to generate a highly successful outcome for Eliza and its shareholders
- This transaction demonstrates FT Partners' continued leadership position as the "advisor of choice" to the highest quality FinTech companies

Financial Technology Partners LP FTP Securities LLC

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

eliza

in its sale to

hms

for total cash consideration of

\$ 170,000,000

FINANCIAL
TECHNOLOGY
PARTNERS

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FT Partners Advises Benaissance on its \$80 million Sale to Wex

Overview of Transaction

- On October 15, 2015, Benaissance, LLC (“Benaissance” or the “Company”) announced it has entered into a definitive agreement to be acquired by WEX for \$80mm
- Headquartered in Omaha, NE, Benaissance is a leading provider of integrated Software-as-a-Service (SaaS) technologies and services for healthcare premium billing, payment and workflow management
 - Existing investors include Omaha-based, McCarthy Capital
- WEX is a leading, multi-channel provider of corporate payment solutions representing more than 9 million vehicles and serving a wide variety of business sectors
- The transaction is expected to close in the fourth quarter of 2015 and is subject to applicable regulatory approvals and other customary closing conditions

Significance of Transaction

- Represents a highly-attractive outcome for both Benaissance and WEX
- Combined resources and expertise of Benaissance and WEX position the Company extraordinarily well to further its leadership in the marketplace
- Enables WEX to provide an expanded and differentiated payments solution in order to grow its addressable market opportunity and wallet share in the healthcare market
- Benaissance will be integrated with WEX’s existing Evolution1 platform creating an opportunity for potential synergies as the businesses already share a number of mutual partners and customers

FT Partners’ Role

- FT Partners served as exclusive strategic and financial advisor to Benaissance and its Board of Directors
- Transaction highlights FT Partners’ continued success advising leading companies and generating highly successful outcomes in the Healthcare / Benefits IT and Services space

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 a total consideration of

\$ 80,000,000



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Award-Winning Investment Banking Franchise Focused on Superior Client Results



2018 Top Investment Bank in FinTech



Institutional Investor
Annual Ranking

2018 Steve McLaughlin Ranked #1 for the Second Year in a Row on Institutional Investor's FinTech 40 List

2017 Ranked #1 on Institutional Investor's FinTech 40 List

2015 & 2016 Ranked Top 5 on Institutional Investor's FinTech 35 List

2006 – 2008 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"



M&A Advisor
Awards

2018 Corporate / Strategic Deal of the Year

2018 Cross Border Deal of the Year

2017 Investment Banker of the Year

2016 Investment Banking Firm of the Year

2016 Cross Border Deal of the Year

2015 Dealmaker of the Year

2015 Technology Deal of the Year

2014 Equity Financing Deal of the Year

2014 Professional Services Deal of the Year, \$100 mm+

2012 Dealmaker of the Year

2012 Professional Services Deal of the Year, \$100 mm+

2011 Boutique Investment Bank of the Year

2011 Deal of the Decade

2010 Upper Middle Market Deal of the Year, \$500 mm+

2010 IT Services Deal of the Year, Below \$500 mm

2010 Cross-Border Deal of the Year, Below \$500 mm

2007 Dealmaker of the Year – Steve McLaughlin

2007 Business to Business Services Deal of the Year

2007 Computer & Information Tech Deal of the Year, \$100 mm+

2007 Financial Services Deal of the Year, \$100 mm+

2004 Investment Bank of the Year

The FT Partners Senior Banker Team

Name / Position	Prior Background	Experience / Education	Years of Experience
Steve McLaughlin Founder, CEO and Managing Partner		<ul style="list-style-type: none"> Formerly with Goldman Sachs 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. 	24
Paul VanderMarck Managing Director		<ul style="list-style-type: none"> Formerly 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 	27
Larry Furlong Managing Director		<ul style="list-style-type: none"> Formerly with Goldman Sachs in New York, London and Los Angeles from 1995-2004 Wharton M.B.A. 	23
Greg Smith Managing Director		<ul style="list-style-type: none"> Formerly award winning Equity Research Analyst at Merrill Lynch, J.P. Morgan and Hambrecht & Quist 20+ years of experience covering FinTech as both an Analyst and Investment Banker 	23
Osman Khan Managing Director		<ul style="list-style-type: none"> Formerly Managing Director and 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) 	22
Steve Stout Managing Director		<ul style="list-style-type: none"> Formerly Global Head of Strategy at First Data Formerly Led J.P. Morgan Payments Investment Banking Practice Former Equity Research Analyst on #1 ranked team at UBS Former Economist at the Federal Reserve Bank 	21
Mike Nelson Managing Director		<ul style="list-style-type: none"> Formerly head of FinTech M&A at SunTrust Robinson Humphrey Kellogg M.B.A. 	19
Tim Wolfe Managing Director		<ul style="list-style-type: none"> Formerly with Goldman Sachs from 2000-2002 40 Under 40 M&A Advisor Award Winner 2013 Harvard M.B.A. 	17
Kate Crespo Managing Director		<ul style="list-style-type: none"> Formerly with Raymond James' Technology & Services investment banking 12+ years of FinTech transaction execution experience Dartmouth M.B.A. 	17
Timm Schipporeit Managing Director		<ul style="list-style-type: none"> Formerly with Morgan Stanley as Senior Executive Director of European Technology Investment Banking Team in London Formerly a Venture and Growth Investor focused on FinTech at Index Ventures 	16
Andrew McLaughlin Managing Director		<ul style="list-style-type: none"> 20+ years experience executing / implementing financial and operational strategy Formerly with Deloitte Consulting 	13