

April 18, 2015

# Financial Technology Partners

## FT Partners Research – Transaction Profile



*acquires*



*for*

# \$780 million

*Courtesy of:*



***The Only Investment Bank  
Focused Exclusively on Financial Technology***

**Financial Technology Partners**  
555 Mission St., 23<sup>rd</sup> Floor  
San Francisco, CA 94105  
Tel: 415.512.8700

[www.ftpartners.com](http://www.ftpartners.com)



**Steve McLaughlin**  
Managing Partner  
Tel: 415.992.8880  
[steve.mclaughlin@ftpartners.com](mailto:steve.mclaughlin@ftpartners.com)

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# Huatai Securities Agrees to Acquire AssetMark for \$780 mm

## Transaction Overview

- On April 11, 2016, AssetMark announced that it had entered into an agreement to be acquired by Huatai Securities for \$780 mm
  - The transaction is expected to close by the end of 2016 and is subject to customary closing conditions
- AssetMark is a provider of investment and consulting solutions designed for financial advisors and their clients
- Huatai Securities, based in China, is a broadly diversified financial services company that provides brokerage and wealth management services, investment banking services and asset management, investment and trading services to investors
- Prior to being acquired by Huatai, AssetMark was owned by two private equity firms, Aquiline Capital Partners and Genstar Capital
- After the transaction is completed, Huatai plans to keep AssetMark operating independently with the same leadership team, sales and growth strategy and brand name
- AssetMark plans to continue developing its technology and investment solutions, including releasing a new product – Investing Evolved, which is a portfolio development tool designed to help advisors meet the needs of their clients

## Commentary

*“As a management team with ownership that ensures alignment of interest in our continued success, we are confident we have the right partner to invest in AssetMark’s next stage of growth.”*

*“We are excited to work with Huatai through this transition and beyond as we share a common belief in delivering outstanding service and innovative solutions to advisors and the investors they serve.”*



**Charles Goldman, President  
and CEO of AssetMark**

*“This transaction is a strategically important action for Huatai as it is our first investment in the U.S. We are excited to work with the management team and invest in AssetMark’s growth. We also believe that AssetMark’s asset management capabilities and technology leadership give us the opportunity to provide new and innovative wealth management solutions to our clients.”*



华泰证券  
HUATAI SECURITIES

**Zhou Yi, President and Executive  
Director, Huatai Securities**

# Huatai Securities Agrees to Acquire AssetMark for \$780 mm

## AssetMark Overview



### Overview

**Headquarters:** Concord, CA

**Founded:** 2008

- AssetMark is provider of Turn-Key Asset Management Programs for the financial advisor industry
- The Company's technology platform increases financial advisor efficiency when managing client accounts and portfolios, allowing advisors to focus more of their time on their client's individual needs
- AssetMark also offers an investment platform with custom-built investment solutions, asset allocation models and a customized selection of investment providers

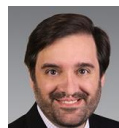
### Key Management



Charles Goldman,  
President and CEO



Carrie E. Hansen  
COO



Gary Zyla  
CFO



Jerry Chafkin  
CIO

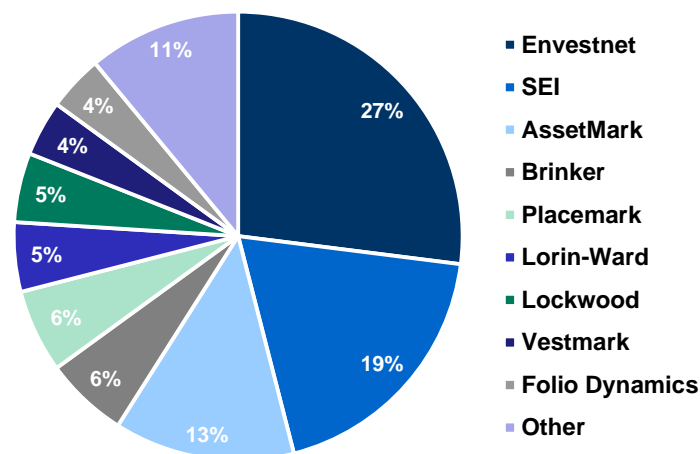


Natalie Wolfson  
CCO

### Turn-Key Asset Management Program Overview <sup>(1)</sup>

- Turn-Key Asset Management Programs or TAMPs are platforms utilized by investment advisors, wealth management firms, trust companies and RIAs to provide outsourced investment management services to their clients
- TAMPs automate a number of supporting functions for financial advisors from operations to compliance
- The automation of processes allows for more efficient client communication and processing, increased variety of product offerings and increased profitability for financial advisors

### Major TAMP Participants by Market Share



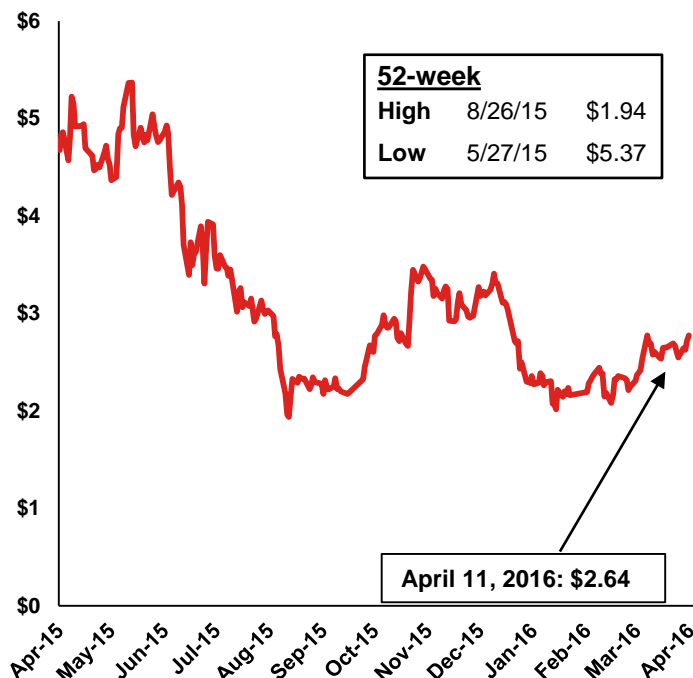
# Huatai Securities Agrees to Acquire AssetMark for \$780 mm

## Huatai Securities Overview



**Headquarters:** Nanjing, China  
**Founded:** 1991  
**Employees:** 6,853

### Stock Chart (SHSE:601688)



### Overview

- Huatai Securities is a broadly diversified China-based financial services firm
- The company offers brokerage services, investment banking services, financial advisory services and asset securitization

### Selected Recent Acquisition History

Date	Size (\$ mm)	Type	Target
11/29/15	\$1,979.9	Consortium M&A	iKang 爱康
06/23/15	1,855.3	Consortium M&A	momo
06/17/15	9,912.8	Consortium M&A	360 www.360.com
08/08/14	11.0	M&A	CSAM
11/29/13	34.5	M&A	Great Wall Futures Co.
06/19/13	na	M&A	蓝盾 BLUEDON

# Overview of FT Partners

## Selected FT Partners' Research (click to view)



Research Report: Innovations in Capital Markets Technology



PENSICO Trust Company's sale to Opus Bank



BlackRock's acquisition of FutureAdvisor



AlphaSense's \$33 mm growth financing



BATS completes its IPO, raising



Wipro's acquisition of Viteos for \$130 mm



IHS and Markit agree to merge



Nasdaq's acquisition of ISE for \$1.1 billion

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 13 years of exclusive focus on Financial Technology. Please visit our [subscription form](#) to subscribe to our exclusive monthly newsletter and receive our research reports.

# Overview of FT Partners

## Significant Experience in Capital Markets Technology

### Wealth Management

Financial Technology Partners LP  
FTP Securities LLC  
*is pleased to announce its exclusive role as  
Capital Markets & IPO Advisor to*

**ENVESTNET**

*In its*

**\$69,000,000**  
**Initial Public Offering**

*valuing the equity at approximately*

**\$ 300,000,000**

**FINANCIAL TECHNOLOGY PARTNERS**  
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Financial Technology Partners LP  
FTP Securities LLC  
*is pleased to announce its exclusive role as  
sole strategic and financial advisor to*

**EISI**

*In its sale to*

**ZYWAVE**

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Financial Technology Partners LP  
FTP Securities LLC  
*is pleased to announce its  
exclusive role as advisor to*

**BLACKROCK**

*In its 100% acquisition of*

**FutureAdvisor**

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### Data / Analytics

Financial Technology Partners LP  
FTP Securities LLC  
*is pleased to announce its exclusive role as  
sole strategic and financial advisor to*

**Zephyr**  
ASSOCIATES, INC.

*In its sale to*

**informa**

*for total cash consideration of*

**\$ 62,000,000**

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Financial Technology Partners LP  
FTP Securities LLC  
*is pleased to announce its exclusive role as  
sole strategic and financial advisor to*

**THE MARKETS.com**

*in its sale to*

**Capital IQ**  
A Division of Standard & Poor's

*for total consideration of approximately*

**\$ 300,000,000**

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Financial Technology Partners LP  
FTP Securities LLC  
*is pleased to announce its exclusive role as  
sole strategic and financial advisor to*

**alphasense**

*in its growth financing of from*

**Quantum Strategic Partners**  
*(a private investment vehicle managed by)*

**Triangle Peak** **TVP**  
TRIANGLE VENTURE PARTNERS

*for total consideration of*

**\$ 33,000,000**

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### High Frequency Trading

Financial Technology Partners LP  
FTP Securities LLC  
*is pleased to announce its exclusive role as  
sole strategic and financial advisor to*

**ATD**  
Automated Trading Partners, LLC

*in its sale to*

**citi**

*for cash and stock consideration of  
approximately*

**\$ 700,000,000**

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Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC  
*is pleased to announce its exclusive role as  
sole strategic and financial advisor to*

**QUANTHOUSE**  
SOLUTIONS FOR TRADING

*In its growth financing with*

**ViewPoint.**  
Capital Partners

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Financial Technology Partners LP  
FTP Securities LLC  
*is pleased to announce its exclusive role as  
sole strategic and financial advisor to*

**WOMBAT**  
FINANCIAL SOFTWARE

*in its sale to*

**NYSE Euronext**

*for total consideration of approximately*

**\$ 225,000,000**

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# Overview of FT Partners

## Significant Experience in Capital Markets Technology

### Trading Technology

Financial Technology Partners LP  
FTP Securities LLC

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

 **ITG** INVESTMENT TECHNOLOGY GROUP

In its acquisition of

 **macgregor**

for cash consideration of approximately

**\$ 230,000,000**

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Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC

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

**TORA** 

TECHNOLOGY. TRADING. LIQUIDITY.™

In its minority capital raise with

 **Goldman Sachs** 

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Financial Technology Partners LP  
FTP Securities LLC

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

 **TradingScreen**  
SIMPLIFYING GLOBAL MARKETS®

In its minority recapitalization for

**\$ 110,000,000**

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### Other Capital Markets Technology

Financial Technology Partners LP  
FTP Securities LLC

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

 **MajesticResearch**

In its sale to

 **ITG** INVESTMENT TECHNOLOGY GROUP

for total consideration of approximately

**\$ 56,000,000**

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Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC

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

**chi-x**

In its sale of a minority stake to

**Morgan Stanley** **QUANTLAB FINANCIAL, LLC**

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The Only Investment Bank  
Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC

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

**INSTINET**

In the sale of its stake in

**CHIX EUROPE**  
to

 **BATS**  
Trading Markets Better

for total consideration of approximately

**\$ 305,000,000**

 **FINANCIAL TECHNOLOGY PARTNERS**

The Only Investment Bank  
Focused Exclusively on Financial Technology

# Overview of FT Partners

## Award-Winning Investment Banking Franchise Focused on Superior Client Results

*FT Partners has been recognized as Investment Banking Firm of the Year and regularly achieves Merger and Financing Deal of the Year recognition*



**M&A Advisor  
Awards**

2016	<ul style="list-style-type: none"> <li>■ <b>Investment Banking Firm of the Year</b></li> <li>■ <b>Cross Border Deal of the Year</b></li> </ul>
2015	<ul style="list-style-type: none"> <li>■ <b>Dealmaker of the Year</b></li> <li>■ <b>Technology Deal of the Year</b></li> </ul>
2014	<ul style="list-style-type: none"> <li>■ <b>Equity Financing Deal of the Year</b></li> <li>■ <b>Professional Services Deal of the Year, Above \$100mm</b></li> </ul>
2012	<ul style="list-style-type: none"> <li>■ <b>Dealmaker of the Year</b></li> <li>■ <b>Professional Services Deal of the Year, Above \$100mm</b></li> </ul>
2011	<ul style="list-style-type: none"> <li>■ <b>Boutique Investment Bank of the Year</b></li> <li>■ <b>Deal of the Decade</b></li> <li>■ <i>10 Deal of the Year Nominations Across 9 Categories</i></li> </ul>
2010	<ul style="list-style-type: none"> <li>■ <b>Upper Middle Market Deal of the Year, Above \$500 mm</b></li> <li>■ <b>IT Services Deal of the Year, Below \$500mm</b></li> <li>■ <b>Cross-Border Deal of the Year, Below \$500mm</b></li> </ul>
2007	<ul style="list-style-type: none"> <li>■ <b>Dealmaker of the Year – Steve McLaughlin</b></li> <li>■ <b>Business to Business Services Deal of the Year</b></li> <li>■ <b>Computer and Information Technology Deal of the Year, Above \$100mm</b></li> <li>■ <b>Financial Services Deal of the Year, Above \$100mm</b></li> </ul>



2015	■ Steve McLaughlin ranked #4 in Institutional Investor's FinTech 35 List
2006-2008	■ Consecutively ranked (2006, 2007 and 2008) among the top Bankers in Financial Technology



**Middle Market  
Financing Awards**

2008	<ul style="list-style-type: none"> <li>■ <b>Equity Financing Dealmaker of the Year – Steve McLaughlin</b></li> <li>■ <b>Information Technology Deal of the Year</b></li> <li>■ <b>Financial Services Deal of the Year</b></li> </ul>
2006	<ul style="list-style-type: none"> <li>■ <b>Financing Professional of the Year – Steve McLaughlin</b></li> <li>■ <i>Financing Deal of the Year - Equity</i></li> <li>■ <i>Financing Deal of the Year - Debt</i></li> </ul>

Note: **Bold** represents awards that FT Partners has won, *italics* represents nominations.



# Overview of FT Partners

## The FT Partners Senior Banker Team

Name / Position	Prior Background	Experience / Education	Years of Experience
<b>Steve McLaughlin</b> <i>Founder, CEO and Managing Partner</i>		<ul style="list-style-type: none"> <li>Formerly with Goldman, Sachs &amp; Co. in New York and San Francisco from 1995-2002</li> <li>Formerly Co-Head of Goldman Sachs' Financial Technology Group (#1 market share)</li> <li>Wharton M.B.A.</li> </ul>	<b>21</b>
<b>Larry Furlong</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with Goldman, Sachs &amp; Co. in New York, London and Los Angeles beginning in 1995</li> <li>Wharton M.B.A.</li> </ul>	<b>21</b>
<b>Greg Smith</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly award winning Equity Research Analyst at Merrill Lynch / J.P. Morgan / Sterne Agee</li> <li>Recent coverage included WU, EEFT, DST, ENV, FISV, FIS, V, MA, GPN &amp; HPY among others</li> </ul>	<b>20</b>
<b>Phil Olson</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with William Blair &amp; Company in the Technology &amp; Financial Services group</li> <li>Northwestern University – Kellogg M.B.A</li> </ul>	<b>15</b>
<b>Tim Wolfe</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with Goldman, Sachs &amp; Co. beginning in 2000</li> <li>40 Under 40 M&amp;A Advisor Award Winner 2013</li> <li>Harvard M.B.A.</li> </ul>	<b>14</b>
<b>Andrew McLaughlin</b> <i>Managing Director, Research &amp; Business Development</i>		<ul style="list-style-type: none"> <li>Leads FT Partners' Research and Business Development Team</li> <li>Formerly with Deloitte Consulting</li> </ul>	<b>10</b>