

FT PARTNERS FINTECH INDUSTRY RESEARCH

August 16, 2018



Namely Raises \$60 million in Series E Financing Led by GGV Capital



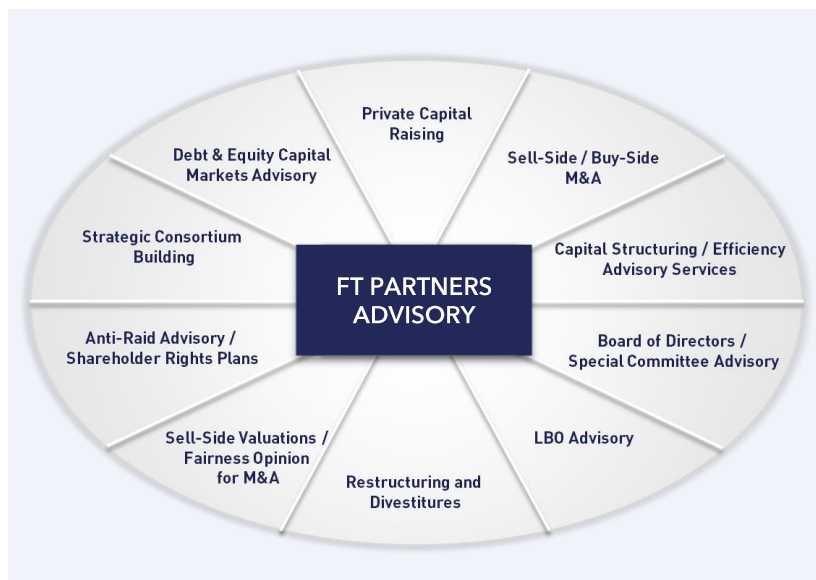
The Only Investment Bank Focused Exclusively on FinTech

San Francisco • New York • London

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

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 *Institution Investor's* "FinTech Finance 40"



THE M&A ADVISOR

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

Namely Raises \$60 million in Series E Financing

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Transaction Summary

Transaction Summary

- On August 2, 2018, Namely announced that it has raised \$60 million in growth financing led by GGV Capital
 - Tenaya Capital and existing investors Sequoia Capital, True Ventures, Matrix Partners and Scale Venture Partners also participated in the round
- The latest funding round was driven by CEO Elisa Steele, who replaced former CEO and co-founder Matt Straz
- The Namely platform features HRIS, performance management, time off tracking, team planning, and integrated reporting across HCM, payroll, and benefits information

Key Stats:

- The Company serves over **1,000 companies** with over **\$10 billion** in annual payroll
- Namely has reached a number of milestones this year, including surpassing **\$50 mm in ARR** (annual recurring revenue)
- Namely has raised over **\$200 million** in total financing
- The Company has over **500 employees** across its five offices

Transaction Commentary

"We are thrilled to lead this growth round for Namely along with many of the top investors in SaaS. We also could not be more excited to back Elisa Steele, whom we have known for many years and believe is one of the top executives and board members in the technology industry."



Jeff Richards
Managing Partner



"Since partnering in 2015, we have seen Namely establish itself as the data-driven, people-centric platform of choice for mid-market HR. We have long admired Elisa, and we are confident that her expertise will drive Namely's continued growth and success"



Pat Grady
Partner, Namely Board Member



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Namely Overview

Company Overview

CEO:  Elisa Steele

Headquarters: New York, NY

Founded: 2012

- Namely is an end-to-end human capital management platform for businesses
- Namely's comprehensive suite of products includes Namely Analytics, a platform that helps HR teams make strategic decisions

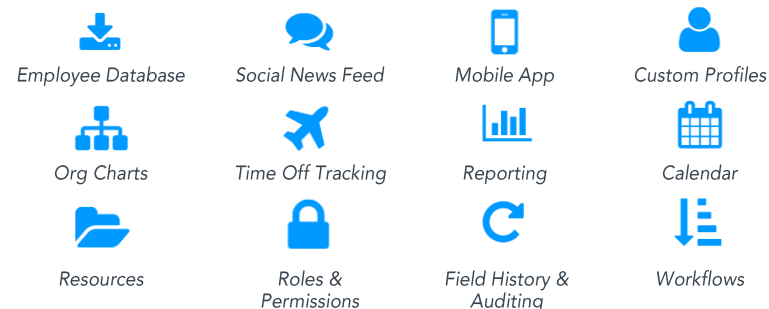
Selected Previous Equity Financings

| Date | Stage | Size (\$ mm) | Investor(s) |
|----------|-----------|--------------|--|
| 08/02/18 | Series E | \$60 | GGV CAPITAL, SEQUOIA, SCALE Venture Partners, matrix PARTNERS, TENAYA CAPITAL, true ventures |
| 02/23/16 | Series C1 | 30 | FRG, GREENSPRING ASSOCIATES, matrix PARTNERS, SEQUOIA, true ventures |
| 06/18/15 | Series C | 45 | LHV, GREENSPRING ASSOCIATES, matrix PARTNERS, SEQUOIA, true ventures |
| 03/05/15 | Series B1 | 11 | V/R, GREENSPRING ASSOCIATES, matrix PARTNERS, LHV, true ventures |
| 11/02/14 | Series B | 12 | BULLPEN CAPITAL, LHV, matrix PARTNERS, true ventures |
| 06/18/14 | na | 5 | BULLPEN CAPITAL, LHV, V/R, true ventures |
| 06/11/13 | Series A | 4 | BULLPEN CAPITAL, LHV, true ventures |

Products & Services Overview

Modern HR

- Flexible and powerful for mid-sized companies
- Personal and engaging for employees



Payroll

- Full-service payroll, in sync with all HR, time and benefits data
- Handles payroll taxes, year-end reporting and ACA forms (W-2s, 1099s, 1094s and 1095s)

Time Management

- Track time, import hours to payroll, and manage hourly employees
- Employees can clock in, select job codes and view schedules online

Benefits

- Simplify employee benefits with expert consultants and modern technology
- Namely's technology and user-friendly interface makes managing benefits simple

Talent

- Develop employees with onboarding, goals, reviews and more
- Create an organic culture that grows with employees and the company

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Selected Recent HR / Benefits Technology Financing Transactions



| Announced Date | Company | Stage / Type | Selected Buyers / Investors | Amount (\$mm) |
|----------------|----------------------------|--------------------|--|---------------|
| 08/02/18 | Namely | Series E | GGV Capital; Tenaya Capital; Sequoia Capital; True Ventures; Matrix Partners; Scale Venture Partners | \$60 |
| 07/31/18 | GUSTO | Series C | T. Rowe Price Group; MSD Capital; Dragoneer Investment Group; YC Continuity; General Catalyst Partners; CapitalG; Kleiner Perkins Caufield & Byers; 137 Ventures; Emergence Capital Partners | 140 |
| 07/14/18 | League | Series B | TELUS Ventures; Wittington Ventures; OMERS Ventures; Infinite Potential Technologies; Royal Bank of Canada (RBC); Real Ventures; BDC Venture Capital - IT Venture Fund | 47 |
| 05/21/18 | GRAVIE | Series C2 | Undisclosed Investor(s) | 3 |
| 05/03/18 | SWINGVY | Strategic | Aviva Ventures | na |
| 03/20/18 | eden health | Seed | Greycroft Partners; Piper Jaffray; Max Ventures; 645 Ventures | 4 |
| 03/06/18 | JUSTWORKS. | Series D | FirstMark Capital; Index Ventures; Thrive Capital; Bain Capital Ventures; Redpoint Ventures | 40 |
| 02/28/18 | Collective Health | na | New Enterprise Associates; Founders Fund; GV; Maverick Ventures; Sun Life Financial; Mubadala Ventures | 110 |
| 02/27/18 | Qandle | Series A | Redwood Internet Ventures | 1 |
| 01/11/18 | evive | Growth | Susquehanna Growth Equity | 43 |
| 10/04/17 | Healthcare Bluebook | Growth | Primus Capital | na |
| 09/26/17 | Lively | Early Stage | Streamlined Ventures; Transmedia Capital; Y Combinator; SV Angel; Point Judith Capital; Durant Company; Liquid 2 Ventures; Haystack Partners | 4 |
| 09/20/17 | flock | Series A | The Hartford Financial Services Group Inc.; Undisclosed Investor(s) | 4 |

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GGV Capital Overview



Overview



Hany Nada
Co-Founder &
Venture Partner



Joel Kellman
Co-Founder &
Managing Director



Hans Tung
Managing Partner



Glenn Solomon
Managing Partner



Jeff Richards
Managing Partner



Denise Peng
Venture Partner

Locations

- Menlo Park, CA (HQ)
- Shanghai, China
- Beijing, China
- San Francisco, CA

About

- Founded in 2000 by Joel Kellman, Scott Bonham and Hany Nada
- Manages ~\$2.2 bn of total capital across five funds
- Since 2010, GGV Capital has celebrated 17 IPO and 5 acquisition exits from its portfolio companies
- Typically leads rounds and serves on board of directors
- Provides investment capital to be used for sales and marketing, add-on acquisitions and international growth
- Has invested in some of the fastest-growing companies in the world, including Airbnb, DraftKings, Alibaba, Houzz and Square

Investment Preferences

Investment Criteria

| | |
|--------------------------|-------------|
| Fund Size: | \$900 mm |
| Fund Raised: | 2016 |
| Investment Range: | \$5 – 25 mm |
| Revenue: | NA |
| EBITDA: | NA |

General Preferences ¹

| | |
|--------------------------|--|
| Control: | Minority |
| Geography: | US, Singapore, China |
| Transaction Type: | Venture, Growth |
| Industry Focus: | Internet, Digital Media, Mobile, Cloud, SaaS, Consumer |

Selected Recent Investments / Exits

FinTech / Financial Services Investments ²

| Date | Company | Deal Amt. ³ | Board Rep. | Sector |
|-------|----------------------------------|------------------------|---------------------|---------|
| 08/18 | Namely (Series E) | \$60 | NA | HCIT |
| 07/18 | Lanjinrong (Series A) | 115 | NA | CapMkts |
| 06/18 | Bitsight Technologies (Series D) | 60 | Glenn Solomon | Ins |
| 06/18 | Opendoor (Series E) | 325 | Glenn Solomon | Bnkg |
| 6/18 | CashShield (Series B) | 20 | Jenny Lee | Pymts |
| 04/18 | BigCommerce (Growth) | 64 | Jeff Richards | Pymts |
| 07/17 | Ibotta (Series C) | 25 | Hans Tung, Robin Li | Pymts |
| 12/16 | Hippo Insurance (Series A) | 14 | NA | Ins |
| 05/15 | Aiwujiwu (Series D) | 120 | NA | Bnkg |
| 02/15 | 51Credit (Later-Stage VC)** | 50 | NA | Bnkg |
| 09/10 | INSIDE Secure (Series D)** | 65 | Scott Bonham | Pymts |
| 12/09 | Square (Series A)** | 10 | NA | Pymts |
| 03/08 | Accruent (Virgo Capital)* | 10 | Hany Nada | Bnkg |
| 02/03 | Qpass (Growth) | 13 | NA | Pymts |

Source: Company website, PitchBook, FT Partners' Proprietary Transaction Database

1) Italics indicate preferred control / geography 3) Deal Amount in mm

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

Selected FT Partners InsurTech Research – *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



Next Insurance's \$83 million Series B Financing



Gusto Raises \$140 million in Financing



Bind Raises \$60 million in Financing



Root Insurance Raises \$51 million in Financing



Metromile Raises \$90 million in Series E Financing

[VIEW MORE FT PARTNERS RESEARCH](#)

FT Partners Research – Quarterly InsurTech Insights

Q1 2018 InsurTech Almanac



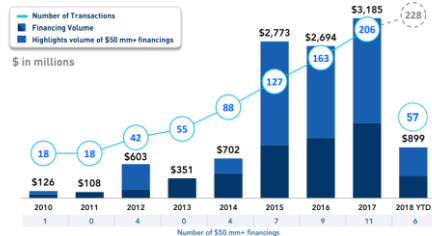
Click pictures to view report

Highlights of the report include:

- Q1 2018 and historical InsurTech financing and M&A volume and deal count statistics
- Largest InsurTech financings and M&A transactions so far in 2018
- Most active InsurTech investors
- Corporate VC activity and strategic investor participation
- Other industry, capital raising and M&A trends in InsurTech

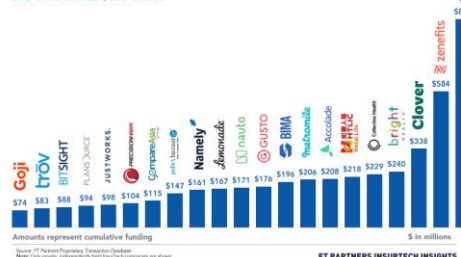
INSURTECH FINANCING ACTIVITY: ANNUALLY

InsurTech Private Company financing volume and number of transactions rose to a record level in 2017, but 2018 is already tracking at a higher annualized rate



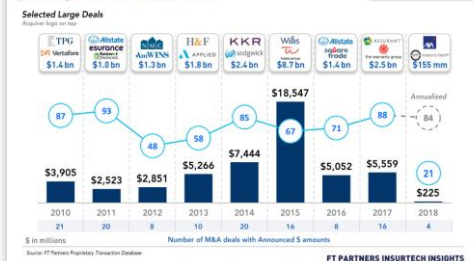
CUMULATIVE FINANCING OF PRIVATE INSURTECH COMPANIES

16 InsurTech ventures have now each raised \$100 million or more in cumulative financing, of which 8 have raised more than \$200 million and 2 more than \$500 million



INSURTECH M&A ACTIVITY

Announced M&A volume is off to a relatively slow start in 2018; however, the number of transactions remains in line with previous years on an annualized basis



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



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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
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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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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



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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
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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



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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

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sole strategic and financial advisor to



in its financing led by



for total consideration of

\$ 15,000,000



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SaaS / Claims for Property & Contents

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in its sale to



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FT Partners Advises Next Insurance on its Financing

Transaction Overview

- On July 11, 2018, Next Insurance announced an \$83 million Series B financing round led by Redpoint Ventures
 - Other investors that participated in the round include Nationwide, Munich Re, American Express Ventures, Ribbit Capital, TLV Partners, SGVC and Zeev Ventures
 - Elliot Geidt, Partner at Redpoint Ventures, will join the board of Next Insurance
- Founded in 2016 and headquartered in Palo Alto, CA, Next Insurance is the leading digital insurance company for small businesses
 - Next Insurance champions technological innovation and sophisticated uses of AI and machine learning to improve customer experience and streamline the insurance purchasing process
- In May 2018, Next announced its new status as a licensed insurance carrier, allowing the Company to write policies independently, as well as to have more freedom over underwriting, setting of prices, and configuring of policies

Significance of Transaction

- The funding will enable Next Insurance to continue its expansion throughout the US as a full service insurance carrier, further innovate claims handling, offer coverage to many more classes of business, and significantly grow internal operations in both the US and Israel
- The Series B round brings Next Insurance's total funding to \$131 million in just two years

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Next Insurance 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
exclusive strategic and financial advisor to*

NEXT
INSURANCE

in its Series B financing led by

 **Redpoint**

for total consideration of

\$83,000,000

FINANCIAL
TECHNOLOGY
PARTNERS

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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*

Goji

in its financing led by



HSCM BERMUDA
MANAGEMENT COMPANY

for total consideration of

\$15,000,000



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FT Partners Advises SquareTrade in its Strategic Sale

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 [press release](#) and [investor 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 [SquareTrade in its \\$238 million strategic growth 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



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Award-Winning Investment Banking Franchise Focused on Superior Client Results



2018

- 2018 Top Investment Bank in FinTech



Institutional Investor
Annual Ranking

2017

2015 - 2016

2006 - 2008

- Ranked #1 Most Influential Executive on Institutional Investor's FinTech 35 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"



M&A Advisor
Awards

2015 - 2017

2010 - 2014

2004 - 2007

- 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
- 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
- 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 <i>Founder, CEO and Managing Partner</i> |  | <ul style="list-style-type: none"> 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 <i>Managing Director</i> |  | <ul style="list-style-type: none"> 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 |
| Larry Furlong <i>Managing Director</i> |  | <ul style="list-style-type: none"> Formerly with Goldman, Sachs & Co. in New York, London and Los Angeles beginning in 1995 Wharton M.B.A. | 22 |
| Greg Smith <i>Managing Director</i> |  | <ul style="list-style-type: none"> 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 <i>Managing Director</i> |  | <ul style="list-style-type: none"> 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 <i>Managing Director</i> |  | <ul style="list-style-type: none"> 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 <i>Managing Director</i> |  | <ul style="list-style-type: none"> 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 |
| Kate Crespo <i>Managing Director</i> |  | <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. | 16 |
| Timm Schipporeit <i>Managing Director</i> |  | <ul style="list-style-type: none"> 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 <i>Managing Director</i> |  | <ul style="list-style-type: none"> 20+ years experience executing / implementing financial and operational strategy Formerly with Deloitte Consulting | 12 |