

August 26, 2016

Financial Technology Partners

FT Partners Research – Transaction Profile



acquires



for

\$170 million

Courtesy of:



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

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Loblaw Acquires QHR Technologies for \$170 mm

Transaction Overview

Transaction Summary

- On August 22, 2016, Loblaw Companies announced a definitive agreement to acquire QHR Technologies for approximately \$170 mm
 - Loblaw agreed to acquire all of QHR's outstanding common shares for \$3.10 per share in cash
 - The purchase price represents a 22% premium to the closing price of QHR's common shares on the TSXV, as of August 19, 2016
- The transaction has been unanimously approved by the board of directors of QHR on the recommendation of an independent committee of the board of directors
- QHR is expected to operate as a distinct business within the Shoppers Drug Mart division of Loblaw, and remain headquartered in Kelowna, British Columbia
- The transaction has the full support of QHR's management team, who have all agreed to continue with QHR in their current roles and be a part of Loblaw's broader pharmacy and healthcare group
- The transaction will be carried out by way of a statutory plan of arrangement and will require court approval and the approval of at least 66 2/3% of the votes cast by the shareholders of QHR at a special meeting expected to take place in October 2016

Transaction Commentary

"The future of healthcare is digital and this strategic investment will make us a better partner to patients and providers. QHR brings complementary talent and technology to our organization, providing opportunities to establish new business partnerships and drive improved care coordination for Canadians."

Loblaw
COMPANIES LIMITED



Jeff Leger
EVP, Pharmacy
and Healthcare

"Our focus, as always, remains on great service and the continued delivery of innovative technology that connects healthcare providers and their patients. We are excited to join Shoppers Drug Mart and we see the acquisition as a great vote of confidence for our team, our technology solutions, and the thousands of physicians and business partners that rely on our products daily."

QHR
TECHNOLOGIES



Mike Checkley
CEO

Loblaw Acquires QHR Technologies for \$170 mm




QHR Technologies Overview

QHR Technologies Overview

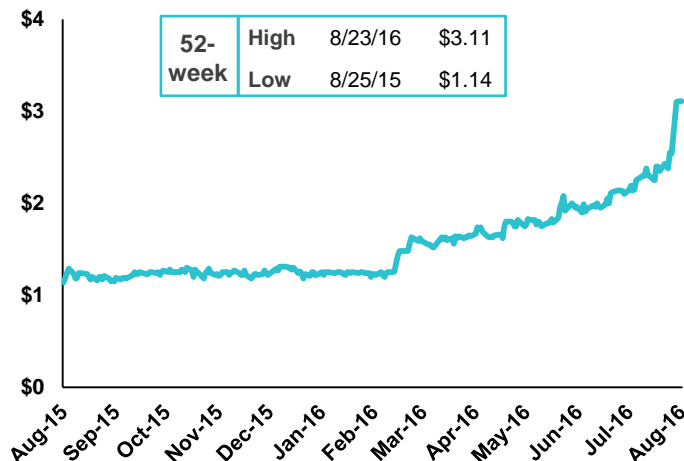
Headquarters: Kelowna, British Columbia
Founded: 1988
Employees: 201

- QHR Technologies is a developer of medical records technology software, offering medical record and healthcare technology software in Canada
- The Company offers an integrated Human Resource Information System (HRIS) and an Electronic Medical Records (EMR) Solution

Selected M&A Transactions

Date	Size (\$ mm)	Target
11/10/14	\$3	
06/11/12	4	
09/26/11	NA	 Software Business
11/09/09	5	Clinicare Corp.

QHR Technologies (TSX: QHR) LTM Stock Chart



Key Financial Statistics (LTM as of 12/31/15)

Total Revenue (mm)	\$21.7
Growth Over Prior Year	12.7%
Gross Profit (mm)	\$19.3
Margin %	88.5%
EBITDA (mm)	\$1.8
Margin %	8.2%
Net Income (mm)	(\$5.5)
Margin %	(25.2%)
Diluted EPS Excl. Extra Items	(\$0.02)

Loblaw Acquires QHR Technologies for \$170 mm

Loblaw Overview



Loblaw Overview

Headquarters: Ontario, Canada
Founded: NA
Employees: 196,000

- Loblaw is Canada's largest retailer in grocery, pharmacy, health and beauty, apparel, general merchandise, banking and wireless mobile products and services

Product Overview

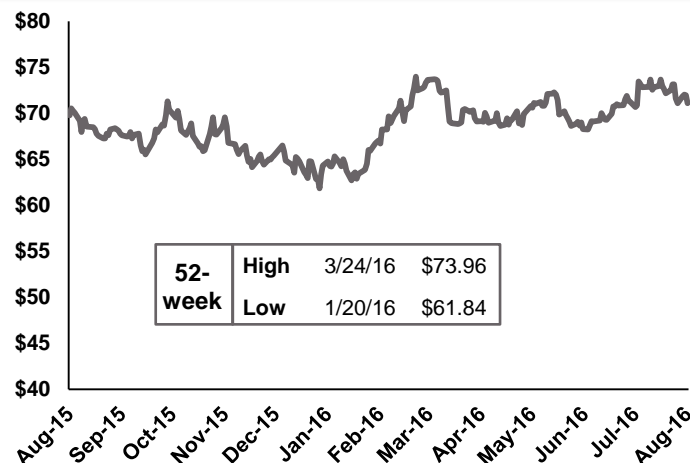
Loblaw operates six independent divisions: Market, Shoppers Drug Mart, Discount, Emerging Business, Financial and Joe Fresh



Canada's largest retail pharmacy network of 1,300 locations, Shoppers Drug Mart and Pharmaprix delivers personalized service and convenience through pharmacy, health, beauty and grocery offerings



Loblaw (TSE: L) LTM Stock Chart



Key Financial Statistics (LTM as of 01/02/16)

Total Revenue (mm)	\$35,100
<i>Growth Over Prior Year</i>	6.5%
Gross Profit (mm)	\$9,738
<i>Margin %</i>	27.7%
EBITDA (mm)	\$2,375
<i>Margin %</i>	6.8%
Net Income (mm)	\$489
<i>Margin %</i>	1.4%
Diluted EPS Excl. Extra Items	\$1.17

Overview of FT Partners

FT Partners is the Leader in Financial Technology Investment Banking

FT Partners has advised on some of the most prominent transactions in the Healthcare and Insurance IT sectors

<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p>enaissance in its sale to</p> <p>wex for a total consideration of</p> <p>\$ 80,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as Capital Markets & IPO Advisor to</p> <p>ACCRETIVE HEALTH results providers trust in its</p> <p>\$138,000,000 Initial Public Offering valuing the equity at approximately</p> <p>\$ 1,200,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as Capital Markets & IPO Advisor to</p> <p>Performant in its</p> <p>\$93,150,000 Initial Public Offering valuing the equity at approximately</p> <p>\$ 453,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p>AmWINS Group, Inc. in its growth recapitalization by</p> <p>NMC NEW MOUNTAIN CAPITAL LLC valued at approximately</p> <p>\$ 1,300,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as exclusive Strategic and Financial advisor to</p> <p>ZYWAVE in its sale of Zywave Insurance Solutions to</p> <p>AURORA CAPITAL GROUP</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>
<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p>insureon in its \$30mm equity capital raise led by</p> <p>OAK HC/FT</p> <p>\$ 31,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as exclusive strategic and financial advisor to</p> <p>aplifi We Simply Selling Insurance in its sale to</p> <p>iPipeline</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p>square trade protection plans in its recapitalization by</p> <p>BainCapital BainCapital Ventures of approximately</p> <p>\$ 238,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as strategic and financial advisor to</p> <p>SAFE-GUARD on its sale to an Affiliate of</p> <p>Goldman Sachs</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as exclusive strategic and financial advisor to</p> <p>insureon in its acquisition of</p> <p>IN insurance NOODLE a subsidiary of</p> <p>Willis</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>

Overview of FT Partners

FT Partners Advises on \$80,000,000 Sale of Benaissance

Transaction Overview and Rationale

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

FINANCIAL
TECHNOLOGY
PARTNERS

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Overview of FT Partners

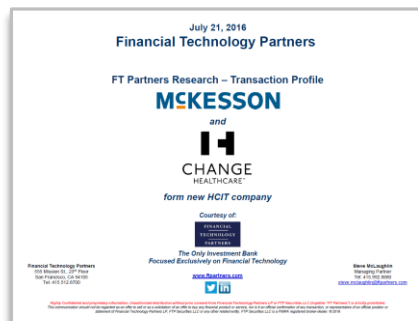
Selected FT Partners' Research (click to view)



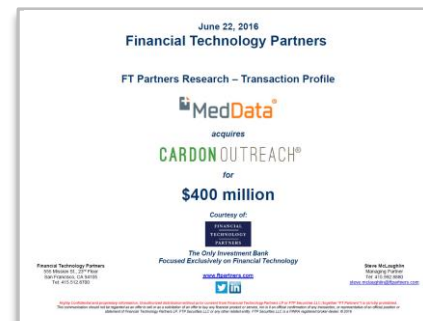
Accolade Raises \$70 mm in Additional Series E Financing



Evolent Health Acquires Valence Health for \$145 mm



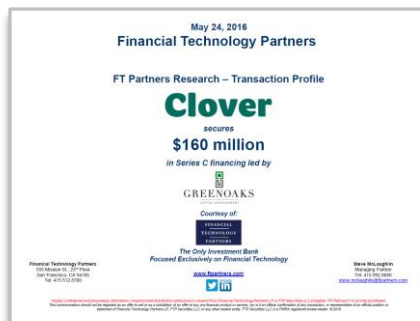
McKesson and Change Healthcare form new HCIT Company



MedData Acquires Cardon Outreach for \$400 mm



Cotiviti Completes its IPO Raising ~\$237 mm



Clover Raises \$160 mm in Series C Financing



Insureon Raises \$31 million in Series B Led by Oak HC/FT



Benaissance's Sale to WEX for \$80 million

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

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



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

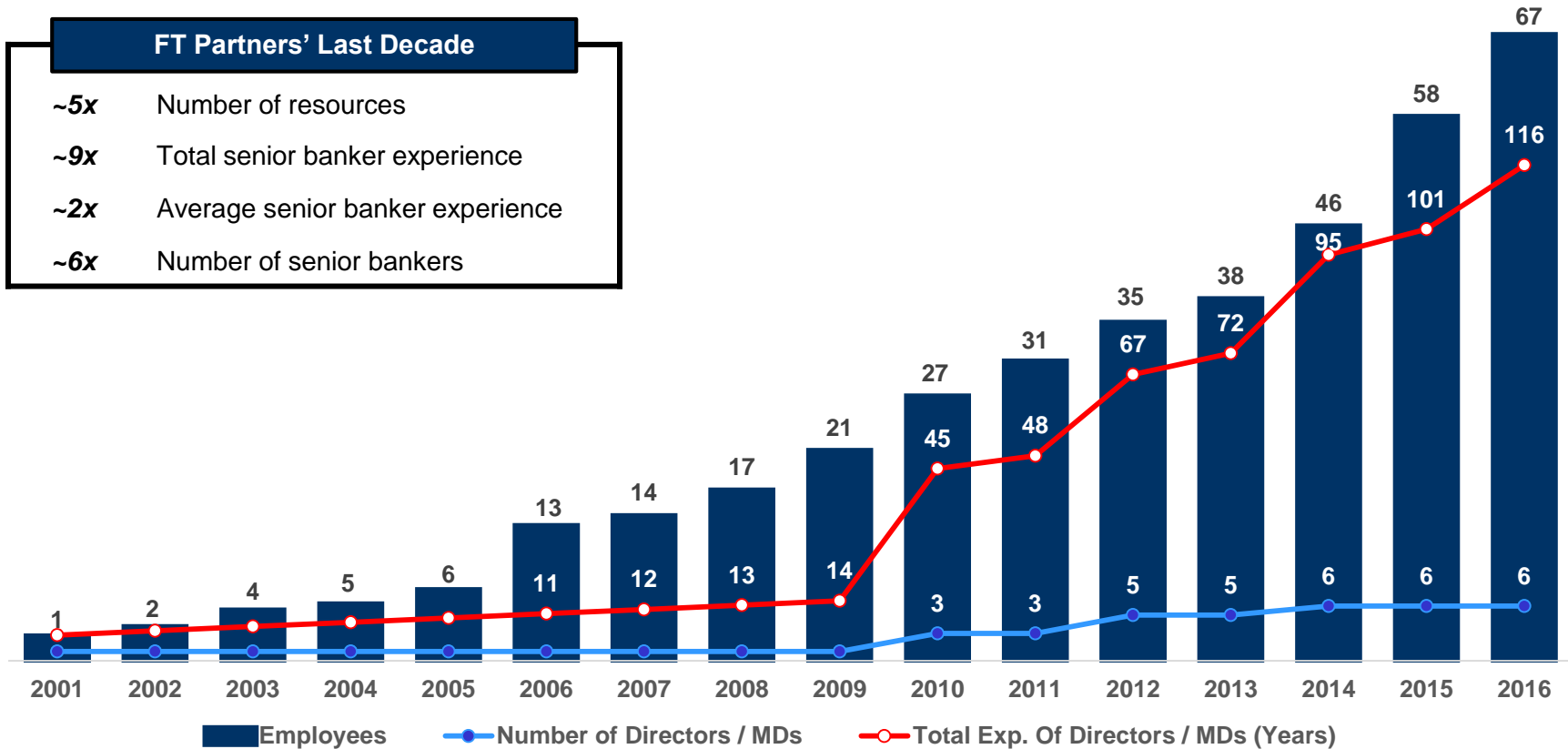
Note: **Bold** represents awards that FT Partners has won, *italics* represents nominations.

Overview of FT Partners

Platform of Choice for Clients and Bankers Alike

FT Partners' Last Decade

- ~5x Number of resources
- ~9x Total senior banker experience
- ~2x Average senior banker experience
- ~6x Number of senior bankers



Avg Years of Director / MD Experience



Overview of FT Partners

The FT Partners Senior Banking 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 Formerly Co-Head of Goldman Sachs' Financial Technology Group (#1 market share) Wharton M.B.A. 	21
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. 	21
Greg Smith <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly award winning Equity Research Analyst at Merrill Lynch / J.P. Morgan / Sterne Agee Recent coverage included WU, EEFT, DST, ENV, FISV, FIS, V, MA, GPN & HPY among others 	20
Steve Stout <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly with J.P. Morgan and UBS Formerly Global Head of Strategy at First Data 	18
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. 	14
Andrew McLaughlin <i>Managing Director, Research & Business Development</i>		<ul style="list-style-type: none"> Leads FT Partners' Research and Business Development Team Formerly with Deloitte Consulting 	10