

September 26, 2016

Financial Technology Partners LP

FT Partners Research – Transaction Profile



HeroFinCorp.

raises approximately

\$150 million

in financing from



Courtesy of:



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

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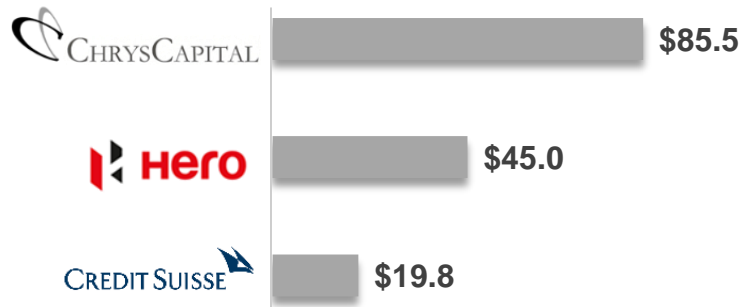
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Hero FinCorp Raises \$150 million in Financing

Transaction Summary

- On September 15, 2016, India-based Hero FinCorp announced it secured Rs 1000 crore (approx. \$150 million) in funding
 - The round was led by ChrysCapital, with participation from Credit Suisse and the Hero MotoCorp
- The Company will use the funding to improve its technology and expand its asset size and product portfolio to meet increasing demands from rural India
- The Company plans to grow its asset base by more than four-fold by 2020
- The Company plans to enter new product segments such as home loans and used two-wheeler loans

Round Contribution (\$ mm USD)



Commentary

"In the last three years, our asset size has grown to Rs 8,000 crore in 2016 from Rs 300 crore in 2013. Keeping such a strong growth in mind, this additional capital will fuel our expansion plans for the next 12-18 months."

"Rural areas are more underpenetrated and penetration is increasing there also because of the [government-sponsored] Jan Dhan Yojana and Aadhaar cards. Demand will come from here." (1)



Abhimanyu Munjal
CEO



"The financial services market in India, particularly the NBFCs [non-bank financial companies], has witnessed steep growth in recent years and it still remains largely under penetrated. With Hero FinCorp, we aim to capitalize on this opportunity by providing credit power to financially excluded customers across the hinterlands of the country."

"We want to concentrate on the FinCorp business and expand it, but will consider a banking license in the future. But not now." (2)



Pawan Munjal
Chairman



Hero FinCorp Raises \$150 million in Financing

Hero FinCorp Overview

Company Overview

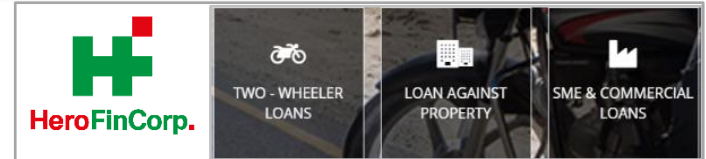
CEO:	Abhimanyu Munjal
Headquarters:	New Delhi, India
Launched:	2012
Parent Company:	Hero MotoCorp

- Hero FinCorp is an Indian non-bank financial company that provides financial solutions and services
- The Company operates corporate lending and retail financing business lines
- The Company offers two-wheeler loans, property-backed loans, SME & commercial loans and medical equipment financing

Key Metrics

- Presently has **2000 retail financing touch-points** across Hero MotoCorp's network
- Has successfully **financed over a million customers**
- Disburses more than **1.2 loans every minute**

Solutions / Services



Two-Wheeler Loan

- Hero FinCorp offers customizable loans for customers looking to purchase a two-wheeler bike

Property-Backed Loan

- Hero FinCorp offers a secured loan product backed by residential or commercial property

Business Loans

- Hero FinCorp offers SME & commercial loans at competitive interest rates
- Also offers bill discounting, purchase invoice financing, working capital loans, and project/acquisition financing

Medical Equipment Loans

- Hero FinCorp provides financing solutions for new & refurbished medical equipment
- Caters to all types of medical facilities, financing a wide array of equipment

Overview of FT Partners

FT Partners' Track Record of Success in the Alternative Lending Space

Student / Personal Loan

Financial Technology Partners LP
FTP Securities LLC

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

earnest

in its Series B minority financing led by



\$ 75,000,000



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Consumer Home Improvement Financing

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as financial advisor to

GreenSky™

in its minority investment from



for total consideration of

\$ 300,000,000



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Consumer Marketing / Credit Lead Generation

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its role as advisor to

Google capital

in its lead investment in

Credit Karma™

with additional participation from



for approximately

\$ 85,000,000



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Contractor Financing

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



in its financing, including investment from



for approximately

\$ 15,000,000



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Asset Backed Loans Financing

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as financial advisor to

borro®

in its growth financing for total consideration of

\$ 19,500,000



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SaaS-based Loan Origination

Financial Technology Partners LP
FTP Securities LLC

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

WebEquity solutions™

in its sale to

Moody's



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SMB Financing

Financial Technology Partners LP
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is pleased to announce its role as advisor to

Kabbage

in its Series E minority financing led by



\$ 135,000,000



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Supplier Finance Solutions

Financial Technology Partners LP
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is pleased to announce its exclusive role as financial advisor to

taulia™

in its Series E financing led by

zouk























































\$ 46,000,000



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Overview of FT Partners

FT Partners Advised on Three of the Largest Alternative Lending Transactions

Company	Investor(s)	Amount Raised
 SoFi	 SoftBank	\$1,000,000,000
 AVANT	 GENERAL ATLANTIC  RRE Ventures  AUGUST CAPITAL  TIGER  B.A.M.  DFJ	325,000,000
 GreenSky™	 TPG  ICONIQ  DST  WELLINGTON MANAGEMENT	300,000,000+
 AVANT	 TIGER  DFJ  RRE Ventures  KKR	225,000,000
 MOSAIC	 WARBURG PINCUS  CORE INNOVATION CAPITAL  OBVIOUS VENTURES	220,000,000
 SoFi	 THIRD POINT VENTURES  AUGUST CAPITAL  INSTITUTIONAL VENTURE PARTNERS  WELLINGTON MANAGEMENT  LAKE STAR	200,000,000
 PROSPER	 CREDIT SUISSE  J.P. Morgan  BBVA  NEUBERGER BERMAN  USAA  BREYER CAPITAL	165,000,000
 Funding Circle	 BLACKROCK  TEMASEK HOLDINGS  DST  SANDS CAPITAL  BAILLIE GIFFORD	150,000,000
 Kabbage	 RCP  REVERENCE CAPITAL PARTNERS  ING  Santander  InnoVentures  Scotiabank	135,000,000
 earnest	 BV  Bailey Ventures  ADAMS STREET PARTNERS  maveron	75,000,000

In addition to recent rounds for Earnest, Kabbage and GreenSky, FT Partners has advised on a number of other prominent Lending Tech / Alt Lending transactions

<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as sole strategic and financial advisor to</p> <p> Google Capital in its lead investment in  Credit Karma with additional participation from  TIGER  SIG  Rabbit Capital for approximately</p> <p>\$ 85,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>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> FAST PAY in its growth financing with  OAK HC/FT for total consideration of approximately</p> <p>\$ 15,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>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> lighter capital in its Series B financing led from  Voyager for total consideration of</p> <p>\$ 9,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>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> Upstart in its Series C financing led by  THIRD POINT with additional participation from  khosla ventures for approximately</p> <p>\$ 35,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>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> borrowr in its financing, including investment from  HIGHLAND  LONGRIDGE  TRINITY  FLYBRIDGE for approximately</p> <p>\$ 15,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>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> borro in its growth financing for total consideration of</p> <p>\$ 19,500,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>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> L2C inc in its sale to</p> <p> TransUnion</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>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> taulia in its Series C financing led by  zouk for approximately</p> <p>\$ 46,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>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> ELLIE MAE in its \$45,000,000 Initial Public Offering valuing the equity at approximately</p> <p>\$ 146,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>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 advisor to</p> <p> CIBC in its strategic investment in</p> <p> Bank Capital Ventures with additional participation from for total consideration of approximately</p> <p>\$ 70,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>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> custom credit systems a portfolio company of  Triton Pacific in its sale to</p> <p> MISYS a portfolio company of  Vista Equity Partners</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>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> WebEquity solutions in its sale to</p> <p> Moody's</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>

Overview of FT Partners

FT Partners Advises GreenSky in its \$300mm Minority Investment

Transaction Overview and Rationale

Overview of Transaction

- GreenSky completed a minority \$300 million financing round from TPG, DST, Iconiq and Wellington Management
- The Company provides an online loan platform that allows businesses to offer flexible credit programs to their customers – promoting higher transaction values and driving sales growth
- GreenSky's proprietary, technology-driven platform enables partners to make informed, real-time credit decisions and allows for real-time transaction processing
- The Company has grown to be a leader in the emerging Alternative Lending space, with a particular focus on home improvement financing

Significance of Transaction

- Represents the largest private equity financing in the Alternative Lending space to date
- Demonstrates a fundamental shift in lending customer acquisition models away from traditional banks and towards specialists like GreenSky
- This transaction positions GreenSky as a clear leader in Alternative Lending and enables the company to continue to innovate and bring additional products to market

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to GreenSky and its Board of Directors
- FT Partners leveraged its deep knowledge, extensive experience and broad industry relationships to help achieve a highly favorable outcome for the Company
- Transaction demonstrates FT Partners' continued success advising top-tier financial technology companies

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*is pleased to announce its
exclusive role as financial advisor to*



in its minority investment from



for total consideration of

\$ 300,000,000



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Overview of FT Partners

FT Partners Advises Kabbage on its \$135mm Minority Financing

Transaction Overview and Rationale

Overview of Transaction

- On October 14, 2015, Kabbage announced a minority \$135mm Series E equity financing round
- The round was led by Reverence Capital Partners as well as ING, Santander InnoVentures and Scotiabank
- Additional new investors include China's Yuan Capital and Japan's Recruit Strategic Partners; existing investors BlueRun Ventures, UPS Strategic Enterprise Fund and Thomvest Ventures also participated in the round
- In conjunction with the equity raise, Kabbage also increased its credit facility by more than threefold to over \$900mm to fuel the expansion of its direct lending business
- Kabbage is the leading technology and data platform powering automated lending; the Company leverages numerous data sources generated through business activity to better understand performance and deliver fast, flexible funding in real time

Significance of Transaction

- The transaction represents one of the few times in recent history that multiple global financial institutions have invested in a U.S.-based financial technology company, suggesting the potential for Kabbage's world-class platform to change the landscape of lending worldwide

FT Partners' Role

- FT Partners served as strategic advisor to Kabbage in this groundbreaking transaction
- Transaction demonstrates FT Partners' continued success advising on \$100mm+ financings for leading, world class financial technology companies while also building on the Firm's deep domain expertise in the Alternative Lending space

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role as advisor to*



in its Series E minority financing led by



InnoVentures



for total consideration of

\$ 135,000,000



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Overview of FT Partners

FT Partners Advises Earnest on its \$75mm Minority Financing

Transaction Overview and Rationale

Overview of Transaction

- On November 17, 2015, Earnest announced a minority \$75mm Series B equity financing round
- The round was led by Battery Ventures with participation from Adams Street Partners and existing investors, including Maveron
- Earnest plans on using the equity financing to continue building out current technology, data and engineering teams
- In conjunction with the equity raise, Earnest also announced an additional \$200mm of institutional lending capital from New York Life and others
- Additional lending capital will enable Earnest to introduce new products, tools and resources in the near-term as the Company is planning expansion into additional consumer finance verticals
- Earnest is a leading technology-enabled alternative lending company that is intent on disrupting consumer lending; the Company utilizes superior technology to provide lending and refinancing solutions to consumers at better rates than traditional lenders

Significance of Transaction

- This transaction capitalizes on Earnest's strong growth and traction to further establish the Company as a leading technology-enabled alternative lender
- Firmly positions the Company to expand its products and services and continue to disrupt the consumer lending space

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Earnest and its Board of Directors in this monumental transaction
- Transaction demonstrates FT Partners' continued success advising on large financings for leading, world class financial technology companies while also building on the Firm's deep domain expertise in the Alternative Lending space

Financial Technology Partners LP FTP Securities LLC

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

earnest

in its Series B minority financing led by

BV
Battery Ventures

**ADAMS STREET
PARTNERS**

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maveron

for total consideration of

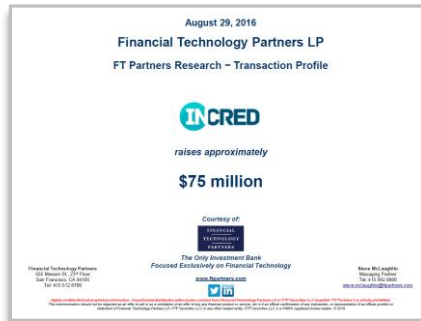
\$ 75,000,000

**FINANCIAL
TECHNOLOGY
PARTNERS**

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Overview of FT Partners

Selected FT Partners' Alternative Lending Research ([click to view](#))



InCred Raises Approximately \$75 mm in Financing



Finova Raises \$52.5 mm in Equity Financing and Credit Facility



Mosaic Raises \$220 mm in Financing led by Warburg Pincus



CommonBond Raises \$30 mm in Series C Financing led by Neuberger Berman



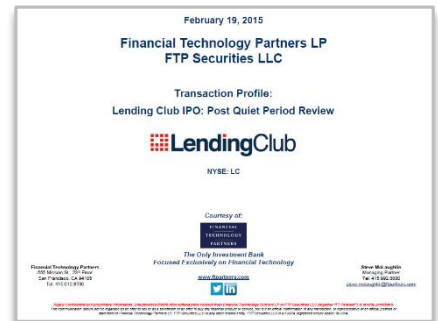
Qufenqi Raises \$449 mm in Financing



Weidai Raises \$153 million in Series C Financing



Affirm Raises \$100 mm in Financing led by Founders Fund



Lending Club IPO: Post Quiet Period Review

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 ■ <i>10 Deal of the Year Nominations Across 9 Categories</i>
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



**Institutional Investor
Annual Ranking**

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

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 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 V, MA, DFS, GPN, TSS, HPY, DST, ENV, FISV, FIS, JKHY, WU & EEFT 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 beginning 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