

December 23, 2015

# Financial Technology Partners

## FT Partners Research – Transaction Profile



**NYSE: YRD**

***completes its IPO raising \$75 million***

*Courtesy of:*



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

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# Yirendai Completes its IPO Raising \$75 million

## IPO Overview

*Yirendai priced its IPO at \$10 per share, the middle of the filing range*

*The shares began trading on December 18, 2015 closing the first day of trading at \$9.10, down 9% from the offer price*

### Key IPO Statistics

CEO:	Yihan Fang
Headquarters:	Beijing, China
Founded:	2014
Employees:	541

F-1 Filing Date:	November 17, 2015
Ticker:	NYSE: YRD
Initial Filing Range:	\$9-\$11
Listing Date:	December 18, 2015
Share Sold:	75 million American Depository Shares
Amount Raised:	\$75 million
Offer Price:	\$10
Current Price: <sup>(1)</sup>	\$9.60

### Use of Proceeds

The Company expects to use the net proceeds for general corporate purposes, which may include investment in product development, sales and marketing activities, technology infrastructure, capital expenditures, improvement of corporate facilities and other general and administrative matters.

Source: SEC filings, Capital IQ.  
(1) As of 12/22/15

### UNITED STATES SECURITIES AND EXCHANGE COMMISSION

#### Form F-1

Yirendai, Inc.



Yihan Fang  
4/F, Building 2A, No. 6 Lang Jia Yuan  
Chaoyang District, Beijing 100022  
The People's Republic of China

Morgan Stanley

  
CREDIT SUISSE

華興資本  
CHINA RENAISSANCE

# Yirendai Completes its IPO Raising \$75 million

## Business Overview

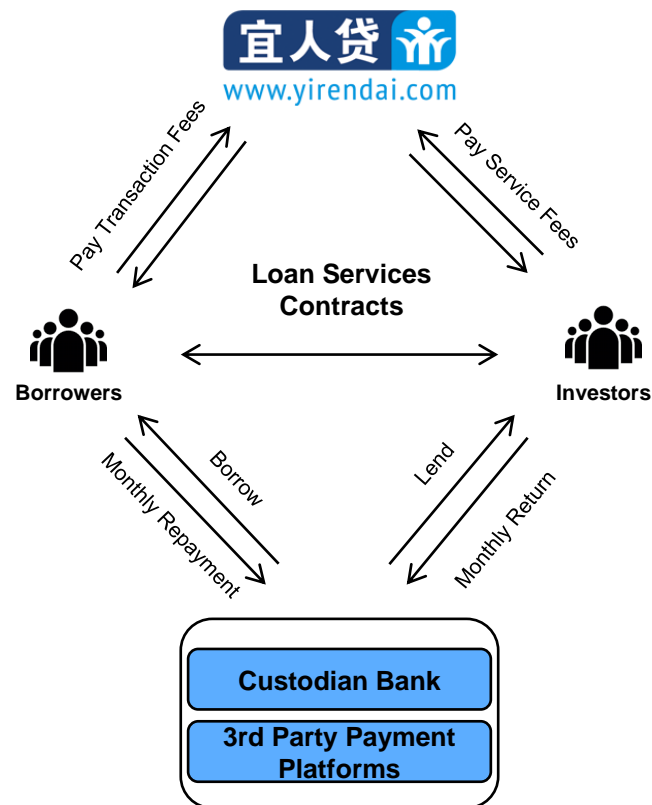
*Yirendai is a subsidiary of Beijing-based CreditEase, a national leader in wealth management, microfinance investment and microcredit loan origination and servicing*

*After the IPO, CreditEase continues to own 85.5% of Yirendai's shares outstanding, or 83.9% if the over-allotment option is exercised*

- Yirendai is an online consumer finance marketplace in China connecting investors and individual borrowers
  - The Company facilitated over RMB8.8 billion (\$1.4 billion) in loans from its inception in March 2012 through September 30, 2015
- Yirendai generates revenues primarily from fees charged for its services in matching investors with individual borrowers and for other services it provides over the life of a loan
- Leveraging the extensive experience of its parent company CreditEase, the Company provides a solution to address "largely underserved" investor and individual borrower demand in China
- The Company has a leading risk management system using proprietary credit decisioning and fraud detection modules
  - Utilizes over 250 decisioning rules and contains a blacklist with over 1,000,000 fraud detection data points
- The Company primarily targets prime borrowers, comprising credit card holders with stable credit performance and salary income
- The Company's marketplace provides investors with returns with investment thresholds as low as RMB100 (approximately \$15.70)

### Company Overview

### Solution Overview



# Yirendai Completes its IPO Raising \$75 million

## Management Team

### Yihan Fang

Chief Executive Officer

- Has served as CEO and General Manager since March 2012
- Previously served as Director of Marketing at Nelnet / CUNet in 2011, a leading provider of digital enrollment marketing solutions
- Earned her MS in Electrical Engineering and MA in Astronomy from Columbia University

### Yu Cong

Chief Financial Officer

- Has served as a Chief Financial Officer since September 2014
- Previously served as Chief Representative of Deutsche Bank AG's Beijing Representative Office
- Earned his MBA from the Walter Haas School of Business, University of California, Berkeley

### Yiting Pan

Chief Risk Officer

- Has served as Chief Risk Officer since October 2014
- Previously at Capital One as a director managing the credit economic capital team
- Earned her MBA from the University of Chicago Booth School of Business

### Nian Duan

Chief Technology Officer

- Has served as Chief Technology Officer since February 2015
- Previously worked at douban.com, a leading social network service website in China
- Earned his bachelor's and master's degrees in engineering from Huazhong University of Science and Technology in China

### Jike Chong

Chief Data Scientist

- Has served as Chief Data scientist since May 2015
- Previously worked at Simply Hired, a leading job search engine in Silicon Valley
- Earned bachelor's and master's degrees in electrical engineering from Carnegie Mellon University

### Xiaoja Sun

General Counsel

- Served as General Counsel since February 2015
- Previously served at China Minsheng as a senior consultant
- Earned her bachelor's degree in economics from Renmin University of China and her MBA from University of Virginia

# Yirendai Completes its IPO Raising \$75 million

## Industry Overview

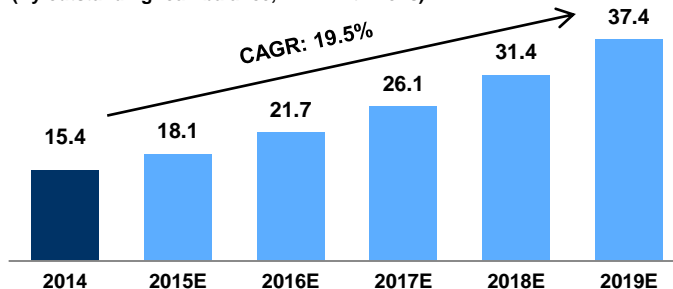
Consumption has increasingly become an important driver of China's GDP growth, with the ratio of final consumption to GDP reaching 51.0% in 2013

As consumption in China continues to rise, Yirendai believes China's consumer finance market will develop to address unmet consumer demand

- Consumption in China is growing rapidly but remains underfinanced, suggesting tremendous growth potential for China's consumer finance market
  - China's consumption loan balance to GDP ratio was merely 24.2% in 2014, compared to 77.5% in the United States during the same period

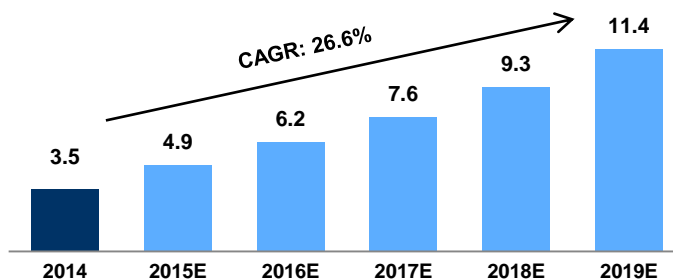
### Overall Consumer Finance Market in China <sup>(1)</sup>

(By outstanding loan balance, RMB in trillions)



### Unsecured Consumer Finance Market in China <sup>(1)</sup>

(By outstanding loan balance, RMB in trillions)



- The consumer finance market consists of secured consumption loans and unsecured consumption loans such as credit cards and other unsecured loans from banks and consumer financing companies
  - Unsecured consumption loans are expected to experience relatively stronger growth

**\$551 Billion**

China's unsecured loan balance by the end of 2014

### China's growing consumption creates opportunities

Transaction values for marketplaces that focus on consumption loans, or consumer finance marketplaces, are expected to grow from **RMB12.7 billion (\$2.0 billion)** in 2014 to **RMB521.4 billion (\$82.1 billion)** in 2019, representing a CAGR of 110.1%

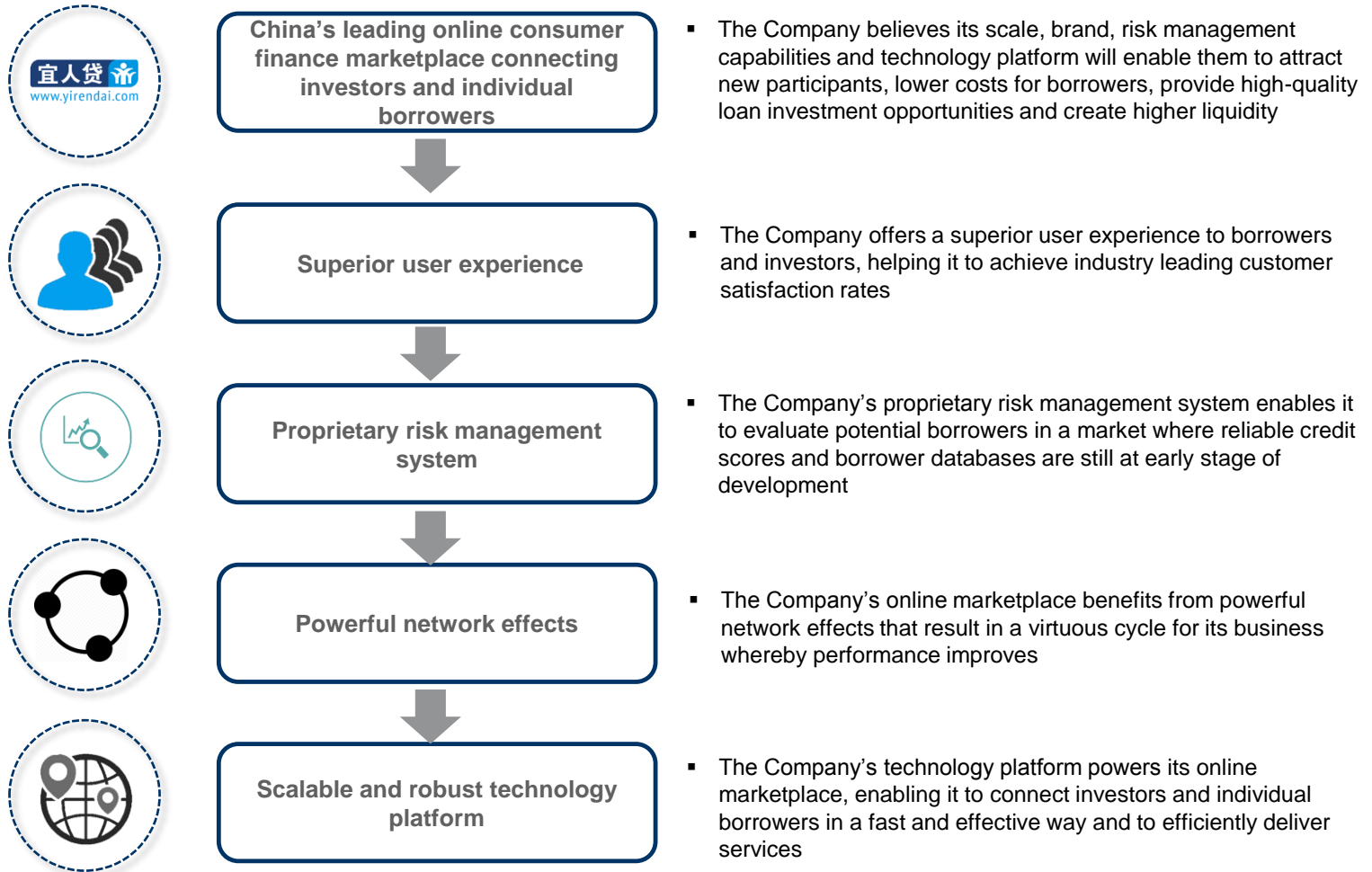
The primary drivers of consumer finance marketplace growth in China include growing consumption market and increasing demand for consumer finance

### Online Consumer Finance Marketplaces with the Strongest Growth Potential

Transaction values through online consumer finance marketplaces are expected to grow from **RMB4.6 billion (\$723.8 million)** in 2014 to **RMB247.6 billion (\$39.0 billion)** in 2019, representing a CAGR of 122.2%

# Yirendai Completes its IPO Raising \$75 million

## Competitive Strengths



# Yirendai Completes its IPO Raising \$75 million

## Selected Strategies

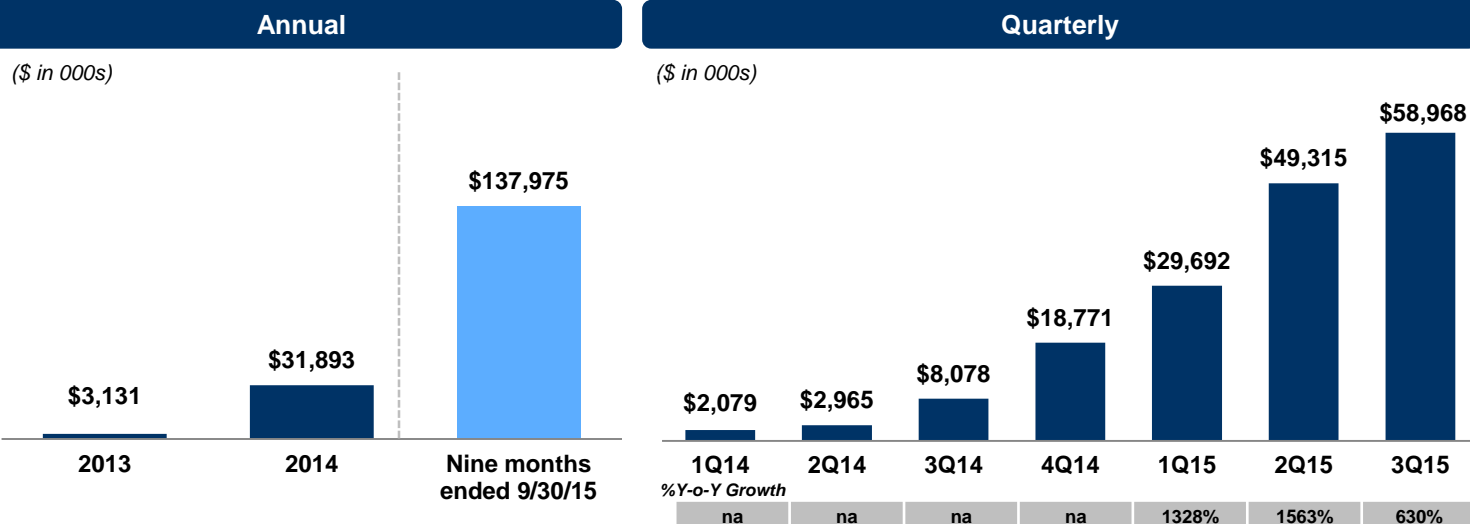
Continue to define industry best practices in China	<ul style="list-style-type: none"> <li>▪ Increase the overall number of investors and the amounts they invest through its marketplace by facilitating investments in a diversified portfolio of high-quality loan products</li> <li>▪ Continue to develop new investment products, to satisfy different investor requirements</li> </ul>
Broaden borrower base	<ul style="list-style-type: none"> <li>▪ Seek to grow the number of borrowers on its online marketplace by introducing new credit products and services and tailoring products to specific borrower needs</li> <li>▪ Expand to serve new borrower groups beyond prime borrowers</li> </ul>
Expand investor base	<ul style="list-style-type: none"> <li>▪ Increase the overall number of investors and the amounts they invest through its marketplace by facilitating investments in a diversified portfolio of high-quality loan products</li> <li>▪ Continue to develop new investment products, to satisfy different investor requirements</li> </ul>
Further enhance risk management capabilities	<ul style="list-style-type: none"> <li>▪ Continue to automate its risk management system by enhancing its online data analytics capabilities and utilizing additional data sources</li> <li>▪ Advance its proprietary algorithms in order to increase the automation and predictive capabilities of its risk management systems</li> </ul>
Continue to execute mobile strategy	<ul style="list-style-type: none"> <li>▪ Continue to make significant investments in pursuing its mobile strategy</li> <li>▪ Plan to further strengthen its mobile internet presence to seize promising market opportunities by developing targeted marketing programs directed at mobile users</li> </ul>
Continue to invest in their tech platform	<ul style="list-style-type: none"> <li>▪ Continue to make significant investments in proprietary technologies in the areas of data collection and processing algorithms to increase the precision, speed and scale at which it matches the demand and supply of funds</li> </ul>
Cultivate a vibrant consumer lending ecosystem	<ul style="list-style-type: none"> <li>▪ Expand strategic relationships with key industry value chain partners to further increase the value of its marketplace and better serve borrowers and investors</li> <li>▪ Continue to promote the positive development of the online consumer finance marketplace industry in China through long-term partnerships with government institutions</li> </ul>

Source: SEC Filings.

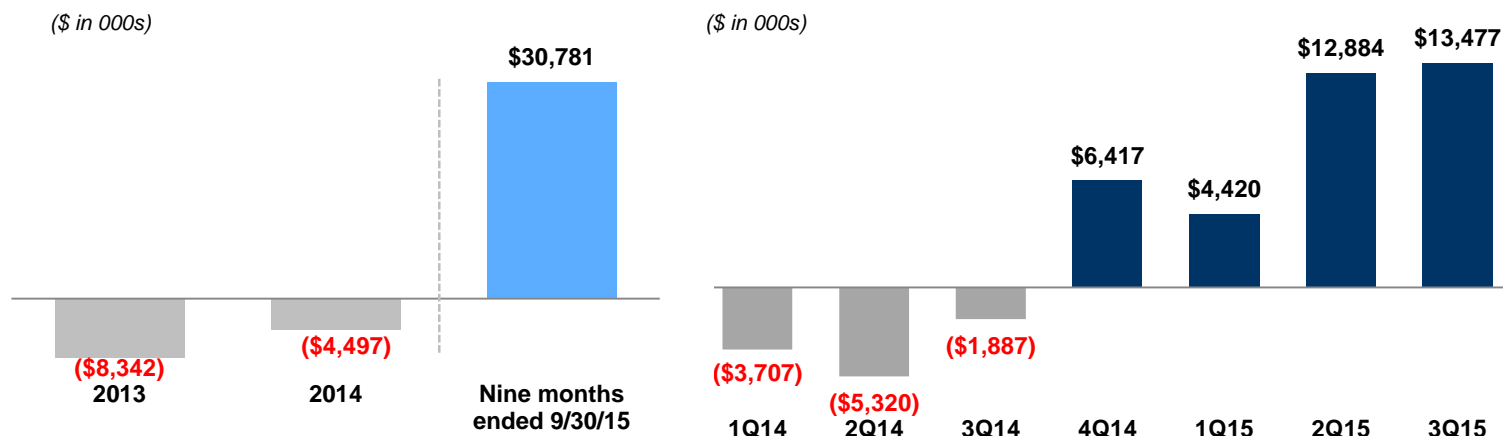
# Yirendai Completes its IPO Raising \$75 million

## Financial Overview

### Total Net Revenue



### Net (Loss) Income





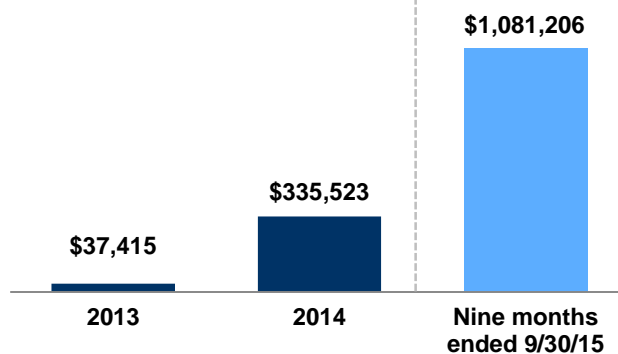
# Yirendai Completes its IPO Raising \$75 million

## Financial Overview (cont.)

### Annual

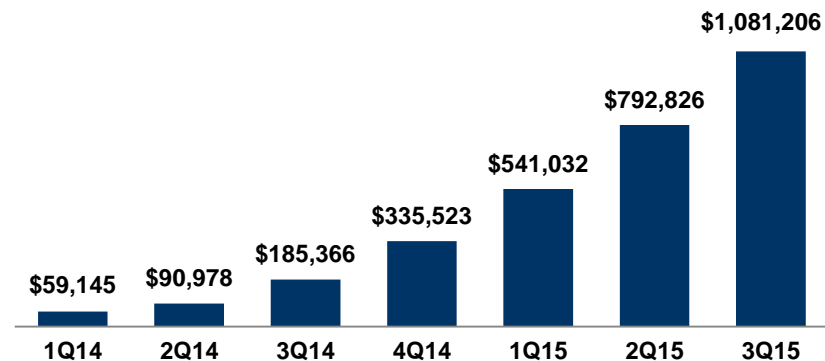
(\$ in 000s)

Outstanding  
Loan Principal



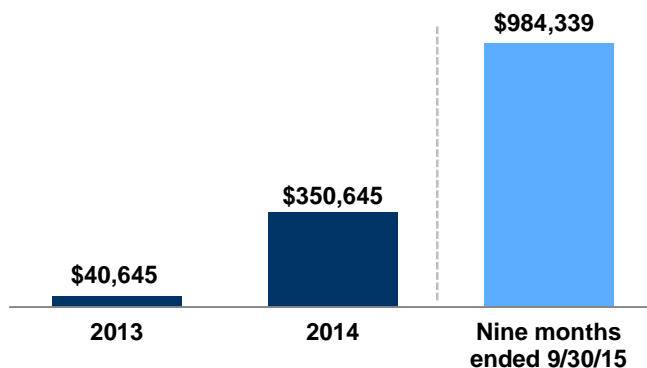
### Quarterly

(\$ in 000s)

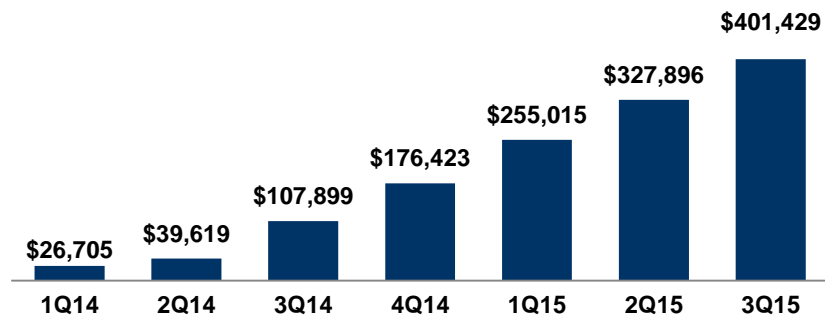


Amount of  
Loans  
Facilitated

(\$ in 000s)



(\$ in 000s)



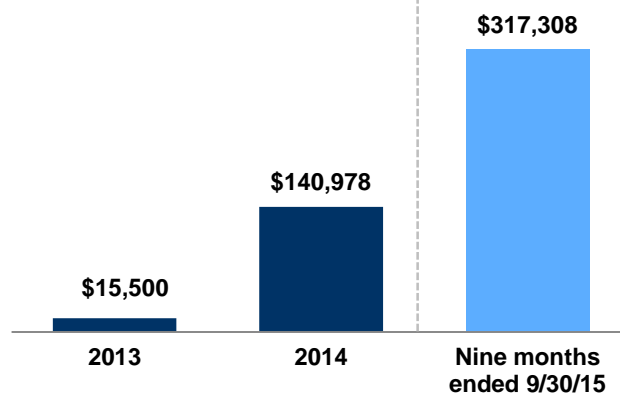
# Yirendai Completes its IPO Raising \$75 million

## Financial Overview (cont.)

### Annual

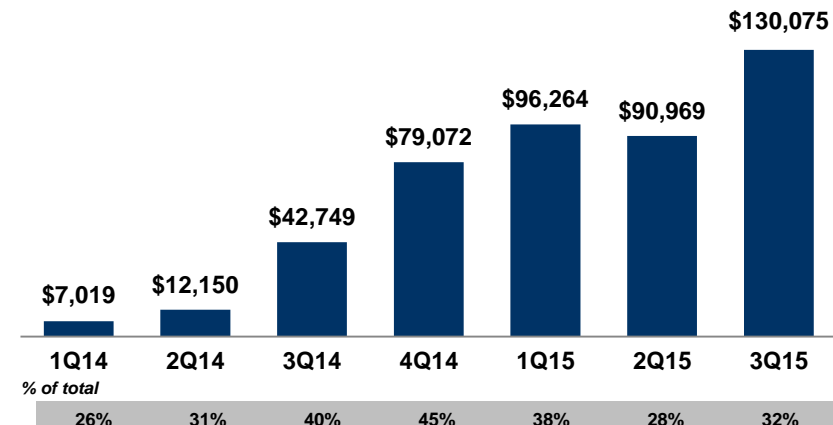
(\$ in 000s)

Loans  
Generated from  
Online Channels



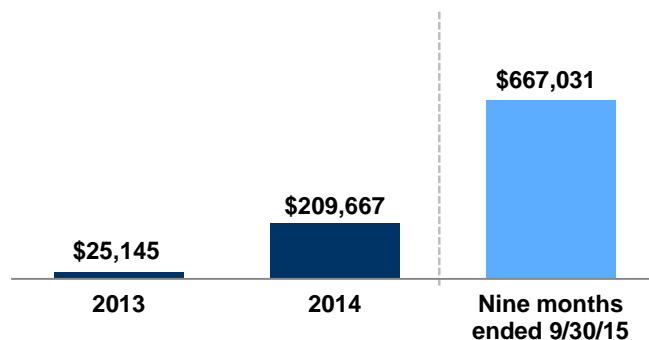
### Quarterly

(\$ in 000s)

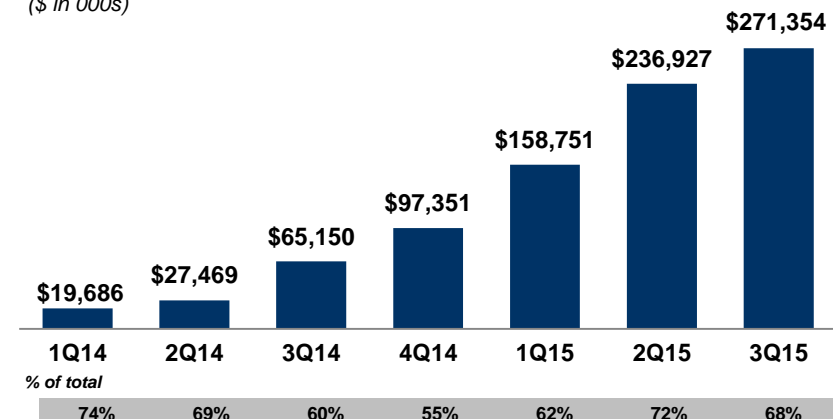


Loans  
Generated from  
Offline Channels

(\$ in 000s)



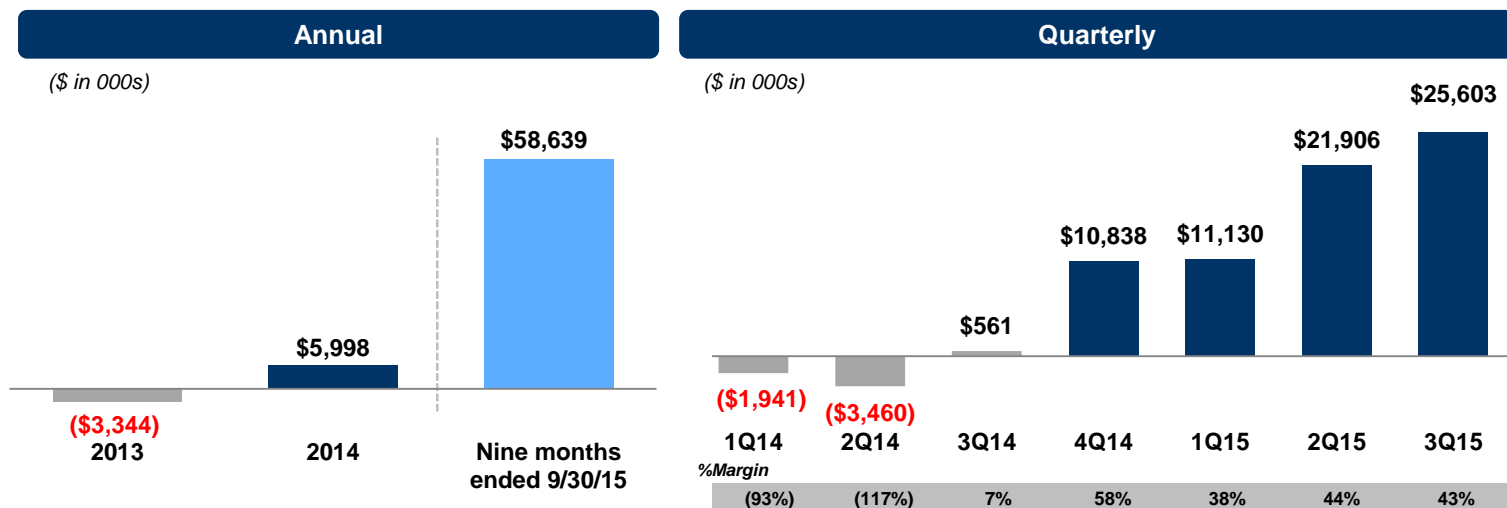
(\$ in 000s)



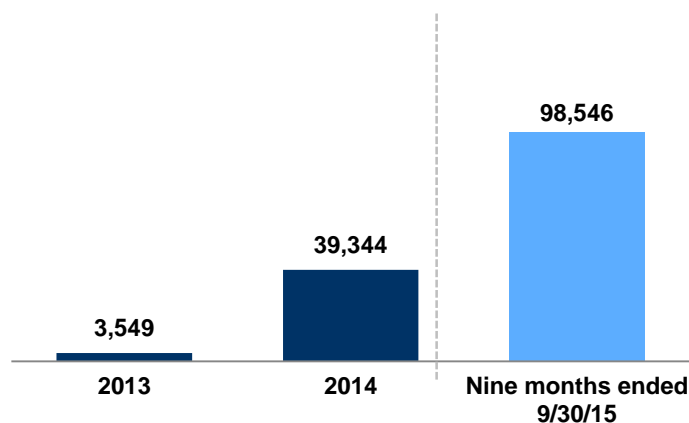
# Yirendai Completes its IPO Raising \$75 million

## Financial Overview (cont.)

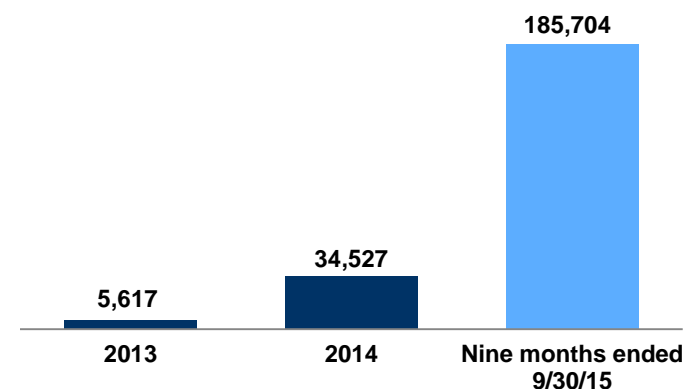
### Contribution <sup>(1)</sup>



### Number of Borrowers <sup>(2)</sup>



### Number of Investors <sup>(3)</sup>



Source: SEC filings.

(1) Yirendai calculates contribution as net (loss)/income, excluding general and administrative expense, interest income and income tax expense.

(2) The number of borrowers for a specified period represents the number of borrowers whose loans were funded during such period.

(3) The number of investors for a specified period represents the number of investors who have made at least one investment in loans during such period.

# Yirendai Completes its IPO Raising \$75 million

## Delinquency Data

All Loans	Delinquent For		
	15-29 Days	30-59 Days	60-89 Days
December 31, 2013	0.2%	0.4%	0.3%
December 31, 2014	0.3%	0.2%	0.2%
September 30, 2015	0.5%	0.5%	0.4%

Online Channels	Delinquent For		
	15-29 Days	30-59 Days	60-89 Days
December 31, 2013	0.1%	0.9%	0.3%
December 31, 2014	0.4%	0.3%	0.2%
September 30, 2015	0.7%	0.7%	0.8%

Offline Channels	Delinquent For		
	15-29 Days	30-59 Days	60-89 Days
December 31, 2013	0.3%	0.2%	0.2%
December 31, 2014	0.3%	0.2%	0.2%
September 30, 2015	0.4%	0.4%	0.3%

Source: SEC filings.

# Yirendai Completes its IPO Raising \$75 million

## Borrower Segments

Grade	Minimum borrower qualification standard
A	▪ Healthy purchasing pattern with online merchants and healthy credit card behavior OR credit card holder with credit card limit of no lower than RMB70,000 (US\$11,014) and monthly after tax income of no less than RMB10,000 (US\$1,573)
B	▪ Healthy purchasing pattern with online merchants and stable credit card behavior
C	▪ Stable purchasing pattern with online merchants and stable credit card behavior
D	▪ Mostly stable purchasing pattern with online merchants and mostly stable credit card behavior OR salaried worker with a credit card within certain preferred industry categories that we believe to be more creditworthy, which include, for instance, commercial banks

Grade	APR	Interest Rate <sup>(1)</sup>	Avg Transaction Fee Rate <sup>(2)</sup>
A	16.9%	10.0-12.5%	5.6%
B	27.4%	10.0-12.5%	18.5%
C	33.5%	10.0-12.5%	26.4%
D	39.5%	10.0-12.5%	28.2%

Source: SEC filings.

(1) The yearly interest rate that the borrowers pay to investors varies from 10.0% to 12.5% depending on the term of the loan.

(2) The transaction fee rate is calculated as the total transaction fee that we charge borrowers for the entire life of the loan, divided by the total amount of principal. The average transaction fee rate presented in the table above is the simple average of the transaction fee rates for loans falling under the same pricing grade, but with different tenures and repayment schedules.

# Yirendai Completes its IPO Raising \$75 million

## Public Comparables

Company Name	Price	% MTD	% LTM	Market	Enterprise	Multiples									Growth Rates			Margins			P / E / G
	12/22/15	Change	High	Value	Value	Price / Earnings			EV / EBITDA			EV / Revenue			Revenue		EPS	EBITDA			
	LTM	CY 15E	CY 16E	LTM	CY 15E	CY 16E	LTM	CY 15E	CY 16E	LTM	CY 15E	CY 16E	CY 15E	CY 16E	LT	CY 15E	CY 16E				
Online, Non-Bank Lenders																					
LendingClub	\$ 11.36	(6)%	43 %	\$ 4,691	\$ 4,112	nm	nm	46.2 x	na	nm	31.9 x	11.3 x	9.7 x	5.8 x	101 %	69 %	20 %	16 %	18 %	na	
Yirendai	9.60	na	na	960	853	30.4	na	na	16.8	na	na	5.4	na	na	na	na	na	na	na	na	
OnDeck	11.13	24	45	835	713	nm	nm	45.3	na	44.0	24.3	4.4	2.8	2.1	65	35	nm	6	9	na	
Median		9 %	44 %			30.4 x	na	45.8 x	16.8 x	44.0 x	28.1 x	5.4 x	6.3 x	3.9 x	83 %	52 %	20 %	11 %	13 %	na	
Mean		9	44			30.4	na	45.8	16.8	44.0	28.1	7.1	6.3	3.9	83	52	20	11	13	na	
Traditional Consumer Lenders																					
OneMain (fka Springleaf)	\$ 40.65	(16)%	75 %	\$ 5,467	nm	nm	19.1 x	8.1 x	nm	nm	nm	nm	nm	nm	(17)%	103 %	6 %	nm	nm	3.5 x	
Santander Consumer USA	15.52	(13)	58	5,601	nm	5.8 x	5.6 x	5.7 x	nm	nm	nm	nm	nm	nm	10	1	5 %	nm	nm	1.2 x	
World Acceptance	41.83	(3)	44	362	nm	3.5 x	na	na	nm	nm	nm	nm	nm	nm	(6)	(5)	na	nm	nm	na	
International Personal Finance	4.33	(21)	57	1,001	nm	9.3 x	8.0 x	8.2 x	nm	nm	nm	nm	nm	nm	(4)	6	14 %	nm	nm	0.6 x	
Regional Management	14.28	(9)	70	185	nm	8.1	7.9	6.4	nm	nm	nm	nm	nm	nm	8	13	3	nm	nm	3.1	
Median		(13)%	58 %			7.0 x	7.9 x	7.2 x	na	na	na	na	na	na	(4)%	6 %	5 %	na	na	2.2 x	
Mean		(12)	61			6.7	10.1	7.1	na	na	na	na	na	na	(2)	23	7	na	na	2.1	
Online Short-Term Consumer Lending																					
Enova International	\$ 6.54	(14)%	27 %	\$ 216	\$ 679	3.4 x	4.2 x	4.4 x	na	4.6 x	4.5 x	1.1 x	1.1 x	1.0 x	(16)%	4 %	na	23 %	22 %	na	
Ferratum	29.60	3	90	558	598	nm	nm	26.5	nm	33.0	19.5	13.8	4.9	3.2	58	55	na	15	16	na	
Mogo	2.14	35	31	39	59	nm	nm	nm	na	nm	20.4	4.6	1.9	1.1	268	64	na	nm	6	na	
Median		3 %	31 %			3.4 x	4.2 x	15.4 x	na	18.8 x	19.5 x	4.6 x	1.9 x	1.1 x	58 %	55 %	na	19 %	16 %	na	
Mean		8	49			3.4	4.2	15.4	na	18.8	14.8	6.5	2.6	1.8	103	41	na	19	15	na	

Source: Capital IQ.

# Overview of FT Partners

## Proven Track Record of Success Across the Alternative Lending / Banking Tech Sector

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**



The Only Investment Bank  
Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC

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



in its Series B minority financing led by


for total consideration of

**\$ 75,000,000**



The Only Investment Bank  
Focused Exclusively on Financial Technology

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 from

for total consideration of

**\$ 9,000,000**



The Only Investment Bank  
Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC

is pleased to announce its exclusive role as  
Capital Markets & IPO Advisor to



in its

**\$45,000,000**  
**Initial Public Offering**

valuing the equity at approximately

**\$ 146,000,000**



The Only Investment Bank  
Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC

is pleased to announce its role as advisor to



in its lead investment in



with additional participation from

for approximately

**\$85,000,000**



The Only Investment Bank  
Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC

is pleased to announce its  
role as advisor to



in its Series E minority financing led by

for total consideration of


**\$ 135,000,000**



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



in its financing, with investment from



for approximately

**\$ 35,000,000**



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



in its financing, including investment from

for approximately

**\$ 15,000,000**



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



in its growth financing with



for total consideration of approximately

**\$ 15,000,000**




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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



in its sale to





The Only Investment Bank  
Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC

is pleased to announce its role as  
exclusive Capital Markets & IPO Advisor to



in its

**Initial Public Offering**

valuing the equity at approximately

**A\$480,000,000**



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in its sale to











































The Only Investment Bank  
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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  B.A.M.	325,000,000
 GreenSky	 TIGER  AUGUST CAPITAL  DFJ  TPG  ICONIQ  DST  WELLINGTON MANAGEMENT	300,000,000+
 AVANT	 TIGER  RRE Ventures  DFJ  KKR	225,000,000
 SoFi	 AUGUST CAPITAL  THIRD POINT  IIVP  WELLINGTON MANAGEMENT	200,000,000
 PROSPER	 CREDIT SUISSE  BBVA  J.P. Morgan  BREYER CAPITAL  NEUBERGER BERMAN  USAA	165,000,000
 Funding Circle	 BLACKROCK  DST  TEMASEK HOLDINGS  SANDS CAPITAL  KALLIE GIFFORD	150,000,000
 Kabbage	 RCP  Santander  INNOVATIONS  ING  Scotiabank	135,000,000
 earnest	 BV  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 advisor to</p> <p> Google Capital</p> <p>in its lead investment in</p> <p> Credit Karma</p> <p>with additional participation from</p> <p>TIGER  SIG Rabbitt Capital</p> <p>for approximately</p> <p><b>\$ 85,000,000</b></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> FST</p> <p>in its growth financing with</p> <p> OAK HC/FT</p> <p>for total consideration of approximately</p> <p><b>\$ 15,000,000</b></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 financial advisor to</p> <p> lighter capital</p> <p>in its growth financing for total consideration of</p> <p><b>\$ 7,000,000</b></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</p> <p>in its financing, with investment from</p> <p> THIRD POINT VENTURES</p> <p>for approximately</p> <p><b>\$ 35,000,000</b></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> borrow</p> <p>in its financing, including investment from</p> <p>HIGHLAND  TRINITY</p> <p>for approximately</p> <p><b>\$ 15,000,000</b></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</p> <p>in its growth financing for total consideration of</p> <p><b>\$ 19,500,000</b></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> TransUnion</p> <p>in its sale to</p> <p><b>\$ 60,000,000</b></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</p> <p>in its investment from</p> <p>QUESTMARK PARTNERS ZBukBBVAedbi</p> <p>for total consideration of approximately</p> <p><b>\$ 60,000,000</b></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 Capital Markets &amp; IPO Advisor to</p> <p> ELLIE MAE</p> <p>in its</p> <p><b>\$45,000,000</b> <b>Initial Public Offering</b></p> <p>valuing the equity at approximately</p> <p><b>\$ 146,000,000</b></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> CIBC</p> <p>in its strategic investment in</p> <p> Dana Capital Partners</p> <p>with additional participation from</p> <p> MISYS</p> <p>for total consideration of approximately</p> <p><b>\$ 70,000,000</b></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</p> <p>a portfolio company of</p> <p> Triton Pacific</p> <p>in its sale to</p> <p> MISYS</p> <p>a portfolio company of</p> <p> Vista Equity Partners</p> <p><b>\$ 70,000,000</b></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</p> <p>in its sale to</p> <p> Moody's</p> <p><b>\$ 70,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>

FINANCIAL  
TECHNOLOGY  
PARTNERS










































# Overview of FT Partners

## FT Partners has Significant Experience Advising Large Financing Rounds

*FT Partners has a history of advising on some of the largest financing transactions in the FinTech space*

*Representing numerous FinTech “Unicorns” above \$1 billion valuations*

Company	Amount Raised	Selected Prominent Investors in FT Partners Led Rounds
 <b>MERCURY</b> <sup>®</sup>	\$420,000,000+	  
 <b>GreenSky</b> <sup>™</sup>	300,000,000+	  
 <b>liquidnet</b>	250,000,000	 
 <b>square trade</b>	238,000,000	
 <b>avidxchange</b>	225,000,000	  
 <b>nmi</b>	150,000,000+	  
 <b>Kabbage</b>	135,000,000	
 <b>TradingScreen</b>	110,000,000+	   
<b>CHROMERIVER</b>	100,000,000	  
<b>Credit Karma</b> <sup>™</sup>	85,000,000	
<b>earnest</b>	75,000,000	 
 <b>taulia</b>	60,000,000	
 <b>YAPSTONE</b>	50,000,000	 

*Note: FT Partners represented investor in Dynamics (CIBC) and Credit Karma (Google Capital); some transactions include a combination of equity and smaller amount of debt financing.*

# Overview of FT Partners

## FT Partners Advises GreenSky in its 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

### Financial Technology Partners LP FTP Securities LLC

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



*in its minority investment from*

**DST** **ICONIQ**



*for total consideration of*

**\$ 300,000,000**

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TECHNOLOGY  
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# Overview of FT Partners

## FT Partners Advises Kabbage on its \$135 mm 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

### Financial Technology Partners LP FTP Securities LLC

*is pleased to announce its  
role as advisor to*



*in its Series E minority financing led by*



InnoVentures



*for total consideration of*

# \$ 135,000,000



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Focused Exclusively on Financial Technology***

# Overview of FT Partners

## FT Partners Advises Earnest on its \$75 mm 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**

**m**  
maveron

*for total consideration of*

**\$ 75,000,000**

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TECHNOLOGY  
PARTNERS**

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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

- |      |  |
|------|--|
| 2015 | <ul style="list-style-type: none"> <li>■ <b>Dealmaker of the Year</b></li> <li>■ Technology Deal of the Year</li> </ul>  |
| 2014 | <ul style="list-style-type: none"> <li>■ <b>Equity Financing Deal of the Year</b></li> <li>■ Professional Services Deal of the Year, Above \$100mm</li> </ul>  |
| 2012 | <ul style="list-style-type: none"> <li>■ <b>Dealmaker of the Year</b></li> <li>■ Professional Services Deal of the Year, Above \$100 mm</li> </ul>   |
| 2011 | <ul style="list-style-type: none"> <li>■ <b>Boutique Investment Bank of the Year</b></li> <li>■ Deal of the Decade</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>■ IT Services Deal of the Year, Below \$500mm</li> <li>■ Cross-Border Deal of the Year, Below \$500mm</li> </ul>   |
| 2007 | <ul style="list-style-type: none"> <li>■ <b>Dealmaker of the Year – Steve McLaughlin</b></li> <li>■ Business to Business Services Deal of the Year</li> <li>■ Computer and Information Technology Deal of the Year, Above \$100mm</li> <li>■ Financial Services Deal of the Year, Above \$100mm</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 |



WINNER  
Middle Market  
Financing Awards

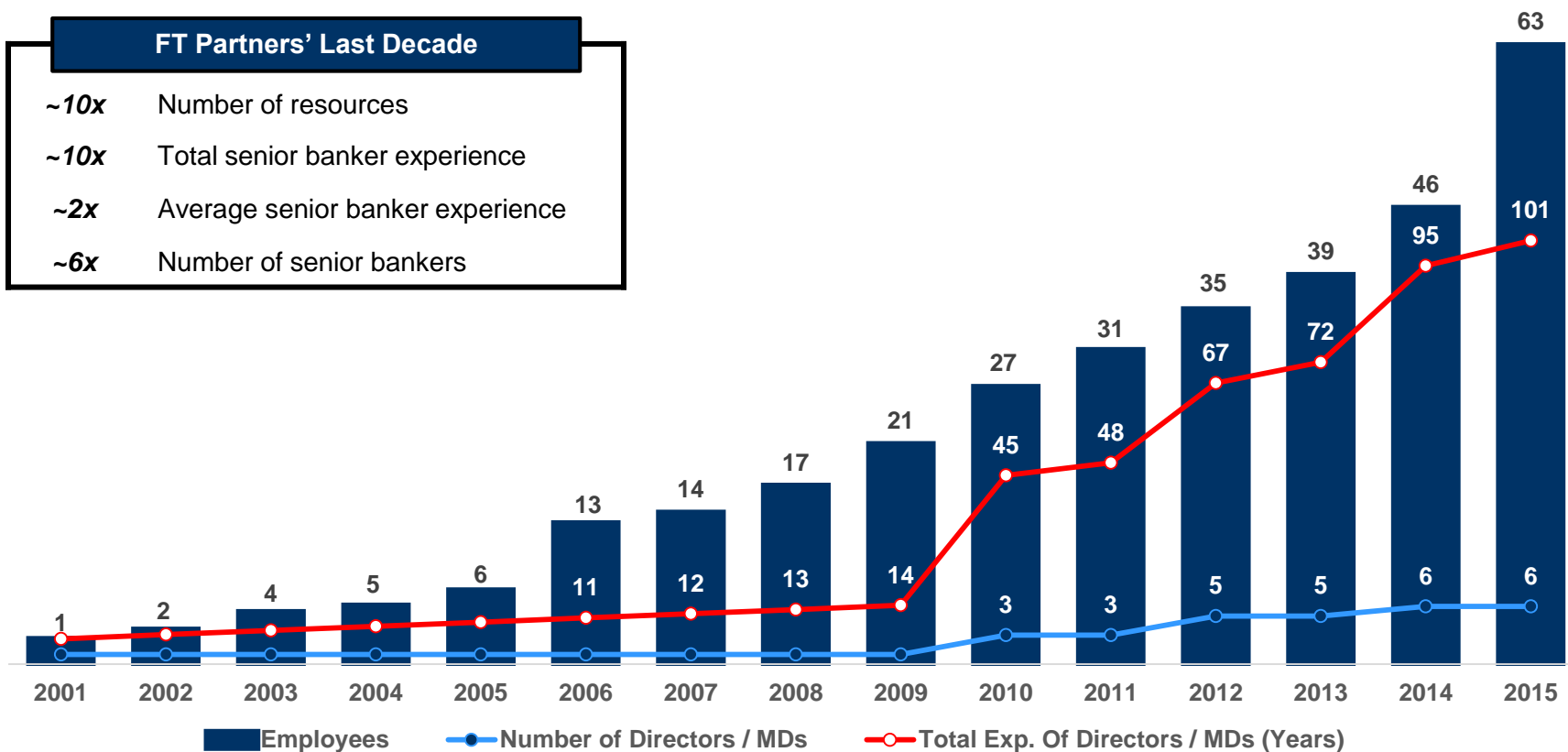
- |      |  |
|------|--|
| 2008 | <ul style="list-style-type: none"> <li>■ <b>Equity Financing Dealmaker of the Year – Steve McLaughlin</b></li> <li>■ <b>Information Technology Deal of the Year</b></li> <li>■ <b>Financial Services Deal of the Year</b></li> </ul> |
| 2006 | <ul style="list-style-type: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

# Overview of FT Partners

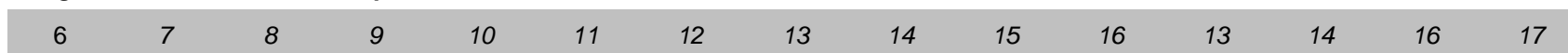
Platform of Choice for Clients and Bankers Alike

## FT Partners' Last Decade

- ~10x Number of resources
- ~10x 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
<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>20</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>20</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 V, MA, DFS, FISV, FIS, JKHY, DST, ENV, GPN &amp; HPY among others</li> </ul>	<b>19</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>13</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>9</b>