

FT PARTNERS FINTECH INDUSTRY RESEARCH

April 11, 2018

Welltok®

Welltok Raises \$75 million in Series E2 Financing

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 *Institutional Investors* "FinTech Finance 40"



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

Steve McLaughlin: Founder & CEO

Tel: 415.992.8880

steve.mclaughlin@ftpartners.com

SUBSCRIBE



Welltok Raises \$75 million in Series E2 Financing

Transaction Overview

Transaction Summary

- On April 4, 2018, Welltok announced it had raised \$75 million in a Series E2 funding round
- The round values Welltok at \$625 million post-money according to PitchBook ⁽¹⁾
- Participation in the round included both new and existing investors
 - New investors included Future Fund Management Agency, Ziff Davis, NF Trinity Capital (Hong Kong) Limited and ITOCHU Corporation
 - Existing investors who participated in the round include New Enterprise Associates, Bessemer Venture Partners and Georgian Partners
- The Company intends to use the funding to support growth, continued product development, expansion in new market segments and integration of acquired assets and capabilities

Commentary

"What continues to attract investors and customers is the depth and breadth of our platform and services, and our ability to deliver an unparalleled personalized experience for consumers on behalf of their sponsors. No other company has the full spectrum of capabilities required to make big data small in a way that allows organizations to proactively manage the health of a population – one consumer at a time."

Welltok®

Jeff Margolis
Chairman & CEO



Selected Equity Financing History

Date	Size (\$ mm)	Investor(s)
04/04/18	\$75	Future Fund Management Agency; Ziff Davis; NF Trinity Capital (Hong Kong) Limited; ITOCHU Corporation; New Enterprise Associates; Bessemer Venture Partners; Georgian Partners
10/06/16	34	Bessemer Venture Partners; HLM Venture Partners; New Enterprise Associates; Qualcomm Ventures; Sigma Partners; Silicon Valley Bank; Georgian Partners; Emergence Capital Partners; InterWest Partners; Flare Capital Partners; Trustmark Corporation; Hearst Health Ventures; EDBI; Okapi Ventures; Miramar Venture Partners
12/03/15	45	Georgian Partners; EDBI; Flare Capital Partners; Undisclosed Investors
01/08/15	37	Bessemer Venture Partners; InterWest Partners; New Enterprise Associates; Qualcomm Ventures; Hearst Health Ventures; Hearst Health Ventures
03/13/14	22	New Enterprise Associates; IBM; Qualcomm Ventures; Emergence Capital Partners; InterWest Partners; Miramar Venture Partners; Okapi Ventures
04/10/13	19	Emergence Capital Partners; InterWest Partners; New Enterprise Associates
08/24/11	5	TriZetto Group; Miramar Venture Partners; Okapi Ventures

Welltok Raises \$75 million in Series E2 Financing

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Welltok®

Welltok Overview

Company Overview

CEO:
Headquarters:
Founded:

Welltok®

Jeff Margolis
Denver, CO
2009

- Welltok provides the healthcare industry with a SaaS-based consumer enterprise platform for patient engagement, analytics and rewards programs
- The Company enables health plans and other sponsors to efficiently and effectively engage, activate and reward consumers, to drive greater healthcare value across all types of populations

Management



Jeff Margolis
Chairman & CEO



Michelle Snyder
SVP, Chief
Marketing Officer



Rob Scavo
President &
COO



James Sullivan
SVP, Chief
Administrative Officer



Scott Rotermund
Co-Founder, Chief
Growth Officer



Maneesh Goyal
SVP, Corporate
Development



Chris Power
SVP, CFO

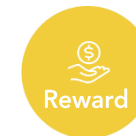


Chaz Hinkle
SVP, Chief People
Officer

Products & Services Overview



- CaféWell Health Optimization Platform is a Software as a Service (SaaS) solution that leverages cognitive computing to create personalized, adaptive health itineraries
- The platform factors in patient variables that impact an individual's health such as demographics, health status and available benefits to provide personalized guidance toward optimized health
- The platform enables organizations to effectively target, engage and guide behavior at the individual level—helping users meet their personal goals and optimize their health



Multi-Channel Engagement Services

- Drives engagement by delivering the right combination of automated calls, email, SMS text, direct mail, web and live agent calls based on consumer preferences and needs
- Welltok has conducted more than 80,000 campaigns, sending out over one billion communications on behalf of the nation's largest health plans and pharmacy benefit management plans
- Services are proven to elevate your programs by communicating with consumers in a highly personalized way, which helps organizations improve Star ratings, HEDIS measures, outreach efficiencies, and the consumer experience



FT Partners Research – 2017 InsurTech Almanac

2017 InsurTech Almanac

JANUARY 2018

FT PARTNERS FINTECH INDUSTRY RESEARCH



2017 InsurTech Almanac

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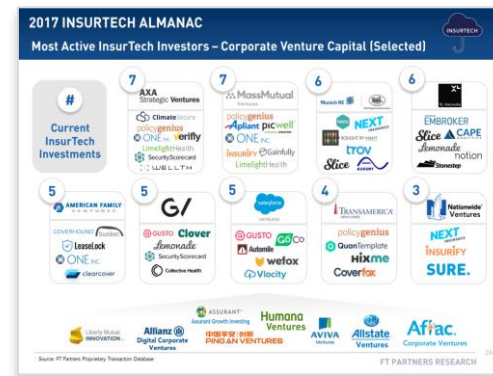
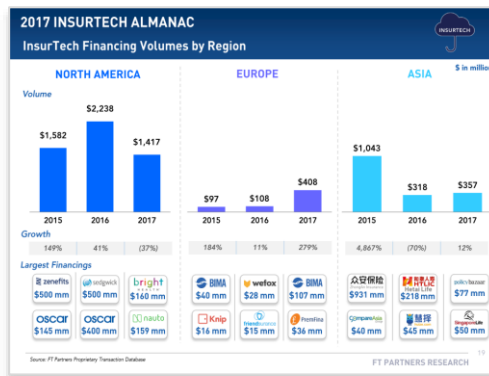
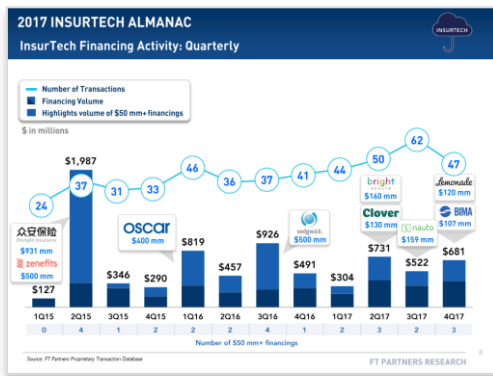
The Only Investment Bank
Focused Exclusively on Financial Technology

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Click pictures to view report

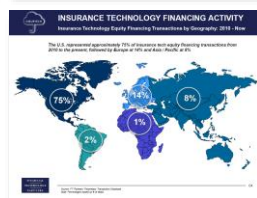
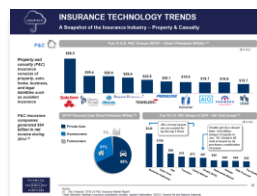
Highlights of the report include:

- 2017 and historical InsurTech financing and M&A volume and deal count statistics
- Largest InsurTech financings and M&A transactions in 2017
- Most active InsurTech investors
- Corporate VC activity and strategic investor participation
- Other industry, capital raising and M&A trends in InsurTech



FT Partners Research – InsurTech Industry Report

Prepare for the InsurTech Wave: Overview of Key InsurTech Trends



FT Partners' 269-page report provides an in-depth look at the major waves of innovation and disruption that are beginning to radically alter the insurance industry.

Additional highlights of the report include:

- An analysis of specific trends across: Insurance Distribution, Sales, Marketing and Engagement, Data and Analytics and Insurance Administration
- The responses of incumbents to date including the innovations, investments, partnerships and acquisitions being made to stay ahead of the game
- Proprietary InsurTech financing and M&A statistics and a comprehensive list of transactions in the space
- A detailed industry landscape of InsurTech providers as well as other innovative, tangential companies and profiles of 54 companies operating in the InsurTech ecosystem

Selected FT Partners' Research – *Click to View*



Eliza's \$170 million Sale to HMS



Benaissance's Sale to WEX for \$80 million



Inovalon Acquires ABILITY Network for \$1.2 billion



R1 RCM Acquires Intermedix for \$460 million



AXA Acquires Maestro Health



The Carlyle Group Acquires BenefitMall



Bind Raises \$60 million in Financing



Bright Health Raises \$160 million in Financing

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Leading Advisor Across Healthcare & Insurance Technology Services

Revenue Cycle Management

Financial Technology Partners LP
FTP Securities LLC

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



in its

\$138,000,000

Initial Public Offering

valuing the equity at approximately

\$ 1,200,000,000



The Only Investment Bank
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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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Health Plan Member Engagement

Financial Technology Partners LP
FTP Securities LLC

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



in its sale to



for total cash consideration of

\$ 170,000,000



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Health Insurance Premium Billing & Payments

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



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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 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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Online Personal Lines Insurance Agency

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



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Agency Management / Marketing Technology

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in its sale of

Zywave Insurance Solutions to



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in its sale to

MOELIS CAPITAL PARTNERS



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FT Partners Advises Eliza on its \$170 million Strategic Sale to HMS

Overview of Transaction

- On March 13, 2017, Eliza announced its strategic sale to HMS in one of the largest healthcare software deals of the year
 - HMS will acquire Eliza for a cash purchase price of \$170 million
- Headquartered in Danvers, MA and majority owned by Parthenon Capital Partners, Eliza is a leading engagement and population analytics platform integrating proprietary data assets, a deep understanding of the healthcare consumer, and omni-channel outreach technology to deliver mission-critical results for key constituents in the healthcare market
- Since its founding in 2000, Eliza has consistently been a market leader and innovator, as evidenced by more than 50 domestic and international patents and patent applications, which HMS will acquire
- HMS operates in the healthcare insurance benefit cost containment market, using innovative technology and powerful data services and analytics to cover the entire payment continuum including eligibility verification, payment accuracy, fraud prevention, cost savings, performance improvement and provider education

Significance of Transaction

- The acquisition further expands HMS' member health and care management analytics footprint
- Eliza's engagement platform is complementary to HMS' cost containment solutions and together create a more sophisticated and integrated platform

FT Partners' Role

- FT Partners leveraged its deep domain expertise and transactional experience in the Healthcare and Insurance Services market to generate a highly successful outcome for Eliza and its shareholders
- This transaction demonstrates FT Partners' continued leadership position as the "advisor of choice" to the highest quality FinTech companies

Financial Technology Partners LP FTP Securities LLC

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

eliza

in its sale to

hms

for total cash consideration of

\$ 170,000,000

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FT Partners Advises Benaissance on its \$80 million Sale to Wex

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

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in its sale to



for a total consideration of

\$ 80,000,000



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FT Partners Serves as Exclusive IPO Advisor on R1 RCM's IPO

Overview of Transaction

- R1 RCM (formerly known as Accretive Health) completed its IPO on May 20, 2010; the stock trades under the symbol "RCM"
 - \$138 million offering (including over-allotment) consisting of 67% primary shares and 33% secondary shares
 - The transaction valued the Company with a market cap of ~\$1.2 billion
- R1 provides revenue cycle management, quality and care coordination and physician advisory services to healthcare providers
- Primary proceeds will be used for general corporate purposes including financing growth, developing new services, funding capital expenditures, acquisitions and other investments

Significance of Transaction

- R1's IPO was highly successful, having successfully priced in the midst of one of the most volatile markets of the last decade; second day of roadshow coincided with the "flash crash" which sent the DJIA down as much as 1,000 points in one session
- R1 achieved a relative valuation significantly in excess of all well-known success stories in the broad Healthcare IT sector
- R1's IPO attracted four of the world's top underwriters, creating a highly resilient salesforce presence in the market; bookrunners for the transaction were Credit Suisse, Goldman Sachs, JP Morgan and Morgan Stanley

FT Partners' Role

- FT Partners served as strategic, financial and IPO advisor to R1 and its Board of Directors
- FT Partners managed the entire IPO process, enabling management to focus on growing the business
- FT Partners developed a comprehensive set of management and financial materials to showcase R1's offering to potential underwriters, creating significant demand among major Wall Street institutions

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Award-Winning Investment Banking Franchise Focused on Superior Client Results

Institutional Investor
Institutional Investor
Annual Ranking

2017
2015 - 2016
2006 - 2008

- Ranked #1 Most Influential Executive on Institutional Investor's FinTech 40 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"

I 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
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
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