

FT PARTNERS FINTECH INDUSTRY RESEARCH

July 29, 2019

hippo

Hippo Raises \$100 million in Series D Financing Led by Bond

BOND

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 17 years of exclusive focus on Financial Technology

FT Partners' Advisory Capabilities



FT Partners' FinTech Industry Research

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"



THE M&A ADVISOR

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

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Hippo Raises \$100 million in Series D Financing

FT PARTNERS RESEARCH

hippo

Transaction Summary

Transaction Summary

- On July 24, 2019, home InsurTech company, Hippo, announced that it has raised \$100 million in Series D financing led by Bond
 - Bond is a global technology investment firm founded by Mary Meeker, Mood Rowghani, Noah Knauf and Juliet de Baubigny
 - Several existing investors participated in this round including Comcast Ventures, Lennar and Felicis Ventures
 - To date, the Company has raised \$209 million in equity financing
- With this financing, Hippo plans to expand its geographical footprint to 80% of U.S. homeowners by the end of 2019, improve its products, and grow its network of industry partners
- In the last twelve months, Hippo's premiums have grown by more than 10x
- Along with providing faster, more affordable homeowners insurance, Hippo provides its customers with complimentary smart home devices, allowing them to identify small issues before they become big claims

Investor Commentary

"Hippo has emerged as one of the highest growth companies we've seen among its insurance peers and more broadly in FinTech. The Hippo team is world-class and we're excited to partner with them as they build the next generation insurance company."

BOND

Noah Knauf
General Partner



Mr. Knauf will join Hippo's Board of Directors as part of the transaction

Management Commentary

"We launched Hippo to transform the outdated and often frustrating relationship people have with their home insurance provider into one that's approachable, modern, and always adding value. Not only are more than 60% of US homeowners underinsured but traditional insurance only interacts with you when you file a claim. We're providing more comprehensive policies and helping customers prevent claims from ever happening through protective services, programs and alerts that safeguard their homes, a family's largest personal asset."

hippo

Assaf Wand
Co-founder & CEO



Selected Financial History

| Date | Size (\$ mm) | Selected Investor(s) |
|----------|--------------|----------------------|
| 07/24/19 | \$100 | |
| 11/14/18 | 70 | |
| 01/22/18 | 25 | |
| 12/14/16 | 14 | |

Hippo Raises \$100 million in Series D Financing



Hippo Overview

Company Overview



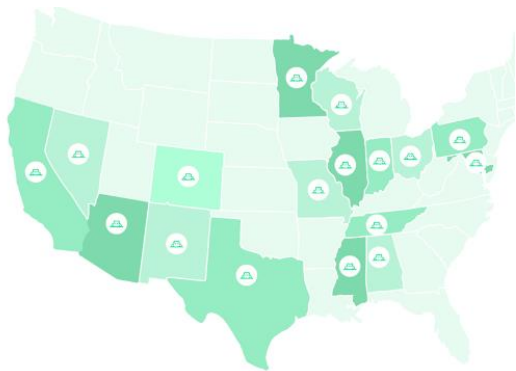
Co-Founder & CEO: Assaf Wand

Headquarters: Mountain View, CA

Founded: 2015

- Hippo is a managing general agent that provides home insurance products and services in the United States
- The Company provides a modern, online platform that enables homeowners to quickly obtain customized home insurance coverage and is now offering a complimentary smart home starter kit to all new customers
- Hippo’s policies are backed by Spinnaker Insurance Company, TOPA Insurance Company, MunichRe, and Canopus US Insurance

Geographic Presence



Hippo is officially licensed and operating in **AZ, CA, CO, NM, NV, AL, IL, IN, MD, MN, MO, MS, OH, PA, TX, TN, & WI**

Products & Services Overview

In addition to traditional property & liability coverage, Hippo offers coverage for:



Computers & Home Office



Smart Home Upgrades



Appliances & Electronics



House Cleaners & Sitters



Enhanced Rebuilding



Ordinance or Law



Service Line



Water Backup



Full Replacement Costs



Hippo’s automated process and modern coverage shave **25% off** monthly premiums

Hippo also provides policyholders with **complimentary smart home technology** to proactively prevent home damage



Customers often get a quote in less than **60 seconds** and complete purchase in just a few more steps

FT Partners Research – Quarterly InsurTech Insights

Q2 2019 InsurTech Insights

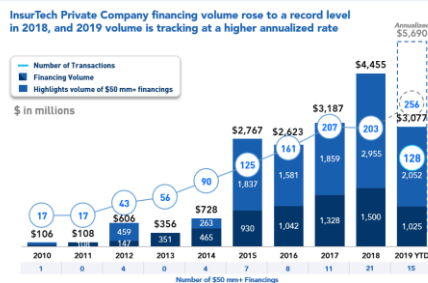


Click pictures to view report

Highlights of the report include:

- 2019 and historical InsurTech financing and M&A volume and deal count statistics
- Largest InsurTech financings and M&A transactions in 2019 YTD
- Most active InsurTech investors
- Corporate VC activity and strategic investor participation
- Other industry, capital raising and M&A trends in InsurTech

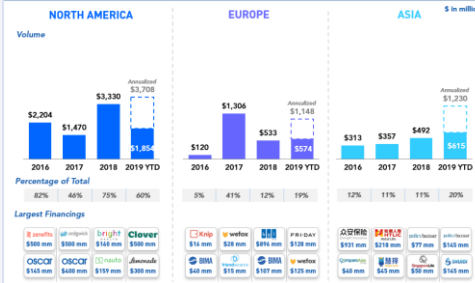
INSURTECH FINANCING ACTIVITY: ANNUALLY



Source: FT Partners Proprietary Transaction Database

ET PARTNERS Q2 2019 INSURTECH INSIGHTS

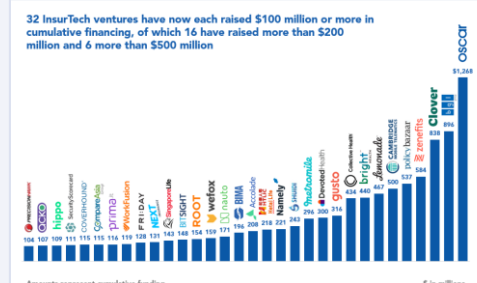
INSURTECH FINANCING VOLUMES BY REGION



Source: FT Partners' Proprietary Transaction Database.

ET PARTNERS Q3 2019 INSURTECH INSIGHTS

CUMULATIVE FINANCING OF PRIVATE INSURTECH COMPANIES



Source: FI Partners' Proprietary Transaction Database

ET PARTNERS Q2 2019 INSURTECH INSIGHTS

Selected FT Partners InsurTech Research – *Click to View*



2018 InsurTech Interview Compilation



Lennar's \$70 million Co-Lead Investment in Hippo



Snapsheet's \$29 million Series E Financing



Next Insurance's \$83 million Series B Financing



Lemonade Raises \$300 million in Series D Financing



Health IQ Raises \$55 million in Series D Financing



Palomar Holdings Completes its IPO Raising \$84 million



Coalition Raises \$40 million in Series B Financing

[VIEW MORE FT PARTNERS RESEARCH](#)

FT Partners – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

Leading Advisor Across the InsurTech Landscape

Consumer Protection Plans

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



in its sale to



for total consideration of

\$ 1,400,000,000



We Only Investment Bank
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Telematics / Connected Car Solutions

Financial Technology Partners LP
FTP Securities LLC

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



in its sale to



for total consideration of approximately

\$ 115,000,000



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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 Series B financing led by

\$ 83,000,000



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Homeowners Insurance

Financial Technology Partners LP
FTP Securities LLC

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



in its minority investment in



with participation from new and existing investors

for total consideration of

\$ 70,000,000



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Title Insurance

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FTP Securities LLC

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in its sale of



to

\$ 29,000,000



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Virtual Claims

Financial Technology Partners LP
FTP Securities LLC

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in its Series E financing with new investors



for total consideration of

\$ 29,000,000



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Wholesale Brokerage

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FTP Securities LLC

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



in its growth recapitalization by



valued at approximately

\$ 1,300,000,000



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Small Business Insurance

Financial Technology Partners LP
FTP Securities LLC

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in its equity capital raise led by



for total consideration of

\$ 31,000,000



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Auto Finance and Insurance Solutions

Financial Technology Partners LP
FTP Securities LLC

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



on its sale to an Affiliate of



for total consideration of

\$ 115,000,000



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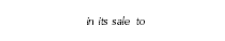
Sales Automation Software

Financial Technology Partners LP
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in its sale to



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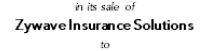
Agency Management / Marketing Technology

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in its sale of



to



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Personal Lines Insurance Distribution

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P&C Claims

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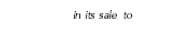
Insurance Software

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for total consideration of

\$ 1,300,000,000



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FT Partners Advises Lennar on its Investment in Hippo

Overview of Transaction

- On November 14, 2018, Lennar Corporation (“Lennar”) announced it has co-led a \$70 million minority investment in Hippo with Felicis Ventures, along with participation from all major existing shareholders
 - The investment brings the total amount of funding raised by Hippo to \$109 million
- Lennar Corporation (NYSE:LEN) is the one of the leading homebuilders in the United States
- Headquartered in Mountain View, CA, Hippo is a leading property and casualty InsurTech start-up, offering homeowners insurance as well as a number of more specialized products
- Hippo has helped cut premium costs for its customers by up to 25%, seen policy sales grow by 30% month over month, and now covers more than \$25 billion in total property value
 - Hippo is accessible to more than 50% of the US homeowner population, and that number is expected to increase to over 60% by the end of 2018

Significance of Transaction

- With the new funding, Hippo will accelerate growth while continuing to deliver a modernized home insurance product that includes world-class customer experience on a national scale
- The transaction also offers a clear path for Lennar to continue to streamline the home buying experience for its customers

FT Partners’ Role

- FT Partners served as exclusive strategic and financial advisor to Lennar
- This transaction underscores FT Partners' deep FinTech expertise and its continued success in providing buy side advisory to top-tier strategic investors

Financial Technology Partners LP FTP Securities LLC

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

LENNAR®

in its minority investment in



*with participation from
new and existing investors*

for total consideration of

\$70,000,000

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FT Partners Advises Screenshot on its Series E Financing

Overview of Transaction

- On May 20, 2019, Screenshot announced it has raised \$29 million in Series E financing from new investors Nationwide, Sedgwick and State Auto Labs, with participation from Tola Capital
 - Existing investors Liberty Mutual Strategic Ventures, F-Prime Capital, OCA Ventures, and an affiliate of USAA also participated in the round
- Headquartered in Chicago, IL, Screenshot is a leading provider of virtual claims technology for the personal and commercial insurance marketplace
- Since its founding in 2010, Screenshot has used its technology to digitally transform claims workflows for over 75 clients and their customers

Significance of Transaction

- This financing will allow Screenshot to accelerate the delivery of its SaaS claims platform for all lines of property and casualty, further invest in advanced analytics capabilities, and expand its team to serve clients globally
- With this round, Screenshot has raised a total of \$71 million in financing

FT Partners' Role

- FT Partners served as sole strategic and financial advisor to Screenshot and its board of directors
- This transaction underscores FT Partners' deep InsurTech domain expertise and its successful track record generating highly favorable outcomes for high growth FinTech companies globally

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*is pleased to announce its role as
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in its Series E financing with new investors



with participation from



for total consideration of

\$29,000,000



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FT Partners Advises SquareTrade on its Strategic Sale

Overview of Transaction

- On November 28, 2016, SquareTrade announced its \$1.4 billion all-cash strategic sale to the Allstate Corporation
- Headquartered in San Francisco, CA, SquareTrade offers top-rated protection plans trusted by millions of consumers for electronics and appliances
 - SquareTrade's branded products are sold through major retailers
- Allstate is the largest publicly held personal lines property and casualty insurer in America serving more than 16 million households nationwide
- More details available in Allstate's transaction [press release](#) and [investor presentation](#)

Significance of Transaction

- This transaction expands Allstate's protection offering to consumer electronics, connected devices and appliances
- SquareTrade substantially increases Allstate's customer relationships while providing both strong near-term and long-term growth opportunities

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to SquareTrade and its Board of Directors
- This transaction demonstrates FT Partners' continued leadership position as the "advisor of choice" to the highest quality FinTech companies
- FT Partners represented [SquareTrade in its \\$238 million strategic growth investment with Bain Capital and Bain Capital Ventures](#)
- FT Partners also recently represented Bain Capital Ventures' portfolio company [Enservio in its sale to Solera](#) demonstrating our long-term trusted relationship

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sole strategic and financial advisor to*



in its sale to



for total consideration of

\$ 1,400,000,000



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FT Partners Advises Next Insurance on its Financing

Transaction Overview

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

Significance of Transaction

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

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Next Insurance and its Board of Directors
- This transaction underscores FT Partners' successful track record generating highly favorable outcomes for leading InsurTech companies

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NEXT
INSURANCE

in its Series B financing led by

 **Redpoint**

for total consideration of

\$83,000,000

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FT Partners Advises Insureon on its \$31 million Financing

Overview of Transaction

- On October 21, 2015 Insureon (“Insureon” or the “Company”) announced a \$31mm Series B minority investment round
 - Investment round led by Oak HC/FT (“Oak”)
 - Existing investor Accretive LLC (“Accretive”) also participated
- Insureon is the leading insurance online marketplace for small and micro businesses
 - Serves retail clients directly and also supports banks, brokerages and insurance companies through a wholesale offering
 - Coverage provided for 175,000+ small businesses
- Oak HC/FT is a \$500mm venture capital fund focused on investing in healthcare and financial services technology companies
- Accretive is a leading private investment firm specializing in the creation of disruptive technology companies

Significance of Transaction

- Creates opportunity for Insureon to accelerate its growth in the small business insurance sector
- Enables Insureon to increase its investment in technology development, and enhance its sales and marketing capabilities

FT Partners’ Role

- FT Partners served as exclusive strategic and financial advisor to Insureon and its Board of Directors
 - Follows FT Partners’ role advising Insureon on its 2014 acquisition of Insurance Noodle from Willis
- Transaction demonstrates FT Partners’ continued success advising top-tier companies and achieving outstanding results within the Insurance IT and Services sector

Financial Technology Partners LP FTP Securities LLC

is pleased to announce its exclusive role as



in its equity capital raise led by



for total consideration of

\$ 31,000,000



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FT Partners Advises Goji on its Sale to Seeman Holtz

Overview of Transaction

- On November 13, 2018, Goji announced it has been acquired by Seeman Holtz Property & Casualty ("SHPC")
- Headquartered in Boston, MA, Goji operates an online analytics and data-driven distribution platform for personal lines of insurance that matches clients with the right coverage at the best prices, through an integrated network of national insurance carriers
 - Goji is a licensed insurance agency in 41 states that writes policies for clients on behalf of insurance carriers
- SHPC will integrate Goji's technology platform throughout its divisions and verticals to optimize operational efficiency, better address clients needs and increase production
- This acquisition marks SHPC's 50th acquisition

Significance of Transaction

- Through the acquisition, Goji's clients will gain access to the 400+ carrier relationships and the 50 state agent licenses of SHPC
- SHPC will continue to expand its access to more digital marketing channels and partnerships, further enhancing its online digital marketing and customer acquisition capabilities

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Goji
- FT Partners previously advised Goji on its [\\$15 million financing in November 2017](#)
- This transaction highlights FT Partners' strong expertise across the InsurTech landscape

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

Goji

in its sale to

Seeman★Holtz
Property & Casualty

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Award-Winning Investment Banking Franchise Focused on Superior Client Results



2018 Top Investment Bank in FinTech



Institutional Investor
Annual Ranking

2018 Steve McLaughlin Ranked #1 for the Second Year in a Row on Institutional Investor's FinTech 40 List

2017 Ranked #1 on Institutional Investor's FinTech 40 List

2015 & 2016 Ranked Top 5 on Institutional Investor's FinTech 35 List

2006 – 2008 Consecutively Ranked (2006, 2007 and 2008) among the Top Bankers on Institutional Investor's "Online Finance 40"



The Information

2016 Ranked #2 Top Technology Investment Banker on The Information's "Silicon Valley's Most Popular Dealmakers"



M&A Advisor
Awards

2018 Corporate / Strategic Deal of the Year

2018 Cross Border Deal of the Year

2017 Investment Banker of the Year

2016 Investment Banking Firm of the Year

2016 Cross Border Deal of the Year

2015 Dealmaker of the Year

2015 Technology Deal of the Year

2014 Equity Financing Deal of the Year

2014 Professional Services Deal of the Year, \$100 mm+

2012 Dealmaker of the Year

2012 Professional Services Deal of the Year, \$100 mm+

2011 Boutique Investment Bank of the Year

2011 Deal of the Decade

2010 Upper Middle Market Deal of the Year, \$500 mm+

2010 IT Services Deal of the Year, Below \$500 mm

2010 Cross-Border Deal of the Year, Below \$500 mm

2007 Dealmaker of the Year – Steve McLaughlin

2007 Business to Business Services Deal of the Year

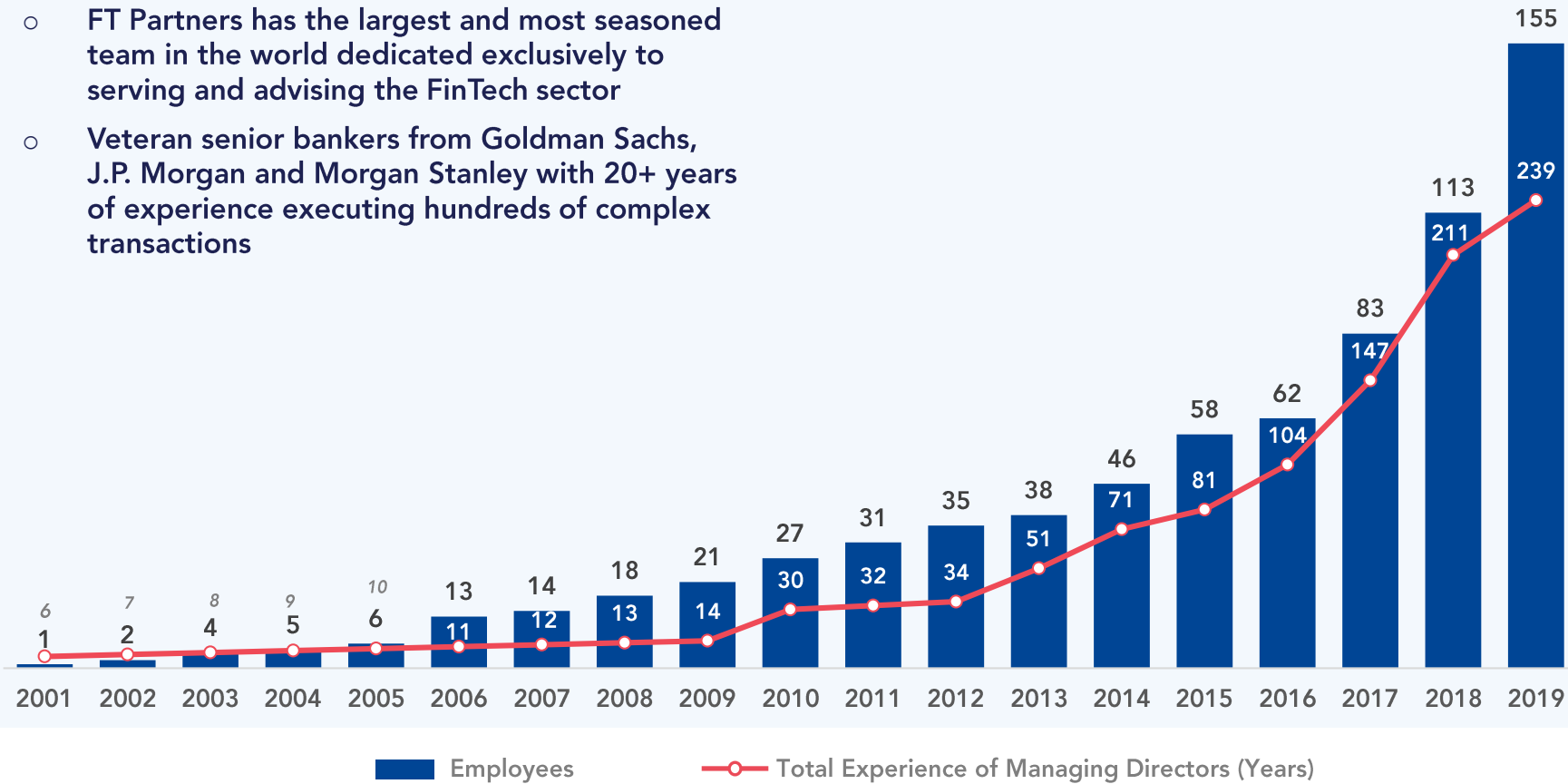
2007 Computer & Information Tech Deal of the Year, \$100 mm+

2007 Financial Services Deal of the Year, \$100 mm+

2004 Investment Bank of the Year

Platform of Choice for Clients and Bankers Alike

- FT Partners has the largest and most seasoned team in the world dedicated exclusively to serving and advising the FinTech sector
- Veteran senior bankers from Goldman Sachs, J.P. Morgan and Morgan Stanley with 20+ years of experience executing hundreds of complex transactions



Average Experience of Managing Directors (Years)



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 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. | 24 |
| Paul VanderMarck <i>Managing Director</i> |  | <ul style="list-style-type: none"> Formerly Chief Product Officer at Risk Management Solutions 25+ years of experience as an InsurTech operating executive Experienced advisor and investor in the InsurTech space | 27 |
| Larry Furlong <i>Managing Director</i> |  | <ul style="list-style-type: none"> Formerly with Goldman Sachs in New York, London and Los Angeles from 1995-2004 Wharton M.B.A. | 23 |
| Greg Smith <i>Managing Director</i> |  | <ul style="list-style-type: none"> Formerly award winning Equity Research Analyst at Merrill Lynch, J.P. Morgan and Hambrecht & Quist 20+ years of experience covering FinTech as both an Analyst and Investment Banker | 23 |
| Osman Khan <i>Managing Director</i> |  | <ul style="list-style-type: none"> Formerly Managing Director and 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 | 22 |
| Mike Nelson <i>Managing Director</i> |  | <ul style="list-style-type: none"> Formerly head of FinTech M&A at SunTrust Robinson Humphrey Kellogg M.B.A. | 19 |
| Tim Wolfe <i>Managing Director</i> |  | <ul style="list-style-type: none"> Formerly with Goldman Sachs from 2000-2002 40 Under 40 M&A Advisor Award Winner 2013 Harvard M.B.A. | 17 |
| Kate Crespo <i>Managing Director</i> |  | <ul style="list-style-type: none"> Formerly with Raymond James' Technology & Services investment banking 12+ years of FinTech transaction execution experience Dartmouth M.B.A. | 17 |
| Mohit Agnihotri <i>Managing Director</i> |  | <ul style="list-style-type: none"> Formerly Managing Director and Global Head of Payments Investment Banking at J.P. Morgan Wharton M.B.A. | 17 |
| Timm Schipporeit <i>Managing Director</i> |  | <ul style="list-style-type: none"> Formerly with Morgan Stanley as Senior Executive Director of European Technology Investment Banking Team in London Formerly a Venture and Growth Investor focused on FinTech at Index Ventures | 16 |
| 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 | 13 |