

FT PARTNERS FINTECH INDUSTRY RESEARCH

October 22, 2018



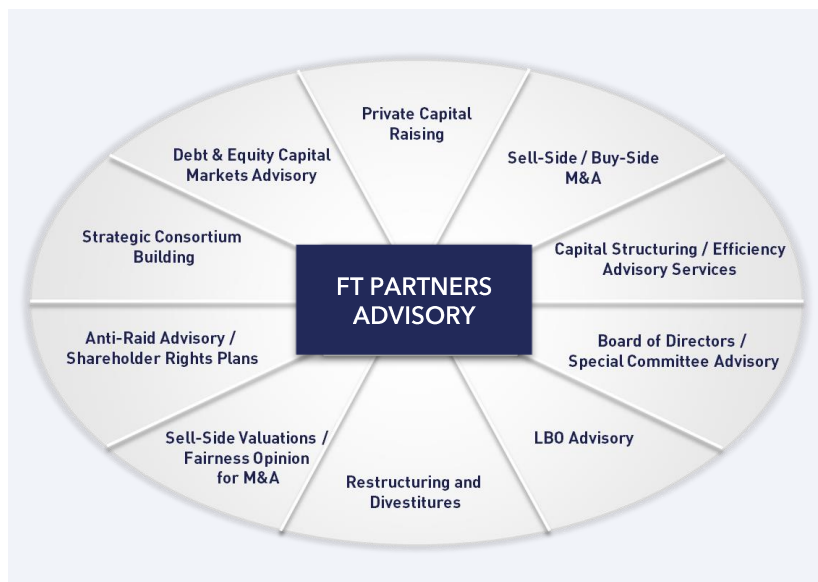
**Devoted Health Raises \$300 million
in Series B Financing Led By Andreessen Horowitz**

ANDREESSEN
HOROWITZ

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"



THE M&A ADVISOR

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

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Devoted Health Raises \$300 million in Financing

Transaction Summary

Transaction Summary

- On October 16, 2018, Devoted Health announced it has raised \$300 million in Series B financing led by Andreessen Horowitz
 - Premji Invest and Uprising also participated in the round alongside existing investors Venrock and F-Prime Capital Partners
- The Company did not disclose its valuation, but CNBC suggests that the round was completed at \$1.8 billion ⁽¹⁾
- The Company will use the new funding to continue expanding its operations and staff as well as start providing care in early January 2019
- Devoted Health provides Medicare Advantage plans and helps seniors navigate the healthcare system, while also improving efficiency for providers and brokers
 - Devoted has been enrolling seniors in its Medicare Advantage plan, which is live in the following Florida counties: Boward, Hillsborough, Miami-Dade, Osceola, Palm Beach, Pinellas, Polk, and Seminole

Selected Financing History

Date	Size (\$ mm)	Select Investor(s)
10/16/18	\$300	Andreessen Horowitz; Premji Invest; Uprising; Venrock; F-Prime Capital Partners
10/06/18	62	Venrock; Todd and Ed Park; Oak HC/FT; F-Prime Capital Partners; NextView Ventures; Obvious Ventures; O'Reilly AlphaTech Ventures; Undisclosed Investors
05/12/17	5	Venrock; Todd Park; Ed Park

Management Commentary

"We are passionately committed to work on this cause for decades so that we can have a lasting impact on millions of people and their families across the country. Working at Devoted Health will be the last job my brother Todd and I plan to have. We are in this for the long haul."⁽³⁾

"The problem is the fact that the system itself is fundamentally not designed in a patient-centric way. People are stuck ping-ponging among an assortment of well-meaning primary care doctors, specialists, hospitals, and other facilities, resulting in a patient experience that is highly uncoordinated, fragmented, and reactive, compounded by administrative hassles that seem to emerge from every corner."⁽²⁾



Ed Park
CEO & Co-Founder



Investor Commentary

"More than 10,000 Americans are turning 65 every day, and they are entering a health care system that is not just confusing and complicated but also often cold and impersonal. We believe that the Devoted Health team has the experience and expertise to drive truly meaningful and scalable change in how health care is financed and delivered."⁽²⁾

**ANDREESSEN
HOROWITZ**

Vijay Pande
General Partner



Source: Company website, FT Partners' Proprietary Database, PitchBook

(1) CNBC: "Devoted Health, a start-up selling health insurance to seniors, is worth \$1.8 billion"

(2) Forbes: "Devoted Health, New Medicare Advantage Business, Raises \$300 Million"

(3) Boston Globe: "This company, led by veteran athenahealth execs, just raised \$300m"

Devoted Health Raises \$300 million in Financing

FT PARTNERS RESEARCH



Devoted Health Overview

Company Overview

Co-Founder & CEO:  Co-Founder & CEO
Headquarters: Waltham, MA
Founded: 2017

- Devoted Health is an online provider of Medicare Advantage plans; the Company partners with providers and brokers to streamline the entire healthcare process
- The Company tries to simplify the health insurance and care process by working closely with physicians and other providers to help patients avoid unnecessary procedures and treatment, while getting better overall care
- Founders Ed and Todd Park both have extensive experience in the Healthcare field:
 - **Todd Park:** Co-founded Athenahealth and Castlight Health and served as U.S. Chief Technology Officer under President Obama
 - **Ed Park:** Former Athenahealth CTO and COO

Management



Ed Park

Co-Founder & CEO



Todd Park

Co-Founder &
Executive Chairman



Leslie Brunner

CPO



Adam Thackery

CFO



Jeremy Delinsky

COO



Nancy Go

Chief Marketing Officer



Bob Kocher, MD

Chief Medical Officer



DJ Patil

Head of Technology

Products & Services Overview



Compare Plans

Platform with assistance for finding and comparing different plans



Look Up Doctors

Search nearby doctors, pharmacies, or other healthcare providers



Look Up Drugs

Find out if Devoted covers your specific medications



Find Nearby Events

Find nearby events that provide information on Devoted plans



How Medicare Works

Detailed overview of Medicare and how it works as well as how to shop for plans



Help Shopping

Devoted team member can help find the right product / plan for customers over the phone

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Andreessen Horowitz Overview

Overview

ANDREESSEN HOROWITZ



Marc Andreessen
Co-Founder &
General Partner



Ben Horowitz
Co-Founder &
General Partner



Vijay Pande
General Partner



Angela Strange
General Partner

Locations

- Menlo Park, CA

About

- Founded in 2009 by Marc Andreessen and Ben Horowitz, former co-founders of Opsware
- Seed, venture and growth-stage investor with over \$7 bn in total assets under management across four funds
- Prefers to invest in companies with over 50% of annual growth
- Invest in seed to late-stage companies, and both consumer and enterprise technology companies
- Early investor in some of the fastest-growing technology companies in the world, like Facebook, Skype, Twitter and Pinterest

Investment Preferences

Investment Criteria

Fund Amount:	\$1,580 mm
Fund Raised:	2016
Investment Size:	\$0.01 – 100 mm
Revenue:	NA
EBITDA:	NA

General Preferences ¹

Control:	Minority
Geography:	North America
Transaction Type:	Seed, Venture, Growth
Industry Focus:	Software-Enabled Consumer and Enterprise Products & Services, Crypto

Selected Recent Investments / Exits

FinTech / Financial Services Investments ²

Date	Company	Deal Amt. ³	Board Rep.	Sector
10/18	Devoted Health (Series B)	\$300	Vijay Pande	Ins
10/18	Divvy Homes (Series A)	30	Alastair Rampell	Bnkg
9/18	Stripe (Late-stage VC)	245	NA	Pymts
8/18	Very Good Security (Series A)	9	Alastair Rampell	Pymts
08/18	Axoni (Series B)	32	NA	CapMkts
07/18	Open Invest (Series A)	10	NA	Sec
07/18	Celo (Early-stage VC)	7	NA	Pymts
05/18	Compound Labs (Seed)	8	NA	Crypto
04/18	Basis (Seed)	133	NA	Crypto
04/18	Chia (Seed)	4	NA	Crypto
04/18	PeerStreet (Series B)	30	Alastair Rampell	CapMkts
03/18	Branch International (Series B)	70	NA	Bnkg
11/17	TransferWise (Series E)	280	NA	Pymts
09/17	Earnin (Series 3)	39	NA	Pymts
07/17	MetaStable (Early-stage VC)	NA	NA	CapMkts
06/17	Cadre (Series C)	65	NA	Bnkg
05/17	Axoni (Series A)	22	NA	CapMkts

Source: PitchBook, FT Partners' Proprietary Database

1) Italics indicate preferred control / geography

3) Deal Amount in mm

2) * denotes M&A exit; ** denotes IPO exit

Selected FT Partners InsurTech Research – *Click to View*



SquareTrade's \$1.4 billion Sale to Allstate



Automatic's \$115 million Sale to SiriusXM



Goji's \$15 million Financing Round Led by HSCM Bermuda



Next Insurance's \$83 million Series B Financing



The Carlyle Group Acquires Majority Stake in Sedgwick for \$6.7 billion



CEO-Interview: Trov



Root Insurance Raises \$100 million in Financing



Allstate Acquires InfoArmor \$525 million

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FT Partners Research – Quarterly InsurTech Insights

Q2 2018 InsurTech Almanac



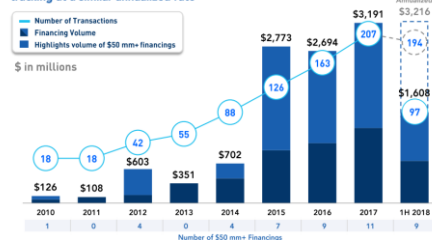
Click pictures to view report

Highlights of the report include:

- Q2 2018 and historical InsurTech financing and M&A volume and deal count statistics
- Largest InsurTech financings and M&A transactions so far in 2018
- 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

InsurTech Private Company financing volume and number of transactions rose to a record level in 2017, and 2018 volume is tracking at a similar annualized rate



Source: FT Partners Proprietary Transaction Database

FT PARTNERS INSURTECH INSIGHTS

INSURTECH FINANCING ACTIVITY BY REGION IN 2018



Source: FT Partners Proprietary Transaction Database

FT PARTNERS INSURTECH INSIGHTS

ALLOCATION OF INSURTECH INVESTMENTS – P&C vs. L&H

Selected P&C Financings				Selected L&H Financings			
Target	Amount (\$ in mm)	Type		Target	Amount (\$ in mm)	Type	
bitsight	\$40	Cyber Risk Rating Platform		coya	\$30	Digital Insurer	
alltag	38	Vehicle Insurance Specialist		alan	28	Online Health Insurer	
clark	29	Digital Insurance Platform		beam	23	Group Dental Insurance	
tractable	25	AI for Claims		bestow	15	Life Insurance	
simpleinsurance	24	Digital Insurance Solutions		ethos	15	Digital Insurance Platform	
cape	17	Property Intelligence Platform		ethos	12	Life Insurance	
atbay	13	Cyber Insurance Provider		hint	10	Care Administration Platform	
britecore	13	Software for Insurers		ladder	10	Life Insurance	
kin	13	Digital Home Insurance Agency		fabric	10	Life Insurance	
oak	12	Digital Insurer		Selected Diversified Financings			
leaselock	10	Rent Payment Insurance		Target	Amount (\$ in mm)	Type	
ein	7	Insurance Technology Provider		policybazaar	\$238	Online Distribution	
				workfusion	50	Claims Automation	

Source: FT Partners Proprietary Transaction Database

FT PARTNERS INSURTECH INSIGHTS

Leading Advisor Across the InsurTech Landscape

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



The Only Investment Bank
Focused Exclusively on Financial Technology

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



AUTOMATIC

in its sale to



for total consideration of approximately

\$ 115,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Online Small Business Insurance

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 by



for total consideration of

\$ 83,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Sales Automation Technology & Platform

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

MOELIS CAPITAL PARTNERS



The Only Investment Bank
Focused Exclusively on Financial Technology

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



The Only Investment Bank
Focused Exclusively on Financial Technology

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
Focused Exclusively on Financial Technology

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



The Only Investment Bank
Focused Exclusively on Financial Technology

Agency Management / Marketing Technology

Financial Technology Partners LP
FTP Securities LLC

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



in its sale of

Zywave Insurance Solutions

to



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Focused Exclusively on Financial Technology

Online Personal Lines Insurance Agency

Financial Technology Partners LP
FTP Securities LLC

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



in its financing led by



HSCM BERMUDA
MANAGEMENT COMPANY

for total consideration of

\$ 15,000,000



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SaaS / Claims for Property & Contents

Financial Technology Partners LP
FTP Securities LLC

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The Only Investment Bank
Focused Exclusively on Financial Technology

Award-Winning Investment Banking Franchise Focused on Superior Client Results



2018

- 2018 Top Investment Bank in FinTech



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"



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 Founder, CEO and Managing Partner		<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. 	23
Paul VanderMarck Managing Director		<ul style="list-style-type: none"> Formerly 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
Larry Furlong Managing Director		<ul style="list-style-type: none"> Formerly with Goldman Sachs in New York, London and Los Angeles from 1995-2004 Wharton M.B.A. 	22
Greg Smith Managing Director		<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 	22
Osman Khan Managing Director		<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 LSE (BSc w/Honors), MBS (MBA w/Distinction), ICAEW (FCA) 	21
Steve Stout Managing Director		<ul style="list-style-type: none"> Formerly Global Head of Strategy at First Data Formerly Led J.P. Morgan Payments Investment Banking Practice Former Equity Research Analyst on #1 ranked team at UBS Former Economist at the Federal Reserve Bank 	20
Mike Nelson Managing Director		<ul style="list-style-type: none"> Formerly head of FinTech M&A at SunTrust Robinson Humphrey Kellogg M.B.A. 	18
Tim Wolfe Managing Director		<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. 	16
Kate Crespo Managing Director		<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. 	16
Timm Schipporeit Managing Director		<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 	15
Andrew McLaughlin Managing Director		<ul style="list-style-type: none"> 20+ years experience executing / implementing financial and operational strategy Formerly with Deloitte Consulting 	12