

Q2 2021

# Fintech sector update



Qualitative insights into broader Fintech trends and public and private valuations across the transaction spectrum, and interviews with today's leaders transforming the sector.

Important disclosures appear at the end of this report

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THE VIEW

# Q2 Fintech perspectives from GP Bullhound

## THE DARK ART OF DIGITAL ONBOARDING

- The proliferation of stolen credentials and exponential rise in online transactions in 2020 provided ideal conditions for fraudsters
- We believe the sector will see consolidation as leading point solutions scale and raise significant funding to expand their product offering via M&A

## MEGA-ROUND BOOM IN EUROPE

- Record number of mega-rounds for European Fintech, outpacing 2020 and 2019 cumulated in a single quarter, as they catch the attention of leading global growth funds
- Adyen, Revolut and Klarna have demonstrated the ability for European Fintechs to scale internationally, clearing the path for others to follow



# GP Bullhound's recent Fintech activity

## Investment Banking

<p><b>21grams®</b> ACQUIRED BY </p>	<p><b>ratepay</b> ACQUIRED BY  </p>	<p><b>Klarna.</b> INVESTMENT BY  </p>	<p><b>TIS</b> INVESTMENT BY  </p>	<p><b>motif.</b> ACQUIRED BY </p>	<p><b>meniga</b> INVESTMENT BY   </p>
<p><b>monese</b> INVESTMENT BY   </p>	<p><b>PANTOF</b> ACQUIRED BY </p>	<p><b>pangea</b> ACQUIRED BY </p>	<p><b>lendinvest</b> INVESTMENT BY </p>	<p><b>smava</b> INVESTMENT BY </p>	<p><b>Slim Pay</b> INVESTMENT BY PRIMEVENTURES</p>

## Investment Management

<p><b>ii interactive investor</b> INVESTMENT BY  </p>	<p><b>Klarna.</b> INVESTMENT BY  </p>	<p><b>Revolut</b> INVESTMENT BY  </p>	<p><b>lendinvest</b> INVESTMENT BY   </p>
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# The dark art of digital onboarding

## Financial crime on the rise with fast-growing need for RegTech solutions

- The digital economy is now firmly established as a core driver of global growth, accelerated by COVID-19. However, as an increasing number of services move to digital platforms, there is an ever-growing need for identity verification solutions that enable businesses to prove their customer identities, wherever they are.
- As more activity has moved online, fraudsters have become more sophisticated. In 2020, there was an uptick of stolen credentials for sale on the dark web. The proliferation of stolen credentials and the exponential rise in online transactions provided ideal conditions for fraudsters to blend in with legitimate consumer traffic.
- This has resulted in a fast-growing need for RegTech solutions, with companies preferring to use a single vendor. A recent Gartner survey noted that by 2022, 80% of organisations will be using document-centric identity proofing as part of their workflows, and that 75% of respondents want to use a single vendor as opposed to orchestrating multiple tools.
- With the market currently dominated by fragmented point solutions requiring expensive integration, we expect sector consolidation in 2021 as leading platforms scale and raise significant funding to expand their product offering via M&A.

## Hive of activity in sector over last 12 months, which we expect to continue in 2021

- Digital transformation means that businesses are seeking innovative solutions that enable better, faster, and cheaper digital onboarding and transaction monitoring. With underlying tailwinds, established players have been able to raise significant funding. Recent examples include:
  - ComplyAdvantage raising \$20m in an extension of its July 2020 Series C (extension led by Goldman Sachs)
  - Veriff raising \$69m from Accel and IVP
  - Feedzai raising \$200m from KKR
  - Jumio raising \$150m from Great Hill Partners

### Select recent transactions

#### Comply Advantage



DEAL DATE: MAY-21  
RAISED: \$20M

#### EKCTO



DEAL DATE: JUN-21  
EV: \$850M

#### feedzai

#### KKR

DEAL DATE: MAR-21  
PM: \$1BN  
RAISED: \$200M

#### jumio

#### Great Hill PARTNERS

DEAL DATE: MAR-21  
RAISED: \$150M

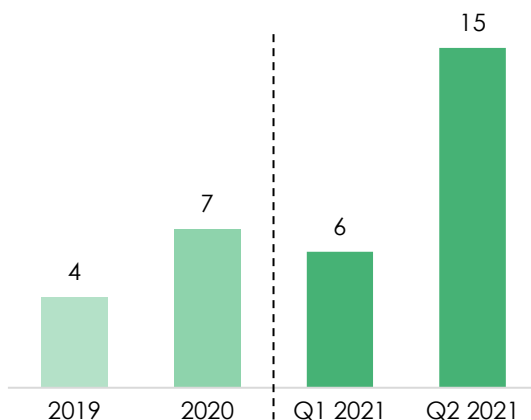


# Boom in European mega-rounds

## Over double the number of \$200m+ deals in Q2 versus 2020

- Q2 2021 saw European Fintech break into a new league: 15 companies raised \$200m+ versus 4 and 7 in 2019 and 2020, respectively, a 2.5x increase versus Q1 2021, showing the increasing maturity of the European Fintech ecosystem.
- Several factors are driving this uptick in mega-rounds:
  - Fintech companies have grabbed the spotlight as the shift to digital has been accelerated by the pandemic.
  - High-profile European leaders have recently gained traction in the US market:
    - Klarna has grown its US consumer base by 118% YoY to 18m, and now offers its BNPL service to 24 of the top 100 US retailers.
    - Revolut, who just announced a new fundraise at a \$33bn valuation, has seen similar growth in the US, with 200,000 customers joining the platform.
- Klarna's mega-round of \$1bn and Adyen's public market success are creating a halo effect on European Fintech, attracting global investor attention.
- With growth funds having raised record levels of capital, there is a significant amount of dry powder in the market. In search of category leaders, US, Asian and Middle Eastern funds are increasingly targeting the best in European Fintech.
- Large growth funds, such as Softbank and Sequoia, are deploying more and more money in Europe and competing with alternative public-equity-focussed investors, such as Tiger Global, creating competitive tension and a waterfall effect across a broad range of investment opportunities in Europe.
- This has enabled deals to be struck in record time; for example, Wefox raised \$650m in a reportedly highly competitive 4-week process, raising funds from Target Global (Europe), Horizons Ventures (Asia), Mubadala (Middle East), and G Squared (US).

Number of 200m+ rounds for European fintech



## Select transactions in Q2 2021

**mollie**

Blackstone

DEAL DATE: JUN-21  
PM: \$6.5BN  
RAISED: \$806M

**Klarna.**

SoftBank

DEAL DATE: JUN-21  
PM: \$45.6BN  
RAISED: \$639M

**wefox**

TARGET GLOBAL

DEAL DATE: JUN-21  
PM: \$3.0BN  
RAISED: \$650M

TRADE REPUBLIC

**SEQUOIA**

DEAL DATE: MAY-21  
PM: \$5.3BN  
RAISED: \$900M

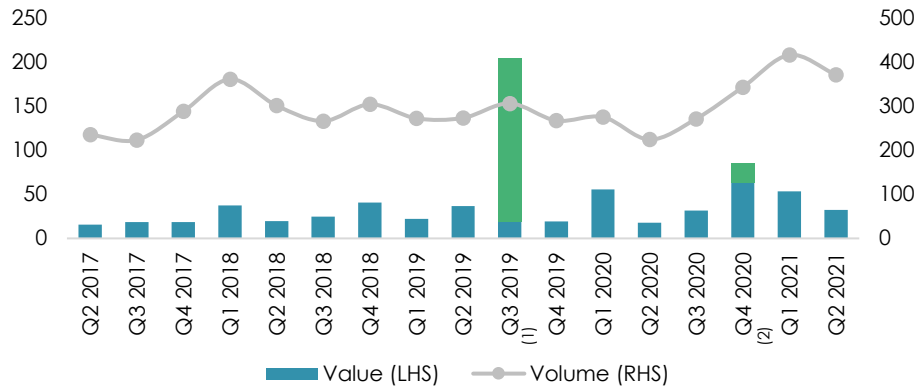
M&amp;A AND FUNDRAISING ACTIVITY BY QUARTER

# Strong M&A and funding environment in Fintech

Q2 saw record fundraising activity hit \$36.6bn (up 35% QOQ) and continued M&A activity building on record levels in Q1, with traditional financial services companies acquiring established fintechs.

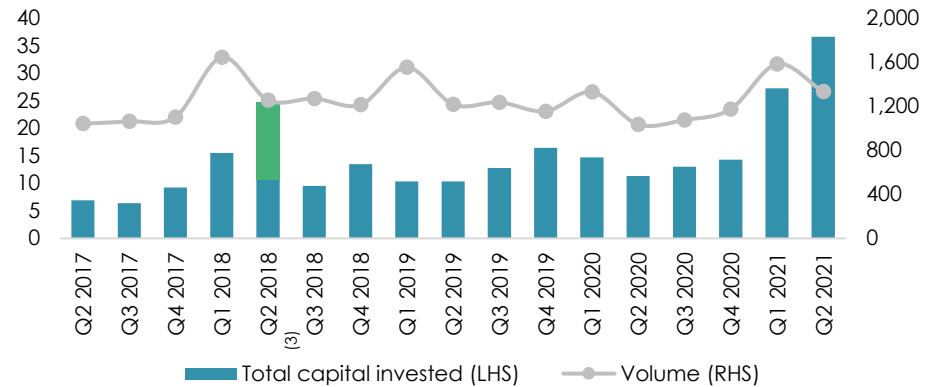
## Transaction M&A deal value and volume

\$bn, number of deals

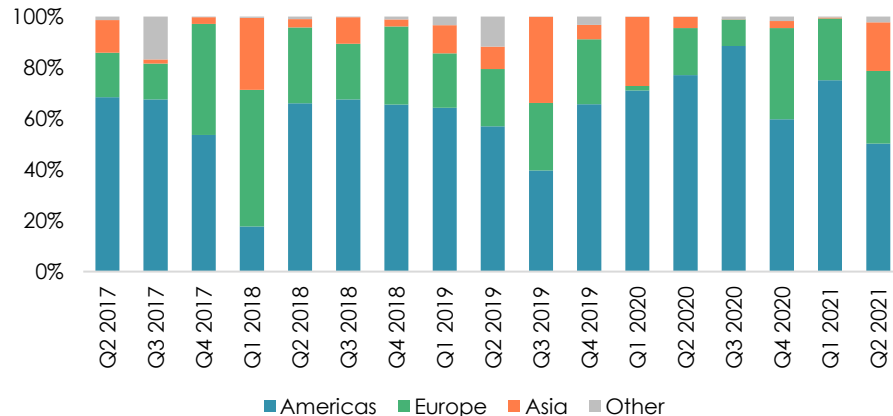


## Fundraising deal value and volume

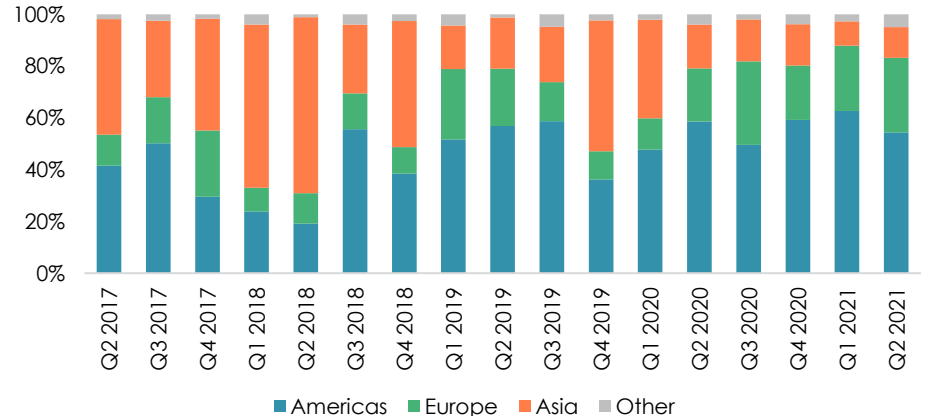
\$bn, number of deals



## M&A deal value by region



## Fundraising deal value by region








Sources: Pitchbook (as of 30 June 2021)

Note: (1) Spike in value in Q3 2019 due to four extraordinarily large transactions with an aggregate value of c.\$185bn: Ant Group/Alibaba (\$66bn), Worldplay/FIS (\$48bn), First Data/Fiserv (\$46bn), and Total Systems Services/Worldpay (\$25bn); (2) Spike in value in Q4 2020 due to an extraordinarily large transaction of \$22bn (TD Ameritrade/Charles Schwab & Co); and (3) Spike in fundraises value in Q2 2018 was caused by an extraordinarily large investment in Ant Financial (\$14bn)



# Continued M&A activity building on record levels in Q1 2021

Flurry of M&A activity, with mega-deals led by traditional financial services companies acquiring established fintechs, including Visa's \$2.2bn acquisition of Tink (open banking), JP Morgan Chase acquisition of Nutmeg (digital wealth) and DNB's acquisition of Sbanken (digital bank).

Deal date	Target	Buyer	Target description	EV (\$m)	Implied EV/LTM Rev
24-Jun-21	 tink	 VISA	Open banking platform intended to offer data-driven financial services	2,175	-
18-Jun-21	 nutmeg	JPMORGAN CHASE & CO.	Digital wealth management platform	990	-
15-Jun-21	 BillingTree	 REPAY <small>Realtime Electronic Payments</small>	Omni-channel integrated payments processing services	503	-
10-Jun-21	 ZEGO	 globalpayments	On-demand insurance platform	925	-
01-Jun-21	 Divvy	 bill.com	Financial platform for businesses to manage payments and subscriptions	2,500	-
24-May-21	 twisto	 zip	Online payment and credit services platform designed to provide ease to everyday transactions	140	-
06-May-21	 simplex	 nuvei <small>Payment Technology Network</small>	Bitcoin payment processing technology designed to offer bitcoin purchases	250	-
05-May-21	 moka	 MOGO	Saving and investing app designed to assist users in achieving their financial goals	51	7.9x
05-May-21	 BitGo	 GALAXY DIGITAL	Digital asset management platform	1,200	-
04-May-21	 fenergo	 astorg. <small>Bridgepoint</small>	Digital client lifecycle and regulatory compliance technology platform for financial institutions	600	12.3
04-May-21	 visitpay	 R1	Cloud-based healthcare financial engagement platform for patients	300	-
03-May-21	 returnly	 affirm	Digital return experiences platform for D2C brands	300	0.4x
15-Apr-21	 Sbanken	 DNB	Norway-based digital bank	1,300	6.6x
06-Apr-21	 Sentient	 EHL	Cloud-based payment management platform	83	-



## SELECT FINTECH FUNDRAISINGS

# Record fundraising activity in Q2 2021

Record funding of \$36.6bn (up 35% QoQ) was driven by large mega-rounds, including NuBank (\$1.5bn), Trade Republic (\$0.9bn), and Mollie (\$0.8bn).

Date	Target	Lead investor(s)	Target description	Capital raised (\$m)	Date	Target	Lead investor(s)	Target description	Capital raised (\$m)
24-Jun-21	Chainalysis	COATUE	Cryptocurrency investigation and compliance software	100	19-May-21	pipe	GREENSPRING ASSOCIATES	Global trading platform for recurring revenue streams	250
22-Jun-21	mollie	Blackstone	Payment for integrating payments into a site or app	800	17-May-21	Pine Labs	Advent International GLOBAL PRIVATE EQUITY TEMASEK HOLDINGS	Online payment and loyalty platform	285
10-Jun-21	Klarna.	SoftBank	Buy Now Pay Later platform	640	17-May-21	AMOUNT	WESTCAP	Digital transformation for retail banking institutions	100
08-Jun-21	Pennylane	SEQUOIA	Digital accounting tools	18	06-May-21	Shift	Advent International GLOBAL PRIVATE EQUITY	Security platform to improve insurance claims process	220
02-Jun-21	NuBank	GIC WESTBANK INVESCO	No-fee digital credit card	1,510	05-May-21	Bitso	TIGERGLOBAL COATUE	Bitcoin exchange platform	250
01-Jun-21	wefox	TARGET GLOBAL	Insurance comparison platform	650	03-May-21	Wealthsimple	MERITECH GREYLOCK CAPITAL MANAGEMENT LLP	Wealth management platform	600
27-May-21	AGICAP	GREENOAKS GLOBAL OPPORTUNIS	Cash flow management tool for SMEs	100	22-Apr-21	BUX	prosus Tencent 腾讯	Commission-free brokerage platform	80
26-May-21	OPay	Upcoming	Mobile payment platform	400	20-Apr-21	Chargebee	TIGERGLOBAL INSIGHT PARTNERS SAPPHIRE VENTURES	SaaS subscription management recurring billing platform	125
26-May-21	PAYSEND	ONE PEAK PARTNERS	Remittance platform	125	19-Apr-21	Starling Bank	Fidelity	Digital-only banking platform	445
25-May-21	snapdocs	TIGERGLOBAL	Digital loan closing platform for mortgages	150	19-Apr-21	alan	COATUE	Online digital insurance	220
24-May-21	zeta	SoftBank	All-in-one banking technology for financial institutions	250	15-Apr-21	Signifyd	OWL ROCK	Standalone risk and fraud-prevention platform	205
20-May-21	TRADE REPUBLIC	SEQUOIA	Financial trading platform	900	09-Apr-21	SaltPay	TIGERGLOBAL HEDOSOPHIA base	Payment and management tools	500
20-May-21	Comply Advantage	ONTARIO TEACHERS PENSION PLAN	Financial crime risk data and detection platform	100	07-Apr-21	PLAID	ALTIMETER	Data network programming platform to connect fintech applications with banks	425

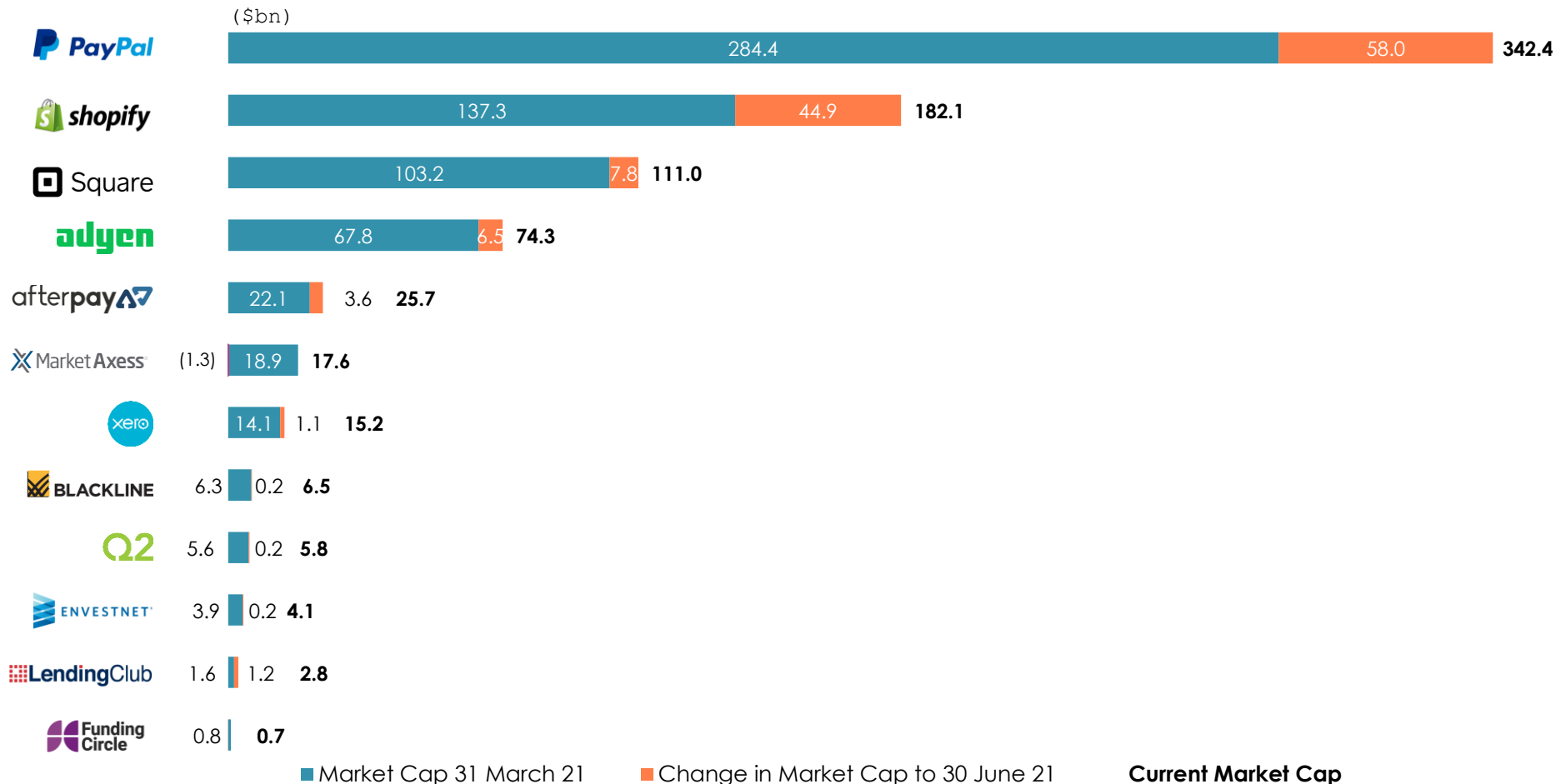




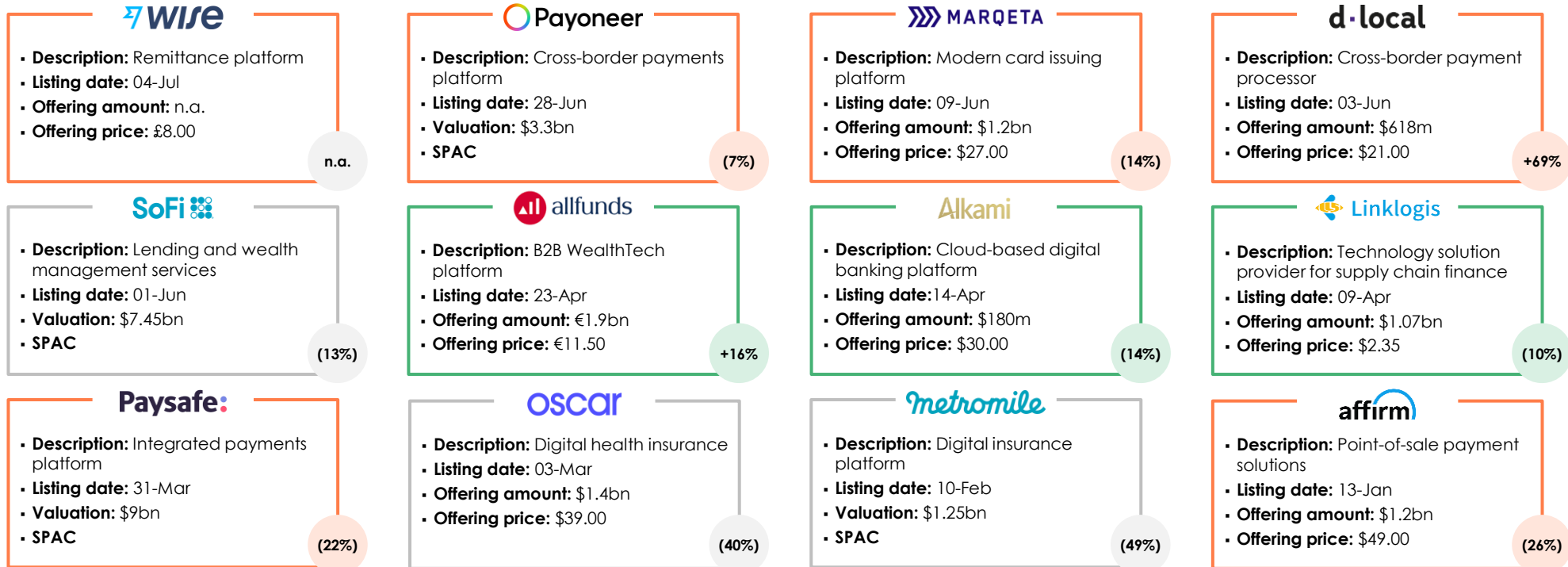
GP BULLHOUND FINTECH INDEX BY MARKET CAPITALISATION

# PayPal and Shopify dominant forces in Fintech

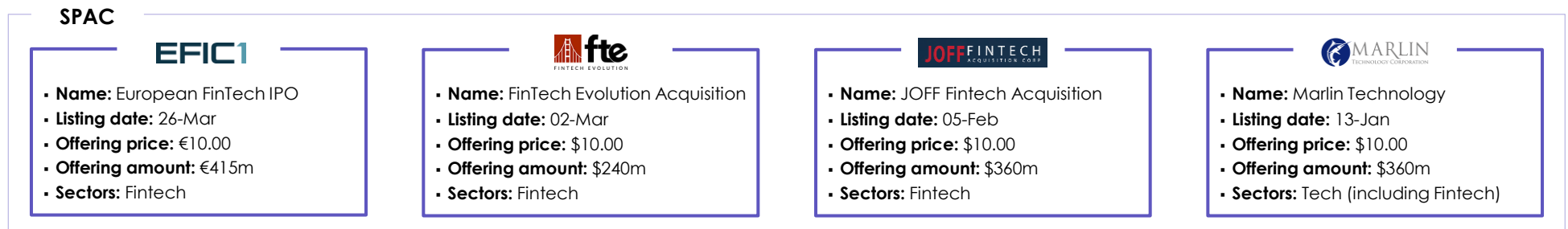
The value of GP Bullhound's Fintech index increased by \$122.3bn in Q2 2021, led by PayPal and Shopify



# Select Fintech companies listed in 2021



■ Banking Technology 
 ■ Payments 
 ■ Financial Data & Analytics 
 ■ HR & Payroll 
 ■ Other 
 ● Share price performance as of 30 June

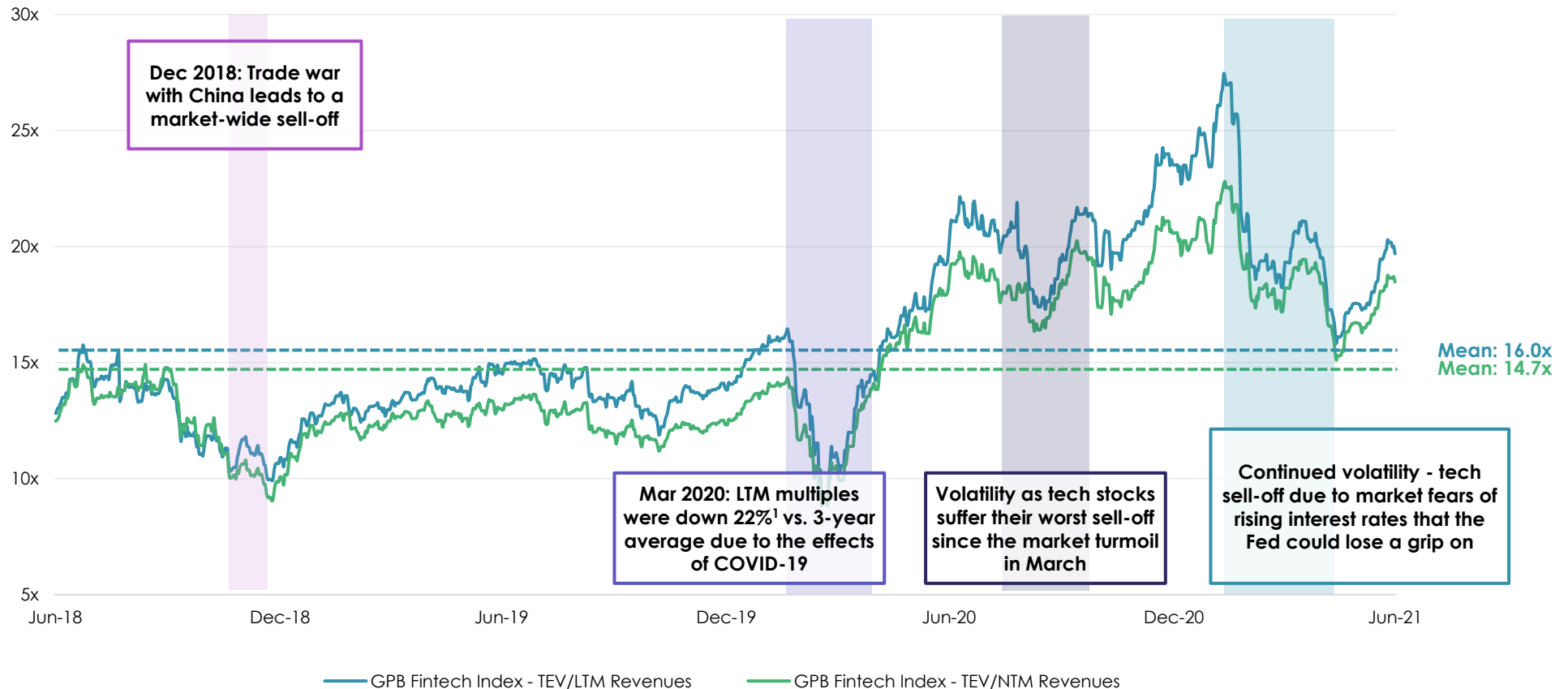


# Valuation picking post volatility in May

Inflation concerns have impacted share valuations, but strong underlying performance still underpins historically high levels.

As of 30 June 2021, the fintech index is trading at 19.7x trailing 12-month revenues, which is 23% above the 3-year average

As of 30 June 2021, the fintech index is trading at 18.5x next 12-month revenues, which is 25% above the 3-year average



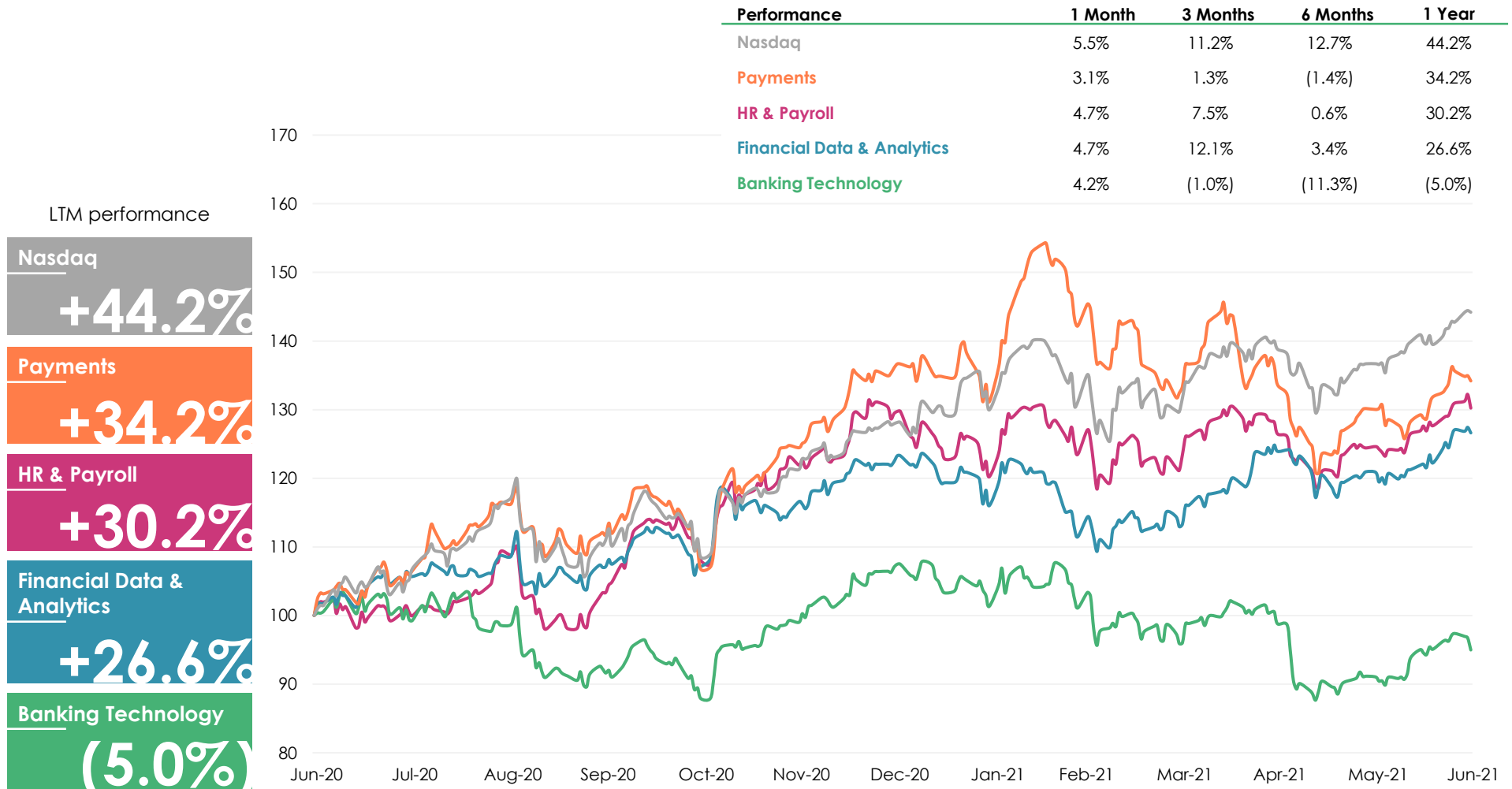
Sources: Capital IQ (as of 30 June 2021)

Note: EV/Rev multiples except for online lenders, which are computed as Market Cap/Rev multiples. Fintech Index constituents are PayPal, Shopify, Square, Adyen, Market Vantage, Zopa, Evolve, iStock, Blackline, iStock, iStock, Circle, OnDeck, and Afterpay

1) YTD GP Bullhound Fintech Index EV/Rev revenues comparison





SHARE PRICE PERFORMANCE - LAST 12 MONTHS

# Recent sector sell-offs have impacted short-term performance



GP BULLHOUND FINTECH INDICES INDICATIVE TRADING VALUATION BENCHMARKS

# GP Bullhound Fintech indices valuation benchmarks

Verticals	Select companies	2021E revenue growth <sup>(1)</sup>	2021E EBITDA margin <sup>(1)</sup>	EV/2021E revenue <sup>(1)</sup>	EV/2021E EBITDA <sup>(1)</sup>
Payments		51.5%	32.1%	14.2x	26.0x
Financial data & Analytics		10.5%	37.1%	10.3x	24.0x
HR & Payroll		8.6%	28.8%	11.7x	28.4x
Banking technology		12.6%	32.3%	11.4x	26.4x

# Reda El Mejjad, Co-founder & CEO

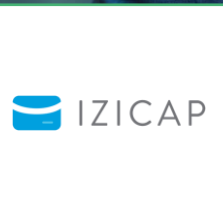

**REDA EL MEJJAD**

CO-FOUNDER &amp; CEO, IZICAP

"We founded Izicap with the purpose of empowering local businesses with all the benefits of CRM & loyalty programmes - but without all the complications. We are giving SMEs the unique opportunity to turn card payment data into powerful & actionable business insights.

Izicap enables any instore payment terminal to become a fuss-free platform to engage cardholders. Ultimately, the cardholder's payment card becomes a loyalty card when they are shopping at their favorite local merchants. No changes needed within the merchant's environment, no extra app for the cardholder either. During the pandemic, our solution has proven to be more relevant than ever: merchants that remained open and were already using the Izicap payment-based marketing solution performed 22% better than their unequipped counterparts."

## Investors



Izicap's mission is to help local merchants thrive, while giving them the power to compete against large retailers. It effectively democratizes CRM & digital marketing, making it accessible to local merchants. Thanks to its Card-Linked CRM & Loyalty platform, Izicap processes 1.8bn payment transactions annually, and provides local merchants with unique insights to serve & retain their clients through a panel of digital marketing tools. Today, more than 10,000 local businesses use Izicap's platform every day to develop their digital presence, increase consumer stickiness, and boost their sales.



# Babs Ogundeyi, Co-founder & CEO



BABS OGUNDEYI

CO-FOUNDER &amp; CEO, KUDA

"Most Africans are overcharged for basic banking services, and that's even when they can access those services. We started Kuda to give such people, whether on the continent or in the diaspora, a better alternative. Our mission is to offer Africans all over the world financial services that are accessible, affordable, and rewarding."



Kuda is a UK-headquartered digital-led bank making banking accessible, affordable, and rewarding for all Africans. Founded in 2019, the bank has well over 1m customers in its launch country, Nigeria, where it provides free banking services and instant credit through its apps for smartphones and the web.

Investors

INVESTORS  
 TARGET GLOBAL VALAR



## PUBLIC COMPARABLES BY CATEGORY

## Public comparables – Payments

Company	Market Cap		Revenue Growth		EBITDA Growth		EBITDA Margin			EV / Revenue			EV / EBITDA			P/E			Share Price
	(USDm)	EV (USDm)	20/21	21/22	20/21	21/22	CY2020	CY2021	CY2022	CY2020	CY2021	CY2022	CY2020	CY2021	CY2022	CY2020	CY2021	CY2022	LTM
	30/Jun/21	30/Jun/21																	
<b>Payments</b>																			
<b>High Growth Omnichannel Payments</b>																			
PayPal	342,410	339,037	20%	21%	78%	24%	20.0%	29.7%	30.3%	15.8x	13.1x	10.8x	78.9x	44.3x	35.8x	n.m	61.6x	49.5x	67%
Shopify	182,136	175,343	51%	33%	108%	27%	8.0%	11.0%	10.5%	n.m.	39.6x	29.7x	n.m.	n.m.	n.m.	n.m	n.m	n.m	54%
Square	111,019	111,229	115%	12%	1823%	42%	0.5%	4.3%	5.5%	11.7x	5.5x	4.9x	n.m.	n.m.	89.1x	n.m	n.m	115.5x	132%
FIS	87,853	106,442	9%	8%	46%	12%	33.4%	44.8%	46.2%	8.5x	7.8x	7.2x	25.4x	17.3x	15.5x	112.8x	21.9x	18.9x	6%
Adyen	74,289	71,185	44%	37%	54%	40%	57.2%	61.4%	62.7%	n.m.	n.m.	45.5x	n.m.	n.m.	72.5x	n.m	145.6x	103.2x	59%
Fiserv	71,271	92,638	7%	8%	34%	10%	31.8%	39.9%	40.9%	6.2x	5.8x	5.4x	19.6x	14.6x	13.2x	124.7x	19.6x	16.7x	9%
Afterpay	25,653	25,392	92%	56%	392%	73%	6.3%	16.2%	18.0%	n.m.	27.3x	17.6x	n.m.	n.m.	97.5x	n.m	n.m	n.m	94%
StoneCo	20,749	19,891	248%	50%	68%	62%	100.9%	48.9%	52.6%	n.m.	19.4x	12.9x	66.8x	39.7x	24.5x	135.0x	72.5x	43.1x	73%
Pageseguro	18,398	18,187	118%	33%	47%	46%	47.0%	31.7%	34.9%	20.9x	9.6x	7.2x	44.5x	30.2x	20.7x	86.3x	52.0x	34.3x	58%
Affirm	17,854	18,345	123%	32%	n.a.	n.a.	(13.9%)	(34.9%)	(8.1%)	41.7x	18.7x	14.2x	n.m.	n.m.	n.m.	n.m	n.m	n.m	n.a.
Dlocal	15,387	15,258	81%	66%	153%	76%	29.2%	41.0%	43.4%	n.m.	n.m.	48.8x	n.m.	n.m.	n.m.	1.5x	n.m	130.1x	n.a.
Marqeta	15,075	15,212	58%	58%	n.a.	156%	(15.0%)	2.0%	3.2%	n.m.	33.2x	21.1x	n.m.	n.m.	n.m.	n.m	n.m	n.m	n.a.
Fawry	2,068	2,003	43%	39%	72%	42%	25.2%	30.4%	30.9%	25.5x	17.8x	12.8x	n.m.	58.7x	41.4x	121.0x	116.9x	86.5x	49%
Mean			77.6%	34.9%	261.6%	50.8%	25.4%	25.1%	28.5%	18.6x	18.0x	18.3x	47.0x	34.1x	45.6x	96.9x	70.0x	66.4x	60.2%
Median			57.8%	33.4%	72.4%	42.1%	25.2%	30.4%	30.9%	15.8x	17.8x	12.9x	44.5x	34.9x	35.8x	116.9x	61.6x	49.5x	58.6%
<b>General Payments &amp; Services</b>																			
Global Payments	55,365	63,640	3%	10%	27%	13%	38.1%	47.2%	48.6%	8.6x	8.4x	7.6x	22.5x	17.7x	15.7x	95.4x	23.4x	19.9x	11%
Worldline	26,210	31,389	84%	9%	148%	17%	19.1%	25.7%	27.4%	9.7x	5.2x	4.8x	50.7x	20.4x	17.5x	55.5x	32.3x	26.6x	2%
Nexi	13,771	17,648	(30%)	7%	45%	9%	28.1%	57.9%	59.3%	9.1x	12.9x	12.1x	32.4x	22.4x	20.5x	86.3x	39.5x	33.8x	20%
ACI Worldwide	4,388	5,401	3%	5%	50%	8%	19.4%	28.4%	29.2%	4.2x	4.1x	3.9x	21.5x	14.3x	13.3x	48.3x	19.7x	18.1x	38%
Network International	2,778	2,825	20%	17%	92%	33%	24.9%	39.9%	45.2%	9.9x	8.3x	7.0x	39.8x	20.7x	15.6x	143.5x	49.2x	29.8x	(17%)
Cielo	1,965	4,358	(0%)	8%	52%	15%	13.5%	20.6%	21.9%	2.0x	2.0x	1.9x	15.0x	9.8x	8.5x	19.6x	11.1x	10.0x	(21%)
EVO Payments	1,306	2,557	11%	11%	66%	16%	23.7%	35.5%	36.9%	5.8x	5.2x	4.7x	24.6x	14.8x	12.8x	n.m	33.8x	27.9x	22%
Mean			12.9%	9.7%	68.7%	15.7%	23.8%	36.4%	38.3%	7.0x	6.6x	6.0x	29.5x	17.2x	14.8x	74.8x	29.9x	23.7x	7.7%
Median			2.8%	9.2%	52.3%	14.9%	23.7%	35.5%	36.9%	8.6x	5.2x	4.8x	24.6x	17.7x	15.6x	70.9x	32.3x	26.6x	10.6%
<b>Payment Networks</b>																			
Visa	498,690	504,459	15%	18%	14%	24%	68.6%	68.4%	71.6%	23.5x	20.5x	17.3x	34.2x	29.9x	24.1x	59.3x	39.5x	31.5x	21%
Mastercard	361,822	367,551	20%	19%	21%	27%	57.1%	57.4%	61.2%	24.0x	20.0x	16.7x	42.0x	34.8x	27.3x	75.0x	46.4x	35.1x	23%
Mean			17.5%	18.9%	17.6%	25.7%	62.9%	62.9%	66.4%	23.8x	20.2x	17.0x	38.1x	32.4x	25.7x	67.2x	43.0x	33.3x	22.3%
Median			17.5%	18.9%	17.6%	25.7%	62.9%	62.9%	66.4%	23.8x	20.2x	17.0x	38.1x	32.4x	25.7x	67.2x	43.0x	33.3x	22.3%
Mean (ALL)			51.5%	25.4%	169.7%	36.7%	28.3%	32.1%	35.1%	14.2x	14.2x	14.3x	37.0x	26.0x	31.4x	83.1x	49.1x	46.1x	36.8%
Median (ALL)			31.5%	18.9%	60.3%	26.7%	25.0%	33.6%	35.9%	9.8x	11.3x	11.5x	33.3x	20.7x	20.6x	86.3x	39.5x	32.6x	23.5%

Source: Capital IQ (as of 30 June 2021); Note: EV/Revenue multiples in excess of 50.0x, EV/EBITDA multiples in excess of 100.0x and P/E multiples in excess of 50.0x are not included in average calculation

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## PUBLIC COMPARABLES BY CATEGORY

## Public comparables – Financial data &amp; Analytics

Company	Market Cap		Revenue Growth		EBITDA Growth		EBITDA Margin			EV / Revenue			EV / EBITDA			P/E			Share Price
	(USDm)	EV (USDm)	20/21	21/22	20/21	21/22	CY2020	CY2021	CY2022	CY2020	CY2021	CY2022	CY2020	CY2021	CY2022	CY2020	CY2021	CY2022	LTM
	30/Jun/21	30/Jun/21																	
<b>Financial Data &amp; Analytics</b>																			
S&P Global	98,872	101,980	7%	6%	8%	7%	54.7%	55.7%	56.3%	13.7x	12.9x	12.1x	25.0x	23.1x	21.5x	46.4x	32.2x	29.5x	25%
Moody's	67,823	71,976	8%	6%	11%	5%	49.9%	50.9%	50.8%	13.4x	12.4x	11.7x	26.9x	24.3x	23.0x	46.6x	31.7x	29.8x	32%
Thomson Reuters	49,260	50,689	4%	4%	40%	15%	23.2%	31.1%	34.3%	8.5x	8.1x	7.8x	36.5x	26.1x	22.7x	n.m.	53.5x	42.6x	33%
IHS Markit	44,908	50,025	9%	6%	32%	9%	35.9%	43.5%	44.5%	11.7x	10.7x	10.1x	32.5x	24.7x	22.7x	100.2x	35.5x	32.0x	49%
MSCI	43,938	46,228	17%	10%	23%	12%	55.9%	58.7%	59.5%	27.3x	23.4x	21.2x	48.8x	39.8x	35.7x	97.7x	55.4x	49.3x	60%
Experian	35,081	39,338	10%	9%	25%	11%	30.1%	34.2%	34.8%	7.5x	6.8x	6.2x	24.8x	19.8x	17.9x	51.9x	33.5x	29.4x	(1%)
Equifax	29,149	32,802	13%	6%	44%	16%	26.5%	33.7%	36.8%	7.9x	7.0x	6.6x	30.0x	20.8x	18.0x	83.4x	34.0x	28.5x	39%
Verisk Analytics	28,321	31,412	7%	6%	15%	8%	45.2%	48.7%	49.4%	11.3x	10.6x	9.9x	25.0x	21.7x	20.1x	51.5x	34.1x	29.7x	3%
TransUnion	21,007	24,161	10%	7%	23%	9%	35.6%	39.6%	40.3%	8.9x	8.1x	7.5x	25.0x	20.4x	18.7x	71.2x	30.6x	27.6x	26%
FICO	14,466	15,292	4%	10%	37%	13%	30.7%	40.4%	41.5%	11.7x	11.3x	10.2x	38.1x	27.8x	24.7x	69.9x	42.6x	37.0x	20%
FactSet	12,704	12,906	6%	5%	10%	6%	33.4%	34.7%	34.9%	8.5x	8.0x	7.7x	25.5x	23.2x	22.0x	46.5x	30.3x	28.0x	2%
Black Knight	12,115	14,954	15%	8%	66%	11%	34.3%	49.6%	51.1%	12.1x	10.5x	9.7x	35.2x	21.2x	19.0x	57.5x	35.1x	30.5x	7%
Morningstar	11,042	11,179	n.a.	n.a.	n.a.	n.a.	23.6%	n.a.	n.a.	8.0x	n.a.	n.a.	34.0x	n.a.	n.a.	77.4x	n.a.	n.a.	82%
BlackLine	6,459	6,397	19%	21%	n.a.	52%	(0.2%)	12.0%	15.0%	18.2x	15.3x	12.6x	n.m.	n.m.	84.2x	n.m.	n.m.	n.m.	34%
Envestnet	4,129	4,724	15%	11%	81%	11%	13.3%	21.0%	21.1%	4.7x	4.1x	3.7x	35.5x	19.6x	17.6x	n.m.	35.5x	32.5x	3%
LiveRamp	3,203	2,637	14%	20%	n.a.	n.a.	(17.5%)	2.1%	6.6%	6.1x	5.4x	4.5x	n.m.	n.m.	67.5x	n.m.	n.m.	134.0x	10%
Mean			10.5%	9.0%	31.9%	13.2%	29.7%	37.1%	38.5%	11.2x	10.3x	9.4x	31.6x	24.0x	29.0x	66.7x	37.2x	40.0x	26.6%
Median			10.1%	7.4%	25.0%	11.0%	32.0%	39.6%	40.3%	10.1x	10.5x	9.7x	31.3x	23.1x	22.0x	63.7x	34.1x	30.2x	25.4%

## PUBLIC COMPARABLES BY CATEGORY

## Public comparables – HR &amp; Payroll

Company	Market Cap		Revenue Growth		EBITDA Growth		EBITDA Margin			EV / Revenue			EV / EBITDA			P/E			Share Price
	(USDm)	EV (USDm)	20/21	21/22	20/21	21/22	CY2020	CY2021	CY2022	CY2020	CY2021	CY2022	CY2020	CY2021	CY2022	CY2020	CY2021	CY2022	LTM
	30/Jun/21	30/Jun/21																	
<b>HR &amp; Payroll</b>																			
Intuit	133,943	132,299	37%	7%	63%	13%	30.1%	35.7%	37.5%	17.1x	12.5x	11.6x	57.0x	35.0x	31.0x	97.9x	47.7x	45.5x	65%
ADP	84,516	85,067	9%	6%	2%	8%	27.0%	25.1%	25.7%	6.0x	5.5x	5.2x	22.3x	22.0x	20.3x	41.3x	32.3x	28.8x	33%
Workday	58,998	58,163	17%	18%	940%	17%	2.9%	25.6%	25.5%	13.5x	11.6x	9.8x	n.m.	45.1x	38.4x	n.m.	81.8x	68.1x	27%
Paychex	38,607	38,472	9%	6%	11%	6%	41.3%	42.3%	42.3%	9.9x	9.1x	8.6x	23.9x	21.5x	20.3x	45.0x	32.9x	31.0x	42%
Paycom	21,006	20,838	21%	25%	89%	26%	25.2%	39.4%	39.9%	24.8x	20.5x	16.4x	98.1x	51.9x	41.1x	n.m.	85.5x	66.0x	17%
Coupa Software	19,272	20,246	27%	25%	n.a.	35%	(15.6%)	17.4%	18.8%	37.4x	29.5x	23.7x	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	(5%)
SS&C	18,424	24,999	5%	4%	16%	6%	36.5%	40.4%	41.3%	5.4x	5.1x	4.9x	14.7x	12.6x	11.9x	37.6x	15.4x	14.5x	28%
Xero	15,200	15,091	20%	26%	89%	63%	10.3%	16.2%	21.0%	26.9x	22.3x	17.7x	n.m.	n.m.	84.2x	n.m.	n.m.	n.m.	52%
Paylocity	10,395	10,289	21%	22%	106%	30%	15.1%	25.7%	27.4%	17.8x	14.8x	12.1x	n.m.	57.5x	44.2x	n.m.	98.4x	79.4x	31%
The Sage Group	10,058	10,216	(2%)	6%	(16%)	9%	26.5%	22.6%	23.2%	3.9x	4.0x	3.8x	14.8x	17.7x	16.2x	27.1x	30.1x	25.9x	2%
TriNet	4,775	4,760	(75%)	11%	(0%)	12%	10.0%	39.8%	40.3%	1.2x	4.7x	4.2x	11.8x	11.8x	10.5x	21.8x	18.8x	16.2x	19%
Blucora	838	1,240	15%	5%	70%	10%	10.6%	15.6%	16.3%	1.6x	1.4x	1.4x	15.6x	9.2x	8.3x	98.4x	10.9x	10.2x	52%
Mean			8.6%	13.4%	124.4%	19.6%	18.3%	28.8%	29.9%	13.8x	11.7x	9.9x	32.3x	28.4x	29.7x	52.7x	45.4x	38.5x	30.2%
Median			15.7%	9.1%	62.8%	12.5%	20.2%	25.7%	26.5%	11.7x	10.3x	9.2x	18.9x	21.7x	20.3x	41.3x	32.6x	29.9x	29.2%

## PUBLIC COMPARABLES BY CATEGORY

## Public comparables – Banking technology

Company	Market Cap		Revenue Growth		EBITDA Growth		EBITDA Margin			EV / Revenue			EV / EBITDA			P/E			Share Price
	(USDm)	EV (USDm)	20/21	21/22	20/21	21/22	CY2020	CY2021	CY2022	CY2020	CY2021	CY2022	CY2020	CY2021	CY2022	CY2020	CY2021	CY2022	LTM
	30/Jun/21	30/Jun/21																	
<b>Banking Technology</b>																			
MarketAxess	17,608	17,296	12%	12%	7%	14%	59.1%	56.6%	57.6%	25.1x	22.5x	20.1x	42.5x	39.7x	34.9x	73.8x	57.1x	51.3x	(7%)
Jack Henry	12,130	12,324	6%	7%	31%	8%	26.2%	32.3%	32.5%	7.2x	6.8x	6.3x	27.4x	20.9x	19.4x	52.7x	38.2x	33.7x	(11%)
Temenos	11,676	12,557	11%	10%	78%	10%	28.3%	45.3%	45.4%	14.2x	12.7x	11.6x	50.1x	28.1x	25.5x	100.8x	41.6x	36.9x	1%
Q2	5,776	5,855	23%	21%	n.a.	58%	(13.8%)	6.7%	8.8%	14.5x	11.8x	9.8x	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	20%
Bottomline Technologies	1,683	1,712	11%	11%	143%	13%	9.2%	20.3%	20.6%	3.8x	3.5x	3.1x	41.4x	17.0x	15.1x	n.m.	32.9x	27.3x	(27%)
Mean			12.6%	12.1%	65.0%	20.5%	21.8%	32.3%	33.0%	13.0x	11.4x	10.2x	40.4x	26.4x	23.7x	75.8x	42.5x	37.3x	(5.0%)
Median			11.2%	11.1%	54.7%	12.7%	26.2%	32.3%	32.5%	14.2x	11.8x	9.8x	42.0x	24.5x	22.4x	73.8x	39.9x	35.3x	(7.5%)

# Methodology

This report is based on the expert insights of GP Bullhound's worldwide team alongside detailed analysis of investment trends across the global technology landscape. GP Bullhound's Fintech sector comprises Payments, Financial Data & Analytics, HR & Payroll and Banking Technology.

## GP Bullhound's Fintech team

Based in our London office, Claudio Alvarez heads up our Fintech practice, which has completed over 20 transactions involving both equity and debt.

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