

LONDON ◦ SAN DIEGO ◦ BUENOS AIRES

[www.goldenhill.international/reports](http://www.goldenhill.international/reports)

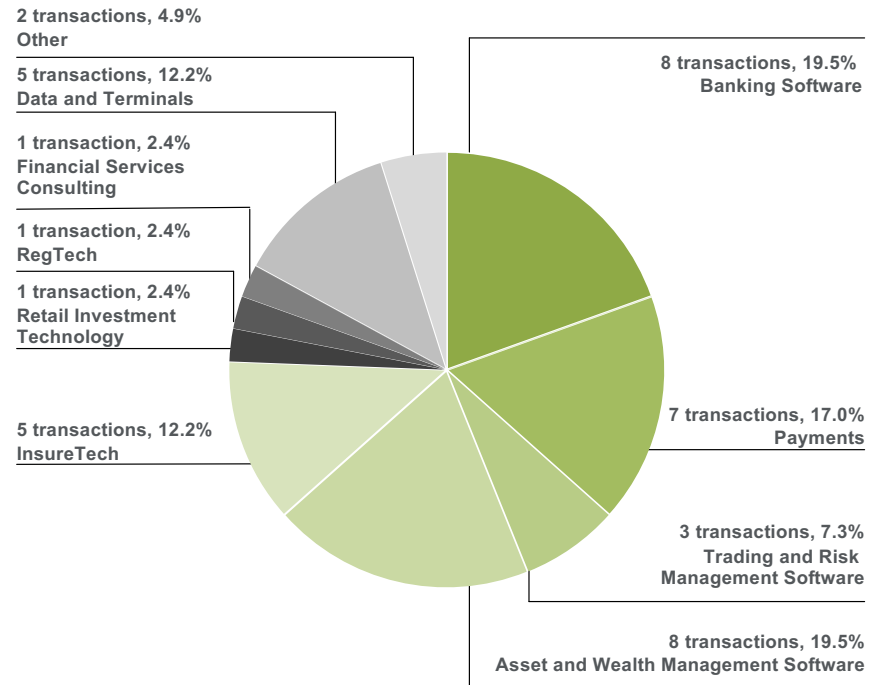


# Financial Technology Sector **Quoted Company Analysis**

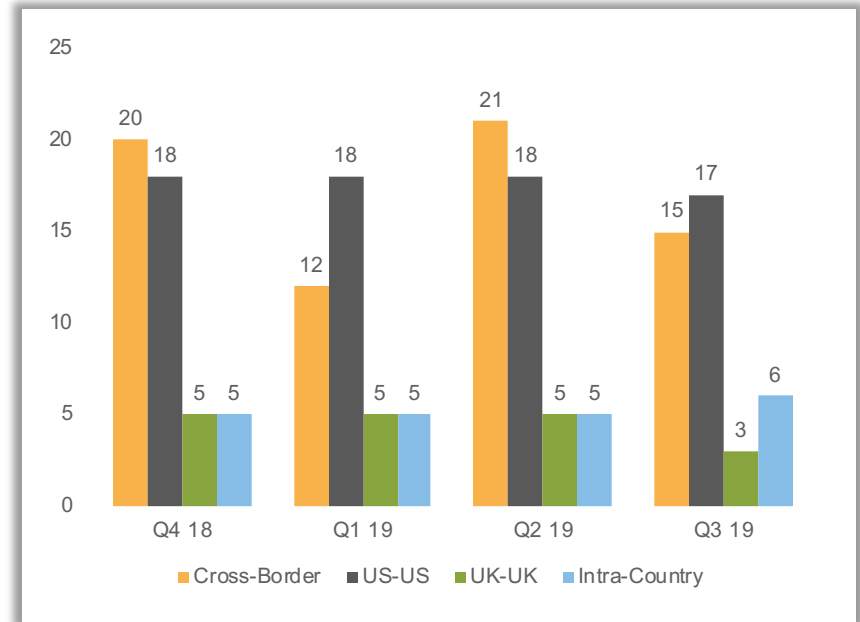
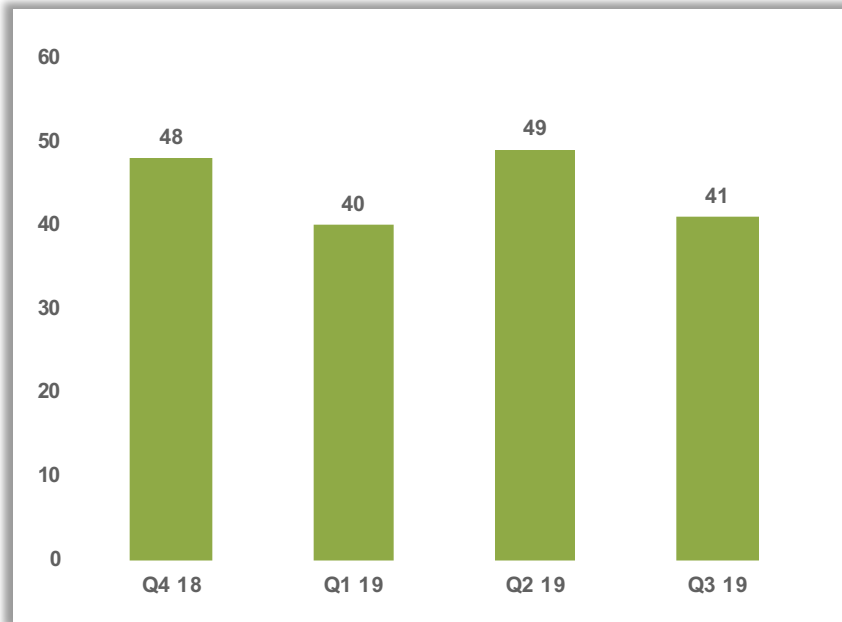
Third Quarter 2019

## Q3 2019 TRANSACTIONS BY SUBSECTOR

- **Banking Software**  
Software that facilitates or enhances banking practices
- **Research Management Software**  
Tools to enhance and simplify financial research
- **Payments**  
Innovative solutions to make faster and more efficient payments
- **Trading and Risk Management Software**  
Software designed for trading and risk management activities
- **Asset and Wealth Management Software**  
Systems developed for private and institutional wealth managers
- **InsureTech**  
Innovations in the insurance industry through technology
- **Retail Investment Technology**  
Technology aimed at furthering retail investing
- **RegTech**  
The use of technology to facilitate the delivery of regulatory requirements
- **Financial Services Consulting**  
Companies that provide consulting within the financial services
- **Data and Terminals**  
Companies providing data and specialized terminals to financial industry players
- **Other**  
All other company types within the financial spectrum



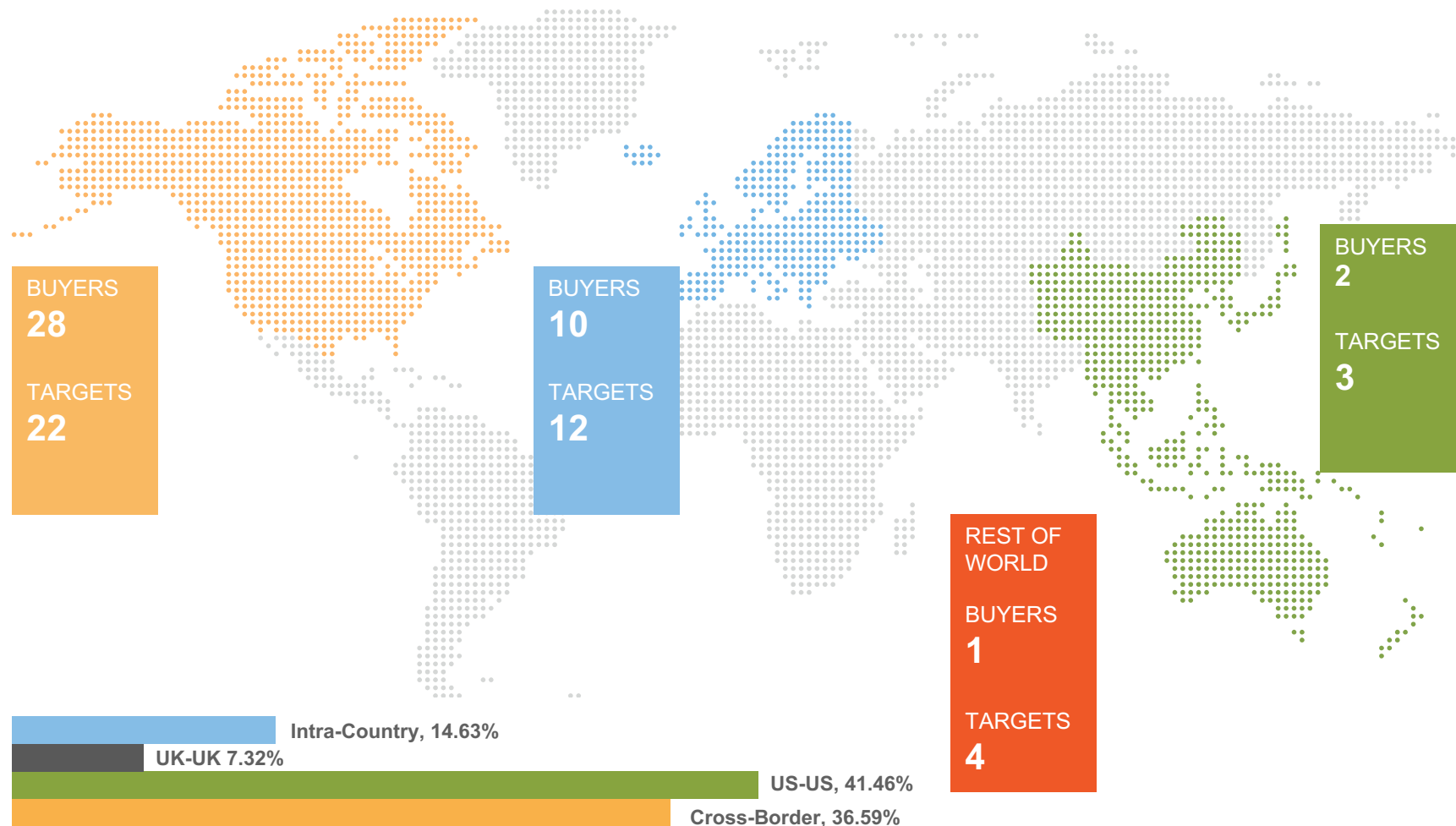
## TRANSACTIONS BY QUARTER



- Number of deals was consistent throughout the year despite a slight drop from Q2 to Q3, most likely explained by lower activity in the summer months
- The banking software and asset and wealth management software sectors experienced the most activity throughout the quarter, making up 19.5% of activity each

- Q3 saw a slight drop in volume of cross-border transactions, with more transactions having taken place within the United States
- Intra-UK deals declined from the previous quarters

## Q3 2019 TRANSACTIONS BY GEOGRAPHY



## SECTOR VALUATION METRICS

| Company                        | Share Price Local<br>30-Sep-19 | Market Cap<br>(\$m) <sup>(1)</sup> | Net Debt<br>(\$m) <sup>(2)</sup> | Enterprise<br>Value (\$m) | Revenue     |        | EV/Revenue  |             | EV/Revs      | EV/EBITDA    |        | Revenue Growth |              | EBITDA Margin |                          | % Revs |
|--------------------------------|--------------------------------|------------------------------------|----------------------------------|---------------------------|-------------|--------|-------------|-------------|--------------|--------------|--------|----------------|--------------|---------------|--------------------------|--------|
|                                |                                |                                    |                                  |                           | CY19E (\$m) | CY2018 | CY2019E     | Recurring   | CY2018       | CY2019E      | CY2018 | CY2019E        | CY2018       | CY2019E       | Recurring <sup>(3)</sup> |        |
| <b>Selected Large Cap</b>      |                                |                                    |                                  |                           |             |        |             |             |              |              |        |                |              |               |                          |        |
| FIS                            | 132.8                          | 81,441                             | 8,282                            | 89,723                    | 10,294      | 10.7x  | 8.7x        | 10.8x       | 31.2x        | 20.9x        | -2.8%  | 22.2%          | 34.2%        | 41.7%         | 81%                      |        |
| Fiserv                         | 103.6                          | 70,394                             | 5,544                            | 75,938                    | 10,665      | 13.0x  | 7.1x        | 8.1x        | 32.9x        | 20.1x        | 2.2%   | 83.2%          | 39.7%        | 35.5%         | 88%                      |        |
| IHS Markit                     | 66.9                           | 26,818                             | 5,559                            | 32,377                    | 4,432       | 8.0x   | 7.3x        | 8.6x        | 26.2x        | 18.2x        | 11.4%  | 10.1%          | 30.6%        | 40.2%         | 85%                      |        |
| MSCI                           | 217.8                          | 18,443                             | 1,671                            | 20,114                    | 1,543       | 14.0x  | 13.0x       | 13.3x       | 26.0x        | 24.1x        | 12.5%  | 7.6%           | 53.9%        | 54.2%         | 98%                      |        |
| Broadridge Financial Solutions | 124.4                          | 14,220                             | 1,197                            | 15,417                    | 4,466       | 3.5x   | 3.5x        | 5.5x        | 17.9x        | 16.3x        | 0.7%   | 4.7%           | 19.8%        | 21.1%         | 63%                      |        |
| SS&C                           | 51.6                           | 13,086                             | 8,089                            | 21,176                    | 4,604       | 6.2x   | 4.6x        | 4.7x        | 22.3x        | 11.8x        | 104.2% | 34.6%          | 27.7%        | 39.0%         | 97%                      |        |
| Temenos                        | 167.0                          | 12,146                             | 527                              | 12,672                    | 981         | 15.1x  | 12.9x       | 15.8x       | 40.7x        | 32.4x        | 14.3%  | 16.7%          | 37.0%        | 39.9%         | 82%                      |        |
| Jack Henry & Associates        | 146.0                          | 11,240                             | (94)                             | 11,146                    | 1,604       | 7.4x   | 6.9x        | 8.1x        | 21.9x        | 21.3x        | 5.6%   | 6.7%           | 33.7%        | 32.5%         | 86%                      |        |
| FactSet                        | 243.0                          | 9,295                              | 189                              | 9,484                     | 1,456       | 6.9x   | 6.5x        | 7.2x        | 21.1x        | 18.9x        | 6.3%   | 4.3%           | 32.5%        | 34.5%         | 90%                      |        |
| FICO                           | 303.5                          | 8,771                              | 656                              | 9,427                     | 1,167       | 8.9x   | 8.1x        | 8.1x        | 36.5x        | 28.1x        | 10.8%  | 10.6%          | 24.4%        | 28.7%         | 100%                     |        |
| Guidewire Software             | 105.4                          | 8,656                              | (807)                            | 7,849                     | 739         | 11.5x  | 10.6x       | 16.2x       | NM           | NM           | 10.2%  | 6.4%           | 4.2%         | 10.5%         | 65%                      |        |
| Morningstar                    | 146.1                          | 6,249                              | (326)                            | 5,923                     | NA          | 5.8x   | NA          | NA          | 19.0x        | NA           | 11.9%  | NA             | 30.6%        | NA            | 73%                      |        |
| Computershare                  | 16.2                           | 5,917                              | 1,469                            | 7,386                     | 2,360       | 3.2x   | 3.1x        | 3.7x        | 11.3x        | 10.6x        | 2.5%   | 1.2%           | 28.2%        | 29.5%         | 84%                      |        |
| Q2 Holdings                    | 78.9                           | 3,757                              | 5                                | 3,762                     | 314         | 15.6x  | 12.0x       | 17.2x       | NM           | NM           | 24.3%  | 30.3%          | -6.2%        | 6.4%          | 70%                      |        |
| ACI Worldwide                  | 31.3                           | 3,656                              | 523                              | 4,179                     | 1,320       | 4.1x   | 3.2x        | 4.2x        | 18.7x        | 12.0x        | -1.4%  | 30.7%          | 22.1%        | 26.4%         | 75%                      |        |
| SimCorp                        | 601.5                          | 3,557                              | (54)                             | 3,503                     | 500         | 7.8x   | 7.0x        | 11.9x       | 27.1x        | 22.6x        | 16.5%  | 10.7%          | 28.6%        | 31.0%         | 59%                      |        |
| Envestnet                      | 56.7                           | 2,959                              | 171                              | 3,130                     | 898         | 3.9x   | 3.5x        | 3.7x        | 34.1x        | 16.6x        | 18.8%  | 10.5%          | 11.3%        | 20.9%         | 95%                      |        |
| Bottomline Tech                | 39.4                           | 1,726                              | 5                                | 1,731                     | 435         | 4.2x   | 4.0x        | 4.5x        | 36.7x        | 22.8x        | 7.1%   | 6.2%           | 11.6%        | 17.4%         | 89%                      |        |
| IRESS Market Technology        | 11.6                           | 1,366                              | 123                              | 1,488                     | 341         | 4.3x   | 4.4x        | 4.6x        | 16.8x        | 16.8x        | 5.4%   | -1.7%          | 25.5%        | 26.0%         | 95%                      |        |
| Ebiz                           | 42.1                           | 1,284                              | 557                              | 1,840                     | 590         | 3.7x   | 3.1x        | 3.8x        | 11.2x        | 9.0x         | 36.8%  | 18.4%          | 33.0%        | 34.9%         | 83%                      |        |
| <b>Average</b>                 |                                |                                    |                                  |                           |             |        |             |             |              |              |        |                |              |               |                          |        |
| <b>Total (Large Cap)</b>       |                                | <b>304,980</b>                     | <b>33,286</b>                    | <b>338,266</b>            |             |        | <b>7.9x</b> | <b>6.8x</b> | <b>25.1x</b> | <b>19.0x</b> |        |                | <b>26.1%</b> | <b>30.0%</b>  | <b>82.9%</b>             |        |
| <b>Selected Mid Cap</b>        |                                |                                    |                                  |                           |             |        |             |             |              |              |        |                |              |               |                          |        |
| Equiniti Group Plc             | 2.2                            | 970                                | 389                              | 1,359                     | 690         | 1.9x   | 2.0x        | 2.5x        | 10.0x        | 8.0x         | 35.4%  | -2.7%          | 19.1%        | 24.8%         | 80%                      |        |
| First Derivatives              | 22.4                           | 733                                | 22                               | 755                       | 296         | 2.7x   | 2.6x        | 4.1x        | 18.1x        | 14.7x        | 17.5%  | 3.8%           | 15.0%        | 17.4%         | 62%                      |        |
| Sword Group                    | 30.4                           | 316                                | (99)                             | 217                       | 229         | 1.1x   | 0.9x        | NA          | 2.0x         | 7.3x         | 24.1%  | 13.3%          | 53.4%        | 13.1%         | NA                       |        |
| <b>Average</b>                 |                                |                                    |                                  |                           |             |        | <b>1.9x</b> | <b>1.8x</b> | <b>10.0x</b> | <b>10.0x</b> |        |                | <b>29.2%</b> | <b>18.4%</b>  | <b>71.1%</b>             |        |
| <b>Total (Mid Cap)</b>         |                                | <b>2,020</b>                       | <b>311</b>                       | <b>2,331</b>              |             |        |             |             |              |              |        |                |              |               |                          |        |
| <b>Selected Small Cap</b>      |                                |                                    |                                  |                           |             |        |             |             |              |              |        |                |              |               |                          |        |
| Linedata Services              | 30.1                           | 236                                | 89                               | 325                       | 187         | 1.6x   | 1.7x        | 2.3x        | 6.3x         | 6.5x         | 1.2%   | -8.4%          | 25.4%        | 26.6%         | 74%                      |        |
| StatPro                        | 2.3                            | 184                                | 31                               | 215                       | 73          | 2.9x   | 3.0x        | 3.0x        | 14.5x        | 14.6x        | 15.3%  | -0.6%          | 20.3%        | 20.2%         | 98%                      |        |
| Gbst Holdings Ltd              | 3.8                            | 176                                | (13)                             | 163                       | 68          | 2.4x   | 2.4x        | 3.5x        | 14.3x        | 11.6x        | -1.4%  | 2.4%           | 16.8%        | 20.7%         | 68%                      |        |
| Crealogix                      | 96.6                           | 135                                | 2                                | 137                       | 104         | 1.4x   | 1.3x        | 2.2x        | 30.2x        | 61.7x        | 14.1%  | 3.6%           | 4.7%         | 2.1%          | 60%                      |        |
| MSG Life AG                    | 2.5                            | 116                                | (36)                             | 80                        | NA          | 0.5x   | NA          | NA          | 9.9x         | NA           | 16.0%  | NA             | 4.7%         | NA            | 21%                      |        |
| Infront ASA                    | 21.6                           | 103                                | (3)                              | 100                       | 80          | 2.9x   | 1.2x        | 1.3x        | 18.9x        | 8.5x         | 10.6%  | 136.8%         | 15.6%        | 14.6%         | 99%                      |        |
| Gresham Technologies plc       | 1.1                            | 93                                 | (7)                              | 86                        | 31          | 3.3x   | 2.8x        | 4.2x        | NM           | 20.3x        | -7.9%  | 21.3%          | -0.2%        | 13.6%         | 66%                      |        |
| 63 Moons Technologies Ltd.     | 125.0                          | 82                                 | (188)                            | (106)                     | NA          | NM     | NA          | NA          | 4.8x         | NA           | -25.3% | NA             | -55.1%       | NA            | 96%                      |        |
| Brady                          | 0.1                            | 9                                  | (5)                              | 4                         | 24          | 0.1x   | 0.2x        | 0.3x        | 1.3x         | NM           | 8.0%   | -23.9%         | 10.8%        | -12.4%        | 69%                      |        |
| Dion Global                    | 2.8                            | 1                                  | 62                               | 64                        | NA          | NA     | NA          | NA          | NA           | NA           | NA     | NA             | NA           | NA            | 74%                      |        |
| <b>Average</b>                 |                                |                                    |                                  |                           |             |        | <b>1.9x</b> | <b>1.8x</b> | <b>12.5x</b> | <b>20.5x</b> |        |                | <b>4.8%</b>  | <b>12.2%</b>  | <b>72.5%</b>             |        |
| <b>Total (Small Cap)</b>       |                                | <b>1,134</b>                       | <b>(67)</b>                      | <b>1,068</b>              |             |        |             |             |              |              |        |                |              |               |                          |        |
| <b>Sector Total</b>            |                                | <b>308,135</b>                     | <b>33,530</b>                    | <b>341,665</b>            |             |        |             |             |              |              |        |                |              |               |                          |        |

(1) Excludes treasury shares

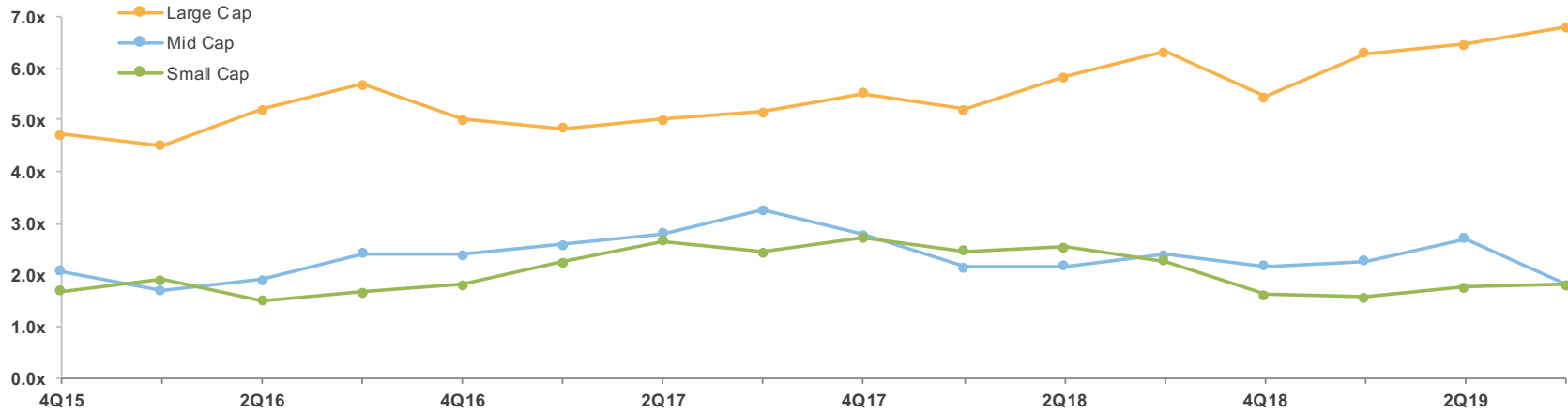
(2) Net financial debt minus marketable securities and collaterals

(3) Recurring revenues (renewing licences, maintenance, subscriptions, SaaS etc) where reported for last full year

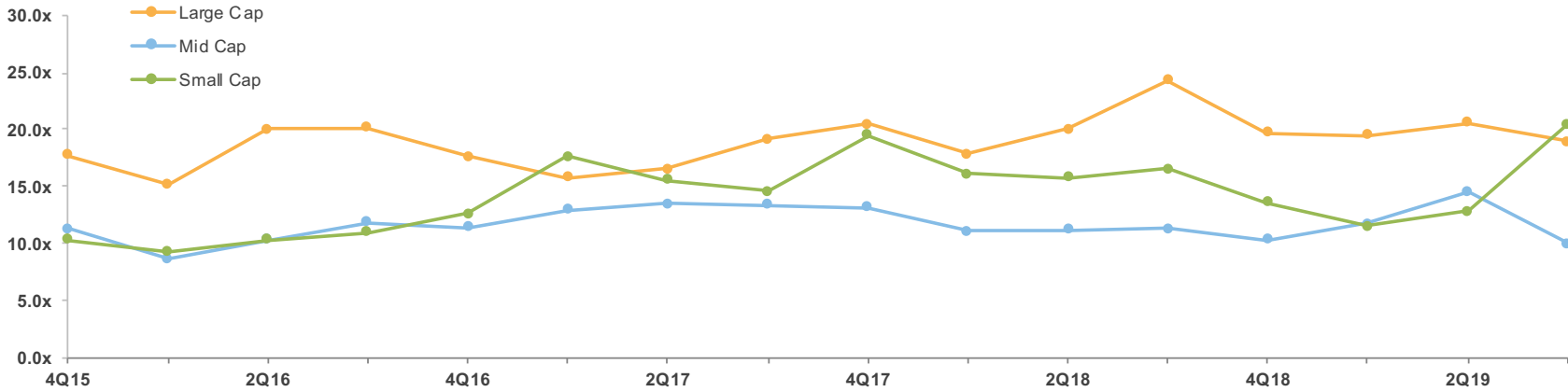
(4) NM - Not meaningful and NA - Not available

# ENTERPRISE VALUE ANALYSIS

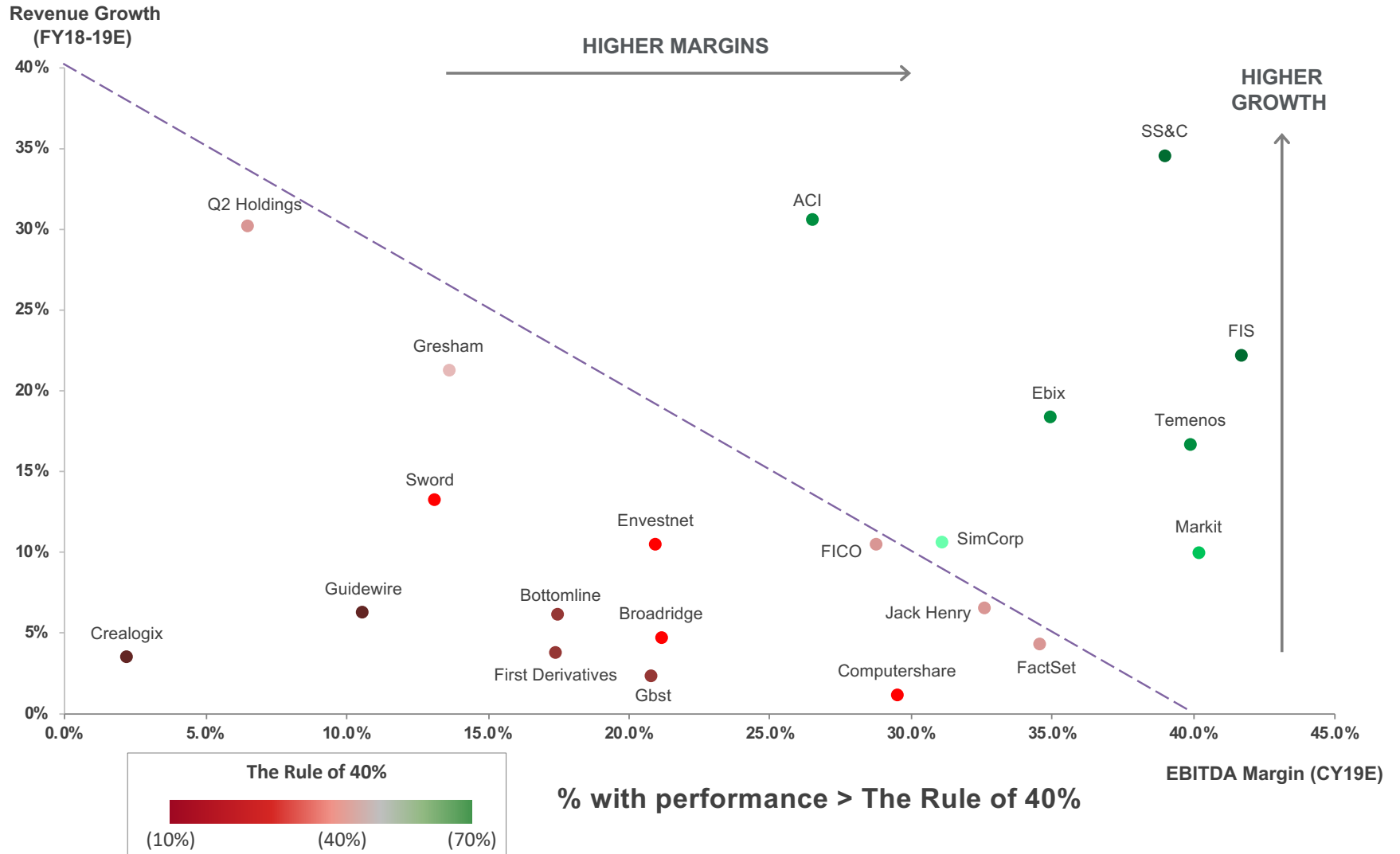
EV/Revenue



EV/EBITDA

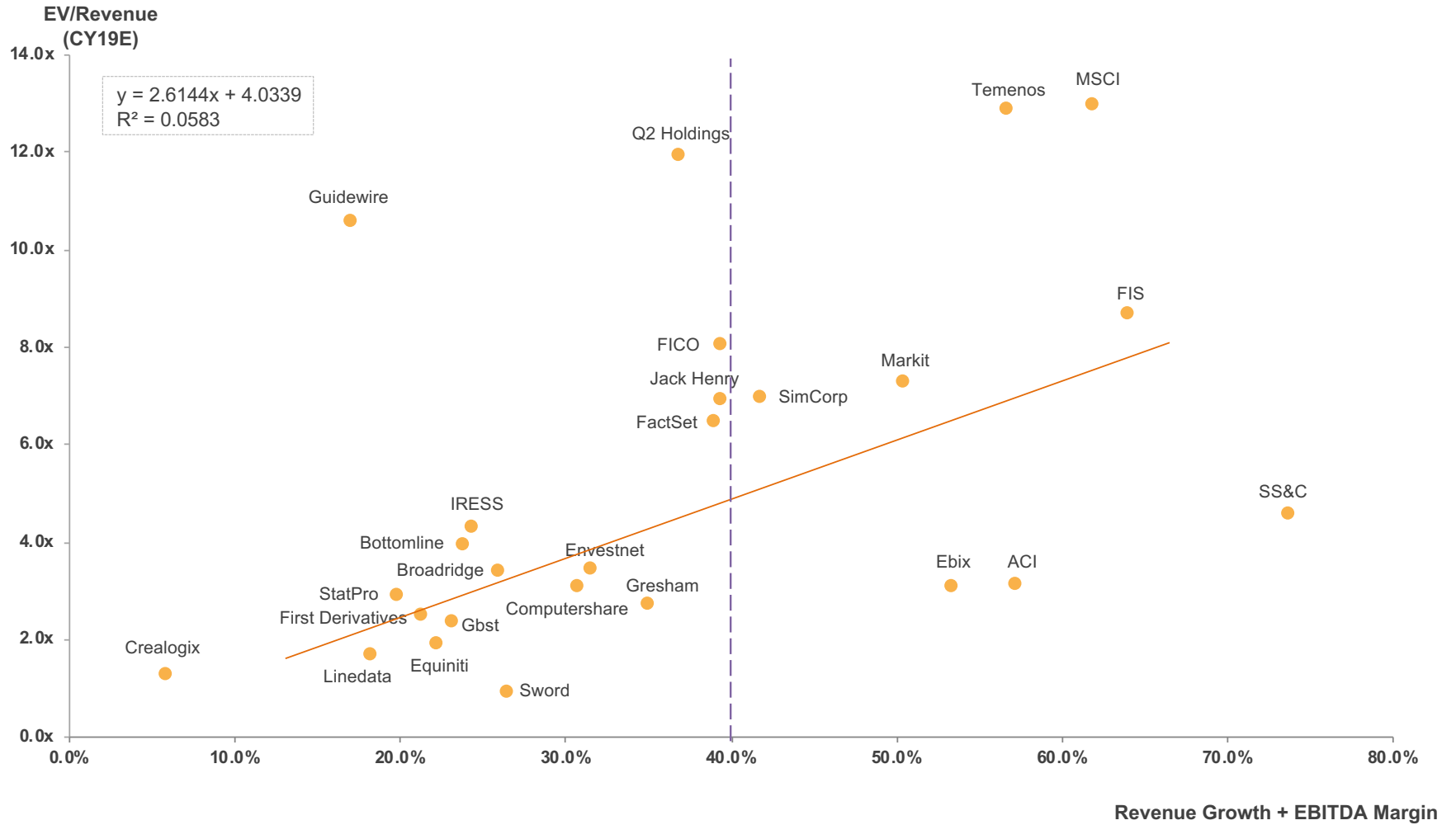


# THE RULE OF 40% : REVENUE GROWTH & OPERATING MARGIN



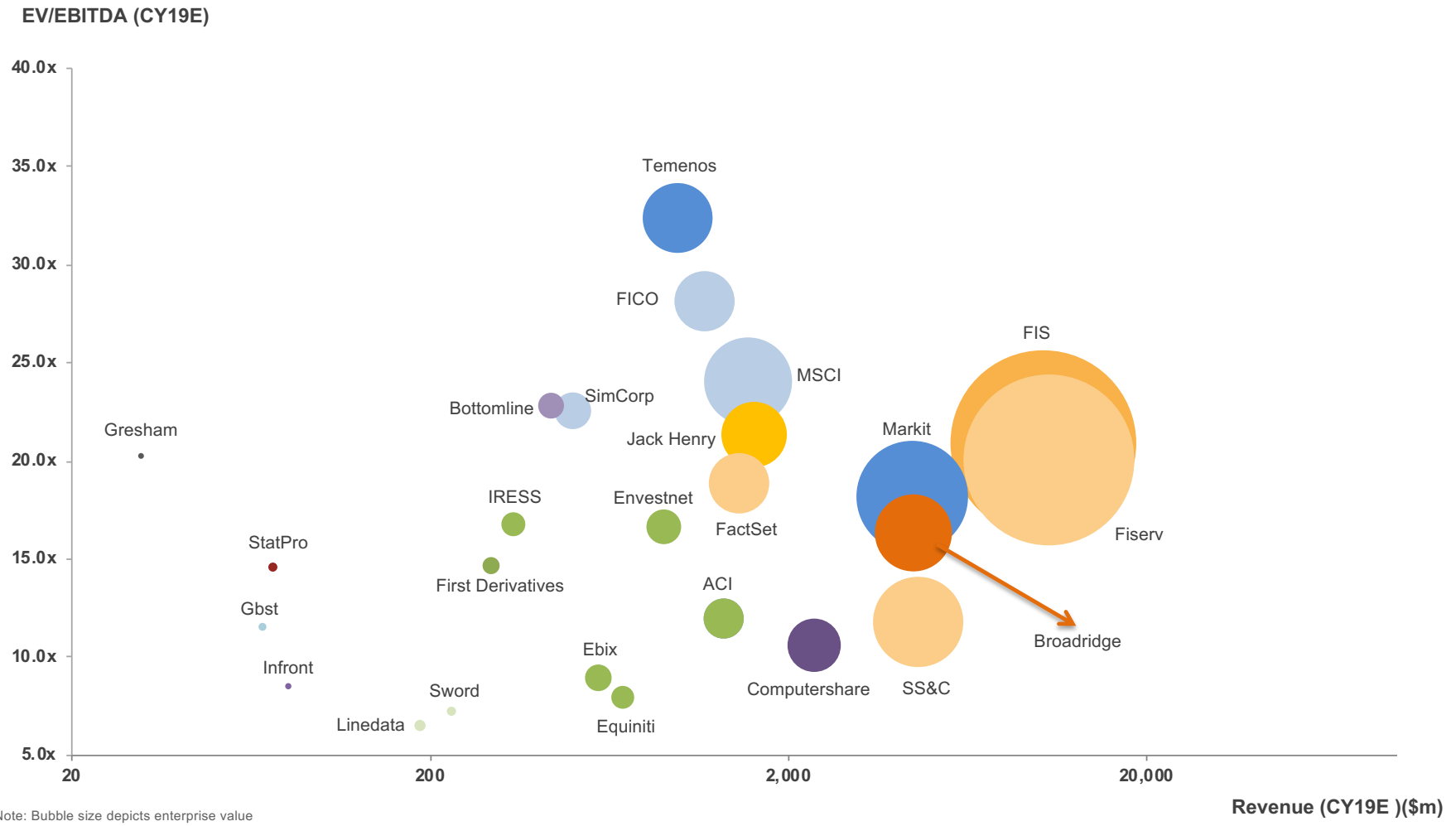
Note: The Rule of 40 is a recognised measure of health for SaaS companies, which states that Revenue Growth % and EBITDA Margin (profitability) should ideally add up to roughly 40%

# VALUATION AS A FUNCTION OF GROWTH + PROFITABILITY





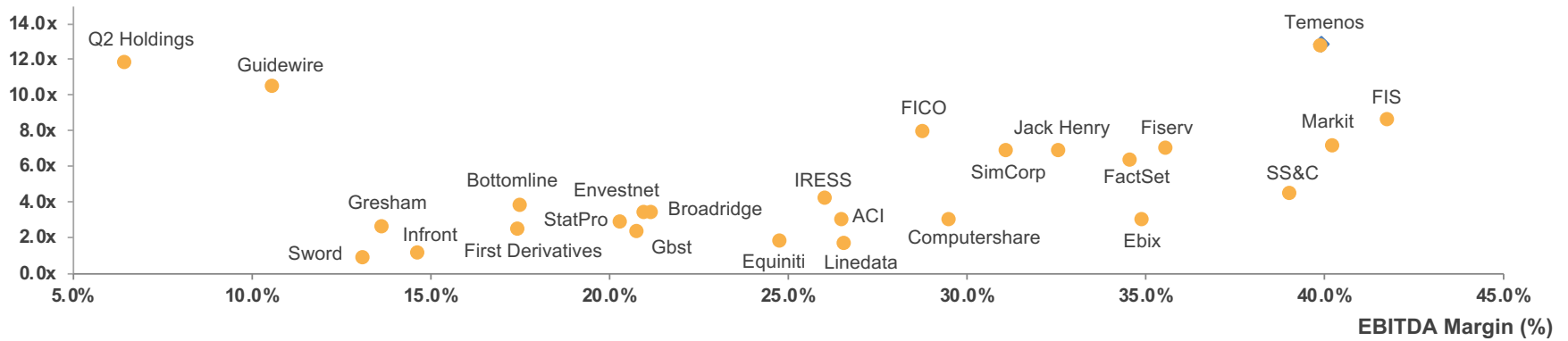
# SCALE AS A VALUE DRIVER



# OPERATING EFFICIENCY AND RECURRING REVENUE AS VALUE DRIVERS

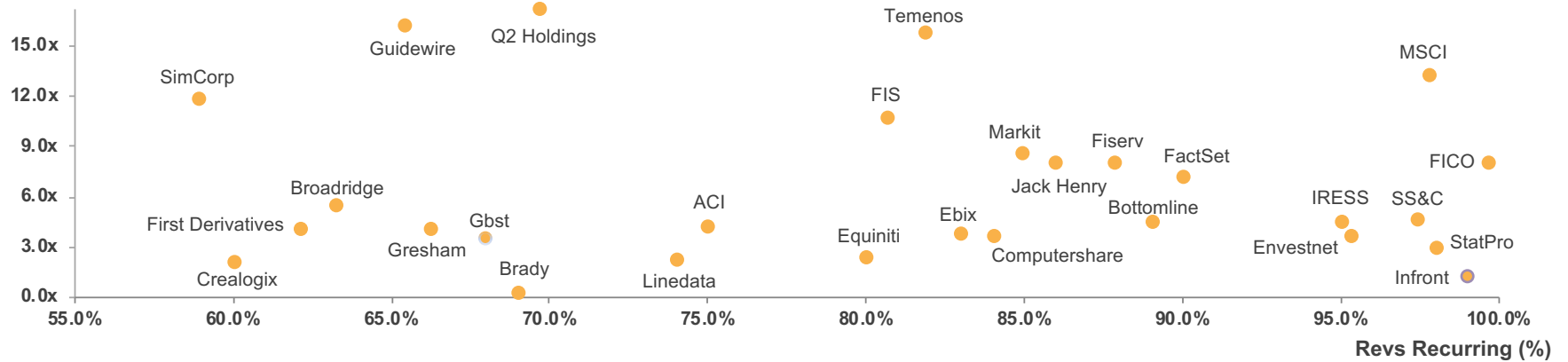
## Revenue Multiple

EV/Revenue (CY19E)



## Recurring Revenue Multiples

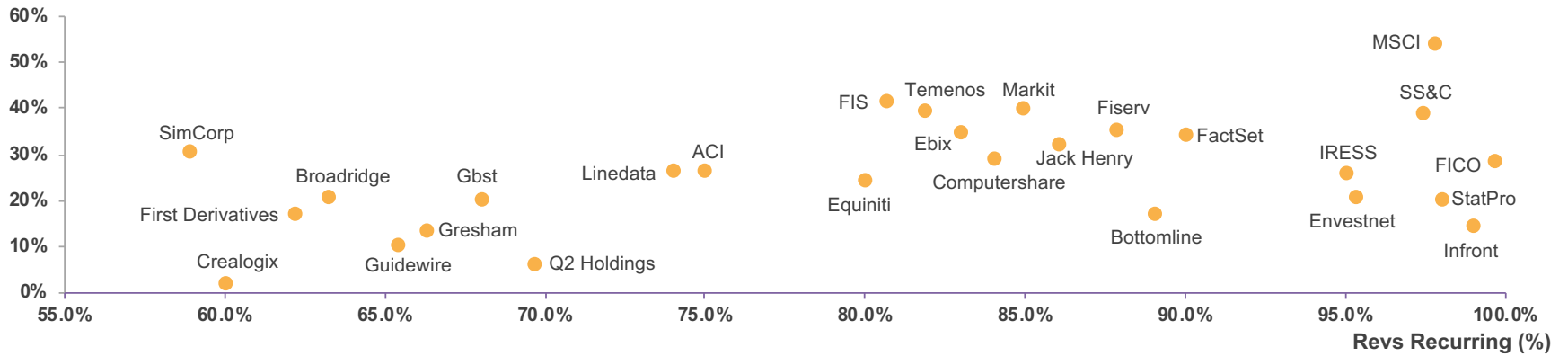
EV/Recurring Rev



# EBITDA MARGIN ANALYSIS

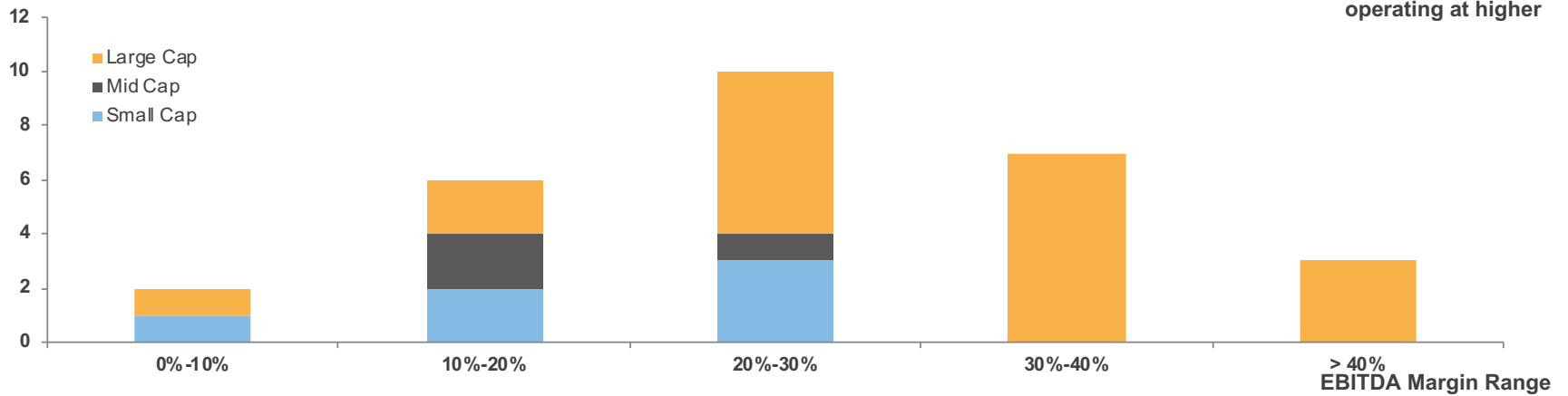
## Recurring Revenue as a Driver of Operating Margins

EBITDA Margin (CY19E)



## EBITDA Margin Range Distribution

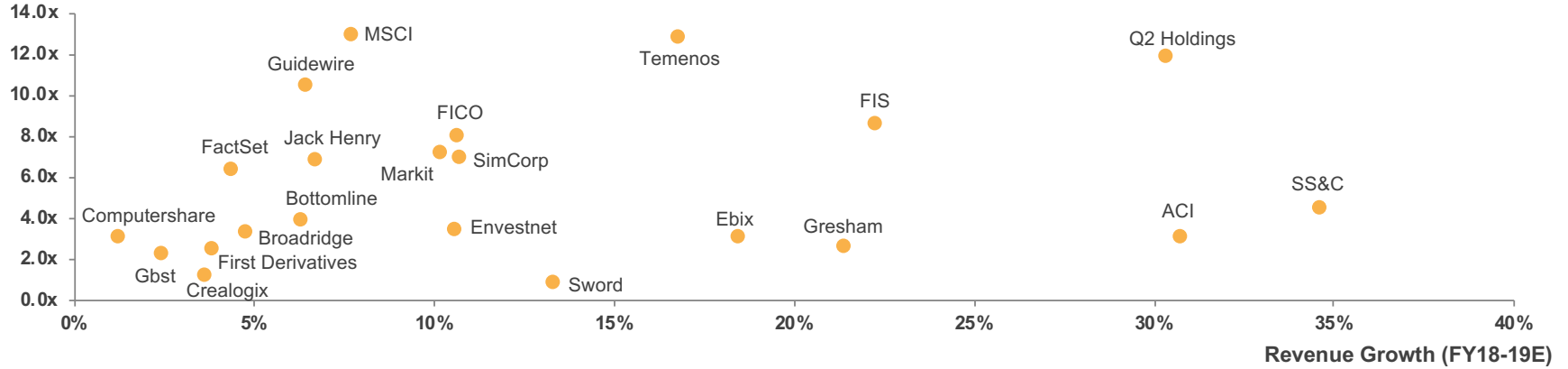
Number of Companies



# GROWTH AS A VALUE DRIVER

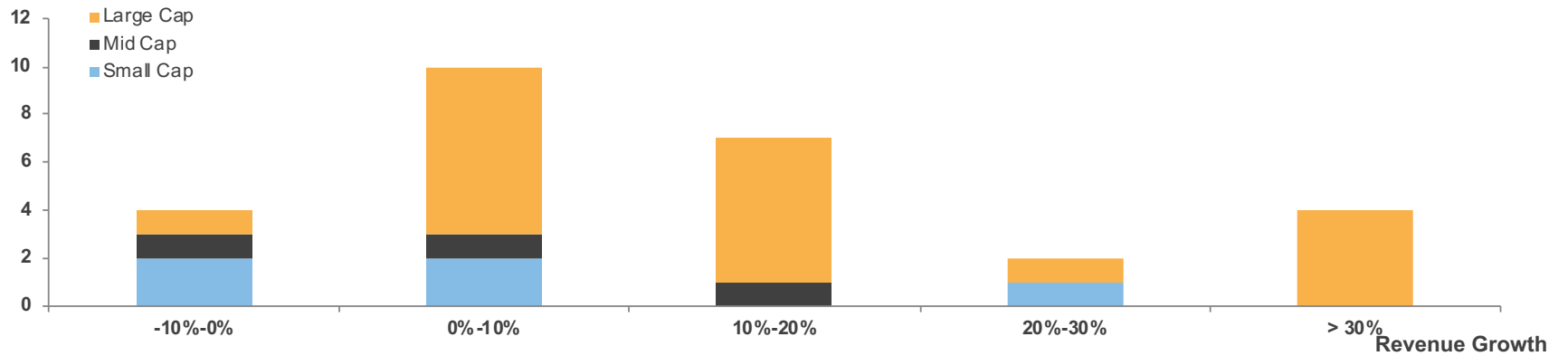
## Revenue Growth

EV/Revenue (CY19E)



## Revenue Growth Distribution















Number of Companies

















## SELECTED FINTECH DEALS – THIRD QUARTER 2019

|                                      | <u>Date Announced</u>     | <u>Buyer</u>  | <u>Target</u>   | <u>Target Product Line</u>  | <u>Deal Size (m)</u> | <u>Target Revenue (m)</u> | <u>Revenue Multiple</u> | <u>Commentary</u>  |
|--------------------------------------|---------------------------|---|---|---|----------------------|---------------------------|-------------------------|--|
| Retail Investment Technology         | 24 <sup>th</sup> Sep 2019 | Wealthsimple Financial Inc.<br>                    | SimpleTax Software Inc.<br>                      | Provides tax preparation and filing software for consumers in Canada  | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>Acquisition marks Wealthsimple's first expansion beyond saving and investing, with SimpleTax software being added to its offering</li> <li>New product is not only a leading investment service, but also a high interest smart savings account as well as Canada's first commission-free trading platform</li> </ul>   |
| Asset and Wealth Management Software | 20 <sup>th</sup> Sep 2019 | Confluence Technologies Inc.<br>                   | StatPro Group PLC<br>                            | Develops and provides software, data solutions and related professional services to the asset management industry in the United Kingdom and internationally | \$201.30             | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>StatPro Group PLC is to go private after accepting a takeover bid from US-based software firm Confluence Technologies</li> <li>The deal values StatPro at £161.1m, and was in the form of an all-cash offer of 230p per share</li> <li>Both companies agreed that there were strong strategic reasons for combining the two companies, with their complementary geographic reach and products</li> <li>Goldenhill had previously advised StatPro in its June acquisition of the ESG research and index business from Milan-based ECPI Group Srl, as well as on various other past deals (please see Goldenhill website for more details)</li> </ul> |
| Asset and Wealth Management Software | 12 <sup>th</sup> Sep 2019 | SS&C Technologies Holdings Inc. (Nasdaq: SSNC)<br> | Investrack Business by Globacom Technologies<br> | Provider of digital financial solutions for private banks as well as wealth and investment management firms   | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>The acquisition of Investrack supports SS&amp;C's commitment to providing innovative products and elevating the client experience</li> <li>The deal will support SS&amp;C's plans to strengthen their position in the Middle East</li> <li>Investrack, whose tools are already integrated with SS&amp;C's solutions, will operate as a business unit under SS&amp;C Advent, adding 29 employees based in Dubai and Pune, India, as well as 30 clients in 14 countries</li> </ul>  |
| Banking Software                     | 12 <sup>th</sup> Sep 2019 | Black Knight Inc. (NYSE:BKI)<br>                  | Compass Analytics LLC<br>                       | Provides mortgage servicing rights (MSR) analytics and risk management software for mortgage bankers, traders, investors and banks                          | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>This deal gives Black Knight the opportunity to bring clients new and useful tools to improve risk management</li> <li>These clients will also gain deeper insight for smarter decision-making and the identification of best-execution strategies</li> </ul>   |
| InsureTech                           | 9 <sup>th</sup> Sep 2019  | Tailwind Capital Group LLC<br>                   | Ventiv Technology Inc.<br>                     | Provides risk, insurance & claims software solutions  | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>Tailwind Capital, a middle market private equity firm investing in targeted sectors within healthcare, business services, and industrial services, has acquired Ventiv Technology</li> <li>Tailwind were impressed with Ventiv's strong management team and robust product suite, which it hopes to further scale</li> </ul>  |
| Banking Software                     | 9 <sup>th</sup> Sep 2019  | Lucht Probst Associates GmbH<br>                 | EffCom AG<br>                                  | Develops and provides software for the banking sector such as securities processing and workflow management   | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>Lucht Probst Associates (LPA), a leading specialist and provider of technology innovations for capital markets and financial institutions in Europe, has acquired EffCom AG</li> <li>The two companies strive to work on the digitalisation of capital markets, with EffCom currently having approximately 40 employees</li> <li>The acquisition comes after LPA's acquisitions of Modality (Tel Aviv), and Capital Market Partners (CMP) in Copenhagen</li> </ul>  |













## SELECTED FINTECH DEALS – THIRD QUARTER 2019

|                                      | <u>Date Announced</u>     | <u>Buyer</u>   | <u>Target</u>   | <u>Target Product Line</u>  | <u>Deal Size (m)</u> | <u>Target Revenue (m)</u> | <u>Revenue Multiple</u> | <u>Commentary</u>   |
|--------------------------------------|---------------------------|--|---|---|----------------------|---------------------------|-------------------------|---|
| Trading and Risk Management Software | 9 <sup>th</sup> Sep 2019  | PEAK6 Investment LLC<br>                            | Electronic Transaction Clearing (ETC)<br>    | Provides transaction clearing software and outsourced processing services for securities industry participants such as professional trading firms and hedge funds               | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>ETC's institutional orientation will expand PEAK6's footprint in custody and clearing</li> <li>It is a direct complement to one of its core businesses, Apex Clearing, which is primarily focused on the retail marketplace</li> </ul>   |
| Data and Terminals                   | 9 <sup>th</sup> Sep 2019  | MSCI Inc.<br>                                       | Carbon Delta AG<br>                          | Provides climate change scenario analytics SaaS and services for businesses globally, exposing climate risks in the financial markets   | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>MSCI and Carbon Delta will create an extensive climate risk assessment and reporting offering for the institutional market, providing investors with solutions to help better understand the impact of climate change on investment portfolios</li> <li>Investors will then be able to comply with mandatory and voluntary climate risk disclosure initiatives and requirements</li> </ul>                             |
| InsureTech                           | 9 <sup>th</sup> Sep 2019  | GFI Informatique SA<br>                             | I2S Informática – Sistemas e Serviços SA<br> | Develops and provides computer solutions for the integrated management of the insurance industry  | Undisclosed          | 14.32                     | N/A                     | <ul style="list-style-type: none"> <li>French GFI Informatique SA has acquired I2S Informática, a Portuguese IT firm focused on developing software for insurance companies</li> <li>I2S has operations in a range of countries including Spain, France, Brazil, Poland and Cape Verde, which allows GFI to strengthen/develop its activities in those markets</li> <li>GFI Informatique has revenues of c. €1.4B and I2S of c. €13m</li> </ul>               |
| Other                                | 5 <sup>th</sup> Sep 2019  | Broadridge Financial Solutions Inc. (NYSE:BR)<br>   | BlueRush Inc.<br>                            | Software source code of BlueRush's DigitalReach enables communications management, analytics and reporting, as well as compliance for financial advisors                        | \$1.72               | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>Broadridge has acquired the software code of BlueRush's Digital Reach platform</li> <li>The transaction will allow the group to focus further on their core IndiVideo platform, and provide them with greater financial flexibility in the support of their sales, marketing and product development objectives</li> </ul>   |
| Asset and Wealth Management Software | 3 <sup>rd</sup> Sep 2019  | Broadridge Financial Solutions Inc. (NYSE:BR)<br> | Financial Database Services Inc.<br>       | Develops "CAESAR", a broker-dealer platform, as well as a variety of compensation and compliance tools to the wealth management industry  | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>Broadridge has acquired Financial Database Services, a trusted provider of compensation management, compliance and advisor onboarding solutions for the wealth management industry</li> <li>The deal expands Broadridge's current market leading advisor compensation management capabilities and underscores its commitment to bringing value-added technology solutions to the wealth management industry</li> </ul> |
| Asset and Wealth Management Software | 28 <sup>th</sup> Aug 2019 | Bravura Solutions Ltd. (ASX:BVS)<br>              | Midwinter Financial<br>                    | Develops financial planning software AdviceOS, which offers back office administration for financial advisors and self-directed digital advice portals for superannuation funds | \$33.81              | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>Midwinter's award-winning financial planning software AdviceOS</li> <li>The acquisition is a strong strategic fit, with AdviceOS being a natural extension to Bravura's existing software solutions and client base</li> <li>The deal also opens up opportunities for growth in Australia, the UK and other geographies</li> </ul>   |
| Banking Software                     | 27 <sup>th</sup> Aug 2019 | HT Mobile Apps LLC<br>                            | Hip Pocket<br>                             | Provides a free mortgage, auto loan, or retirement account analysis mobile application for consumers as well as finance monitoring for banks and credit unions                  | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>Hip Pocket is a strong complement to HT Mobile Apps' existing range of products</li> <li>Current products empower customers to grow their knowledge of personal finances while also helping financial institutions provide better digital offerings</li> </ul>   |

## SELECTED FINTECH DEALS – THIRD QUARTER 2019













|                                      | <u>Date Announced</u>     | <u>Buyer</u>  | <u>Target</u>   | <u>Target Product Line</u>   | <u>Deal Size (m)</u> | <u>Target Revenue (m)</u> | <u>Revenue Multiple</u> | <u>Commentary</u>   |
|--------------------------------------|---------------------------|---|---|--|----------------------|---------------------------|-------------------------|---|
| Payments                             | 27 <sup>th</sup> Aug 2019 | AvidXchange Inc.<br>               | BankTel Systems<br>              | Provides software for accounting, scheduling transactions and paying bills, as well as tracking book and tax asset schedules                     | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>Through this deal, AvidXchange becomes the dominant provider of invoice-to-payment solutions for midmarket customers in the banking and financial services sector</li> <li>Under AvidXchange, BankTEL will be able to offer its clients access to the AvidPay Network for electronic payments, while AvidXchange's financial services customers will benefit from enhanced accounting offerings through BankTEL's product suite</li> </ul> |
| Other                                | 26 <sup>th</sup> Aug 2019 | NXTsoft LLC<br>                    | CCMC Inc.<br>                    | Provides systems and data integration, workflow optimization and related software and API development services for the financial sector globally | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>The acquisition of CCMC complements NXTsoft's previous acquisition strategy and allows them to expand NXTsoft's secure data-centric focus</li> <li>This will allow it to encompass data connectivity for companies and financial institutions</li> </ul>   |
| Banking Software                     | 21 <sup>st</sup> Aug 2019 | Experian PLC<br>                   | Look Who's Charging Pty Ltd.<br> | Provides bank statement transaction analytics and detail enrichment SaaS for businesses and consumers in Australia                               | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>With Look Who's Charging's data integrated to the Experian platform, Experian will be able to provide a uniquely accurate and comprehensive solution for the Australian market</li> <li>Through the deal, Experian hopes to solve the problem of unrecognised bank transactions by providing instant clarification on the merchant behind a transaction</li> </ul>   |
| Asset and Wealth Management Software | 15 <sup>th</sup> Aug 2019 | Octopus Group<br>                  | Seccl Technology Ltd.<br>        | Provides wealth management SaaS and outsourced custody services for stockbrokers, financial advisors and discretionary wealth managers in the UK | \$12.94              | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>Seccl's innovative technology has the potential to completely transform the customer and client experience across retail financial services</li> <li>The acquisition by Octopus Group is one with large market opportunity and potential</li> </ul>  |
| InsureTech                           | 14 <sup>th</sup> Aug 2019 | Arch Insurance Group Inc.<br>     | Ventus Risk Management Inc.<br> | Develops and provides a technology platform that increases the underwriting proposition for all catastrophe exposed insurance businesses         | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>Arch Insurance North America has announced its acquisition of Ventus Risk Management</li> <li>Integrating Ventus into the Arch platform will enable third-party capital to provide capacity alongside Arch's product offerings</li> <li>Arch Insurance hopes to leverage Ventus' InsureTech to bring enhanced value to its wholesale distribution partners</li> </ul>  |
| RegTech                              | 13 <sup>th</sup> Aug 2019 | Bloomberg LP<br>                 | RegTek Solutions<br>           | Provider of global regulatory reporting software solutions built around actionable regulatory intelligence                                       | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>The acquisition of RegTek Solutions by Bloomberg will expand the range of regulatory reporting software solutions currently offered by Bloomberg</li> <li>It will also deliver a fully integrated and comprehensive service that supports compliance with current and upcoming regulatory reporting requirements across multiple jurisdictions around the world</li> </ul>   |
| Data and Terminals                   | 13 <sup>th</sup> Aug 2019 | Lucht Probst Associates GmbH<br> | Modality Technologies Inc.<br> | Offers a financial modeling platform and other products for banks, insurance companies, distributors and advisors                                | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>Lucht Probst Associates (LPA), a leading provider of technology innovations for capital markets and financial institutions, has acquired 100% of the shares of Modality Technologies Ltd.</li> <li>By acquiring Modality Technologies, which has almost 20 years of experience and employs 80 highly skilled professionals, LPA has expanded its customer base outside the DACH region</li> </ul>  |

## SELECTED FINTECH DEALS – THIRD QUARTER 2019

|                    | <u>Date Announced</u>      | <u>Buyer</u>   | <u>Target</u>  | <u>Target Product Line</u>  | <u>Deal Size (m)</u> | <u>Target Revenue (m)</u> | <u>Revenue Multiple</u> | <u>Commentary</u>   |
|--------------------|----------------------------|--|--|---|----------------------|---------------------------|-------------------------|---|
| InsureTech         | 8 <sup>th</sup> Aug 2019   | Roper Technologies Inc. (NYSE:ROP)<br>        | iPipeline<br>   | Provides cloud-based software solutions for the insurance and financial services industry, including a SaaS-based solution for generating insurance illustrations | \$1,625.00           | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>Roper Technologies Inc., a leading diversified technology company has acquired iPipeline in an all-cash transaction valued at \$1.625b</li> </ul>  |
| Payments           | 5 <sup>th</sup> Aug 2019   | Razorpay<br>                                  | Thirdwatch<br>  | Provides artificial intelligence (AI)-based online fraud detection and chargeback prevention SaaS to businesses and consumers in India                            | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>Through this deal, Razorpay hopes to leverage the Thirdwatch team's expertise in AI, machine learning and data sciences</li> <li>Razorpay hopes to build on this deal to help e-commerce firms not only combat fraud but also maintain a competitive advantage and improve merchant profitability</li> </ul>   |
| Data and Terminals | 5 <sup>th</sup> Aug 2019   | Intercontinental Exchange Inc. (NYSE:ICE)<br> | Fixed Income Indices by Bank of America Merrill Lynch<br> | Family of fixed income volatility indices including the prominent Merrill Lynch Option Volatility Estimate ("MOVE") family of indices                             | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>Intercontinental Exchange (ICE), a leading operator of global exchanges and clearing houses and provider of data and listing services, has acquired Bank of America Merrill Lynch's fixed income index platform, which will become part of ICE Data Services</li> <li>The acquired indices will be renamed ICE BofAML Indices</li> <li>ICE BofAML indices are the second largest fixed income indices by assets under management globally</li> </ul>   |
| Payments           | 4 <sup>th</sup> Aug 2019   | KKR & Co. Inc. (NYSE:KKR)<br>                 | Heidelpay<br>   | Provides online, mobile and point-of-sale payment services for businesses in Europe   | \$668.00             | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>KKR sees substantial growth potential for Heidelpay both organically and through further M&amp;A across Europe</li> <li>The private equity giant hopes to draw on its deep sector knowledge and 20-year expertise of investing in Germany to further develop Heidelpay</li> </ul>  |
| Data and Terminals | 1 <sup>st</sup> Aug 2019   | London Stock Exchange Group<br>             | Refinitiv<br>   | Global provider of financial markets data and infrastructure  | \$27,000.00          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>The London Stock Exchange Group (LSEG) has announced plans to acquire Refinitiv, the global provider of financial markets data</li> <li>Refinitiv is currently owned jointly by private equity giant Blackstone (55%), and Thomson Reuters (45%)</li> <li>The deal promises to turn Refinitiv into a UK-headquartered, global rival to data-giant Bloomberg</li> <li>A takeover bid by the Hong Kong Stock Exchange to acquire LSEG back in September had threatened the Refinitiv deal, but was quickly dropped after LSEG expressed it was not interested</li> <li>At time of writing, the LSEG - Refinitiv deal is not yet completed, so we shall likely cover it further in a future report</li> </ul> |
| Payments           | 31 <sup>st</sup> July 2019 | American Express Company<br>                | ACOM Solutions Inc.<br>                                 | Provides automated supplier payment SaaS for accounts payable departments   | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>This acquisition will allow American Express to continue to scale their B2B payments and working capital business</li> <li>The deal marks the newest addition to American Express' series of B2B payment collaborations</li> </ul>   |
















## SELECTED FINTECH DEALS – THIRD QUARTER 2019

|                                      | <u>Date Announced</u>      | <u>Buyer</u>  | <u>Target</u>   | <u>Target Product Line</u>  | <u>Deal Size (m)</u> | <u>Target Revenue (m)</u> | <u>Revenue Multiple</u> | <u>Commentary</u>   |
|--------------------------------------|----------------------------|---|---|---|----------------------|---------------------------|-------------------------|---|
| Asset and Wealth Management Software | 26 <sup>th</sup> July 2019 | Moody's Corp.<br>          | RiskFirst Ltd.<br>         | Provides risk analytic solutions for the asset management and pension fund communities  | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>Moody's Analytics, a division of international ratings agency Moody's Corporation, has acquired RiskFirst Ltd, provider of risk analytics solutions for the asset management and pension fund communities</li> <li>RiskFirst's award-winning Pfaroe platform is a leading risk solution for the UK and US defined benefit pensions markets, supporting over 3,000 plans and \$1.4 trillion in assets</li> <li>Goldenhill advised RiskFirst on this transaction</li> </ul>  |
| Data and Terminals                   | 24 <sup>th</sup> July 2019 | Moody's Corp.<br>          | Four Twenty Seven Inc.<br> | Provides data, intelligence and analysis related to physical climate risks to asset owners, asset managers, banks, corporations and government agencies | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>Moody's Corporation has acquired Four Twenty Seven Inc.</li> <li>Four Twenty Seven (427) scores physical risks associated with climate-related factors and other environmental issues including heat stress, water stress, extreme precipitation, hurricanes, typhoons and sea level rise</li> <li>Its scores and portfolio analytics cover 2,000 listed companies, one million global corporate facilities, 320 REITs, 3,000 US counties, and 196 countries</li> <li>Moody's hopes to leverage these scores and data to integrate climate factors into their ratings</li> <li>Goldenhill advised Four Twenty Seven on this transaction</li> </ul> |
| Asset and Wealth Management Software | 18 <sup>th</sup> July 2019 | FNZ Group<br>              | JHC Systems Ltd.<br>       | Provides wealth management SaaS to financial institutions in the UK and Ireland such as portfolio analysis and accounting data management               | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>FNZ Group see a great opportunity through this deal to consolidate their combined position in the UK</li> <li>The acquisition will also allow them to take JHC technology propositions into new strategic territories - such as APAC and continental Europe</li> </ul>   |
| Banking Software                     | 17 <sup>th</sup> July 2019 | Temenos AG (SWX:TEMN)<br> | Logical Glue Ltd.<br>     | Provides a cloud-based machine learning and analytics platform for lenders and insurance companies  | \$14.91              | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>Swiss banking software provider Temenos has acquired Logical Glue</li> <li>The strategic acquisition accelerates Temenos' AI roadmap and brings an impressive team onboard that is immersed in AI and machine learning</li> <li>The move will see AI credit scoring models available worldwide and, Temenos claims, will take manual underwriting to the next level through AI automated decision making and recommendations</li> </ul>  |
| Payments                             | 17 <sup>th</sup> July 2019 | Hitachi Ltd.<br>         | Interblocks Ltd.<br>     | Provides electronic payment processing SaaS for the banking, financial services and telecom markets in Asia   | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>Hitachi-Omron Terminal Solutions will establish an integrated payment infrastructure with Interblocks' softwares and solutions</li> <li>It will leverage the services of Hitachi Payment Services to develop cash and non-cash payment-related service solutions</li> </ul>  |
| Banking Software                     | 16 <sup>th</sup> July 2019 | nCino Inc.<br>           | Visible Equity LLC<br>   | Provides software solutions for financial institutions in the United States - Offers loan portfolio analytics to lenders                                | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>nCino Inc. has acquired Visible Equity LLC, post-completion, Visible Equity's team will join nCino</li> <li>However, Visible Equity and nCino will continue to offer their products separately to the market</li> <li>The two platforms will become fully integrated to provide a seamless client and cloud-based experience, as well as unparalleled portfolio management and regulatory compliance</li> </ul>  |







 Goldenhill Deal


## SELECTED FINTECH DEALS – THIRD QUARTER 2019

|                                      | <u>Date Announced</u>      | <u>Buyer</u>   | <u>Target</u>  | <u>Target Product Line</u>  | <u>Deal Size (m)</u> | <u>Target Revenue (m)</u> | <u>Revenue Multiple</u> | <u>Commentary</u>  |
|--------------------------------------|----------------------------|--|--|---|----------------------|---------------------------|-------------------------|--|
| Trading and Risk Management Software | 16 <sup>th</sup> July 2019 | Kognitiv Corp.<br>                | Xtreme Blockchain Labs Inc.<br> | Provides block-chain based applications for the financial services industry, particularly within the issuance, tokenization and trading of alternative assets         | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>Kognitiv has completed the acquisition of Xtreme Blockchain Labs Inc. (XBL)</li> <li>The addition of XBL to Kognitiv's existing unified commercial model creates the opportunity for clients and partners steeped in technology to create their next act, which will see consumers recognize several benefits</li> </ul>  |
| Financial Services Consulting        | 11 <sup>th</sup> July 2019 | Orion Advisor Services LLC<br>    | Advizr Inc.<br>                 | Develops financial planning and wellness solutions, including cash flow analysis, retirement planning solutions and financial advisory                                | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>As Orion Advisor Services continues expanding beyond its origin of portfolio accounting software and towards a full advisor technology hub, the company has acquired financial planning company Advizr</li> <li>Though Orion integrates with most advisor financial planning software on the market, Orion were only doing financial planning for 30% of their household accounts</li> <li>Both companies will remain open-architecture and existing Advizr clients won't see any disruption to their current service</li> </ul>                                  |
| Trading and Risk Management Software | 9 <sup>th</sup> July 2019  | Pico Quantitative Trading LLC<br> | Corvil Ltd.<br>                 | Provides data network performance monitoring for financial markets globally - Software includes features for transaction analytics and security operations visibility | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>While Corvil had been trying to broaden its appeal beyond financial services, its core business remains in streaming wire data analytics for trading networks</li> <li>The deal therefore allows Pico Quantitative Trading to leverage Corvil's technology to collect and analyze large volumes of data for financial organisations</li> </ul>  |
| Payments                             | 9 <sup>th</sup> July 2019  | Royal Bank of Canada<br>          | WayPay Inc.<br>                 | Provides B2B automated accounts payable, cross-border and international payment SaaS for small businesses in Canada   | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>The acquisition of WayPay allows RBC to expand their portfolio of digitally-enabled capabilities and advice for their business clients, and further strengthens RBC's position as a digital leader in the market</li> <li>By integrating WayPay's payment solutions, RBC will offer clients a secure, simple and automated payables and payments solution</li> </ul>  |
| Asset and Wealth Management Software | 8 <sup>th</sup> July 2019  | Dynamo Software Inc.<br>        | Digiterre Communica<br>       | Develops and provides software products to banks, hedge funds, asset managers, funds of funds, fund administrators and prime brokers                                  | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>Dynamo Software has acquired the Communica products subsidiary from Digiterre</li> <li>Communica has been a significant force in the alternative investments sector since 2005, providing CRM, investor servicing and compliance software for some of the largest and high-profile hedge funds, private equity firms, prime brokers and fund administrators worldwide</li> <li>Today, Communica services clients managing nearly \$1.5 trillion in AUM and AUA</li> <li>Goldenhill acted as exclusive M&amp;A advisor to Digiterre in this transaction</li> </ul> |
| Payments                             | 5 <sup>th</sup> July 2019  | MIH PayU BV<br>                 | Red Dot Payment Ltd.<br>      | Provides software that enables businesses to accept online payments and process related credit card transactions  | \$65.00              | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>This investment is PayU's first step towards expansion in the Southeastern Asian region</li> <li>It will provide their existing global merchants access to Southeast Asia with a single API integrating, and thereby strengthening their global PayU Hub platform</li> </ul>  |

 Goldenhill Deal

## SELECTED FINTECH DEALS – THIRD QUARTER 2019

|                  | <u>Date Announced</u>     | <u>Buyer</u>  | <u>Target</u>  | <u>Target Product Line</u>  | <u>Deal Size (m)</u> | <u>Target Revenue (m)</u> | <u>Revenue Multiple</u> | <u>Commentary</u>  |
|------------------|---------------------------|---|--|---|----------------------|---------------------------|-------------------------|--|
| Insure Tech      | 4 <sup>th</sup> July 2019 | Acturis<br>                      | Zycomp Systems Ltd.<br> | Developer and provider of insurance brokerage software in the form of its broker management system "Power Broker"   | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>Award-winning SaaS provider of insurance technology solutions Acturis has acquired Zycomp Systems Ltd.</li> <li>The deal is a continuation of Acturis' international expansion, giving Acturis a significant presence in Canada and the Caribbean</li> <li>In parallel, Acturis has started the process of deployment of the Acturis SaaS platform in the Canadian market which will allow Canadian brokers, insurers and MGAs to benefit from leading edge connectivity and e-trade, and the multi-channel, multi-language capabilities of the system</li> </ul> |
| Banking Software | 2 <sup>nd</sup> July 2019 | NCR Corp. (NYSE:NCR)<br>         | D3 Technology<br>       | Provider of online and mobile banking for the large financial institutions market                                   | Undisclosed          | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>NCR Corporation, a technology leader for the financial industry, has acquired D3 Technology Inc.</li> <li>Adding D3 immediately expands NCR Digital Banking into new market segments, including US large banks and over time, international banks</li> </ul>  |
| Banking Software | 1 <sup>st</sup> July 2019 | Jack Henry & Associates Inc.<br> | Geezeo<br>              | Provides personal financial management, customer analytics and marketing automation SaaS for financial institutions | \$40.00              | N/A                       | N/A                     | <ul style="list-style-type: none"> <li>Jack Henry &amp; Associates have been strong business partners with Geezeo for years, and hope that their acquisition will allow them to leverage their technology and talent in the enhancement of their digital platform</li> <li>Transaction value was not officially disclosed, but is rumored/estimated to be around \$40m</li> </ul>  |



Goldenhill International M&A Advisors  
49 Grosvenor Street  
London  
W1K 3HP  
United Kingdom

Goldenhill International M&A Advisors  
415 Laurel Street PMB 326  
San Diego, California  
92101  
United States

Goldenhill International M&A Advisors  
Torre ABN Amro Victoria Ocampo 360  
Puerto Madero, Buenos Aires  
C1107BGA  
Argentina

© Copyright 2019 Goldenhill International M&A Advisors

This communication is provided for informational purposes only, and should not be regarded as an offer or solicitation to buy or sell any financial instrument.

Distribution without the express consent of the authors, Goldenhill International M&A Advisors, is strictly prohibited.

Goldenhill International M&A Advisors accepts no liability whatsoever arising directly or indirectly from the use of this document, and offers no warranty in relation to the accuracy or completeness of the information therein.