



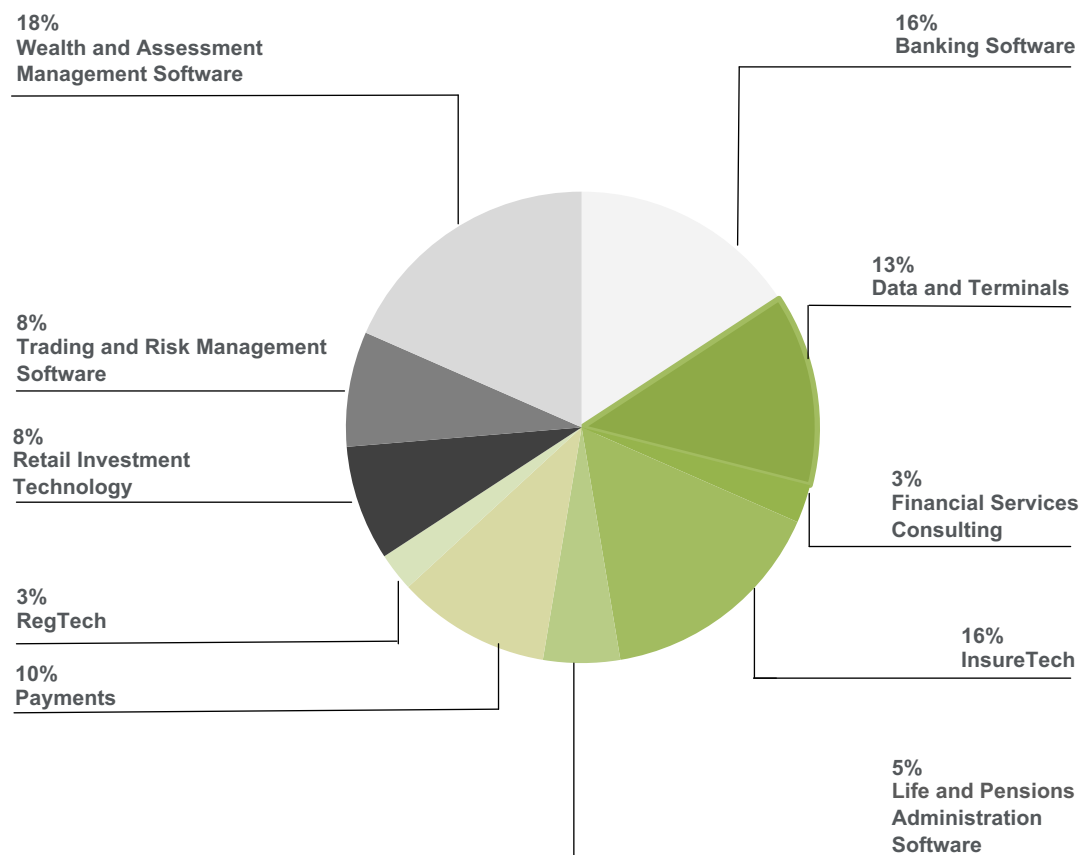
# Financial Technology Sector

## Quoted Company Analysis

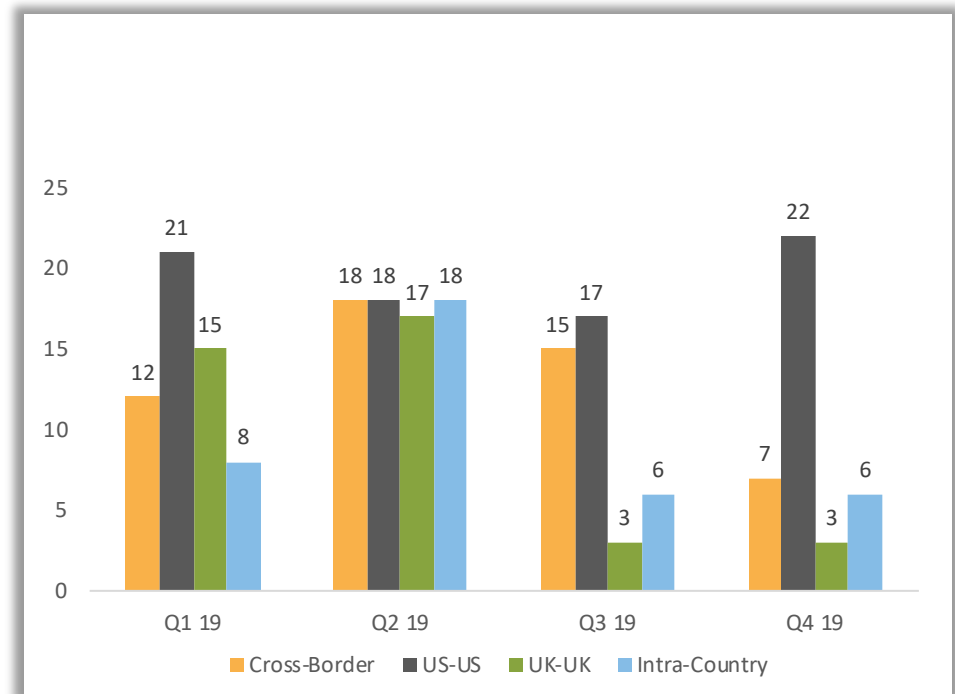
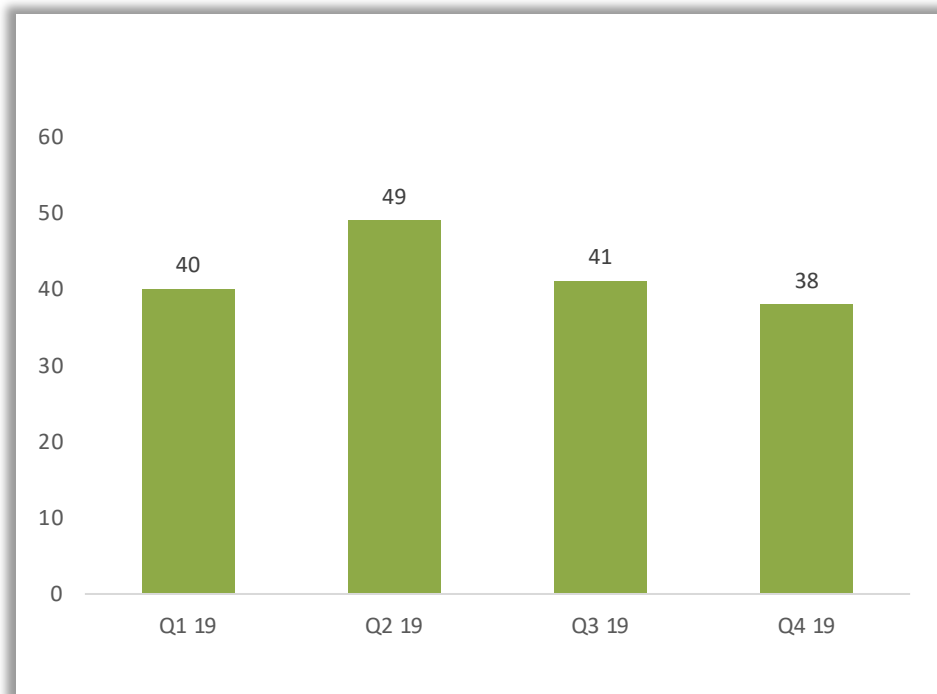
Fourth Quarter 2019

## Q4 2019 TRANSACTIONS BY SUBSECTOR

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



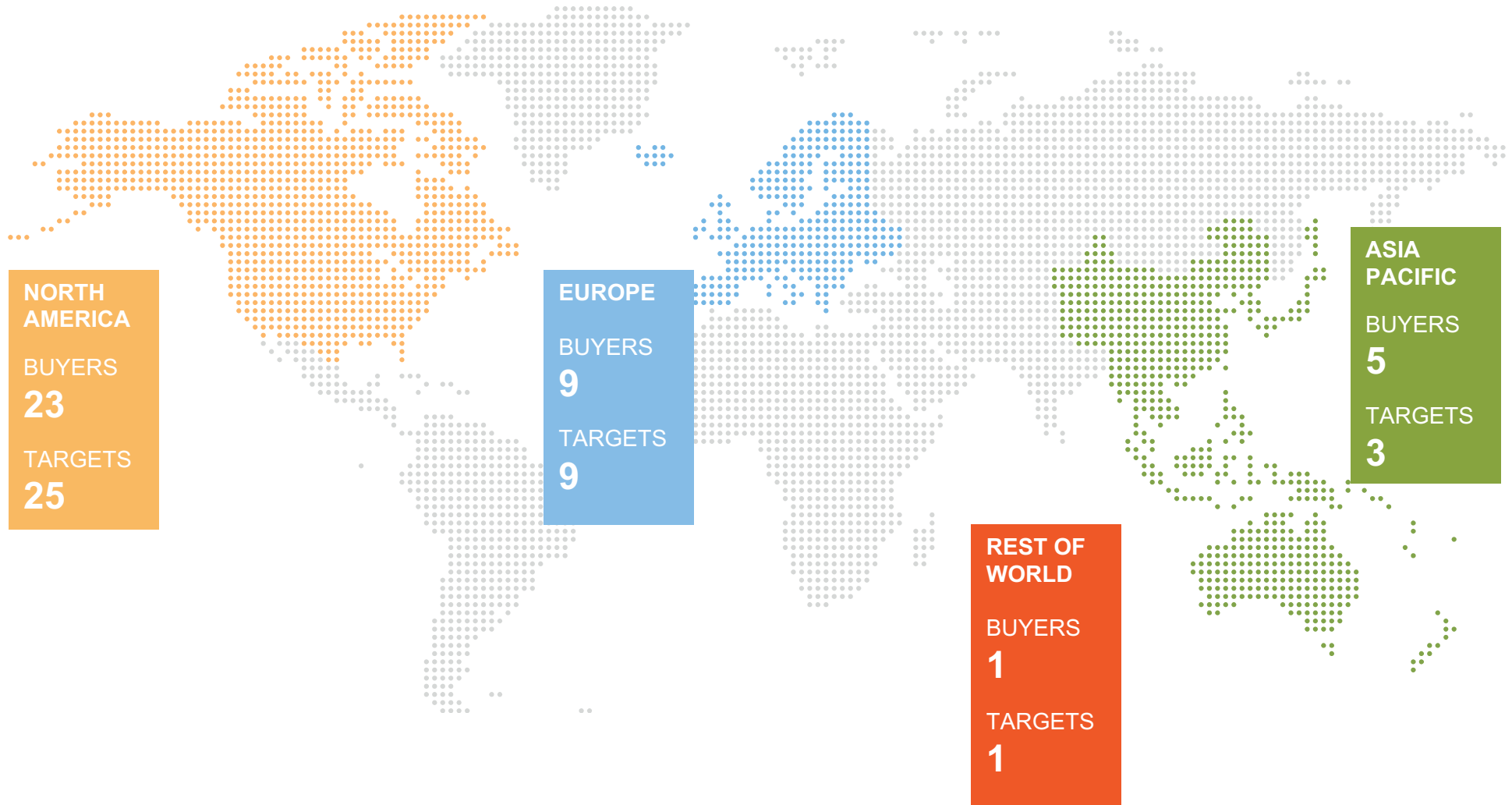
## TRANSACTIONS BY QUARTER



- As expected, the M&A volume in Q4 was lower due to seasonality
- Wealth and Asset Management Software experienced the most activity throughout the quarter with 6 transactions making up 18% of fintech deals

- Q4 saw the most transactions being completed for a subsector for 2019; with 22 US-US deals
- Intra-Country and UK deals remained the same as Q3, while cross border deals decreased

## Q3 2019 TRANSACTIONS BY GEOGRAPHY



# SECTOR VALUATION METRICS

Company	Share Price Local 31-December-19	Market Cap (\$m) <sup>(1)</sup>	Net Debt (\$m) <sup>(2)</sup>	Enterprise 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	139.1	85,485	8,282	93,767	10,911	11.1x	8.6x	10.2x	32.6x	21.7x	-2.8%	29.5%	34.2%	39.6%	85%			
Fiserv	115.6	78,616	5,544	84,160	14,319	14.5x	5.9x	7.1x	36.4x	19.6x	2.2%	145.9%	39.7%	30.0%	83%			
IHS Markit	75.4	30,214	5,014	35,228	4,428	8.7x	8.0x	11.1x	29.0x	22.0x	10.1%	3.6%	30.1%	36.2%	72%			
MSCI	258.2	21,870	1,671	23,541	1,553	16.4x	15.2x	16.0x	30.5x	27.9x	12.5%	8.3%	53.9%	54.3%	95%			
SS&C	61.4	15,516	8,089	23,606	4,628	6.9x	5.1x	5.1x	24.9x	13.1x	104.2%	35.3%	27.7%	39.0%	100%			
Broadridge Financial Solutions	123.5	14,163	1,197	15,361	4,464	3.5x	3.4x	5.4x	17.8x	16.0x	0.7%	4.7%	19.8%	21.5%	63%			
Temenos	153.2	11,524	527	12,051	981	14.3x	12.3x	15.3x	38.7x	30.0x	14.3%	16.6%	37.0%	41.0%	80%			
Jack Henry & Associates	145.7	11,207	(94)	11,114	1,609	7.4x	6.9x	10.8x	21.8x	21.4x	5.6%	7.2%	33.7%	32.3%	64%			
FICO	374.7	10,851	698	11,549	1,182	11.1x	9.8x	9.8x	51.2x	36.5x	16.0%	7.7%	21.7%	26.8%	100%			
FactSet	268.3	10,181	189	10,369	1,455	7.5x	7.1x	8.0x	23.1x	20.6x	6.3%	4.2%	32.5%	34.6%	89%			
Guidewire Software	109.8	9,065	(807)	8,258	739	12.1x	11.2x	17.0x	NM	NM	10.2%	6.5%	4.2%	10.5%	66%			
Morningstar	151.3	6,478	(326)	6,152	NA	6.0x	NA	NA	19.7x	NA	11.9%	NA	30.6%	NA	65%			
Computershare	16.8	6,375	1,469	7,844	2,361	3.4x	3.3x	4.0x	12.0x	11.3x	2.5%	1.3%	28.2%	29.5%	84%			
SimCorp	757.5	4,604	(54)	4,550	501	10.1x	9.1x	14.9x	35.3x	29.0x	16.5%	10.9%	28.6%	31.3%	61%			
ACI Worldwide	37.9	4,379	523	4,903	1,271	4.9x	3.9x	5.6x	22.0x	15.5x	-1.4%	25.8%	22.1%	24.9%	69%			
Q2 Holdings	81.1	3,904	5	3,910	318	16.2x	12.3x	17.5x	NM	NM	24.3%	31.8%	-6.2%	5.6%	70%			
Envestnet	69.6	3,654	171	3,825	903	4.7x	4.2x	4.4x	41.7x	19.9x	18.8%	11.2%	11.3%	21.3%	97%			
Bottomline Tech	53.6	2,357	5	2,361	436	5.8x	5.4x	6.1x	50.1x	31.1x	7.1%	6.5%	11.6%	17.4%	89%			
IRESS Market Technology	13.0	1,602	123	1,725	348	5.0x	5.0x	5.2x	19.5x	19.0x	5.4%	0.1%	25.5%	26.2%	95%			
Ebiz	33.4	1,019	557	1,576	589	3.2x	2.7x	3.3x	9.6x	8.7x	36.8%	18.2%	33.0%	30.8%	80%			
<b>Average</b>									<b>28.7x</b>	<b>21.4x</b>			<b>26.0%</b>	<b>29.1%</b>	<b>80.4%</b>			
<b>Total (Large Cap)</b>		<b>333,065</b>	<b>32,783</b>	<b>365,848</b>														
<b>Selected Mid Cap</b>																		
Equiniti Group Plc	2.1	998	389	1,387	729	2.0x	1.9x	2.4x	10.2x	7.8x	35.4%	2.9%	19.1%	24.4%	80%			
First Derivatives	27.4	980	22	1,002	310	3.6x	3.2x	5.3x	23.9x	18.3x	17.5%	9.5%	15.0%	17.7%	61%			
Sword Group	34.1	365	(99)	266	233	1.3x	1.1x	NA	2.5x	8.8x	24.1%	15.1%	53.4%	13.0%	NA			
<b>Average</b>									<b>2.3x</b>	<b>2.1x</b>			<b>29.2%</b>	<b>18.4%</b>	<b>70.5%</b>			
<b>Total (Mid Cap)</b>		<b>2,343</b>	<b>311</b>	<b>2,654</b>														
<b>Selected Small Cap</b>																		
Linedata Services	26.7	215	89	305	191	1.5x	1.6x	2.1x	5.9x	6.0x	1.2%	-6.5%	25.4%	26.6%	75%			
Crealogix	109.0	158	2	160	104	1.7x	1.5x	2.6x	35.1x	71.8x	14.1%	3.6%	4.7%	2.1%	60%			
Infront ASA	25.4	125	(3)	122	83	3.6x	1.5x	1.5x	23.1x	19.5x	10.6%	145.3%	15.6%	7.5%	97%			
MSG Life AG	2.5	118	(36)	82	NA	0.5x	NA	NA	10.2x	NA	16.0%	NA	4.7%	NA	21%			
Gresham Technologies plc	1.2	111	(7)	104	33	4.0x	3.2x	4.7x	NM	20.0x	-4.0%	26.9%	-0.2%	15.9%	67%			
63 Moons Technologies Ltd.	101.8	66	(188)	(122)	NA	NM	NA	NA	5.5x	NA	-25.3%	NA	-55.1%	NA	92%			
Dion Global	2.3	1	62	63	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	74%			
<b>Average</b>									<b>2.3x</b>	<b>1.9x</b>			<b>-0.8%</b>	<b>13.0%</b>	<b>69.4%</b>			
<b>Total (Small Cap)</b>		<b>794</b>	<b>(80)</b>	<b>714</b>														
<b>Sector Total</b>		<b>336,203</b>	<b>33,014</b>	<b>369,217</b>														

(1) Excludes treasury shares

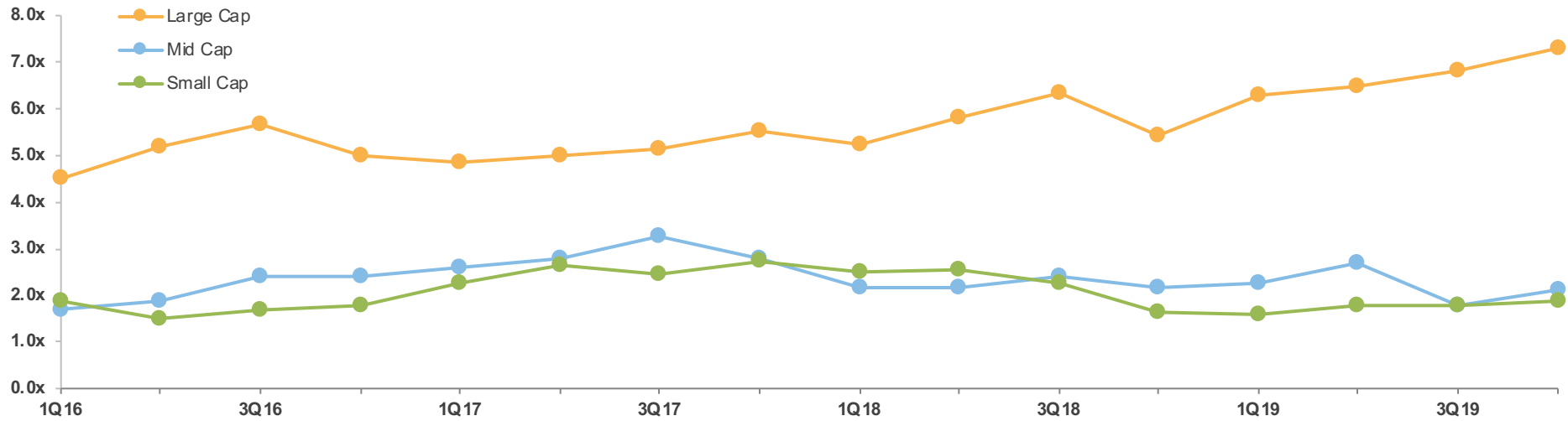
(2) Net financial debt minus marketable securities and collaterals

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

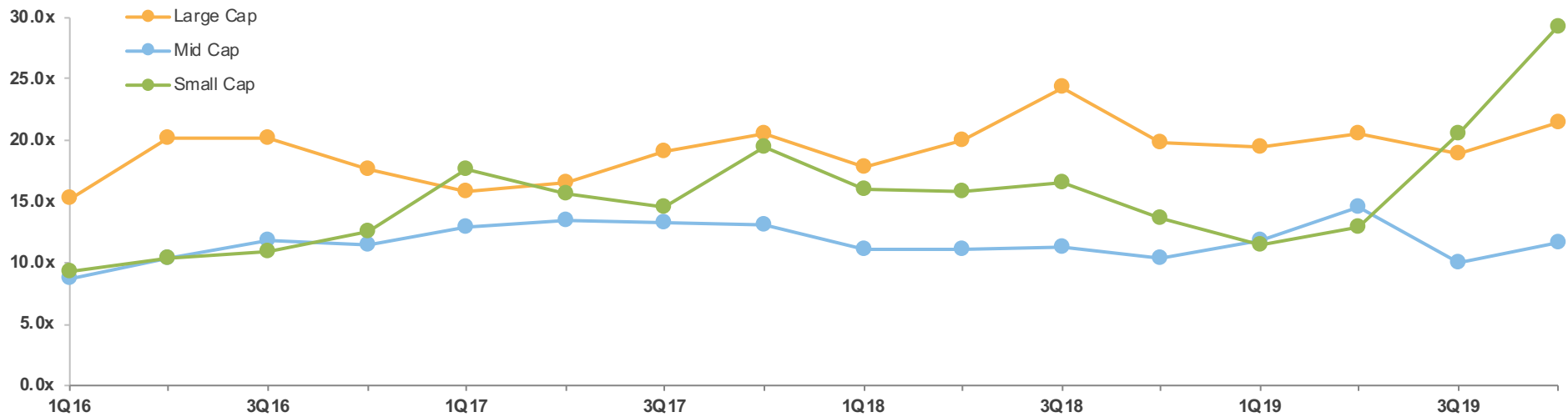
(4) NM - Not meaningful and NA - Not available

# ENTERPRISE VALUE ANALYSIS

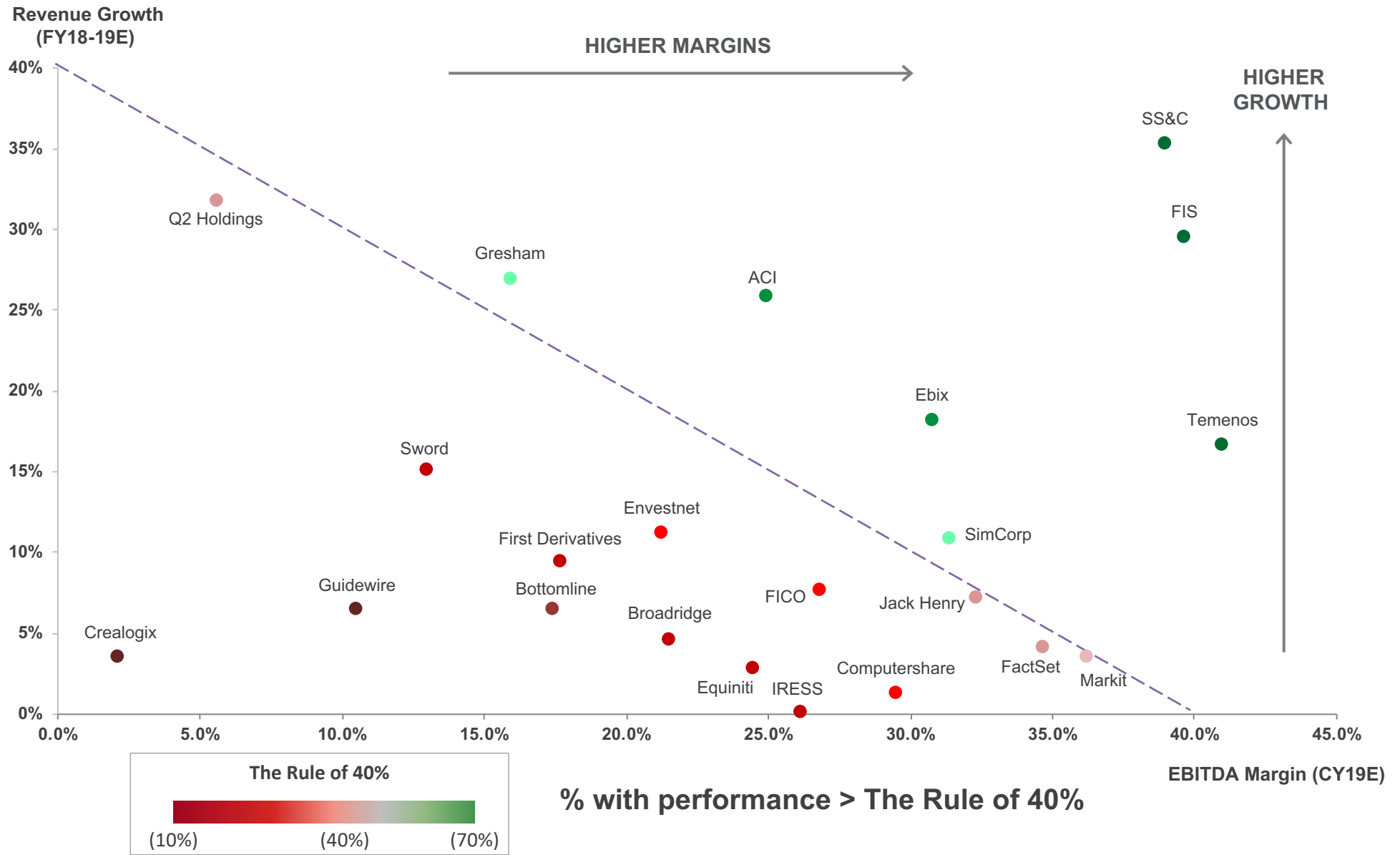
## EV/Revenue



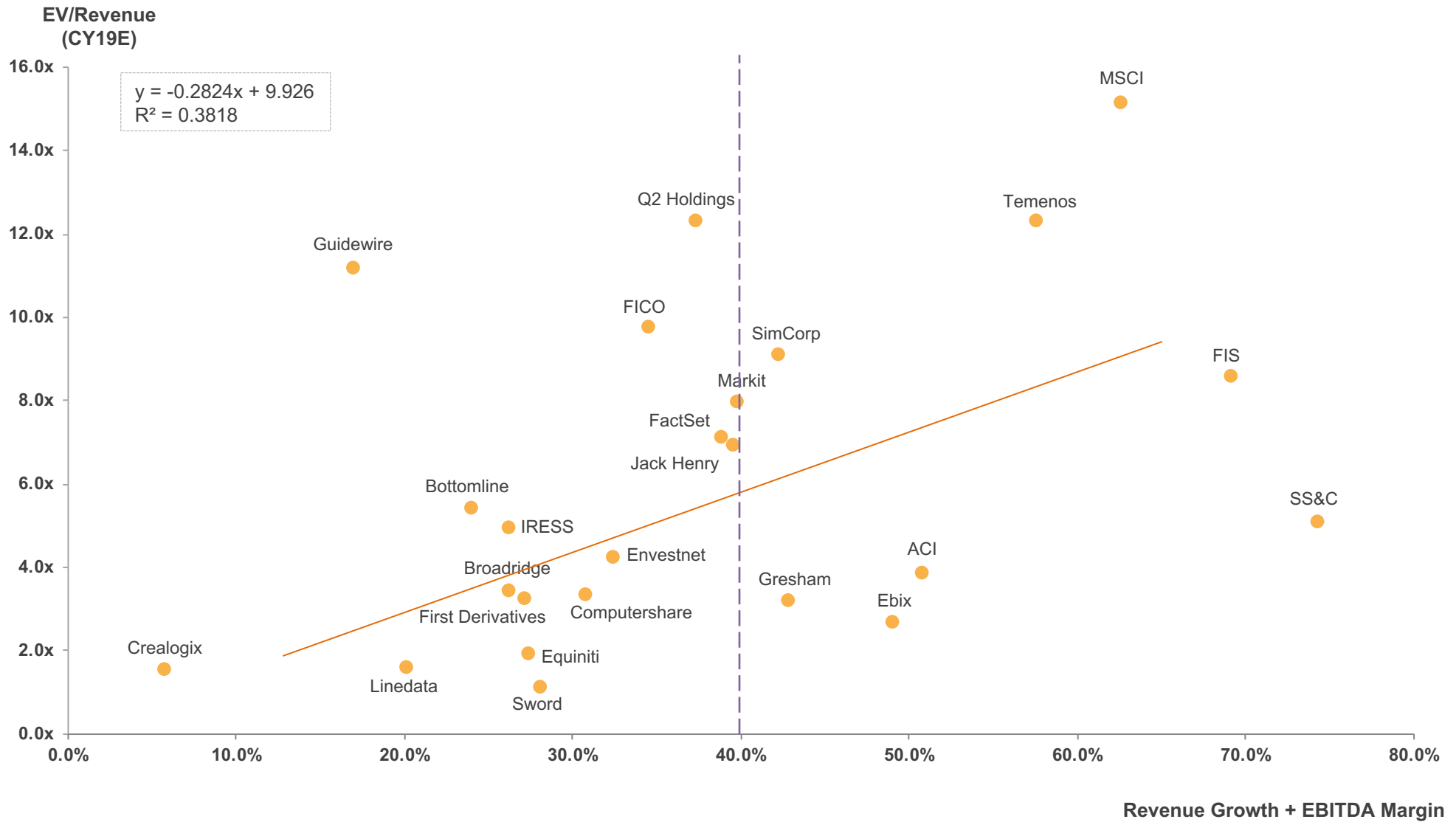
## EV/EBITDA



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

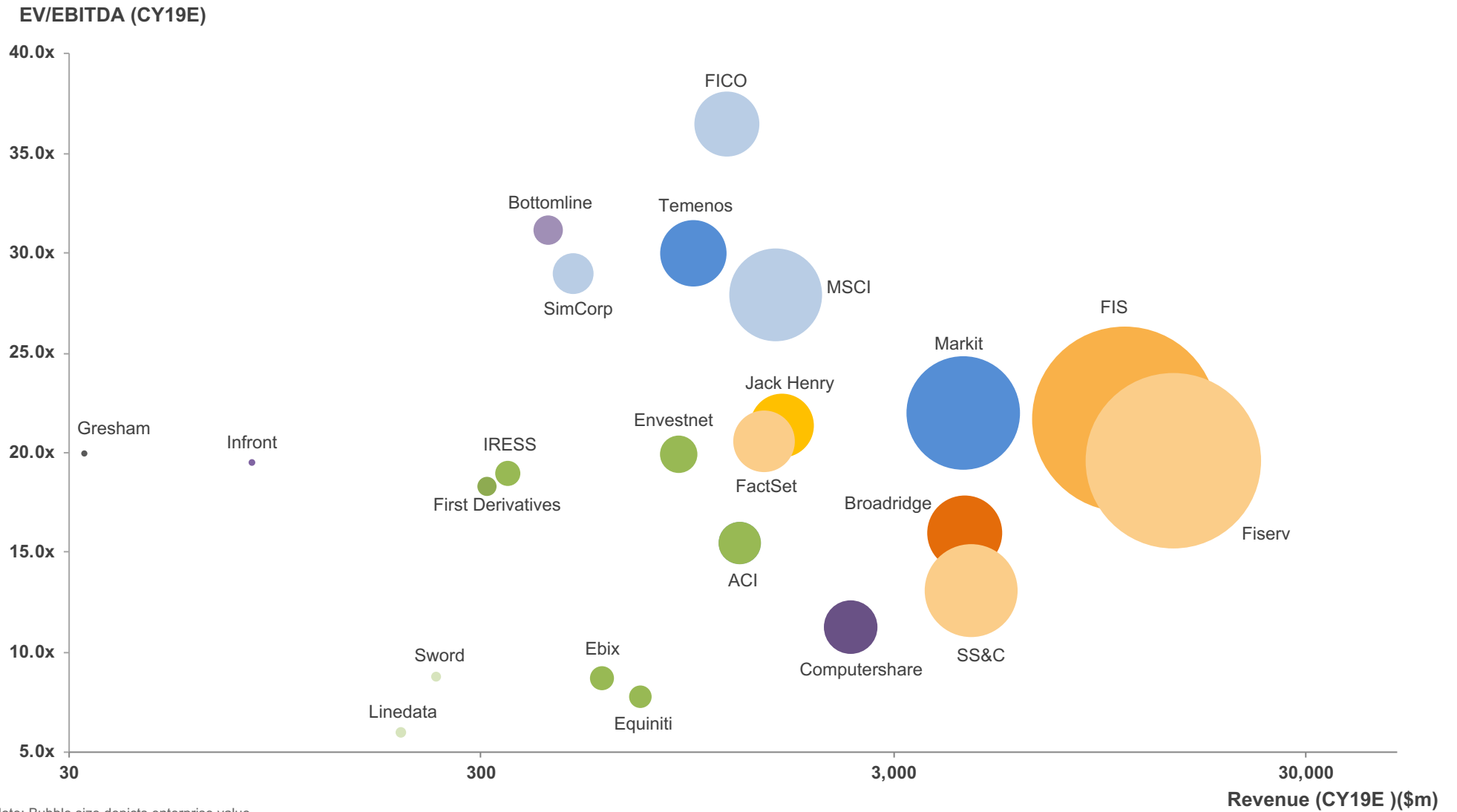


# VALUATION AS A FUNCTION OF GROWTH + PROFITABILITY





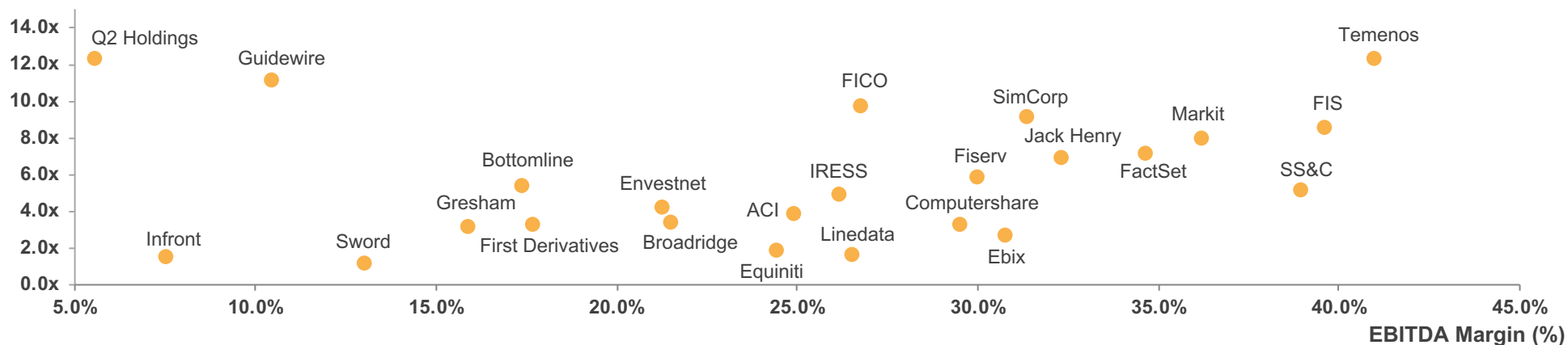
# SCALE AS A VALUE DRIVER



# OPERATING EFFICIENCY AND RECURRING REVENUE AS VALUE DRIVERS

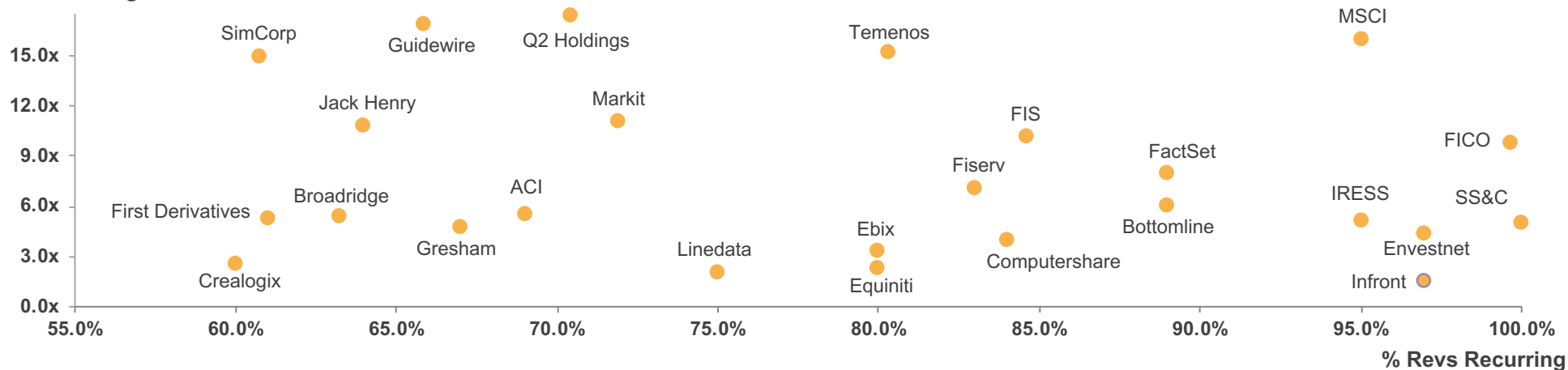
## Revenue Multiple

EV/Revenue (CY19E)



## Recurring Revenue Multiples

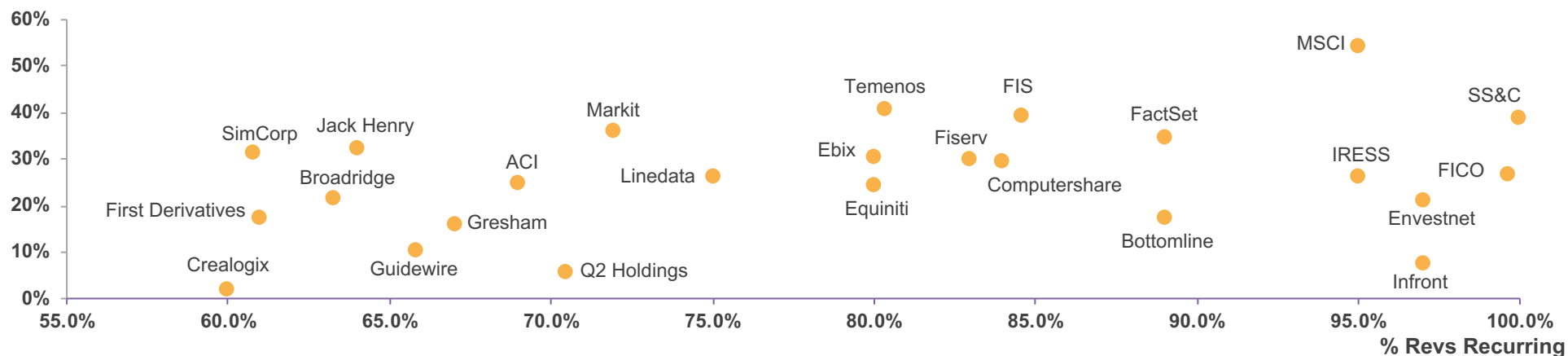
EV/Recurring Rev



# EBITDA MARGIN ANALYSIS

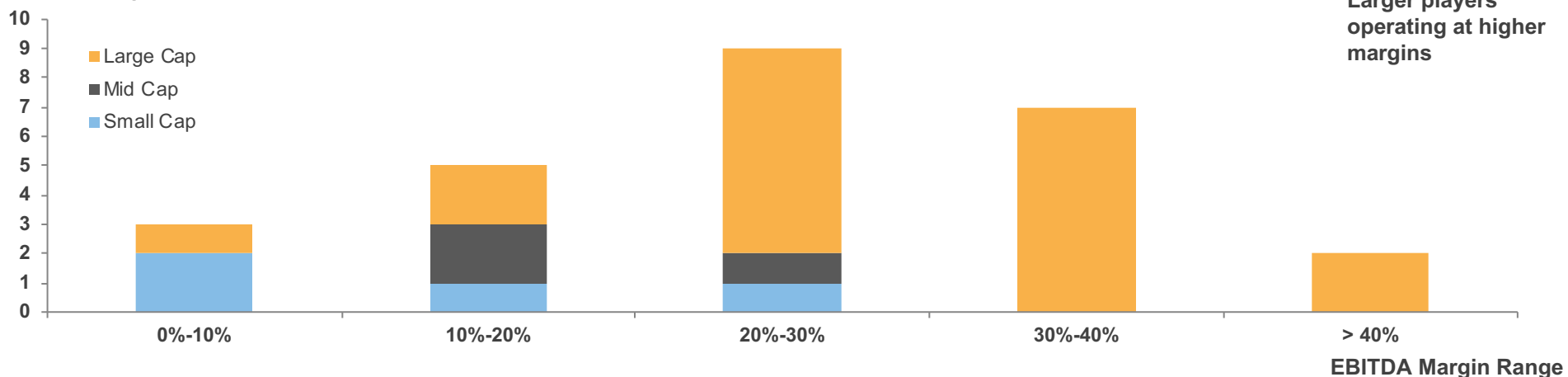
## Recurring Revenue as a Driver of Operating Margins

EBITDA Margin (CY19E)



## EBITDA Margin Range Distribution

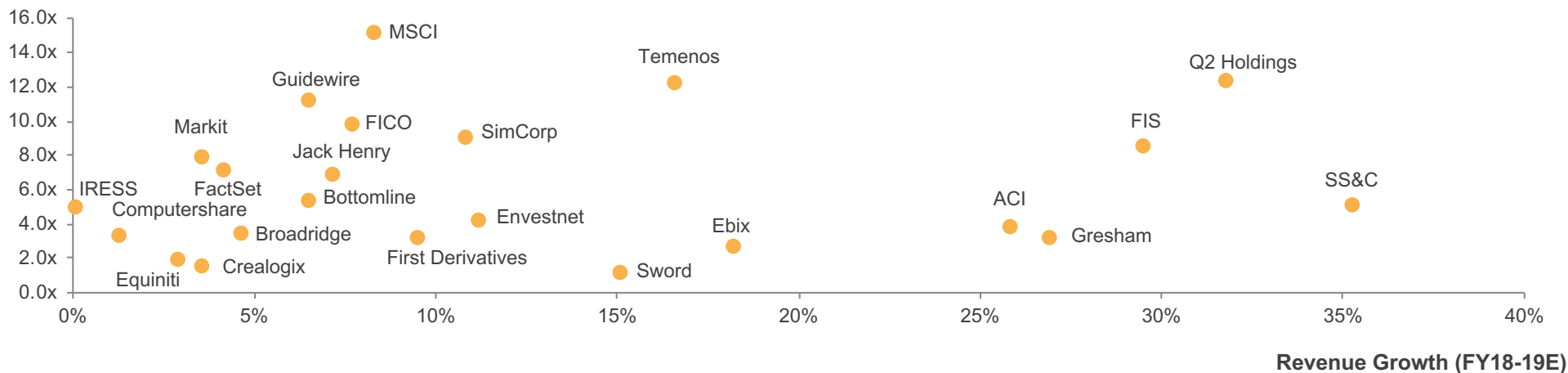
Number of Companies



# GROWTH AS A VALUE DRIVER

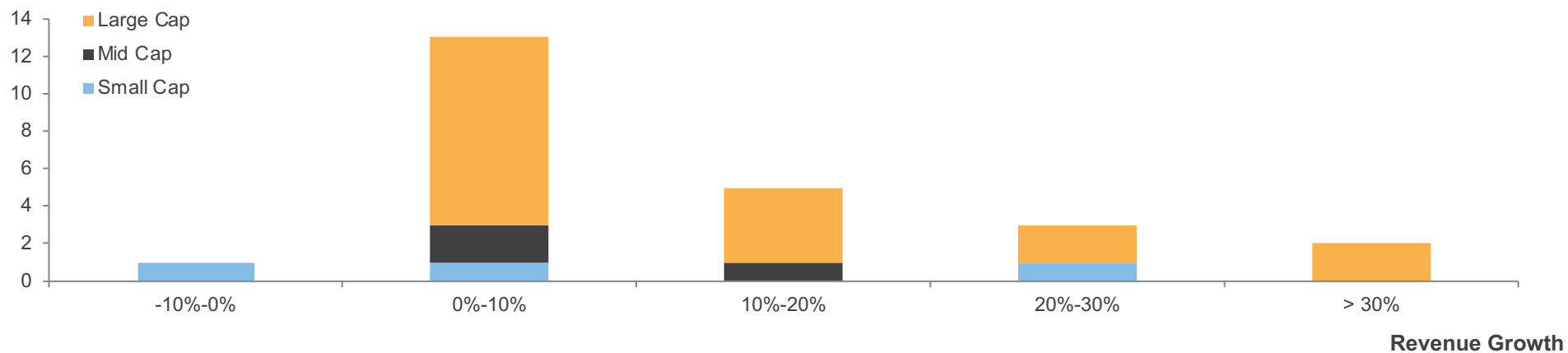
## Revenue Growth

EV/Revenue (CY19E)







## Revenue Growth Distribution

Number of Companies



## WEALTH AND ASSET MANAGEMENT SOFTWARE DEALS – FOURTH 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>
3 <sup>rd</sup> Oct	Hazeltree and IHS Markit 	Enso 	Provides portfolio analytics for hedge funds and prime brokers	Undisclosed	n/a	n/a	<ul style="list-style-type: none"> <li>This acquisition solidifies Hazeltree's position as the leader in treasury and portfolio finance solutions. ENSO will become an integral part of Hazeltree's product suite, and its prime brokerage, asset management, technology and data specialists will be integrated with Hazeltree's team to continue to focus on customer support and product innovation.</li> <li>"The platforms and data solutions from Hazeltree and ENSO are highly complementary to our services and network of buy-side and sell-side clients," said Pierre Khemdoudi, Global Co-Head Equities Data &amp; Analytics at IHS Markit.</li> </ul>
21 <sup>st</sup> Oct	WealthBar Financial Services 	Snap Projections 	Develops intuitive financial planning software that helps wealth professionals build customized wealth and retirement plans for their clients	Undisclosed	n/a	n/a	<ul style="list-style-type: none"> <li>Earlier this year, WealthBar was acquired by CI Financial, which offers global asset management and wealth management advisory services.</li> <li>The acquisition of Snap Projections is part of WealthBar's plans to expand the advisor side of its business.</li> <li>As part of the acquisition, WealthBar will be making an additional investment into Snap Projections, enabling it to accelerate future product development, develop new channel partnerships, and grow its team. Snap Projections will continue to operate as a separate firm under its existing leadership.</li> </ul>
29 <sup>th</sup> Oct	Bravura Solutions 	FinoComp 	Develops and markets software for wealth management industry including data analytics, client reporting, performance reporting and regulatory compliance catering to the UK wealth market	\$25.00	n/a	n/a	<ul style="list-style-type: none"> <li>FinoComp is an Australian ISV that provides software for data analytics, client reporting, performance reporting and regulatory compliance catering to the UK wealth market.</li> <li>The acquisition would open a raft of new opportunities for Bravura. Firstly, it will create an opportunity for Bravura to deliver "plug and play" solutions to a broader market, along with cross-sell opportunities between the two companies.</li> <li>Furthermore, there will be future revenue opportunities in expanding FinoComp's software into adjacent market such as financial advice, funds, administration and private client wealth management.</li> </ul>

Source: CapIQ, Crunchbase, target press releases, deal announcements

## WEALTH AND ASSET MANAGEMENT SOFTWARE DEALS – FOURTH 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>
11 <sup>th</sup> Nov	Alpha Financial Markets Consulting 	Obsidian Solutions 	Provides specialised software products to the investment management industry	£5.7	n/a	n/a	<ul style="list-style-type: none"> <li>• Obsidian brings a highly complementary suite of financial service software products including advanced business intelligence, client portals, reporting and automated subscription/KYC management</li> <li>• This strategic acquisition further strengthens the Alpha Data Solutions (ADS) business</li> <li>• The acquisition will expand the ADS 360 SalesVista product with additional reporting capability, adds a highly skilled technology development team with proven financial sector experience and expands Alpha's North American client base</li> </ul>
20 <sup>th</sup> Nov	Broadridge Financial Solutions 	ClearStructure Financial Technology 	Provides front to back office portfolio management systems for financial institutions and investment firms worldwide	n/a	n/a	n/a	<ul style="list-style-type: none"> <li>• As private markets continue to grow and present opportunities for asset managers to find alpha and differentiate themselves, the addition of ClearStructure's private debt capabilities will create a differentiated solution in the market and enable Broadridge to serve new clients</li> <li>• "ClearStructure's component services enhance our existing multi-asset class, front-to-back office solution, providing our clients with a unique capability to access the public and private markets," said Eric Bernstein, Broadridge's head of asset management solutions. "This acquisition aligns to Broadridge's strategy of providing a true cross-asset platform to enable asset management clients to have a single view into their entire book of business."</li> </ul>
22 <sup>nd</sup> Nov	Microgen Financial Systems 	Touchstone 	Provides enterprise solutions for global wealth management administration and accounting systems	n/a	n/a	n/a	<ul style="list-style-type: none"> <li>• The merger of Microgen and Touchstone (backed by Silverfleet Capital) will deliver the global coverage, scale and innovation to meet the requirements of a rapidly evolving market</li> <li>• The combined group will be able to provide best in class technology to an expanded client base in fast-growing sectors such as alternative assets</li> </ul>




Source: CapIQ, Crunchbase, target press releases, deal announcements

## WEALTH AND ASSET MANAGEMENT SOFTWARE DEALS – FOURTH 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>
11 <sup>th</sup> Dec	Invesco 	RedBlack Software 	Provides portfolio rebalancing and trading technology solutions to investment advisors, wealth managers, broker dealers, and financial institutions	n/a	n/a	n/a	<ul style="list-style-type: none"> <li>Invesco recognises the critical role technology plays for advisors today and it is one of the reasons why it has been growing its global digital wealth capabilities</li> <li>This new offering builds on Invesco's record of successfully partnering with and investing in technology to provide advisors with the innovative and flexible tools they need to develop their business, while maintaining an independent, open architecture</li> </ul>

Source: CapIQ, Crunchbase, target press releases, deal announcements







## BANKING SOFTWARE DEALS – FOURTH 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>
1 <sup>st</sup> Oct	Q2 Software 	PrecisionLender 	Provides a web-based pricing management solution for lenders	\$510	n/a	n/a	<ul style="list-style-type: none"> <li>The combined company will expand Q2's corporate banking capabilities and position Q2 as a leader in digital transformation solutions for FIs in the commercial banking space</li> <li>The acquisition of PrecisionLender solidifies Q2 as a trusted partner capable of designing, delivering and operating complex, end-to-end digital banking transformation solutions</li> </ul>
2 <sup>nd</sup> Oct	Moody's Corporation 	ABS Suite Business of Deloitte 	ABS Suite Business (of Deloitte) comprises software platform used by issuers and trustees for the administration of asset-backed and mortgage-backed securities programs	n/a	n/a	n/a	<ul style="list-style-type: none"> <li>ABS Suite complements Moody's Ki™ platform, the next-generation version of Moody's ABS System</li> <li>"The acquisition of ABS Suite deepens Moody's Analytics' presence with issuers of securitised transactions" said Mark Almeida, President of Moody's Analytics. "Adding the expertise and experience of the ABS Suite team to our already formidable capabilities enables us to provide more and better solutions that improve funding decisions, increase operational efficiency and promote transparency and efficiency in the securitization financial markets."</li> </ul>
8 <sup>th</sup> Oct	Thomas Bravo 	International Decision Systems 	Develops software solutions for the asset finance market	n/a	n/a	n/a	<ul style="list-style-type: none"> <li>With its exceptional enterprise software expertise, experience and resources, Thoma Bravo could not be better positioned to drive forward the company's global growth initiatives, further develop and enhance the IDS product suite, and continue to strengthen IDS' leadership in the asset and equipment finance software market</li> <li>Thomas Bravo plans to partner with the existing IDS management team to continue to execute on its strategic growth plans and accelerate the product roadmap</li> </ul>

Source: CapIQ, Crunchbase, target press releases, deal announcements



## BANKING SOFTWARE DEALS – FOURTH 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>
28 <sup>th</sup> Oct	Ellie Mae 	Capsilon Corporation 	Provides AI-powered mortgage automation software for mortgage lenders, investors and servicers	n/a	n/a	n/a	<ul style="list-style-type: none"> <li>With the acquisition of Capsilon, Ellie Mae is accelerating the vision of offering a fully digital mortgage by combining Ellie Mae's Encompass™ Digital Lending Platform with Capsilon's AI-powered solutions to create the most comprehensive end-to-end SaaS solution for companies in the mortgage industry</li> <li>The acquisition increases the productivity of mortgage lenders, investors and servicers by automating critical business processes to maximise efficiency throughout the mortgage lifecycle. Capsilon's best-of-breed platform, Capsilon IQ, is used by companies across the mortgage industry, including 6 of the top 10 originators and servicers, to automate manual work and power their businesses with trusted data</li> </ul>
8 <sup>th</sup> November	ATB Financial 	Technology assets of Grow Technologies 	The assets acquired include Grow's digital account and loan origination platform, FinSnap financial insights technology and other proprietary digital banking technology solutions	n/a	n/a	n/a	<ul style="list-style-type: none"> <li>With ATB's acquisition of Grow assets, customers will soon have access to an easy-to-use and time-saving digital platform that will significantly improve their banking experience</li> </ul>
23 <sup>rd</sup> December	Sagent Auto 	ISGN Corporation 	Provides mortgage technology and services for financial institutions, banks, credit unions and lenders in the United States and internationally	n/a	n/a	n/a	<ul style="list-style-type: none"> <li>The acquisition of ISGN broadens the solutions offered by Sagent, including TEMPO, a default solution and further supports Sagent's long-term growth strategy reflecting the company's dedication to enhancing its comprehensive capabilities within the mortgage and consumer lending market</li> </ul>

Source: CapIQ, Crunchbase, target press releases, deal announcements

# RETAIL INVESTMENT TECHNOLOGY DEALS – FOURTH 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>
10 <sup>th</sup> Oct	Broadridge Financial Solutions 	Fi360 	Provides fiduciary-focused software, data and analytics for financial advisors and intermediaries across the retirement and wealth ecosystem	\$97.43	n/a	n/a	<ul style="list-style-type: none"> <li>This Acquisition provides Broadridge advisors with fiduciary tools and Reg BI support, and expands data and analytics capabilities for asset managers</li> </ul>
4 <sup>th</sup> Nov	Morningstar (Australasia) 	AdviserLogic 	Provides cloud-based, financial planning software to independent financial advisers in Australia	n/a	n/a	n/a	<ul style="list-style-type: none"> <li>AdviserLogic will complement Morningstar's existing suite of adviser software solutions in Australia: Adviser Research Centre a web-based platform delivering investment research, data and tools and Morningstar Direct designed to support APL monitoring and portfolio construction</li> </ul>
6 <sup>th</sup> Nov	eToro Group 	Opus Labs 	Offers Delta, an app that allows investors to track more than 6,000 crypto assets across more than 180 exchanges	\$5	n/a	n/a	<ul style="list-style-type: none"> <li>eToro is a regulated platform which enables users to hold crypto and traditional assets in the same portfolio. The Delta acquisition strategy is to extend that to be able to track all investments in one place (from crypto to multi-asset). Additionally, it will be possible to trade from eToro's crypto exchange app</li> <li>This is eToro's second acquisition this year. In March, the company bought Copenhagen-based blockchain company Firmo Network, for an undisclosed sum</li> </ul>

Source: CapIQ, Crunchbase, target press releases, deal announcements

## DATA TERMINALS DEALS – FOURTH 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>
17 <sup>th</sup> Oct	Morningstar (Australasia) 	Firstlinks (formerly Cuffelinks) 	Engages in publishing content related to financial market, such as financial research and newsletters	Undisclosed	n/a	n/a	<ul style="list-style-type: none"> <li>"This acquisition is an exciting opportunity to deepen and broaden our investment commentary and enable better investment outcomes," (Jamie Wickham MD, Morningstar)</li> <li>"I welcome Morningstar's acquisition to give Cuffelinks greater sustainability and offer even more services to its audience." (Chris Cuff, Co-Founder of Firstlinks)</li> </ul>
2 <sup>nd</sup> Dec	Forbes Media 	Quantalytics Research 	Provides quantitative investment research and analytics solutions	Undisclosed	n/a	n/a	<ul style="list-style-type: none"> <li>The investment will allow Forbes to weave Quantalytics' sophisticated investment analytics, research and insights into Forbes' editorial content, while also paving the way for the companies to introduce new premium digital investment products</li> <li>"This investment allows us to enhance our existing editorial offering while also introducing products that offer cutting-edge investment insights and strategies for new audiences," (Mike Federle CEO, Forbes Media)</li> <li>"It also reflects our commitment to using artificial intelligence and other emerging technologies that will play a critical role in the development of content and other products as media and technology continue to merge in the coming decade."</li> </ul>
6 <sup>th</sup> Dec	S&P Global Market Intelligence 	451 Research 	Provides intelligence, expertise and data covering high-growth emerging technology segments	Undisclosed	n/a	n/a	<ul style="list-style-type: none"> <li>451 Research will be operated within S&amp;P Global Market Intelligence, the division that provides data, essential insights and powerful analytics to help navigate the financial markets</li> <li>This acquisition will expand and strengthen S&amp;P Global Market Intelligence's research coverage, adding differentiated expertise and intelligence with comprehensive offerings in technologies such as Artificial Intelligence, Internet of Things, Information Security, Data Centers, Cloud and DevOps</li> </ul>





Source: CapIQ, Crunchbase, target press releases, deal announcements

## DATA TERMINALS DEALS – FOURTH 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>
9 <sup>th</sup> Dec	Alerian Capital Management 	S-Network Global Indexes 	Leading publisher and developer of over 300 proprietary and custom indexes	Undisclosed	n/a	n/a	<ul style="list-style-type: none"> <li>The acquisition will result in index-linked AUM of 20 billion across the combined suite of indexes and further enhance Alerian's global indexing, analytics and data capabilities; Alerian is now positioned to offer indexing solutions, services covering global equity markets and specialty sectors</li> <li>"By combining our research capabilities with S-Network's full-service indexing platform, Alerian will be well-positioned to innovate and serve the evolving needs of a much broader range of investors, asset managers, and product sponsors" (David LaValle, CEO of Alerian)</li> </ul>
19 <sup>th</sup> Dec	CRISIL 	Greenwich Associates 	Provides proprietary benchmarking data, analytics and qualitative, actionable insights that help financial services firms worldwide measure and improve business performance	\$30.72	\$37.63	0.8x	<ul style="list-style-type: none"> <li>The acquisition will complement CRISIL's existing portfolio of products and expand offerings to new segments across financial services including commercial banks and asset and wealth managers</li> <li>The deal will accelerate CRISIL's strategy to be the leading player in the growing market of global benchmarking analytics</li> <li>Greenwich's expertise in 'Voice of Customer' surveys, proprietary data assets, and capabilities to source and aggregate high-value private performance data will provide insight to CRISIL's existing offering under its Coalition division</li> </ul>







Source: CapIQ, Crunchbase, target press releases, deal announcements

## INSURETECH DEALS – FOURTH 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>
15 <sup>th</sup> Oct	Applied Systems 	Policy Works 	Provides commercial management systems and software for the insurance industry	Undisclosed	n/a	n/a	<ul style="list-style-type: none"> <li>This acquisition expands Applied's commercial lines solutions and demonstrates the company's commitment to advancing connectivity between brokerages, insurers and the insured to create greater value for all stakeholder of the insurance lifecycle</li> <li>("Applied's acquisition of Policy Works will enable tighter integration between the combined company's solutions to drive significant value for our customers." (Taylor Rhodes, CEO Applied Systems)</li> </ul>
20 <sup>th</sup> Nov	Aon plc 	CoverWallet 	Provides a digital insurance platform for small and medium-sized businesses	Undisclosed	n/a	n/a	<ul style="list-style-type: none"> <li>The acquisition provides Aon with additional access to what it sees as a fast-growing, \$200+ billion premium global digital insurance market for small and medium-sized businesses</li> <li>Post-close, CoverWallet will join the growing portfolio of Aon's New Ventures Group, which functions as a growth-stage capability focused on delivering new sources of value to clients that expand Aon's addressable market</li> <li>As part of the New Ventures Group portfolio, CoverWallet will apply its data and analytics capabilities, technology and operational expertise to the broader Aon digital client experience, while also working closely with leadership across Aon's geographies and global solution lines to accelerate the growth of CoverWallet's core business</li> </ul>
26 <sup>th</sup> November	AutoProtect 	DealTrak 	Provides a finance and insurance software platform that connects motor dealers, lenders, finance brokers and VAP providers in the automotive industry	Undisclosed	n/a	n/a	<ul style="list-style-type: none"> <li>Owned by Correlation Investments Ltd (CIL), AutoProtect Group provides insurance and warranty products worldwide</li> <li>AutoProtect, SMART Insurance and Shine Repairs were previously consolidated within the AutoProtect Group Ltd in December 2018 following the re-organisation of CIL's motor assets</li> <li>CIL is also the investment company behind DealTrak and has now brought the Leeds-based under the same umbrella as its wider motor interests</li> </ul>





Source: CapIQ, Crunchbase, target press releases, deal announcements

## INSURETECH DEALS – FOURTH 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>
4 <sup>th</sup> Dec	Applied Systems 	Indio Technologies 	Provides digital tools for traditional commercial insurance brokers	Undisclosed	n/a	n/a	<ul style="list-style-type: none"> <li>The acquisition will help Applied achieve its goal of digitising the end-to-end commercial lines submissions process across agencies, brokers, insurers and insureds</li> <li>By integrating Indio's solution with Applied Epic, the insurance software firm hopes to provide customers with a collaborative and automated data capture experience, while increasing the velocity of the insurance application and renewal lifecycle, lowering costs and reducing the risk of errors and omissions</li> </ul>
4 <sup>th</sup> Dec	Zywave 	miEdge 	Provides lead generation, data analytics and prospecting solutions specifically designed for the insurance industry	Undisclosed	n/a	n/a	<ul style="list-style-type: none"> <li>Zywave will integrate the miEdge solution into the Sales Cloud offering and leverage the data source internally to greatly enhance functionality within a variety of additional content and analytics solutions</li> <li>miEdge offering further advances Zywave's machine learning capabilities and provides an interface for navigating multiple data sources that have been cleansed and combined by proprietary business logic, algorithms and machine learning to provide unrivaled data intelligence</li> <li>With the addition of the miEdge solution, Zywave will also significantly expand its existing data services division</li> <li>The expanded team will work to further integrate miEdge data into Zywave's Product Cloud Portfolios</li> </ul>
18 <sup>th</sup> Dec	Zuryc 	Impact Technologies Group 	Provides insurance illustration software primarily for insurance companies	Undisclosed	n/a	n/a	<ul style="list-style-type: none"> <li>The expanded company eliminates the burden of traditional technology obstacles, delivering an experience focused on security, scalability, and speed</li> <li>The merged companies provide a full suite of technology-driven business solutions, positioning Zuryc as a working partner for the ever-evolving technology needs of businesses</li> </ul>







Source: CapIQ, Crunchbase, target press releases, deal announcements

## LIFE AND PENSION ADMINISTRATION SOFTWARE DEALS – FOURTH 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>
2 <sup>nd</sup> Dec	Singia 	Stock & Info 	Provides software solutions for the pension fund segment	\$1.01	0.715	1.4x	• Undisclosed
4 <sup>th</sup> Dec	Verisk Analytics 	FAST (Flexible Architecture and Simplified Technology) 	Provides software for the life insurance and annuity industry	\$193.50	n/a	n/a	<ul style="list-style-type: none"> <li>• “The acquisition of FAST will extend our offerings to the life insurance market as we build a comprehensive suite of innovative solutions to support insurer modernisation,” ( Mark Anquillare COO, Verisk)</li> <li>• “By working with FAST technology and its customers, we’ll be able to improve our predictive models and offer integrated data analytics to life insurers through an end-to-end workflow solution.”</li> </ul>

Source: CapIQ, Crunchbase, target press releases, deal announcements

## PAYMENTS DEALS – FOURTH 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>
3 <sup>rd</sup> Oct	Glory 	Cash Payment Solutions 	Provides electronic cash payment solutions	Undisclosed	n/a	n/a	<ul style="list-style-type: none"> <li>The acquisition of CPS will contribute to the realisation of GLORY's vision, which is to "establish a new management system for cash circulation", by helping to make cash transactions more efficient and reducing the cost of cash handling for bank branches and retail stores. CPS will also add value to GLORY's traditional business by sharing their expertise in cash handling solutions</li> </ul>
8 <sup>th</sup> Oct	BACB 	Paytech 	Develops financial services and electronic payments processing software platform	Undisclosed	n/a	n/a	<ul style="list-style-type: none"> <li>"With the conclusion of the transaction herein BACB continues its strategy for entering the market for instant payments, known as "portfolio services". The Bank acquires full control on Paytech and the forthcoming actions for its licensing as an E-money company," (BACB)</li> </ul>
23 <sup>rd</sup> Oct	Berkeley Payment Solutions 	Pungle (Canada) 	Develops a payments-as-a-service platform for money transfer	Undisclosed	n/a	n/a	<ul style="list-style-type: none"> <li>Berkeley offers its own payment solutions for businesses, helping them simplify outbound payments Berkeley executives were drawn to Pungle because of its industry-leading technology platform and robust innovation and development which will enable them to offer more than 800,000 current users' access to world-class, scalable and reliable digital payment solutions</li> <li>Berkeley executives noted that the acquisition of Pungle will help it expand its own technology to enable "seamless end-to-end payment solutions"</li> <li>Jonathon Hamburg, the CEO and founder of Berkeley said: "This acquisition positions Berkeley to be one of the most innovative, fastest-growing FinTech companies globally,"</li> </ul>

Source: CapIQ, Crunchbase, target press releases, deal announcements





## PAYMENTS DEALS – FOURTH 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>
18 <sup>th</sup> Nov	Elavon 	Sage Pay 	Sage Pay comprises the payment gateway service business of The Sage Group plc	232	n/a	n/a	<ul style="list-style-type: none"> <li>• The acquisition is part of Elavon’s strategy to help its business customers grow as the global economy becomes more digital and as businesses look to streamline their operations with software that includes payments capabilities</li> <li>• Elavon is currently the fourth-largest merchant acquirer in Europe with an integrated international processing platform that allows them to do business in many countries and currencies</li> <li>• This acquisition extends Elavon’s market share in the UK and Ireland, particularly for small and medium-sized enterprises where Sage Pay is a highly-trusted payments gateway with a loyal customer base</li> </ul>



Source: CapIQ, Crunchbase, target press releases, deal announcements

## REGTECH DEALS– FOURTH 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>
10 <sup>th</sup> Dec	List 	IT SOFTWARE 	Leading global provider in the reg-tech space develops cutting-edge solutions for real-time risk management and surveillance, market data distribution and trading	Undisclosed	n/a	n/a	<ul style="list-style-type: none"> <li>“IT Software has developed a product suite that covers an integrated set of functionalities that is highly complementary to our expertise in trading software,” (Alvise Insalaco CEO, LIST S.p.A.)</li> <li>“Importantly, we believe that this acquisition will enable LIST to enhance our international presence and capabilities, which will play an important role in our international expansion. We are very pleased to complete this acquisition and look forward to integrating IT Software’s talented team and high-quality products into our strategy.”</li> </ul>







Source: CapIQ, Crunchbase, target press releases, deal announcements

## FINANCIAL SERVICES CONSULTING DEALS – FOURTH 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>
25 <sup>th</sup> Oct	The Capital Markets Company (Capco) 	ATOM Solutions 	IT consultancy focused on delivering innovative solutions and services to companies in commodities trading	Undisclosed	n/a	n/a	<ul style="list-style-type: none"> <li>The transaction will complement and extend Capco's client offerings</li> <li>ATOM's leadership team, including founder Firoz Jhaver and Principal Sudhir Devappa and all its employees will be joining Capco</li> </ul>

Source: CapIQ, Crunchbase, target press releases, deal announcements

# TRADING AND RISK MANAGEMENT SOFTWARE – FOURTH 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>
1 <sup>ST</sup> Oct	Broadridge Financial Solutions 	Shadow Financial Systems 	Provides post-trade processing, treasury, and accounting functionality on a platform for trading organisations	Undisclosed	n/a	n/a	<ul style="list-style-type: none"> <li>"The acquisition builds upon Broadridge's current industry leading post-trade processing capabilities by adding a market-ready solution for exchanges, inter-dealer brokers and proprietary trading risk management systems</li> <li>In addition, the acquisition adds capabilities across exchange traded derivatives (ETDs) and cryptocurrency."</li> </ul>
19 <sup>th</sup> Nov	ION Trading Ireland 	Markit Factory 	Operates a platform that allows dealers and brokers to connect directly to dozens of separate marketplaces in the \$6.6tn-a-day foreign exchange market	Undisclosed	n/a	n/a	<ul style="list-style-type: none"> <li>This isn't ION's first acquisition in the FX realm - In 2011, it acquired Wall Street Systems, an FX-focused provider of Treasury Management Systems (TMS)</li> <li>Over the years, ION has assembled a suite of TMS products, several of which rate highly in Greenwich Associates annual study of large corporate cash management trends</li> <li>Thus, the acquisition of an FX API aggregator by a major TMS provider may be an indication that there might be significant change coming to the corporate FX market</li> <li>MarketFactory secured an investment in January 2019 from Silicon Valley investment firm Accel-KKR</li> </ul>
24 <sup>th</sup> Dec	Energy One 	eZ-nergy 	Develops an application software for energy trading	3.42	n/a	n/a	<ul style="list-style-type: none"> <li>Twelve months ago, Energy One acquired Contigo Software, a UK-based supplier of Energy Trading and Risk Management solutions used by businesses in the UK and across Europe</li> <li>eZ-nergy and Contigo have partnered together for several years to provide a unified range of solutions serving the European power and gas markets; the teams at Contigo and eZ-nergy are already working closely together as business partners</li> <li>This acquisition will bring many opportunities to both Contigo and eZ-nergy and reinforce both organizations' strength and footprint in Europe, backed by a solid, successful parent company</li> </ul>

Source: CapIQ, Crunchbase, target press releases, deal announcements



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