

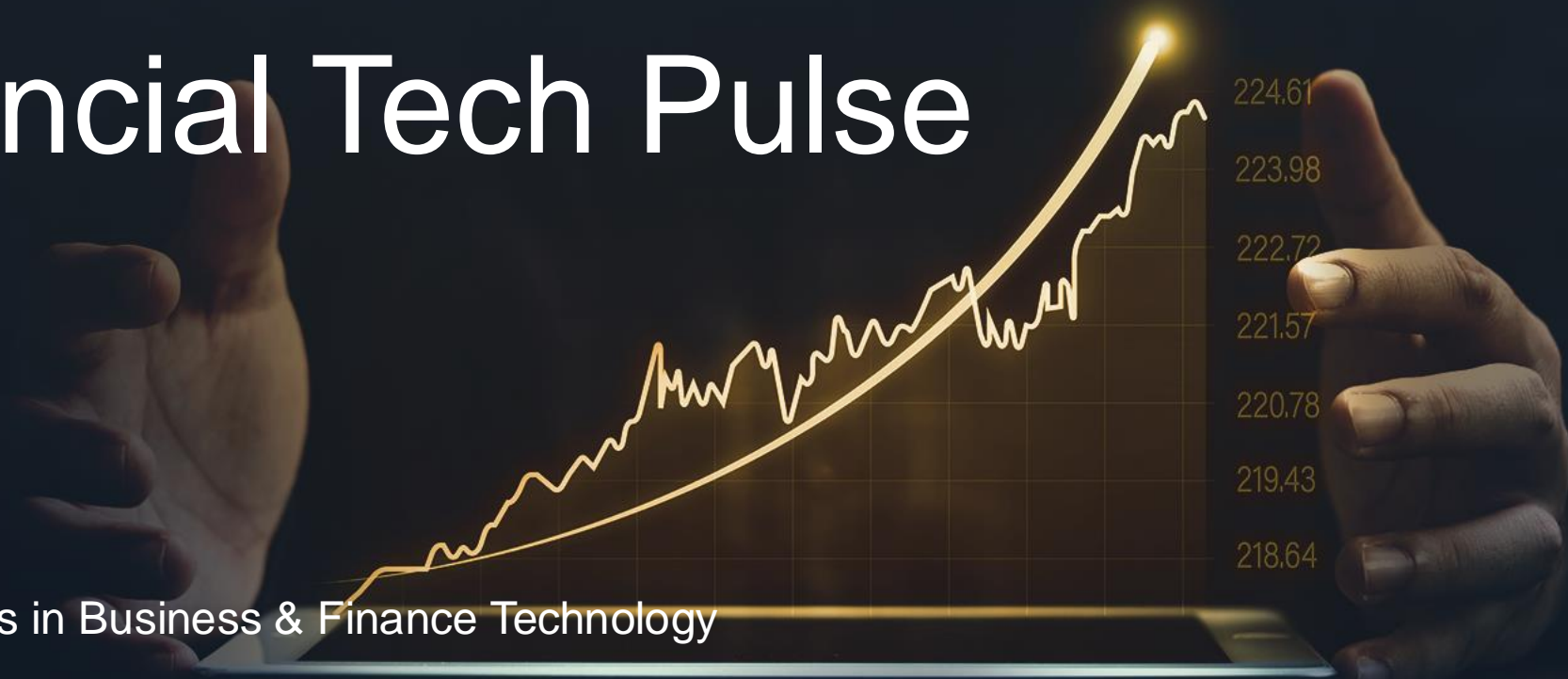


# Finch Financial Tech Pulse

December 2024 Edition

Partnering with Ambitious Teams in Business & Finance Technology

Accelerating the Path to Profitable Scale



Welcome to our **Monthly Financial Technology Pulse!**

At Finch Capital, we focus on **3 core themes** across **Financial Technology**:

Insurance, Banking & Wealth Management and Payments. In the Market Pulse, we look at recent trends and performance within each theme and the outlook for the future. We delve into the top M&A and fundraising deals in Europe and look at the financial performance of public companies in each core theme, giving us an insight into the current industry landscape.

**Finch Capital** is a growth investor, partnering with ambitious teams in **Business & Financial Technology**. With €450m AuM, we back companies generating €2m+ in annualized revenues by investing tickets of up to €20m. We aim to help our companies scale to €30m-€50m in revenues by building sustainable and capital-efficient business models. We have invested in ±45 companies including Fourthline, Goodlord, Grab, ZOPA, Twisto, AccountsIQ, NomuPay and Symmetrical.

## Insurance

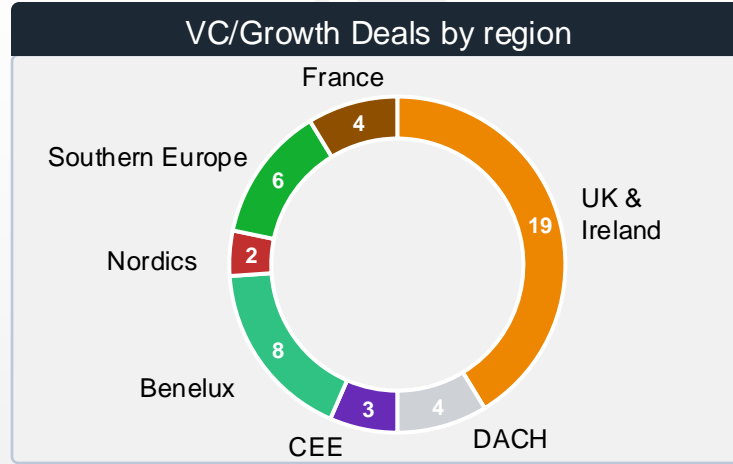
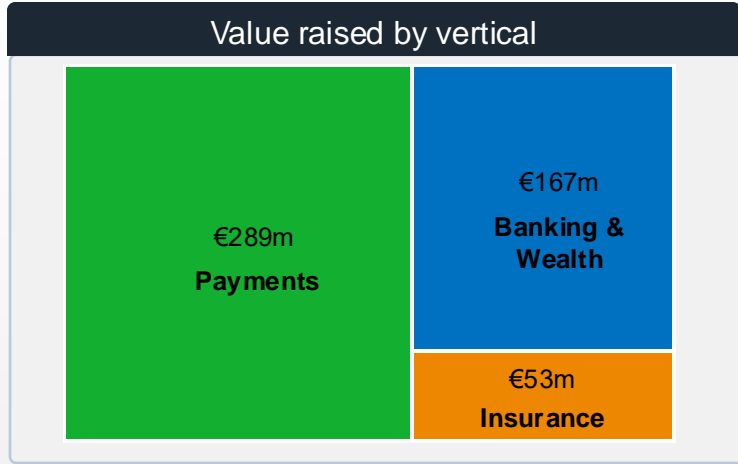
- Protection against various risks
- Claims and administration
- Fraud and payments
- Search and quoting software
- Data and underwriting

## Payments

- B2B & A2A payments
- Payment value chain infrastructure (PSPs, gateways, pay-in, payout)
- Fraud and security
- Mobile payments/digital wallets/loyalty
- Card network infrastructure

## Banking & Wealth Management

- Capital Market tools
- Banking as a service infrastructure (e.g. card issuing)
- Open banking infrastructure
- Lending/Mortgage/ Factoring
- IFAs / Portfolio Management Software
- Investment Management Platforms



### Notable Fundraises

Company	HQ	Vertical	Round Size
seQura		Payments	€140m
satispay		Payments	€60m
FASST		Insurance	€27m

### Public Comps by vertical

Vertical	EV/Revenue	EV/EBITDA
<b>Payments</b>		
Q4 23	2.24x	18.91x
Q4 24	2.83x	18.77x
<b>Banking &amp; Wealth</b>		
Q4 23	6.15x	20.60x
Q4 24	6.83x	17.07x
<b>Insurance</b>		
Q4 23	2.15x	13.99x
Q4 24	2.06x	13.89x

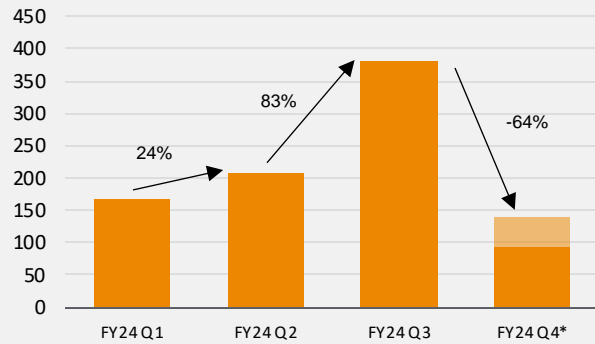
\*As of 18/12/2024.

### Notable Exits

Acquirer	Acquiree	HQ	Vertical
Amundi	aixioo		Banking & Wealth Management
Modulr	nook		Payments
Bricksave	ALTE		Banking & Wealth Management

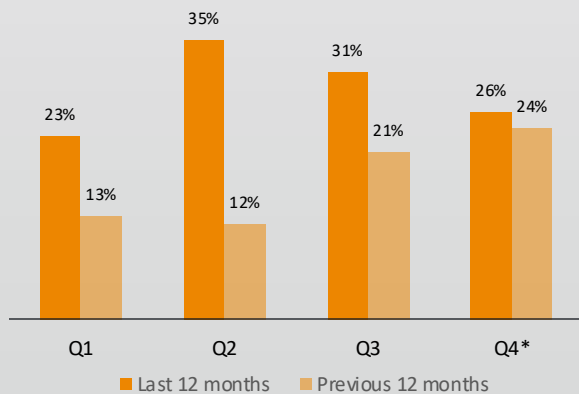
- ### November Highlights
- **The payments funding market is on the rise again**, partly thanks to a couple of large Spanish growth rounds.
  - **Insurance public companies have exhibited strong revenue growth rates in 2024** compared to 2023, which should help keep the EV/Revenue multiples above the 2x market for next year.
  - **Wealth and Capital Market technologies continue to attract a healthy amount of funding** at the seed and early growth stages; watch this space.

## Growth/VC Funding (€m)



\*Most recent figures used for monthly estimates.

## Median YoY revenue growth rate



\*Public Comps, as of 18/12/2024

## Notable Growth/VC deals in November 24

Company	Country HQ	Summary	Round Size	Round stage	Lead Investor
FASST		Insurance distribution platform	€27m	PE Growth	BPI France, Revaia
ONSI		Employee insurance and benefits platform	€11.7m	Later Stage VC	Zurich Insurance Group
konsileo		Tech-driven commercial insurance broker	€9.6m	Later Stage VC	Committed Capital Financial Services

## Notable Exits in November 24

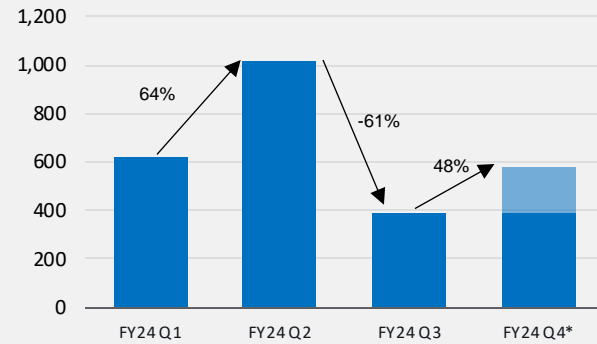
Acquirer	Acquiree	Country HQ	Transaction Size	EV/Revenue	EV/EBITDA
No announced exits in November 2024					

## Comps Table

Companies	EV/Revenue				EV/EBITDA				KPIs – FY24 Q4*		
	FY24 Q4*	FY24 Q3	FY24 Q2	FY24 Q1	FY24 Q4*	FY24 Q3	FY24 Q2	FY24 Q1	Rev YoY growth	EBITDA margin	Rule of 40
GoHealth	1,17x	1,07x	1,00x	1,06x	13,46x	12,50x	10,08x	10,36x	30%	9%	39%
Guidewire Software	13,56x	14,92x	11,52x	10,14x	96,04x	138,86x	105,77x	144,34x	13%	14%	27%
Hippo Enterprises	1,39x	0,88x	0,84x	1,54x	n/a	n/a	n/a	n/a	85%	-22%	63%
Lemonade	6,12x	2,23x	2,36x	2,47x	n/a	n/a	n/a	n/a	22%	-31%	-9%
PolicyBazaar	22,77x	18,37x	18,50x	14,47x	378,23x	345,79x	n/a	n/a	40%	6%	46%
Sapiens	2,74x	3,67x	3,36x	3,26x	14,33x	19,28x	17,63x	17,14x	7%	19%	26%
SelectQuote	0,92x	0,79x	0,92x	0,91x	9,09x	5,00x	11,80x	11,15x	29%	10%	39%
DXC Technology	0,57x	0,56x	0,54x	0,56x	4,50x	4,65x	4,46x	10,87x	-6%	13%	7%
<b>Median</b>	<b>2,06x</b>	<b>1,65x</b>	<b>1,68x</b>	<b>2,00x</b>	<b>13,89x</b>	<b>15,89x</b>	<b>11,80x</b>	<b>11,15x</b>	<b>26%</b>	<b>9%</b>	<b>33%</b>

\*As of 18/12/2024

## Growth/VC Funding (€m)



\*Most recent figures used for monthly estimates.

## Notable Growth/VC deals in November 24

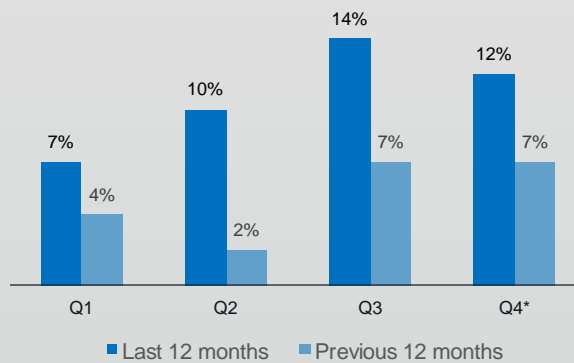
Company	Country HQ	Summary	Round Size	Round stage	Lead Investor
		Wealth management platform for complex portfolios	€25m	Later Stage VC	Partech
		Alternative asset management platform	€18.5m	Early Stage VC	Apollo Global, Motive Partners
		Online residential mortgage platform	€16.8m	Series B	Goodwater Capital

## Notable Exits in November 24

Acquirer	Acquiree	Country HQ	Transaction Size	EV/Revenue	EV/EBITDA
			n/a	n/a	n/a
			€14.9m	n/a	n/a
			n/a	n/a	n/a

\* Estimates.

## Median YoY revenue growth rate



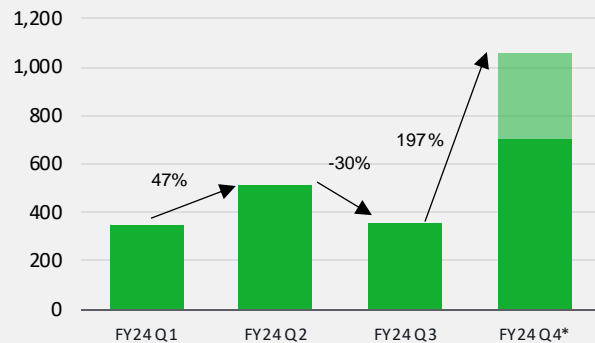
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Companies	EV/Revenue				EV/EBITDA				KPIs – FY24 Q4*		
	FY24 Q4*	FY24 Q3	FY24 Q2	FY24 Q1	FY24 Q4*	FY24 Q3	FY24 Q2	FY24 Q1	Rev YoY growth	EBITDA margin	Rule of 40
Alkami	12,19x	10,27x	9,64x	8,77x	194,97x	249,48x	525,15x	n/a	27%	6%	33%
Blend	8,72x	6,79x	4,31x	5,60x	n/a	n/a	n/a	n/a	-4%	-8%	-12%
Fiserv	7,04x	6,52x	5,76x	6,14x	15,68x	14,83x	13,31x	14,35x	7%	45%	52%
MeridianLink	6,62x	6,26x	6,57x	5,83x	16,06x	15,46x	16,69x	15,67x	4%	41%	45%
Pagaya	1,49x	1,53x	1,70x	1,47x	7,76x	8,95x	11,83x	28,01x	27%	19%	46%
Robinhood	13,73x	7,40x	7,29x	6,81x	34,84x	20,24x	22,27x	23,71x	36%	39%	75%
Temenos Headquarters	5,97x	5,33x	5,63x	5,91x	18,08x	16,66x	17,42x	17,37x	4%	33%	37%
Forge Global	1,02x	1,76x	2,01x	3,02x	n/a	n/a	n/a	n/a	18%	-59%	-41%
<b>Median</b>	<b>6,83x</b>	<b>6,39x</b>	<b>5,70x</b>	<b>5,87x</b>	<b>17,07x</b>	<b>16,06x</b>	<b>17,05x</b>	<b>17,37x</b>	<b>12%</b>	<b>26%</b>	<b>41%</b>

\*Public Comps, as of 18/12/2024

\*As of 18/12/2024

## Growth/VC Funding (€m)



\*Most recent figures used for monthly estimates.

## Notable Growth/VC deals in November 24

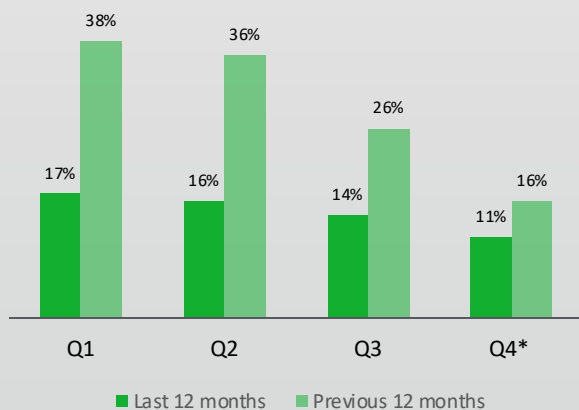
Company	Country HQ	Summary	Round Size	Round stage	Lead Investor
seQura		Credit payment services	€140m	Later Stage VC	Citigroup, M&G, Chenavari Investment Managers
satispay		Mobile payment application	€60m	Later Stage VC	Greyhound Capital, Addition, Lightrock
CELL POINT DIGITAL		Payment orchestration platform	€28m	PE Growth	Penta Capital, Toscafund AM

## Notable Exits in November 24

Acquirer	Acquiree	Country HQ	Transaction Size	EV/Revenue	EV/EBITDA
Modulr	nook		n/a	n/a	n/a
Request	Pay.so		n/a	n/a	n/a
leetchi	iRaiser		n/a	n/a	n/a

\* Estimates.

## Median YoY revenue growth rate



\*Public Comps, as of 18/12/2024

## Comps Table

Companies	EV/Revenue				EV/EBITDA				KPIs – FY24 Q4*		
	FY24 Q4*	FY24 Q3	FY24 Q2	FY24 Q1	FY24 Q4*	FY24 Q3	FY24 Q2	FY24 Q1	Rev YoY growth	EBITDA margin	Rule of 40
Adyen	19,08x	17,24x	14,26x	21,82x	44,25x	39,98x	34,45x	52,74x	-65%	43%	-22%
Block	2,23x	1,56x	1,52x	2,24x	18,77x	14,63x	16,34x	27,41x	15%	12%	27%
Flywire	4,20x	3,36x	3,35x	5,94x	28,94x	42,12x	29,36x	57,01x	27%	15%	41%
Marqeta	1,76x	2,89x	2,82x	2,71x	43,86x	157,79x	144,33x	n/a	-36%	4%	-32%
Payoneer	3,37x	2,60x	1,75x	1,47x	12,19x	9,41x	6,56x	5,94x	19%	28%	47%
PayPal Holdings	2,83x	2,45x	1,84x	2,26x	10,97x	9,50x	7,21x	9,38x	8%	26%	34%
Paysafe	1,96x	2,17x	2,06x	2,06x	7,08x	7,72x	7,26x	7,19x	8%	28%	36%
Wise	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	35%	41%	76%
<b>Median</b>	<b>2,83x</b>	<b>2,60x</b>	<b>2,06x</b>	<b>2,26x</b>	<b>18,77x</b>	<b>14,63x</b>	<b>16,34x</b>	<b>18,40x</b>	<b>11%</b>	<b>27%</b>	<b>35%</b>

\*As of 18/12/2024



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Amsterdam

London

Dublin