

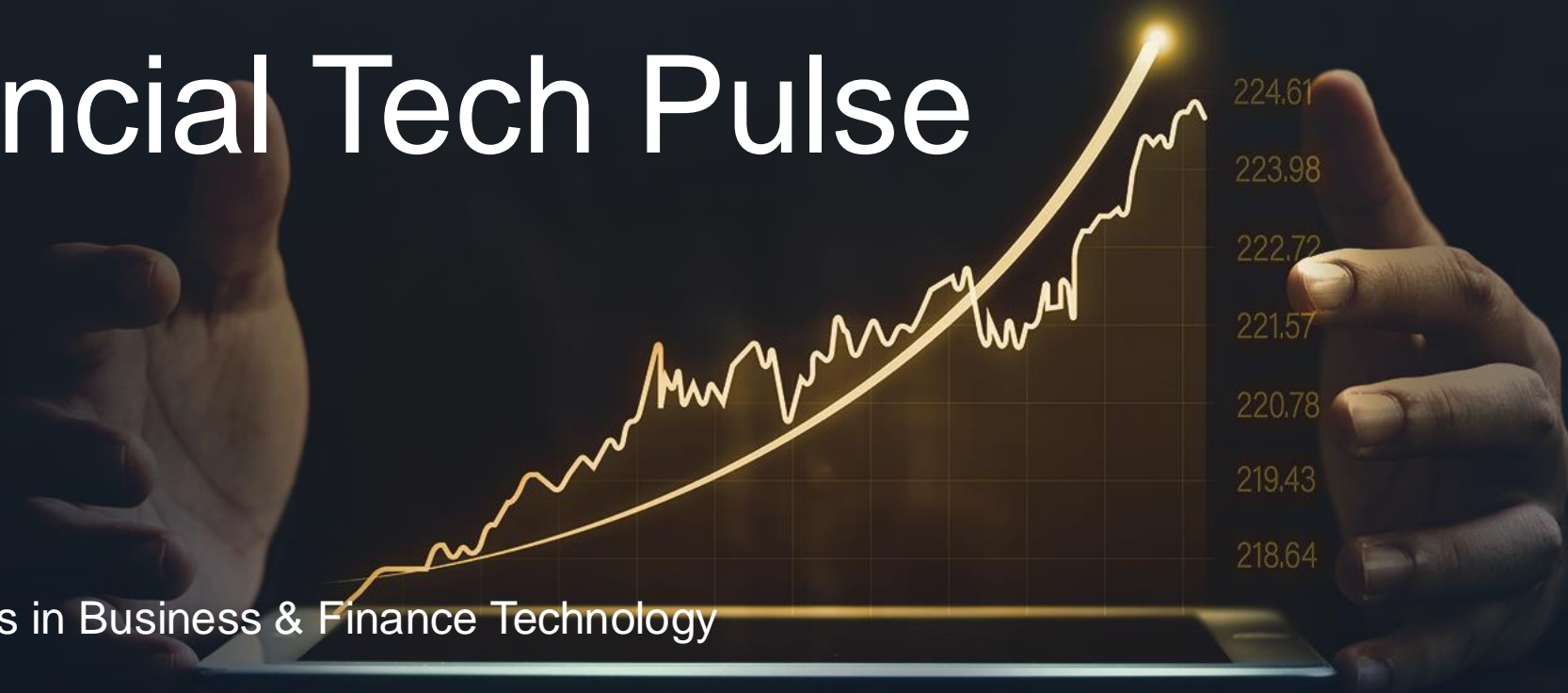


Finch Financial Tech Pulse

January 2025 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

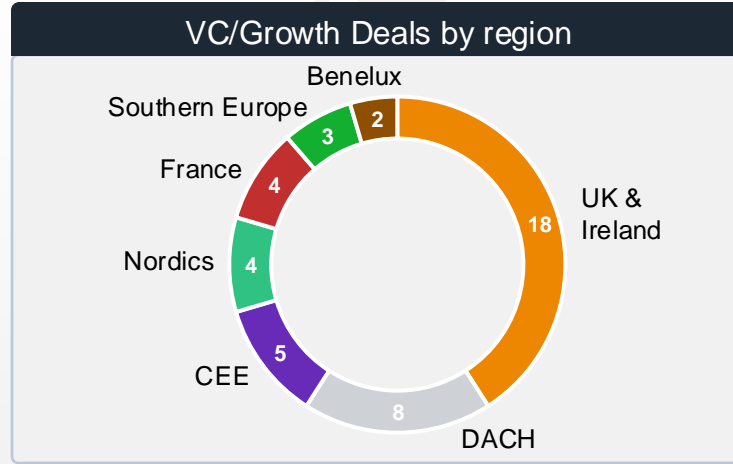
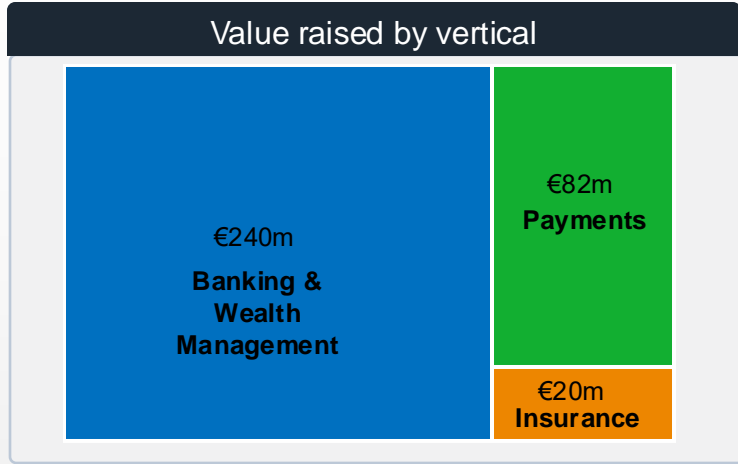
- Protection against various risks
- Claims and administration
- Fraud and payments
- Search and quoting software
- Data and underwriting

Payments

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

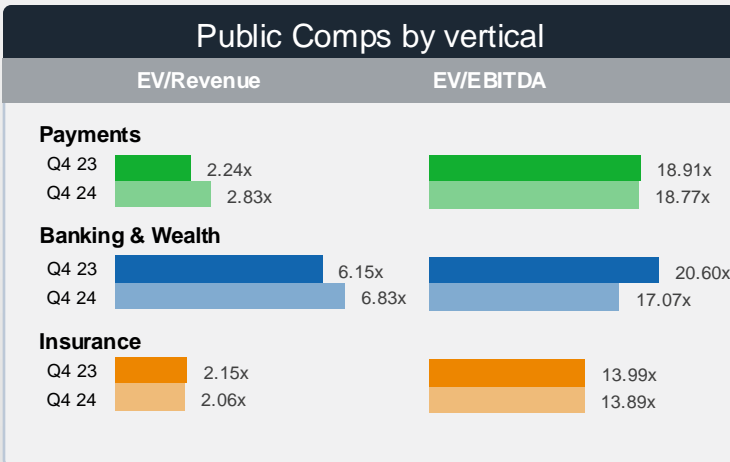
Banking & Wealth Management

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



Notable Fundraises

Company	HQ	Vertical	Round Size
upvest		Banking & Wealth Management	€100m
ZOPA		Banking & Wealth Management	€80m
BVNK		Banking & Wealth Management	€47.5m

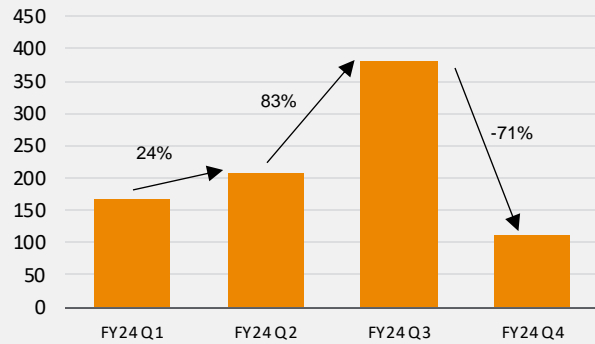


Notable Exits

Acquirer	Acquiree	HQ	Vertical
TOWERBROOK J.C. FLOWERS & CO. railsr	EQUALS Group		Payments
nordiska.	ROCKER		Payments
BattleFin << >	Exabel		Banking & Wealth Management

- ### December Highlights
- Banking & Wealth Management showed resiliency in 2024** with mega-rounds raised by retail neo-banking market leaders but also numerous growth rounds in the banking infrastructure space.
 - The Payment industry is maturing in Europe**, but challengers servicing niche industries and/or nailing complex use cases are still able to compete.
 - The Insurance industry offers a few B2B opportunities to digitise its infrastructure, but **the biggest market for Insurtech remains B2C or B2SMBs**.

Growth/VC Funding (€m)



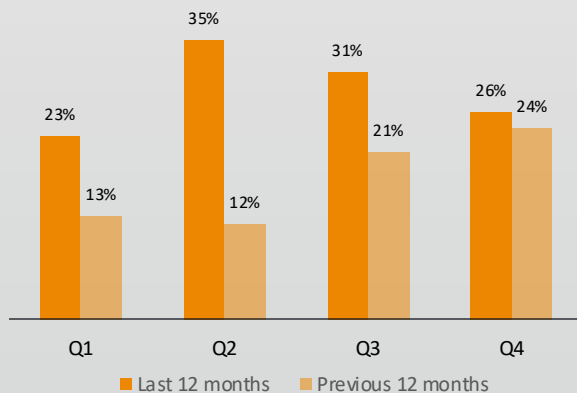
Notable Growth/VC deals in December 24

Company	Country HQ	Summary	Round Size	Round stage	Lead Investor
bikmo		Cycle and travel insurance platform	€9.29m	Venture	Puma Growth Partners
Sharelock		Insurance technology for bike theft	€4.73m	Venture	n/a
WEECOVER		Insurance for online purchasing and contracting	€4.18m	Venture	La Roca Capital

Notable Exits in December 24

Acquirer	Acquiree	Country HQ	Transaction Size	EV/Revenue	EV/EBITDA
Carlos & Mario Brueggemann (individuals)	acierto.com		<€50m*	n/a	n/a

Median YoY revenue growth rate

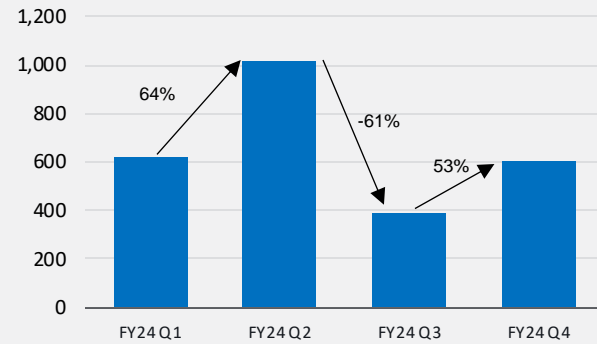


Comps Table

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	1.18x	1.07x	1.00x	1.06x	13.59x	12.50x	10.08x	10.36x	30%	9%	39%
Guidewire Software	13.25x	14.92x	11.52x	10.14x	93.81x	138.86x	105.77x	144.34x	13%	14%	27%
Hippo Enterprises	1.42x	0.88x	0.84x	1.54x	n/a	n/a	n/a	n/a	85%	-22%	63%
Lemonade	5.21x	2.23x	2.36x	2.47x	n/a	n/a	n/a	n/a	22%	-31%	-9%
PolicyBazaar	22.46x	18.37x	18.50x	14.47x	373.12x	345.79x	n/a	n/a	40%	6%	46%
Sapiens	2.56x	3.67x	3.36x	3.26x	13.39x	19.28x	17.63x	17.14x	7%	19%	26%
SelectQuote	0.97x	0.79x	0.92x	0.91x	9.54x	5.00x	11.80x	11.15x	29%	10%	39%
DXC Technology	0.55x	0.56x	0.54x	0.56x	4.36x	4.65x	4.46x	10.87x	-6%	13%	7%
Median	1.99x	1.65x	1.68x	2.00x	13.49x	15.89x	11.80x	11.15x	26%	9%	33%

*As of 31/12/2024.

Growth/VC Funding (€m)



Notable Growth/VC deals in December 24

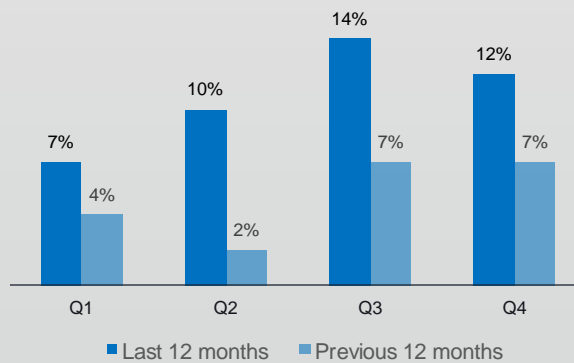
Company	Country HQ	Summary	Round Size	Round stage	Lead Investor
upvest		Investment API for financial inst. to provide investment	€100m	Growth	Hedosophia, Sapphire Ventures, BlackRock, Bessemer
ZOPA		Savings and lendings digital bank	€80m	Venture	AP Moller Holding
BVNK		Developer of modern banking system	€47.5m	Growth	Haun Ventures Management

Notable Exits in December 24

Acquirer	Acquiree	Country HQ	Transaction Size	EV/Revenue	EV/EBITDA
Avanza	SIGMASTOCKS		€1.8m	n/a	n/a
BattleFin	Exabel		<€50m*	n/a	n/a
LIQID	Forget Finance		<€50m*	n/a	n/a

* Estimates.

Median YoY revenue growth rate

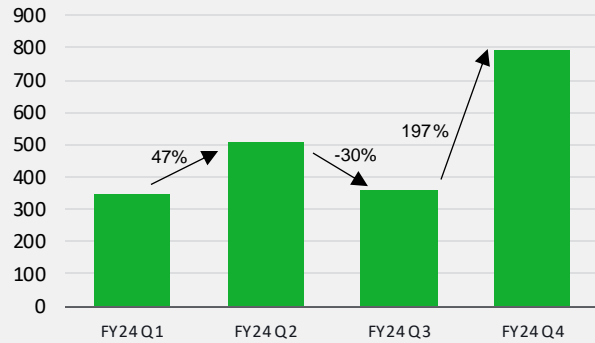


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Companies	EV/Revenue				EV/EBITDA				KPIs – FY24 Q4*		
	FY24 Q4*	FY24 Q3	FY24 Q2	FY24 Q1	FY24 Q4*	FY24 Q3	FY24 Q2	FY24 Q1	Rev YoY growth	EBITDA margin	Rule of 40
Alkami	11.42x	10.27x	9.64x	8.77x	182.64x	249.48x	525.15x	n/a	27%	6%	33%
Blend	7.36x	6.79x	4.31x	5.60x	n/a	n/a	n/a	n/a	-4%	-8%	-12%
Fiserv	7.07x	6.52x	5.76x	6.14x	15.76x	14.83x	13.31x	14.35x	7%	45%	52%
MeridianLink	6.25x	6.26x	6.57x	5.83x	15.16x	15.46x	16.69x	15.67x	4%	41%	45%
Pagaya	1.46x	1.53x	1.70x	1.47x	7.58x	8.95x	11.83x	28.01x	27%	19%	46%
Robinhood	12.13x	7.40x	7.29x	6.81x	30.77x	20.24x	22.27x	23.71x	36%	39%	75%
Temenos Headquarters	5.92x	5.33x	5.63x	5.91x	17.95x	16.66x	17.42x	17.37x	4%	33%	37%
Forge Global	0.96x	1.76x	2.01x	3.02x	n/a	n/a	n/a	n/a	18%	-59%	-41%
Median	6.66x	6.39x	5.70x	5.87x	16.85x	16.06x	17.05x	17.37x	12%	26%	41%

*As of 31/12/2024.

Growth/VC Funding (€m)



Notable Growth/VC deals in December 24

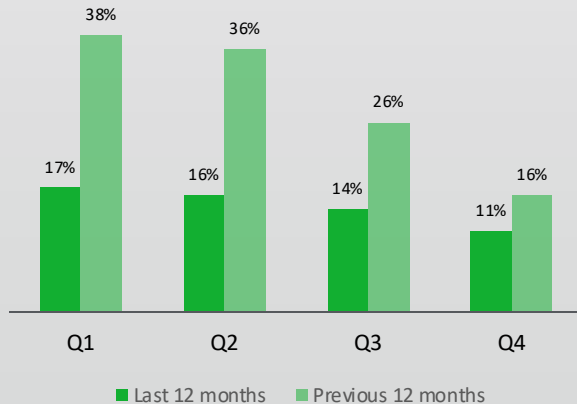
Company	Country HQ	Summary	Round Size	Round stage	Lead Investor
nuitée		Payment platform for travel booking	€45.6m	Venture	Accel, P1 Ventures
Mynt		Corporate credit cards and spending manager	€22m	Growth	Vor Capital, Incore Invest, CN
nevermined		De-centralised AI payment platform	€3.76m	Venture	Generative Ventures

Notable Exits in December 24

Acquirer	Acquiree	Country HQ	Transaction Size	EV/Revenue	EV/EBITDA
TOWERBROOK J.C. Flowers & Co railsr	EQUALS Group		€340m (LBO)	n/a	n/a
nordiska	ROCKER		€2.9m	n/a	n/a
SHIFT	CIP Card Industry Professionals		<€50m*	n/a	n/a

* Estimates.

Median YoY revenue growth rate



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	18.06x	17.24x	14.26x	21.82x	41.88x	39.98x	34.45x	52.74x	-65%	43%	-22%
Block	1.98x	1.56x	1.52x	2.24x	16.68x	14.63x	16.34x	27.41x	15%	12%	27%
Flywire	3.97x	3.36x	3.35x	5.94x	27.37x	42.12x	29.36x	57.01x	27%	15%	41%
Marqeta	1.66x	2.89x	2.82x	2.71x	41.31x	157.79x	144.33x	n/a	-36%	4%	-32%
Payoneer	3.28x	2.60x	1.75x	1.47x	11.88x	9.41x	6.56x	5.94x	19%	28%	47%
PayPal Holdings	2.66x	2.45x	1.84x	2.26x	10.29x	9.50x	7.21x	9.38x	8%	26%	34%
Paysafe	1.93x	2.17x	2.06x	2.06x	6.95x	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%
Median	2.66x	2.60x	2.06x	2.26x	16.68x	14.63x	16.34x	18.40x	11%	27%	35%

*As of 31/12/2024.



Amsterdam

London

Dublin