

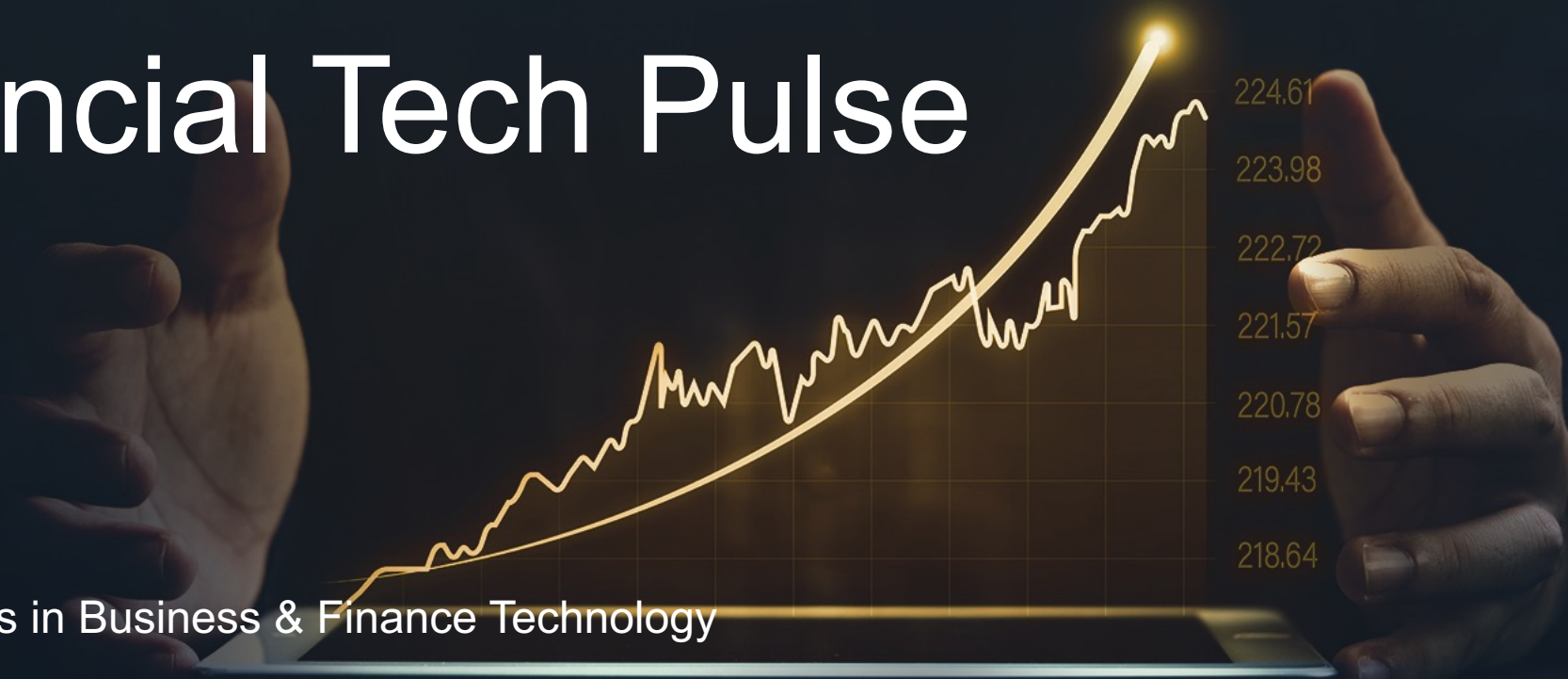


Finch Financial Tech Pulse

July 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

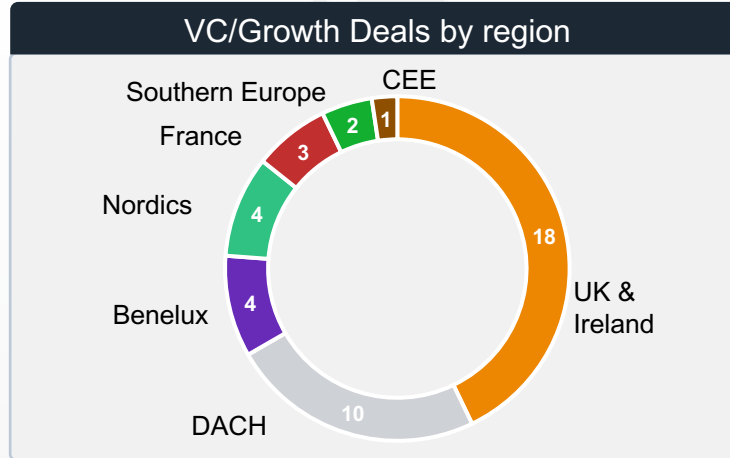
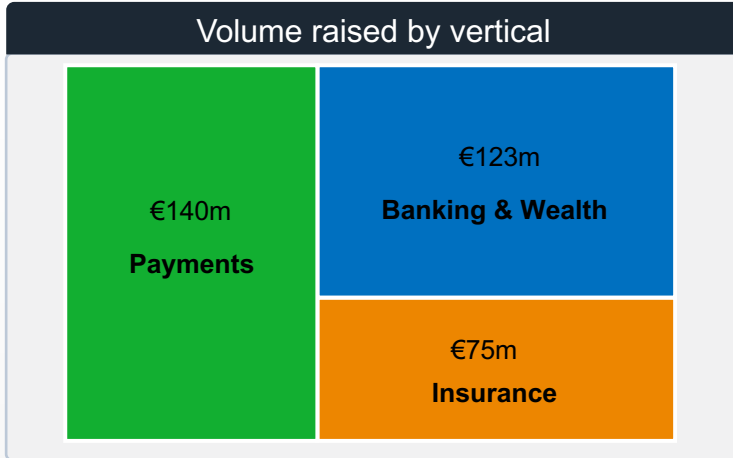
- Protection against various risks
- Claims and administration
- Fraud and payments
- Search and quoting software
- Data and underwriting

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

- 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
Storyblok		Payments	€74m
FINBOURNE <small>LIBERATE · SIMPLIFY · CONNECT</small>		Banking & Wealth Management	€65m
wefox		Insurance	€25m

Public Comps by vertical

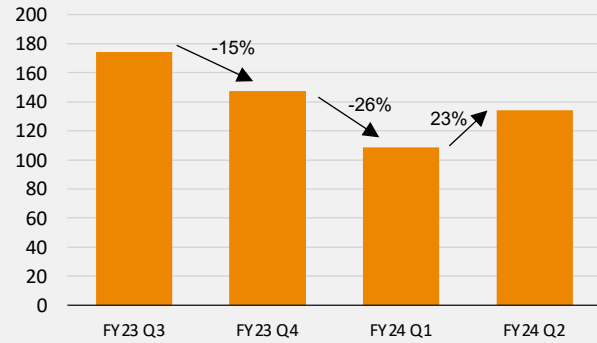
Vertical	EV/Revenue	EV/EBITDA
Payments		
Q2 23	2.00x	60.01x
Q2 24	2.06x	8.73x
Banking & Wealth		
Q2 23	4.78x	21.24x
Q2 24	6.17x	26.38x
Insurance		
Q2 23	2.36x	12.71x
Q2 24	1.68x	20.54x

Notable Exits

Acquirer	Acquiree	HQ	Vertical
CDPQ TPG	Aareon		Banking & Wealth Management
Montagu <small>private equity</small>	HARVEST		Banking & Wealth Management
globalpayments	takepayments		Payments

- ### June Highlights
- VC/Growth funding in **Banking & Wealth** grew by **157% QoQ**, partly thanks to new mega rounds raised by **Monzo** and **Revolut**, but also a few growth rounds in the Wealth Tech space e.g. **Finbourne**
 - Adyen** is still trading at attractive multiples at **14x EV/Revenue**, partly driven by strong profitability at 42% EBITDA margins.

Growth/VC Funding (€m)



Notable Growth/VC deals in June 24

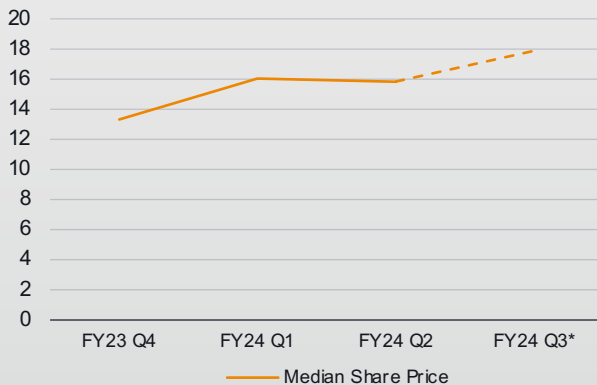
Company	Country HQ	Summary	Round Size	Round stage	Lead Investor
wefox	Germany	Comparison platform to manage insurance products	€25m	Growth	OurCrowd
Supercede	United Kingdom	Insurance tech platform	€13.9m	Venture	Alven Capital Partners
Continuity	France	AI-support for insurance underwriting	€10m	Venture	115K, Bpi France, Elaia

Notable Exits in June 24

Acquirer	Acquiree	Country HQ	Transaction Size	EV/Revenue	EV/EBITDA
pluxee	cobee	Spain	€75-100m*	n/a	n/a

* Estimates.

Public Market Index



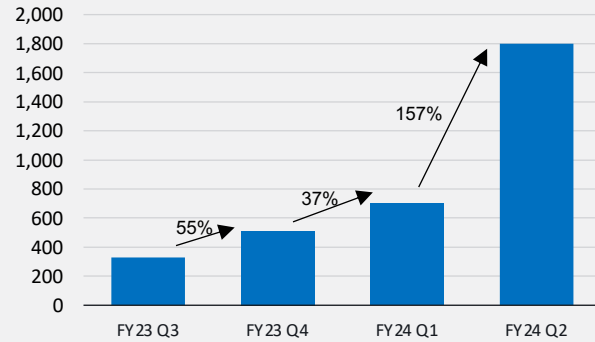
*Share price to date.

Comps Table

Companies	EV/Revenue				EV/EBITDA				KPIs – FY24 Q3**		
	FY24 Q3**	FY24 Q2	FY24 Q1	FY23 Q4	FY24 Q3**	FY24 Q2	FY24 Q1	FY23 Q4	Rev YoY growth	EBITDA margin	Rule of 40
GoHealth	1.05x	1.00x	1.06x	1.65x	29.49x	28.03x	32.28x	n/a	35%	4%	39%
Guidewire Software	11.84x	11.52x	10.14x	9.44x	n/a	n/a	n/a	n/a	9%	-4%	5%
Hippo Enterprises	1.04x	0.84x	1.54x	0.05x	n/a	n/a	n/a	n/a	89%	-81%	8%
Lemonade	3.23x	2.36x	2.47x	2.64x	n/a	n/a	n/a	n/a	47%	-42%	6%
PolicyBazaar	17.51x	17.29x	14.47x	10.74x	313.10x	309.06x	450.69x	n/a	34%	6%	40%
Sapiens	3.98x	3.36x	3.26x	3.04x	21.39x	18.05x	17.57x	15.73x	9%	19%	27%
SelectQuote	1.05x	0.92x	0.91x	0.85x	23.40x	20.54x	18.61x	16.38x	34%	4%	39%
DXC Technology	0.54x	0.54x	0.56x	0.62x	4.58x	4.51x	9.85x	12.33x	-5%	12%	7%
Median	2.14	1.68	2.00	2.15	23.40	20.54	18.61	15.73	34%	4%	18%

**Q3 to date.

Growth/VC Funding (€m)



*Most recent monthly figures used for quarterly estimates.

Notable Growth/VC deals in June 24

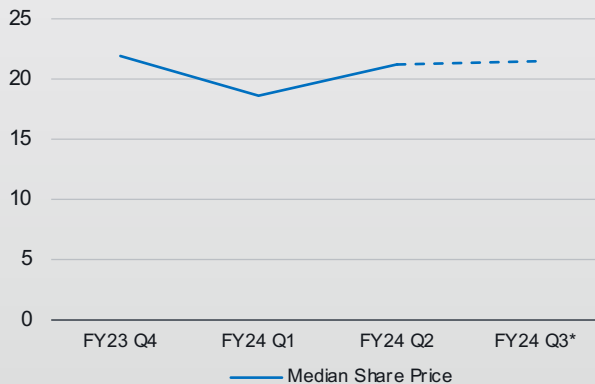
Company	Country HQ	Summary	Round Size	Round stage	Lead Investor
FINBOURNE		Investment data platform	€65m	Growth	Highland Europe, AVP
S64		Global alternative solutions provider	€20.8m	Venture	n/a
monthio		Personal financing management platform	€10m	Growth	Denmark's Export and Investment Fund

Notable Exits in June 24

Acquirer	Acquiree	Country HQ	Transaction Size	EV/Revenue	EV/EBITDA
CDPQ TPG	Aareon		€4,200m (LBO)	n/a	n/a
Montagu <small>private equity</small>	HARVEST		€500m	n/a	n/a
AGERAS SOCIETE GENERALE	SHINE		€25-50m	n/a	n/a

* Estimates.

Public Market Index



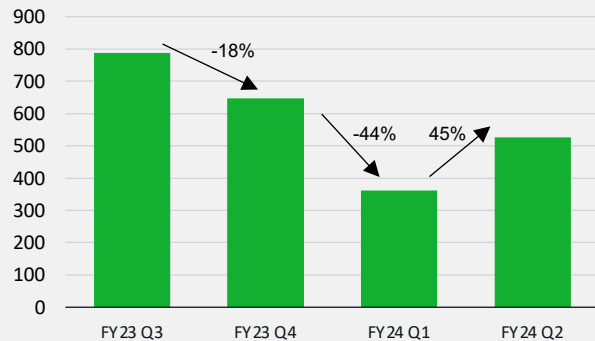
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	FY24 Q3**	FY24 Q2	FY24 Q1	FY23 Q4	FY24 Q3**	FY24 Q2	FY24 Q1	FY23 Q4	Rev YoY growth	EBITDA margin	Rule of 40
Alkami	11.10x	9.64x	8.77x	8.98x	n/a	n/a	n/a	n/a	28%	-17%	11%
Blend (Financial Software)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Fiserv	5.97x	5.76x	6.14x	5.49x	14.07x	13.58x	14.66x	13.27x	7%	42%	50%
MeridianLink	7.03x	6.57x	5.83x	7.58x	28.21x	26.38x	24.14x	33.74x	4%	25%	29%
Pagaya	1.86x	1.70x	1.47x	1.84x	n/a	n/a	n/a	n/a	19%	-16%	3%
Robinhood	7.59x	7.29x	6.81x	3.61x	75.22x	72.23x	n/a	n/a	36%	10%	46%
Temenos Headquarters	5.97x	5.63x	5.91x	7.01x	18.45x	17.42x	17.37x	20.60x	5%	32%	37%
Forge Global	2.02x	1.92x	2.94x	6.73x	n/a	n/a	n/a	n/a	13%	-116%	-103%
Median	5.97	5.76	5.91	6.73	23.33	21.90	17.37	20.60	13%	10%	29%

**Q3 to date.

Growth/VC Funding (€m)



*Most recent monthly figures used for quarterly estimates.

Notable Growth/VC deals in June 24

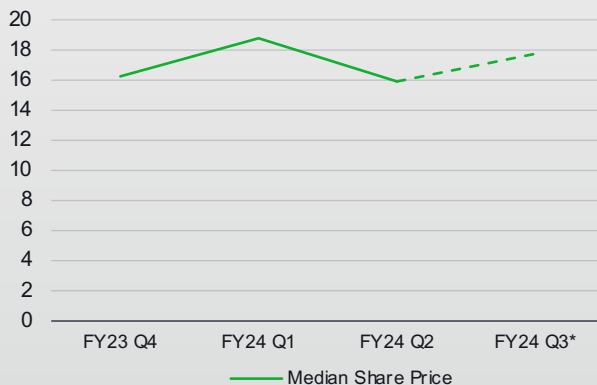
Company	Country HQ	Summary	Round Size	Round stage	Lead Investor
Storyblok		Cloud-based content management system	€74m	Growth	Brighton Park Capital
apron.		Payments platform for business owners	€24.7m	Growth	Zinal Growth
HERO		Payment and financing platform for SMEs	€11.3m	Venture	Valar Ventures, Motive Partners

Notable Exits in June 24

Acquirer	Acquiree	Country HQ	Transaction Size	EV/Revenue	EV/EBITDA
globalpayments	takepayments		€250m	n/a	n/a

* Estimates.

Public Market Index



*Share price to date.

Comps Table

Companies	EV/Revenue				EV/EBITDA				KPIs – FY24 Q3**		
	FY24 Q3**	FY24 Q2	FY24 Q1	FY23 Q4	FY24 Q3**	FY24 Q2	FY24 Q1	FY23 Q4	Rev YoY growth	EBITDA margin	Rule of 40
Adyen	14.31x	14.26x	21.82x	5.14x	33.91x	33.78x	51.71x	43.13x	-79%***	42%	-37%
Block	1.62x	1.52x	2.24x	2.10x	43.61x	40.98x	143.09x	365.22x	23%	4%	27%
Flywire	3.88x	3.35x	5.94x	5.79x	n/a	n/a	1883.74x	n/a	32%	-1%	31%
Marqeta	2.55x	2.82x	2.71x	3.11x	n/a	n/a	n/a	n/a	-28%	-31%	-59%
Payoneer	1.74x	1.75x	1.47x	1.67x	7.98x	8.02x	8.19x	11.69x	27%	22%	49%
PayPal Holdings	1.89x	1.84x	2.26x	2.24x	8.94x	8.73x	10.62x	11.30x	8%	21%	29%
Paysafe	2.17x	2.06x	2.06x	1.98x	7.87x	7.49x	7.57x	7.75x	8%	28%	35%
Wise (Financial Software)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	56%	33%	88%
Median	2.17	2.06	2.26	2.24	8.94	8.73	31.16	11.69	16%	21%	30%

**Q3 to date

*** due to changes in accounting practices, yoy net revenues growth of 22%



Amsterdam

London

Dublin