

Q4: Quarterly Industry Update

AS OF December 31, 2023



Fin Tech Industry Summary

COGENT VALUATION identified **Fintech** publicly traded companies, IPOs, and recent M&A transactions within the Fintech industry, which provides a basis for market and transaction pricing that can be used by your firm in estimating market sentiment and its impact on your firm's value. Over the last year since December 31, 2022, the median 52-week share price return of the Fintech industry decreased from 34.1% to 33%, and the median YTF return increased from 23.2% to 33.8%. Between December 31, 2022 and December 31, 2023, the median EV/Revenue multiple decreased from 7.8 to 8.4 and the median EV/EBITDA multiple decreased from 18.2 to 16.2. The median price-to-earnings multiple increased from 73.5 to 72.7 and the median EV/Gross CF multiple decreased from 47.7 to 48.5 over the same period. The median price/earnings multiple from 1.2 to .3. The median Price/Revenue multiple increased from 7.4 to 10.8 over the same period.

Public Company Key Statistics

Median 52-Week Return	Median YTD Return	Median EV/Revenue Multiple	Median EV/EBITDA Multiple
33%	33.8%	8.4x	30.9x
Median Price/Earnings Multiple	Median EV/Gross Profit Multiple	Median MVIC/Earnings Multiple	Median Price/Revenue Multiple
72.7x	48.5x	.3x	10.8x

Public Company Median Multiples by Quarter

	12/31/23	9/30/23	6/30/23	3/31/23	12/31/22	9/30/22	6/30/22	3/31/22
Median EV/Revenue Multiple	8.4x	3.2x	3.4x	2.7x	3.1x	3.2x	2.9x	3.0x
Median EV/EBITDA Multiple	30.9x	38.0x	17.6x	13.4x	14.6x	14.6x	19.4x	10.7x
Median Price/Earnings Multiple	72.7x	40.9x	80.3x	51.2x	70.8x	69.7x	67.9x	37.7x
Median EV/Gross Profit Multiple	48.5x	42.2x	31.3x	43.6x	44.5x	23.3x	20.4x	25.0x
Median MVIC/Earnings Multiple	.3x	1.6x	2.7x	3.7x	5.4x	3.5x	2.2x	3.2x
Median Price/ Revenue Multiple	10.8x	3.2x	3.4x	2.7x	10.6x	2.5x	3.2x	3.2x

■ Highest Multiple
 ■ Median Multiple
 ■ Lowest Multiple

Comparable Public Company Market Price Returns as of December 31, 2023

Company Name	Q4 2023	12-months 2023	Two Year ¹	Three Year ¹	2022	2021	2020
2U, Inc.	-22.9%	111.9%	92.8%	48.7%	N/A	114.0%	7.8%
Alarm.com Holdings, Inc.	37.4%	22.8%	26.2%	N/A	N/A	35.6%	66.8%
Amber Road, Inc.	12.1%	15.3%	28.3%	-1.3%	N/A	-19.2%	78.4%
AppFolio, Inc.	42.7%	50.2%	82.7%	N/A	N/A	74.0%	63.4%
Apptio, Inc.	69.3%	141.6%	N/A	N/A	N/A	-9.1%	-18.4%
athenahealth, Inc.	24.8%	33.9%	1.5%	6.2%	8.1%	18.7%	N/A
Benefitfocus, Inc.	-20.1%	-12.7%	-14.5%	-12.8%	N/A	52.4%	-0.7%
BlackLine, Inc.	-0.8%	31.8%	N/A	N/A	N/A	-11.8%	29.8%
Box, Inc.	0.6%	26.0%	29.5%	1.3%	N/A	53.0%	67.3%
Brightcove Inc.	-42.1%	-21.9%	5.5%	-1.8%	2.3%	-24.2%	15.9%
Carbonite, Inc.	26.1%	33%	90.1%	26.3%	21.3%	-37.3%	3.6%
Castlight Health, Inc.	101.3%	0.0%	4.7%	-22.2%	N/A	24.8%	N/A
ChannelAdvisor Corporation	91.0%	-18.4%	-10.1%	-2.1%	N/A	61.1%	N/A
Cornerstone OnDemand, Inc.	75.7%	0.6%	9.2%	10.6%	2.8%	75.3%	63.1%
Coupa Software	42.2%	79.6%	N/A	N/A	N/A	88.1%	-16.5%
Everbridge, Inc.	13.3%	78.3%	N/A	N/A	N/A	2018	-6.1%
Five9, Inc.	-22.9%	81.0%	83.1%	75.0%	N/A	114.0%	2017
HubSpot, Inc.	37.4%	78.9%	57.6%	39.5%	N/A	35.6%	7.8%
Instructure, Inc.	27.3%	80.1%	53.3%	N/A	N/A	-19.2%	66.8%

[1] Calculated as the average annual return.

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Comparable Public Company Market Price Returns as of December 31, 2023

Company Name	Q4 2023	12-months 2023	Two Year ¹	Three Year ¹	2022	2021	2020
SPS Commerce, Inc.	69.5%	9.5%	22.2%	-1.5%	8.5%	-30.5%	-0.5%
Ultimate Software Group	12.2%	24.8%	12.2%	12.8%	18.5%	19.7%	-6.7%
Twilio Inc.	278.4%	32.2%	N/A	N/A	N/A	-18.2%	N/A
Veeva Systems Inc.	61.6%	42.4%	70.8%	41.9%	N/A	35.8%	41.1%
Workday, Inc.	56.9%	52.6%	28.6%	14.6%	15.6%	53.9%	-17.1%
Workiva Inc.	67.7%	51.4%	42.6%	18.1%	N/A	56.8%	-22.3%
Xero Limited	32.3%	86.0%	54.9%	13.1%	22.6%	82.3%	-9.6%
Zendesk, Inc.	72.5%	70.7%	51.2%	28.3%	N/A	59.6%	-19.8%
Median of Industry Public Companies	33.8%	33%	51.3%	20.8%	20.5%	49.3%	5.7%

[1] Calculated as the average annual return.

Initial Public Offerings Fintech - SaaS (dollars in millions, except share prices)

Effective Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets ¹	Debt ¹	LTM Revenue ¹	LTM EBITDA ¹	LTM Net Income ¹	LTM Cash Flows ¹
11/22/23	Tecnos Data Science Engineering Incorporated	\$28.32	2.5	\$35.1	N/A	N/A	N/A	N/A	N/A	N/A
10/6/23	Yusys Technologies Co., Ltd.	\$1.21	0.4	\$5.2	\$16.4	\$1.7	\$262.4	\$4.1	\$2.5	\$4.1
2/15/23	identitii Limited	\$0.54	5.3	\$23.2	\$10.3	\$6.6	\$1.3	\$3.1	\$1.7	\$3.3
12/26/22	Property Data Bank, Inc.	\$16.19	78.0	\$324.1	\$85.7	\$0.0	\$11.7	\$22.5	\$11.6	\$23.1
6/14/22	Huifu Payment Limited	\$0.96	30.0	\$4.5	\$1.7	\$3.1	\$265.3	(\$1.3)	(\$1.9)	(\$1.2)
5/23/21	CLPS Incorporation	\$5.25	8.6	\$146.2	\$331.2	\$65.8	\$39.2	(\$19.2)	(\$30.7)	(\$15.4)
9/28/21	Money Forward, Inc.	\$13.76	0.2	\$3.1	\$24.6	\$11.0	N/A	\$3.2	\$1.5	\$3.9
9/19/21	Needs Well Inc.	\$14.97	105.0	\$2,371.3	\$4,393.0	\$2,116.0	\$45.3	\$286.4	\$49.3	\$315.4
7/20/21	Seamless Distribution Systems AB (publ)	\$4.38	0.0	\$9.1	\$1.4	\$0.0	\$11.3	\$0.6	\$0.4	\$0.6
5/26/21	Alfa Financial Software Holdings PLC	\$4.16	18.8	\$11.2	\$1.4	\$0.0	\$90.5	(\$2.2)	(\$2.2)	(\$2.2)
9/23/20	Servtech Global Holdings Limited	\$0.15	0.1	\$2.6	\$17.1	\$2.3	\$6.0	\$0.0	(\$0.0)	\$0.0
10/27/20	Equiniti Group plc	\$2.53	192.0	\$485.0	\$1,261.0	\$477.0	\$536.9	\$97.8	(\$66.7)	\$104.1
9/20/20	Shopify Inc.	\$17.00	7.7	\$130.9	\$97.3	\$0.0	\$123.6	N/A	(\$20.5)	(\$10.2)
	Median of all IPOs	nm	nm	\$29.1	\$24.6	\$2.3	\$44.9	\$0.0	(\$1.2)	\$0.0

[1] As of the effective date of the IPO

Size of Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues ¹	EV/ Revenues ¹
12/2/23	Miles Software Solutions (P) Ltd.	Itz Cash Card Ltd.	\$27.5	100%	\$6.2	N/A
11/1/23	Thumbworks Technologies Pvt.	CapFloat Financial Services Private Limited	\$29.9	100%	N/A	N/A
6/2/23	Vipera Plc	Sella Open Fintech	\$19.4	100%	N/A	2.7x
2/26/23	Inworx S.A de CV	Charles Taylor InsureTech Limited	\$50.5	80%	\$12.4	3.4x
12/28/22	CAD IT S.p.A.	Quarantacinque Srl	\$44.1	100%	\$14.7	0.5x
12/1/22	Fiserv Solutions, LLC	Warburg Pincus LLC	\$419.0	100%	\$78.0	N/A
11/21/22	Financial Performance Solutions	Verdane Capital	\$43.5	75%	N/A	2.3x
11/10/22	Lombard Risk Management plc	Vermeg N.V.	\$71.0	100%	\$18.7	1.6x
10/4/22	Nets A/S	Advent International Corp.	\$6,716.2	97%	\$21.4	1.4x

[1] As of the close of the Transaction

■ USA ■ International

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Size of Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

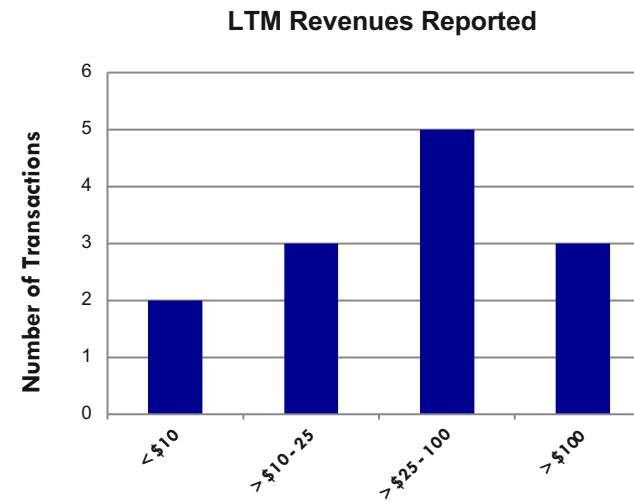
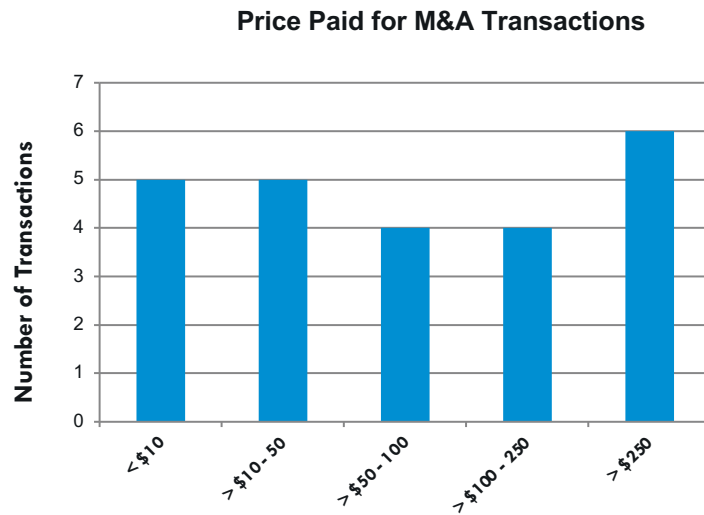
Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues ¹	EV/ Revenues ¹
9/21/22	Avoka Technologies Pty, Ltd.	Temenos AG	\$245.0	55%	\$14.7	N/A
8/13/22	Hyperwallet Systems Inc.	PayPal Holdings, Inc.	\$400.0	100%	\$78.0	2.3x
5/1/22	Agiletics, Inc.	Jack Henry & Associates, Inc.	\$6.3	100%	N/A	1.6x
2/4/22	Miles Software Solutions (P) Ltd.	Itz Cash Card Ltd.	\$27.5	100%	\$18.7	5.3x
12/21/21	Thumbworks Technologies Pvt. Ltd.	CapFloat Financial Services Private Limited	\$29.9	100%	\$43.1	3.4x
7/30/21	Vipera Plc	Sella Open Fintech Platform S.P.A. (nka:Fabrick S.p.A)	\$19.4	100%	\$1,213	6.0x
5/10/21	Inworx S.A de CV	Charles Taylor InsureTech.	\$50.5	100%	N/A	4.8x
4/6/21	CAD IT S.p.A.	Quarantacinque Srl	\$44.1	100%	\$32.6	N/A
3/31/21	Ensenta Corporation	Warburg Pincus LLC	\$419.0	100%	\$27.0	2.1x
12/28/20	BluePay, Inc.	Verdane Capital	\$60.8	100%	N/A	N/A
9/28/20	eg solutions plc	UTIB INVL Technology	\$5.8	77%	\$3.1	2.4x
Median of the M&A Transaction Targets			\$79.5	100%	\$32.0	2.3x

■ USA ■ International

[1] As of the close of the Transaction

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Size of Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)



Definitions of Financial Terms Used in this Quarterly Industry Update:

Enterprise Value (EV): Market Value of Equity + Market Value of Debt - Cash

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA): Profitability metric sometimes also referred to as operating profit or operating earnings.

Gross Cash Flows: Net Income + Depreciation and Amortization Expense

Latest Twelve Months (LTM): Financial information is as of the latest twelve months through the date of this Quarterly Industry Update.

Market Value of Invested Capital (MVIC): Market Value of Equity + Market Value of Debt

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