

FINTECH

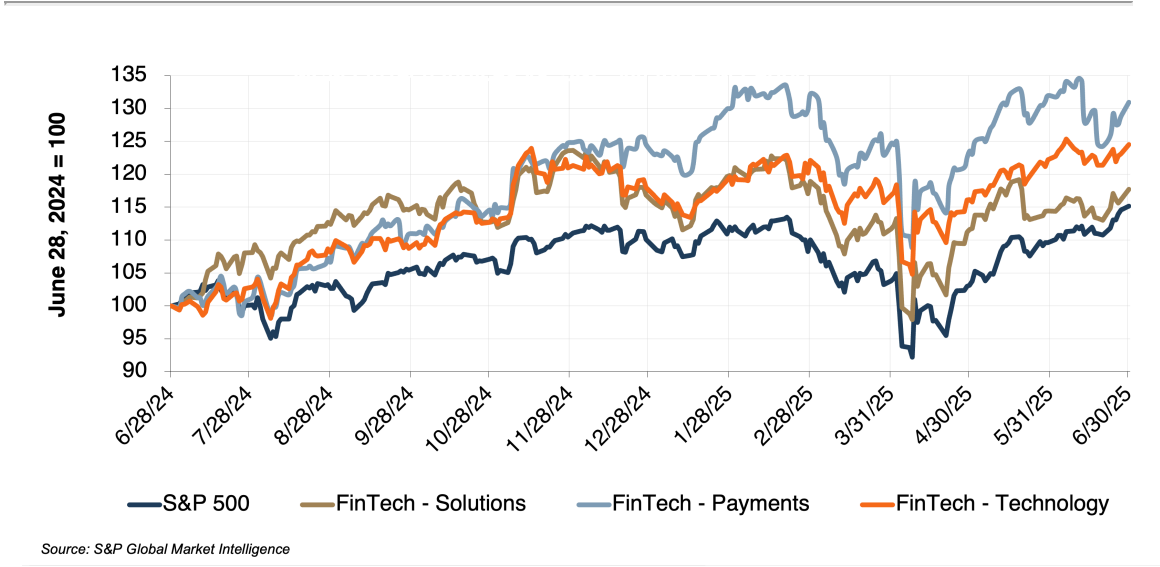
Snapshot

July 2025

Summary

For the last twelve months ended June 30, 2025, the Payments, Solutions, and Technology indices had total returns of 30.9%, 17.7%, and 24.5%, respectively, ahead of the broader market as the S&P 500 index returned 15.2% over the same time period. For the month ended June 30, 2025, the Solutions and Technology indices rose 3.3% and 2.3%, respectively, underperforming the S&P 500 return of 5.6% over the same time period. The Payments index underperformed the S&P 500 in June as well, falling 1.0%.

Mercer Capital's FinTech Group Index Overview



Valuation Multiples as of June 30, 2025

Segment	Price/ LTM EPS	Price / 2025 (E) EPS	Ent'p Value / LTM EBITDA	Ent'p Value / FY25 (E) EBITDA	Ent'p Value / LTM Revenue
FinTech - Payments	18.5	16.0	11.5	10.3	2.4
FinTech - Solutions	32.3	23.3	15.5	17.5	5.0
FinTech - Technology	31.8	23.5	17.9	13.2	4.7

Notable Acquisition



Xero announces acquisition of Melio

On June 24, Xero announced its acquisition of Melio for \$2.5 billion in cash and equity with up to \$0.5 billion in contingent payments tied to performance metrics and milestones. Melio is a bill pay platform for U.S. based SMBs, providing accounts payable, payment, and cash flow management solutions. Xero is a global small business platform that provides accounting, payroll, and payment solutions. The combined entity will seek to provide SMBs with comprehensive cash flow management solutions.

Notable Financing Round



Kalshi raises Series C funding round

Kalshi operates a regulated event-trading exchange that allows users to trade on the outcome of real-world events through CFTC-approved contracts. On June 25, the Company announced a Series C funding round led by Paradigm with participation from Sequoia Capital, Multicoon Capital, Neo, Bond Capital, Citadel Securities CEO Peng Zhao, and others. The funding will increase liquidity for Kalshi, allow it to expand market offerings, and solidify its position in the industry.

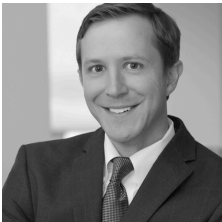
ARTICLE SPOTLIGHT

The Importance of Purchase Price Allocations to Acquirers

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This article offers a broad overview of purchase price allocations (PPAs), followed by a closer examination of common pitfalls and best practices.

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