

FINTECH

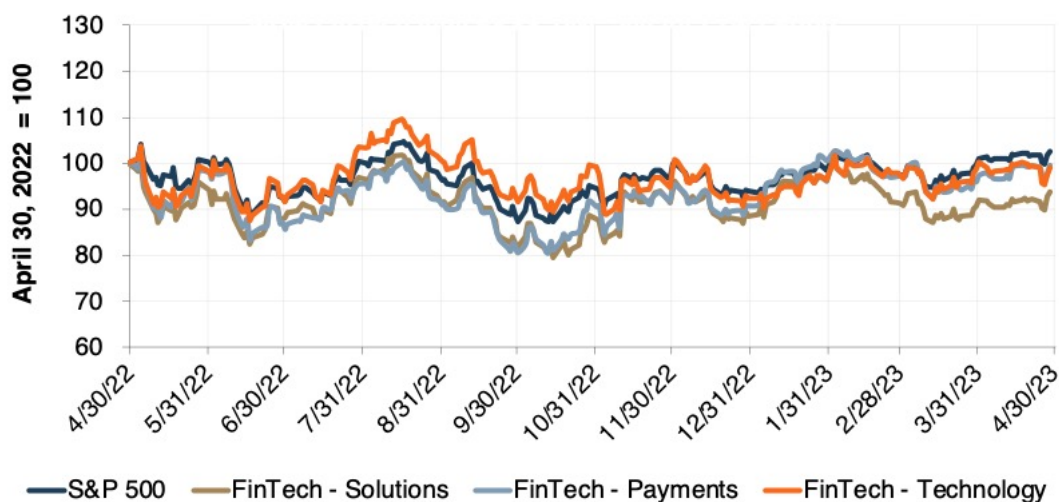
Snapshot

May 2023

Summary

Over the last twelve months ending April 30, 2023, the FinTech market indices declined. The S&P 500 Index increased 3% over that period while the Payments, Solutions, and Technology niches declined 1%, 6%, and 1%, respectively. However, the FinTech indices have begun to rebound in 2023 with year-to-date returns being positive and in line with the S&P 500 Index. Global fintech funding for private FinTech companies also showed signs of a rebound as total FinTech fundings in 1Q23 were up compared to 4Q22.

Mercer Capital's FinTech Group Index Overview



Source: S&P Global Market Intelligence

Valuation Multiples as of April 30, 2023

Segment	Price/ LTM EPS	Price / 2023 (E) EPS	Ent'p Value / LTM EBITDA	Ent'p Value / FY23 (E) EBITDA	Ent'p Value / LTM Revenue
FinTech - Payments	17.1	14.3	11.1	9.8	2.6
FinTech - Solutions	30.0	24.7	14.9	15.6	4.2
FinTech - Technology	32.3	20.8	16.2	13.0	3.6

Notable Financing



Pagaya Raises \$75M (Technology)

Pagaya Technologies is a company that leverages AI and machine learning to provide consumer credit and residential real estate solutions. On April 24, 2023, Pagaya announced that it raised \$75 million in the form of a convertible perpetual preferred security.

The Company plans to use this capital to pursue strategic investments, primarily in acquisitions.

Notable Acquisition



Aurora Payments agreed to acquire NailSoft (Payments)

On April 20, 2023, Aurora Payments, a company located in Arizona, signed a definitive agreement to acquire NailSoft for an undisclosed amount.

NailSoft provides both hardware and software payment solutions for its clients in the nail salon industry.

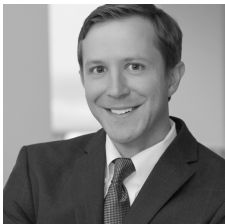
Notable Acquisition



TPG has agreed to acquire a majority stake of Elite (Solutions)

On April 4, 2023, TPG agreed to acquire a majority stake in Elite from Thomson Reuters at a reported valuation of \$500 million. Elite is a legal solutions company that provides law firms with financial and management solutions including finance and accounting workflow automation. Upon the closing of the deal, Elite will become an independent company, but Thomson Reuters will retain minority ownership and a board seat.

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HOW MERCER CAPITAL CAN HELP

Mercer Capital provides FinTech companies with valuations for a variety of purposes including, corporate/strategic planning, transactions (fairness opinion and M&A), equity compensation (409A compliance, ESOPs, and stock option programs), and financial statement reporting (purchase price allocations, impairment testing, equity compensation).

Additionally, Mercer Capital provides related financial advisory and consulting services for companies across the corporate lifecycle — from start-ups to more mature companies. We would be happy to prepare a proposal for your unique situation.

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