ARTHOS | INTERNATIONAL TECHNOLOGY M&A ADVISORY FOR 20 YEARS

Q2 2024

Industry Insight: Software Sector Report

Focus on Financial Services Software, BankTech and Payments

Introduction to ARTHOS Software Sector Report

We are pleased to present the ARTHOS Software Sector Report. This report provides comments and analysis on current market trends, valuation developments as well as M&A transactions within the software sector.

In the past six months, the software market exhibited a strong market performance, recovering from 2023. Although software stocks generally increased throughout 2023, there are major performance differences between the different sub-sectors. In this Software Sector Report, we emphasize on the sub-sector of Financial Services Software providers with a spotlight on BankTech and Payments Software.

ARTHOS is an international M&A advisory firm focusing on international technology transactions. Its managing partners have closed more than 200 M&A transactions over the past 20 years. In 2023 ARTHOS and its international AICA M&A alliance partners have advised on more than 50 technology M&A transactions.

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Software M&A market poised for sustainable growth in 2024 after turbulent post-Covid period

Personal note

The turbulences of 2022, societal and economic challenges continued to impact 2023 and lead to a noticeable decline in M&A activity during the first half of FY 2023. However, investors remain optimistic about the future, as evidenced by the rising stock performance across nearly all software sub-sectors.

We expect software M&A activity to increase in the coming quarters for several reasons. While 2023 saw a significant acceleration towards an economic soft landing, the consecutive quarters of sharp interest rate increases, had previously caused a decline in M&A activity across sectors. However, recent announcements of scaling back interest rates have boosted investor sentiment once again. Furthermore, the ongoing strength of megatrends such as generative AI provide a highly positive outlook for 2024.

The Financial Services Software market is characterized by solid foundations with a positive outlook for the years ahead. 2024 will offer owners a great opportunity for selling their shares as M&A activity is likely to rebound as valuations are rising again. Consolidation in many sectors is already underway.

The financial services industry is generating approximately $12.5 trillion in annual revenue with a highly attractive average profit margin of around 18%. Historically, the customer experience in the financial services sector has been notably poor, presenting significant opportunities for modern solutions enabling strong growth. While emerging markets, such as India, are poised to become fintech hubs, driven by young, tech-savvy populations and many unbanked citizens, new technological disruptions, such as generative AI and distributed ledger technology (DLT), are making a significant impact, boosting productivity and enhancing network security. These favorable trends and new regulatory initiatives will support growth, which is particularly reflected in the company valuations of the Financial Services Software sub-sector, which have outperformed the valuations of the general software market. We expect this trend to continue throughout 2024.

As valuation expectations increase, the Financial Services Software market is poised for a rebound in M&A activity. Especially for companies in the Payments Software market, which still consists of many smaller companies that represents a wealth of acquisition targets, this is a great time to think about M&A.

Market evaluation

Stock market rebound and relaxing interest rates imply a strong outlook for rest of 2024

Increased M&A activity due to ongoing strength of mega trends and regained investor confidence

Megatrends such as gen AI, and cloud migration offer long term growth opportunities

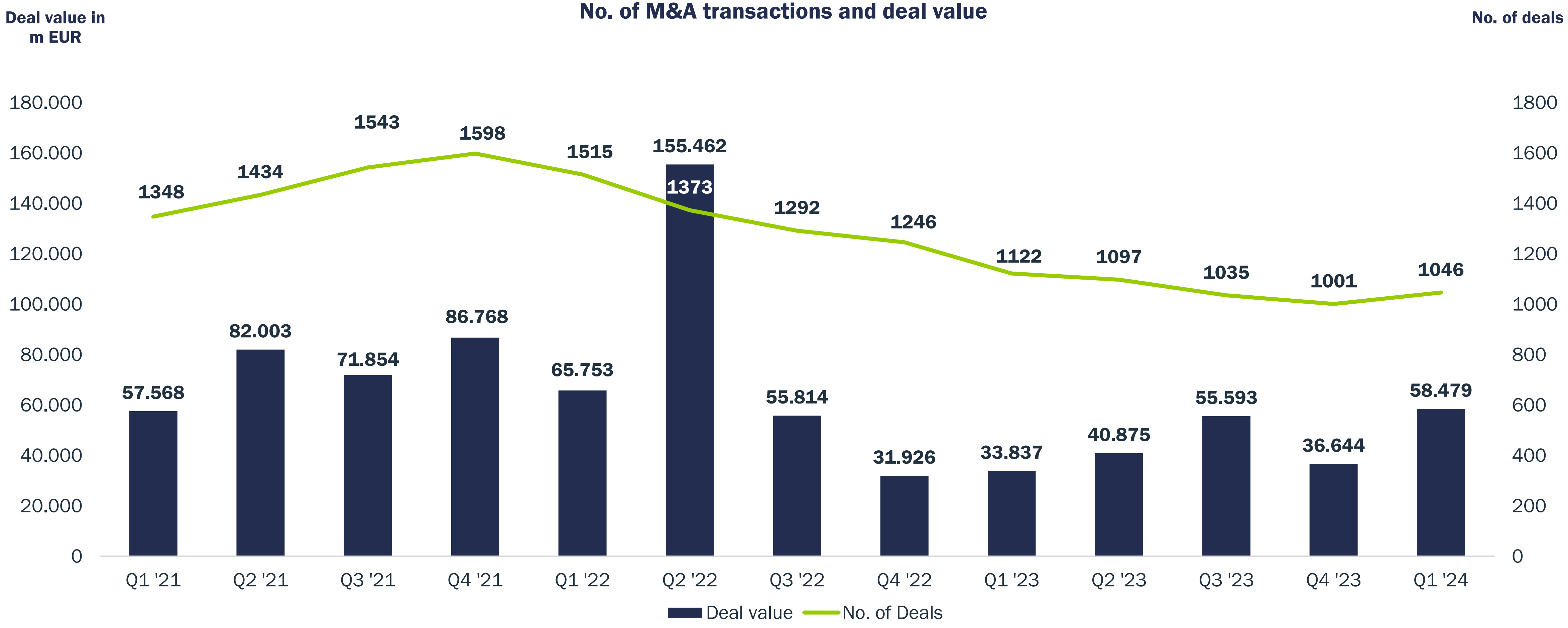
Financial Services Software market poised for rebound in M&A, especially in Payments.

Software company valuations vary significantly by sub-sector, but most remained on healthy level

Sub-sector	EV/Revenue	EV/EBITDA
BI & Analytics	5.7x	30.1x
Communication & Collaboration	3.2x	9.2x
Marketing & CRM	3.3x	13.5x
Cybersecurity	5.5x	25.0x
Engineering & Design	10.0x	25.9x
ERP & General Management	5.6x	23.0x
Financial Services	5.1x	14.9x
Healthcare	2.6x	14.1x
IT Infrastructure	3.7x	14.9x
Other Vertical Software	3.6x	18.7x

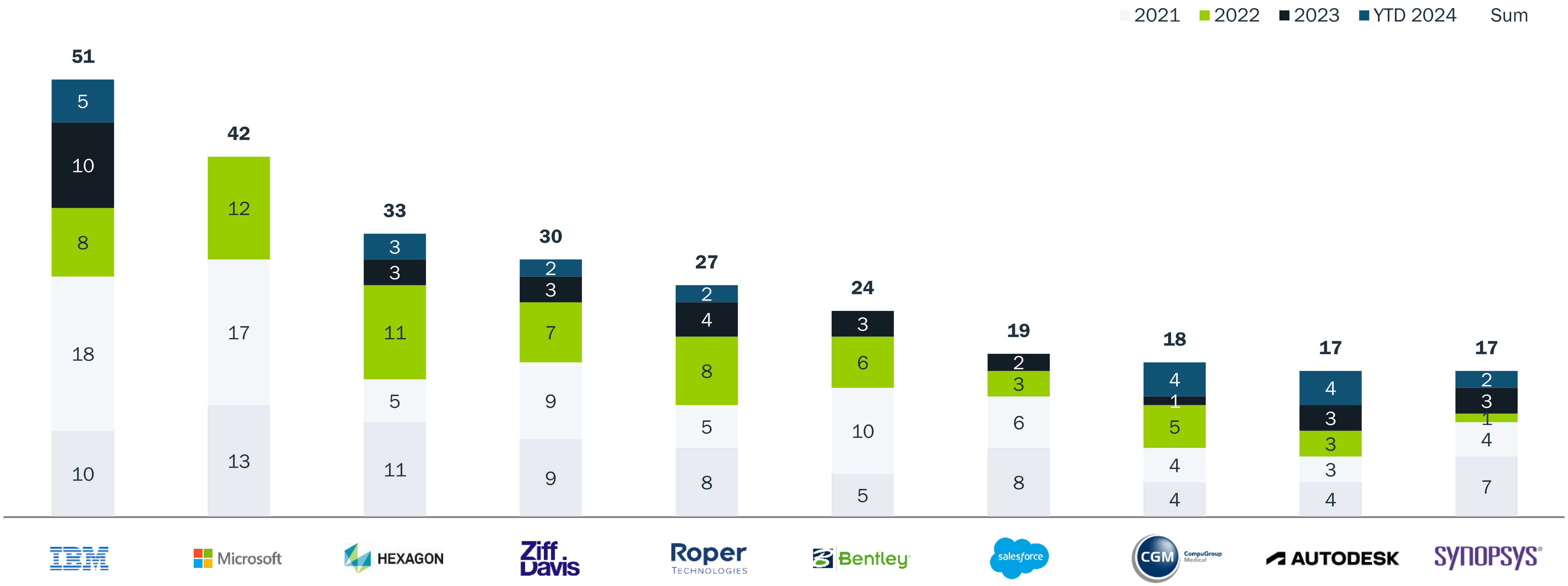
Multiples are based on next 12 months (NTM) estimates; Calculations only include companies where both revenue multiple and EBITDA multiple were available.
Logos are representative and do not show the complete list of stocks analyzed. Median values were used for trading multiples. Source: Capital IQ (as of 01 July 2024).

Recovery of Software M&A market is at the beginning after cool down in 2023



Sources: Capital IQ (as of 01 July 2024); Software M&A transactions reflect selected deals. M&A metrics are based on closed and announced transactions.
*EUR 65bn acquisition of VMware by Broadcom is the main driver for the M&A deal value increase in Q2 2022.

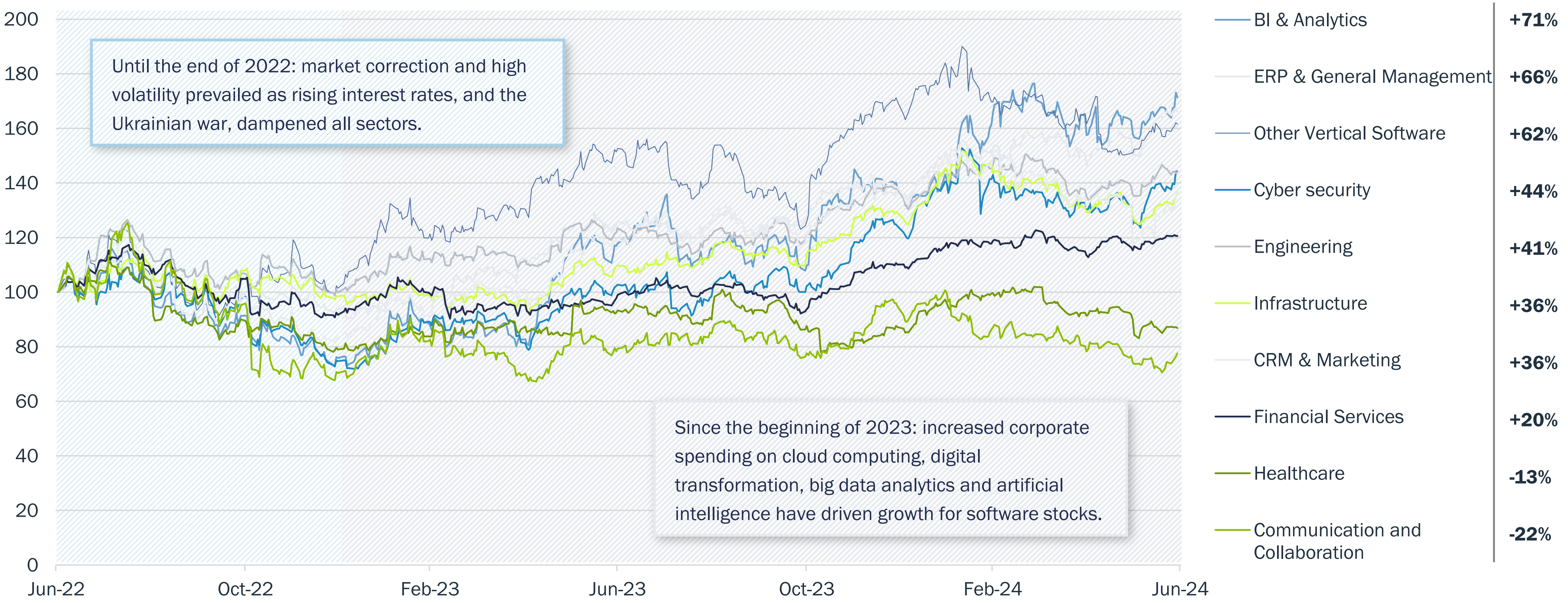
Buyer universe: IBM is the most active strategic acquirer in the software market since 2020



Sources: Capital IQ, including acquisitions of current subsidiaries (as of 01 July 2024)

Major performance differences between software sub-segments ranging from -22% to +71%

Stock market performance by sub-sector since June 2022



Sources: Capital IQ (as of 01 July 2024)

Sub-sector: Financial Services Software

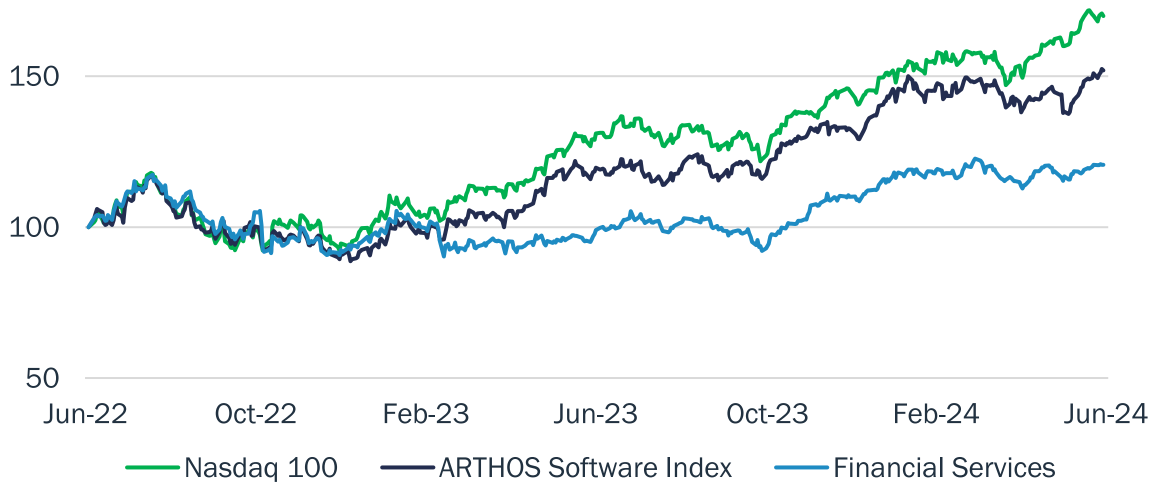
Sub-sector analysis: Financial Services Software

ARTHOS Financial Services Software peers

Currency in EUR		LTM			NTM Multiples	
	EV		Exp. 1Y Rev.	NTM EBITDA		
Company Name	€ mn	Sales	Growth	margin	EV/Sales	EV/EBITDA
ACI Worldwide, Inc.	4,621	1,371	8%	27%	3.1x	11.7x
Broadridge Financial Solutions, Inc.	25,251	5,934	8%	25%	4.0x	16.3x
Envestnet, Inc.	4,095	1,179	10%	23%	3.1x	13.7x
Fair Isaac Corporation	35,920	1,487	13%	55%	21.0x	38.2x
Fidelity National Information Services,	46,206	9,168	3%	41%	4.8x	11.9x
Fiserv, Inc.	103,997	18,009	7%	47%	5.7x	12.1x
Guidewire Software, Inc.	10,279	897	7%	15%	10.4x	67.4x
Iress Limited	1,136	386	8%	23%	2.9x	13.0x
Jack Henry & Associates, Inc.	11,619	2,030	7%	32%	5.3x	16.9x
MSCI Inc.	39,903	2,425	12%	59%	14.8x	24.9x
nCino, Inc.	3,372	459	14%	18%	6.4x	35.1x
Q2 Holdings, Inc.	3,592	591	10%	17%	5.4x	31.9x
Sapiens International Corporation	1,648	486	8%	19%	3.1x	16.2x
Shift4 Payments, Inc.	5,741	2,526	42%	18%	1.6x	8.8x
SS&C Technologies Holdings, Inc.	20,399	5,168	5%	39%	3.7x	9.5x
Temenos AG	5,201	930	5%	23%	5.1x	13.1x
Upstart Holdings, Inc.	2,772	535	5%	(22%)	5.2x	NM
Mean			**10%**	**27%**	**6.2x**	**21.3x**
Median			**8%**	**23%**	**5.1x**	**14.9x**

Stock performance comparison

The Financial Services Software underperformed since the beginning of 2022 compared to the Nasdaq and ARTHOS Software Index, affected by high interest rates impacting fintech lenders and reducing interest in high-growth but unprofitable fintech's. Recently, the index has recovered as the macro environment stabilizes and interest rates normalize, with the market seeing a short-term correction amongst an overall growth trend.



Sources: Capital IQ (as of 01 July 2024)

Key trends in Financial Services Software and most active buyers

Financial Services Software trends

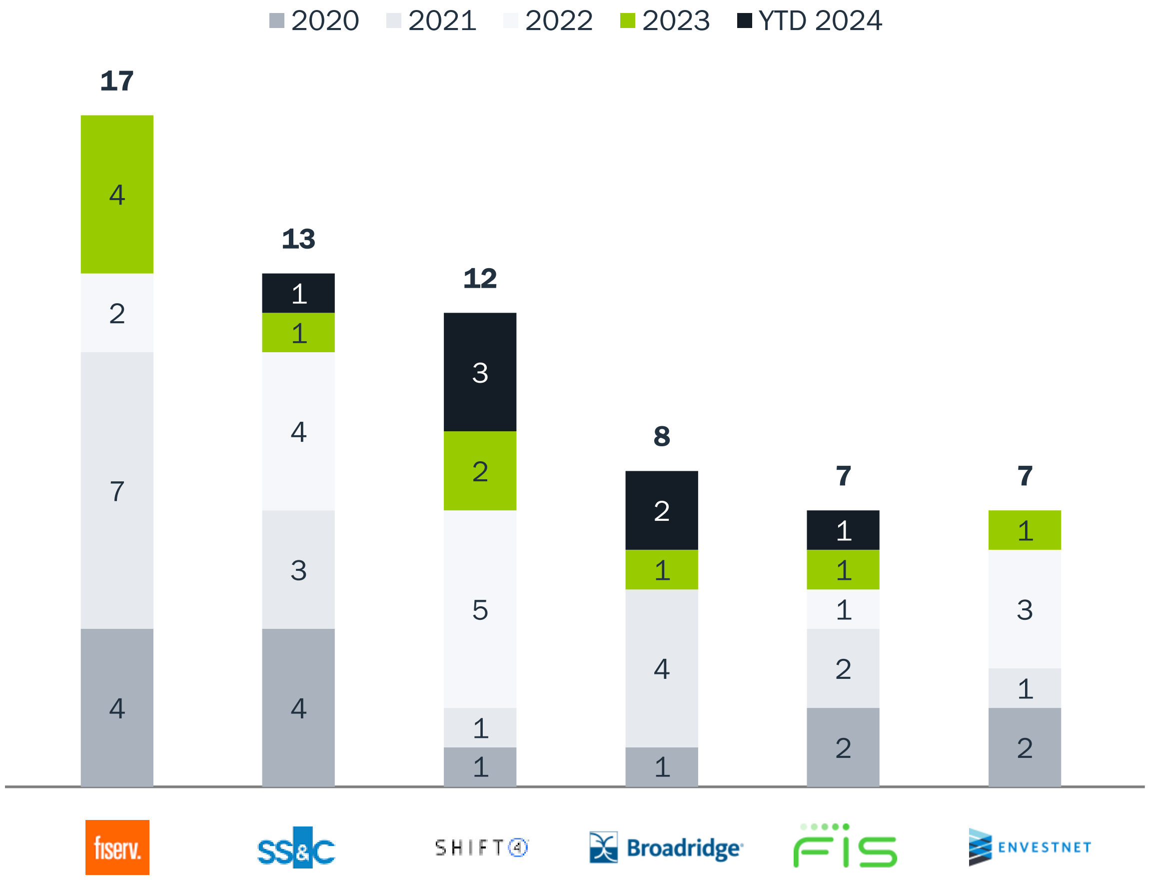
- Despite the turbulence in the Financial Services Software market over the past two years, the sector's foundations remain solid. The financial services industry is a major global economic player, generating ~$12.5tn in annual revenue with a highly attractive average profit margin of ~18%.

- Further, emerging markets, such as India, are poised to become fintech hubs, driven by young, tech-savvy populations and a large number of unbanked citizens - 1.5 billion adults worldwide remain unbanked. These favorable trends and regulatory initiatives in these regions will support strong growth.

- Additionally, new technological disruptions, such as generative AI and distributed ledger technology (DLT), are already making an impact. Financial Services Software companies are now leveraging these new disruptive technologies to maximize their potential use cases. Especially the BankTech sector is likely to benefit more from generative AI than any other vertical.

- As valuation expectations in the Financial Services Software market rise again, there will likely be a rebound in M&A activity. This will especially be observed in the highly fragmented Payments Software market as consolidation already started. The industry still consists of many smaller companies that represent a wealth of acquisition targets for Private Equities and larger corporates

No. of acquisitions per year and most active buyers



Sources: Capital IQ (including acquisitions of current subsidiaries), XX, (as of 01 July 2024)

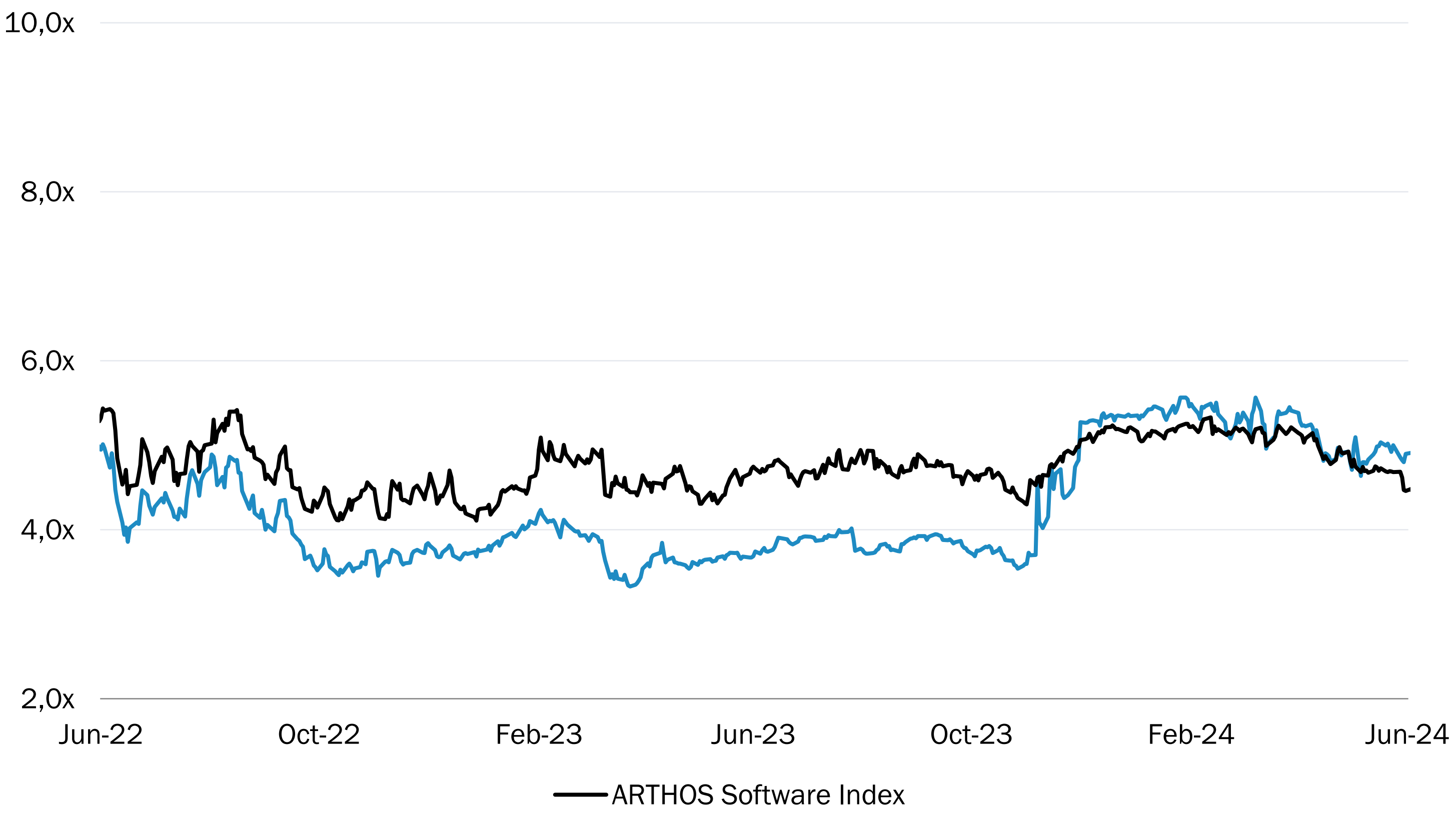
Financial Services Software valuations are on the rise again after a significant correction

- After the Covid-19 pandemic multiples on an EV/NTM Revenue basis of Financial Services Software have experienced a short-term correction after historically high average EV/NTM Revenue multiples exceeding 20x.

- The pandemic, combined with the cocktail of rising interests, inflation fear, and the war in Ukraine have dampened economic outlooks and dropped valuations of Financial Services Software companies to ~3.6x EV/NTM Revenue throughout 2022 and 2023, below the ARTHOS Software Index. New funding for Financial Services Software companies has decreased by 43% during that same period.

- With interest rates normalizing again, valuations increased in the period up to the end of May 2024 to ~5.0x EV/NTM Revenue. The Financial Software Service Index has outperformed the ARTHOS Software Index since the start of 2024 reflecting the overall long-term growth story of Financial Services Software.

EV/NTM Revenue multiple development



Source: Capital IQ (as of 01 July 2024)

Notable Financial Services Software deals in 23/24 (1/4)

ARTHOS acted as exclusive financial advisor to the owners of CoCoNet AG during the entire M&A sell-side process of this transaction.

Date	Buyer		Target	Comment	Country
April 2024	EMERAM	→	coconet UNIVERSE OF BANKING SOLUTIONS	› EMERAM acquired CoCoNet AG to accelerate the growth of CoCoNet's leading digital banking platform. › EMERAM has in-depth expertise in the field of B2B software and will support CoCoNet in seizing opportunities in the next phase of their growth.	
April 2024	STG SYMPHONY TECHNOLOGY GROUP	→	Gresham	› Symphony Technology Group agreed to acquire Gresham Technologies, a real-time data integrity and control solutions provider for financial institutions, for $185mn. › STG plans to combine the business with the previously bought company Avlveo. They plan to build a global enterprise data management and governance platform for capital markets.	
Mar 2024	nationwide	→	Virgin MONEY	› Nationwide acquired Virgin Money UK for $3.7bn, solidifying its position as the UK's second-largest mortgage lender. › The transaction will create a larger and more diverse banking business that will be better placed to deliver value to members and customers.	
Mar 2024	FLEX CAPITAL	→	omikron e-banking solutions	› FLEX acquired Omikron, a leading provider of e-banking solutions, inlcuding their electronic banking system MultiCash. › FLEX will accelerate Omikron's functionality of MultiCash solutions in transaction banking, treasury, and finance to establish Omikron as a leader in digital banking.	
Mar 2024	MARLIN EQUITY PARTNERS	→	tis	› Marlin Equity Partners has acquired Treasury Intelligence Solutions, a global leader in cloud-native cash management, liquidity and payment solutions . › The majority growth investment will bring tis in a great position to continue investing in organic and inorganic growth opportunities across the Office of the CFO.	
Feb 2024	Capital One	→	DISCOVER	› Capital One (NYSE: COF) agreed to acquire Discover Financial Services (NYSE: DFS) in an all-stock transaction valued at $35.3bn. › The transaction enables Capital One to leverage its customer base, technology, and data ecosystem to drive more sales for merchants and deals for consumers and small businesses.	

Sources: Capital IQ, PitchBook, FT Partners (as of 01 July 2024)

Notable Financial Services Software deals in 23/24 (2/4)

Date	Buyer		Target	Comment	Country
Feb 2024	VENCORA	➜	CREALOGIX	› Vencora, a global collective of financial services software, acquired CREALOGIX, a Swiss Fintech 100 company with more than 600 customers in 15 countries. › Following the acquisition, CREALOGIX will gain access to new best practices and ongoing opportunities in Vencora's vast network.	
Feb 2024	team blue	➜	hello Cash	› team.blue has acquired helloCash, a leading provider of digital point-of-sale (POS) and cash register software. › The transaction will strengthen team.blue's SaaS offering in the Cash Register/POS space and aligns with the group's strategy of empowering entrepreneurs.	
Jan 2024	vivid	➜	Joompay	› Vivid announces the acquisition of the Luxembourg fintech Joompay, previously part of Joom. Vivid also took over Joom's E-Money License in Luxembourg, which is passported to the entire EU. › The acquisition will boost the development of Vivid's products and service and help the company expand to all EU countries.	
Jan 2024	THOMSON REUTERS®	➜	PAGERO	› Thomson Reuters Finance acquired Pagero Group, a software platform for B2B payments and financial controllers, for an enterprise value of $820.8mn at 8.6x EV/Revenue. › The transaction signifies strategic buyers' appetite for acquiring B2B FinTech companies with significant recurring revenues.	
Jan 2024	INVESTCORP	➜	VEDA	› Investcorp Technology Partners has agreed to acquire Veda (~ $21mn Revenue), a full-suite HR and payroll-as-a-service provider in the DACH region. › ITP will help to strengthen Veda's go-to-market strategy and further build out its portfolio of products and services.	
Jan 2024	FASANARA	➜	POLLEN VC™	› Fasanara, a specialist credit asset manager and technology provider acquires a majority stake in Pollen VC, a leading provider of non-dilutive working capital to the mobile gaming/app sector. › The transaction will enable Pollen to deploy capital into larger, more structured deals, alongside its core business of helping smaller studios scale in a capital efficient way.	

Sources: Capital IQ, PitchBook, FT Partners (as of 01 July 2024)

Notable Financial Services Software deals in 23/24 (3/4)

Date	Buyer		Target	Comment	Country
Jan 2024	VISA	→	pismo	› Visa (NYSE:V) acquired Pismo, a global cloud-native all-in-one issuer processing and core banking platform for banking, payments, and financial markets infrastructure. › Pismo's platform will also enable Visa to provide support and connectivity for emerging payment schemes and RTP networks for financial institution clients.	
Jan 2024	THOMABRAVO	→	EQS	› Thoma Bravo made a successful public takeover offer for EQS Group AG, a leading international cloud provider in the field of corporate compliance, investor relations and ESG. › Thoma Bravo will provide additional operational and software sector expertise, enhanced financial flexibility, and strategic support to seize long-term growth opportunities in the European market.	
Jan 2024	TMX	→	VettaFi	› TMX Group acquired VettaFi, a leading US-based, indexing, digital distribution, analytics and thought leadership company for $1.1bn. › VettaFi will increase the depth and value of data-driven insights TMX Group provides to clients, expanding the company's digital capabilities and expertise.	
Dec 2023	VISA	→	PROSA	› Visa agreed to acquire a majority interest in Mexican payments processor Prosa to expand digital payment adoption in that country. › Together with Visa's technology infrastructure, Prosa will be able to develop new and innovative ways to pay and be paid for consumers and small businesses.	
Nov 2023	wex™	→	payzer	› Global commerce platform WEX (NYSE:WEX), acquired Payzer, a high-growth, cloud-based, filed service management software provider for $250mn. › The acquisition will advance WEX's growth strategy of expanding its product suite and creating additional cross-sell opportunities by providing new, scalable SaaS solutions.	
Aug 2023	Rapyd	→	PayU GPO	› Rapyd, a global Fintech-as-a-Service provider, acquired PayU Global Payment Organisation, a leading provider of payment solutions to enterprise and SMB segments in emerging markets. › The acquisition of PayU GPO for $610mn will expand Rapyd's global reach, strengthening its position in key vertical markets including eCommerce, logistics and transportation.	

Sources: Capital IQ, PitchBook, FT Partners (as of 01 July 2024)

Notable Financial Services Software deals in 23/24 (4/4)

Date	Buyer		Target	Comment	Country
May 2023	fabrick	➔	judo	› Fabrick, a European leader in 'Open Finance', has acquired UK-based mobile payments leader Judopay, which handles 60mn transaction a year worth over €2bn. › The acquisition will integrate Fabrick's payment orchestration solutions with Judopay's embedded finance expertise and marks an important step in Fabrick's expansion into the UK market.	
May 2023	Edenred	➔	Reward Gateway	› International payment service provider Edenred has acquired Reward Gateway, a platform boosting employee engagement, for $1.45bn. › The acquisition will accelerate the delivery of a comprehensive range of solutions and an extended reach into new countries and regions.	
April 2023	zinnia	➔	Policygenius	› Zinnia, a life and annuity insurance technology and digital services company, acquired Policygenius, a digital insurance marketplace. › The transaction expands Zinnia's solutions, creating new opportunities to service carriers and distribution partners in life and annuities, disability, and property and casualty insurance.	
April 2023	acorns	➔	gohenry	› Acorns, a saving and investing app makes a strategic acquisition with UK based GoHenry and its European arm Pixpay. › GoHenry is a leader in money management and financial education for 6-18-year-olds and will accelerate Acorns' strategy to expand outside the US with a combined 6mn subscribers.	
Feb 2023	MARQETA	➔	power.	› Marqeta (NASDAQ: MQ), a global modern card issuing platform acquired credit card program management platform Power Finance, Inc. ("Power") for $275mn. › The acquisition's main objective is to expand and accelerate Power's capabilities by Marqeta and give customers a way to launch "a wide range" of credit products and constructs.	
Jan 2023	Nav	➔	nuula	› Nav, a leading financial health platform for small businesses in the US acquires Nuula, a financial services and technology company focused on serving small businesses. › The acquisition strengthens Nav's technology advantage in building a platform that serves the complex landscape of small business.	

Sources: Capital IQ, PitchBook, FT Partners (as of 01 July 2024)

Sub-sector spotlight: BankTech

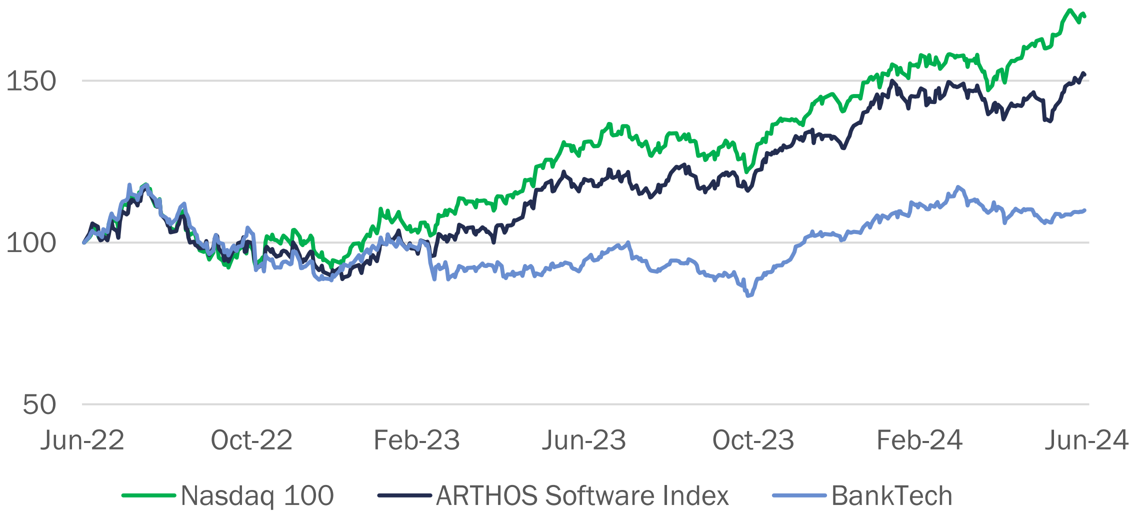
Sub-sector spotlight: BankTech

ARTHOS BankTech peers

Currency in EUR	EV	LTM			NTM Multiples	
Company Name	€ mn	Sales	Exp. 1Y Rev. Growth	NTM EBITDA margin	EV/Sales	EV/EBITDA
Alfa Financial Software Holdings PLC	629	118	6%	31%	4.9x	15.7x
Alkami Technology, Inc.	2,460	260	25%	9%	7.5x	87.9x
Asseco Poland S.A.	2,307	3,914	11%	15%	0.5x	3.5x
Block, Inc.	35,838	21,210	15%	11%	1.5x	13.2x
EVERTEC, Inc.	2,758	686	22%	39%	3.4x	8.8x
Fidelity National Information Services,	46,206	9,168	3%	41%	4.8x	11.9x
Fiserv, Inc.	103,997	18,009	7%	47%	5.7x	12.1x
Global Payments Inc.	38,345	9,067	6%	50%	4.4x	8.7x
Intellect Design Arena Limited	1,612	279	6%	23%	5.4x	23.5x
Intrum AB (publ)	5,556	1,766	(7%)	54%	3.2x	6.0x
Jack Henry & Associates, Inc.	11,619	2,030	7%	32%	5.3x	16.9x
MeridianLink, Inc.	1,878	282	4%	40%	6.3x	15.7x
nCino, Inc.	3,372	459	14%	18%	6.4x	35.1x
Nuvei Corporation	5,311	1,176	16%	36%	4.0x	11.0x
OneConnect Financial Technology Co.,	-158	449	(24%)	(1%)	NM	NM
Oracle Financial Services Software Lin	8,975	709	11%	45%	11.4x	25.4x
Q2 Holdings, Inc.	3,592	591	10%	17%	5.4x	31.9x
RELX PLC	87,407	10,557	7%	39%	7.6x	19.6x
Silverlake Axis Ltd.	415	152	6%	30%	2.6x	8.8x
Temenos AG	5,201	930	5%	39%	5.1x	13.1x
Worldline SA	6,003	4,610	3%	24%	1.2x	5.1x
Mean			**7%**	**30%**	**4.8x**	**18.7x**
Median			**7%**	**32%**	**5.0x**	**13.2x**

Stock performance comparison

After peaking in July 2022, the ARTHOS BankTech Index shows signs of recovery throughout the first quarter of 2024. BankTech companies are still trading below the overall software stock market. This underperformance is fueled by a mix of factors including a stringent regulatory environment, macroeconomic downturns in the aftermath of the pandemic and lastly the interest rate sensitivity of BankTech companies. Another important factor is the generally lower appetite of investors for BankTech after a period of exuberant growth before the pandemic.



Sources: Capital IQ, FT Partners Research (as of 01 July 2024)

Key trends in BankTech and most active buyers

BankTech trends

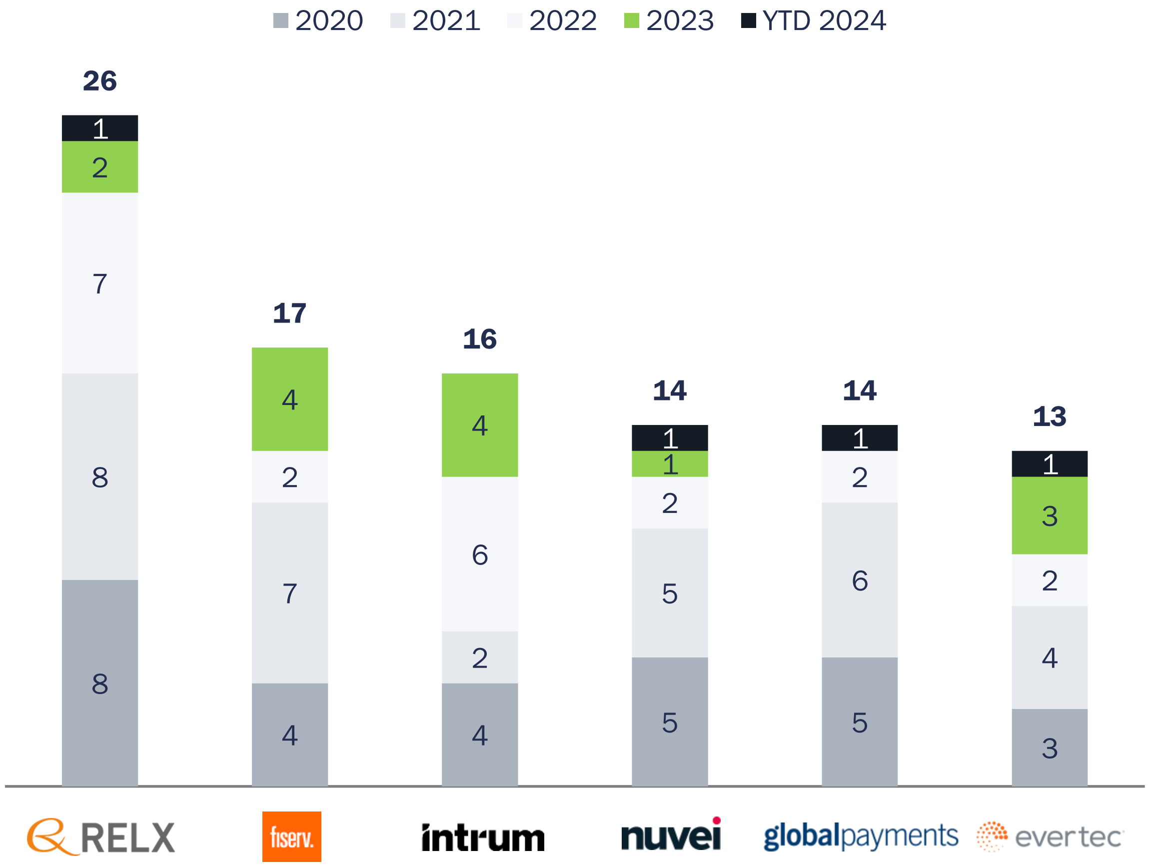
- The global digital banking platform market is estimated at $10.1bn in 2024 and expected to grow at a CAGR of 14% reaching $20bn in 2029. This growth is fuelled by increased market penetration of neo-banks, technological transformation of front and back-office operations, and an overall rise in online banking activity.

- The global market for core banking activity is expected to grow at an even higher rate of 17.7% reaching $62.8bn by 2032. This growth is expected to come from an increase in AI-based solutions that provide real-time insights to end users and help improve network security. Incidentally, AI is poised to boost productivity in banking by 22-30% and generative AI will likely have a more profound impact on the banking industry than on any other industry.

- Other key trends include the maturation of DTL across key capital markets and the continued consolidation of the fragmented trading venue landscape.

- A cocktail of tense macroeconomic conditions, stringent regulatory environment and low appetite have decreased BankTech M&A activity since 2021. Q1 2024 saw 46 deals with a transaction value of $5.4bn, mainly driven by Nationwide Building Society's acquisition of Virgin Money UK for $3.7bn in March 2024. BankTech M&A is likely to go up again throughout 2024.

No. of acquisitions per year and most active buyers

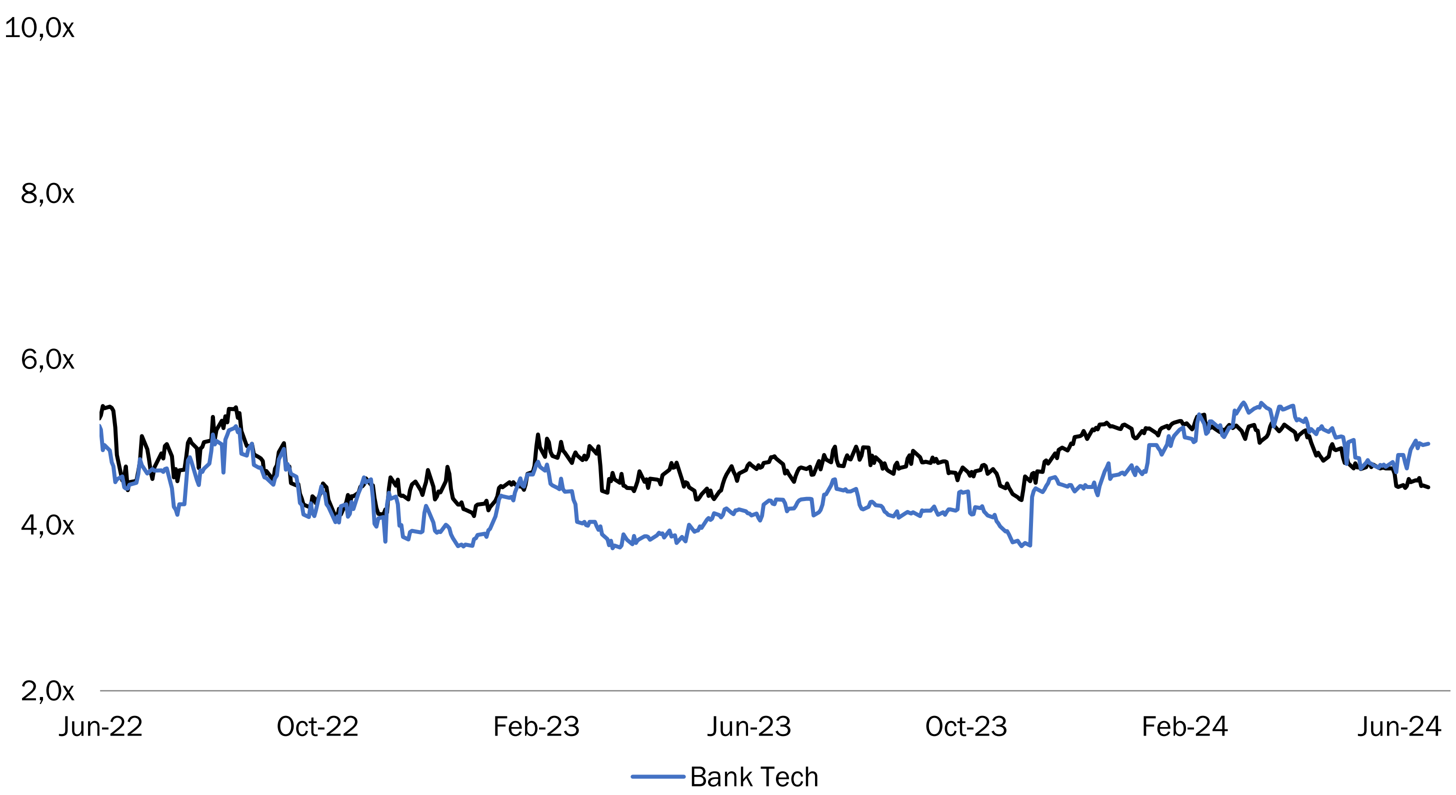


Sources: Capital IQ, Sources: Capital IQ (including acquisitions of current subsidiaries) FT Partners Research, Accenture (as of 01 July 2024)

BankTech valuations outperform the software market and are set to recover

- For a longer time, the multiples on an EV/NTM Revenue basis of BankTech companies were lower, but have recently surpassed the ARTHOS Software Index, signaling a positive shift in investor sentiment.
- Since their lowest point at the end of 2023 with an EV /NTM Revenue multiple of ~3.9x. Multiples have meanwhile increased to roughly ~5.0x at the end of Q1 2024, likely due to the easing interest rate tensions and revamping of the global economies, together with the acceleration and adoption of gen AI.
- BankTech has still not reached its's prior EV/NTM Revenue multiples of ~6.0x it had at the start of 2022. However, while the ARTHOS Software Index almost halved in the same period from ~8.0x to ~ 4.5x, BankTech valuations are poised to recover with valuations now on their way to beyond 5.0x again. This trend can mainly be attributed to investors regained interest in the sector, due to bettering macroeconomic and regulatory conditions.

EV/NTM Revenue multiple development



Sources: Capital IQ, FT Partners Research (as of 01 July 2024)

Sub-sector spotlight: Payments

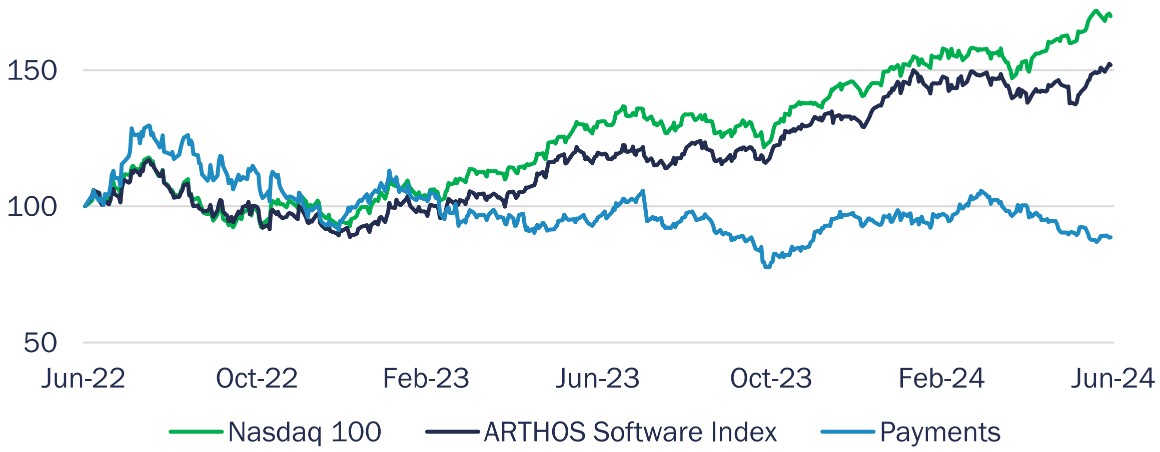
Sub-sector analysis: Payment Software

ARTHOS Payments Software peers

Currency in EUR		LTM			NTM Multiples	
Company Name	EV € mn	Sales	Exp. 1Y Rev. Growth	NTM EBITDA margin	EV/Sales	EV/EBITDA
ACI Worldwide, Inc.	4,621	1,371	8%	27%	3.1x	11.7x
AvidXchange Holdings, Inc.	2,010	370	18%	17%	4.6x	26.5x
BILL Holdings, Inc.	4,402	1,152	20%	16%	3.4x	21.1x
Block, Inc.	35,838	21,210	15%	11%	1.5x	13.2x
Cielo S.A.	3,542	1,958	3%	40%	1.9x	4.7x
Corpay, Inc.	22,784	3,514	7%	54%	5.9x	10.9x
Deluxe Corporation	2,399	2,022	(1%)	19%	1.2x	6.2x
Edenred SE	11,264	2,311	16%	43%	3.8x	8.7x
EVERTEC, Inc.	2,758	686	22%	39%	3.4x	8.8x
Global Payments Inc.	38,345	9,067	6%	50%	4.4x	8.7x
Joint Stock Company Kaspi.kz	22,588	4,285	14%	67%	4.3x	6.4x
Lianlian DigiTech Co., Ltd.	1,226	131	0%	(18%)	7.4x	NM
Marqeta, Inc.	1,496	535	(24%)	3%	3.0x	114.2x
Nuvei Corporation	5,311	1,176	16%	36%	4.0x	11.0x
OFX Group Limited	312	147	9%	28%	2.0x	7.2x
Paymentus Holdings, Inc.	1,971	603	22%	10%	2.7x	26.5x
PayPal Holdings, Inc.	54,549	28,206	8%	19%	1.8x	9.4x
StoneCo Ltd.	4,021	2,173	11%	54%	1.7x	3.2x
WEX Inc.	6,930	2,399	8%	45%	2.6x	5.8x
Worldline SA	6,039	4,610	3%	24%	1.3x	5.2x
Mean			**9%**	**29%**	**3.2x**	**16.3x**
Median			**8%**	**27%**	**3.0x**	**8.8x**

Stock performance comparison

The Covid-19 pandemic drove an unprecedented surge in digital payments, boosting the Payments Software Index significantly. However, momentum slowed in until 2022, causing the Payments Software Index to underperform compared to the Nasdaq and ARTHOS Software Index. This marked the end of a period where Payments Software companies consistently outperformed the broader market, leading to a valuation reset. Despite this short-term correction, the future is bright. Demand for digital payments is expected to soar, especially fueled by explosive demand for Payments Software in developing countries.



Sources: Capital IQ (as of 01 July 2024)

Key trends in Payments Software and most active buyers

Payments Software trends

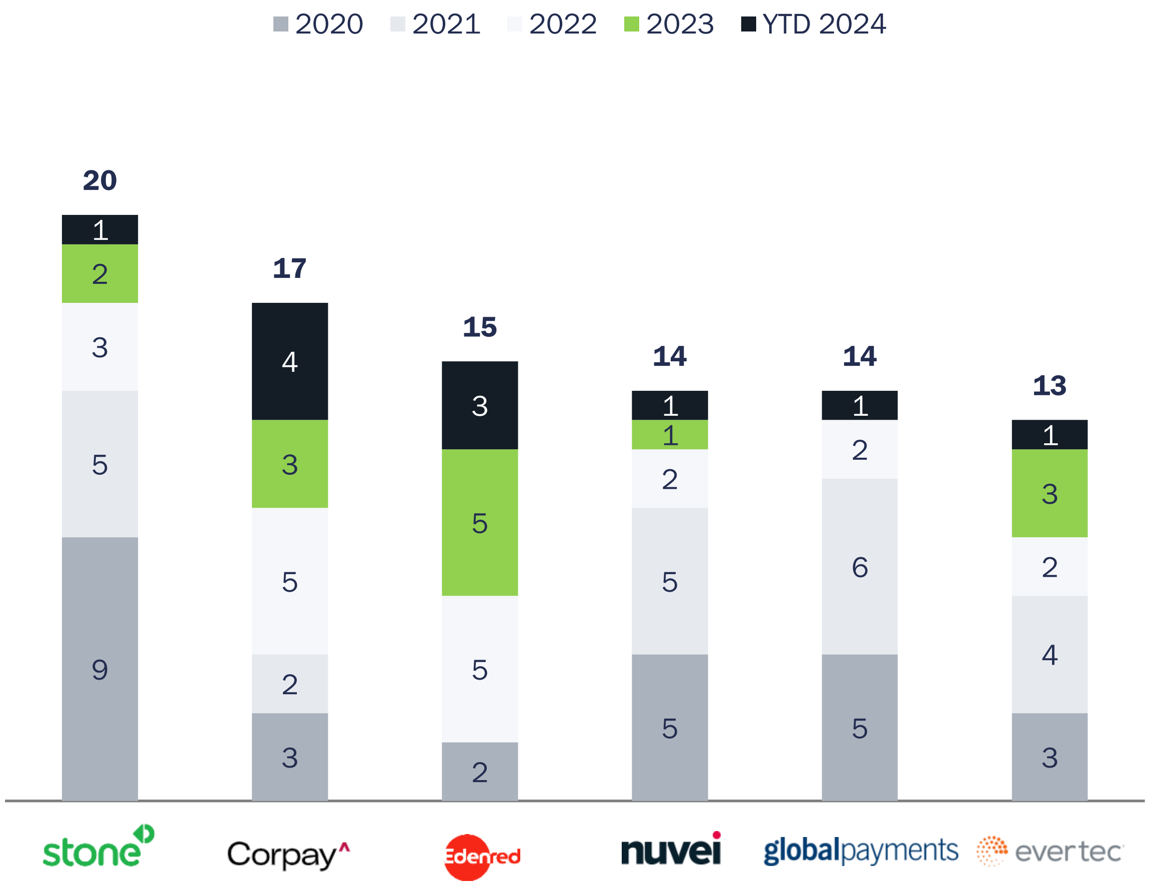
- Over the past decade, the Payments Software industry has seen double-digit growth, making up about 40% of revenue within Financial Services Software. In the last 20 years, these companies received roughly one quarter of all equity funding for Financial Services Software Companies.

- This growth has been driven by technological innovations and improved user experiences, further boosted by new payment processors, diverse methods, value-added services, and infrastructure providers.

- A standout segment today is *Real-time Payments*, with 69% year-over-year growth in the US. Incumbent networks are adding features, fintech's are launching apps, and new real-time payment rails are being developed to handle future demand over the next five to ten years.

- 2024 will offer owners a great opportunity for Payments Software companies to sell their shares as M&A activity in the Payments Software sector is expected to bounce back, mainly driven by the geographic expansion of larger players and companies that add capabilities to their business as the entire industry shifts to digital and cardless payments.

No. of acquisitions per year and most active buyers

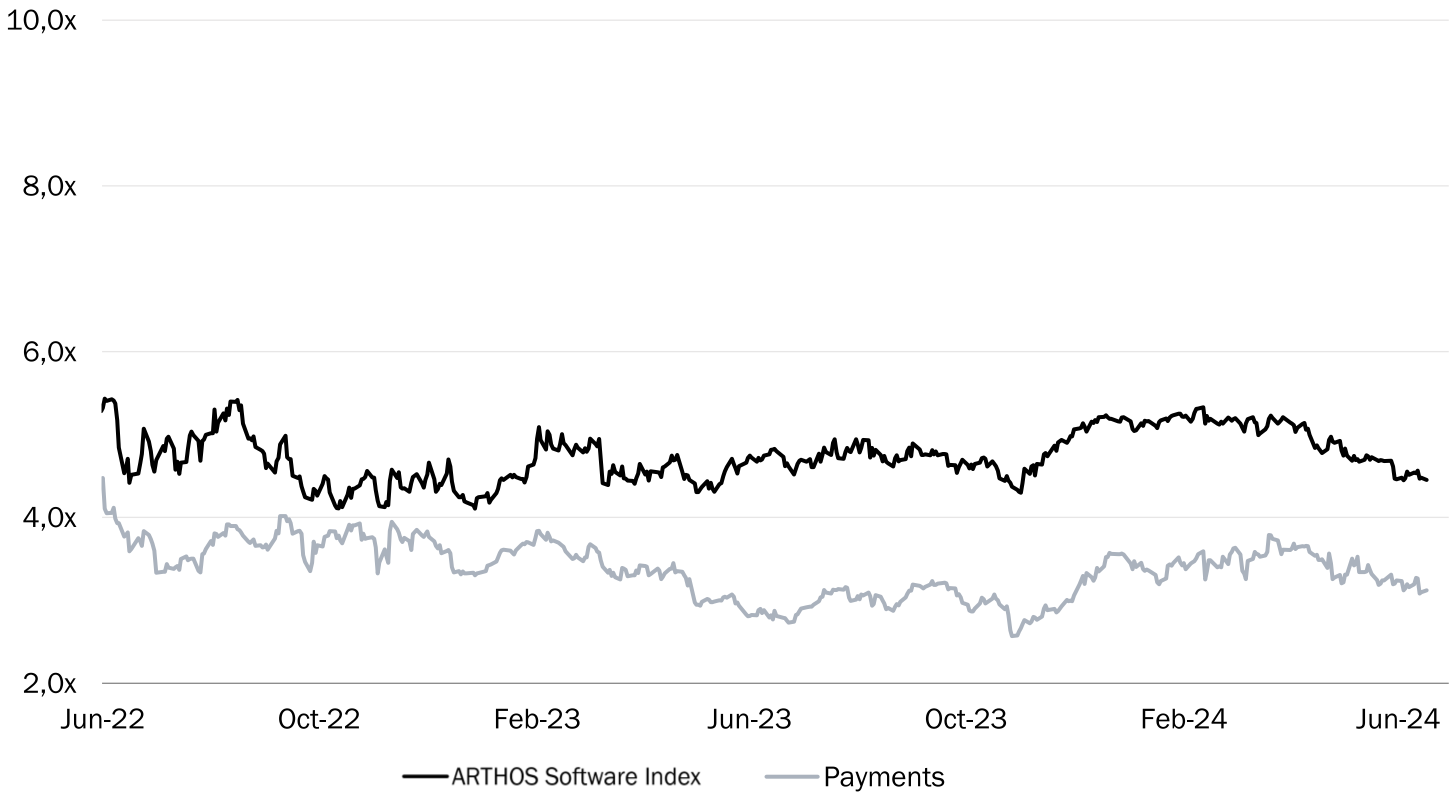


Sources: Capital IQ (as of 01 July 2024)

Valuations of Payments Software are below broad Financial Software

- Following the cool down of the Covid-19 pandemic, the EV/NTM Revenue multiples of Payments Software companies consistently fell below the ARTHOS Software Index.
- After years of hype and strong growth fueled by the exploding demand for digital payments during the pandemic, the Payments Software market experienced a correction. By the end of 2022, EV/NTM Revenue had dropped to approximately 3.6x.
- While valuations have not yet recovered, they are expected to rise again. The Payments Software market continues to grow, driven by hot topics such as real-time payments and embedded finance, as well as strong demand in developing countries, reflecting the region's eagerness to catch up. This growth is poised to support a rebound in valuations, as the underlying demand for digital payments remains robust and innovation within the sector continues to thrive.

EV/NTM Revenue multiple development



Sources: Capital IQ (as of 01 July 2024)

ARTHOS – International tech M&A advisors

ARTHOS – International tech M&A advisory firm with a focus on software transactions

Partner-led and global

ARTHOS Corporate Finance is an independent, owner-managed M&A advisory firm based in Munich and part of a global alliance of 40 M&A advisory firms with 200 managing partners. All our projects are managed by an experienced managing partner who has successfully closed more than 100 company disposals, acquisitions or fund raisings. The majority of ARTHOS transactions have a volume of between 10 and 100 million euros.

M&A 360°

With our 360° approach we can advise our customers in a targeted and comprehensive manner – from the initial planning through the detailed preparation to the efficient execution of a transaction. That is why we see ourselves not only as deal makers, but rather as competent M&A experts, experienced process managers and financial advisers for our client's long-term goals.

Technology

Our focus on digital media, information technology and high-tech industries provides several powerful advantages to our customers: we know the M&A terms and conditions, business models and decision-makers within these industry sectors. With this knowledge, we are able to implement sustainable, creative solutions. This is why our M&A projects achieve above average results.

ARTHOS TECHNOLOGY TEAM

Arne Tödt
Managing Partner

Arno Pätzold
Managing Partner

Moritz Böck
Senior Analyst

ARTHOS – 20-year track record in international technology M&A transactions

coconet
Düsseldorf, Germany
has been acquired by
EMERAM
Munich, Germany
Accelerating growth of CoCoNet's leading digital corporate banking platform

Newsletter2Go
Berlin, Germany
has been acquired by
sendinblue
Paris, France
Creating the European market leader in email marketing software for SMEs

XOVI
Cologne, Germany
has been acquired by
plesk
Schaffhausen, Switzerland
Accelerating growth and global expansion of XOVI's SEO analytics software business

datango
Berlin, Germany
has been acquired by
SAP
Walldorf, Germany
Joining SAP for global roll-out of Datango's workforce performance software

data respons
Oslo, Norway
has acquired
frobese
Hanover, Germany
Expansion into SW development and IT consulting for financial institutions

KETEK
Munich, Germany
has sold assets to
BROADCOM
San Jose, CA, USA
Worldwide leading 3D-wideband Silicon Photomultiplier Technology

eurotech
Amaro, Italy
has acquired
INONET
Taufkirchen, Germany
Accelerating Eurotech's growth strategy in the Edge Computing market in AIoT

infineon
Munich, Germany
has acquired
MERUS AUDIO
Copenhagen, Denmark
Energy-efficient integrated audio amplifier solutions

Case Study CoCoNet: Acquisition by Emeram to accelerate growth

coconet
Düsseldorf, Germany

has been acquired by

EMERAM
Munich, Germany

Accelerating growth of CoCoNet's leading digital corporate banking platform

ARTHOS
Sell side M&A advisory

Company and mandate

Industry sector
Banking software

Our client
CoCoNet: European leader for digital corporate banking and one of Europe's most experienced fintechs

Initial M&A situation
Search for a strategic or financial partner to support the next growth phase

Our solution

Buyer
Emeram: A leading growth investor for medium-sized companies in German-speaking countries

Structured M&A process
XX financial investors, X indicative offers, X management meetings, X LOIs

Timeframe
6 months from kick-off to closing

Result

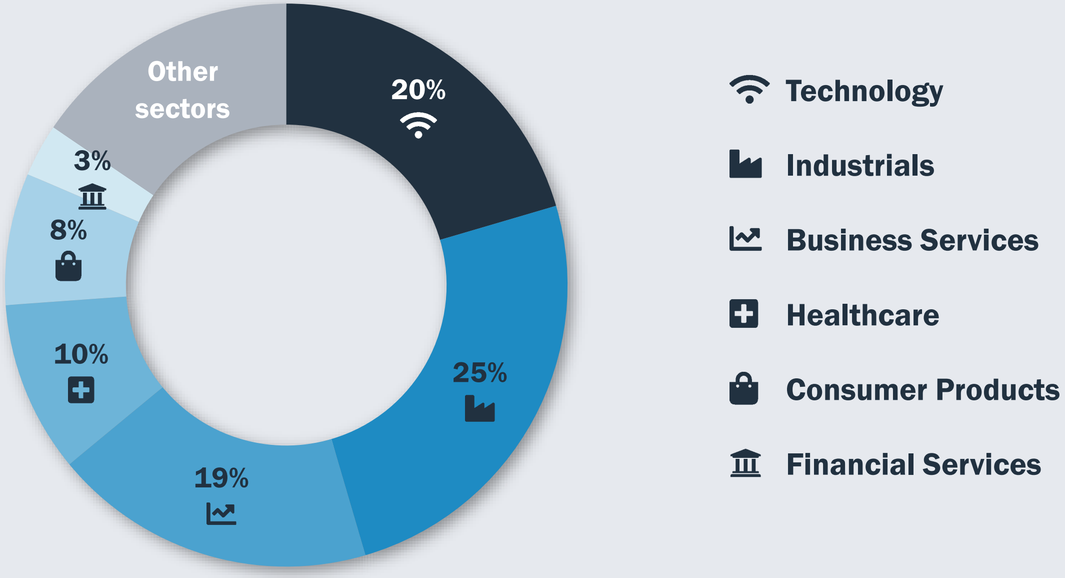
- CoCoNet has been acquired by an experienced and long-term investor who will be a strong partner in helping the company to capitalize on opportunities in its next phase of growth
- Excellent deal terms: High cash component with attractive share package for long-term upside

ARTHOS worldwide – partner within the global AICA alliance

Global reach – international cooperation

AMERICA	EMEA	ASIA & OZEANIA
USA	Belgium	Australia
Canada	Czech	China
	Finland	India
Argentina	France	Japan
Brazil	Germany	Korea
Bolivia	Italy	Singapore
Ecuador	Ireland	Thailand
Colombia	Netherlands	Vietnam
Mexico	Norway	
Paraguay	Poland	
	South Africa	
	Spain	
	Sweden	
	Switzerland	
	Turkey	
	UK	

Transactions by sector in 2023



365+
M&A professionals worldwide

~40
M&A advisory firms

~30
Countries

6
Continents

264
Deals closed

$6bn
Total transaction value

~$23m
Ø deal value

Contact us for technology M&A advice

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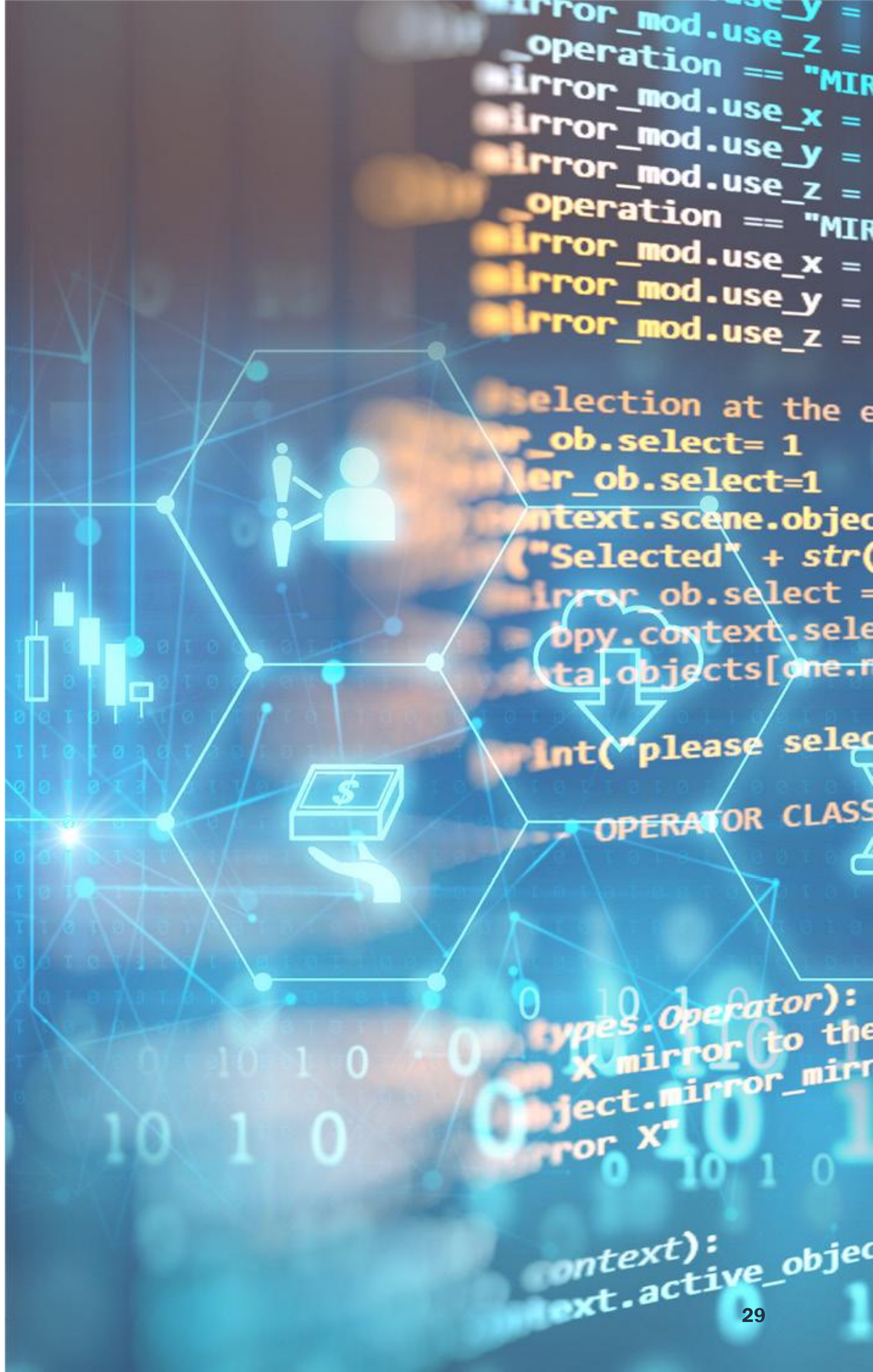
www.arthos.de



Appendix: Public comps by sub-sector

Public comps – BI & Analytics

Currency in EUR							LTM		Exp. 1Y	NTM		NTM	NTM Multiples	
Company Name	HQ	Employees	Share Price	Market Cap € mn	EV € mn	Cash € mn	Sales	EBITDA	Rev. Growth	Sales	EBITDA	EBITDA margin	EV/Sales	EV/EBITDA
C3.ai, Inc.	United States	891	27.1	3,329	2,683	702	290	-287	23%	358	-87	(24%)	7.5x	NM
Datadog, Inc.	United States	5,200	121.1	40,135	38,431	2,578	2,093	49	23%	2,560	624	24%	15.0x	61.5x
Domo, Inc.	United States	958	7.2	275	342	54	299	-54	-2%	289	4	1%	1.2x	89.3x
Dynatrace, Inc.	United States	4,700	41.5	12,224	11,507	776	1,326	159	16%	1,544	443	29%	7.4x	25.9x
NetApp, Inc.	United States	11,800	120.5	24,805	24,239	3,052	5,871	1,395	5%	6,114	1,886	31%	4.0x	12.8x
Open Text Corporation	Canada	23,700	28.0	7,431	14,465	1,047	5,467	1,439	30%	5,050	1,649	33%	2.9x	8.8x
Palantir Technologies Inc.	United States	3,678	23.8	52,461	49,131	3,585	2,164	213	21%	2,634	876	33%	18.6x	56.1x
Teradata Corporation	United States	6,500	32.5	3,161	3,433	312	1,689	239	-1%	1,703	424	25%	2.0x	8.1x
UiPath Inc.	United States	4,035	11.8	6,784	5,047	1,810	1,266	-137	8%	1,341	147	11%	3.8x	34.4x
Mean									**18%**			**18%**	**12.4x**	**37.1x**
Median									**21%**			**25%**	**5.7x**	**30.1x**

Abbreviations:
HQ: Headquarter; NTM: Next twelve months; EPS: Earnings per share; NTM multiples - EV/Estimates: EV as of 01 July 2024 divided by NTM estimates (mean of analysts)
EV: Enterprise Value = share price * outstanding shares + total debt + preferred stock + minority interest – cash & short-term investments

Sources: Capital IQ (as of 01 July 2024)

Public comps – Communication & Collaboration

Currency in EUR							LTM		Exp. 1Y	NTM		NTM	NTM Multiples	
Company Name	HQ	Employees	Share Price	Market Cap € mn	EV € mn	Cash € mn	Sales	EBITDA	Rev. Growth	Sales	EBITDA	EBITDA margin	EV/Sales	EV/EBITDA
8x8, Inc.	United States	1,948	1.9	238	574	109	675	11	(0%)	679	102	15%	0.8x	5.6x
Agora, Inc.	United States	790	2.1	196	-139	353	128	-37	4%	141	-26	(19%)	NM	NM
Asana, Inc.	United States	1,840	11.7	2,662	2,436	490	629	-237	11%	692	-30	(4%)	3.5x	NM
Atlassian Corporation	Australia	10,726	153.6	39,972	39,140	1,983	3,862	-28	23%	4,565	1,032	23%	8.6x	37.9x
Bandwidth Inc.	United States	1,100	14.6	394	857	136	588	8	19%	675	72	11%	1.3x	11.9x
Box, Inc.	United States	2,530	23.9	3,468	3,851	529	982	81	4%	1,017	314	31%	3.8x	12.3x
DocuSign, Inc.	United States	6,840	48.2	9,862	8,978	1,016	2,628	137	6%	2,769	872	31%	3.2x	10.3x
Dropbox, Inc.	United States	2,693	20.3	6,709	7,491	1,090	2,337	558	2%	2,377	929	39%	3.2x	8.1x
Everbridge, Inc.	United States	1,577	32.4	1,348	1,589	113	419	10	3%	435	96	22%	3.7x	16.5x
RingCentral, Inc.	United States	4,084	26.1	2,409	3,883	188	2,088	90	8%	2,270	585	26%	1.7x	6.6x
Smartsheet Inc.	United States	3,341	38.7	5,353	4,772	626	937	-79	17%	1,082	198	18%	4.4x	24.1x
TeamViewer SE	Germany	1,461	11.1	1,762	2,242	42	637	197	7%	683	297	43%	3.3x	7.6x
Twilio Inc.	United States	5,867	51.1	8,745	6,260	3,547	3,888	-31	5%	4,135	769	19%	1.5x	8.1x
Zoom Video Communications, Inc.	United States	7,420	53.9	16,665	9,855	6,896	4,267	772	2%	4,339	1,716	40%	2.3x	5.7x
Mean									**8%**			**21%**	**3.2x**	**12.9x**
Median									**5%**			**22%**	**3.2x**	**9.2x**

Abbreviations:
HQ: Headquarter; NTM: Next twelve months; EPS: Earnings per share; NTM multiples - EV/Estimates: EV as of 01 July 2024 divided by NTM estimates (mean of analysts)
EV: Enterprise Value = share price * outstanding shares + total debt + preferred stock + minority interest – cash & short-term investments

Sources: Capital IQ (as of 01 July 2024)

Public comps – Marketing & CRM

Currency in EUR							LTM		Exp. 1Y	NTM		NTM	NTM Multiples	
Company Name	HQ	Employees	Share Price	Market Cap € mn	EV € mn	Cash € mn	Sales	EBITDA	Rev. Growth	Sales	EBITDA	EBITDA margin	EV/Sales	EV/EBITDA
Adobe Inc.	United States	29,945	488.6	218,883	217,042	7,437	18,838	7,233	11%	21,100	10,493	50%	10.3x	20.7x
Braze, Inc.	United States	1,548	32.5	3,306	2,937	452	473	-131	23%	566	1	0%	5.2x	NM
Cardlytics, Inc.	United States	444	7.5	365	523	91	290	-31	3%	304	7	2%	1.7x	76.1x
Criteo S.A.	France	3,563	33.5	1,896	1,765	258	1,812	194	9%	1,024	305	30%	1.7x	5.8x
dotdigital Group Plc	United Kingdom	400	1.1	337	295	43	85	18	14%	98	30	30%	3.0x	10.0x
Five9, Inc.	United States	2,684	38.1	2,814	2,931	1,004	870	-30	16%	1,030	173	17%	2.8x	16.9x
HubSpot, Inc.	United States	7,829	534.7	27,247	26,553	1,408	2,119	-84	18%	2,480	513	21%	10.7x	51.8x
LivePerson, Inc.	United States	1,127	0.5	48	411	118	352	-19	(23%)	278	18	6%	1.5x	23.3x
NICE Ltd.	Israel	8,384	153.6	9,749	8,898	1,393	2,285	590	15%	2,608	893	34%	3.4x	10.0x
Pegasystems Inc.	United States	5,406	55.3	4,698	4,660	574	1,332	143	4%	1,414	334	24%	3.3x	13.9x
PROS Holdings, Inc.	United States	1,486	26.7	1,257	1,414	145	288	-30	10%	320	20	6%	4.4x	70.8x
PubMatic, Inc.	United States	948	18.0	899	760	161	258	34	12%	285	88	31%	2.7x	8.6x
Salesforce, Inc.	United States	72,682	223.6	216,715	212,727	16,525	33,427	8,606	9%	35,976	13,177	37%	5.9x	16.1x
Sprout Social, Inc.	United States	1,383	30.0	1,697	1,667	87	329	-54	22%	393	40	10%	4.2x	41.8x
TechTarget, Inc.	United States	960	28.6	816	909	307	208	11	1%	222	70	5%	4.1x	13.0x
The Trade Desk, Inc.	United States	3,115	89.3	43,658	42,557	1,316	1,904	298	24%	2,343	958	16%	18.2x	44.4x
Thryv Holdings, Inc.	United States	3,019	16.9	607	917	13	839	105	(11%)	724	131	13%	1.3x	7.0x
Upland Software, Inc.	United States	1,061	2.3	65	406	215	270	36	(8%)	254	50	13%	1.6x	8.2x
Verint Systems Inc.	United States	3,700	31.9	1,971	2,576	222	856	127	3%	883	261	15%	2.9x	9.9x
Yext, Inc.	United States	1,100	4.6	576	443	230	375	0	(2%)	375	75	0%	1.2x	5.9x
ZoomInfo Technologies Inc.	United States	3,516	11.0	4,106	4,941	429	1,158	267	2%	1,193	492	23%	4.1x	10.0x
Mean									**7%**			**18%**	**4.5x**	**23.2x**
Median									**9%**			**16%**	**3.3x**	**13.5x**

Abbreviations:

HQ: Headquarter; NTM: Next twelve months; EPS: Earnings per share; NTM multiples - EV/Estimates: EV as of 01 July 2024 divided by NTM estimates (mean of analysts)

EV: Enterprise Value = share price * outstanding shares + total debt + preferred stock + minority interest – cash & short-term investments

Sources: Capital IQ (as of 01 July 2024)

Public comps – Cybersecurity

Currency in EUR							LTM		Exp. 1Y	NTM		NTM	NTM Multiples	
Company Name	HQ	Employees	Share Price	Market Cap € mn	EV € mn	Cash € mn	Sales	EBITDA	Rev. Growth	Sales	EBITDA	EBITDA margin	EV/Sales	EV/EBITDA
BlackBerry Limited	Canada	2,647	2.1	1,249	1,263	219	789	22	(30%)	560	4	1%	2.3x	299.8x
Check Point Software Technologies Ltd	Israel	6,450	145.4	16,415	13,618	1,485	2,268	866	6%	2,418	1,084	45%	5.6x	12.6x
Cloudflare, Inc.	United States	3,704	73.3	24,894	24,634	1,591	1,284	-74	28%	1,634	298	18%	15.1x	82.6x
CrowdStrike Holdings, Inc.	United States	8,429	352.3	85,728	83,047	3,463	3,071	136	31%	3,960	1,048	26%	21.0x	79.2x
CyberArk Software Ltd.	Israel	3,018	243.6	10,510	9,755	1,000	752	-56	24%	912	107	12%	10.7x	91.2x
Darktrace plc	United Kingdom	2,300	6.8	4,397	4,096	348	558	97	26%	707	166	24%	5.8x	24.6x
F5, Inc.	United States	6,077	157.2	9,215	8,622	837	2,580	705	(1%)	2,639	1,007	38%	3.3x	8.6x
Fortinet, Inc.	United States	13,522	54.3	41,499	39,691	2,802	5,001	1,297	9%	5,568	1,653	30%	7.1x	24.0x
F-Secure Oyj	Finland	497	2.0	349	533	14	139	37	14%	150	55	36%	3.6x	9.8x
Okta, Inc.	United States	5,908	82.4	13,854	12,868	2,170	2,209	-256	12%	2,421	492	20%	5.3x	26.2x
OneSpan Inc.	United States	544	11.7	441	389	59	225	17	3%	225	45	8%	1.7x	8.7x
Palo Alto Networks, Inc.	United States	15,166	295.2	95,578	94,313	2,703	7,286	1,007	16%	8,158	2,431	14%	11.6x	38.8x
Qualys, Inc.	United States	2,210	129.4	4,780	4,309	421	528	183	9%	578	237	35%	7.5x	18.2x
Radware Ltd.	Israel	1,147	16.4	687	386	337	239	-21	1%	253	26	(9%)	1.5x	15.1x
Rapid7, Inc.	United States	2,228	35.9	2,237	2,806	382	741	49	7%	791	170	7%	3.5x	16.5x
SecureWorks Corp.	United States	1,516	5.9	521	483	44	332	-36	(10%)	311	14	(11%)	1.6x	35.2x
SentinelOne, Inc.	United States	2,400	17.5	5,480	4,779	723	630	-282	31%	803	-4	(45%)	6.0x	NM
Telos Corporation	United States	619	3.3	237	160	87	130	-27	(15%)	124	-12	(20%)	1.3x	NM
Tenable Holdings, Inc.	United States	1,999	37.8	4,489	4,399	473	765	2	13%	870	173	0%	5.1x	25.5x
Trend Micro Incorporated	Japan	7,432	37.6	4,900	3,699	1,262	1,568	395	8%	1,598	441	25%	2.3x	8.4x
Varonis Systems, Inc.	United States	2,233	40.4	4,502	4,068	508	469	-102	9%	519	30	(22%)	7.8x	134.0x
Zscaler, Inc.	United States	5,962	168.8	25,509	24,579	2,095	1,898	-99	33%	2,312	539	(5%)	10.6x	45.6x
Mean									**10%**			**10%**	**6.4x**	**50.2x**
Median									**9%**			**13%**	**5.5x**	**25.0x**

Abbreviations:

HQ: Headquarter; NTM: Next twelve months; EPS: Earnings per share; NTM multiples - EV/Estimates: EV as of 01 July 2024 divided by NTM estimates (mean of analysts)

EV: Enterprise Value = share price * outstanding shares + total debt + preferred stock + minority interest – cash & short-term investments

Sources: Capital IQ (as of 01 July 2024)

Public comps – Other Vertical Software

Currency in EUR							LTM		Exp. 1Y	NTM		NTM	NTM Multiples	
Company Name	HQ	Employees	Share Price	Market Cap € mn	EV € mn	Cash € mn	Sales	EBITDA	Rev. Growth	Sales	EBITDA	EBITDA margin	EV/Sales	EV/EBITDA
2U, Inc.	United States	4,265	5.2	15	831	116	840	110	(15%)	755	114	15%	1.1x	7.3x
Amadeus IT Group, S.A.	Spain	18,629	63.9	27,871	30,483	1,523	5,626	2,094	13%	6,283	2,422	39%	4.9x	12.6x
AppFolio, Inc.	United States	1,504	216.4	7,835	7,650	226	623	71	25%	750	196	26%	10.2x	39.0x
AssetMark Financial Holdings, Inc.	United States	990	31.9	2,372	2,237	249	675	205	11%	577	275	48%	3.9x	8.1x
BigCommerce Holdings, Inc.	United States	1,321	7.0	537	616	246	295	-29	8%	316	18	6%	1.9x	33.7x
Blackbaud, Inc.	United States	3,000	70.3	3,552	4,524	40	1,041	181	7%	1,120	373	33%	4.0x	12.1x
Constellation Software Inc.	Canada	45,000	2,627.4	55,678	58,104	1,936	8,195	1,500	21%	9,897	2,649	27%	5.9x	21.9x
FINEOS Corporation Holdings plc	Ireland	879	1.0	343	320	28	125	-15	115%	131	17	13%	2.4x	19.3x
GK Software SE	Germany	1,228	206.0	527	507	44	155	-6	0%	-	-	-	NM	NM
init innovation in traffic systems SE	Germany	1,244	40.3	406	448	39	223	32	20%	253	39	15%	1.8x	11.6x
IVU Traffic Technologies AG	Germany	1,013	14.0	240	226	31	127	19	0%	-	-	-	NM	NM
PSI Software SE	Germany	2,310	20.9	324	313	50	270	13	(0%)	269	6	2%	1.2x	56.6x
Sabre Corporation	United States	6,232	2.5	945	5,032	588	2,732	268	4%	2,860	516	18%	1.8x	9.8x
Shopify Inc.	Canada	8,300	59.9	77,277	73,519	4,799	6,871	554	21%	8,311	1,208	15%	8.8x	60.8x
Unity Software Inc.	United States	6,748	15.6	6,084	7,411	1,094	1,990	-205	(16%)	1,739	410	24%	4.3x	18.1x
WalkMe Ltd.	Israel	1,000	12.9	1,198	898	259	250	-38	6%	268	19	7%	3.3x	46.5x
Mean									**14%**			**20%**	**4.0x**	**25.5x**
Median									**7%**			**20%**	**3.6x**	**18.7x**

Abbreviations:

HQ: Headquarter; NTM: Next twelve months; EPS: Earnings per share; NTM multiples - EV/Estimates: EV as of 01 July 2024 divided by NTM estimates (mean of analysts)

EV: Enterprise Value = share price * outstanding shares + total debt + preferred stock + minority interest – cash & short-term investments

Sources: Capital IQ (as of 01 July 2024)

Public comps – Engineering Software

Currency in EUR							LTM		Exp. 1Y	NTM		NTM	NTM Multiples	
Company Name	HQ	Employees	Share Price	Market Cap € mn	EV € mn	Cash € mn	Sales	EBITDA	Rev. Growth	Sales	EBITDA	EBITDA margin	EV/Sales	EV/EBITDA
Altair Engineering Inc.	United States	3,400	92.7	7,657	7,452	517	574	50	7%	630	138	22%	11.8x	54.1x
ANSYS, Inc.	United States	6,200	302.2	26,264	26,078	992	2,064	628	8%	2,320	1,007	43%	11.2x	25.9x
Aspen Technology, Inc.	United States	3,900	178.8	11,288	11,274	165	1,024	343	6%	1,086	422	39%	10.4x	26.7x
Autodesk, Inc.	United States	14,100	227.3	49,089	49,452	1,860	5,279	1,224	10%	5,808	2,191	38%	8.5x	22.6x
Aviva plc	United Kingdom	26,382	0.0	15,004	3,175	19,905	24,859	2,931	0%	50,614	0	0%	NM	NM
Bentley Systems, Incorporated	United States	5,200	46.8	14,786	16,035	131	1,160	307	11%	1,308	457	35%	12.3x	35.1x
Cadence Design Systems, Inc.	United States	11,200	291.7	79,405	78,930	1,072	3,779	1,259	12%	4,512	2,104	NM	17.5x	37.5x
Dassault Systèmes SE	France	25,780	34.8	46,817	45,726	4,096	6,017	1,510	7%	6,540	2,426	37%	7.0x	18.9x
Hexagon AB (publ)	Sweden	24,091	10.5	28,046	31,509	506	5,450	1,441	4%	5,768	2,214	38%	5.5x	14.2x
Mensch und Maschine Software SE	Germany	1,157	55.2	935	916	45	320	57	11%	350	66	NM	2.6x	13.9x
Nemetschek SE	Germany	3,433	92.7	10,718	10,486	341	871	226	12%	977	304	31%	10.7x	34.5x
PTC Inc.	United States	7,438	166.2	19,912	21,729	231	2,078	563	10%	2,266	936	41%	9.6x	23.2x
Roper Technologies, Inc.	United States	16,800	523.3	55,880	62,924	184	5,922	2,402	12%	6,611	2,688	41%	9.5x	23.4x
Synopsys, Inc.	United States	20,300	564.4	85,861	84,945	1,552	5,903	1,518	5%	6,009	2,475	41%	14.1x	34.3x
Mean									**8%**			**32%**	**10.1x**	**27.9x**
Median									**9%**			**37%**	**10.0x**	**25.9x**

Abbreviations:

HQ: Headquarter; NTM: Next twelve months; EPS: Earnings per share; NTM multiples - EV/Estimates: EV as of 01 July 2024 divided by NTM estimates (mean of analysts)

EV: Enterprise Value = share price * outstanding shares + total debt + preferred stock + minority interest – cash & short-term investments

Sources: Capital IQ (as of 01 July 2024)

Public comps – Healthcare Software

Currency in EUR							LTM		Exp. 1Y	NTM		NTM	NTM Multiples	
Company Name	HQ	Employees	Share Price	Market Cap € mn	EV € mn	Cash € mn	Sales	EBITDA	Rev. Growth	Sales	EBITDA	EBITDA margin	EV/Sales	EV/EBITDA
Cegedim SA	France	6,411	13.1	183	440	47	616	44	6%	662	123	19%	0.7x	3.6x
Certara, Inc.	United States	1,365	12.7	2,043	2,115	213	334	83	10%	373	121	32%	5.7x	17.5x
CompuGroup Medical SE & Co. KGaA	Germany	8,479	24.7	1,320	1,976	118	1,220	171	4%	1,251	280	22%	1.6x	7.1x
Craneware plc	United Kingdom	734	27.3	955	953	58	163	35	6%	172	53	31%	5.5x	17.8x
Health Catalyst, Inc.	United States	1,300	5.6	333	259	304	275	-47	4%	295	27	9%	0.9x	9.7x
HealthEquity, Inc.	United States	3,138	77.1	6,709	7,392	235	975	279	17%	1,134	451	40%	6.5x	16.4x
HealthStream, Inc.	United States	1,086	26.1	793	733	78	262	36	5%	277	61	22%	2.6x	11.9x
Nexus AG	Germany	1,900	53.0	932	832	124	253	39	13%	273	59	22%	3.1x	14.1x
Omnicell, Inc.	United States	3,590	25.4	1,167	1,263	475	1,022	26	(7%)	1,019	108	11%	1.2x	11.7x
Phreesia, Inc.	United States	1,438	18.9	1,084	1,026	74	349	-88	18%	409	26	6%	2.5x	39.2x
Veeva Systems Inc.	United States	7,172	174.0	28,131	23,742	4,456	2,326	525	15%	2,593	1,035	40%	9.2x	22.9x
Mean									**8%**			**23%**	**3.6x**	**15.6x**
Median									**6%**			**22%**	**2.6x**	**14.1x**

Abbreviations:

HQ: Headquarter; NTM: Next twelve months; EPS: Earnings per share; NTM multiples - EV/Estimates: EV as of 01 July 2024 divided by NTM estimates (mean of analysts)

EV: Enterprise Value = share price * outstanding shares + total debt + preferred stock + minority interest – cash & short-term investments

Sources: Capital IQ (as of 01 July 2024)

Public comps – ERP & General Management

Currency in EUR							LTM		Exp. 1Y	NTM		NTM	NTM Multiples	
Company Name	HQ	Employees	Share Price	Market Cap € mn	EV € mn	Cash € mn	Sales	EBITDA	Rev. Growth	Sales	EBITDA	EBITDA margin	EV/Sales	EV/EBITDA
American Software, Inc.	United States	327	8.0	265	187	78	96	8	2%	98	15	15%	1.9x	12.9x
ATOSS Software SE	Germany	775	112.2	1,791	1,718	82	157	55	14%	179	60	33%	9.6x	28.7x
Automatic Data Processing, Inc.	United States	63,000	223.5	91,214	91,311	3,051	17,529	5,086	6%	18,720	5,352	29%	4.9x	17.1x
BlackLine, Inc.	United States	1,750	44.2	3,107	3,295	1,154	564	34	9%	617	148	24%	5.3x	22.3x
Docebo Inc.	Canada	900	35.8	1,080	1,008	75	177	9	18%	207	33	16%	4.9x	30.9x
Enghouse Systems Limited	Canada	1,882	20.5	1,129	956	179	327	78	13%	366	106	29%	2.6x	9.0x
Fortnox AB (publ)	Sweden	848	5.6	3,484	3,463	33	151	65	27%	196	106	54%	17.7x	32.7x
Informatica Inc.	United States	5,000	28.3	8,360	9,078	1,032	1,500	235	6%	1,616	548	34%	5.6x	16.6x
Intuit Inc.	United States	18,200	601.2	166,854	168,558	4,375	14,788	4,136	13%	16,610	6,846	41%	10.1x	24.6x
Kinaxis Inc.	Canada	662	102.5	2,883	2,652	281	413	24	15%	479	93	19%	5.5x	28.6x
Manhattan Associates, Inc.	United States	4,700	228.4	13,939	13,793	192	892	210	11%	987	296	24%	14.0x	46.5x
Microsoft Corporation	United States	221,000	425.5	3,146,522	3,171,068	74,164	219,290	116,773	16%	252,318	134,030	53%	12.6x	23.7x
Model N, Inc.	United States	1,089	28.1	1,107	1,066	310	238	5	5%	256	54	2%	4.2x	19.9x
Nutanix, Inc.	United States	6,450	51.7	12,697	12,448	1,544	1,959	47	15%	2,208	383	2%	5.6x	32.5x
Opera Limited	Norway	592	13.4	1,176	1,101	85	382	69	16%	447	106	18%	2.5x	10.4x
Oracle Corporation	United States	159,000	130.7	356,676	435,595	9,831	48,835	19,573	9%	54,226	28,193	40%	8.0x	15.5x
Paycom Software, Inc.	United States	7,308	131.5	7,467	7,119	344	1,615	589	10%	1,803	699	36%	3.9x	10.2x
Paylocity Holding Corporation	United States	6,100	122.9	6,974	6,566	457	1,255	257	19%	1,418	495	20%	4.6x	13.3x
SAP SE	Germany	108,133	186.5	215,577	211,826	13,607	31,806	7,654	9%	34,730	9,484	24%	6.1x	22.3x
ServiceNow, Inc.	United States	22,668	714.1	144,976	138,888	4,736	8,785	1,405	21%	10,696	3,731	16%	13.0x	37.2x
SPS Commerce, Inc.	United States	2,489	174.8	6,402	6,142	270	520	103	16%	605	182	20%	10.2x	33.8x

Abbreviations:

HQ: Headquarter; NTM: Next twelve months; EPS: Earnings per share; NTM multiples - EV/Estimates: EV as of 01 July 2024 divided by NTM estimates (mean of analysts)

EV: Enterprise Value = share price * outstanding shares + total debt + preferred stock + minority interest – cash & short-term investments

Sources: Capital IQ (as of 01 July 2024)

Public comps – ERP & General Management continued

Currency in EUR							LTM		Exp. 1Y	NTM		NTM	NTM Multiples	
Company Name	HQ	Employees	Share Price	Market Cap € mn	EV € mn	Cash € mn	Sales	EBITDA	Rev. Growth	Sales	EBITDA	EBITDA margin	EV/Sales	EV/EBITDA
Technology One Limited	Australia	848	11.5	3,741	3,650	104	284	84	14%	330	143	30%	11.1x	25.4x
The Descartes Systems Group Inc.	Canada	1,356	90.2	7,614	7,396	223	550	223	12%	619	275	41%	12.0x	26.9x
The Sage Group plc	United Kingdom	11,326	12.9	12,888	13,846	524	2,633	565	8%	2,919	728	21%	4.7x	19.0x
TOTVS S.A.	Brazil	0	5.2	3,108	3,007	471	865	175	20%	944	224	20%	3.2x	13.4x
TriNet Group, Inc.	United States	355,519	94.3	4,753	5,306	355	4,579	438	(11%)	1,206	464	10%	4.4x	11.4x
Tyler Technologies, Inc.	United States	7,305	456.1	19,423	19,843	183	1,847	320	9%	2,036	557	17%	9.7x	35.6x
USU Software AG	Germany	807	18.4	185	176	24	134	9	9%	144	15	7%	1.2x	11.4x
Vertex, Inc.	United States	1,500	33.5	5,099	5,099	60	553	7	15%	635	125	1%	8.0x	41.0x
WiseTech Global Limited	Australia	3,300	61.2	20,250	20,302	89	579	227	30%	743	356	39%	27.3x	57.0x
Workday, Inc.	United States	19,415	203.8	53,846	50,253	6,717	7,075	518	15%	8,106	2,302	7%	6.2x	21.8x
Workiva Inc.	United States	2,561	69.6	3,771	3,727	777	608	-27	14%	698	40	(4%)	5.3x	94.1x
Xero Limited	New Zealand	4,322	84.3	12,863	12,688	848	950	151	21%	1,181	352	16%	10.7x	36.0x
Yonyou Network Technology Co.,Ltd.	China	24,949	1.3	4,533	4,755	828	1,293	-111	14%	1,433	191	(9%)	3.3x	24.9x
Ziff Davis, Inc.	United States	4,200	51.3	2,361	2,610	696	1,271	398	5%	1,352	478	31%	1.9x	5.5x
Zuora, Inc.	United States	1,618	8.8	1,280	1,145	512	410	-20	6%	436	91	(5%)	2.6x	12.6x
Mean									**12%**			**15%**	**7.4x**	**25.7x**
Median									**14%**			**16%**	**5.6x**	**23.0x**

Abbreviations:
HQ: Headquarter; NTM: Next twelve months; EPS: Earnings per share; NTM multiples - EV/Estimates: EV as of 01 July 2024 divided by NTM estimates (mean of analysts)
EV: Enterprise Value = share price * outstanding shares + total debt + preferred stock + minority interest – cash & short-term investments

Sources: Capital IQ (as of 01 July 2024)

Public comps – IT Infrastructure

Currency in EUR							LTM		Exp. 1Y	NTM		NTM	NTM Multiples	
			Share	Market Cap	EV	Cash			Rev.			EBITDA		
Company Name	HQ	Employees	Price	€ mn	€ mn	€ mn	Sales	EBITDA	Growth	Sales	EBITDA	margin	EV/Sales	EV/EBITDA
A10 Networks, Inc.	United States	525	12.8	955	800	169	236	46	5%	251	75	30%	3.2x	10.7x
Akamai Technologies, Inc.	United States	10,250	82.7	12,599	14,758	1,552	3,599	1,030	5%	3,774	1,575	42%	3.9x	9.4x
Appian Corporation	United States	2,243	26.2	1,895	2,039	158	519	-71	13%	595	-12	(2%)	3.4x	NM
Arista Networks, Inc.	United States	4,023	306.9	96,158	91,139	5,051	5,636	2,319	15%	6,462	2,863	44%	14.1x	31.8x
Commvault Systems, Inc.	United States	2,882	111.1	4,820	4,539	290	778	79	9%	849	182	21%	5.3x	25.0x
Elastic N.V.	Netherlands	3,187	101.6	10,332	9,875	1,014	1,185	-98	17%	1,377	177	13%	7.2x	55.8x
Extreme Networks, Inc.	United States	2,849	12.0	1,554	1,639	140	1,135	69	(15%)	993	122	12%	1.7x	13.5x
Fastly, Inc.	United States	1,207	6.7	917	1,005	305	484	-122	10%	534	30	6%	1.9x	33.8x
InterDigital, Inc.	United States	450	107.9	2,723	2,389	913	566	268	16%	461	217	47%	5.2x	11.0x
International Business Machines Corp	United States	282,200	163.1	149,849	190,701	17,718	57,532	13,329	2%	59,039	15,218	26%	3.2x	12.5x
Jamf Holding Corp.	United States	2,767	14.0	1,802	1,955	208	538	-39	11%	593	97	16%	3.3x	20.2x
JFrog Ltd.	United States	1,400	31.5	3,414	2,892	537	343	-45	22%	418	65	16%	6.9x	44.2x
Juniper Networks, Inc.	United States	11,144	33.1	10,766	11,291	1,166	4,951	612	(8%)	4,835	971	20%	2.3x	11.6x
MongoDB, Inc.	United States	5,037	218.0	15,993	15,201	1,940	1,651	-224	12%	1,834	195	(14%)	8.3x	78.1x
NetScout Systems, Inc.	United States	2,285	17.2	1,227	971	392	769	124	(2%)	755	158	16%	1.3x	6.1x
PagerDuty, Inc.	United States	1,182	20.2	1,930	1,820	554	410	-76	10%	456	83	(19%)	4.0x	21.9x
Progress Software Corporation	United States	2,284	45.7	1,973	2,513	123	661	218	4%	683	302	33%	3.7x	8.3x
Rackspace Technology, Inc.	United States	5,800	2.3	525	3,538	308	2,678	254	(8%)	2,519	284	9%	1.4x	12.5x
Snowflake Inc.	United States	7,296	116.3	38,951	35,063	3,303	2,816	-998	24%	3,402	248	(35%)	10.3x	141.5x
Software Aktiengesellschaft	Germany	4,707	37.1	2,723	3,026	130	1,000	148	4%	1,043	170	15%	NM	NM
SolarWinds Corporation	United States	2,077	10.8	1,822	2,710	290	710	229	3%	734	340	32%	3.7x	8.0x
VeriSign, Inc.	United States	908	167.8	16,711	17,523	857	1,402	983	5%	1,476	1,068	70%	11.9x	16.4x
Mean									**8%**			**18%**	**5.1x**	**28.6x**
Median									**10%**			**16%**	**3.7x**	**14.9x**

Abbreviations:

HQ: Headquarter; NTM: Next twelve months; EPS: Earnings per share; NTM multiples - EV/Estimates: EV as of 01 July 2024 divided by NTM estimates (mean of analysts)

EV: Enterprise Value = share price * outstanding shares + total debt + preferred stock + minority interest – cash & short-term investments

Sources: Capital IQ (as of 01 July 2024)

Public comps – Financial Services

Currency in EUR							LTM		Exp. 1Y	NTM		NTM	NTM Multiples	
Company Name	HQ	Employees	Share Price	Market Cap € mn	EV € mn	Cash € mn	Sales	EBITDA	Rev. Growth	Sales	EBITDA	EBITDA margin	EV/Sales	EV/EBITDA
ACI Worldwide, Inc.	United States	3,212	36.6	3,792	4,621	170	1,371	307	8%	1,480	394	27%	3.1x	11.7x
Broadridge Financial Solutions, Inc.	United States	14,700	185.9	21,991	25,251	219	5,934	1,382	8%	6,302	1,551	25%	4.0x	16.3x
Envestnet, Inc.	United States	3,085	58.3	3,214	4,095	57	1,179	125	10%	1,307	298	23%	3.1x	13.7x
Fair Isaac Corporation	United States	3,550	1,414.1	34,105	35,920	126	1,487	650	13%	1,707	939	55%	21.0x	38.2x
Fidelity National Information Services,	United States	60,000	69.9	38,777	46,206	3,086	9,168	3,147	3%	9,559	3,887	41%	4.8x	11.9x
Fiserv, Inc.	United States	42,000	138.2	81,479	103,997	1,125	18,009	7,601	7%	18,349	8,582	47%	5.7x	12.1x
Guidewire Software, Inc.	United States	3,396	129.2	10,594	10,279	732	897	-41	7%	989	152	15%	10.4x	67.4x
Iress Limited	Australia	1,900	5.0	904	1,136	31	386	20	8%	388	87	23%	2.9x	13.0x
Jack Henry & Associates, Inc.	United States	7,120	154.5	11,353	11,619	25	2,030	521	7%	2,180	687	32%	5.3x	16.9x
MSCI Inc.	United States	5,858	454.4	36,026	39,903	478	2,425	1,403	12%	2,689	1,599	59%	14.8x	24.9x
nCino, Inc.	United States	1,653	29.5	3,371	3,372	121	459	20	14%	523	96	18%	6.4x	35.1x
Q2 Holdings, Inc.	United States	2,314	56.2	3,398	3,592	314	591	-28	10%	661	112	17%	5.4x	31.9x
Sapiens International Corporation	Israel	5,000	32.0	1,771	1,648	182	486	90	8%	527	102	19%	3.1x	16.2x
Shift4 Payments, Inc.	United States	3,030	69.0	4,364	5,741	485	2,526	339	42%	3,636	655	18%	1.6x	8.8x
SS&C Technologies Holdings, Inc.	United States	26,600	58.1	14,365	20,399	382	5,168	1,735	5%	5,460	2,134	39%	3.7x	9.5x
Temenos AG	Switzerland	6,594	64.4	4,668	5,201	280	930	211	5%	1,018	398	23%	5.1x	13.1x
Upstart Holdings, Inc.	United States	1,388	22.2	1,938	2,772	279	535	-120	5%	535	-30	(22%)	5.2x	NM
Mean									**10%**			**27%**	**6.2x**	**21.3x**
Median									**8%**			**23%**	**5.1x**	**14.9x**

Abbreviations:
HQ: Headquarter; NTM: Next twelve months; EPS: Earnings per share; NTM multiples - EV/Estimates: EV as of 01 July 2024 divided by NTM estimates (mean of analysts)
EV: Enterprise Value = share price * outstanding shares + total debt + preferred stock + minority interest – cash & short-term investments

Sources: Capital IQ (as of 01 July 2024)

Public comps – BankTech

Currency in EUR							LTM		Exp. 1Y	NTM		NTM	NTM Multiples	
Company Name	HQ	Employees	Share Price	Market Cap € mn	EV € mn	Cash € mn	Sales	EBITDA	Rev. Growth	Sales	EBITDA	EBITDA margin	EV/Sales	EV/EBITDA
Alfa Financial Software Holdings PLC	United Kingdom	475	2.2	645	629	25	118	35	6%	127	40	31%	4.9x	15.7x
Alkami Technology, Inc.	United States	917	26.4	2,523	2,460	81	260	-49	25%	327	28	9%	7.5x	87.9x
Asseco Poland S.A.	Poland	33,032	18.6	1,267	2,307	758	3,914	486	11%	4,416	651	15%	0.5x	3.5x
Block, Inc.	United States	12,985	59.5	36,735	35,838	5,903	21,210	478	15%	23,951	2,707	11%	1.5x	13.2x
EVERTEC, Inc.	United States	5,000	31.1	1,999	2,758	272	686	191	22%	804	312	39%	3.4x	8.8x
Fidelity National Information Services,	United States	60,000	69.9	38,777	46,206	3,086	9,168	3,147	3%	9,559	3,887	41%	4.8x	11.9x
Fiserv, Inc.	United States	42,000	138.2	81,479	103,997	1,125	18,009	7,601	7%	18,349	8,582	47%	5.7x	12.1x
Global Payments Inc.	United States	27,000	89.0	22,608	38,345	2,009	9,067	3,867	6%	8,753	4,406	50%	4.4x	8.7x
Intellect Design Arena Limited	India	6,075	12.0	1,641	1,612	35	279	47	6%	297	69	23%	5.4x	23.5x
Intrum AB (publ)	Sweden	10,880	2.6	319	5,556	399	1,766	461	(7%)	1,726	931	54%	3.2x	6.0x
Jack Henry & Associates, Inc.	United States	7,120	154.5	11,353	11,619	25	2,030	521	7%	2,180	687	32%	5.3x	16.9x
MeridianLink, Inc.	United States	676	20.0	1,541	1,878	58	282	56	4%	300	120	40%	6.3x	15.7x
nCino, Inc.	United States	1,653	29.5	3,371	3,372	121	459	20	14%	523	96	18%	6.4x	35.1x
Nuvei Corporation	Canada	2,202	30.2	4,249	5,311	122	1,176	223	16%	1,329	484	36%	4.0x	11.0x
OneConnect Financial Technology Co.,	China	2,440	0.1	69	-158	242	449	-39	(24%)	360	-4	(1%)	NM	NM
Oracle Financial Services Software Lim	India	8,593	110.6	9,590	8,975	616	709	310	11%	791	354	45%	11.4x	25.4x
Q2 Holdings, Inc.	United States	2,314	56.2	3,398	3,592	314	591	-28	10%	661	112	17%	5.4x	31.9x
RELX PLC	United Kingdom	35,588	42.9	79,951	87,407	179	10,557	3,335	7%	11,509	4,459	39%	7.6x	19.6x
Silverlake Axis Ltd.	Malaysia	2,321	0.2	485	415	104	152	42	6%	160	47	30%	2.6x	8.8x
Temenos AG	Switzerland	6,594	64.4	4,668	5,201	280	930	211	5%	1,018	398	39%	5.1x	13.1x
Worldline SA	France	18,402	10.1	2,867	6,003	1,904	4,610	838	3%	4,816	1,172	24%	1.2x	5.1x
Mean									**7%**			**30%**	**4.8x**	**18.7x**
Median									**7%**			**32%**	**5.0x**	**13.2x**

Abbreviations:
HQ: Headquarter; NTM: Next twelve months; EPS: Earnings per share; NTM multiples - EV/Estimates: EV as of 01 July 2024 divided by NTM estimates (mean of analysts)
EV: Enterprise Value = share price * outstanding shares + total debt + preferred stock + minority interest – cash & short-term investments

Sources: Capital IQ (as of 01 July 2024)

Public comps – Payments

Currency in EUR

Company Name	HQ	Employees	Share Price	Market Cap € mn	EV € mn	Cash € mn	LTM Sales	LTM EBITDA	Exp. 1Y Rev. Growth	NTM Sales	NTM EBITDA	NTM EBITDA margin	NTM Multiples EV/Sales	NTM Multiples EV/EBITDA
ACI Worldwide, Inc.	United States	3,212	35.6	3,757	4,588	170	1,371	307	8%	1,485	395	27%	3.1x	11.6x
AvidXchange Holdings, Inc.	United States	1,600	11.0	2,256	1,974	411	370	-2	18%	434	76	17%	4.6x	26.0x
BILL Holdings, Inc.	United States	2,521	46.4	4,849	4,308	1,659	1,152	-66	20%	1,297	209	16%	3.3x	20.6x
Block, Inc.	United States	12,985	59.4	36,764	35,865	5,903	21,210	478	15%	24,028	2,716	11%	1.5x	13.2x
Cielo S.A.	Brazil	6,477	1.0	2,593	3,568	201	1,958	605	3%	1,881	755	40%	1.9x	4.7x
Corpay, Inc.	United States	10,500	249.6	17,786	22,910	1,248	3,514	1,869	7%	3,846	2,088	54%	6.0x	11.0x
Deluxe Corporation	United States	5,170	20.5	901	2,405	22	2,022	365	(1%)	2,023	386	19%	1.2x	6.2x
Edenred SE	France	11,008	40.7	10,469	11,695	3,354	2,311	647	16%	2,986	1,290	43%	3.9x	9.1x
EVERTEC, Inc.	United States	5,000	31.5	2,034	2,795	272	686	191	22%	807	313	39%	3.5x	8.9x
Global Payments Inc.	United States	27,000	88.2	22,742	38,516	2,009	9,067	3,867	6%	8,781	4,420	50%	4.4x	8.7x
Joint Stock Company Kaspi.kz	Kazakhstan	0	125.0	24,181	23,289	1,389	4,285	3,363	14%	5,278	3,545	67%	4.4x	6.6x
Lianlian DigiTech Co., Ltd.	China	909	1.1	1,228	1,238	49	131	-43	0%	166	-30	(18%)	7.5x	NM
Marqeta, Inc.	United States	771	5.0	2,605	1,490	1,111	535	-217	(24%)	508	13	3%	2.9x	113.4x
Mastercard Incorporated	United States	33,400	417.8	393,751	400,797	7,097	23,819	14,601	11%	26,784	16,513	62%	15.0x	24.3x
Nuvei Corporation	Canada	2,202	30.2	4,266	5,331	122	1,176	223	16%	1,333	486	36%	4.0x	11.0x
OFX Group Limited	Australia	690	1.4	329	310	53	147	28	9%	156	43	28%	2.0x	7.2x
Paymentus Holdings, Inc.	United States	1,273	16.7	2,061	1,902	167	603	34	22%	720	75	10%	2.6x	25.5x
PayPal Holdings, Inc.	United States	27,200	54.4	57,061	54,570	13,271	28,206	5,245	8%	30,543	5,834	19%	1.8x	9.4x
StoneCo Ltd.	Cayman Islands	0	11.1	3,413	3,952	1,008	2,173	1,112	11%	2,351	1,274	54%	1.7x	3.1x
Visa Inc.	United States	28,800	252.4	512,599	516,814	16,409	31,645	22,192	10%	35,290	24,934	71%	14.6x	20.7x
WEX Inc.	United States	7,200	161.4	6,837	6,940	3,786	2,399	807	8%	2,622	1,189	45%	2.6x	5.8x
Worldline SA	France	18,402	10.3	2,845	5,982	1,904	4,610	838	3%	4,816	1,172	24%	1.2x	5.1x
Mean									**9%**			**33%**	**4.3x**	**16.8x**
Median									**10%**			**32%**	**3.2x**	**9.4x**

Abbreviations:

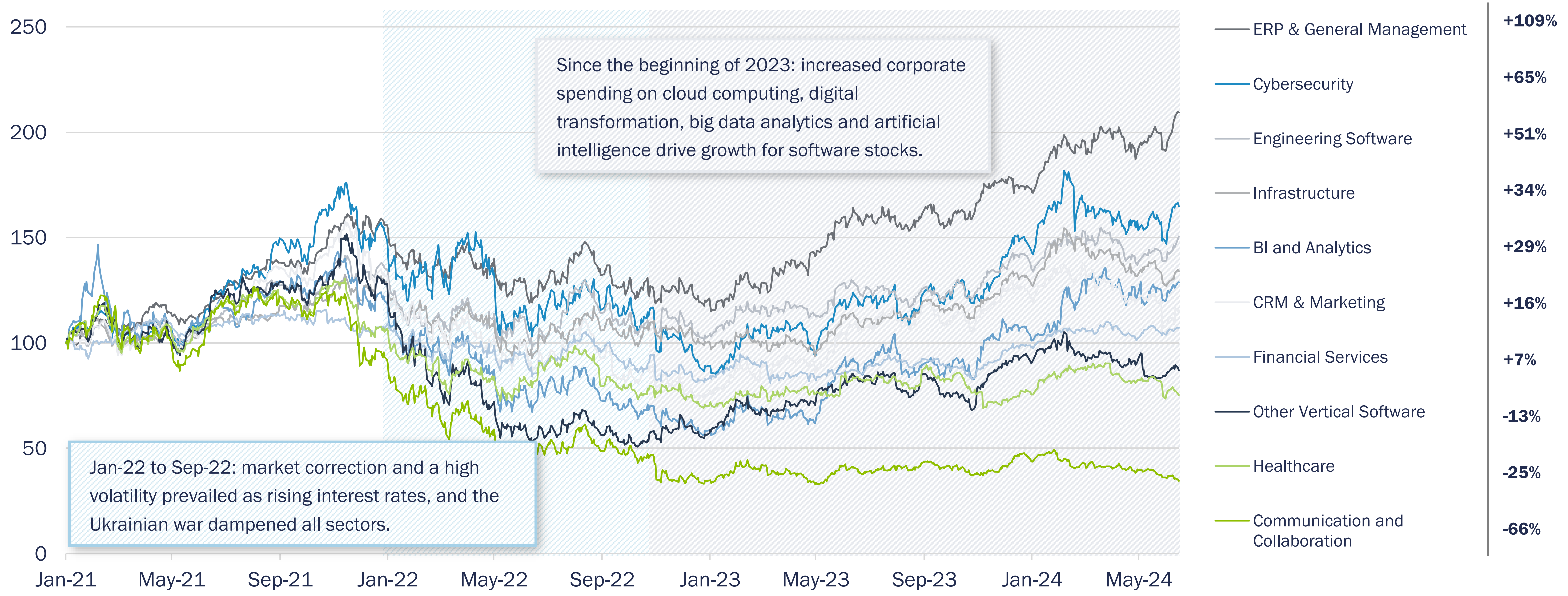
HQ: Headquarter; NTM: Next twelve months; EPS: Earnings per share; NTM multiples - EV/Estimates: EV as of 01 July 2024 divided by NTM estimates (mean of analysts)

EV: Enterprise Value = share price * outstanding shares + total debt + preferred stock + minority interest – cash & short-term investments

Sources: Capital IQ (as of 01 July 2024)

Major performance differences between software sub-segments ranging from -66% to +109%

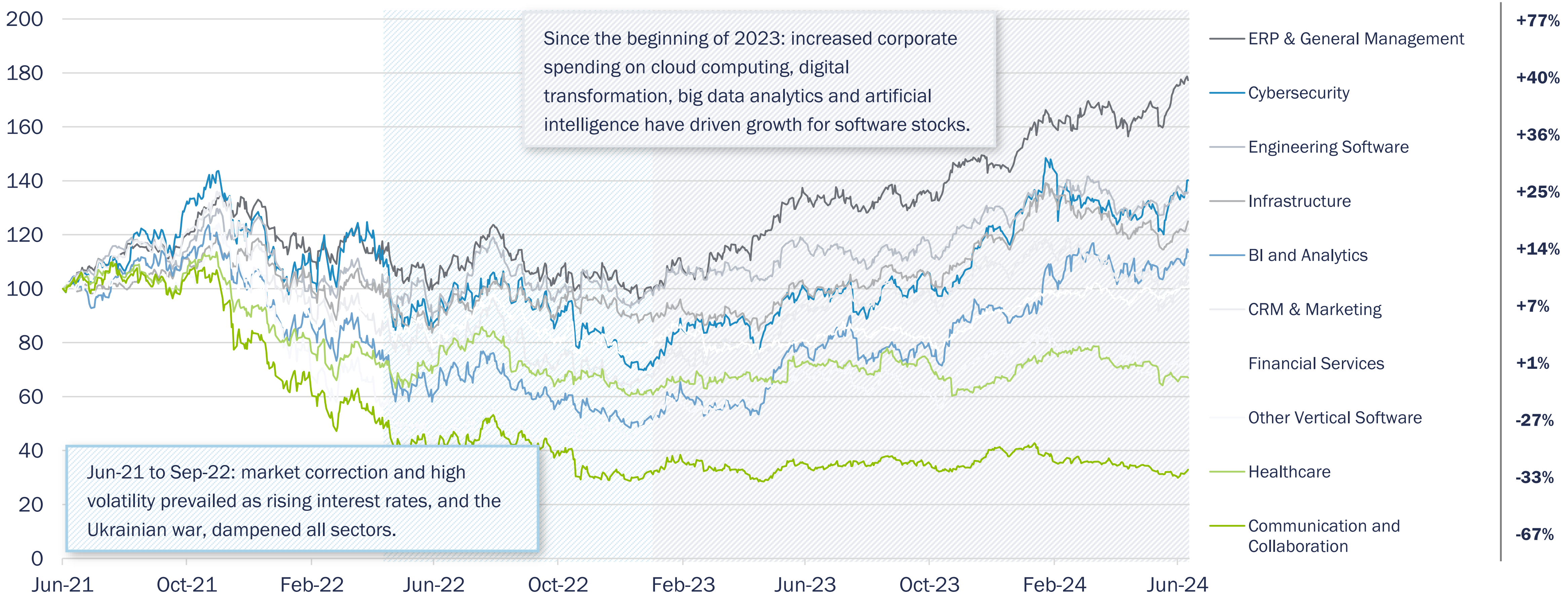
Stock market performance by sub-sector since January 2021



Sources: Capital IQ (as of 26 June 2023) old

Major performance differences between software sub-segments ranging from -67% to +77%

Stock market performance by sub-sector since June 2021



Sources: Capital IQ (as of 01 July 2024)

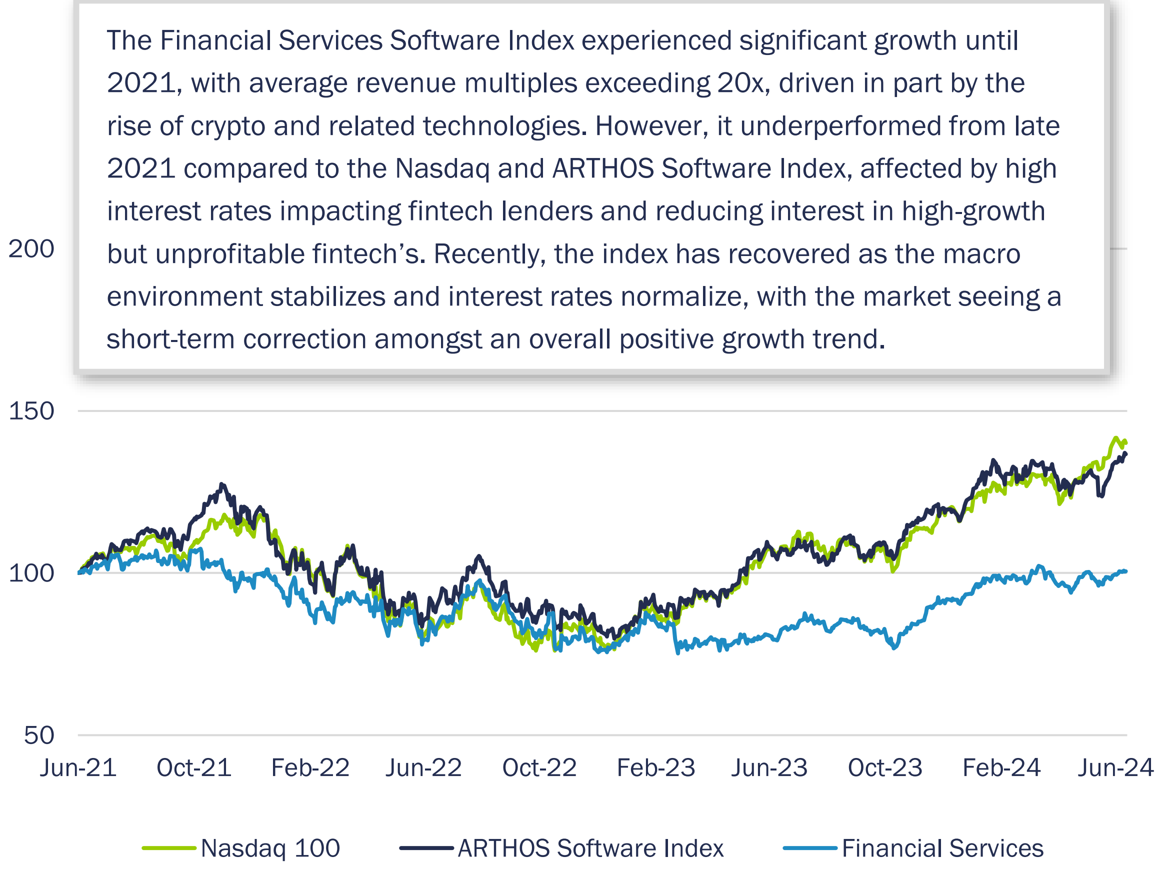
Sub-sector analysis: Financial Services Software

ARTHOS Financial Services Software peers

Currency in EUR		LTM			NTM Multiples	
Company Name	EV € mn	Sales	Exp. 1Y Rev. Growth	NTM EBITDA margin	EV/Sales	EV/EBITDA
ACI Worldwide, Inc.	4,621	1,371	8%	27%	3.1x	11.7x
Broadridge Financial Solutions, Inc.	25,251	5,934	8%	25%	4.0x	16.3x
Envestnet, Inc.	4,095	1,179	10%	23%	3.1x	13.7x
Fair Isaac Corporation	35,920	1,487	13%	55%	21.0x	38.2x
Fidelity National Information Services,	46,206	9,168	3%	41%	4.8x	11.9x
Fiserv, Inc.	103,997	18,009	7%	47%	5.7x	12.1x
Guidewire Software, Inc.	10,279	897	7%	15%	10.4x	67.4x
Iress Limited	1,136	386	8%	23%	2.9x	13.0x
Jack Henry & Associates, Inc.	11,619	2,030	7%	32%	5.3x	16.9x
MSCI Inc.	39,903	2,425	12%	59%	14.8x	24.9x
nCino, Inc.	3,372	459	14%	18%	6.4x	35.1x
Q2 Holdings, Inc.	3,592	591	10%	17%	5.4x	31.9x
Sapiens International Corporation	1,648	486	8%	19%	3.1x	16.2x
Shift4 Payments, Inc.	5,741	2,526	42%	18%	1.6x	8.8x
SS&C Technologies Holdings, Inc.	20,399	5,168	5%	39%	3.7x	9.5x
Temenos AG	5,201	930	5%	23%	5.1x	13.1x
Upstart Holdings, Inc.	2,772	535	5%	(22%)	5.2x	NM
Mean			**10%**	**27%**	**6.2x**	**21.3x**
Median			**8%**	**23%**	**5.1x**	**14.9x**

Stock performance comparison

The Financial Services Software Index experienced significant growth until 2021, with average revenue multiples exceeding 20x, driven in part by the rise of crypto and related technologies. However, it underperformed from late 2021 compared to the Nasdaq and ARTHOS Software Index, affected by high interest rates impacting fintech lenders and reducing interest in high-growth but unprofitable fintech's. Recently, the index has recovered as the macro environment stabilizes and interest rates normalize, with the market seeing a short-term correction amongst an overall positive growth trend.



Sources: Capital IQ (as of 01 July 2024)

Sub-sector spotlight: BankTech

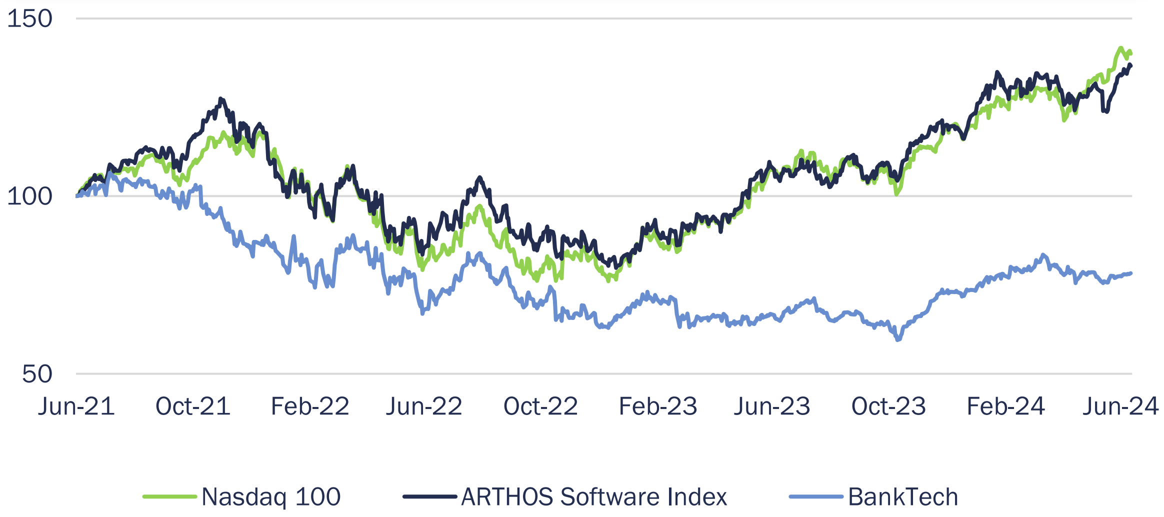
ARTHOS BankTech peers

Currency in EUR		LTM			NTM Multiples	
Company Name	EV € mn	Sales	Exp. 1Y Rev. Growth	NTM EBITDA margin	EV/Sales	EV/EBITDA
Alfa Financial Software Holdings PLC	629	118	6%	31%	4.9x	15.7x
Alkami Technology, Inc.	2,460	260	25%	9%	7.5x	87.9x
Asseco Poland S.A.	2,307	3,914	11%	15%	0.5x	3.5x
Block, Inc.	35,838	21,210	15%	11%	1.5x	13.2x
EVERTEC, Inc.	2,758	686	22%	39%	3.4x	8.8x
Fidelity National Information Services,	46,206	9,168	3%	41%	4.8x	11.9x
Fiserv, Inc.	103,997	18,009	7%	47%	5.7x	12.1x
Global Payments Inc.	38,345	9,067	6%	50%	4.4x	8.7x
Intellect Design Arena Limited	1,612	279	6%	23%	5.4x	23.5x
Intrum AB (publ)	5,556	1,766	(7%)	54%	3.2x	6.0x
Jack Henry & Associates, Inc.	11,619	2,030	7%	32%	5.3x	16.9x
MeridianLink, Inc.	1,878	282	4%	40%	6.3x	15.7x
nCino, Inc.	3,372	459	14%	18%	6.4x	35.1x
Nuvei Corporation	5,311	1,176	16%	36%	4.0x	11.0x
OneConnect Financial Technology Co.,	-158	449	(24%)	(1%)	NM	NM
Oracle Financial Services Software Lin	8,975	709	11%	45%	11.4x	25.4x
Q2 Holdings, Inc.	3,592	591	10%	17%	5.4x	31.9x
RELX PLC	87,407	10,557	7%	39%	7.6x	19.6x
Silverlake Axis Ltd.	415	152	6%	30%	2.6x	8.8x
Temenos AG	5,201	930	5%	39%	5.1x	13.1x
Worldline SA	6,003	4,610	3%	24%	1.2x	5.1x
Mean			**7%**	**30%**	**4.8x**	**18.7x**
Median			**7%**	**32%**	**5.0x**	**13.2x**

Sources: Capital IQ (as of 30 June 2024)

Stock performance comparison

After peaking in November 2021, the ARTHOS BankTech Index shows signs of recovery throughout the first quarter of 2024. BankTech companies are still trading below the overall software stock market. This underperformance is fueled by a mix of factors including a stringent regulatory environment, macroeconomic downturns in the aftermath of the pandemic and lastly the interest rate sensitivity of BankTech companies. Another important factor is the generally lower appetite of investors for BankTech after a period of exuberant growth before the pandemic.



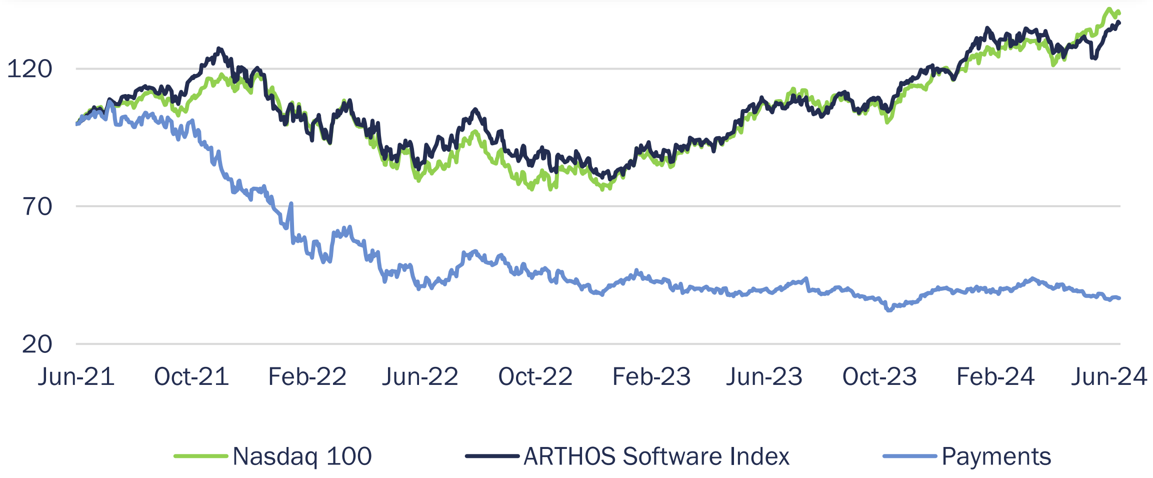
Sub-sector analysis: Payment Software

ARTHOS Payments Softwarepeers

Currency in EUR		LTM			NTM Multiples	
Company Name	EV € mn	Sales	Exp. 1Y Rev. Growth	NTM EBITDA margin	EV/Sales	EV/EBITDA
ACI Worldwide, Inc.	4,621	1,371	8%	27%	3.1x	11.7x
AvidXchange Holdings, Inc.	2,010	370	18%	17%	4.6x	26.5x
BILL Holdings, Inc.	4,402	1,152	20%	16%	3.4x	21.1x
Block, Inc.	35,838	21,210	15%	11%	1.5x	13.2x
Cielo S.A.	3,542	1,958	3%	40%	1.9x	4.7x
Corpay, Inc.	22,784	3,514	7%	54%	5.9x	10.9x
Deluxe Corporation	2,399	2,022	(1%)	19%	1.2x	6.2x
Edenred SE	11,264	2,311	16%	43%	3.8x	8.7x
EVERTEC, Inc.	2,758	686	22%	39%	3.4x	8.8x
Global Payments Inc.	38,345	9,067	6%	50%	4.4x	8.7x
Joint Stock Company Kaspi.kz	22,588	4,285	14%	67%	4.3x	6.4x
Lianlian DigiTech Co., Ltd.	1,226	131	0%	(18%)	7.4x	NM
Marqeta, Inc.	1,496	535	(24%)	3%	3.0x	114.2x
Nuvei Corporation	5,311	1,176	16%	36%	4.0x	11.0x
OFX Group Limited	312	147	9%	28%	2.0x	7.2x
Paymentus Holdings, Inc.	1,971	603	22%	10%	2.7x	26.5x
PayPal Holdings, Inc.	54,549	28,206	8%	19%	1.8x	9.4x
StoneCo Ltd.	4,021	2,173	11%	54%	1.7x	3.2x
WEX Inc.	6,930	2,399	8%	45%	2.6x	5.8x
Worldline SA	6,039	4,610	3%	24%	1.3x	5.2x
Mean			**9%**	**29%**	**3.2x**	**16.3x**
Median			**8%**	**27%**	**3.0x**	**8.8x**

Stock performance comparison

The Covid-19 pandemic drove an unprecedented surge in digital payments, boosting the Payments SoftwareIndex significantly. However, momentum slowed in H2 2021, causing the Payments SoftwareIndex to underperform compared to the Nasdaq and ARTHOS Software Index. This marked the end of a period where Payments Softwarecompanies consistently outperformed the broader market, leading to a valuation reset in 2022. Despite this short-term correction, the future is bright. Demand for digital payments is expected to soar, especially fueled by explosive demand for Payments Softwarein Asia.



Sources: Capital IQ (as of 30 June 2024)

Case Study N2Go: Merger with SendinBlue to become the new European market leader

Company and mandate

Industry sector
SME marketing software

Our client
Newsletter2Go: market-leading all-in-one email marketing software platform in Germany

Initial M&A situation
Search for a strategic partner for joint international expansion

Our solution

Buyer
SendinBlue: French market leader in email marketing platform with offices in Paris, New Delhi and Seattle

Structured M&A process
31 strategic investors, 6 indicative offers, 3 management meetings, 2 LOIs, short exclusivity phase with SIB

Timeframe
6 months from kick-off to closing

Result

- N2Go becomes an integral part of the leading European email marketing platform
- Excellent deal terms: High cash component with attractive share package for long-term upside