



Payments Market Update

FALL 2020

Payments Market Update—Fall 2020

Houlihan Lokey is pleased to present its Payments Market Update for the fall of 2020.



Rob Freiman
Director, Fintech
RFreiman@HL.com
212.497.7859

Dear Clients and Friends,

We are pleased to present our Payments Market Update for the fall of 2020. We hope that you and your families remain safe and healthy. We have continued adapting to this fluid market and are busy helping our clients navigate M&A, financing, and other strategic alternatives. Please reach out to any of us if you would like to connect or brainstorm regarding any current needs or sector topics.

We have included industry insights, select recent transaction announcements, and a public markets overview (including some new additions, such as Nuvei and Shift4, with Billtrust coming soon) to help you stay ahead in our dynamic industry. We hope you find this update to be informative and that it serves as a valuable resource to you in staying abreast of the market. We look forward to staying in touch.

Cheers,

Additional Houlihan Lokey Fintech Contacts

Corporate Finance

Mark Fisher
Managing Director
MFisher@HL.com

Tim Shortland
Managing Director
TShortland@HL.com

David Sola
Managing Director
DSola@HL.com

Financial and Valuation Advisory

Andrew Stull
Managing Director
ASTull@HL.com

Oscar Aarts
Director
OAarts@HL.com

Kegan Greene
Director
KGreene@HL.com

Chris Pedone
Director
CPedone@HL.com

Reggie Graham
Senior Vice President
RGraham@HL.com

Payments Subsectors Covered:

B2B PAYMENTS BLOCKCHAIN CREDIT CARDS DEBIT CARDS DISBURSEMENTS FOREIGN EXCHANGE FRAUD PROTECTION INTEGRATED PAYMENTS
ISSUER PROCESSING LOAN PROCESSING LOYALTY/REWARDS MERCHANT ACQUIRING MOBILE PAYMENTS MONEY TRANSFER NETWORKS
P2P PAYMENTS PAYMENT FACILITATORS POS HARDWARE POS SOFTWARE/ISVs PREPAID UNATTENDED/KIOSKS/ATMS VERTICAL PAYMENTS

Payments M&A Market Insights and Observations

With deal activity on the rise and balance sheets recovering amid increased global payment volumes, the industry is poised for another historic year, and perhaps the return of large-scale consolidation.

Following the megamergers of 2019 (i.e., Fiserv/First Data, FIS/Worldpay, and Global Payments/TSYS), with the industry focused more on differentiated solutions (and delevering) than simply increasing scale, three of the key themes that have flourished are the integration of payments with vertical software, the prioritization of e-commerce capabilities, and the digitization of B2B payments. The global pandemic has bolstered interest in these areas, which we expect to remain center stage going into 2021. Below summarizes recent deal activity within these trending areas:

① **Integration of payments with vertical software:** While payments volume monetization strategies differ across the board (e.g., wholesale ISO, retail ISO, payment facilitator, referral models) depending on risk tolerance and willingness to invest in payments infrastructure, the thesis of integrating payments with vertical-specific software solutions is alive and well.



- Lightspeed acquires Upserve (12/1/20).
- Billhighway acquires Impexium (11/19/20).
- Clearent acquires Wintac (9/22/20).
- Paya acquires The Payment Group (TPG) (9/21/20).
- North American Bancard (NAB) acquires Salido (9/10/20).
- MRI Software acquires RentPayment from Priority (9/1/20).
- SpotOn acquires SeatNinja (8/11/20).
- Touchbistro acquires TableUp (8/5/20).

② **Prioritization of e-commerce capabilities:** The pandemic exposed a “tale of two channels,” and those that were not diversified with e-commerce capabilities will be clamoring for it (if they survive). For those already deep in the category, the arms race continues.



- Shift4 acquires 3dCart (11/5/20).
- Alliance Data acquires Bread (10/29/20).
- Stripe acquires Pystack (10/15/20).
- Verifone acquires 2Checkout (9/8/20).
- Fortis acquires Blue Dog Business Services (8/11/20).

③ **Digitization of B2B payments:** If the evolution of consumer payments is still in the “early innings” with new technologies, payment methods, and form factors emerging at a rapid pace, then B2B is still in batting practice. The landscape is fragmented, and adoption levels are low, even among the largest enterprises. With room for multiple “winners,” interest is fierce.



- TrueCommerce acquires B2BGateway (11/16/20).
- REPAY acquires CPS Payment Services (10/27/20).
- Versapay acquires Solupay (10/20/20).
- South Mountain Merger Corp. (SPAC) acquires Billtrust (10/19/20).
- Fleetcor acquires Associated Foreign Exchange (AFEX) (9/17/20).

Selected Recent Transactions

Announced Date	Acquirer	Target	Enterprise Value (\$M)	EV / Revenue		EV / EBITDA	
				LTM	NTM	LTM	NTM
12/2/20	Affirm	Paybright	\$262	NA	NA	NA	NA
12/1/20	Nuvei	Base Commerce	NA	NA	NA	NA	NA
11/30/20	Lightspeed POS	Upserve	\$430	10.8x	NA	NA	NA
11/30/20	Greater Sum Ventures	Fattmerchant	NA	NA	NA	NA	NA
11/24/20	Square	Credit Karma's tax prep business	\$50	NA	NA	NA	NA
11/18/20	Payroc	Bluestone Payments	NA	NA	NA	NA	NA
11/18/20	Billhighway	Impexium	NA	NA	NA	NA	NA
11/16/20	TrueCommerce	B2BGateway	NA	NA	NA	NA	NA
11/4/20	Lightspeed POS	Shopkeep	\$440	8.8x	NA	NA	NA
11/4/20	Shift4	3dCart	\$60	NA	NA	NA	NA
10/28/20	Alliance Data	Bread	\$450	NA	NA	NA	NA
10/27/20	Celero Commerce	TransNational Payments	NA	NA	NA	NA	NA
10/26/20	Visa	YellowPepper	NA	NA	NA	NA	NA
10/26/20	REPAY	CPS Payment Services	\$78	NA	NA	NA	NA
10/21/20	Syncapay	Wirecard North America (North Lane Tech.)	NA	NA	NA	NA	NA
10/19/20	Versapay	Solupay	NA	NA	NA	NA	NA
10/18/20	South Mountain Merger Corp. (SPAC)	Billtrust	\$1,300	NA	NA	NA	NA
10/14/20	Stripe	Paystack	NA	NA	NA	NA	NA
10/1/20	BlackLine	Rimilia	\$150 ⁽¹⁾	NA	NA	NA	NA
9/22/20	Clearent	Wintac	NA	NA	NA	NA	NA
9/20/20	Paya	The Payment Group (TPG)	\$21	NA	NA	NA	NA
9/17/20	Fleetcor	Associated Foreign Exchange	NA	NA	NA	NA	NA
9/14/20	Payroc	eConduit (Blackline Partners)	\$31	NA	NA	NA	NA
9/10/20	North American Bancard (NAB)	Salido	NA	NA	NA	NA	NA
9/8/20	Verifone	2Checkout	NA	NA	NA	NA	NA
9/1/20	Cornerstone Brands	FXPress Payments	NA	NA	NA	NA	NA

(1) Includes \$30 million in earnouts.

Source: Mergermarket

Selected Recent Transactions (cont.)

Announced Date	Acquirer	Target	Enterprise Value (\$M)	EV / Revenue		EV / EBITDA	
				LTM	NTM	LTM	NTM
9/1/20	MRI Software	Priority's RentPayment Business	\$180	NA	NA	NA	NA
8/25/20	Mastercard	IfOnly	NA	NA	NA	NA	NA
8/25/20	WorldRemit	Sendwave	\$500	NA	NA	NA	NA
8/17/20	American Express	Kabbage	NA	NA	NA	NA	NA
8/12/20	AKKR	Recurly	NA	NA	NA	NA	NA
8/11/20	Fortis Payment Systems	Blue Dog Business Services	NA	NA	NA	NA	NA
8/11/20	SpotOn	SeatNinja	NA	NA	NA	NA	NA
8/10/20	Payroc	Strategic Payment Systems (SPS)	NA	NA	NA	NA	NA
8/4/20	Touchbistro	TableUp	NA	NA	NA	NA	NA
8/3/20	FinTech III (SPAC)	Paya	\$1,300	NA	NA	NA	NA
7/31/20	Apple	Mobeewave	\$100	NA	NA	NA	NA
7/30/20	Corsair Capital	World Fuel Services payments solutions	NA	NA	NA	NA	NA
7/27/20	Paysafe	Openbucks	NA	NA	NA	NA	NA
7/23/20	REPAY	cPayPlus	NA	NA	NA	NA	NA
7/23/20	NewOak	FutureFinance	NA	NA	NA	NA	NA
7/10/20	Square	Stitch Labs	NA	NA	NA	NA	NA
6/22/20	Mastercard	Finicity	\$825	NA	NA	NA	NA
6/17/20	Planet (Eurazeo Capital)	3C Payment	NA	NA	NA	NA	NA
6/14/20	Square, Inc.	Verse	NA	NA	NA	NA	NA
5/29/20	Goldfinch	Vesta	\$156	NA	NA	NA	NA
4/29/20	Santander	eBury	\$452	NA	NA	NA	NA
4/29/20	Euronet Worldwide	Dolphin Debit	NA	NA	NA	NA	NA
4/23/20	Worldline	GoPay	NA	NA	NA	NA	NA
4/23/20	Augeo	Empyr	NA	NA	NA	NA	NA
4/23/20	Payroc	Gateway Payments	NA	NA	NA	NA	NA
4/8/20	Blackhawk Network Holdings, Inc.	SVM, LP	NA	NA	NA	NA	NA

Selected Recent Transactions (cont.)

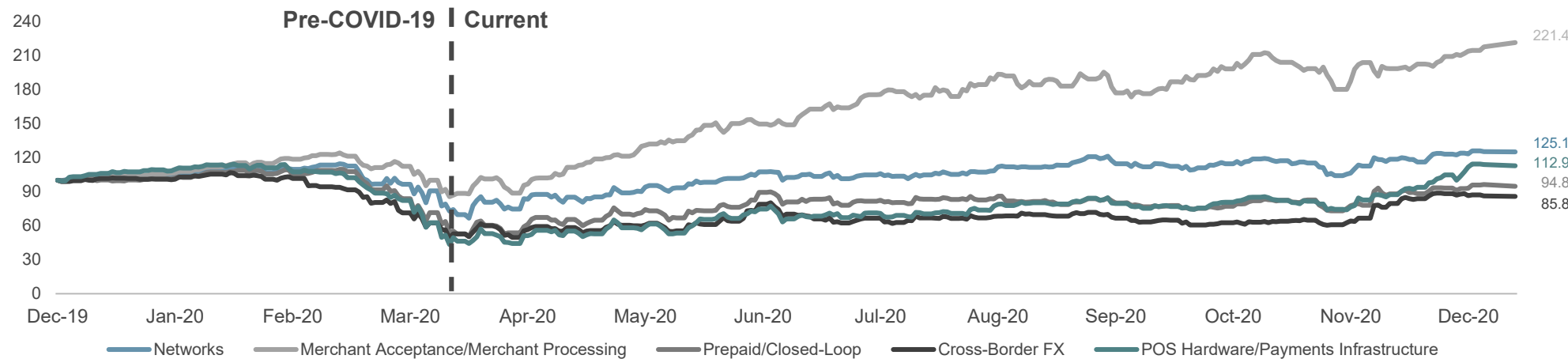
Announced Date	Acquirer	Target	Enterprise Value (\$M)	EV / Revenue		EV / EBITDA	
				LTM	NTM	LTM	NTM
4/7/20	Celero Commerce	Flashbanc	NA	NA	NA	NA	NA
4/7/20	SoFi, Inc.	Galileo Financial Technologies Inc.	\$1,200	NA	NA	NA	NA
4/2/20	VizyPay	Echo Daily	NA	NA	NA	NA	NA
3/24/20	Brex	Neji	NA	NA	NA	NA	NA
3/24/20	Brex	Compose Labs	NA	NA	NA	NA	NA
3/24/20	Brex	Landria	NA	NA	NA	NA	NA
3/18/20	Fiserv, Inc.	Bypass Mobile, LLC	NA	NA	NA	NA	NA
3/12/20	Accuity	Apply Financial	NA	NA	NA	NA	NA
3/11/20	Nets	Polskie ePłatności (PeP)	\$458	NA	NA	NA	NA
3/6/20	InterPayments	SurchX	NA	NA	NA	NA	NA
3/3/20	RevSpring, Inc.	Loyale Healthcare	NA	NA	NA	NA	NA
3/3/20	Fiserv, Inc.	MerchantPro Express LLC	NA	NA	NA	NA	NA
2/25/20	Checkout.com	ProcessOut	NA	NA	NA	NA	NA
2/18/20 ⁽¹⁾	Ally Financial	CardWorks	\$2,650	NA	NA	NA	NA
2/13/20	Flywire	Simplee	NA	NA	NA	NA	NA
2/10/20	REPAY	Ventanex	\$50	4.2x	NA	11.8x	NA
2/3/20	Worldline	Ingenico	\$10,480	2.8x	NA	15.6x	NA
1/24/20 ⁽¹⁾	WEX	eNett	\$1,700	NA	NA	NA	NA
1/16/20	Far Point Acquisition Corporation	Global Blue	\$2,436	5.1x	NA	12.0x	NA
1/13/20	Visa	Plaid	\$5,300	NA	NA	NA	NA
1/7/20	Lightspeed POS	Gastrofix	NA	NA	NA	NA	NA
12/24/19	Mastercard	RiskRecon	NA	NA	NA	NA	NA
12/23/19	NCR	Zynstra	\$129	NA	NA	NA	NA
Mean			\$1,155	6.3x	NA	13.1x	NA
Median			\$440	5.1x	NA	12.0x	NA

(1) Terminated.
Source: Mergermarket

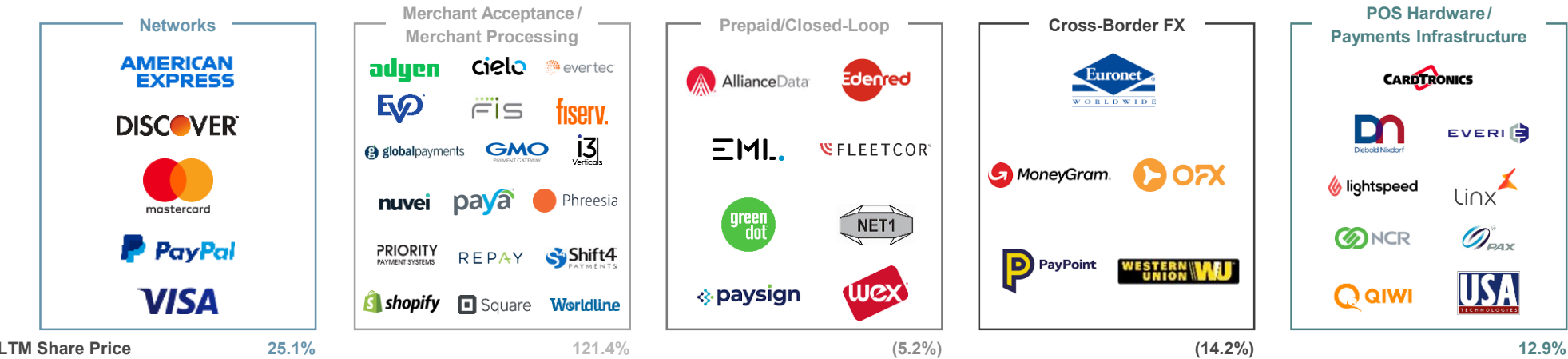
Mixed Payments Public Company Performance

Merchant acceptance and merchant processing lead the payments pack, having increased 121.4% over the past year.

LTM Share Price Performance



Public Payments Ecosystem

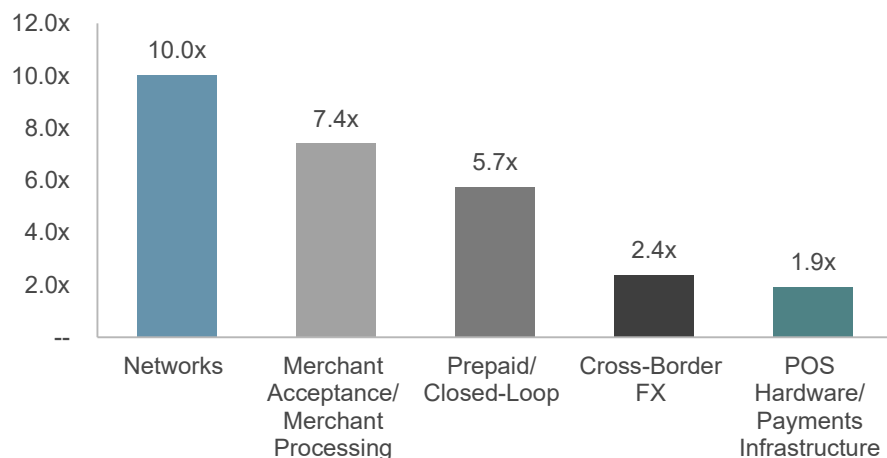


Source: Trading multiples are based on share price, other market data, and broker consensus future earnings estimates from S&P Capital IQ as of December 15, 2020.

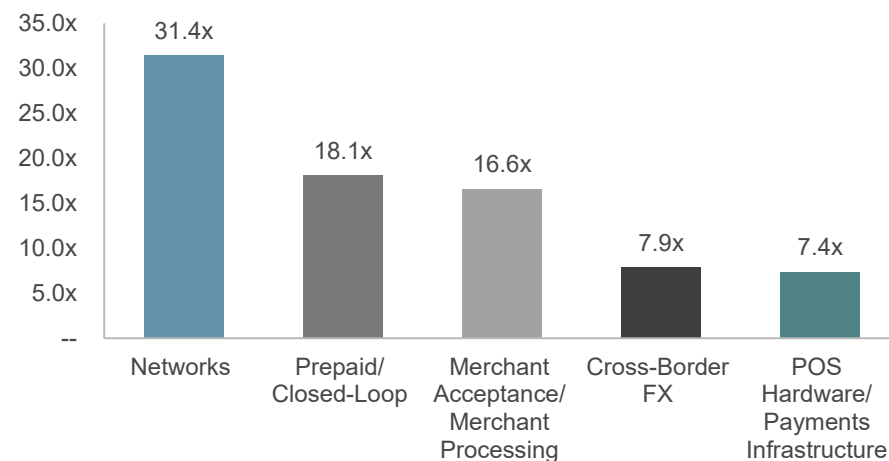
Valuation Metrics Vary by Business Model

Networks and prepaid/closed-loop companies lead the public company pack, trading at 31.4x and 18.1x EV/2021E EBITDA, respectively.

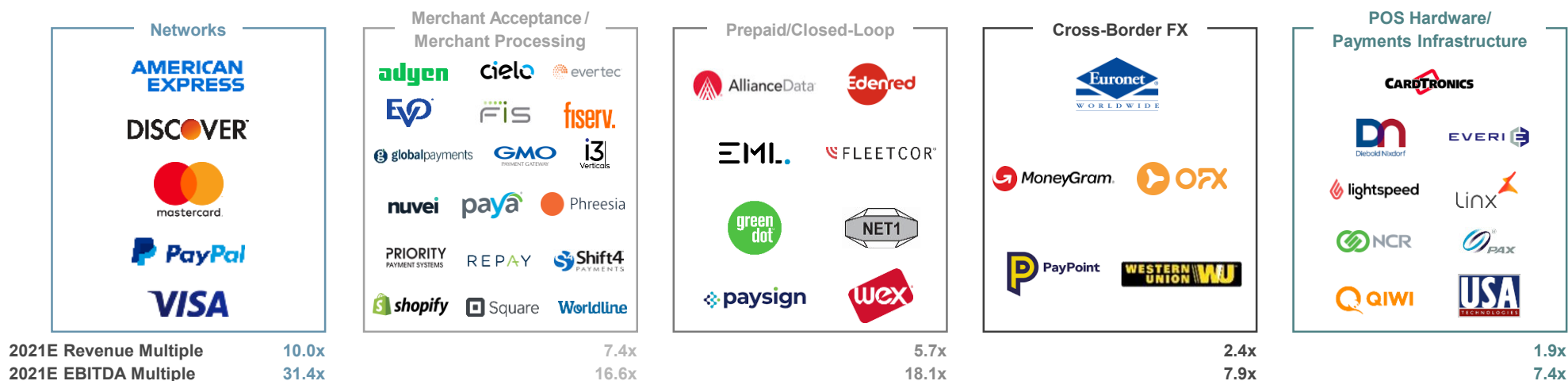
Enterprise Value/2021E Revenue



Enterprise Value/2021E EBITDA



Public Payments Ecosystem



Note: Growth and multiples shown are median values for each comp group.

Source: Trading multiples are based on share price, other market data, and broker consensus future earnings estimates from S&P Capital IQ as of December 15, 2020.

Selected Public Company Valuation Metrics

Company Name		Market Cap USDm	EV USDm	Net Debt/ 2020 EBITDA	EV/Revenue			EV/EBITDA			P/E			2020E–2022E CAGR		EBITDA Margin		
					2020	2021	2022	2020	2021	2022	2020	2021	2022	Revenue	EBITDA	2020	2021	2022
Networks	American Express	\$95,900	\$109,349	nm	3.0x	2.7x	2.5x	na	na	na	35.6x	18.0x	14.0x	10.6%	na	--	--	--
	Discover	26,163	49,193	nm	4.4x	4.3x	4.0x	na	na	na	27.6x	11.5x	8.9x	4.8%	na	--	--	--
	MasterCard	332,624	334,658	0.2x	22.0x	18.6x	16.0x	39.1x	31.4x	26.2x	nm	41.1x	33.6x	17.2%	22.1%	56.3%	59.2%	61.1%
	PayPal	259,647	255,197	(0.7x)	11.9x	10.0x	8.4x	41.5x	35.0x	28.7x	nm	48.4x	39.1x	19.0%	20.3%	28.7%	28.7%	29.4%
	Visa	486,995	491,594	0.3x	22.2x	20.4x	17.5x	32.5x	29.5x	24.7x	43.9x	39.1x	32.3x	12.4%	14.6%	68.3%	69.1%	70.9%
Mean				(0.1x)	12.7x	11.2x	9.7x	37.7x	32.0x	26.5x	35.7x	31.6x	25.6x	12.8%	19.0%	30.6%	31.4%	32.3%
Median				0.2x	11.9x	10.0x	8.4x	39.1x	31.4x	26.2x	35.6x	39.1x	32.3x	12.4%	20.3%	28.7%	28.7%	29.4%
Merchant Acceptance/ Merchant Processing	Adyen	\$68,529	\$66,146	(6.4x)	nm	nm	41.1x	nm	nm	nm	nm	nm	nm	40.0%	45.0%	55.6%	57.8%	59.6%
	Cielo	2,001	3,308	0.3x	1.5x	1.3x	1.3x	9.1x	7.4x	7.0x	22.7x	11.6x	10.4x	7.4%	14.5%	16.2%	18.1%	18.4%
	Evertec	2,889	3,302	1.7x	6.5x	6.2x	5.8x	14.1x	13.3x	12.4x	19.9x	17.4x	15.9x	5.7%	6.7%	46.3%	46.4%	47.2%
	Evo Payments	1,192	2,183	1.8x	4.9x	4.3x	3.9x	15.0x	12.4x	10.8x	21.1x	15.4x	12.5x	12.5%	17.7%	32.5%	34.7%	35.6%
	FIS Global	90,030	108,043	3.4x	8.5x	7.9x	7.3x	20.4x	17.5x	15.6x	26.3x	21.7x	19.1x	8.3%	14.3%	41.9%	45.1%	46.7%
	Fiserv	76,886	98,205	3.7x	6.6x	6.2x	5.8x	17.9x	15.6x	14.3x	25.6x	21.3x	18.6x	6.5%	12.1%	36.9%	39.8%	40.9%
	Global Payments	57,943	65,725	2.5x	9.7x	8.6x	7.9x	21.5x	18.1x	16.2x	30.2x	24.3x	21.1x	11.0%	15.2%	45.0%	47.5%	48.4%
	GMO Payment Gateway	9,882	9,259	(0.0x)	27.5x	22.5x	18.4x	nm	nm	nm	nm	na	na	22.2%	21.9%	36.0%	35.9%	35.8%
	i3 Verticals	560	720	1.5x	4.6x	3.9x	3.5x	25.7x	14.1x	12.0x	nm	17.1x	19.3x	14.5%	46.3%	17.8%	27.7%	29.1%
	Nuvei	7,102	7,119	0.1x	19.7x	15.6x	13.2x	47.3x	39.0x	32.7x	nm	nm	nm	22.3%	20.3%	41.7%	40.0%	40.4%
	Paya	1,570	1,760	3.6x	8.6x	7.4x	6.4x	33.2x	26.7x	21.7x	nm	nm	36.6x	15.6%	23.6%	25.9%	27.7%	29.6%
	Phreesia	2,475	2,253	(47.7x)	15.6x	12.7x	10.5x	nm	nm	nm	na	na	na	21.9%	118.5%	2.6%	4.2%	8.3%
	Priority Payments	393	758	3.1x	1.9x	1.4x	na	6.4x	8.0x	na	na	na	na	nm	nm	28.8%	17.9%	na
	REPAY	1,756	1,874	1.2x	12.3x	9.9x	8.6x	29.1x	23.0x	19.4x	44.8x	32.9x	29.2x	19.3%	22.3%	42.3%	43.2%	44.5%
	Shift4	2,835	3,193	1.2x	4.1x	3.0x	2.3x	35.1x	20.6x	15.4x	na	nm	37.9x	33.1%	50.9%	11.6%	14.4%	14.9%
	Shopify	131,761	126,543	(12.3x)	44.4x	33.7x	24.9x	nm	nm	nm	nm	nm	nm	33.5%	28.0%	14.9%	13.3%	13.7%
	Square	99,202	98,989	(0.5x)	10.6x	7.9x	6.7x	nm	nm	nm	nm	nm	nm	25.9%	57.4%	4.6%	5.2%	7.2%
	Worldline	25,654	26,477	1.3x	7.8x	4.1x	3.8x	34.8x	16.6x	14.0x	nm	32.7x	27.5x	42.8%	57.5%	22.3%	24.8%	27.2%
Mean				(2.3x)	11.5x	9.2x	10.1x	23.8x	17.9x	16.0x	27.2x	21.6x	22.6x	20.1%	33.7%	29.0%	30.2%	32.2%
Median				1.3x	8.5x	7.4x	6.7x	21.5x	16.6x	14.8x	25.6x	21.3x	19.3x	19.3%	22.3%	30.7%	31.2%	35.6%
Prepaid/ Closed-Loop	Alliance Data Systems	\$3,575	\$18,090	14.6x	4.0x	4.1x	3.9x	18.2x	15.5x	12.7x	8.7x	6.2x	5.0x	1.9%	19.9%	22.2%	26.5%	30.7%
	EdenRed	13,848	16,015	3.6x	9.0x	8.2x	7.4x	22.9x	20.0x	17.8x	42.2x	35.0x	30.3x	10.3%	13.5%	39.3%	41.0%	41.7%
	EML Payments	1,153	1,098	(1.0x)	9.7x	7.4x	6.2x	43.2x	22.9x	17.4x	nm	36.3x	26.7x	24.7%	57.4%	22.5%	32.2%	35.8%
	Fleetcor	23,014	26,718	3.1x	11.2x	10.0x	9.0x	22.1x	18.1x	16.1x	24.3x	21.1x	18.5x	11.5%	17.0%	50.9%	55.4%	56.1%
	GreenDot	3,003	894	(10.6x)	0.8x	0.7x	0.7x	4.5x	3.9x	3.3x	27.9x	24.3x	19.9x	6.2%	16.5%	16.8%	18.7%	20.2%
	Net 1 UEPS	200	2	9.8x	0.0x	0.0x	0.0x	na	na	0.5x	na	na	nm	(26.9%)	na	nm	nm	6.4%
	Paysign	256	253	0.8x	10.4x	5.3x	5.0x	na	22.9x	21.2x	na	33.1x	31.5x	44.4%	na	nm	23.1%	23.5%
	WEX	9,017	10,671	2.8x	6.9x	6.2x	5.5x	19.6x	14.6x	12.7x	33.7x	25.3x	20.6x	11.9%	24.0%	35.2%	42.2%	43.3%
Mean				2.9x	6.5x	5.2x	4.7x	21.7x	16.8x	12.7x	27.3x	25.9x	21.8x	10.5%	24.7%	31.1%	34.1%	32.2%
Median				2.9x	8.0x	5.7x	5.3x	20.8x	18.1x	14.4x	27.9x	25.3x	20.6x	10.9%	18.5%	28.9%	32.2%	33.2%

Source: Trading multiples are based on share price, other market data, and broker consensus future earnings estimates from S&P Capital IQ as of December 15, 2020.

Selected Public Company Valuation Metrics (cont.)

Company Name		Market Cap USDm	EV USDm	Net Debt/ 2020 EBITDA	EV/Revenue			EV/EBITDA			P/E			2020E–2022E CAGR		EBITDA Margin		
					2020	2021	2022	2020	2021	2022	2020	2021	2022	Revenue	EBITDA	2020	2021	2022
Cross-Border FX	Euronet Worldwide	\$7,226	\$7,106	(0.4x)	2.9x	2.5x	2.3x	24.7x	13.3x	10.2x	nm	23.7x	17.2x	13.9%	55.6%	11.8%	18.8%	22.1%
	Finabl	6	(390)	nm	na	na	na	na	na	na	na	na	na	na	na	na	na	na
	MoneyGram	468	1,161	2.9x	1.0x	0.9x	0.9x	4.8x	4.7x	4.3x	22.7x	13.0x	9.5x	5.3%	5.8%	19.7%	19.2%	19.9%
	OFX	223	197	nm	7.5x	na	na	36.9x	na	na	nm	na	na	nm	nm	20.4%	na	na
	PayPoint	559	531	(0.6x)	3.0x	3.5x	3.4x	7.3x	7.2x	6.8x	11.9x	11.9x	11.1x	(6.1%)	3.9%	40.6%	48.9%	49.7%
	Western Union	9,246	11,268	1.7x	2.3x	2.2x	2.2x	9.3x	8.6x	8.1x	12.1x	11.2x	10.4x	3.4%	7.1%	25.3%	26.3%	27.1%
Mean				0.9x	3.3x	2.3x	2.2x	16.6x	8.4x	7.3x	15.5x	15.0x	12.1x	4.1%	18.1%	23.6%	28.3%	29.7%
Median				0.6x	2.9x	2.4x	2.2x	9.3x	7.9x	7.4x	12.1x	12.4x	10.8x	4.3%	6.5%	20.4%	22.8%	24.6%
POS Hardware/ Payments	Cardtronics	\$1,591	\$2,298	2.8x	2.1x	1.9x	1.8x	9.0x	8.3x	7.7x	22.3x	19.2x	16.0x	7.8%	8.2%	23.4%	22.9%	23.6%
	Diebold Nixdorf	881	3,214	5.2x	0.8x	0.8x	0.8x	7.2x	6.5x	6.3x	16.4x	6.7x	5.8x	3.8%	6.9%	11.5%	12.0%	12.2%
	Everi Holdings	1,177	2,087	5.2x	5.5x	4.1x	3.7x	11.9x	8.1x	7.3x	na	nm	24.8x	22.2%	27.2%	46.3%	50.1%	50.2%
	Lightspeed POS	6,463	5,995	18.2x	33.4x	20.1x	14.1x	na	na	na	na	na	na	53.9%	(26.2%)	nm	nm	nm
	Linx	1,277	1,210	(0.4x)	7.1x	6.2x	5.4x	32.5x	25.6x	20.9x	nm	nm	45.2x	15.6%	24.8%	22.0%	24.0%	25.7%
	NCR	4,362	7,709	3.7x	1.2x	1.2x	1.1x	8.6x	7.4x	6.8x	18.0x	12.0x	9.8x	4.9%	13.1%	14.4%	16.0%	16.7%
	PAX Global Technology	1,018	628	(0.4x)	0.8x	0.7x	0.7x	4.6x	3.7x	3.2x	8.8x	7.4x	6.3x	13.7%	20.6%	18.4%	20.1%	20.7%
	Qiji	660	72	(0.0x)	0.2x	0.2x	0.2x	0.4x	0.4x	0.4x	5.0x	5.1x	4.7x	1.7%	3.7%	52.0%	54.9%	54.1%
USA Technologies				(3.8x)	3.9x	3.4x	2.7x	na	nm	40.6x	na	na	nm	19.8%	na	nm	3.9%	6.7%
Mean				3.4x	6.1x	4.3x	3.4x	10.6x	8.6x	11.6x	14.1x	10.1x	16.1x	15.9%	9.8%	26.9%	25.5%	26.2%
Median				2.8x	2.1x	1.9x	1.8x	8.6x	7.4x	7.0x	16.4x	7.4x	9.8x	13.7%	10.6%	22.0%	21.5%	22.1%
Overall—Mean				0.4x	8.7x	7.0x	6.9x	20.9x	15.9x	14.2x	24.0x	21.5x	20.3x	15.1%	24.4%	28.5%	29.9%	30.8%
Overall—Median				1.3x	6.6x	4.3x	5.0x	20.0x	15.1x	12.7x	22.7x	20.2x	18.9x	12.5%	20.1%	25.3%	27.1%	29.2%

Leading Independent Advisory Firm

Houlihan Lokey is the trusted advisor to more top decision-makers than any other independent global investment bank.



1,500+
Employees

23
Locations

~45%
Employee-Owned

~\$4 Billion
Market Cap

More Than
\$1 Billion
Annual Revenue

No
Debt

Corporate Finance

2019 M&A Advisory Rankings All U.S. Transactions		
Advisor	Deals	
1	Houlihan Lokey	184
2	Goldman Sachs & Co	167
3	JP Morgan	141
4	Morgan Stanley	122
5	Evercore Partners	112

Source: Refinitiv (formerly known as Thomson Reuters)

No. 1 U.S. M&A Advisor

Top 10 Global M&A Advisor

Leading Capital Markets Advisor

Financial Restructuring

2019 Global Distressed Debt & Bankruptcy Restructuring Rankings		
Advisor	Deals	
1	Houlihan Lokey	76
2	PJT Partners Inc	43
3	Moelis & Co	36
4	Lazard	29
5	AlixPartners	19

Source: Refinitiv (formerly known as Thomson Reuters)

No. 1 Global Restructuring Advisor

1,000+ Transactions Completed Valued
at More Than \$2.5 Trillion Collectively

Financial and Valuation Advisory

2000 to 2019 Global M&A Fairness Advisory Rankings		
Advisor	Deals	
1	Houlihan Lokey	1,057
2	JP Morgan	929
3	Duff & Phelps	734
4	Morgan Stanley	621
5	Bank of America Merrill Lynch	612

Refinitiv (formerly known as Thomson Reuters). Announced or completed transactions.

No. 1 Global M&A Fairness Opinion
Advisor Over the Past 20 Years

1,000+ Annual Valuation Engagements



Global, Market-Leading Fintech Practice

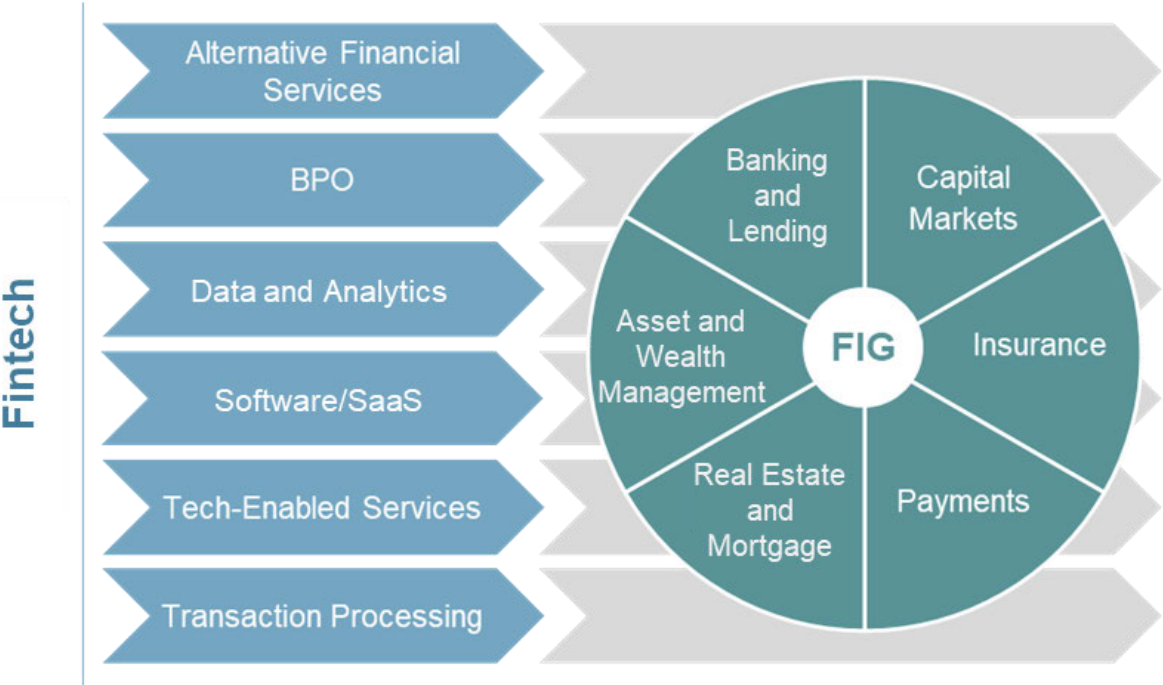
There is significant momentum in fintech following a dedicated team build-out in partnership with the industry's leading Financial Institutions Group (FIG) franchise, further supported by the extensive resources and relationships of Houlihan Lokey's broader global platform.

HOULIHAN LOKEY

75+
dedicated fintech/FIG
bankers based in London,
New York, Los Angeles,
Miami, and San Francisco

Global
single specialized
practice across
the world

150+
completed fintech M&A and
private placement
transactions by Houlihan
Lokey team members since
2010



2015–2019 M&A Advisor Rankings North America and Europe FIG M&A⁽¹⁾ Disclosed Deal Value Up to \$1 Billion










































Rank	Advisor	Deals
1	Houlihan Lokey, Inc.	59
2	Barclays Capital Inc.	48
3	Piper Sandler Companies	47

Source: SNL Financial.
(1) Rankings exclude depository transactions.

Product Capabilities





































- ✓ **M&A Advisory (Sellside and Buyside)**
- ✓ **Private Capital Markets (Debt and Equity)**
- ✓ **Financial Restructuring**
- ✓ **Board and Special Committee Advisory**
- ✓ **Fairness Opinions and Valuation Services**

Proven Fintech Track Record With Exceptional Momentum

 has been acquired by  a portfolio company of  Sellside Advisor November 2020 <i>Insurance</i>	 has received an investment by  Sellside Advisor October 2020 <i>Financial Information</i>	 has acquired  a portfolio company of  Buyside Advisor October 2020 <i>Insurance</i>	Protection America Inc. has participated in the  Series B financing round Placement Agent October 2020 <i>Insurance</i>	 has been acquired by  a portfolio company of  Sellside Advisor October 2020 <i>Diversified Financial Software and BPO</i>	 Minneapolis Grain Exchange has been acquired by  Financial Advisor August 2020 <i>Exchanges and Execution</i>
Unit4 Wholesale B.V. a subsidiary of  a portfolio company of  has been acquired by  Sellside Advisor July 2020 <i>Diversified Financial Software and BPO</i>	 has been acquired by  a portfolio company of  Sellside Advisor June 2020 <i>Asset and Wealth Management</i>	 has agreed to merge with PropTech Acquisition Corporation via SPAC combination Advisor to Special Committee May 2020 <i>Banking and Lending</i>	 has acquired an investment in  Financial Advisor March 2020 <i>Asset and Wealth Management</i>	 has acquired a majority stake in  Financial Advisor March 2020 <i>Banking and Lending</i>	Transaction Pending  European Servicing has agreed to be acquired by  Sellside Advisor January 2020 <i>Banking and Lending</i>
 and its wholly-owned subsidiary  have been acquired by  Sellside Advisor* November 2019 <i>Asset and Wealth Management</i>	 has been acquired by  the parent company of  Sellside Advisor* September 2019 <i>Exchanges and Execution</i>	 has been acquired by  Sellside Advisor September 2019 <i>Insurance</i>	 has acquired  Buyside Advisor September 2019 <i>Insurance</i>	Funds managed by STONE POINT CAPITAL have entered into an agreement to combine  and  Fairness Opinions June 2019 <i>Banking and Lending</i>	 has been acquired by  Sellside Advisor May 2019 <i>Capital Markets Software</i>

Note: List of transactions shown is illustrative, not exhaustive.
 * Denotes transaction executed by firms acquired by Houlihan Lokey.

Proven Fintech Track Record With Exceptional Momentum (cont.)

 a portfolio company of  has been acquired by  Sellside Advisor	 BARRACUDA ^{FX} has been acquired by  Sellside Advisor	 a portfolio company of SYNOVA CAPITAL has been acquired by  Sellside Advisor	 a portfolio company of  has received a minority investment from Undisclosed Investor Group Sellside Advisor*	LenderLive Network a division of  has been acquired by  Sellside Advisor	 Modern Merchant Banking has sold  Retail Finance to Klarna. Sellside Advisor
March 2019 Capital Markets Software	March 2019 Capital Markets Software	March 2019 Insurance	February 2019 Capital Markets Software	January 2019 Banking and Lending	January 2019 Banking and Lending
 has received an investment from  and ELLIOTT Financial Advisor	 has acquired a majority interest in  Buyside Advisor	 Lowell has sold its payments business unit in the Nordics to collector bank Sellside Advisor	 has been acquired by  Sellside Advisor	 has been acquired by  Sellside Advisor	 a portfolio company of MARLIN EQUITY PARTNERS has been acquired by  Sellside Advisor
December 2018 Financial Information	December 2018 Payments	December 2018 Payments	November 2018 Exchanges and Execution	October 2018 Banking and Lending	October 2018 Financial Information
 has been acquired by  Sellside Advisor*	 has been acquired by  Sellside Advisor	 a portfolio company of LEEDS Equity Partners has been acquired by FitchGroup Sellside Advisor	 has been acquired by  Sellside Advisor	 a portfolio company of AQUILINE GENSTAR has merged with  a portfolio company of KKR Sellside Advisor*	 has closed a funding round led by KATALYST VENTURES   Financial Advisor*
October 2018 Banking and Lending	October 2018 Insurance	July 2018 Financial Information	June 2018 Financial Information	June 2018 Asset and Wealth Management	May 2018 Financial Information

Note: List of transactions shown is illustrative, not exhaustive.

* Denotes transaction executed by firms acquired by Houlihan Lokey.

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