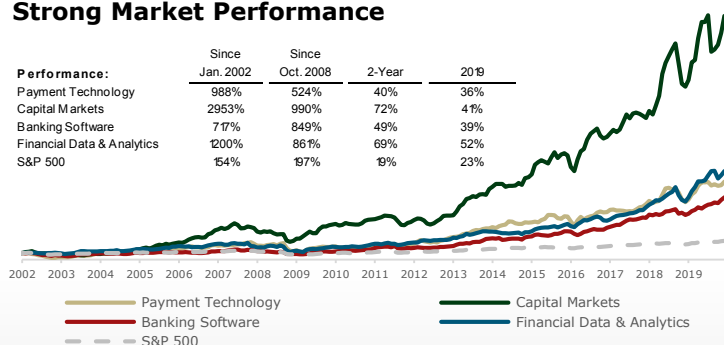


### Disruption, Innovation and Rapid Change in Financial Technologies & Services

- A broad range of technological innovations have disrupted the financial services industry in recent years; alternative lending platforms, crypto-currencies, robo advisers and AI technology as well as other solutions have changed the landscape of the market
- Customer empowerment initiatives continue to be an overarching theme in the market giving customers access to previously restricted assets and services, while emerging innovations have allowed financial institutions to access new data sets
- As the taxonomy of the financial services ecosystem has grown more extensive and dynamic, engaging with the right buyers and forming the ideal transactions structure have become more challenging
- Equiteq expects this trend to persist with financial technologies and services companies continuing to pursue M&A as a means to ensure they have the newest capabilities to accelerate growth, expand their offerings and support their client needs

### Strong Market Performance

Performance:	Since Jan. 2002	Since Oct. 2008	2-Year	2019
Payment Technology	988%	524%	40%	36%
Capital Markets	2953%	990%	72%	41%
Banking Software	717%	849%	49%	39%
Financial Data & Analytics	1200%	86%	69%	52%
S&P 500	154%	197%	19%	23%



### Representative Transactions

Target	Buyer	Date
Choice Financial Solutions	Raisin	December 2019
JCRA	Chatham Financial	November 2019
AIM Software	SimCorp	June 2019
Quant House	Iress	May 2019

### Key Trends

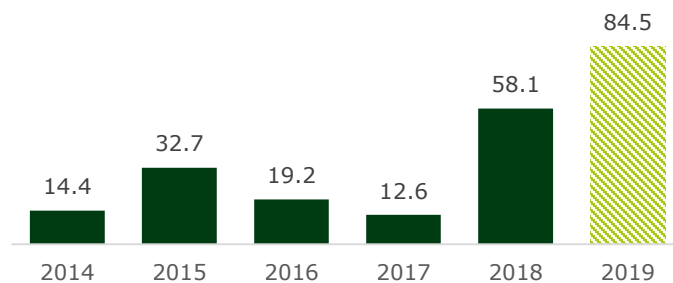
**81%** Of Banking CEOs are concerned about the speed of technological change

**65%** Of Financial Services companies have adopted cloud-based security

**64%** Of Global Consumers have adopted FinTech solutions

**56%** Of Financial Leaders recognize the importance of blockchain

### Median Capital invested (\$m) per Financial Software Deal '10 to '19



### Buyers Are Requiring Specific Capabilities

- FinTech Offerings**
- FinServ Insights**
- Productized Solutions**
- Sector Expertise**
- Scale**
- Recurring Revenue**
- Profitable Business Platform**
- Diversified Client Base**

### Implications for Industry Participants

- While on the surface, increased competition for deals should facilitate sales processes and more lucrative outcomes, preparation and timing are critical
- Strategic buyers and financial investors have well defined acquisition criteria and being able to demonstrate a differentiated, defensible and scalable business model will be key to driving a premium valuation
- As a leading advisor in the Knowledge Economy, Equiteq has served as strategic advisor on many transactions and has developed unique insights around capabilities that buyers are looking to acquire
- Equiteq's investment in understanding the market has created unparalleled market intelligence and insights which we bring to bear on each client engagement
- Our team of strategic advisors and investment bankers engages with clients up to three years before a transaction to optimize the journey to delivering on shareholder goals and objectives
- We would welcome the opportunity to arrange a call or meeting to learn more about your goals and objectives, share additional perspectives on the market and help your team realize a superior outcome