

FINANCIAL TECHNOLOGY AND INFORMATION INDUSTRY

FULL YEAR 2022 :: Mergers and Acquisitions Trend Report

2022 KEY HIGHLIGHTS

- The largest Financial Technology and Information transaction in 2022 was Intercontinental Exchange's announced acquisition of Black Knight, Inc., for \$15.92 billion.
- There were 110 financially sponsored transactions in 2022, with an aggregate value of \$7.78 billion, representing 24 percent of the total volume and 16 percent of the total value, respectively.

2022 KEY TRENDS

- Total transaction volume in 2022 decreased four percent over 2021, from 513 to 491.
- Total transaction value in 2022 increased by five percent over 2021, from \$46.40 billion to \$48.61 billion.
- The median revenue multiple shifted slightly from 3.1x in 2021 to 3.6x in 2022.
- The segment with the largest rise in volume in 2022 over 2021 was Payments, which improved six percent, from 147 to 156 deals.

M&A MARKET OVERVIEW

Berkery Noyes tracked 1,504 Financial Technology and Information transactions between 2020 and 2022, of which 308 disclosed financial terms, and calculated the aggregate value to be \$150.31 billion. Based on known transaction values, we project values of 1,196 undisclosed transactions to be \$32.15 billion, totaling \$182.46 billion worth of transactions tracked over the past three years.

Disclosed median enterprise value multiples for all segments combined in this report during the last 36 months were 3.3x revenue and 14.3x EBITDA.

Over the past three years, deals in the \$10-\$20 million range received a median enterprise value multiple of 1.8x revenue, compared to 4.6x revenue for those in the \$160 million and above range.

M&A Market Dynamics

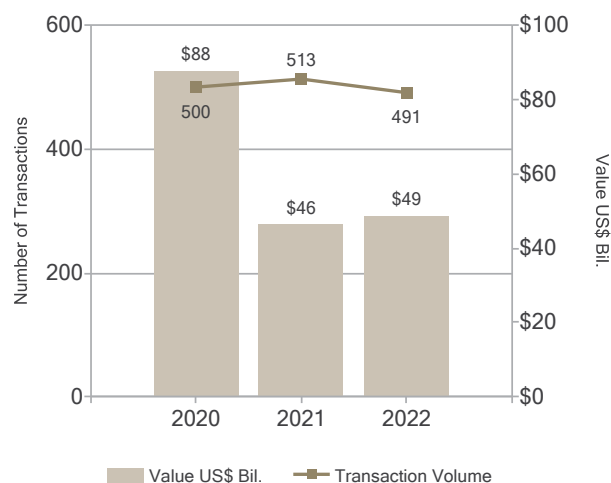


Figure 1. 2020-2022 value and volume comparison.

Median Enterprise Value Multiples

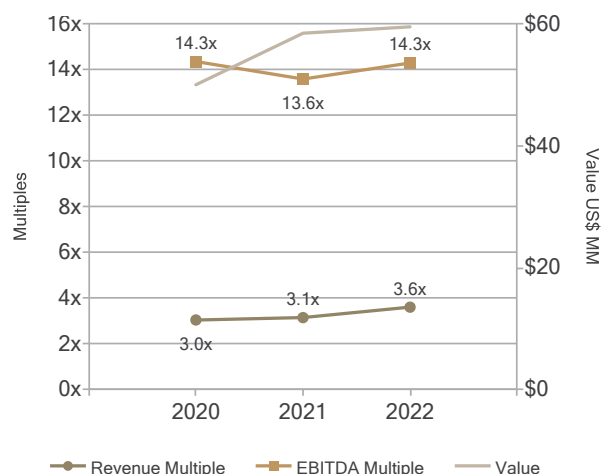


Figure 2. 2020-2022 median value and revenue comparison.

Transaction Analysis :: January 1, 2020 – December 31, 2022

Bell Curve - Histogram

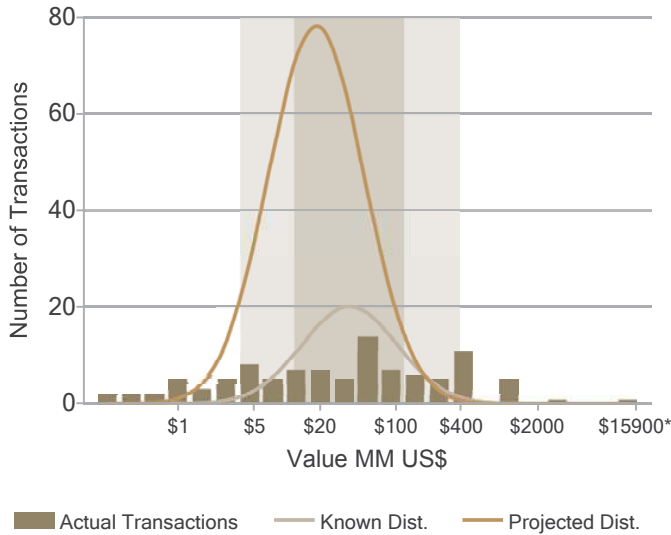


Figure 3. Shows distribution of transactions among the Financial Technology & Information Industry transactions based on publicly available information and Berkery Noyes estimates. Using a logarithmic scale, we determined that nearly one-third of companies purchased had transaction values of \$12.2 million to \$90.0 million. Based on this data, we estimate the total transaction value of deals done in 2022 at \$182.5 billion.

* Indicates largest transaction in the industry from Jan. 1, 2022 to Dec. 31, 2022.

Distribution Table

Value in MM US\$	Known Number	Projected Number	Total Number	%	Cumulative %
\$0.2	2	0	2	1 %	1 %
\$0.4	6	0	6	2 %	3 %
\$0.6	6	0	6	2 %	5 %
\$1.0	13	1	14	4 %	9 %
\$1.6	13	5	17	4 %	13 %
\$2.7	15	17	32	5 %	18 %
\$4.5	16	48	63	5 %	23 %
\$7.4	14	104	117	5 %	28 %
\$12.2	28	174	202	9 %	37 %
\$20.1	22	229	250	7 %	44 %
\$33.1	23	233	256	7 %	51 %
\$54.6	28	186	213	9 %	60 %
\$90.0	22	115	136	7 %	68 %
\$148.4	25	55	80	8 %	76 %
\$244.7	17	21	37	6 %	81 %
\$403.4	21	6	27	7 %	88 %
\$665.1	3	1	4	1 %	89 %
\$1,096.6	13	0	13	4 %	93 %
\$1,808.0	11	0	11	4 %	97 %
\$2,981.0	2	0	2	1 %	97 %
\$4,914.8	2	0	2	1 %	98 %
\$8,103.1	4	0	4	1 %	99 %
\$13,359.7	1	0	1	0 %	100 %
Total #	308	1196	1504		
Total \$ Value	\$150,306	\$32,149	\$182,455		
Middle 3rd of Industry		Middle 2/3rds of Industry			

Figure 4. Presents the data depicted in the bell curve histogram.

Strategic vs. Financial Comparison

M&A Dynamics By Transaction Type

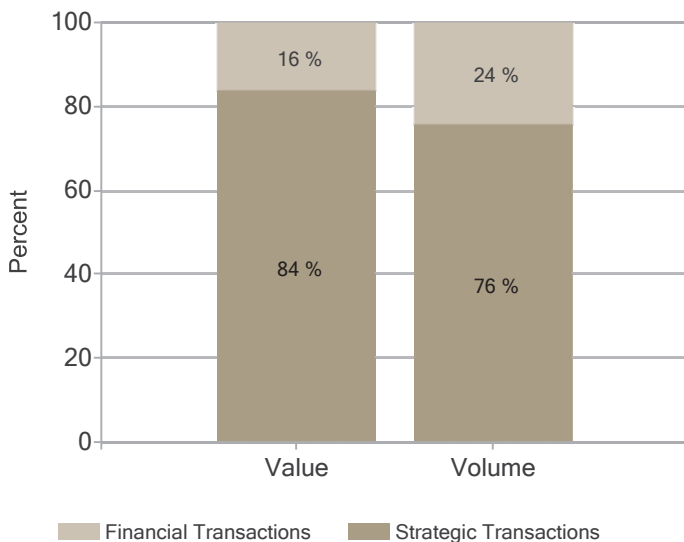


Figure 5. 2020-2022 value and volume comparison by acquirer type.

Note: Financial transactions are those financed by private equity, venture capital, and other investment firms. This includes acquisitions by portfolio companies of the investment firms.

Transaction Type

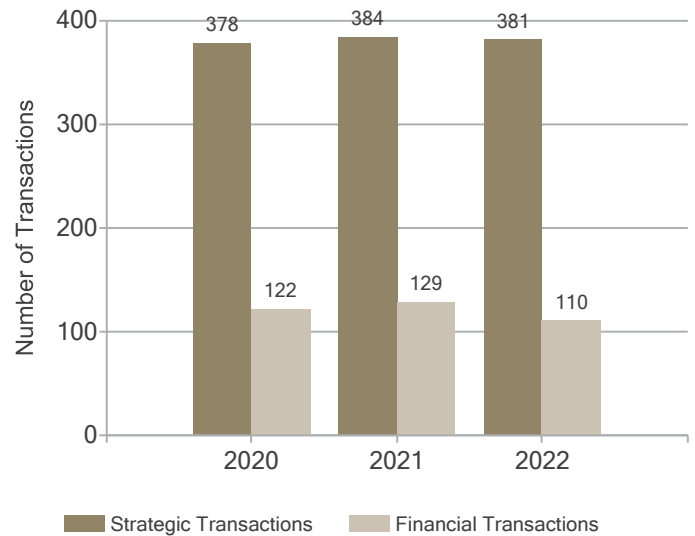


Figure 6. 2020-2022 acquirer type comparison by year.

Purchaser Analysis

Top Ten Notable Transactions 2022

Deal Date	Target Name	Buyer	Value MM US\$
05/04/22	Black Knight, Inc.	Intercontinental Exchange	\$15,916
08/01/22	EVO Payments International	Global Payments, Inc.	\$4,000
02/16/22	MoneyGram International, Inc.	Madison Dearborn Partners	\$1,731
09/28/22	Billtrust	EQT AB	\$1,526
08/22/22	Computer Services, Inc.	Centerbridge Capital Partners, Bridgeport Partners	\$1,523
02/22/22	Technisys	SoFi	\$1,100
03/21/22	BetaNXT	Clearlake Capital Group, L.P., Motive Partners	\$1,100
02/07/22	Finxact	Fiserv, Inc.	\$650
04/04/22	Leveraged Commentary & Data	Pitchbook Data, Inc.	\$600
11/16/22	Elevate Credit	Park Cities Asset Management LLC	\$572
2022 Aggregate Transaction Value			\$48,614
Top 10 Aggregate Transaction Value			\$28,719
Top 10 Aggregate Value as a Percentage of All Transactions			59 %

Figure 7. Lists the top ten transactions for 2022 and calculates their aggregate transaction value as a percentage of the total aggregate transaction value as shown on Figure 1 & 4.

Note: Transaction data based on announced date. Deal value represents total consideration paid by the acquirer.

Median EV/Revenue Multiples by Size

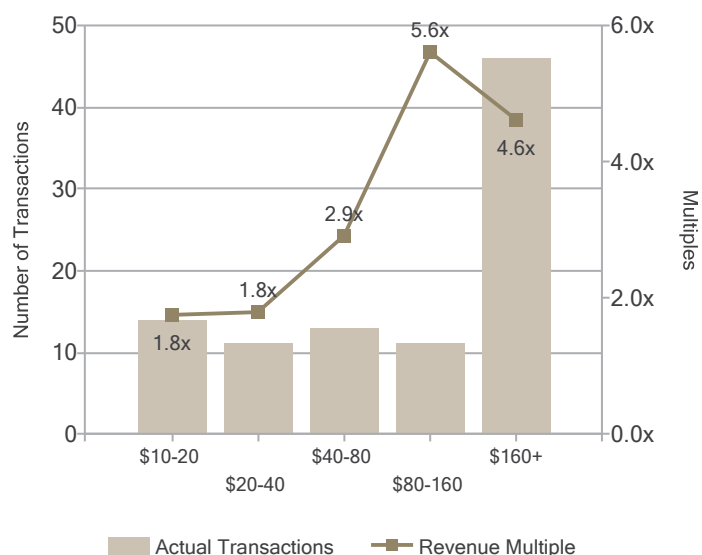


Figure 8. Presents the median enterprise value/revenue multiples paid for companies in the Financial Technology & Information Industry from Jan. 1, 2020 to Dec. 31, 2022 based on publicly available sales price and revenue data.

Transaction Volume by Segment :: January 1, 2020 – December 31, 2022

Transactions By Market Segment

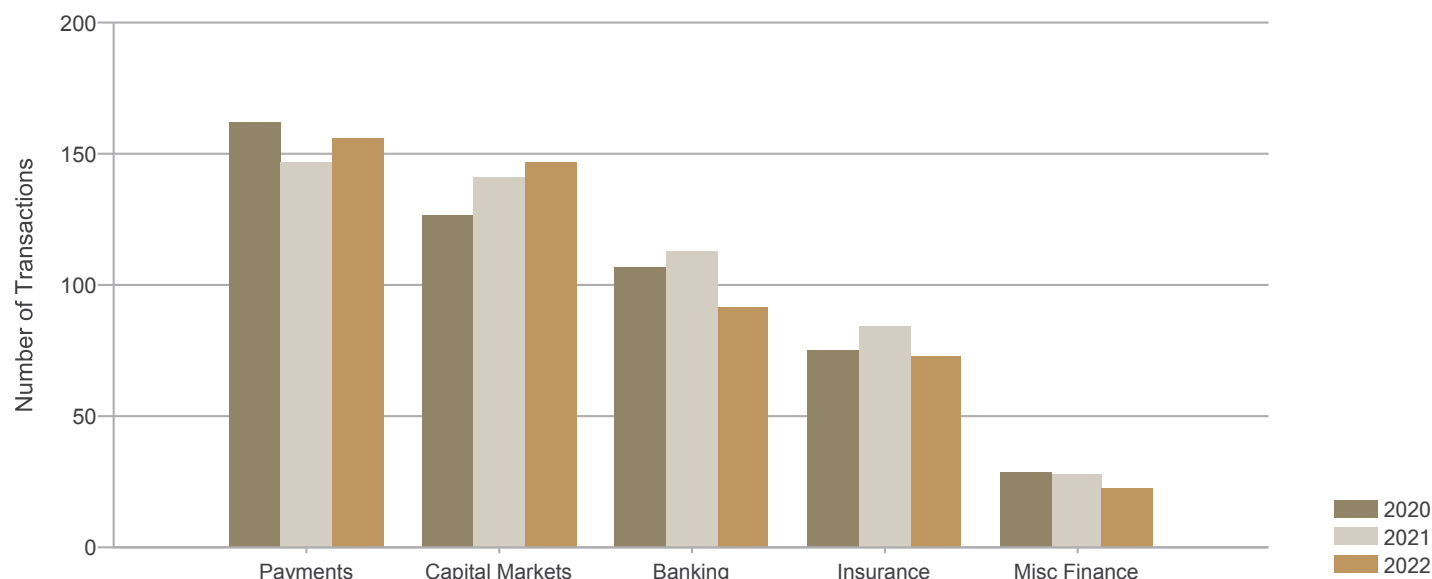


Figure 9. Presents the transaction volume by market segment within the Financial Technology & Information Industry from Jan. 1, 2020 through Dec. 31, 2022.

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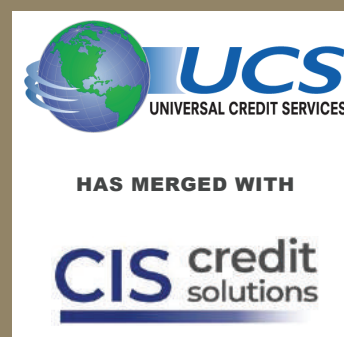
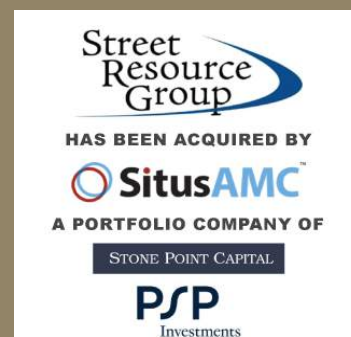
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All charts in this report are based on data gathered by Berkery Noyes' research department. All time period statistics are based on the transaction announcement date. The information contained herein is of a general nature and is not intended to address the circumstances of any particular company, individual, or entity. There can be no guarantee that such information is accurate.

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