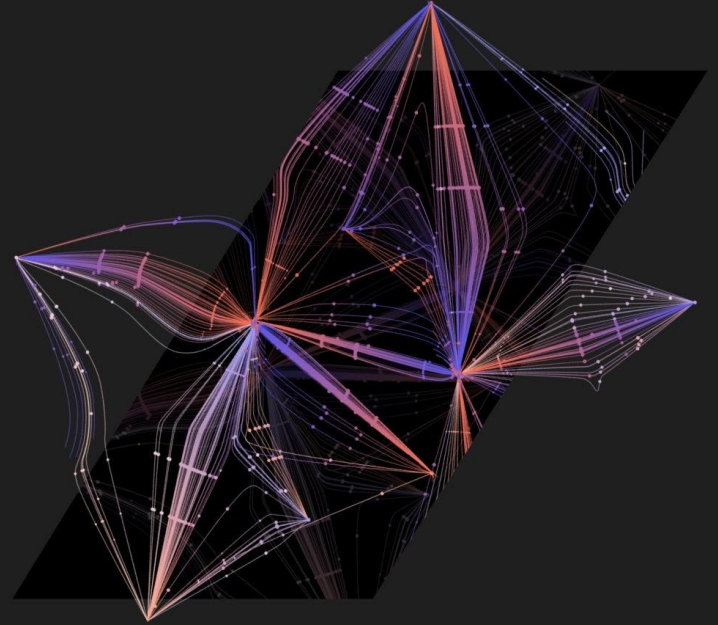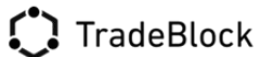# F⁄PRIME

State of Wealth

2025

About F-Prime Capital

We create and invest in technology and healthcare companies that impact lives all over the world. We have over 300 companies in our portfolio including 23 that we started. Our global portfolio spans the US, Europe, and Asia.

50+ years
of investing in iconic companies - from Atari to Alibaba to AppsFlyer

300+ companies
Fintech, Enterprise software, and Healthcare

100+ investors
Our global platform has resources and expertise in North America, Europe, China, Japan, India, and Israel

**100B+ AUM**
Along with our international sister fund Eight Roads Ventures, we are dedicated to supporting fearless founders around the globe

Note: Above listing is a sample of companies in the F-Prime and Eight Roads portfolio

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F-Prime Fintech Index Overview

The F-Prime Fintech Index comprises the following emerging financial technology companies. Criteria include capitalization, liquidity, growth rates, founding year and listing exchange.
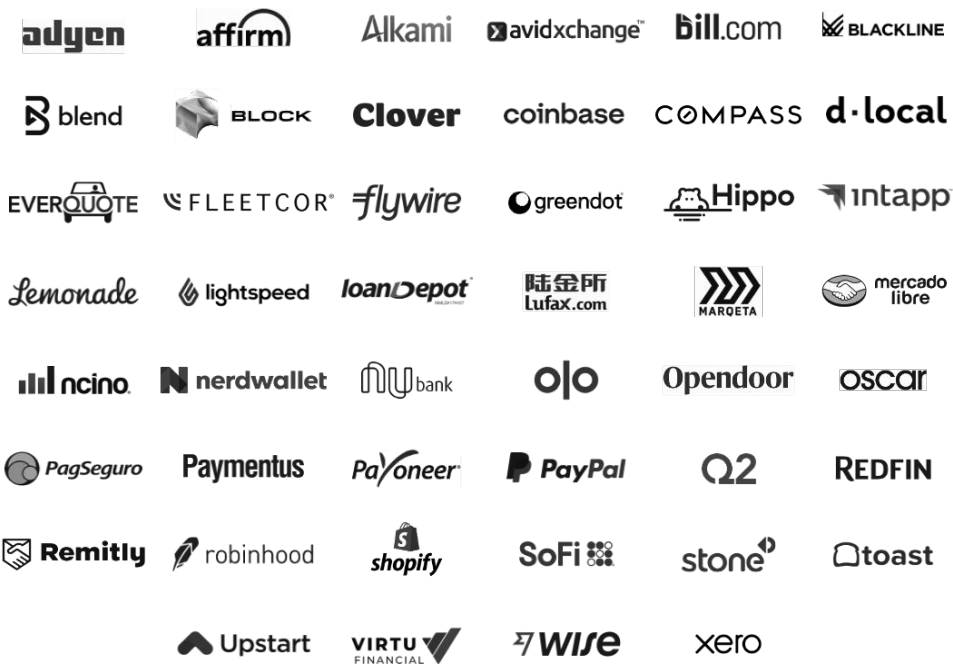
46
Companies

$734B
Market cap

5.2x
Revenue multiple

17%
LTM Average growth rate

Note: All figures as of 12/31/2024

After peaking at $1.3T in late 2021, the F-Prime Fintech Index fell to $389B before rebounding to $734B at the end of 2024

MARKET CAPITALIZATION USD ($B)

$1,500B

$1,250B

$1,000B

$750B

$500B

$250B

0

flywire
coinbase
Alkami   Paymentus
COMPASS   SoFi
olo   d·local
Oscar   MARQETA
loanDepot
affirm   PaYoneer
Clover   intapp
Opendoor Hippo
Upstart   wise
Lufax.com blend
lightspeed robinhood
ncino   toast
Lemonade Remitly
bill.com avidxchange
adyen   nerdwallet
stone   nubank
EVERQUOTE
mercado libre
greendot PagSeguro
PayPal   REDFIN
FLEETCOR shopify
BLACKLINE
Q2   VIRTU FINANCIAL   BLOCK
xero

$1.3T market cap (peak)

$389B market cap (trough)

$734B market cap (trough)

10/14 01/15 04/15 07/15 10/15 01/16 04/16 07/16 10/16 01/17 04/17 07/17 10/17 01/18 04/18 07/18 10/18 01/19 04/19 07/19 10/19 01/20 04/20 07/20 10/20 01/21 04/21 07/21 10/21 01/22 04/22 07/22 10/22 01/23 04/23 07/23 10/23 01/24 04/24 07/24 10/24 01/25

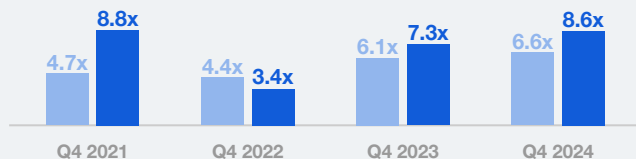Source: S&P Capital IQ, F-Prime team analysis

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Most sectors have seen a modest recovery in revenue multiples, but are staying more aligned with incumbent comps

EV/LTM REVENUE MULTIPLES BY SECTOR, Q4 2021 – Q4 2024
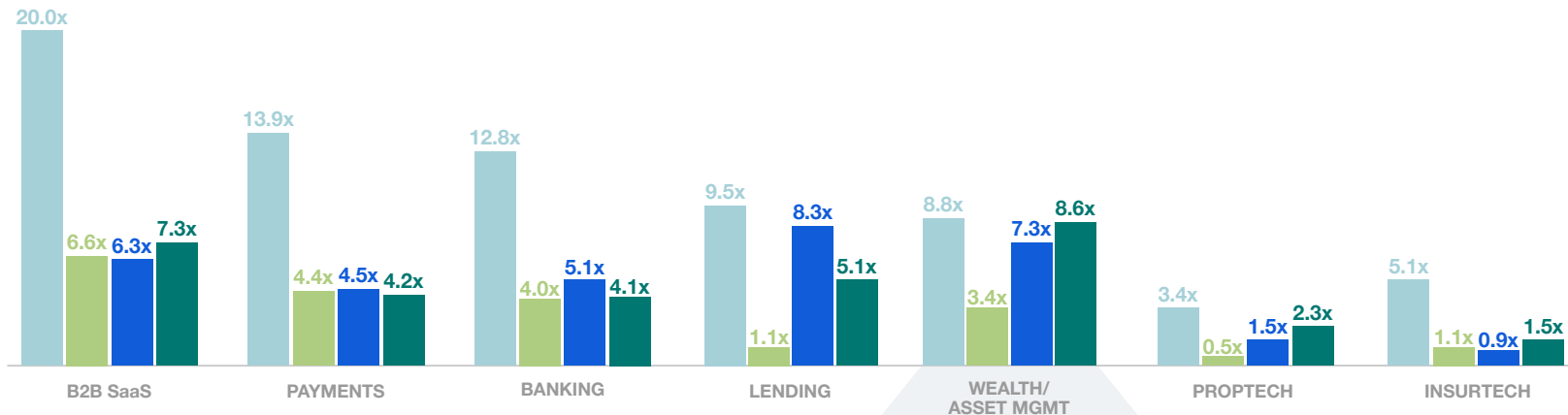
**WEALTH & ASSET MANAGEMENT SECTOR EV/LTM REVENUE MULTIPLES, Q4 2021 – Q4 2024**

Legend:
- Q4 2021
- Q4 2022
- Q4 2023
- Q4 2024

- INCUMBENT
- DISRUPTOR

Top chart values by sector:

- **B2B SaaS:** 20.0x, 6.6x, 6.3x, 7.3x
- **PAYMENTS:** 13.9x, 4.4x, 4.5x, 4.2x
- **BANKING:** 12.8x, 4.0x, 5.1x, 4.1x
- **LENDING:** 9.5x, 1.1x, 8.3x, 5.1x
- **WEALTH/ASSET MGMT:** 8.8x, 3.4x, 7.3x, 8.6x
- **PROPTECH:** 3.4x, 0.5x, 1.5x, 2.3x
- **INSURTECH:** 5.1x, 1.1x, 0.9x, 1.5x

Bottom chart (Wealth & Asset Management):

- **Q4 2021:** Incumbent 4.7x, Disruptor 8.8x
- **Q4 2022:** Incumbent 4.4x, Disruptor 3.4x
- **Q4 2023:** Incumbent 6.1x, Disruptor 7.3x
- **Q4 2024:** Incumbent 6.6x, Disruptor 8.6x

Over 40% of retail investable assets are professionally managed, and RIAs are the fastest growing channel

CONSUMER HOUSEHOLD INVESTABLE ASSETS
US, 2015 – 2024
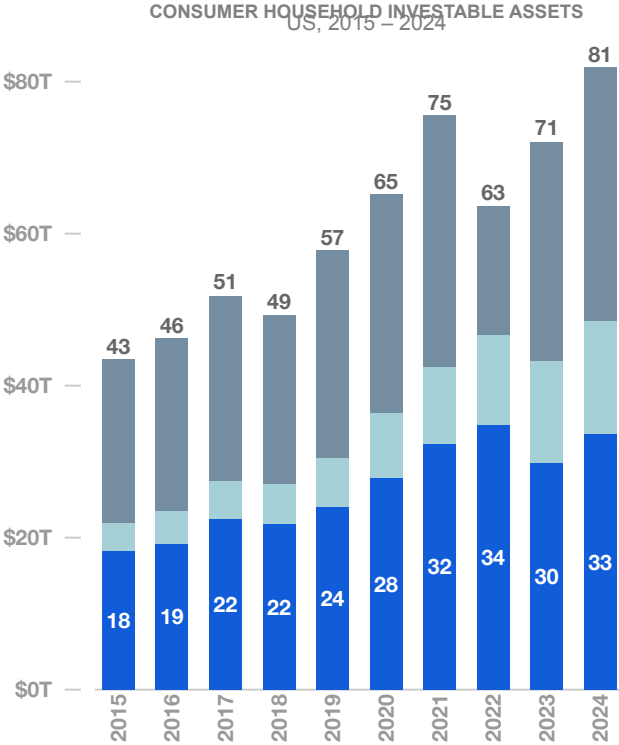
- PROFESSIONALLY-MANAGED RETAIL AUM
- DISCOUNT AND ONLINE BROKERAGE AUM

PROFESSIONALLY MANAGED RETAIL AUM BY CHANNEL
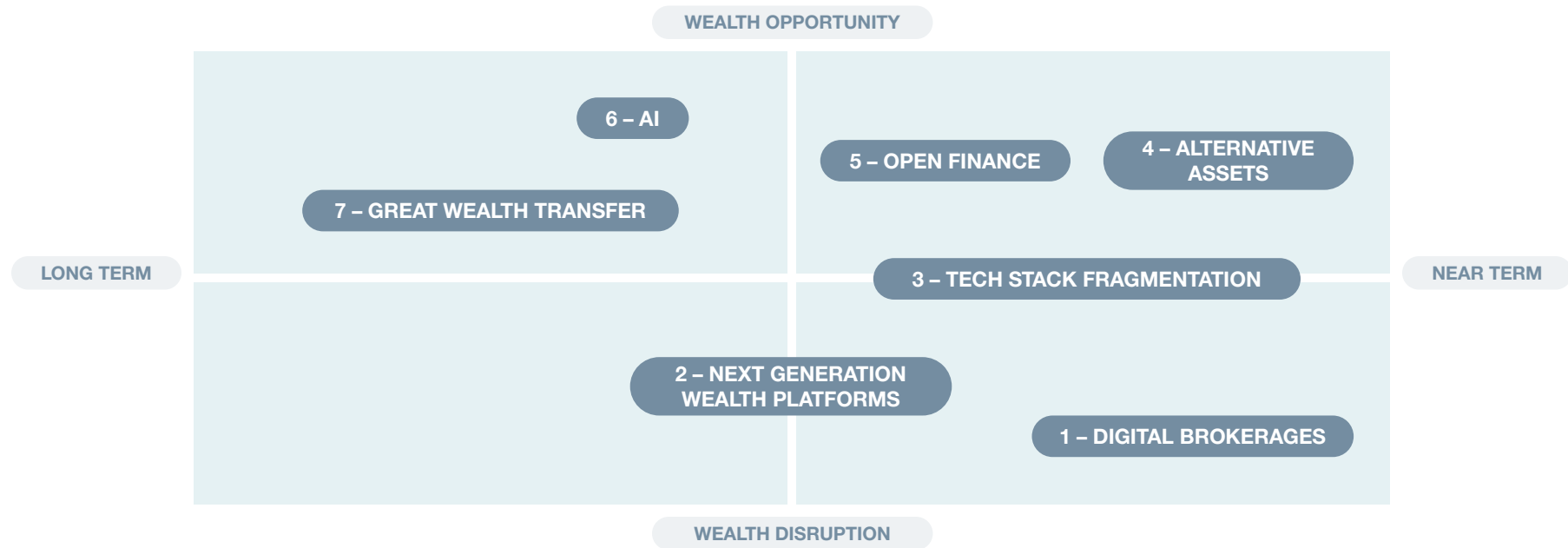US, 2015 – 2024

'15-'24 CAGR

- 5%
- 8%
- 11%
- 5%
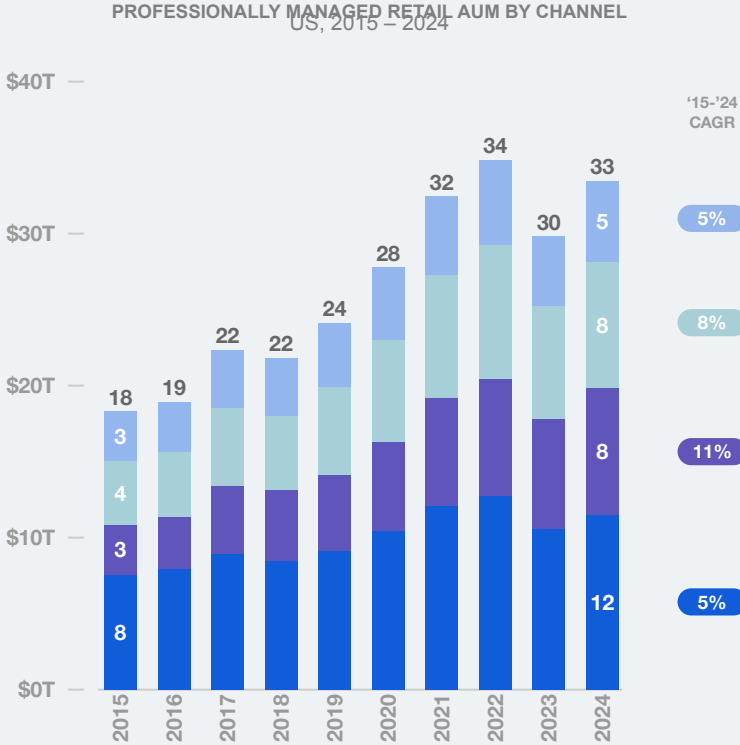
- WIREHOUSE
- RIAs
- SELF-CLEARING RETAIL BROKERAGE
- FULLY-DISCLOSED RETAIL BROKERAGE

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Wealth managers have pursued acquisition-heavy strategies, resulting in a few mega players controlling over 20% of the RIA market

WEALTH MANAGEMENT M&A TRANSACTIONS
2010 − 2024

TRANSACTION COUNT

% OF TRANSACTIONS $1B+

Transaction counts: 2010: 68, 2011: 76, 2012: 60, 2013: 90, 2014: 99, 2015: 125, 2016: 138, 2017: 168, 2018: 181, 2019: 203, 2020: 205, 2021: 307, 2022: 340, 2023: 321, 2024: 366

% of transactions $1B+: 18%, 28%, 47%, 35%, 36%, 38%, 38%

RIA AUM SHARE BY MEGA[1] RIAs
2018 − 2024

AUM

2018: ALL OTHER RIA AUM 4.3, MEGA 7 RIA AUM 0.3 (6%), total 4.6
2024: ALL OTHER RIA AUM 6.4, MEGA 7 RIA AUM 1.8 (22%), total 8.2

● **MEGA 7 RIA AUM**   ● **ALL OTHER RIA AUM**

Source: ECHELON Partners, Barron's; 1. "Mega" defined by Barron's as those managing >$70B assets in 2024
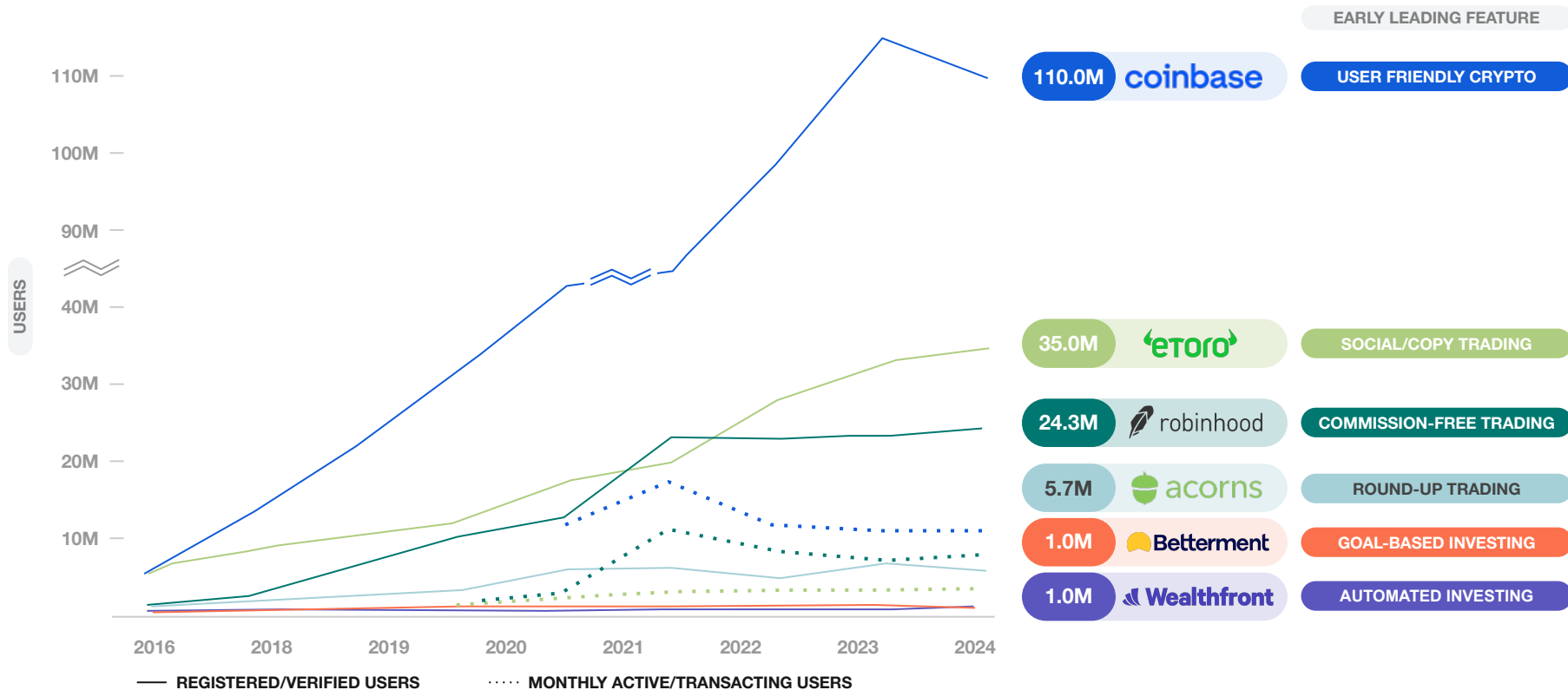
The impact of startup innovation on traditional wealth management – both opportunities and threats – are indisputable and becoming increasingly clear

WEALTH OPPORTUNITY

LONG TERM

6 – AI

5 – OPEN FINANCE

4 – ALTERNATIVE ASSETS

7 – GREAT WEALTH TRANSFER

3 – TECH STACK FRAGMENTATION

NEAR TERM

2 – NEXT GENERATION WEALTH PLATFORMS

1 – DIGITAL BROKERAGES

WEALTH DISRUPTION

Digital brokerages like eToro and Robinhood capitalized on a new generation of investors favoring automated, mobile, and low-cost trading

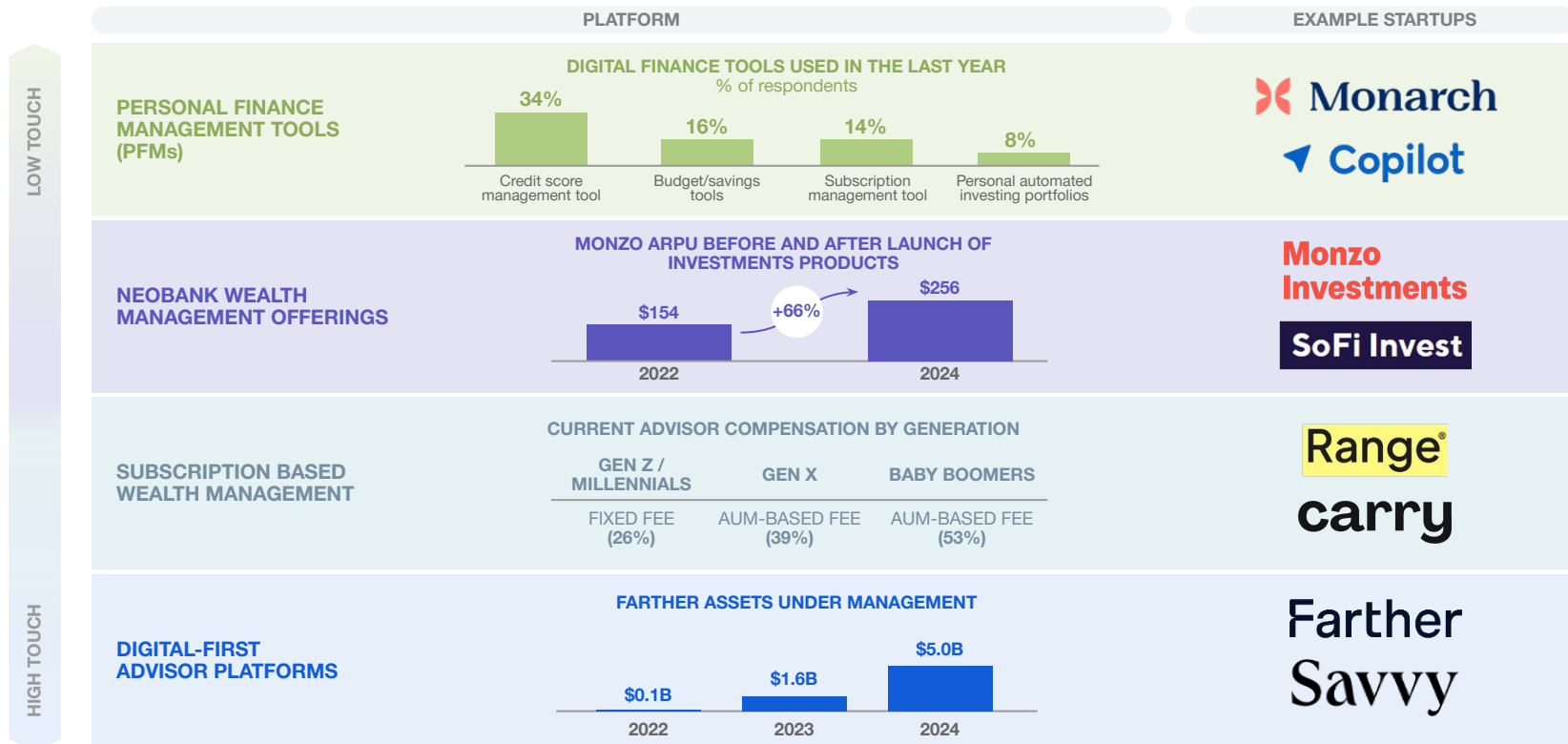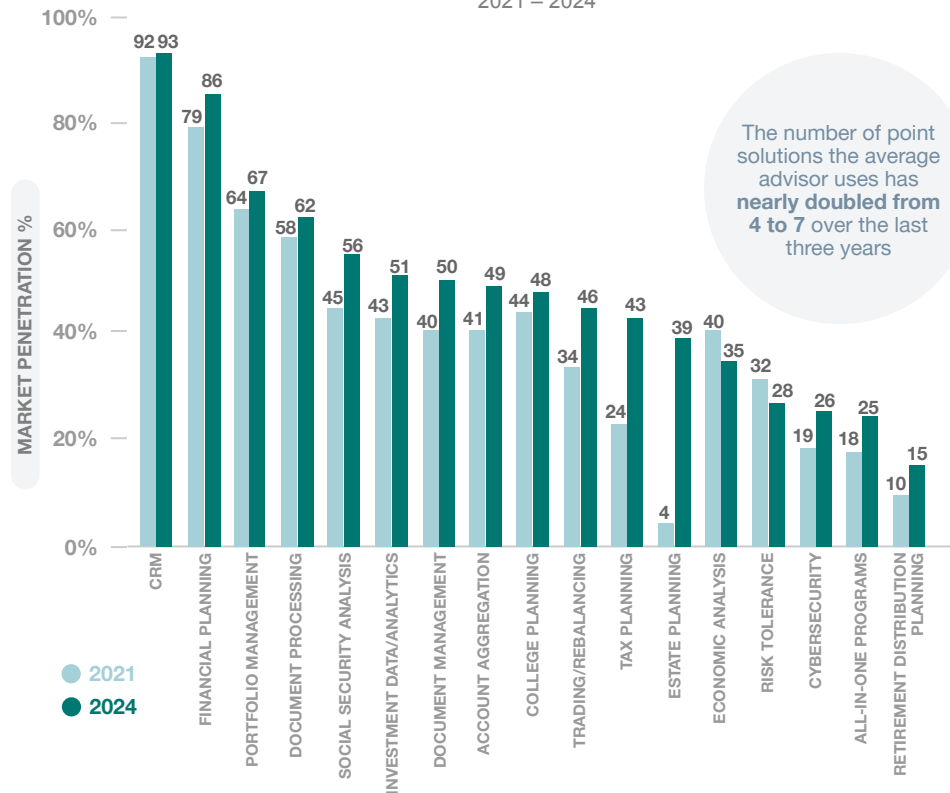EARLY LEADING FEATURE

110.0M	coinbase	USER FRIENDLY CRYPTO
35.0M	eToro	SOCIAL/COPY TRADING
24.3M	robinhood	COMMISSION-FREE TRADING
5.7M	acorns	ROUND-UP TRADING
1.0M	Betterment	GOAL-BASED INVESTING
1.0M	Wealthfront	AUTOMATED INVESTING

USERS

110M — 100M — 90M — 40M — 30M — 20M — 10M

2016   2018   2019   2020   2021   2022   2023   2024

—— REGISTERED/VERIFIED USERS   ····· MONTHLY ACTIVE/TRANSACTING USERS

Next-generation wealth platforms are capturing young investors outside of traditional channels

PLATFORM	EXAMPLE STARTUPS

LOW TOUCH

PERSONAL FINANCE MANAGEMENT TOOLS (PFMs)

DIGITAL FINANCE TOOLS USED IN THE LAST YEAR
% of respondents

- 34% — Credit score management tool
- 16% — Budget/savings tools
- 14% — Subscription management tool
- 8% — Personal automated investing portfolios

Monarch
Copilot

NEOBANK WEALTH MANAGEMENT OFFERINGS

MONZO ARPU BEFORE AND AFTER LAUNCH OF INVESTMENTS PRODUCTS

- $154 — 2022
- +66%
- $256 — 2024

Monzo Investments
SoFi Invest

SUBSCRIPTION BASED WEALTH MANAGEMENT

CURRENT ADVISOR COMPENSATION BY GENERATION

GEN Z / MILLENNIALS	GEN X	BABY BOOMERS
FIXED FEE (26%)	AUM-BASED FEE (39%)	AUM-BASED FEE (53%)

Range®
carry

HIGH TOUCH

DIGITAL-FIRST ADVISOR PLATFORMS

FARTHER ASSETS UNDER MANAGEMENT

- $0.1B — 2022
- $1.6B — 2023
- $5.0B — 2024

Farther
Savvy

Source: Capital One Digital Financial Literacy Index, Monzo 2024 Annual Report, Morningstar, news outlets

The advisor tech stack is becoming increasingly fragmented, and the industry is looking for tighter integrations

MARKET PENETRATION OF FINANCIAL ADVISOR SOFTWARE
2021 – 2024

The number of point solutions the average advisor uses has **nearly doubled from 4 to 7** over the last three years
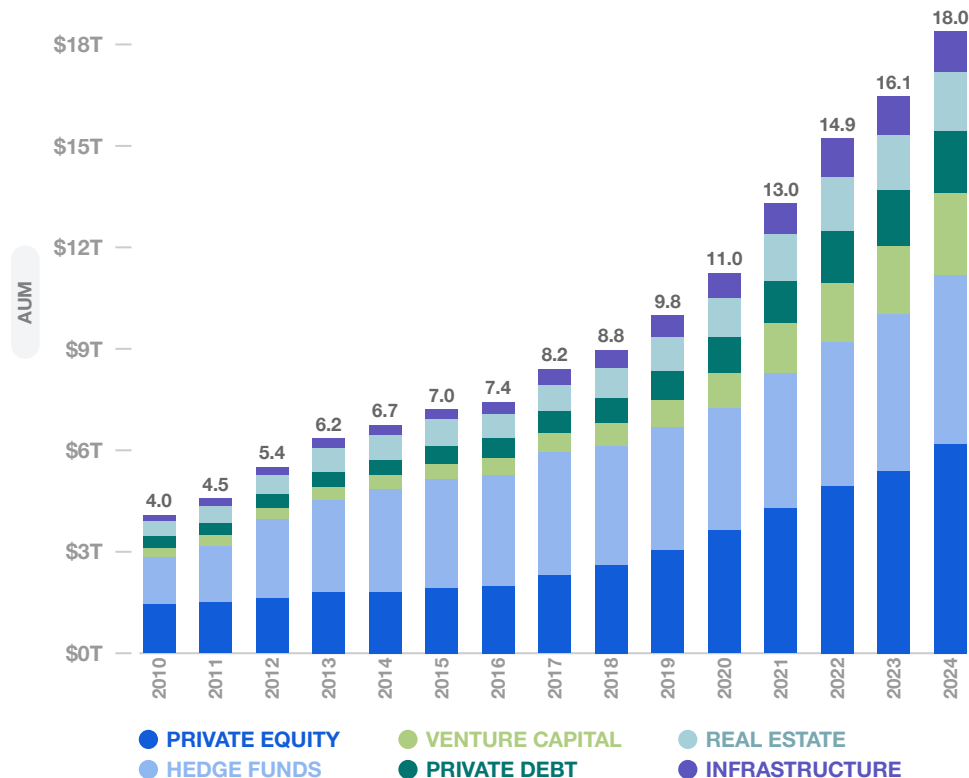
● 2021
● **2024**

APPROACH TO SOLVE FOR TECH STACK FRAGMENTATION
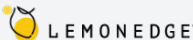
APPROACH	DESCRIPTION	EXAMPLES
Pre-integrated tech stacks	Integrated tech stacks formed via acquisition by incumbents (e.g., Orion acquisition of Redtail CRM)	REDTAIL AN ORION COMPANY / ENVESTNET MoneyGuide
All-in-one platforms	Newly built advisor platform offering end-to-end solution across key advisor workflows	Advyzon / Advisor360°
Tech stack synchronization	Combination of best-of-breed point solutions with integrated tech stack and data synchronization across all solutions via API	Dispatch

Following the rise of alternative asset AUM, new infrastructure players have emerged to scale and improve the investor experience

ALTERNATIVE ASSETS AUM
2010 – 2024

AUM

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
4.0	4.5	5.4	6.2	6.7	7.0	7.4	8.2	8.8	9.8	11.0	13.0	14.9	16.1	18.0

- ● **PRIVATE EQUITY**
- ● **VENTURE CAPITAL**
- ● **REAL ESTATE**
- ● **HEDGE FUNDS**
- ● **PRIVATE DEBT**
- ● **INFRASTRUCTURE**

ALTS MARKET MAP

LAYER	COMPANIES	
Discovery, education & execution	iCapital.	CAIS
	Allocate	Moonfare
	GRIDLINE	TITANBAY
Data, analytics & aggregation	canoe	Standard Metrics
	73 STRINGS	ARCH
	PitchBook	PREQIN
Back office: fund operations	canoe	Passthrough
	Sydecar	entrilia
	LEMONEDGE	Anduin

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Source: Preqin, F-Prime team analysis

Open banking has paved the way for all financial institutions to have a fuller financial picture of their users

CONSUMER ACCOUNTS USING FDX API
H1 2019 – H2 2024
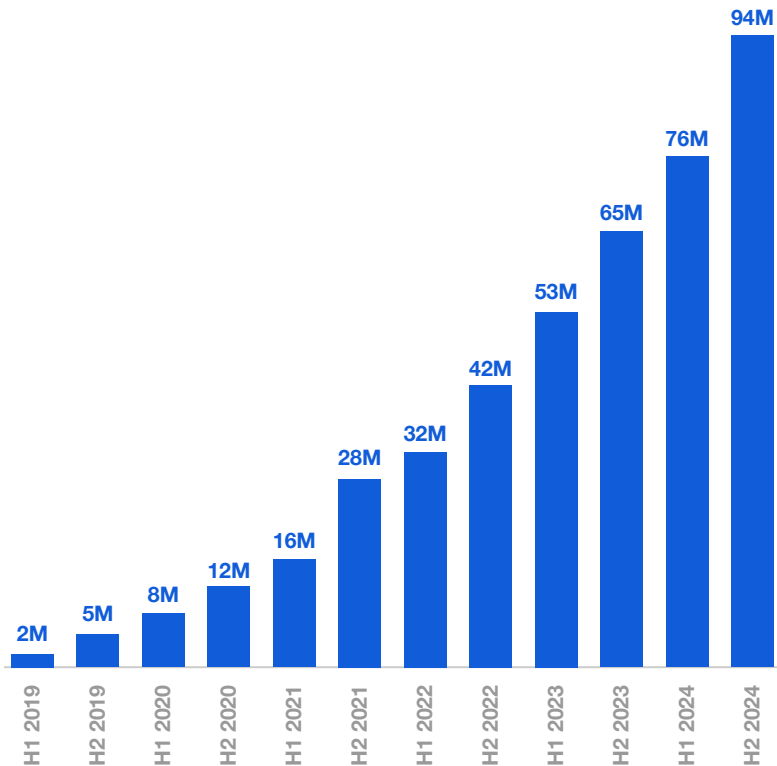
FIs WILL NOT ONLY BE DATA SOURCES, BUT ALSO DATA USERS

H1 2019	H2 2019	H1 2020	H2 2020	H1 2021	H2 2021	H1 2022	H2 2022	H1 2023	H2 2023	H1 2024	H2 2024
2M	5M	8M	12M	16M	28M	32M	42M	53M	65M	76M	94M

DATA SOURCES

- TAX DATA — IRS
- BANKING DATA — J.P.Morgan
- DEBT DATA — CapitalOne
- CRYPTO DATA — coinbase
- PAYROLL DATA — ADP
- RENTAL PAYMENT DATA
- INSURANCE DATA — PROGRESSIVE
- CRYPTO DATA — Fidelity
- CREDIT SCORE DATA — EQUIFAX
- CREDIT CARD DATA — AMEX
- CASH FLOW DATA

DATA AGGREGATORS

BANKING	DEBT	PAYROLL	INSURANCE	TAX
PLAID	Spinwheel.	argyle	Canopy Connect	TaxStatus
CARD-ON-FILE	**RENTAL PAYMENTS**	**CASHFLOWS**	**CREDIT SCORE**	**CRYPTO**
knot	Trigo.	PrismData	Bloom Credit	MESH

DATA USERS

Fidelity · charles SCHWAB · acorns · Robinhood

Source: Financial Data Exchange (FDX), F-Prime team analysis

AI will continue to have a broad and deep impact on financial services

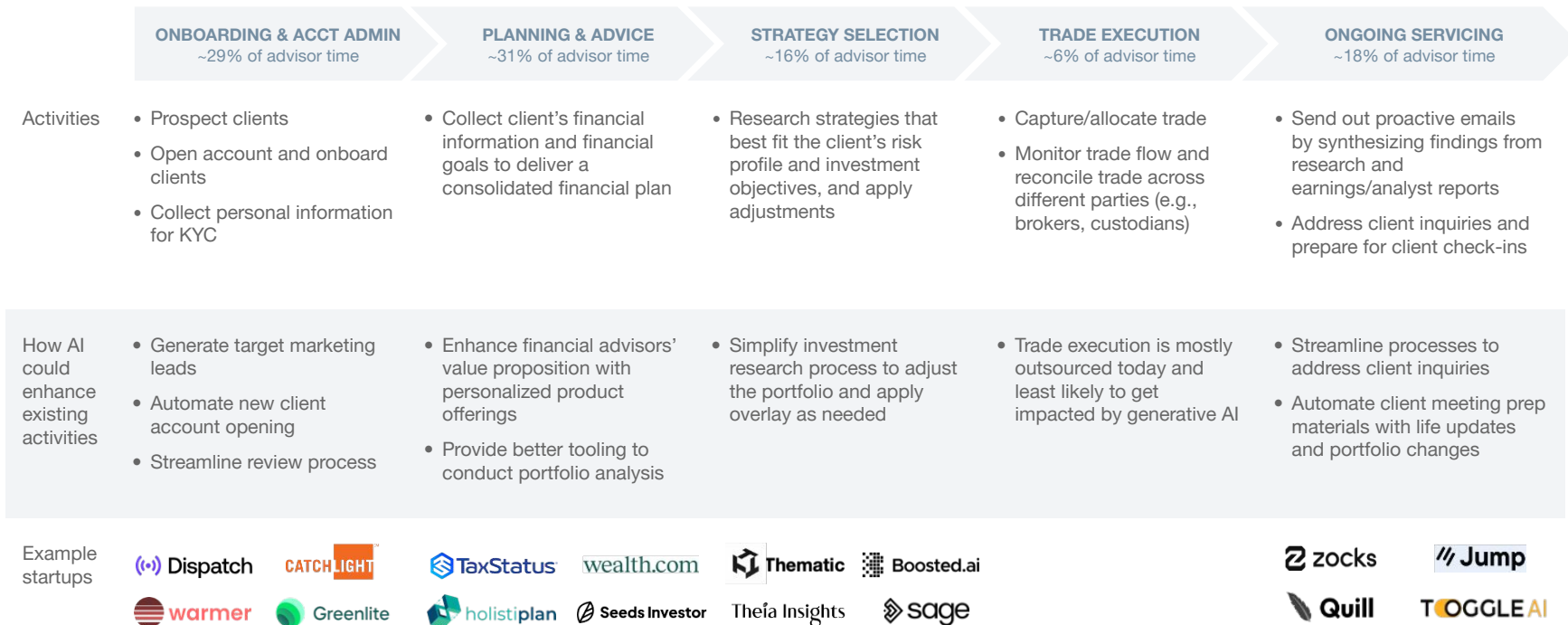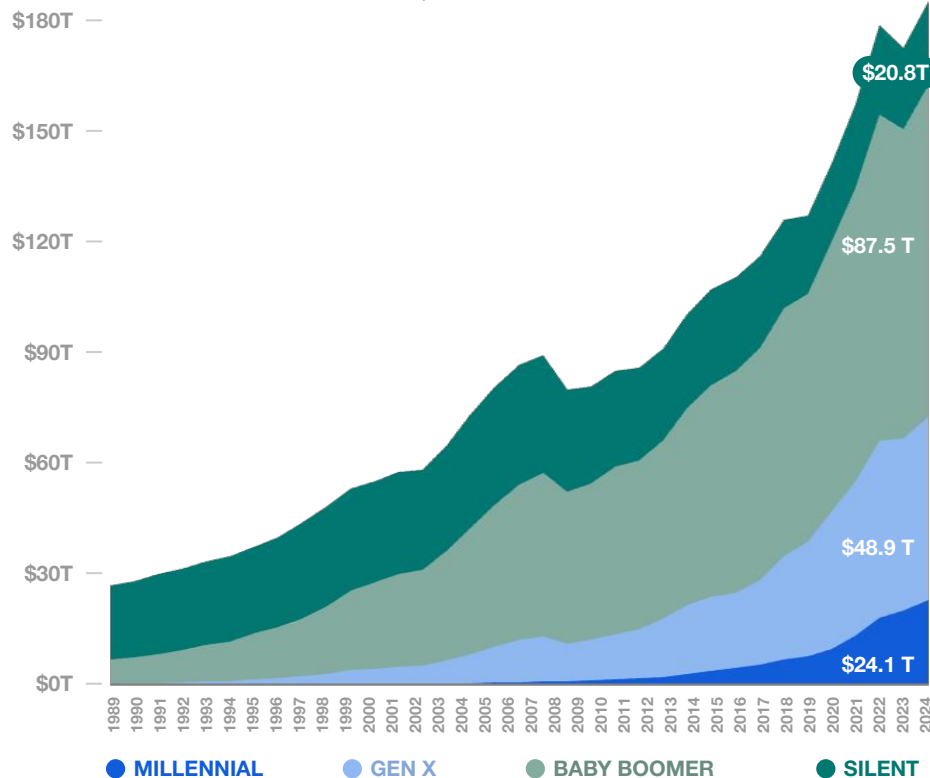|	WAVE 1: SYSTEM OF RECORD	WAVE 2: SAAS	WAVE 3: SYSTEM OF AUTOMATION (AI)
Catalyst for adoption	Business computers	Web and mobile access, fintech	Generative AI and machine learning
Impact to business owners	• Record transactions, performance, and other data to optimize business	• Enable customers to transact online • Allow staff to take actions to better interact with customers, vendors, and other parties	• Enter new markets by more efficiently reaching out to customers and tailoring product • Decrease cost to operate business by automating repetitive tasks
Business model	• SaaS fee for month model • Charge for data or access	• Fees based on % or $ of money transacted or held	• Charge per task completed
Examples	• Records of tasks, results, and transactions • Visualization and calculations based upon records • Document storage	• Embedded fintech products including payments, lending, deposits, withdrawals, and banking • Ancillary services including integrated data warehousing	• Creation of marketing material, personalized outreach and responses • Financial services tailored to individual customer needs • Automated customer support

Client onboarding may be among the first workflows made more efficient by AI, but the largest opportunities are in the middle and back-office

ONBOARDING & ACCT ADMIN ~29% of advisor time	PLANNING & ADVICE ~31% of advisor time	STRATEGY SELECTION ~16% of advisor time	TRADE EXECUTION ~6% of advisor time	ONGOING SERVICING ~18% of advisor time

Activities

- **Onboarding:** Prospect clients; Open account and onboard clients; Collect personal information for KYC
- **Planning:** Collect client's financial information and financial goals to deliver a consolidated financial plan
- **Strategy:** Research strategies that best fit the client's risk profile and investment objectives, and apply adjustments
- **Trade:** Capture/allocate trade; Monitor trade flow and reconcile trade across different parties (e.g., brokers, custodians)
- **Servicing:** Send out proactive emails by synthesizing findings from research and earnings/analyst reports; Address client inquiries and prepare for client check-ins

How AI could enhance existing activities

- Generate target marketing leads; Automate new client account opening; Streamline review process
- Enhance financial advisors' value proposition with personalized product offerings; Provide better tooling to conduct portfolio analysis
- Simplify investment research process to adjust the portfolio and apply overlay as needed
- Trade execution is mostly outsourced today and least likely to get impacted by generative AI
- Streamline processes to address client inquiries; Automate client meeting prep materials with life updates and portfolio changes

Example startups: Dispatch, CATCHLIGHT, warmer, Greenlite | TaxStatus, wealth.com, holistiplan, Seeds Investor | Thematic, Theia Insights, Boosted.ai, sage | | zocks, Jump, Quill, TOGGLE AI

With an estimated $100T expected to change hands in the next few decades, wealth managers have an opportunity to capture value across each generation

DISTRIBUTION OF HOUSEHOLD WEALTH
US, 1989 – 2024

OPPORTUNITIES BY GENERATION

- MILLENNIAL
- GEN X
- BABY BOOMER
- SILENT

WEALTH DECUMULATION
INCOME LAB · Income Discovery For a Full & Rich Retirement · Carefull · True Link

ESTATE PLANNING
Vanilla · wealth.com · LUMINARY · trustate

WEALTH ACCUMULATION
Vestwell · Capitalize · Beacon · baton

NEXT-GENERATION WEALTH PLATFORMS
Monarch · Copilot · Range · carry

Source: Federal Reserve Distributional Financial Accounts, Cerulli, F-Prime team analysis