

Tech M&A Monthly Starts in 2 minutes



Questions? Comments?
@CorumGroup

CORUM
MERGERS & ACQUISITIONS

Events Insights Our Team FAQ

ABOUT VALUATIONS & PROCESS TRANSACTIONS RESOURCE CENTER CONTACT

TECH M&A FOR CEOS, BY CEOS.

With the most senior dealmakers leading the most successful tech M&A process in history, Corum has sold more software and related technology companies than anyone. Is it time for you to take the next step with Corum?

I want to sell and get in touch with an advisor immediately.

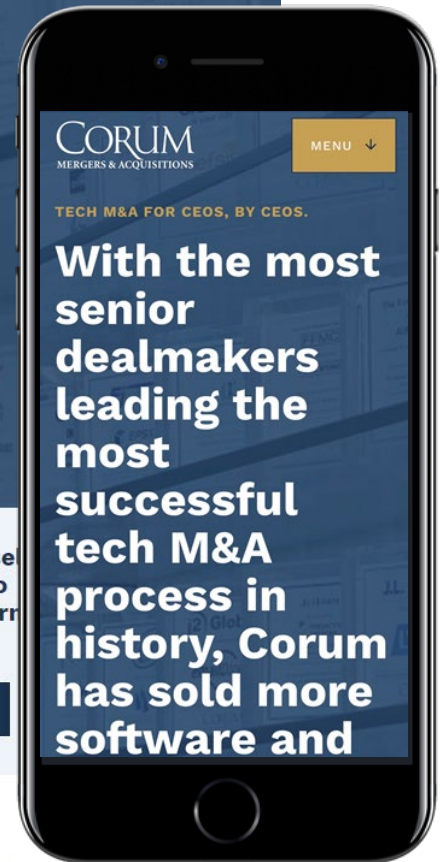
I am thinking about selling and would like more information.

I'm not ready to sell yet, but want to research and learn about M&A.

CONTACT US →

ABOUT CORUM →

RESOURCE CENTER →



34

Years in business

20+

Advisors worldwide

\$10B

In wealth created

325+

Closed transactions

Past Attendees Include



IHS Markit®



Microsoft



DELL EMC



SONY®



SYNOPSYS®

PTC®

T-Mobile

Digital
River®



NEC

- **Private Equity Panel**
- **Buyers Panel**
- **Top Acquirer Profiles: Google, Accenture**
- **Valuation Strategy**
- **Planning for Post-Acquisition Success**
- **Special Reports: SaaS, Mobile, Gaming, France, Canada, Payments, Agtech, Security**

Tech M&A Monthly Starts in 1 minutes



Questions? Comments?
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MERGE BRIEFING

- **90 Minutes**
- **Industry Update**
- **Overview of the M&A Process**





- **Half-Day**
- **Tech M&A Bootcamp**
- **The most attended tech executive conference in history**



8 Stages for an Optimal Outcome





MERGE BRIEFING



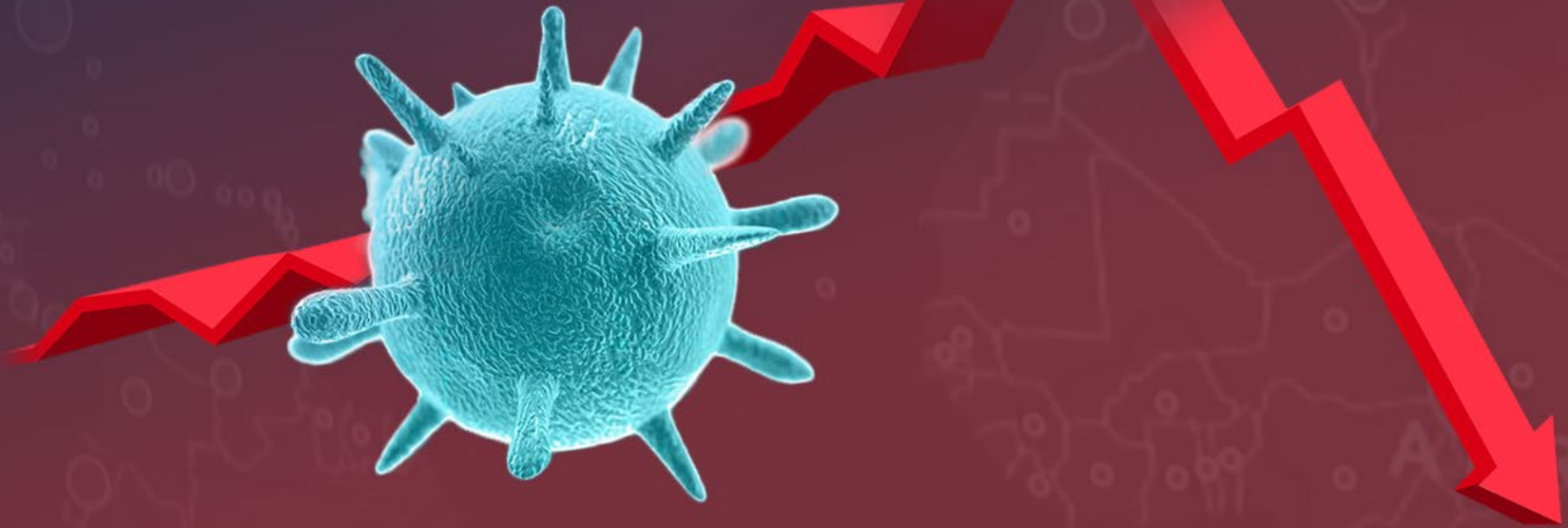
- **Half-Day**
- **Tech M&A Bootcamp**
- **The most attended tech executive conference in history**

- **90 Minutes**
- **Industry Update**
- **Overview of the M&A Process**

CORUM

Tech M&A Monthly

The Pandemic and Tech M&A



HEIDI OWEN, **DIRECTOR OF MARKETING, CORUM GROUP**



- Heidi rejoined Corum in 2019 as the Director of Marketing. She leads the Corum marketing team and is responsible for planning, development, and implementation of Corum's marketing strategy and public relations activities.
- Bachelor of Arts - BA focused in Psychology from Western Washington University.

We welcome your questions!

**Use the Q&A box during
the webcast**

**Email questions to
info@corumgroup.com**

Welcome

Field Reports

Global Tech M&A Research Report:

**Horizontal, Vertical, Consumer,
Internet, Infrastructure, and IT Services**

Closing

Growth & Exit Strategies

For Software and IT Companies

Managing & Selling During a Crisis

Live from Seattle

GoToWebinar | April 28th



Buyers



Investors



Valuations



Tech Trends



Sellers

WFS EDUCATING
TECHNOLOGY
LEADERS

Growth and Exit Strategies

*For Software & IT Companies:
Managing & Selling During a Crisis*



Matt Rung

Director of WFS



Welcome



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Investors Panel:

Will your strategy get funded?



voyager
CAPITAL

James Newell

Partner



MADRONA
VENTURE GROUP

Tim Porter

Managing Director



lighter capital

Vani Rao

Senior Director



GSV | GREATER
SUM
VENTURES

**Vladimir
Besprozvany**

Managing Director



WOMEN IN CLOUD

Stacy Tatem

Accelerator Adviser



OUTLINES
VENTURE GROUP

Gillian Muessig

CEO

Buyers Panel:

Do you have what they want?



Kunju Mehta

Director:
Growth Strategy &
Execution, Azure



David Dandel

Partner



Peter Coffee

VP for Strategic
Research



Brett Simon

Director of Corporate
Development



Ryan Sudeck

Director of New
Ventures



Tim Goddard

Corum Group

Sellers Panel:

Advice from CEOs who've sold & how to prepare for an exit



Xuchen Yao

CEO



Kerri McConnell

CEO



Joel Abramson

CSO



Rob MacNaughton

CEO



Kahly Berg

CEO



Dan Bernstein

Corum Group

Growth & Exit Strategies

For Software and IT Companies

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Buyers



Investors



Valuations



Tech Trends



Sellers

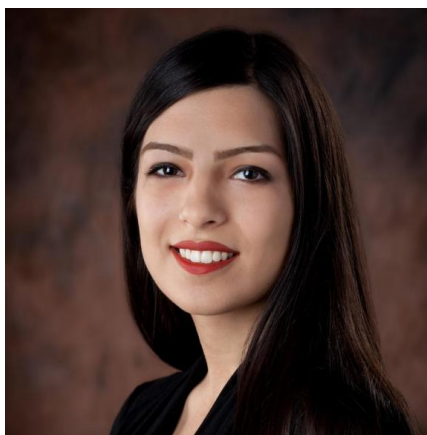
WFS EDUCATING
TECHNOLOGY
LEADERS

Tech M&A Research Report

Corum Research Report



Timothy Goddard
EVP, Corporate Strategies



Yasmin Khodamoradi
Director, Client Services



Amber Stoner
Director, Research



Valeriya Chumachenko
Senior Analyst



Anna Lebedieva
Senior Analyst



Artem Mamaiev
Senior Analyst



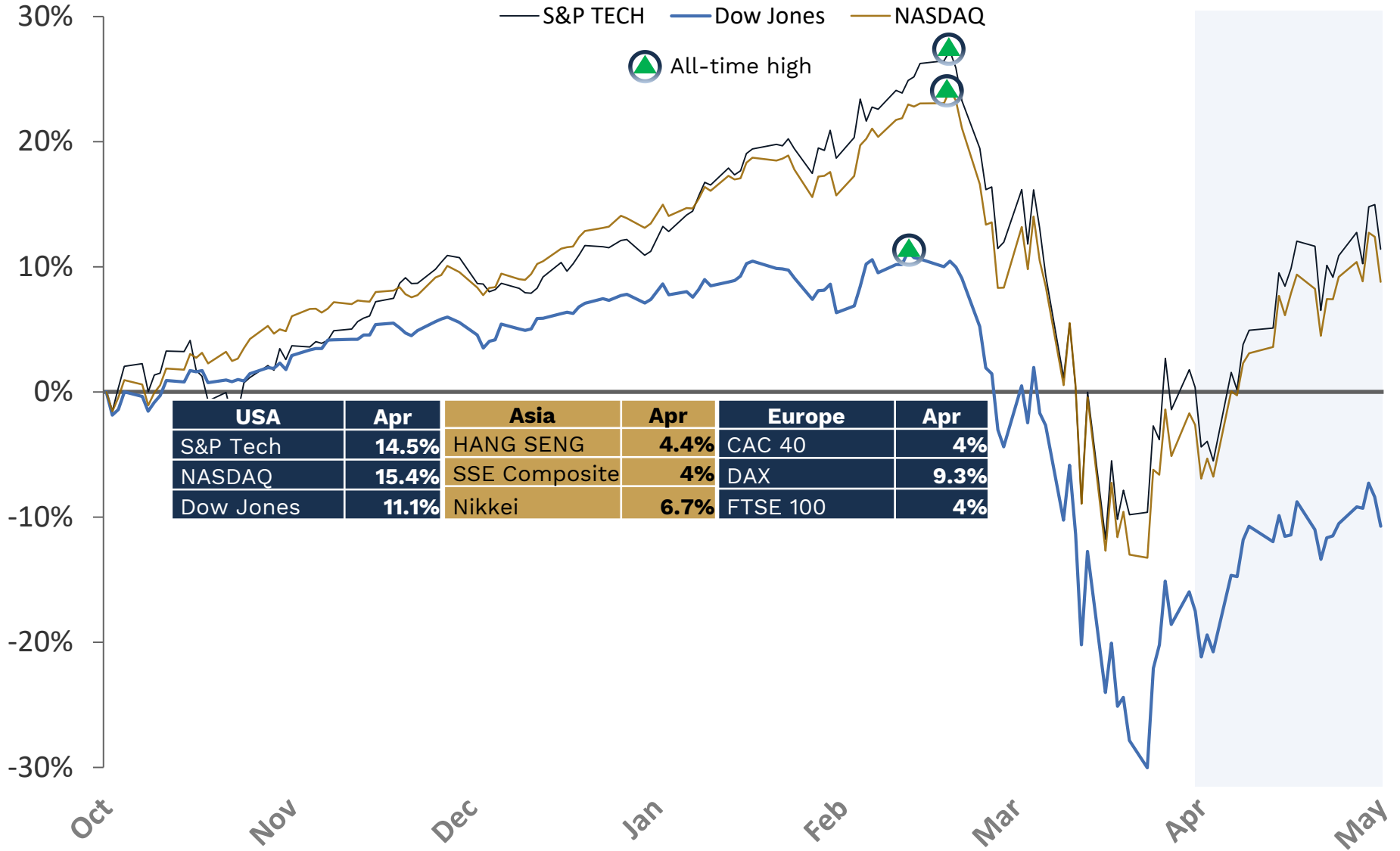
Olha Rumiantseva
Analyst



Tzvi Kilov
Writer

Public Markets 2019-YTD

% CHANGE



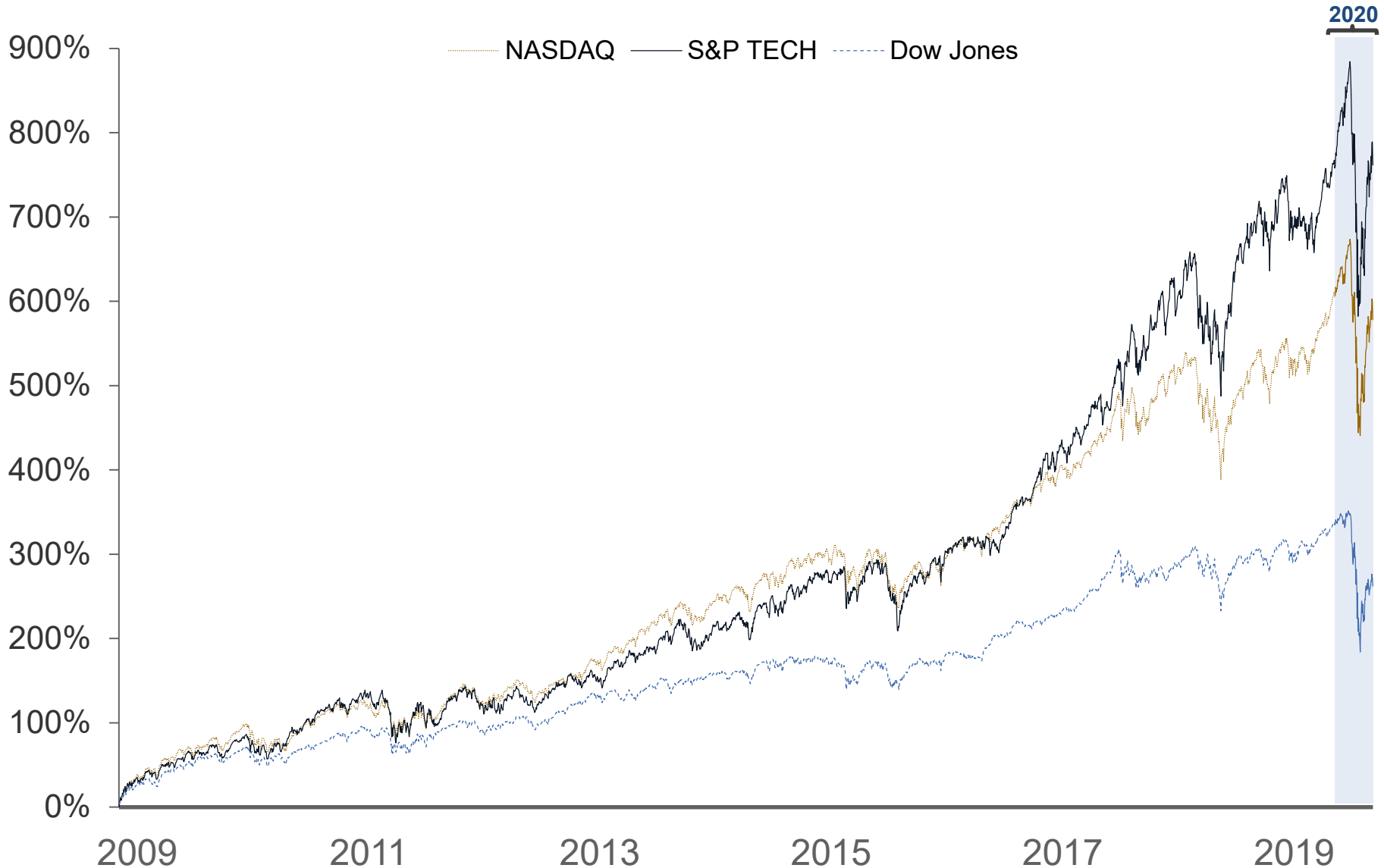
This is a bear market.

We see more steps down.

**If you don't have time for recovery,
calibrate the tech M&A market now.**

Public Markets 2009-2020

% CHANGE



Market

Announced Transactions

Q1:2019

832

Q1:2020

884

6%

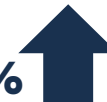


Mega Deals

15

19

27%



Largest Deal

\$35B

\$13B

63%



Pipeline

Private Equity Platform Deals

Q1:2019

105

Q1:2020

92

12%



VC-Backed Exits

175

174

1%



Attributes

Cross Border Transactions

Q1:2019

39%

Q1:2020

41%



Start-Up Acquisitions

11%

16%



Average Life of Seller

18 yrs

17yrs



Market

Announced Transactions

265

262

1% ↓

Mega Deals

3

2

33% ↓

Largest Deal

\$4.4B

\$8.2B

86% ↑

Pipeline

Private Equity Platform Deals

40

18

55% ↓

VC-Backed Exits

45

41

9% ↓

Attributes

Cross Border Transactions

37%

37%

Start-Up Acquisitions

10%

22%

Average Life of Seller

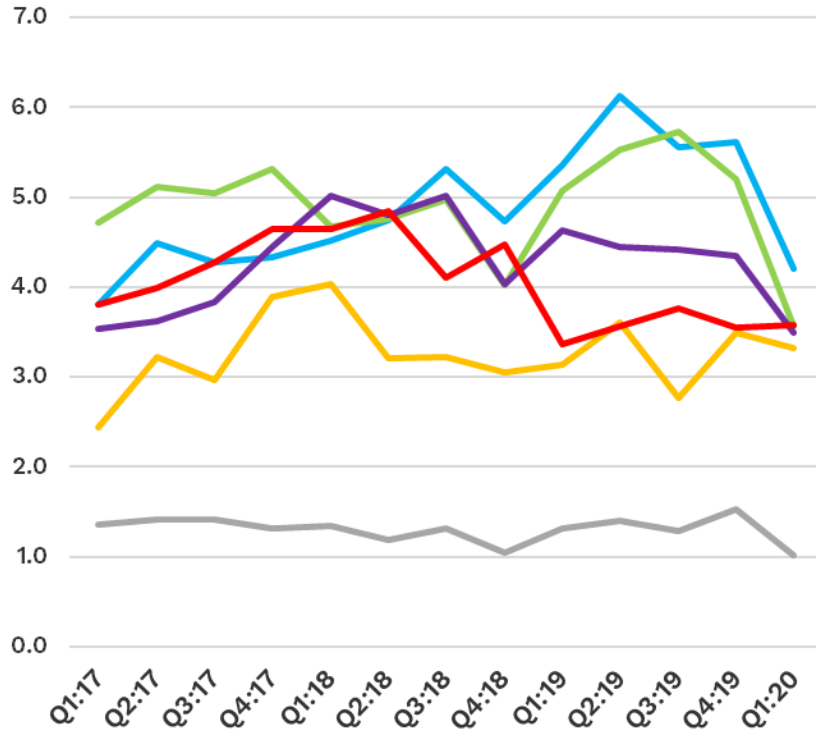
18 yrs

16 yrs

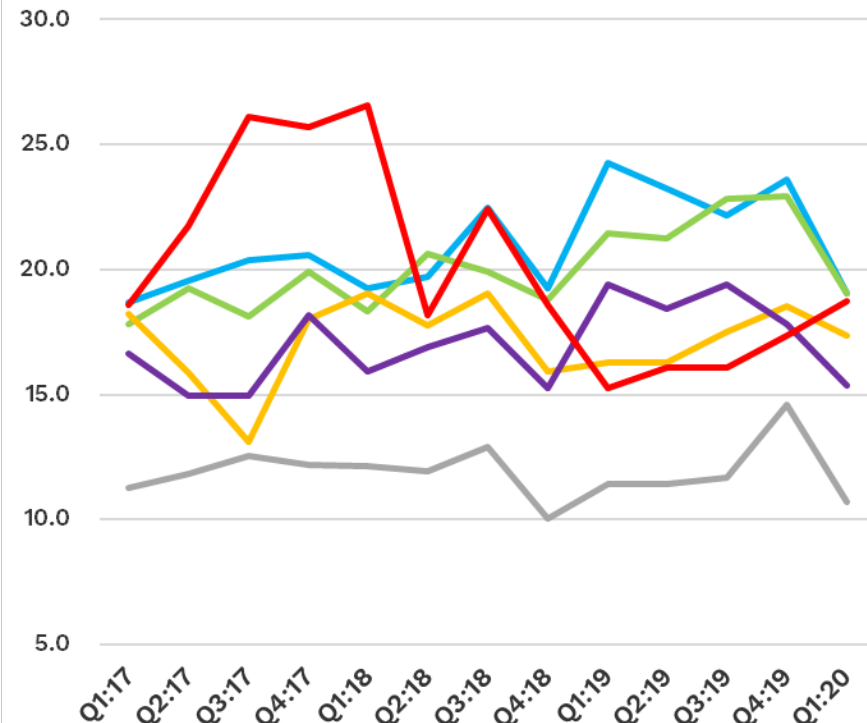


3-Year Market Valuation Trends

EV/Sales



EV/EBITDA



Horizontal

Vertical

Infrastructure

Consumer

Internet

IT Services



Horizontal



Vertical



Infrastructure



Consumer



Internet



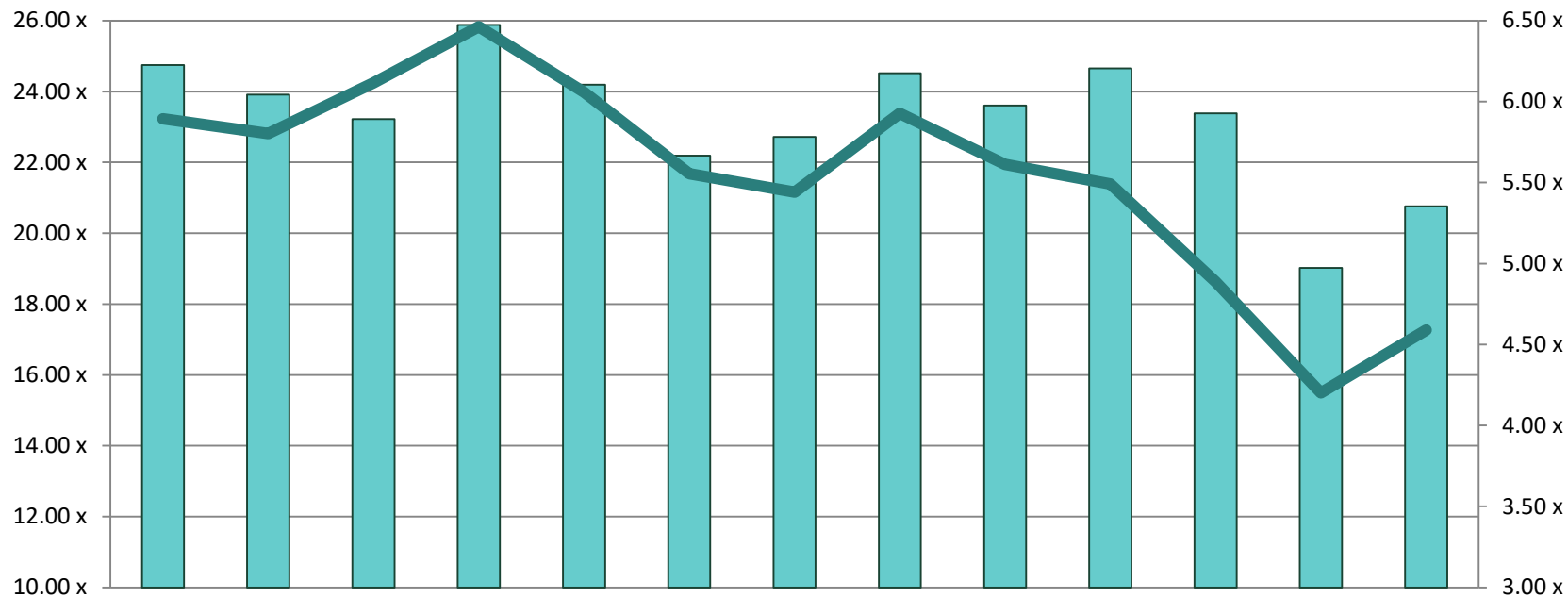
IT Services



Public Valuation Multiples

EV/EBITDA

EV/S



	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20
EV/EBITDA	24.75 x	23.91 x	23.22 x	25.88 x	24.19 x	22.19 x	22.72 x	24.51 x	23.60 x	24.66 x	23.38 x	19.02 x	20.76 x
EV/S	5.89 x	5.80 x	6.12 x	6.46 x	6.06 x	5.55 x	5.44 x	5.93 x	5.61 x	5.49 x	4.89 x	4.20 x	4.59 x



Horizontal

SOFTWARE MARKET

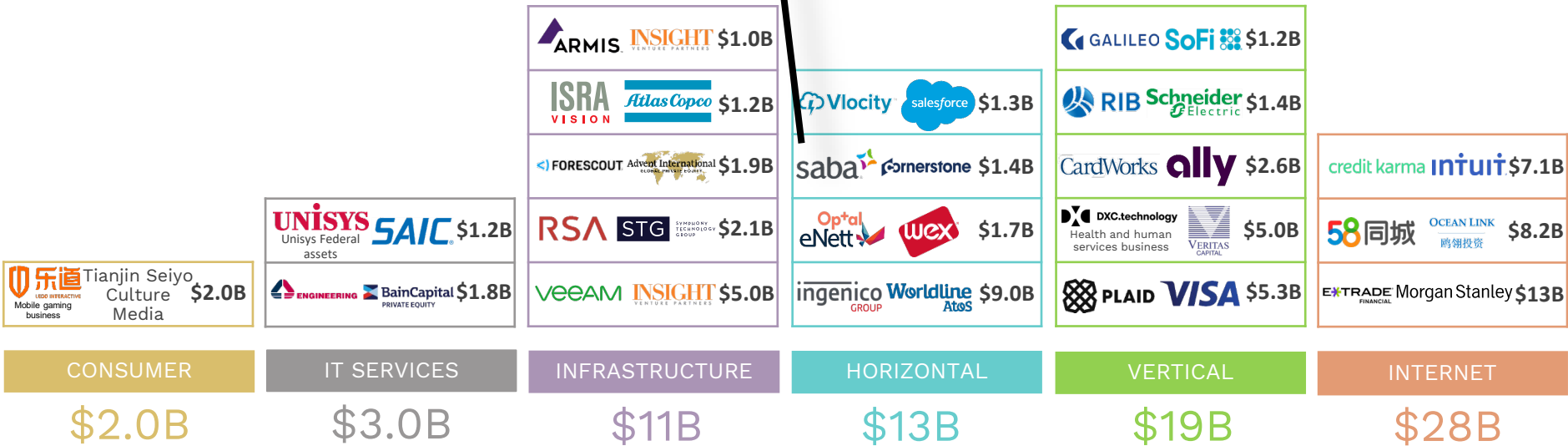
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MERGERS & ACQUISITIONS

Subsector	Sales	EBITDA	Examples		
Business Intelligence	▲ 5.28x	▲ 25.54x			
Marketing	▲ 4.48x	▲ 20.57x			
ERP	▲ 4.93x	▲ 19.26x			
Human Resources	— 5.17x	— 17.27x			
SCM	▲ 6.64x	▲ 33.49x			
Payments	▲ 4.45x	▲ 22.32x			
Other	▲ 4.39x	— 15.74x			

2020 Mega Deals (Jan-Apr)















Seller: Saba Software [USA]
Acquirer: Cornerstone OnDemand [USA]
Transaction Value: \$1.4B (5.4x EV/Sales)
 - HR management SaaS



Thoughts? Questions? Let us know!
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Representative Q1 Deals

Seller	Acquirer	Closed	Description
		March	AI-based job competency assessment SaaS
		March	Videoconferencing SaaS
		March	AI-based customer predictive analytics SaaS
		February	\$68M and 3.3x EV/Sales Mobile app customer analytics SaaS
		February	\$26M Video-based customer feedback analytics SaaS
		February	\$24.3M Warehouse management SaaS



Human Resources



Seller: Kwantek [USA]

Acquirer: TEAM Software [Accel-KKR] [USA]

- Applicant tracking & recruitment management SaaS



Seller: WorkTech [USA]

Acquirer: Prometheus Group Enterprises [Genstar Capital] [USA]

- Contractor management SaaS



Seller: ROIKOI [USA]

Acquirer: Terminal [USA]

- AI-backed HR SaaS



AdTech



FOURSQUARE

Seller: Factual [USA]
Acquirer: Foursquare Labs [USA]
- Location-based advertising analytics SaaS



Seller: AdStage [USA]
Acquirer: TapClicks [USA]
- Online ad creation SaaS



Seller: Empyr [USA]
Acquirer: Augeo Affinity Marketing [USA]
- Advertising enablement SaaS



Sales and Marketing Management



LeadOwl

SOLD TO



Cache Ventures



360 family office

Seller: LeadOwl [USA]

Acquirer: Cache Ventures/360 Family Office [USA]

- Marketing sales leads mobile applications

wealthsystems[®]

SOLD TO



TOTVS

Seller: Wealth Systems Informatica [Brazil]

Acquirer: TOTVS [Brazil]

Transaction Value: \$5.1M

- Sales management & analytics software



Business Intelligence



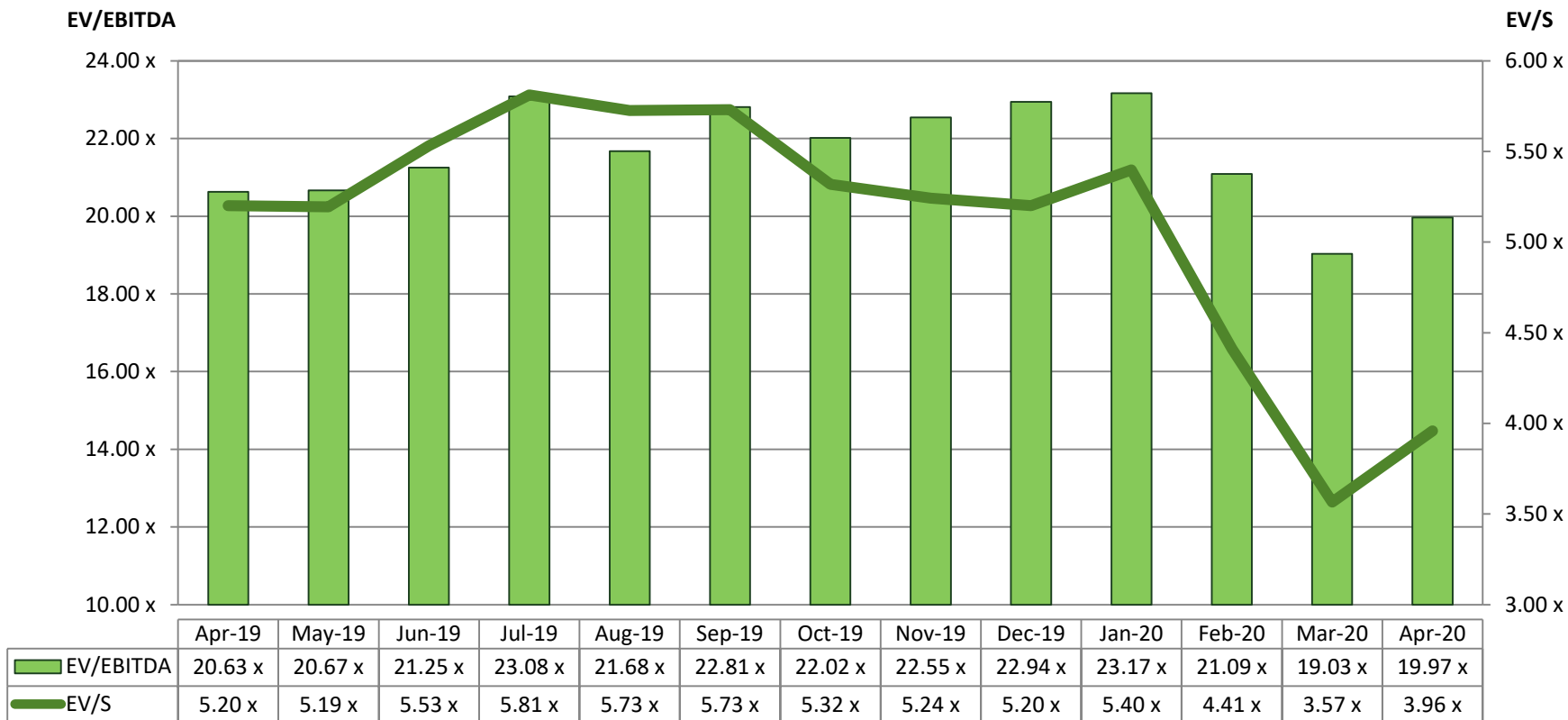
Seller: Velocimetrix [United Kingdom]

Acquirer: Beeks Financial Cloud Group [United Kingdom]

- Business performance & real-time analytics SaaS



Public Valuation Multiples





Subsector	Sales		EBITDA		Examples		
A/E/C	▲	9.15x	—	39.46x	AUTODESK	DASSAULT SYSTEMES	SYNOPSYS®
Automotive	▲	3.73x	▲	18.87x	Autotrader	BitAuto 易车	CDK Global
Energy & Environment	▲	2.15x	▲	14.62x	IHS Markit	Itron	xylem
Financial Services	▲	6.54x	—	22.65x	Broadridge®	FIS	fiserv.
Government	—	2.04x	—	15.07x	NORTHROP GRUMMAN	LOCKHEED MARTIN	tyler technologies
Healthcare	—	2.75x	—	19.76x	Allscripts®	HealthCatalyst®	Cerner
Real Estate	▲	3.02x	▲	40.83x	CoreLogic®	CoStar Group™	Zillow
Other	▲	3.56x	▲	11.86x	AMADEUS®	Rockwell Automation	Sabre



Representative Q1 Deals

Seller	Acquirer	Closed	Description
		March	\$4.3M Employee equity & cash incentive plans SaaS
		March	\$20.6M and 5.2x EV/Sales Rail ticketing software & data integration services
		March	Automotive embedded software & development services
		March	\$15M Medical mobility controls & software
		March	Feedback analytics SaaS
		January	\$20M, 5x EV/Sales and 8.7x EV/EBITDA Auto diagnostics systems



Healthcare



Seller: Lixoft [France]
Acquirer: Simulations Plus [USA]
Transaction Value: \$11M and 3.2x EV/Sales
- Drug development modeling software



Seller: Gaido Health [Takeda Ventures] [Takeda Pharmaceutical] [USA]
Acquirer: Biofourmis [USA]
- Healthcare SaaS & mobile applications



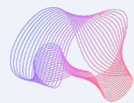
symplur



Seller: Symplur [USA]
Acquirer: W2O Group [New Mountain Capital] [USA]
- Social media analytics SaaS



Healthcare



biobeats



H U M A

Seller: BioBeats [United Kingdom]

Acquirer: Huma [United Kingdom]

- AI-based employee mental health monitoring SaaS



H U M A

Seller: Tarilian Laser Technologies [United Kingdom]

Acquirer: Huma Therapeutics [United Kingdom]

- Blood pressure monitoring wearable device



Home Care



Seller: Tri-Cura [USA]

Acquirer: People Power [USA]

- Home care agency ERP SaaS
- Enables new proactive care implementation plans



Legal Software



Riverside

Seller: QueTel [USA]

Acquirer: The Riverside Company [USA]

- Law enforcement software & SaaS



FILEVINE

Seller: Lead Docket [USA]

Acquirer: Filevine [USA]

- Lead tracking software & SaaS



Real Estate



Seller: DropModel [USA]
Acquirer: HouseCanary [USA]
- Real estate analysis SaaS



Seller: Virtual Properties [USA]
Acquirer: Constellation1 [Constellation Real Estate Group][Constellation Software] [USA]
- Real estate white-label SaaS and mobile app



Seller: Closers' Choice [Millennium Software Developers] [USA]
Acquirer: AccuTitle [Kai Group Holdings] [USA]
- Real estate closing & title software



Agriculture and Livestock Technology



Seller: Salesbee [Switzerland]

Acquirer: Plantix [Germany]

- Agricultural inputs applications & marketplace



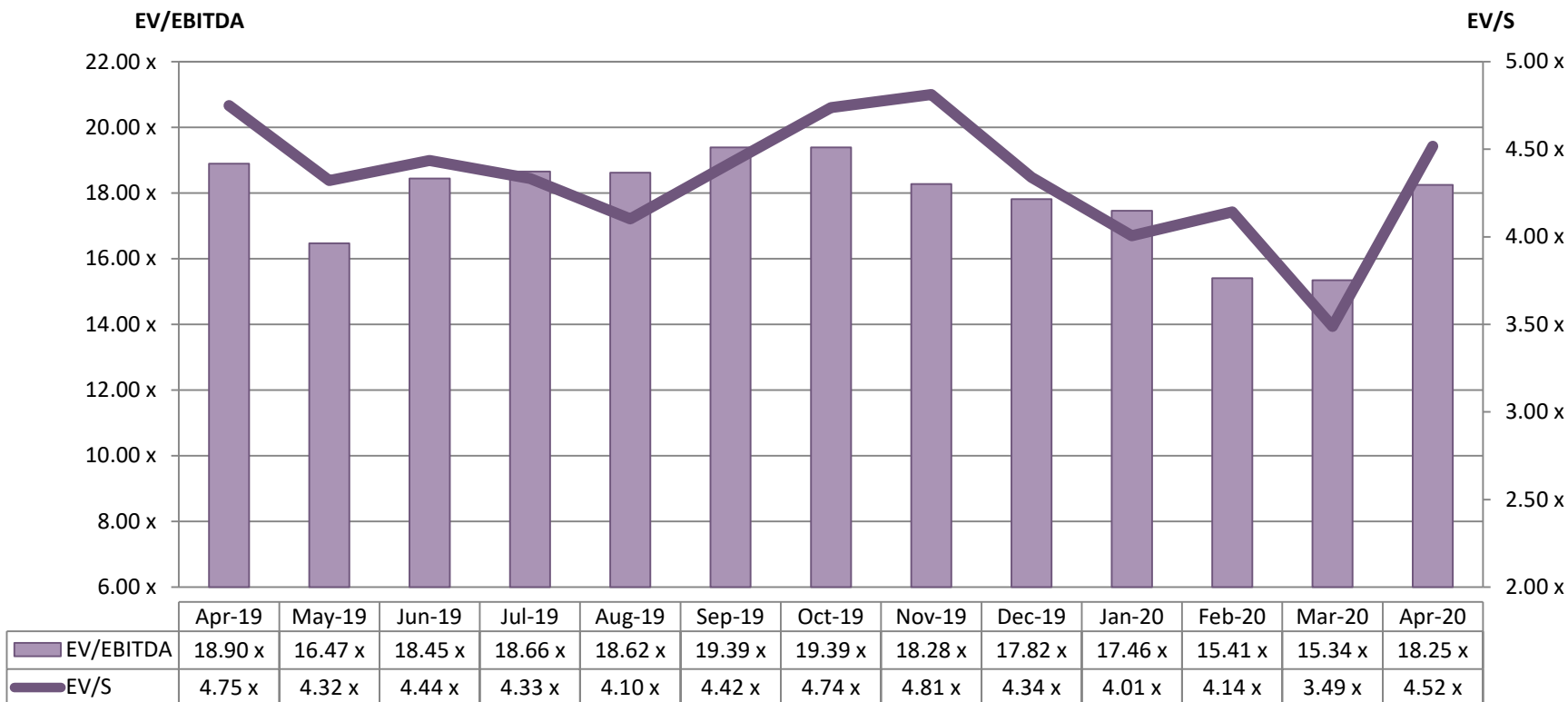
Seller: Performance Livestock Analytics [USA]

Acquirer: Zoetis Services [USA]

- Livestock analytics SaaS & devices



Public Valuation Multiples





Subsector	Sales	EBITDA	Examples
Application Lifecycle	▲ 5.14x	▲ 10.00x	▲ ATLISSIAN, New Relic, Progress®
Endpoint	▲ 4.40x	▲ 24.88x	CITRIX®, LogMeIn®, vmware®
Network Management	▲ 3.46x	▲ 13.90x	f5®, CISCO, JUNIPER NETWORKS
Security	▲ 6.33x	▲ 31.05x	paloalto NETWORKS®, Check Point SOFTWARE TECHNOLOGIES LTD., FireEye®
Storage & Hosting	— 2.43x	▲ 50.5x	box, COMMVault®, NetApp
Other	▲ 8.66x	▲ 19.84x	Akamai, Appian, twilio

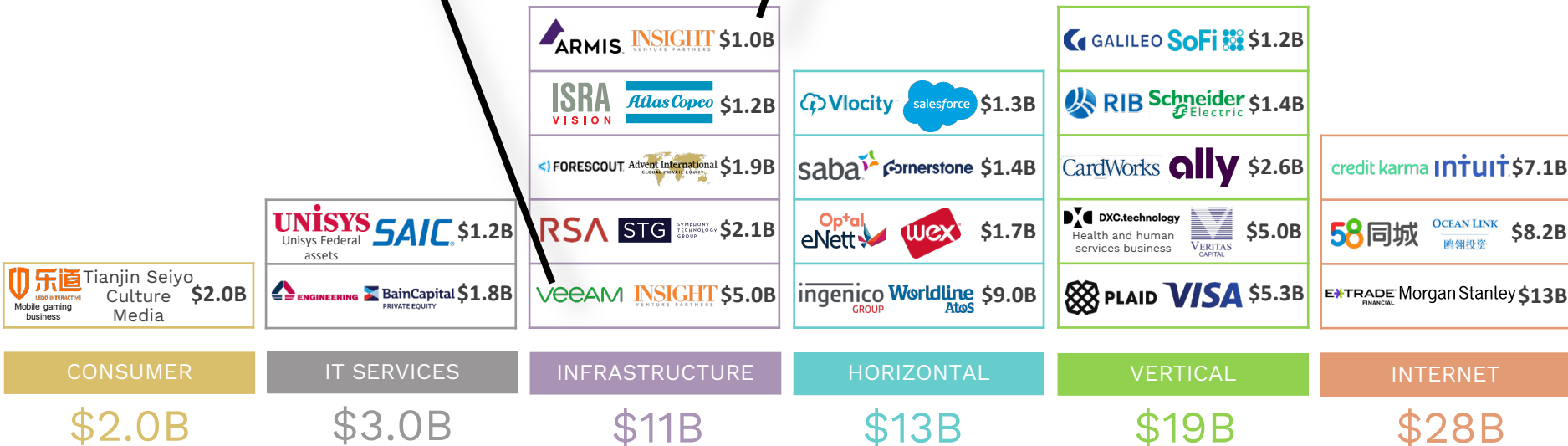
2020 Mega Deals (Jan-Apr)

VEEAM SOLD TO **INSIGHT PARTNERS**

Seller: Veeam Software [Switzerland]
Acquirer: Insight Partners [USA]
Transaction Value: \$5.0B (5.0x EV/Sales)
 - Virtual data backup software

ARMIS SOLD TO **INSIGHT PARTNERS**









Seller: Armis [USA]
Acquirer: Insight Partners [USA]
Transaction Value: \$1.0B
 - Unmanaged & IoT devices cybersecurity monitoring software



Thoughts? Questions? Let us know!
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Representative Q1 Deals

Seller	Acquirer	Closed	Description
 ContainerShip Kubernetes assets	Hitachi Vantara	March	Kubernetes SaaS assets
 BASELAYER	 INTERMOUNTAIN ELECTRONICS, INC.	March	Modular datacenter infrastructure & management software
XMedius	opentext™	March	\$75M EDI software & SaaS
		February	\$35.7M Physical security information management SaaS
 Askida	Alithya 	February	\$16M Application development & QA software
id:analytics.	 LexisNexis	January	\$375M Anti-fraud & identity theft monitoring software



Security



**COLLABNET
VERSIONONE**
TPG

Seller: Arxan Technologies [TA Associates] [USA]
Acquirer: CollabNet VersionOne [TPG Capital] [USA]
- Web, desktop & mobile application security



SWIMLANE

Seller: Sincurity [USA]
Acquirer: Swimlane [USA]
- Security incident management software



Avira



INVESTCORP

Seller: Avira [Germany]
Acquirer: Investcorp Technology Partners [Investcorp Bank] [Bahrain]
Transaction Value: \$180M
- Anti-virus & anti-spam software



Encryption



Seller: KeyNexus [Canada]

Acquirer: StorMagic [United Kingdom]

- Universal key storage & management SaaS
- Makes StorMagic both storage and security focused firm



Identity and Access Management



Seller: Fulcrum Biometrics [USA]

Acquirer: Fujitsu Frontech North America [USA]

- Biometric identification systems & integration



Seller: Connectis [Netherlands]

Acquirer: Signicat [Nordic Capital] [Norway]

- Online authentication & access SaaS



Internet of Things (IoT)



Seller: Thingstream [United Kingdom]

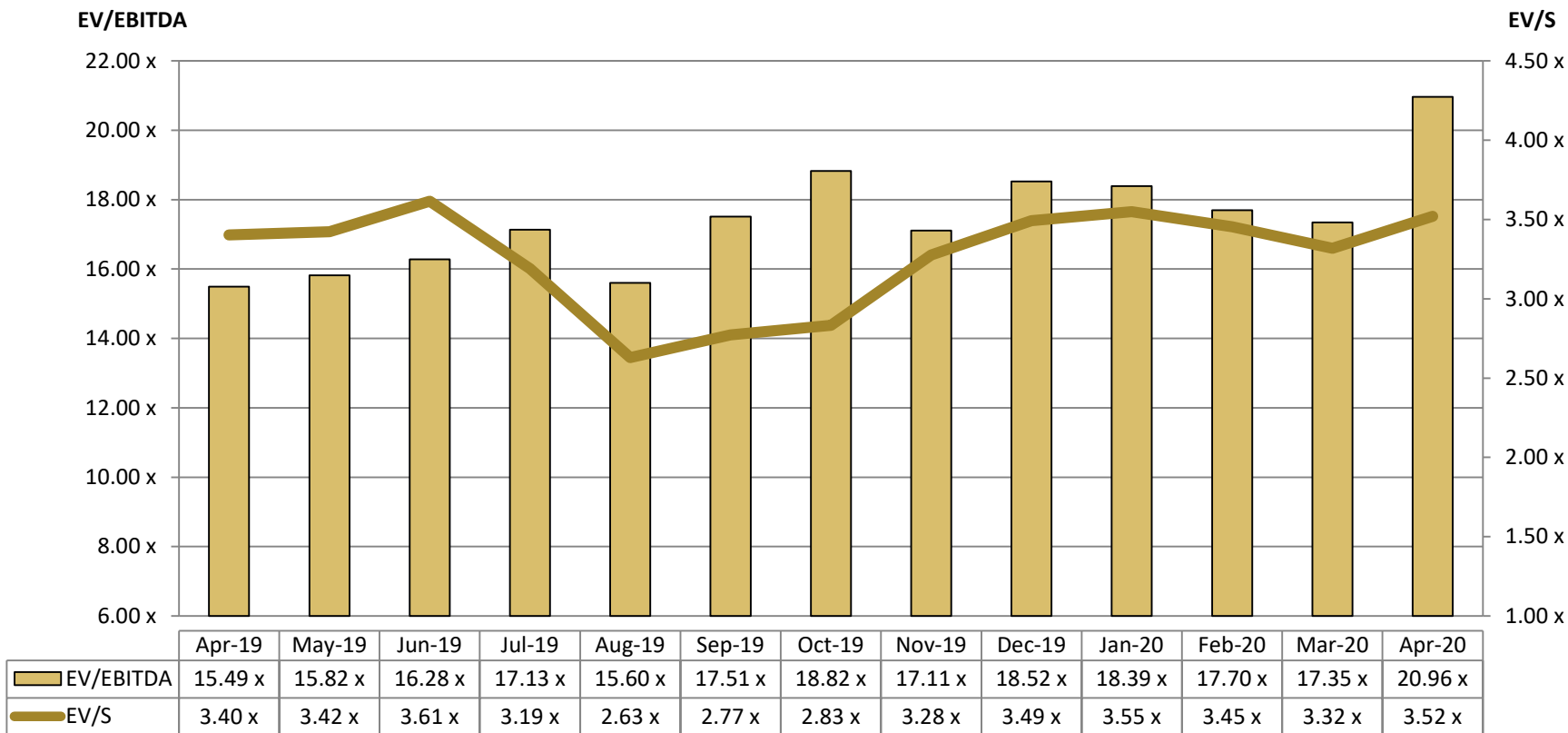
Acquirer: u-blox [Switzerland]

Transaction Value: \$10.5M

- IoT wireless services & SaaS
- Accelerates silicon-to-cloud differentiation












Public Valuation Multiples

















Consumer

SOFTWARE VALUATIONS

Subsector	Sales	EBITDA	Examples
Casual Gaming	▲ 3.29x	— 17.70x	  
Core Gaming	▲ 4.58x	▲ 20.51x	  
Other	▲ 3.49x	▲ 24.37x	  



Representative Q1 Deals

Seller	Acquirer	Closed	Description
		March	Games & consumer entertainment
		March	Social VR software & website
		March	Mobile games studio
		February	\$28.7M Esports content & services
		February	\$150M Video game developer
		January	\$300 and 2.7x EV/Sales Mobile videogame developer



Games



HYPIXEL
STUDIOS



RIOT
GAMES
Tencent 腾讯

Seller: Hypixel Studios [Canada]

Acquirer: Riot Games [Tencent Holdings] [USA]

- Online games & tools developer



PierPlay



SCOPELY

Seller: PierPlay [USA]

Acquirer: Scopely [USA]

- Mobile video game developer



Video Streaming



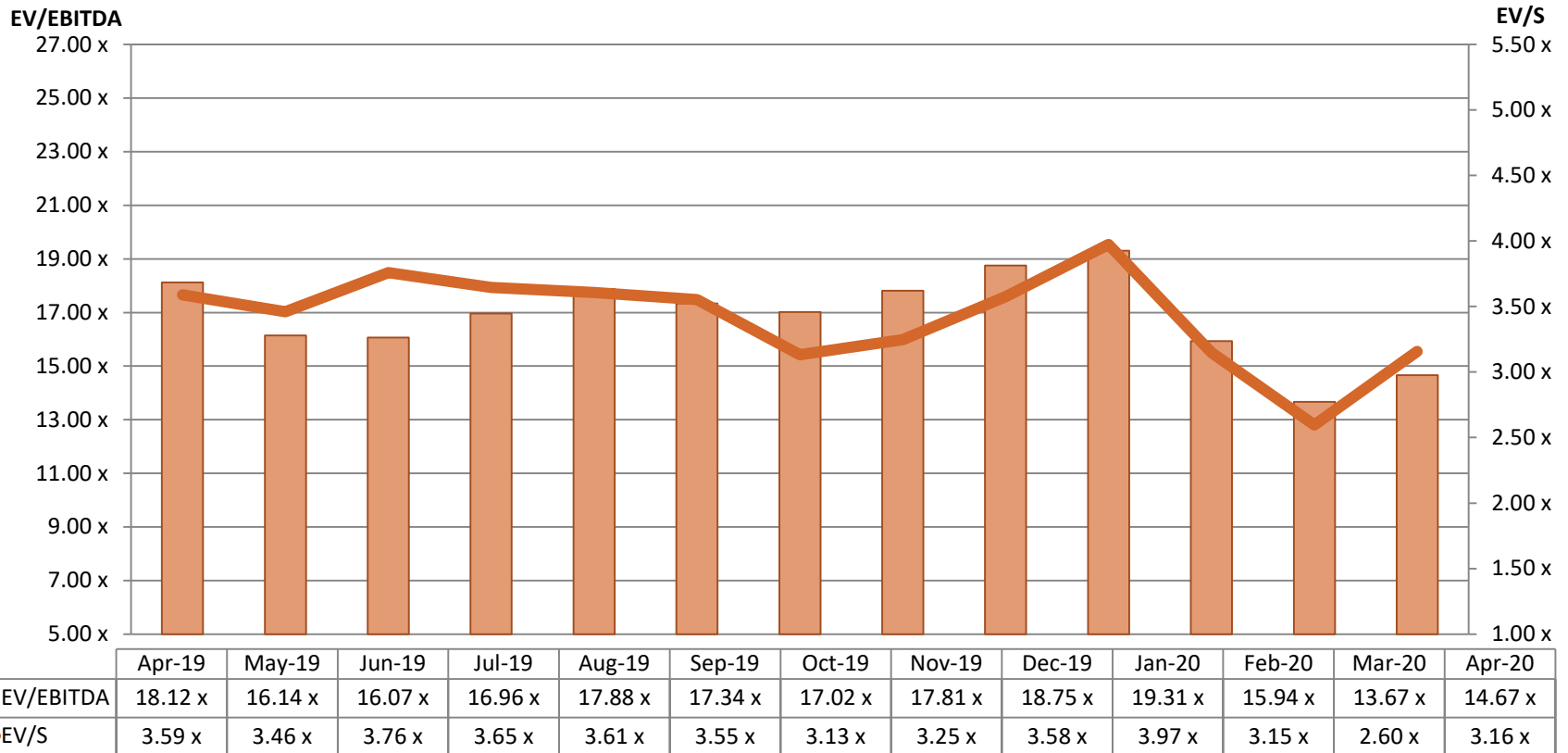
Seller: The Widget Company [Netherlands]
Acquirer: WarnerMedia [AT&T] [USA]
- OTT streaming service software






Seller: Vudu [WalMart] [USA]
Acquirer: Fandango [Comcast] [USA]
- Video-on-demand streaming service



Public Valuation Multiples

















Subsector	Sales	EBITDA	Examples		
Diversified Internet	▲ 3.28x	▲ 15.22x	Alphabet	Baidu 百度	Tencent 腾讯
eCommerce	▲ 1.83x	▲ 31.35x	ebay	JD 京东 JD.COM	zalando
Social Network	▲ 4.92x	▼ 12.49x		mixi GROUP	
Travel & Leisure	▲ 3.49x	▲ 14.67x		Expedia®	BOOKING HOLDINGS



Representative Q1 Deals

Seller	Acquirer	Closed	Description
		March	Social networking platform
		March	Online groceries delivery services
		March	\$2.6M Online cannabis delivery & mobile application
		March	Online marketing executive community
		January	Online language tutoring services
		January	Online editorial website & community



Food Delivery



FoodChain

SOLD TO



DOHMEN[®]

Seller: FoodChain [USA]

Acquirer: Dohmen Company Foundation [USA]

- Online locally sourced food marketplace



Boston

SOLD TO



GrubMarket

Seller: Boston Organics [Canada]

Acquirer: GrubMarket [USA]

- E-commerce food delivery service



Sports and Fitness

COMBINE

SOLD TO

BRUCE

Seller: Combine [Norway]

Acquirer: Bruce [Sweden]

- Gym membership platform

GROUPE STADLINE

SOLD TO



Advent International
GLOBAL PRIVATE EQUITY

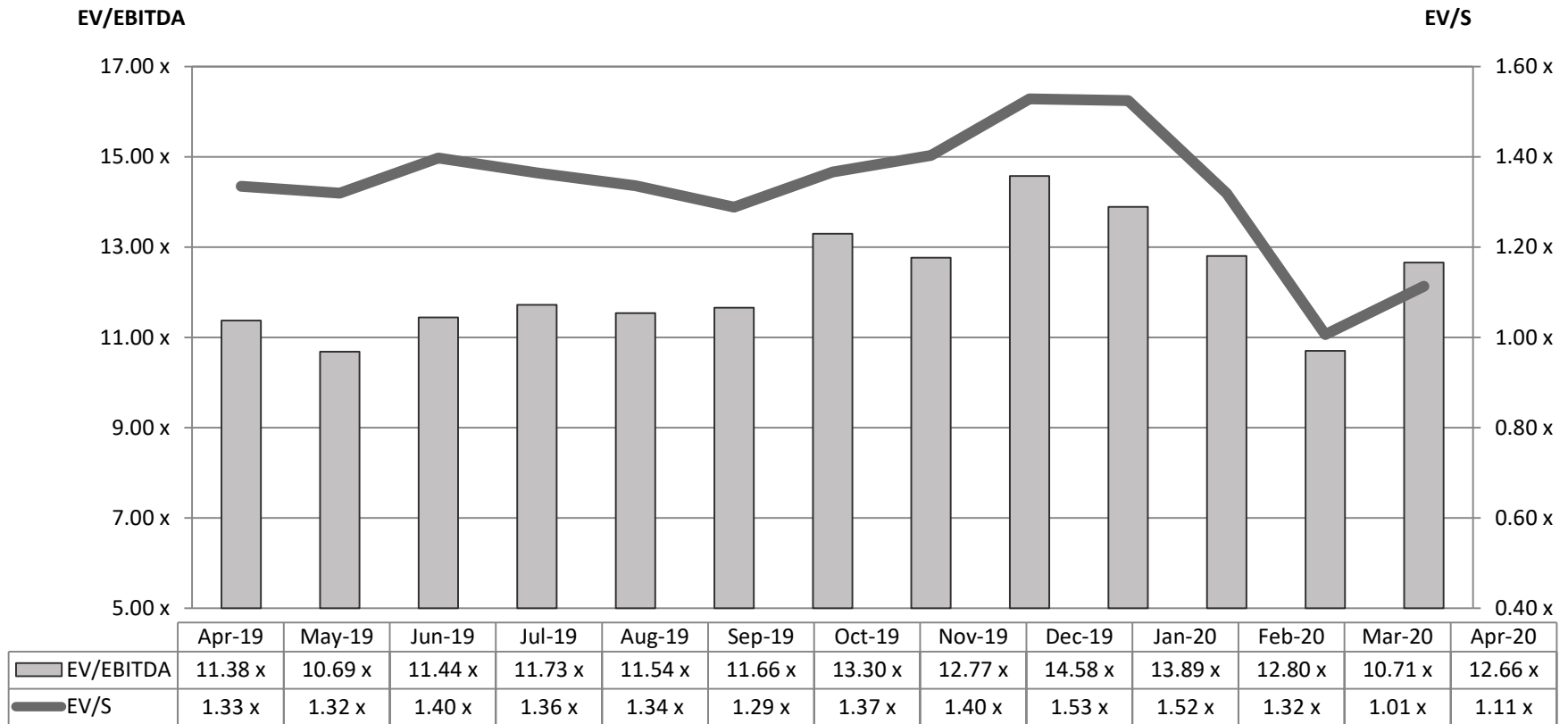
Seller: Groupe Stadline [France]

Acquirer: Transaction Services Group [Advent International] [New Zealand]

- Management software and services provider for fitness area

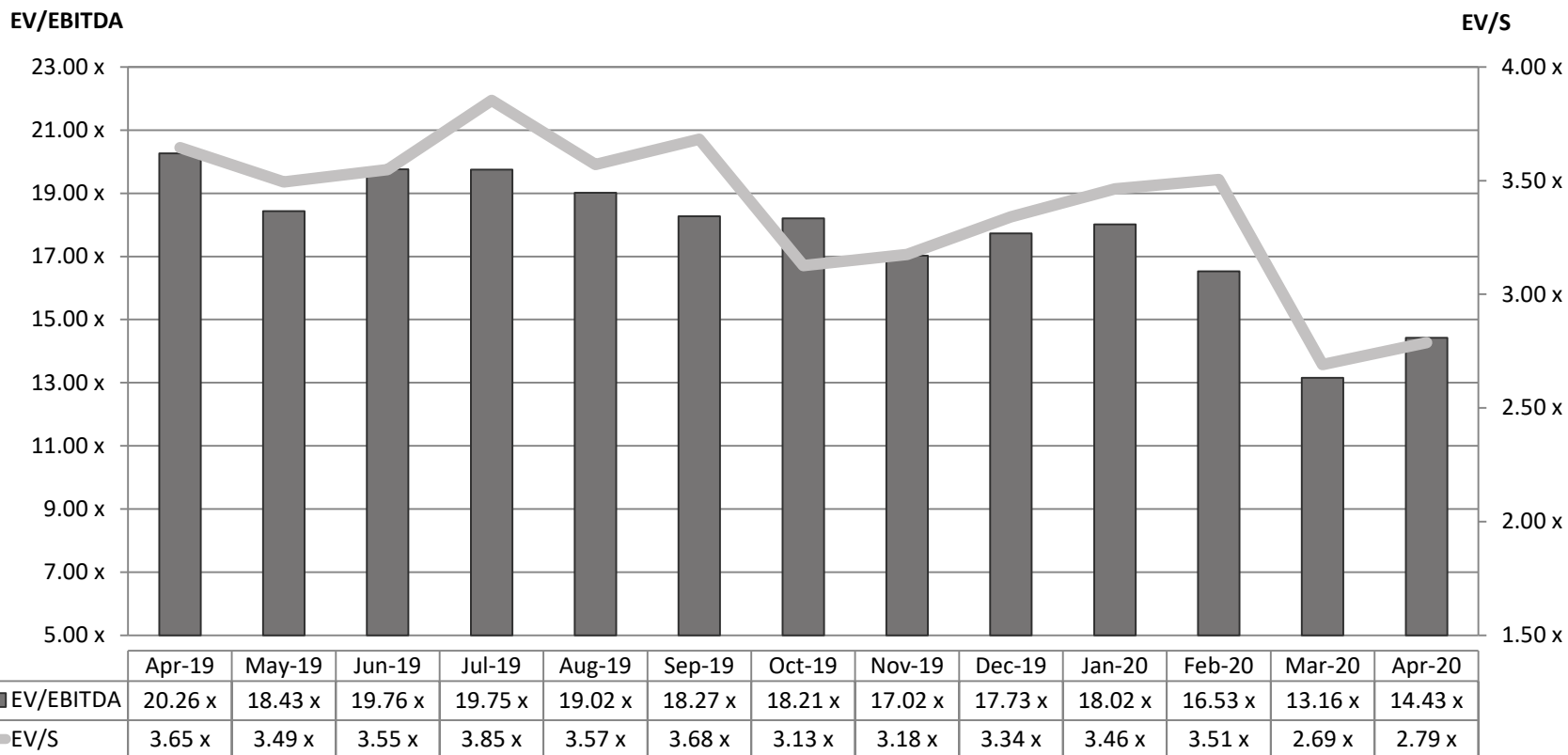


Public Valuation Multiples





Public Valuation Multiples



2020 Mega Deals (Jan-Apr)

UNISYS
Unisys Federal assets

SOLD TO

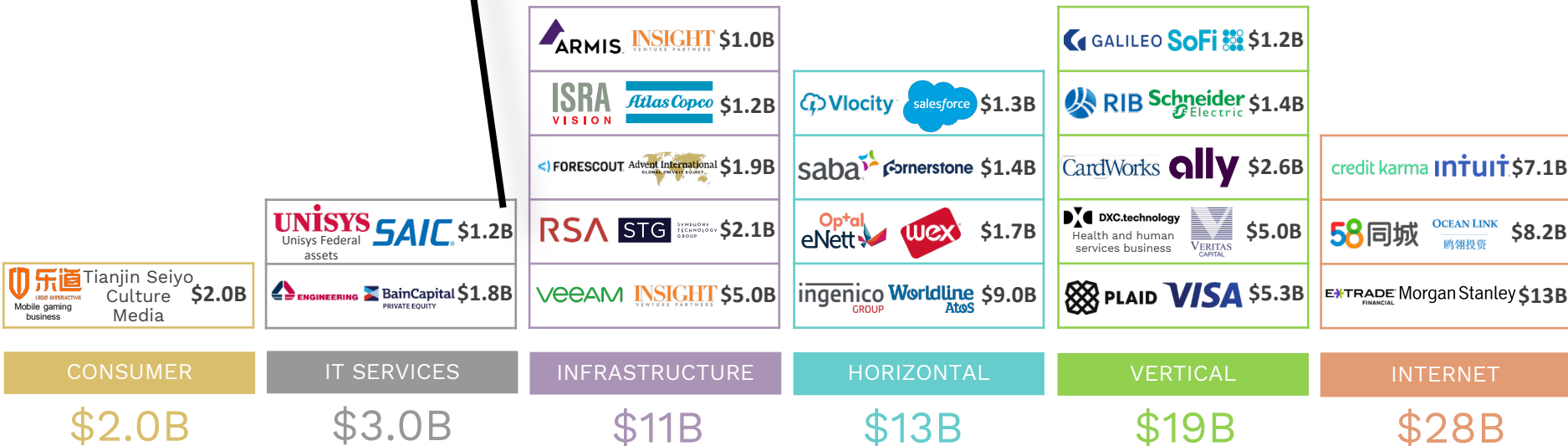
SAIC

Seller: Unisys (Unisys Federal assets) [USA]

Acquirer: SAIC [USA]

Transaction Value: \$1.2B













- IT infrastructure services



Thoughts? Questions? Let us know!
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Representative Q1 Deals

Seller	Acquirer	Closed	Description
 SIMPLUS		March	\$200M and 3.0x EV/Sales Systems integration & managed services
 HYPERION		March	\$1.4M Digital marketing & software development
 StarDust		March	\$4.9M Digital product testing services
 context		March	\$140M Cyber security consulting services
 IntelliGO	 ActZero.ai	January	SMB-focused managed security services
 BLACKSTONE FEDERAL		January	\$85M Federal software development services



Security Services



SOLD TO



Seller: Revolutionary Security [USA]

Acquirer: Accenture [USA]

- Security integration services



SOLD TO



Seller: Excivity [USA]

Acquirer: AEGIS Technologies Group [Arlington Capital Partners] [USA]

- Security & situational awareness software & services



SOLD TO



Seller: Paladin Fraud Group [USA]

Acquirer: MVB Financial [USA]

- Outsourced anti-fraud services



SOLD TO



Seller: Beck et al. [Germany]

Acquirer: Waterland Private Equity Investments [Netherlands]

- Systems & security integration services



Focused Systems Integrators



SOLD TO



CENTURY PARK CAPITAL PARTNERS

Seller: Prolog Partners [USA]

Acquirer: Century Park Capital Partners [USA]
- Oracle-based systems integration



SOLD TO

Pythian

MILL POINT CAPITAL

Seller: Agosto [United Kingdom]

Acquirer: Pythian Services [Mill Point Capital] [Canada]
- Google Cloud systems integration



SOLD TO



Seller: Adessa Group [Belgium]

Acquirer: SD Worx Group [Belgium]
- SAP integration & consulting services



SOLD TO



CentriLogic

TRISPAN LONG POINT CAPITAL



Software Development Services

crea



nChain
a **accuro**

Seller: Crea [Slovenia]

Acquirer: nChain Holdings [Accuro Group] [United Kingdom]
- Bitcoin and IT security software development

b: breadware



STONEAGE

Seller: Breadware [USA]

Acquirer: StoneAge [USA]
- IoT software development & consulting

Corum Research Report



Timothy Goddard
EVP, Corporate Strategies



Yasmin Khodamoradi
Director, Client Services



Amber Stoner
Director, Research



Valeriya Chumachenko
Senior Analyst



Anna Lebedieva
Senior Analyst



Artem Mamaiev
Senior Analyst



Olha Rumiantseva
Analyst



Tzvi Kilov
Writer

HEIDI OWEN, **DIRECTOR OF MARKETING, CORUM GROUP**



- Heidi rejoined Corum in 2019 as the Director of Marketing. She leads the Corum marketing team and is responsible for planning, development, and implementation of Corum's marketing strategy and public relations activities.
- Bachelor of Arts - BA focused in Psychology from Western Washington University.

- **Tech valuations still strong (for now)**
- **Assess your position**
 - **Technology lifecycle**
 - **Valuation lifecycle**
- **Calibrate the M&A market**
 - **Timing is critical**

We welcome your questions!

**Email questions to
info@corumgroup.com**



MERGE BRIEFING



- **Half-Day**
- **Tech M&A Bootcamp**
- **The most attended tech executive conference in history**

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- **Industry Update**
- **Overview of the M&A Process**



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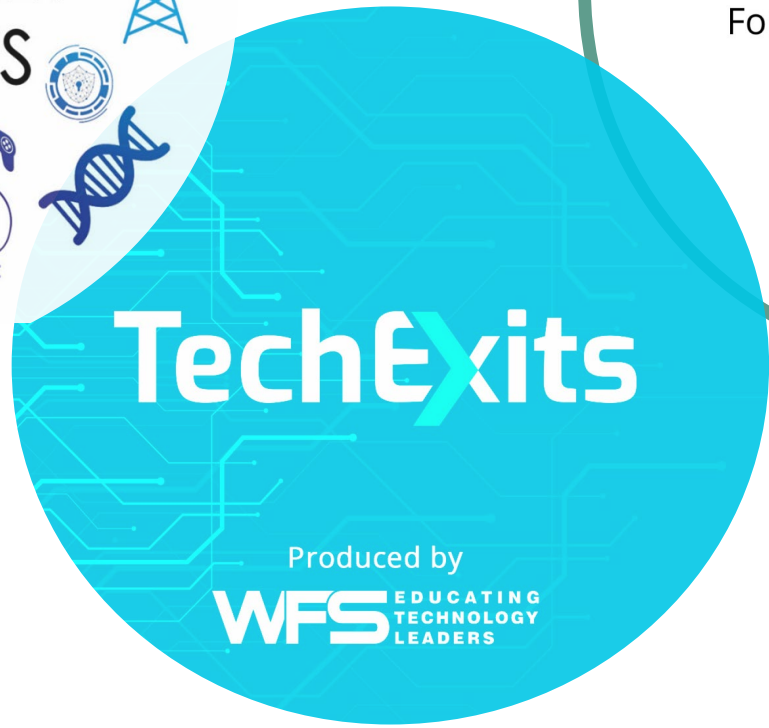
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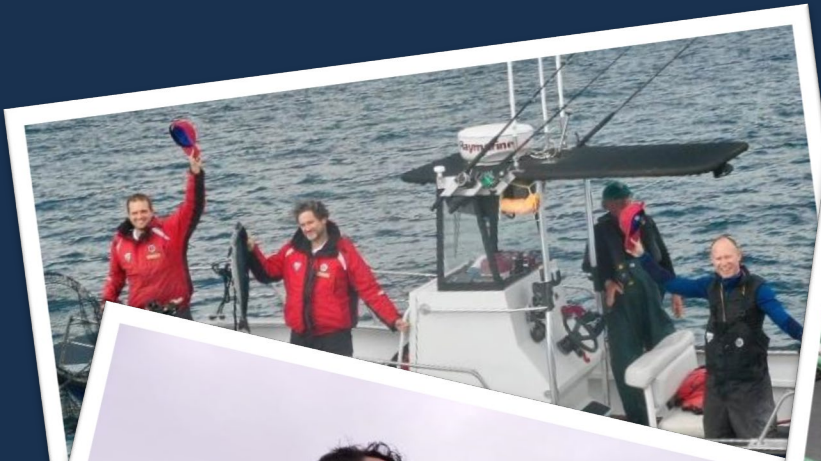
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