

# Tech M&A Monthly

**Starts in 2 minutes**



**Thoughts? Questions? Let us know!**  
**@CorumGroup**

CORUM

**Tech M&A Monthly**

# Software Bidding Wars

Are you leaving over half your value on the table?



**We welcome your questions!**

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

**This event is being recorded**  
On demand webcast will be available at  
[www.corumgroup.com](http://www.corumgroup.com)

# 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**





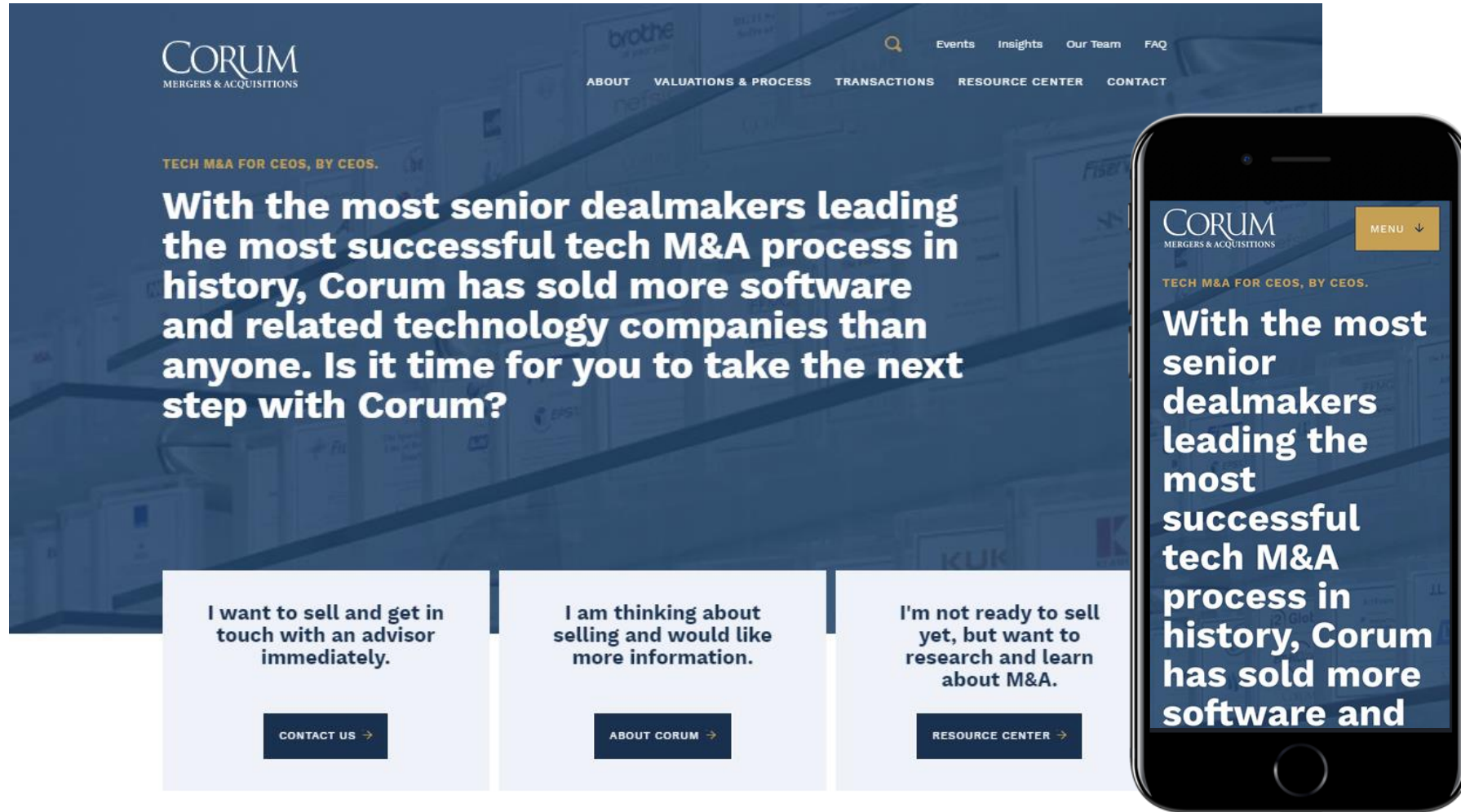
## MERGE BRIEFING



- **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  
MERGERS & ACQUISITIONS

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.

[CONTACT US →](#)

I am thinking about selling and would like more information.

[ABOUT CORUM →](#)

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

[RESOURCE CENTER →](#)

**35**

Years in business

**20+**

Advisors worldwide

**\$10B**

In wealth created

**400**

Closed transactions



**Focus—sell side,  
technology only**

**Detailed, professional,  
global process**

**Team approach,  
senior dealmakers**

**World Technology  
Council**

**SOLD MORE SOFTWARE-RELATED FIRMS THAN ANYONE**

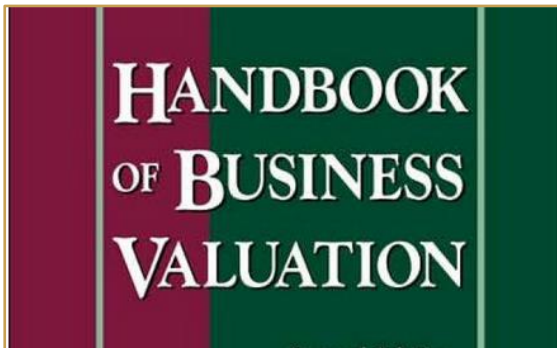




**Research**

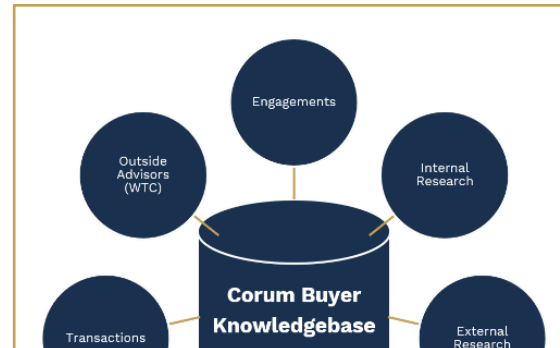


**Education**



**Valuation**

JEFFREY D. JONES



**Database**



**The definitive tech  
M&A education**

- **Since 1990, the most attended executive conference in technology history**
- **More events hosted than all other competitive conferences combined**
- **Over \$2 trillion in transaction value by attendees – buyers and sellers**

# 8 Stages for an Optimal Outcome

Preparation

Research

Contact

Discovery

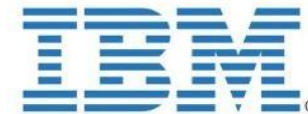
Negotiation

Due  
Diligence

Closing

Integration

# Past Attendees Include



# Tech M&A Monthly

**Starts in 1 minutes**



**Thoughts? Questions? Let us know!**  
**@CorumGroup**

CORUM

**Tech M&A Monthly**

# Software Bidding Wars

Are you leaving over half your value on the table?



TIM GODDARD, EVP, CORPORATE STRATEGIES, CORUM GROUP LTD.



- Oversees Corum's global marketing efforts including extensive conference schedule, "Selling Up, Selling Out," the "Merge Briefing," the "Tech M&A Monthly webcast" and Corum's platinum sponsorship of the World Financial Symposium's live events and Tech Market Spotlight series.
- Served as marketing and product manager for GIS software startup Depiction, Inc., and previously worked in marketing for VizX Labs, a pioneering SaaS startup delivering DNA analysis tools.
- Worked for a US Senate campaign and taught science in Rio de Janeiro.
- Graduated Magna Cum Laude from Bethel University in St. Paul, Minnesota, with degrees in History and Biology.

**We welcome your questions!**

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

**This event is being recorded**  
On demand webcast will be available at  
[www.corumgroup.com](http://www.corumgroup.com)



**Welcome**

**Field Report**

**Deal Reports**

**The Taxman Cometh**

**Special Report: Software Bidding Wars**

**Global Tech M&A Research Report**

**SPAC Panel**

**Closing**

# Growth and Exit Strategies

For Software & IT Companies:

---



WFS

**Matt Rung**

---

President



# Tech Growth & Exits ASEAN Tech

Live online  
GoToWebinar  
May 27th



Buyers



Investors



Valuations



Tech Trends



Sellers



## Growth & Exit Strategies: ASEAN Tech

1:00 pm — 6:00 pm GMT +8

Tech CEOs & Entrepreneurs...what are you worth? How do you get it?

The flagship WFS Tech Conference for CEOs, founders, and investors of software and IT companies, covering Tech M&A: investment, growth, strategy, buyouts, sales, and mergers. Now virtual!

Insights from: private equity, VC, angels, strategic buyers, M&A advisors, and CEOs who've had a successful exit.

LEARN MORE

REGISTER

<https://wfs.com/conferences>



Acronis



ONIQUA  
INTELLIGENT MRO

Deloitte.

## DAN BERNSTEIN, EXECUTIVE VP, CORUM GROUP LTD.

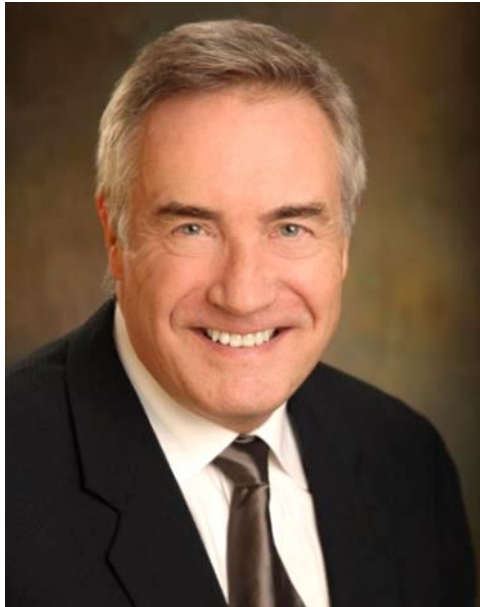


- Daniel Bernstein is a senior deal maker at the Corum Group working within a variety of sectors in B2B and consumer software companies.
- Previously, Daniel worked in a number of roles over a twenty five year career in high technology, most notably as the founder and CEO of Sandlot Games Corporation, a leading casual games publisher and developer.
- Daniel started a consulting practice where he advised larger companies such as RealNetworks and smaller high growth businesses on product development, strategic initiatives, and M&A opportunities.
- Daniel holds a Bachelor of Science in Computer Science and a Masters of Arts in Music Composition from the University of Virginia.



**MineRP** is the world's only Operational Technology (OT) platform purposely built to unify the OT and Enterprise Resource Planning (ERP) domains in the global mining industry.

## BRUCE MILNE, CEO, CORUM GROUP LTD.



- Founded or owned four software companies, including AMI, an Inc. 500 firm, the largest vertical market software company in the world at the time
- Advisory boards for Microsoft, IBM, DEC, Comdex and Apple.
- Board member/founding investor in some of the most innovative firms in their field, including Blue Coat, Bright Star and Sabaki.
- Past advisor to two governors and a senator, a board member of the Washington Technology Center.
- Founder of the WTIA, the nation's most active regional technology trade association.
- One of the 200 most influential individuals in the IT community in Europe.
- Graduate with Distinction from Harvard Business School.

# The Taxman Cometh

CORUM  
MERGERS & ACQUISITIONS





Is it time  
to sell?



## President Biden's basic proposals

- Could be the fifth largest tax increase in history
- Ground zero is the rich
- Entrepreneurs who will sell their companies for a fortune



## President Biden's basic proposals

- Doubling the capital gains tax
- Halving exemptions
- Reducing stepped-up basis
- Higher estate tax rates
- Eliminating carried interests
- Higher income taxes
- Reduced loopholes



Are you ready?

**We have polled the brightest  
legal and accounting minds**

**Top Tech Law Firms**

**Corum's Event Co-Sponsors**

# **Succession Planning – What Now?**

CORUM

**Tech M&A Monthly**

# Software Bidding Wars

Are you leaving over half your value on the table?



## The pandemic changed M&A forever

- More buyers globally
- More cash available
- Real time process now
- More preemptive offers

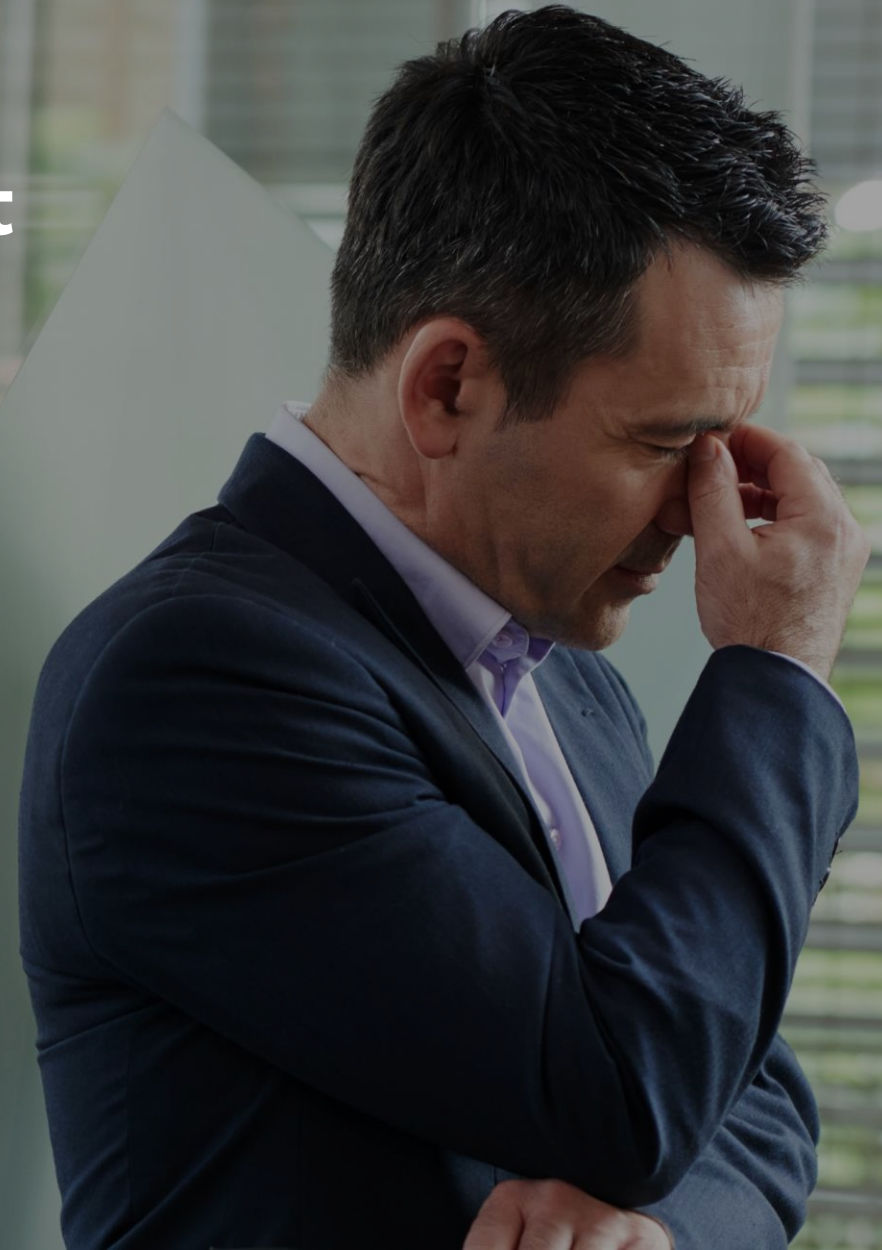




## New Reality – he doesn't like it

- More bidders
- Not enough time
- Cash deal pressure
- Higher prices

**Robert – a PE fund exec.**



## Buyer Engagement

Technology	Buyers Emailed	Total Opens	NDAs	Outreach Time Frame
<b>Pre-COVID</b>				
Asset Management	137	1270	15	8 weeks
Telecom	180	1640	14	2 months
Mining	118	553	20	3 months
EdTech	181	991	30	6 weeks

## Summary Pre-COVID

Avg # of Buyers

**150**

Avg # of Opens

**over  
1000**

Avg # of NDAs

**17**

Avg outreach  
time

**+2  
months**

## Buyer Engagement

Technology	Buyers Emailed	Total Opens	Total NDAs	Outreach Time Frame
<b>Post-COVID</b>				
Cybersecurity	113	595	20	3 days (Sat-Mon)
IT Services	96	1256	23	1 week
Digital Commerce	90	2102	31	5 days
HealthTech	197	1105	40	2 weeks

## Summary Post-COVID

Avg # of Buyers

**120**

Avg # of Opens

**around  
1200**

Avg # of NDAs

**25**

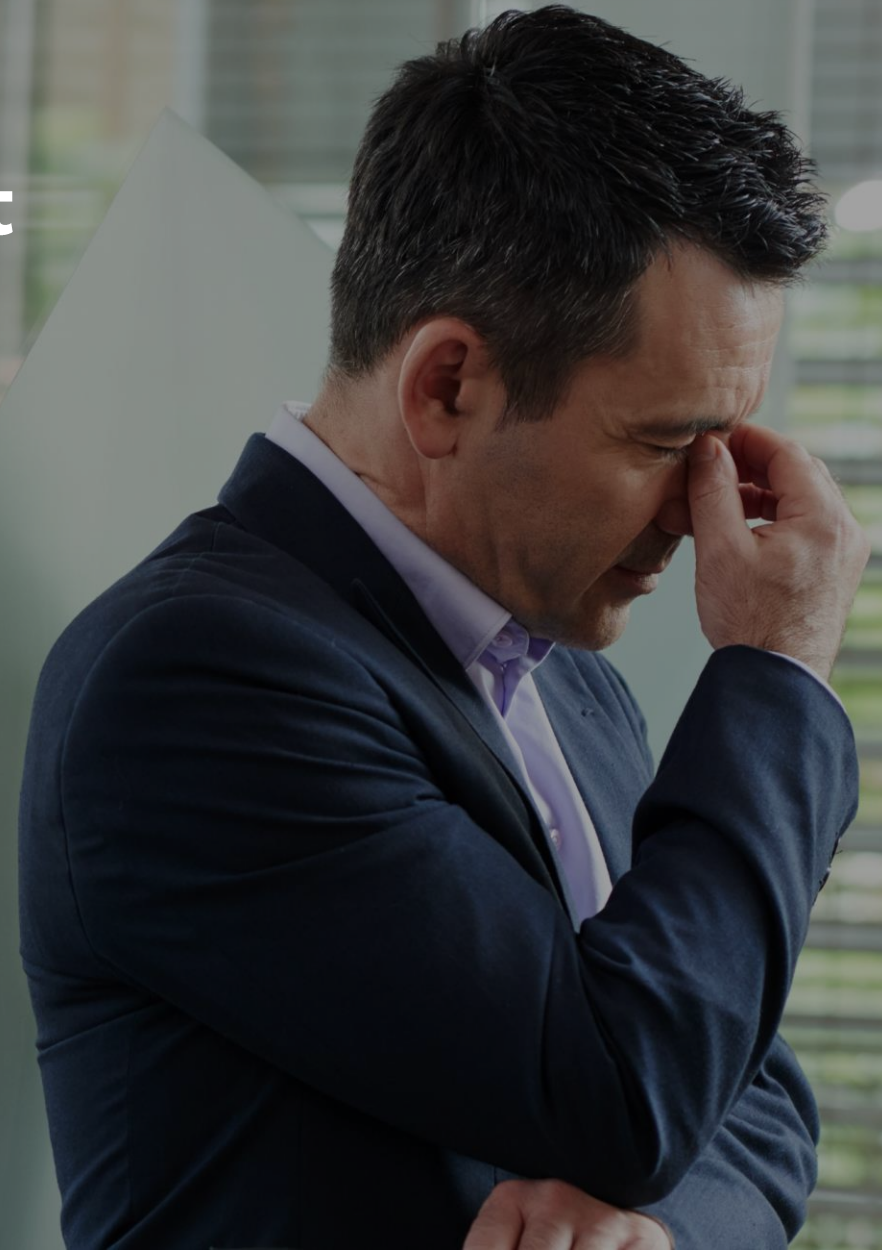
Avg outreach  
time

**< 2  
weeks**

## New Reality – he doesn't like it

- If he does not get back to you immediately, he's out of a job

**Robert – a PE fund exec.**



**Record prices & more bidders**

**Including SPACs, which we will hear  
from shortly**

## Auction Environment

Client	Initial Valuation	Offer 1	Offer 2	Offer 3	Offer 4	Final Offer
Company 1	–	\$16M	\$21M	\$25M	\$40M	\$40M
Company 2	\$17M	\$16M	\$20M	\$30M	\$40M	\$45M
Company 3	–	\$11M	\$14M	\$18M	\$25M	\$25M



**Greed and Fear,  
the dominant emotions in Tech M&A**

**Wonderful if they buy you**  
**Terrible if competitor buys you**

## **In each of these cases:**

- Each had preemptive offer
- The buyers considered accepting
- All moved up with Corum’s “8 Step Process”

## **In each of these cases:**

- The results – better than the normal 48% improvement
- 75% of the time – another bidder will pay more
- 25% of the time – someone you've never heard of
- The final buyer was not the first bidder

## **With the pace today,**

- Know what questions buyers are going to ask
- Have the answers
- Be able to provide follow up materials immediately

**If buyers are spending the effort  
to respond fast, then they expect  
you to do the same**

More than ever, preparation has to  
be done right...

Or, you won't get the offer  
you deserve



Buyers only give you one shot  
It's hard to go back to them

## **Corum has responded to the faster pace**

- More seniors in IPMs (Initial Presentation Meetings)
- Added layer of executive coaching
- Increased research
- More writers involved

**Ensure that your story best  
maps your technology and  
your opportunity to what  
the buyers want**

**We are seeing more  
preemptive bids**

When it comes to preemptive offers, “JUST SAY NO!”

Too many sellers are leaving over  
half their value on the table

Don't make a decision you'll regret

Now more than ever, it is important to get educated before going through the M&A process

## Attend our seminars and get educated

MERGE BRIEFING

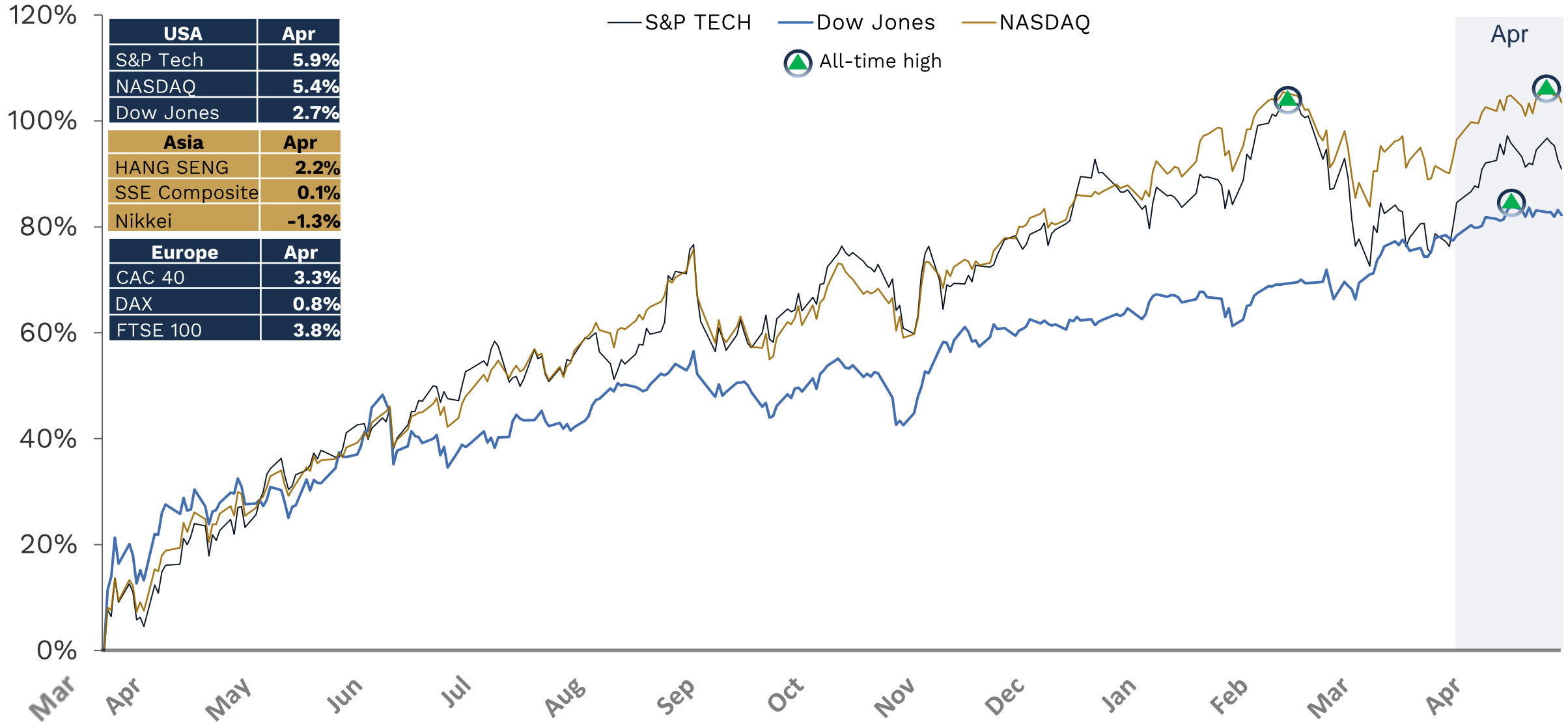




# Tech M&A Research Report

# Public Markets Mar 2020–Apr 2021

% CHANGE



## Market

Transactions

Mega Deals

Largest Deal

## Pipeline

Private Equity  
Platform Deals

VC-Backed Exits

SPACs

## Attributes

Cross Border  
Transactions

Start-Up Acquisitions

Average Life of Target

Apr 2020

265

3

\$4.4B

Apr 2020

40

45

1

Apr 2020

37%

10%

18 yrs

Apr 2021

250

7

\$19.7B

Apr 2021

31

72

9

Apr 2021

69%

20%

17 yrs

6%

133%

348%

23%

60%

800%

## Ride Hailing



**Seller:** Grab [Singapore]

**Acquirer:** Altimeter Growth [USA]

**Transaction Value:** \$39.5B and 17.9x EV/Sales

- SE Asian ride sharing mobile app
- Makes Grab the most valuable Southeast Asian company to list shares in the U.S.



Horizontal



Vertical



Infrastructure



Consumer



Internet



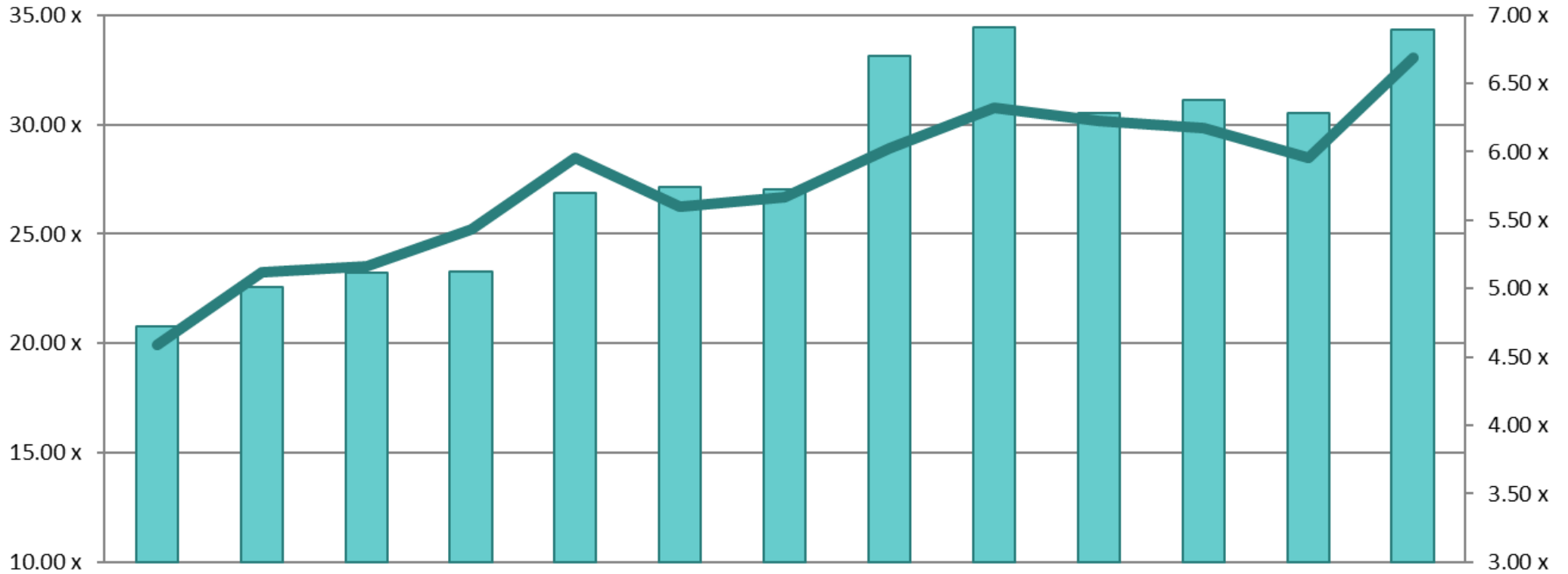
IT Services



## Public Valuation Multiples

EV/EBITDA

EV/S



	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21
EV/EBITDA	20.76 x	22.55 x	23.20 x	23.28 x	26.87 x	27.16 x	27.02 x	33.12 x	34.44 x	30.54 x	31.11 x	30.54 x	34.35 x
EV/S	4.59 x	5.12 x	5.16 x	5.44 x	5.95 x	5.60 x	5.67 x	6.03 x	6.32 x	6.23 x	6.18 x	5.96 x	6.69 x

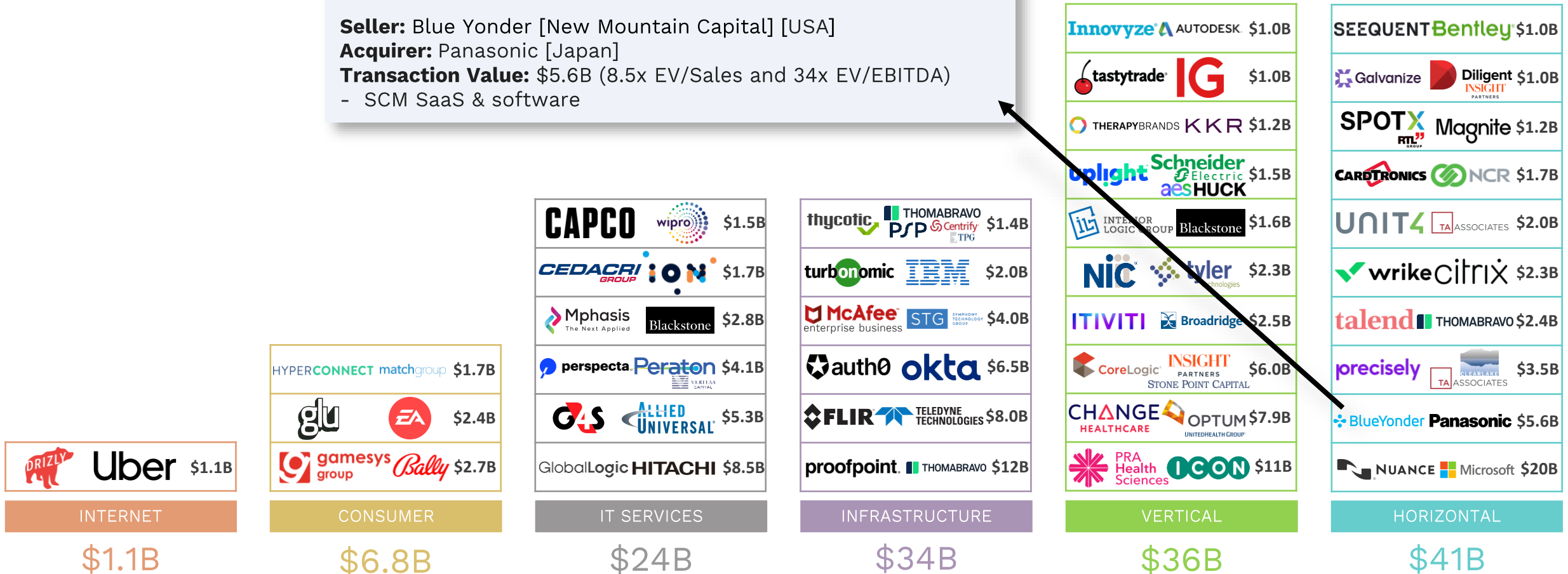


Subsector	Sales	EBITDA	Examples		
<b>Business Intelligence</b>	▲ 8.87x	▲ 34.35x			
<b>Marketing</b>	▲ 5.27x	▲ 34.38x			
<b>ERP</b>	▲ 6.31x	▲ 27.08x			
<b>Human Resources</b>	— 7.18x	▼ 24.90x			
<b>SCM</b>	— 11.56x	— 48.50x			
<b>Payments</b>	— 6.07x	▲ 50.39x			
<b>Other</b>	— 7.01x	▲ 33.14x			

# 2021 Mega Deals (Jan-Apr)

## BlueYonder SOLD TO **Panasonic**




**Seller:** Blue Yonder [New Mountain Capital] [USA]  
**Acquirer:** Panasonic [Japan]  
**Transaction Value:** \$5.6B (8.5x EV/Sales and 34x EV/EBITDA)  
 - SCM SaaS & software



Thoughts? Questions? Let us know!  
 @CorumGroup



# 2021 Mega Deals (Jan-Apr)

 **NUANCE**  **SOLD TO**  **Microsoft**

**Seller:** Nuance Communications [USA]  
**Acquirer:** Microsoft [USA]  
**Transaction Value:** \$19.7B (13.6x EV/Sales and 72.7x EV/EBITDA)  
 - AI-enabled IVR SaaS

 **Uber** \$1.1B

INTERNET

\$1.1B



 **matchgroup** \$1.7B



  \$2.4B



 **group**  \$2.7B



CONSUMER



\$6.8B



  \$1.5B

  \$1.7B

 **The Next Applied**  \$2.8B





  \$4.1B



  \$5.3B



  \$8.5B



IT SERVICES



\$24B



    \$1.4B

  \$2.0B

 **enterprise business**  \$4.0B



  \$6.5B



  \$8.0B



  \$12B



INFRASTRUCTURE



\$34B



  \$1.0B



  \$1.0B



  \$1.2B



  \$1.5B



  \$1.6B

  \$2.3B

  \$2.5B



  \$6.0B



  \$7.9B



  \$11B



VERTICAL



\$36B



  \$1.0B



  \$1.0B



  \$1.2B



  \$1.7B



  \$2.0B

  \$2.3B

  \$2.4B

  \$3.5B

  \$5.6B

  \$20B

HORIZONTAL

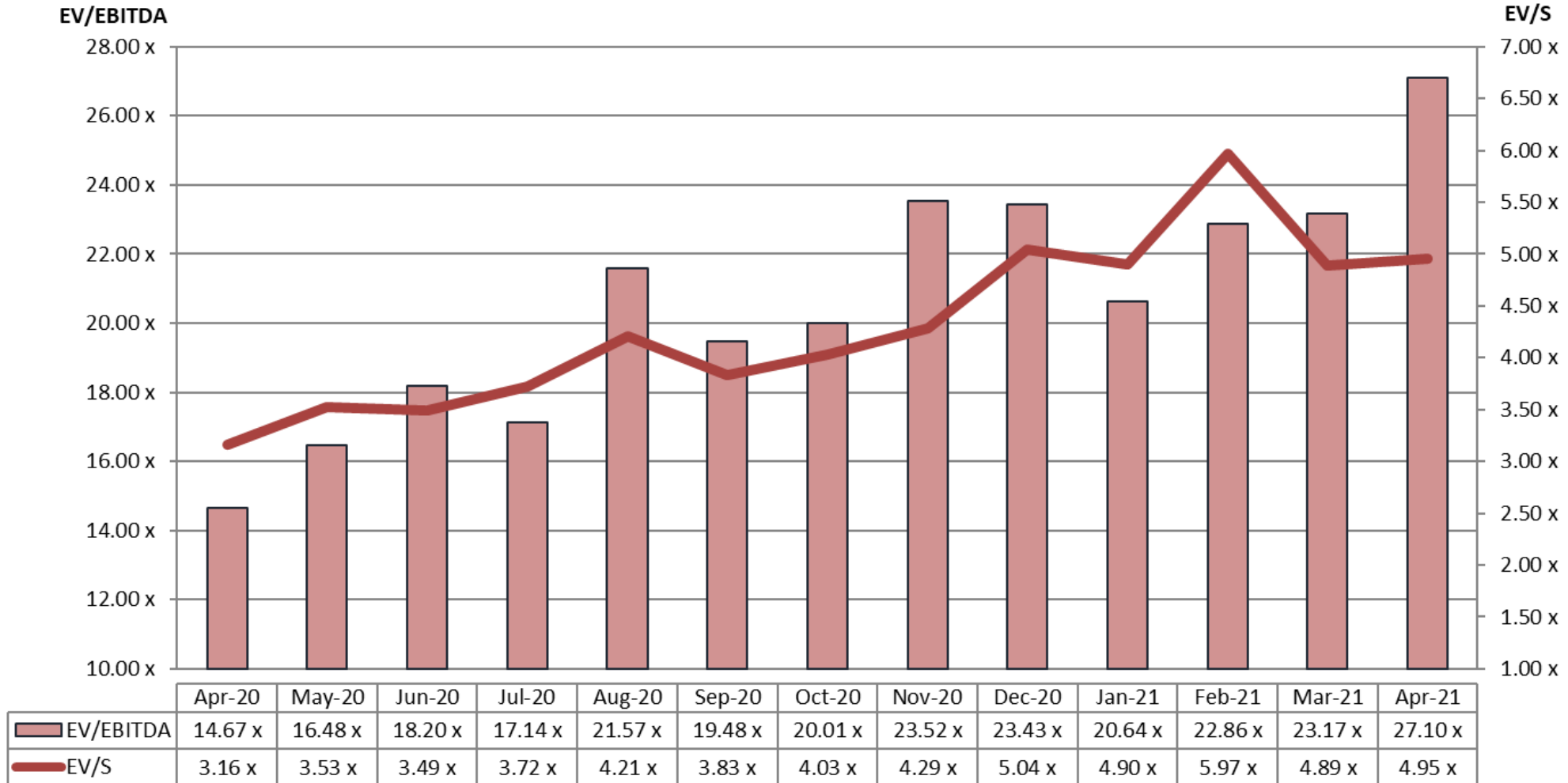
\$41B



Thoughts? Questions? Let us know!  
@CorumGroup



## Public Valuation Multiples





**Subsector**

**Sales**

**EBITDA**

**Examples**

**Diversified Internet**

▲ 4.95x — 27.10x

Alphabet

Baidu 百度 Tencent 腾讯

**eCommerce**

▼ 3.17x ▲ 33.81x

ebay

JD.COM 京东 zalando

**Social Network**

— 6.21x ▲ 19.16x

FACEBOOK

mixi GROUP twitter

**Travel & Leisure**

— 10.43x ▲ 59.89x

JUST EAT Takeaway.com

Expedia® BOOKING HOLDINGS



## Travel and Leisure



**Flipkart**



Walmart\*

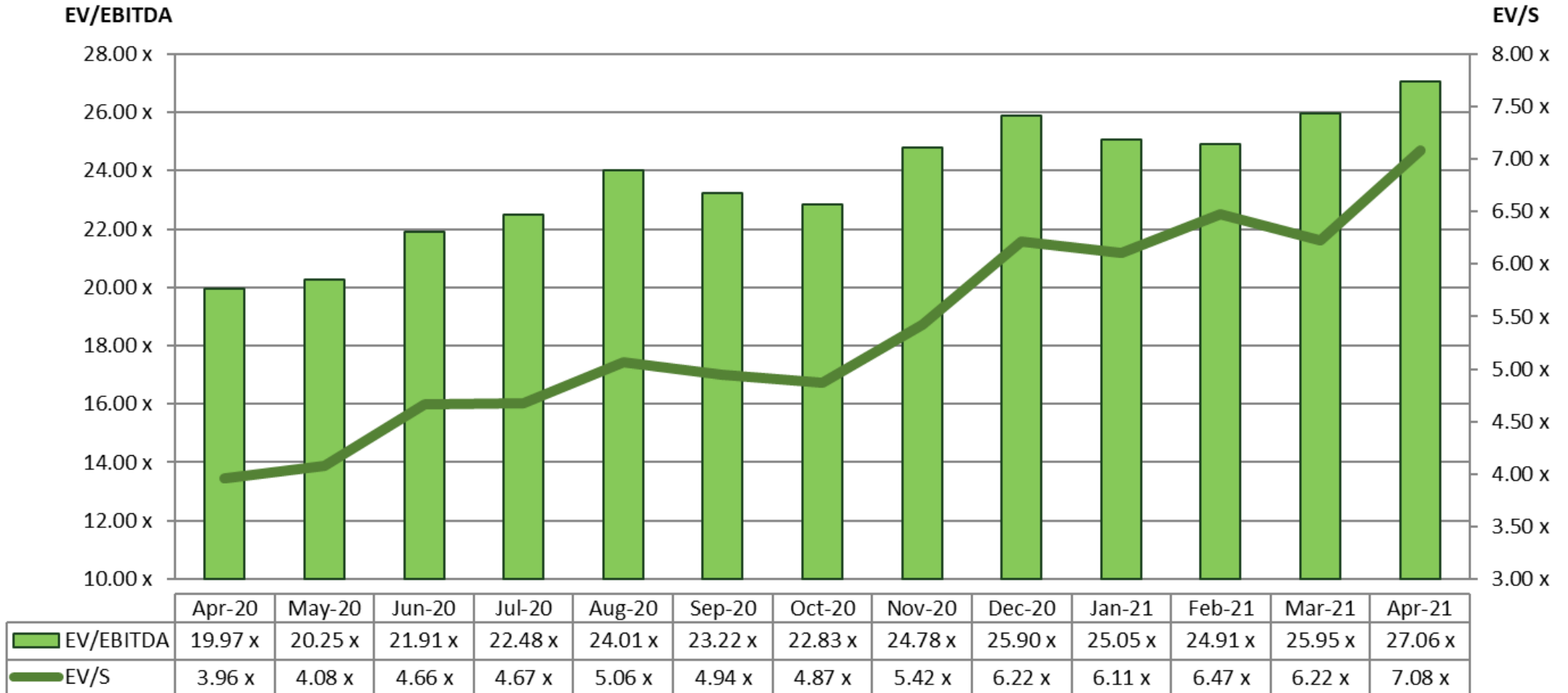
**Seller:** Cleartrip [India]

**Acquirer:** Flipkart.com [Walmart] [India]

- Online travel reservation service
- Helps to compete with Amazon





## Public Valuation Multiples
















Subsector	Sales	EBITDA	Examples		
<b>A/E/C</b>	▲ 12.08x	▲ 53.21x	AUTODESK	DASSAULT SYSTEMES	SYNOPSYS®
<b>Automotive</b>	— 4.77x	— 23.98x	Autotrader	BitAuto 易车	CDK Global
<b>Energy &amp; Environment</b>	— 3.35x	— 26.61x	IHS Markit	Itron	xylem
<b>Financial Services</b>	▲ 7.18x	▲ 24.55x	Broadridge	FIS	fiserv.
<b>Government</b>	— 1.77x	— 14.12x	NORTHROP GRUMMAN	Raytheon	tyler technologies
<b>Healthcare</b>	▲ 3.20x	▲ 27.40x	Allscripts	HealthCatalyst	Cerner
<b>Real Estate</b>	— 8.09x	▲ 37.14x	CoreLogic	CoStar Group	Zillow®
<b>Other</b>	▲ 7.01x	— 28.23x	AMADEUS®	Rockwell Automation	Sabre







# 2021 Mega Deals (Jan-Apr)



 **THERAPYBRANDS** **SOLD TO** 

**Seller:** Therapy Brands [USA]  
**Acquirer:** KKR [USA]  
**Transaction Value:** \$1.2B  
 - Medical records ERP SaaS

 AUTODESK \$1.0B
 IG \$1.0B
 KKR \$1.2B
 Schneider Electric \$1.5B
 HUCK \$1.5B
 Blackstone \$1.6B
 tyler technologies \$2.3B
 Broadridge \$2.5B
 INSIGHT PARTNERS \$6.0B
 OPTUM \$7.9B
 ICON \$11B

 Bentley \$1.0B
 Diligent INSIGHT PARTNERS \$1.0B
 Magnite \$1.2B
 NCR \$1.7B
 TA ASSOCIATES \$2.0B
 citrix \$2.3B
 THOMABRAVO \$2.4B
 TA ASSOCIATES \$3.5B
 Panasonic \$5.6B
 Microsoft \$20B

 wipro \$1.5B
 ION \$1.7B
 Blackstone \$2.8B
 Peraton \$4.1B
 ALLIED UNIVERSAL \$5.3B
 HITACHI \$8.5B

 THOMABRAVO PSP Centrifry TPG \$1.4B
 IBM \$2.0B
 STG SYMBIOTIC TECHNOLOGY GROUP \$4.0B
 okta \$6.5B
 TELEDYNE TECHNOLOGIES \$8.0B
 THOMABRAVO \$12B

 matchgroup \$1.7B
 EA \$2.4B
 Bally \$2.7B

 Uber \$1.1B
--

INTERNET

CONSUMER

IT SERVICES

INFRASTRUCTURE

VERTICAL

HORIZONTAL

\$1.1B

\$6.8B

\$24B

\$34B

\$36B

\$41B



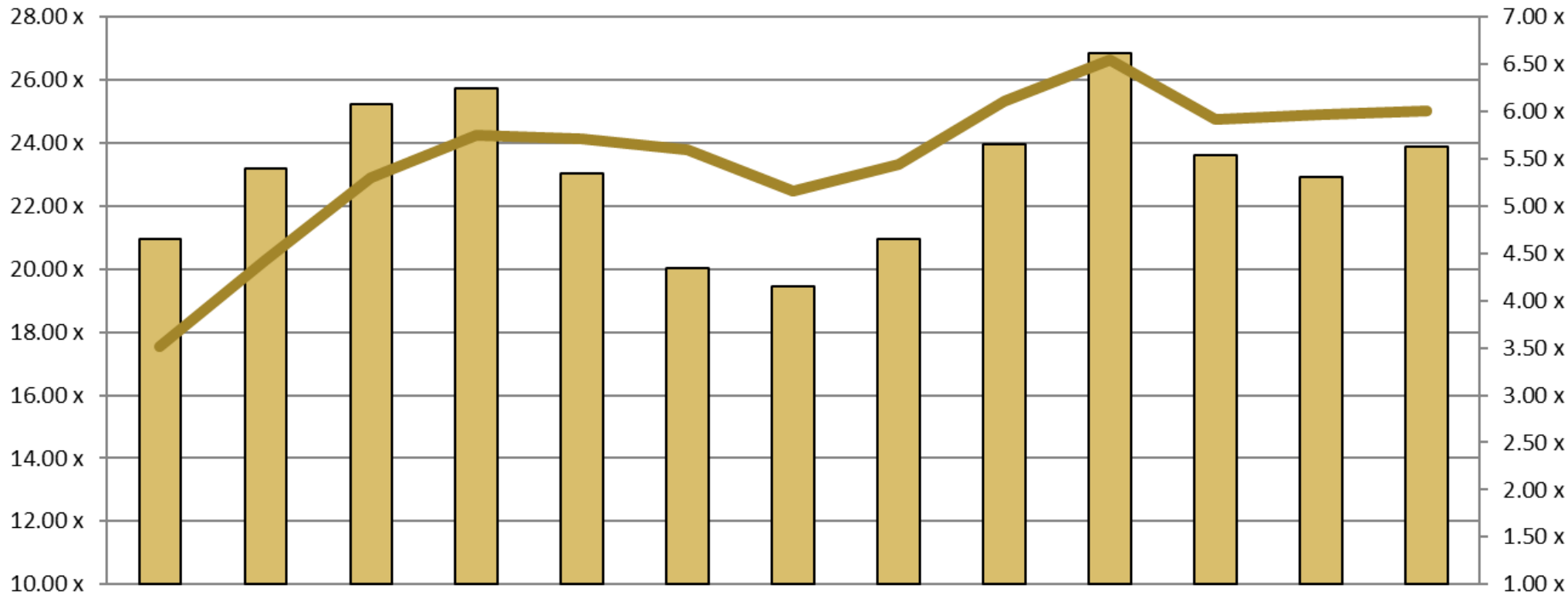
Thoughts? Questions? Let us know!  
@CorumGroup



## Public Valuation Multiples

EV/EBITDA

EV/S



	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21
EV/EBITDA	20.96 x	23.19 x	25.23 x	25.73 x	23.02 x	20.04 x	19.47 x	20.97 x	23.96 x	26.84 x	23.61 x	22.92 x	23.90 x
EV/S	3.52 x	4.43 x	5.30 x	5.75 x	5.71 x	5.59 x	5.16 x	5.44 x	6.11 x	6.54 x	5.92 x	5.96 x	6.01 x





**Subsector**

**Sales**

**EBITDA**

**Examples**

**Casual Gaming**

— 4.87x

▲ 26.50x



**Core Gaming**

— 6.22x

— 20.59x



**Other**

▼ 7.29x

▼ 36.98x





## Streaming



**Seller:** Pantaya [Artisan Home Entertainment] [Lions Gate Entertainment] [USA]

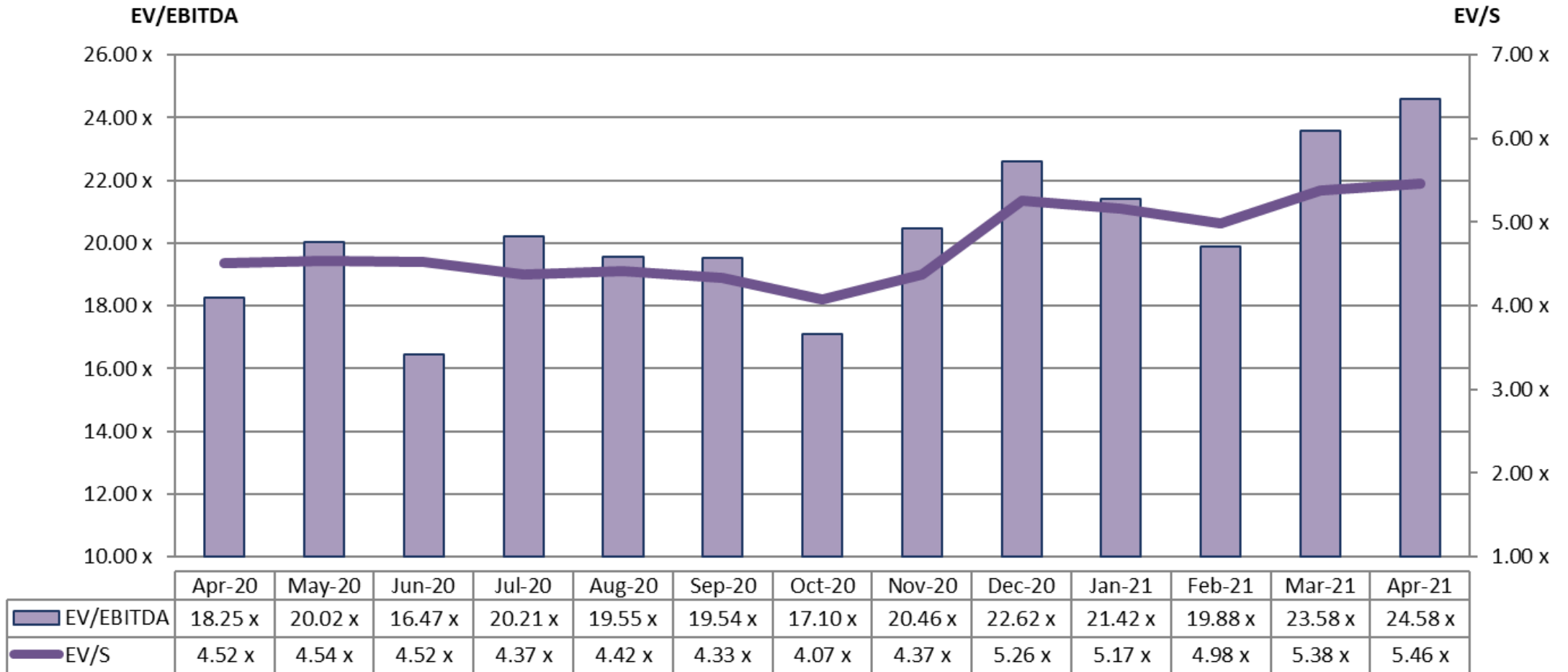
**Acquirer:** Hemisphere Media Group [USA]

**Transaction Value:** \$124M

- Online Spanish video streaming website
- Expands content relationship with Lionsgate



## Public Valuation Multiples





Subsector	Sales	EBITDA		Examples
<b>Application Lifecycle</b>	▲ 5.78x	— 11.51x	▲ ATLISSIAN	New Relic®  Progress®
<b>Endpoint</b>	▲ 5.84x	▲ 27.02x		Opera  vmware®
<b>Network Management</b>	▲ 3.66x	▼ 16.32x		CISCO  JUNIPER NETWORKS
<b>Security</b>	▲ 9.22x	▲ 27.61x	paloalto® NETWORKS	Check Point® SOFTWARE TECHNOLOGIES LTD.  FIREEYE™
<b>Storage &amp; Hosting</b>	▲ 4.01x	▼ 41.35x		COMMVault®  NetApp
<b>Other</b>	▼ 16.58x	— 17.00x		Appian  software AG

# 2021 Mega Deals (Jan-Apr)

**proofpoint.**  **THOMABRAVO**

**Seller:** Proofpoint [USA]  
**Acquirer:** Thoma Bravo [USA]  
**Transaction Value:** \$12.3B and 12.3x EV/Sales  
- Email & threat security SaaS

 **Uber** \$1.1B

INTERNET

\$1.1B

HYPERCONNECT matchgroup \$1.7B


  \$2.4B

  \$2.7B

CONSUMER


\$6.8B

**CAPCO**  \$1.3B

**CEDACRI GROUP**  \$1.7B

  \$2.8B




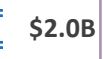
  \$4.1B



  \$5.3B



GlobalLogic  \$8.5B



IT SERVICES



\$24B


    \$1.4B

  \$2.0B

  \$4.0B



  \$6.5B



  \$8.0B



**proofpoint.**  \$12B




INFRASTRUCTURE



\$34B



  \$1.0B



  \$1.0B




  \$1.2B



   \$1.5B



  \$1.6B

  \$2.3B

  \$2.5B


   \$6.0B



  \$7.9B



  \$11B



VERTICAL



\$36B



**SEEQUENT**  \$1.0B



  \$1.0B



  \$1.2B



  \$1.7B



  \$2.0B

  \$2.3B

  \$2.4B

  \$3.5B

  \$5.6B

  \$20B

HORIZONTAL

\$41B



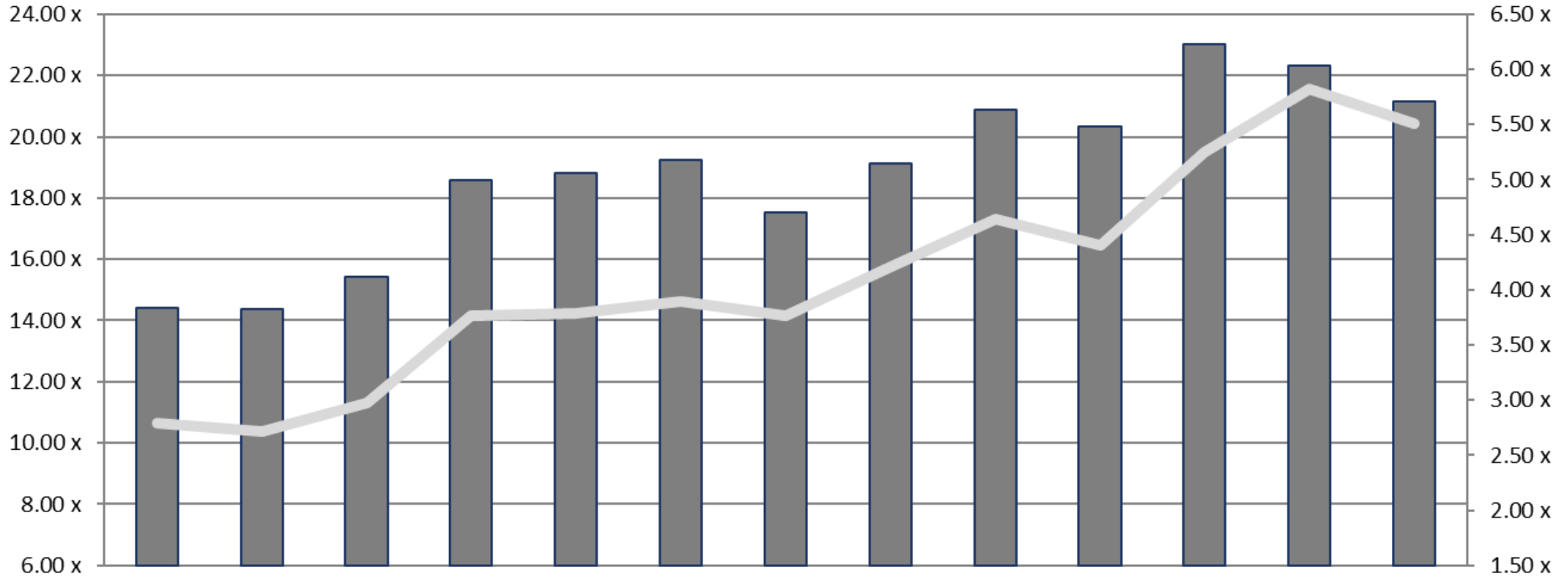
Thoughts? Questions? Let us know!  
@CorumGroup



## Public Valuation Multiples

EV/EBITDA

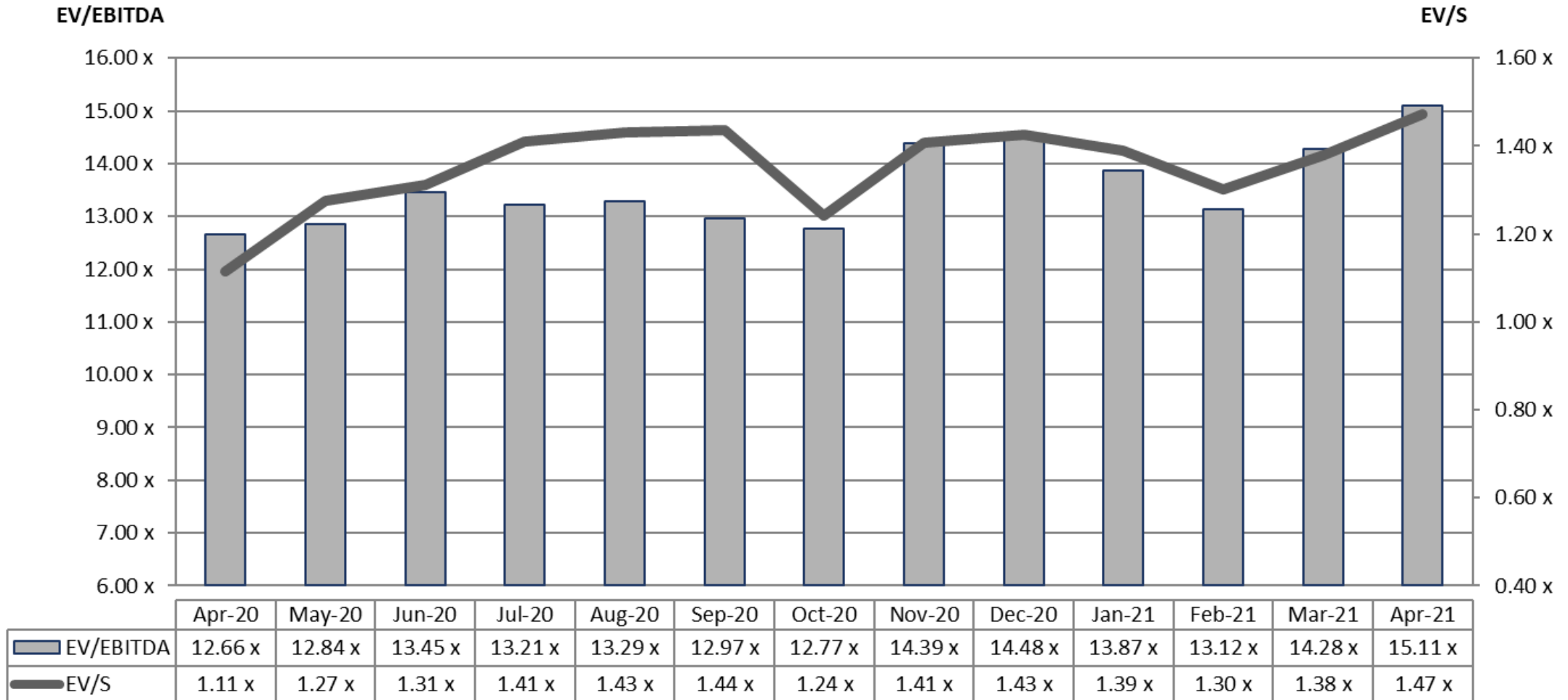
EV/S




	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21
EV/EBITDA	14.43 x	14.39 x	15.41 x	18.60 x	18.80 x	19.25 x	17.52 x	19.13 x	20.88 x	20.32 x	23.03 x	22.31 x	21.17 x
EV/S	2.79 x	2.71 x	2.97 x	3.76 x	3.79 x	3.90 x	3.76 x	4.21 x	4.64 x	4.41 x	5.25 x	5.83 x	5.51 x




## Public Valuation Multiples

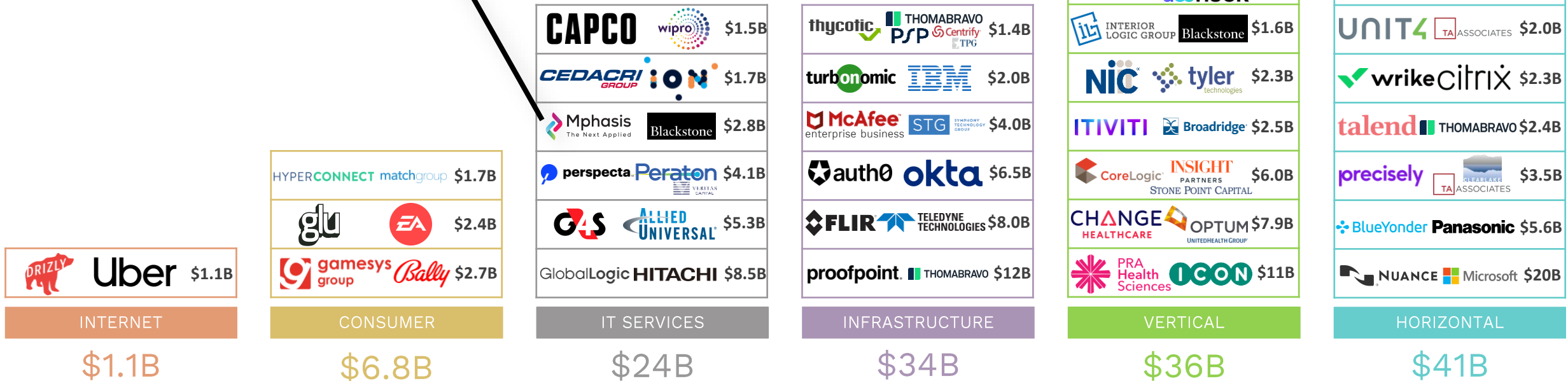


# 2021 Mega Deals (Jan-Apr)

 **Mphasis**  
The Next Applied

**SOLD TO** 

**Seller:** Mphasis [India]  
**Acquirer:** The Blackstone Group [USA]  
**Transaction Value:** \$2.8B  
- India-based IT services & BPO



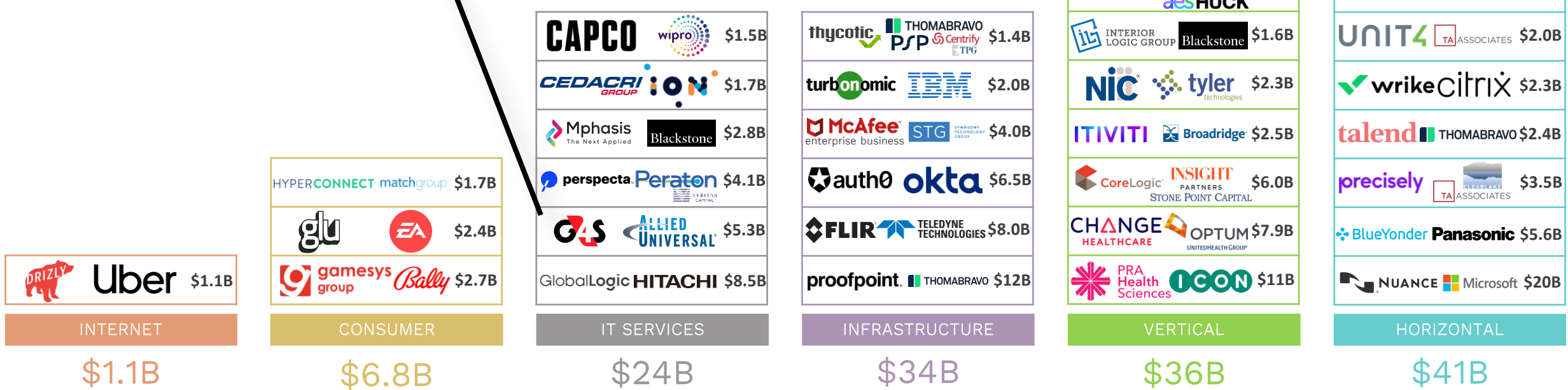
Thoughts? Questions? Let us know!  
@CorumGroup



# 2021 Mega Deals (Jan-Apr)


➔


**Seller:** G4S [United Kingdom]  
**Acquirer:** Allied Universal [USA]  
**Transaction Value:** \$5.3B  
 - Security systems design and integration



Thoughts? Questions? Let us know!  
@CorumGroup



**Yasmin Khodamoradi**  
**Director, Valuation**  
**Services**



**Valeriya Chumachenko**  
**Associate**



**Anna Lebedieva**  
**Senior Analyst**



**Artem Mamaiev**  
**Associate**



**Olha Rumiantseva**  
**Analyst**



**Tzvi Kilov**  
**Writer**

CORUM

# SPAC Panel

2021

MATT RUNG  
PRESIDENT



MATTHEW  
EHRlichMAN  
CEO, CHAIRMAN, &  
FOUNDER



MICHAEL  
BOR  
CO-FOUNDER & CEO



**We welcome your questions!**

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

**This event is being recorded**  
On demand webcast will be available at  
[www.corumgroup.com](http://www.corumgroup.com)



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

## MERGE BRIEFING



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



# After the Deal – Celebration





[www.CorumGroup.com](http://www.CorumGroup.com)

CORUM

**Thank you!**