

Tech M&A Monthly

Starts in 2 minutes



Thoughts? Questions? Let us know!
@CorumGroup

CORUM

Tech M&A Monthly

2023 Mid-Year Report

12 Tips for Choosing an M&A Advisor



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

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**





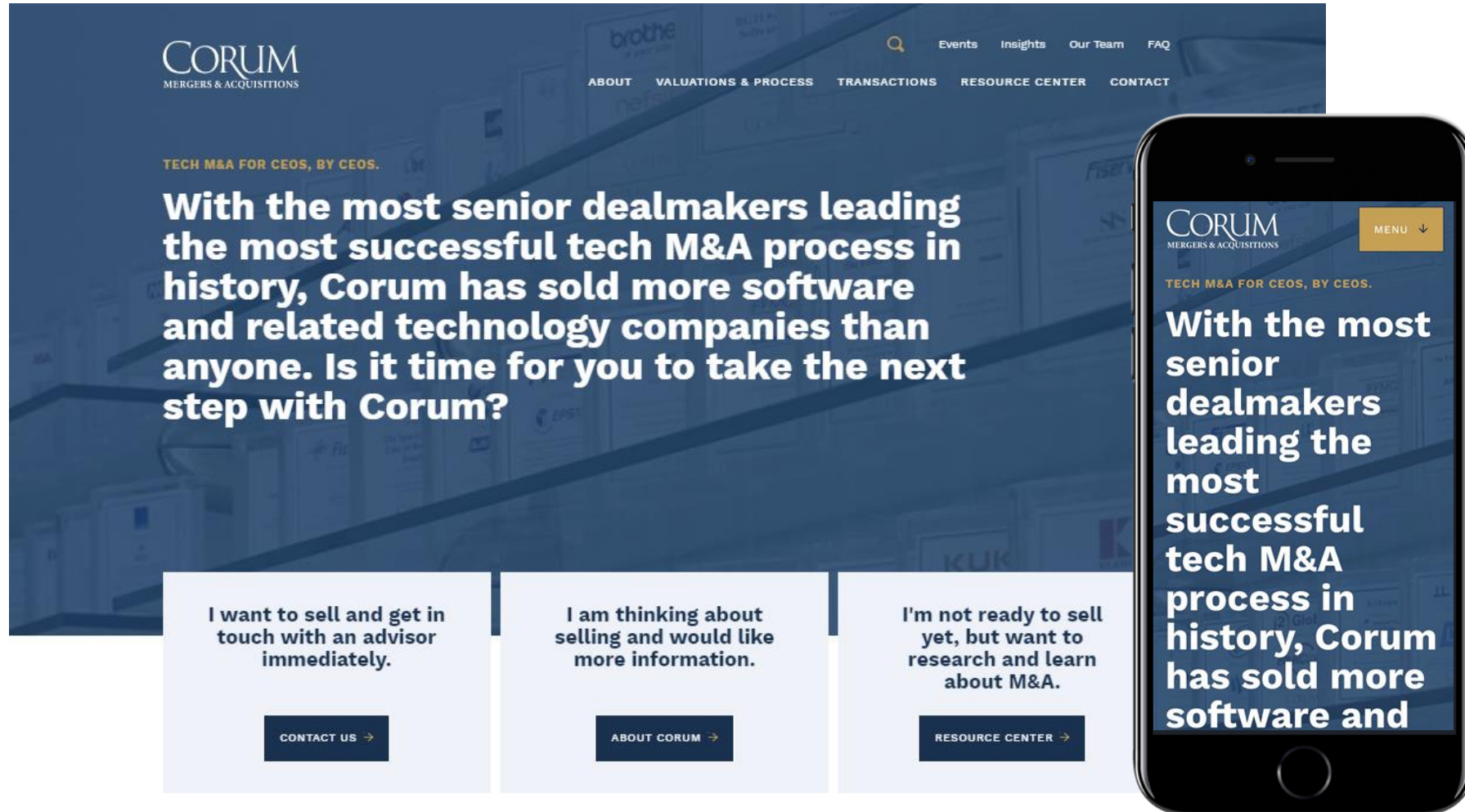
MERGE BRIEFING



- **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 →

CORUM
MERGERS & ACQUISITIONS

MENU ↓

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

36

Years in business

\$10B

In wealth created

400+

Closed transactions



**Focus—sell side,
technology only**

**Detailed, professional,
global process**

**Team approach,
senior dealmakers**

**World Technology
Council**

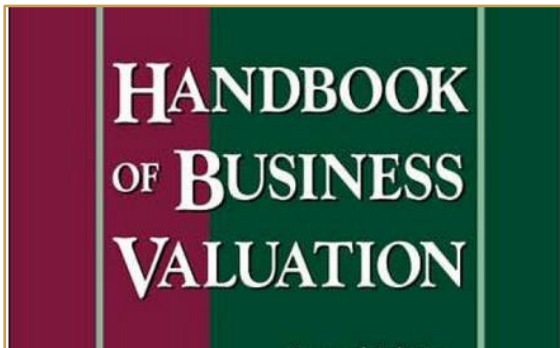
SOLD MORE SOFTWARE-RELATED FIRMS THAN ANYONE



Research

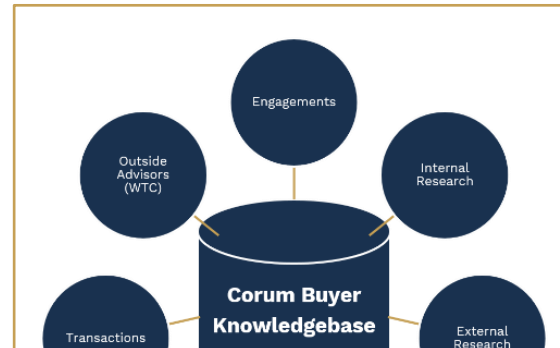


Education



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 \$3 trillion in transaction value by attendees – buyers and sellers**

8 Stages for an Optimal Outcome

Preparation

Research

Contact

Discovery

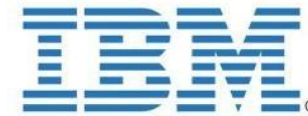
Negotiation

Due
Diligence

Closing

Integration

Past Attendees Include



Tech M&A Monthly

Starts in 1 minutes



Thoughts? Questions? Let us know!
@CorumGroup

CORUM

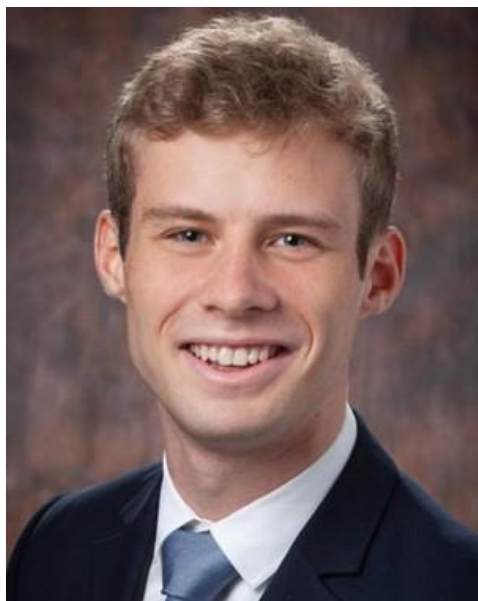
Tech M&A Monthly

2023 Mid-Year Report

12 Tips for Choosing an M&A Advisor



Rielly Milne, SVP, Communication Strategy, Corum Group Ltd.



- **Rielly manages and oversees the production of Corum's webcasts and online events in coordination with the World Financial Symposiums.**
- **He brings media production experience from technology reviews, hospitality promotion, sporting event live streaming, and travel content.**
- **Prior to joining Corum in 2019, he was a coxswain for the U.S. Men's Rowing Team in Oakland, CA during their preparations and trials for the 2020 Tokyo Olympics.**
- **Rielly holds a bachelor's degree from the University of Washington in Communication.**

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

Welcome

State of the Market by Bruce Milne

Field Report

Deal Report

Tech M&A Market Mid-Year Research Report

“12 Tips for Choosing an M&A Advisor”

Closing

CORUM

Mid-Year Report 2023

State of the Market

RECESSION



Breaking News: Doom & Gloom Ahead

Fear mongers tout the 45% drop in deal value.

In reality, **tech M&A is up 35%**. The deals are just smaller.

Private-Equity Giants Settle for Bite-Size Deals

With debt no longer cheap and abundant, Blackstone, KKR and other buyout firms look to smaller deals to build up companies they already own



Bigger deals have uncertainty surrounding valuation, and higher cost of capital.

PE firms have **trillions burning a hole in their pocket**, losing 6% a year to inflation.



The Solution:

Go for the smaller, less risky transactions –
what we call **bolt-ons**.

They make up **80% of today's M&A deal volume**.

Buyers are not just interested in tech companies...



**EVERY BUYER
SHOULD
CONSIDER AN
ACQUISITION
IN ASIA**



Electronic Manufacturing – United States

Learning Management – United States

B2B Automation – Belgium

Enterprise Resource Planning – United States

Digital Display Solutions – United States

Inventory Management – United States

BIM Content Management – United States

Cloud Computing Service – Australia/US

Business Intelligence Platform – Canada/US

Information Management Solutions – UK/US

Document Management – UK/US

Project Management Software – Canada

Intelligent Data Extraction – United Kingdom

Mid-Year State of the Market



There are great companies for sale.

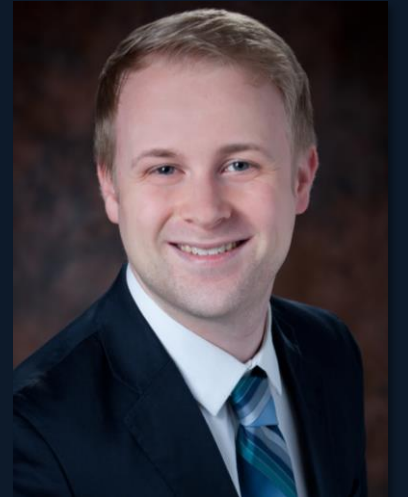
And never a better time to sell.

CORUM

Field Report

July 2023

Presented By
Brendan Keene
Senior Marketing
Coordinator
Corum Group Ltd.



MERGE BRIEFING

Online in:

Frankfurt July 18th

Jakarta July 25th

Salt Lake City July 18th

Cincinnati July 26th

East Bay July 20th

Lisbon July 27th



Online in:

Seoul – July 18th

Stockholm – July 21st

Houston – July 25th

WFS Field Report:

July 2023

WFS EDUCATING
TECHNOLOGY
LEADERS

WFS Content

July 21st
2023

Online-Offline Commerce

WFS EDUCATING
TECHNOLOGY
LEADERS

TECH MARKET SPOTLIGHTS


An illustration showing a person in a teal shirt and black pants pushing a shopping cart in front of a storefront. Above the storefront, a large white arrow points from a digital screen displaying various clothing items (a dress, a t-shirt, a pair of pants, and a pair of shoes) towards the physical store. The background is a light teal color.

July 28th
2023

IT Services

WFS EDUCATING
TECHNOLOGY
LEADERS

TECH MARKET SPOTLIGHTS

An illustration of a person sitting on a stack of server racks, working on a laptop. The person is surrounded by various IT-related icons: a gear with 'IT' inside, a checkmark, a shield, and a 'JS' icon. The background is a light green color.

3 AUGUST 2023

GROWTH & EXIT STRATEGIES

Building for Scale, Building for Sale

ONLINE GoTo Webinar



Valuations



Tech Trends



Sellers



Investors

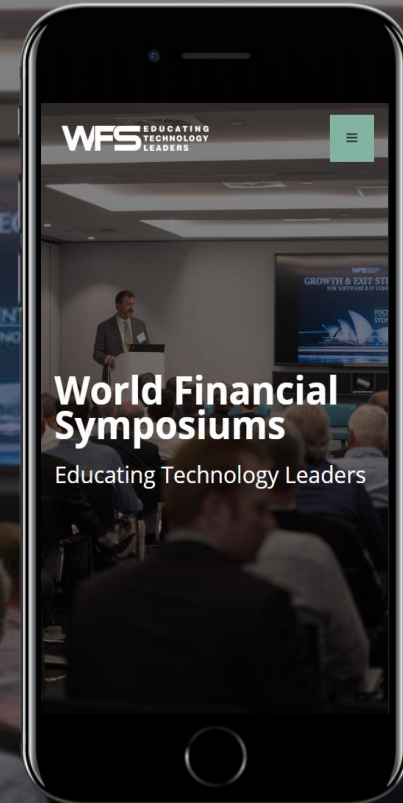


Buyers

WFS EDUCATING
TECHNOLOGY
LEADERS

World Financial Symposiums

Educating Technology Leaders



WFS.com



*Thank you to our
sponsors*



Platinum Sponsor



Event Sponsor

CORUM

Deal Report

July 2023

**Presented
By**



Joel Espelien
Executive Director -
Client Services
Corum Group Ltd.



CERTARA 

has acquired

Drug Interaction Solutions

The DIDB® originated at the University of Washington

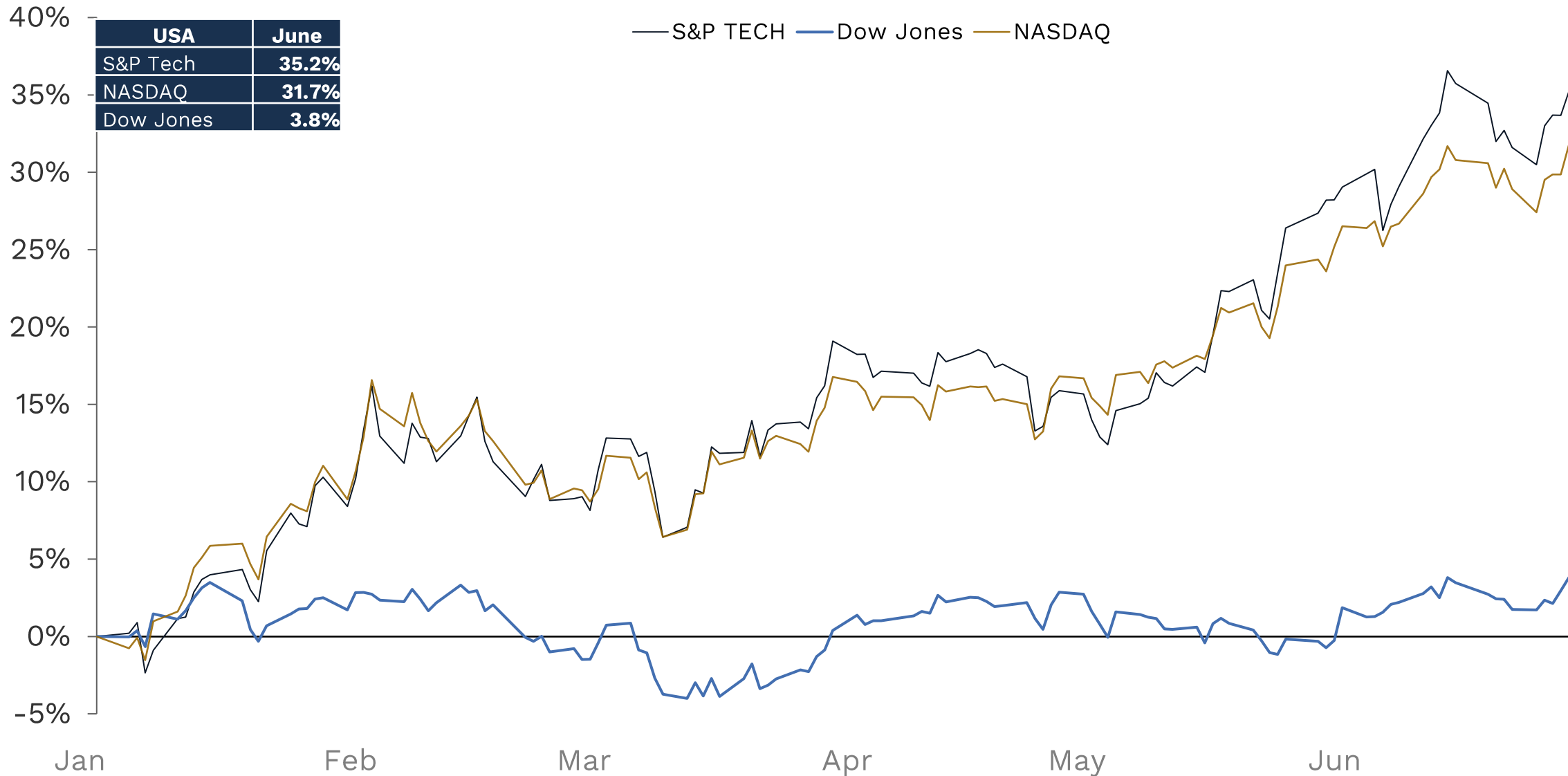
*Corum acted as exclusive M&A advisor
to the University of Washington*

CORUM
MERGERS & ACQUISITIONS

Tech M&A Research Report

Public Markets 2023 YTD

% CHANGE



Market

Transactions

Mega Deals

Largest Deal

Pipeline

Private Equity
Platform Deals

VC-Backed Exits

Non-Tech Acquirers

Attributes

Cross Border
Transactions

Start-Up Acquisitions

Average Life of Target

H1:2022

2707

43

\$61B

H1:2022

277

623

161

H1:2022

41%

16%

17 yrs

H1:2023

2603

19

\$12.5B

H1:2023

233

557

178

H1:2023

40%

22%

16 yrs

4%

56%

80%

16%

11%

11%



2023 Mega Deals (Jan-Jun)



2023 Mega Deals (Jan-Jun)



HORIZONTAL
\$28B – 7 Deals



APPTIO

SOLD TO



Seller: Apptio [Vista Equity Partners] [USA]

Acquirer: IBM [USA]

Transaction Value: \$4.6B

- AI-based IT business management and ERP SaaS



VERTICAL
\$26B – 6 Deals



WYATT
TECHNOLOGY

SOLD TO



Waters™

Seller: Wyatt Technology Corporation [USA]

Acquirer: Waters Corporation [USA]

Transaction Value: \$1.4B and 12.4x EV/Sales

- Laser light scattering systems

2023 Mega Deals (Jan-Jun)



MAGNET
FORENSICS®

SOLD TO



THOMABRAVO

Seller: Magnet Forensics [Canada]

Acquirer: Thoma Bravo [USA]

Transaction Value: \$1.3B and 12.5x EV/Sales

- Digital investigation SaaS



INFRASTRUCTURE

\$2.6B – 2 Deals

neogames[®]

SOLD TO

ARISTOCRAT

Seller: NeoGames [Israel]

Acquirer: Aristocrat Leisure [Australia]

Transaction Value: \$1.0B (5.9x EV/Sales and 58.7X EV/EBITDA)
- Online gambling & lottery services



CONSUMER

\$6.0B – 2 Deals

2023 Mega Deals (Jan-Jun)



IT SERVICES
\$6.3B – 2 Deals



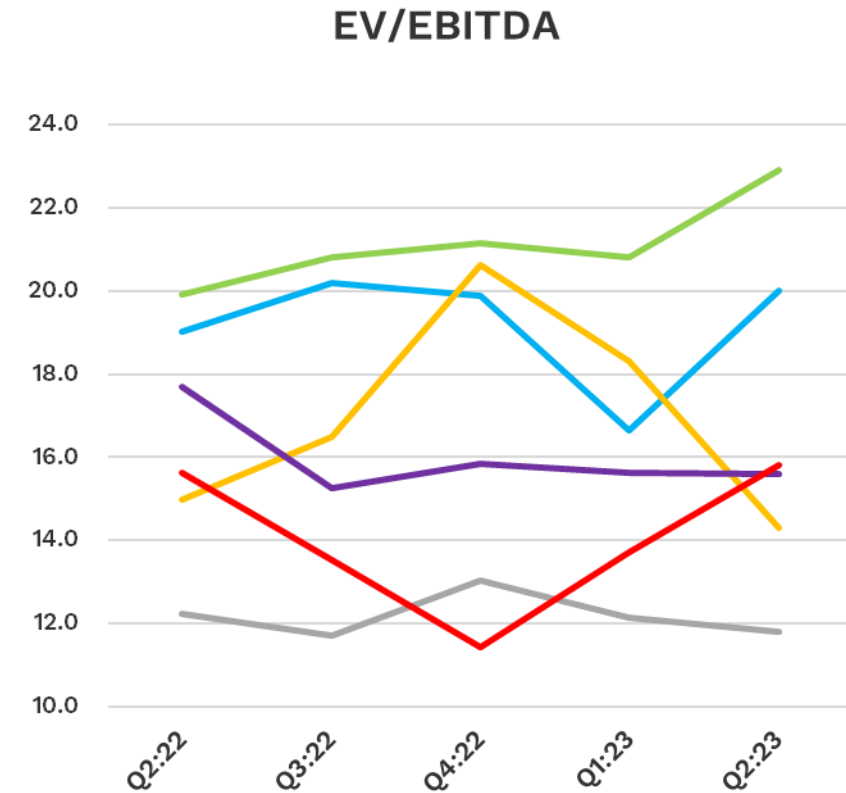
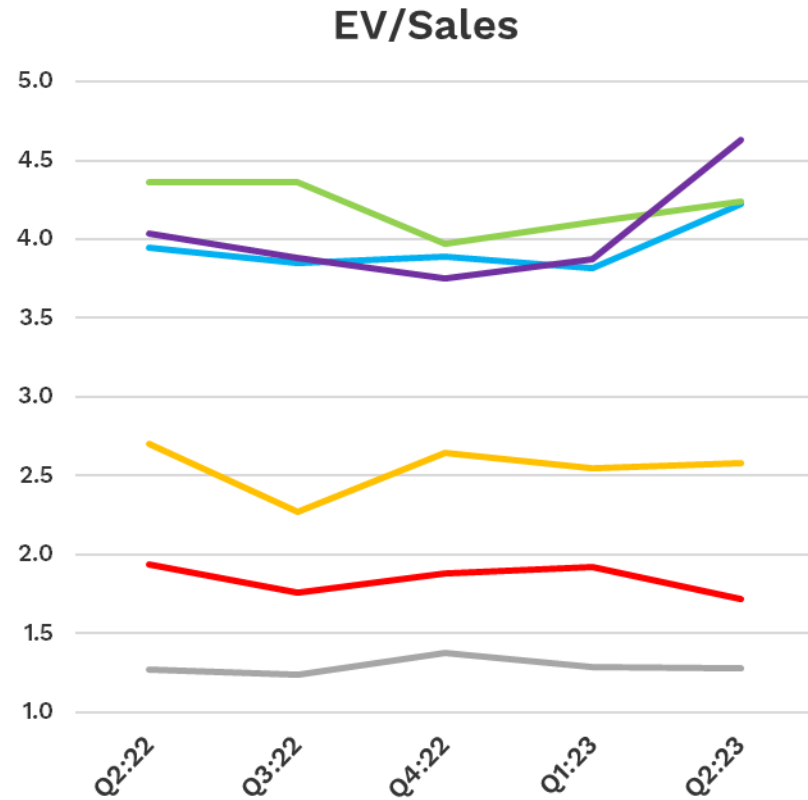
Seller: Webhelp [Groupe Bruxelles Lambert] [France]

Acquirer: Concentrix [USA]

Transaction Value: \$4.8B

- Outsourced customer care and payments BPO services

Market Valuation Trends Since 2022



- Horizontal** (Blue line)
- Vertical** (Green line)
- Consumer** (Yellow line)
- Internet** (Red line)
- IT Services** (Grey line)
- Infrastructure** (Purple line)

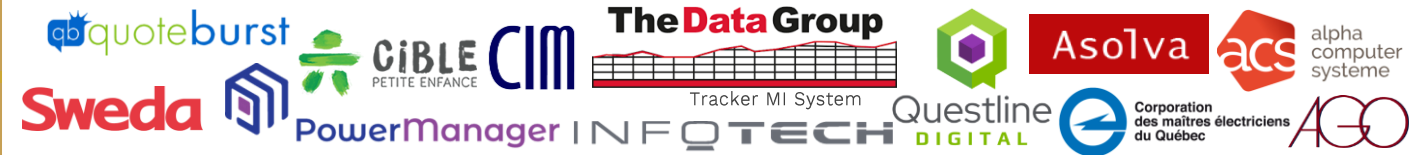
Constellation

SOFTWARE ACQUISITIONS H1 2023



CONSTELLATION
SOFTWARE
INC.

Top Volume Acquirer
48 Total Acquisitions



Constellation

SOFTWARE ACQUISITIONS H1 2023

CORUM
MERGERS & ACQUISITIONS



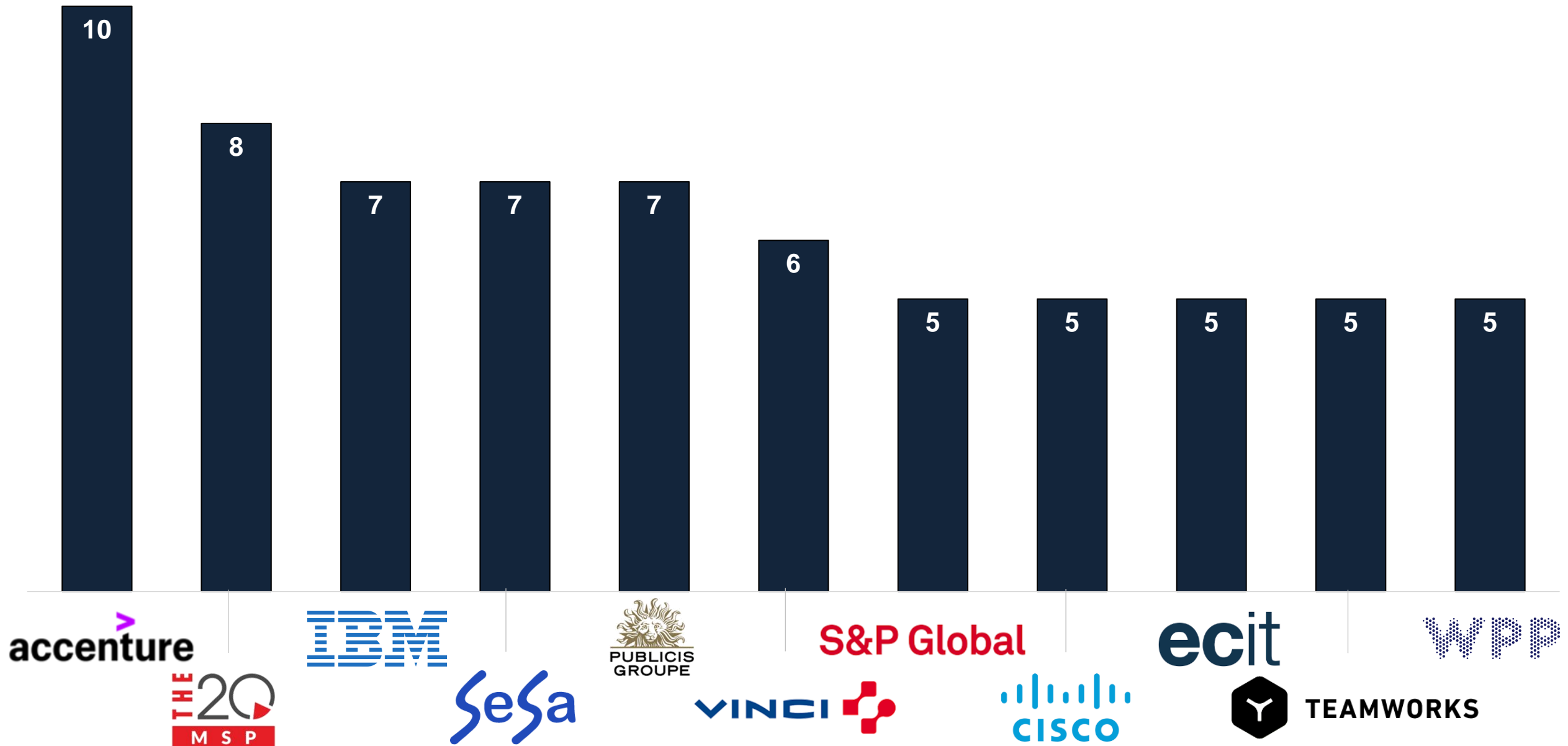
has acquired



Corum acted as exclusive M&A advisor to FunctionFox

CORUM
MERGERS & ACQUISITIONS

Top Strategic Acquirers H1 2023



Market Sectors



Horizontal



Vertical



Infrastructure



Consumer



Internet



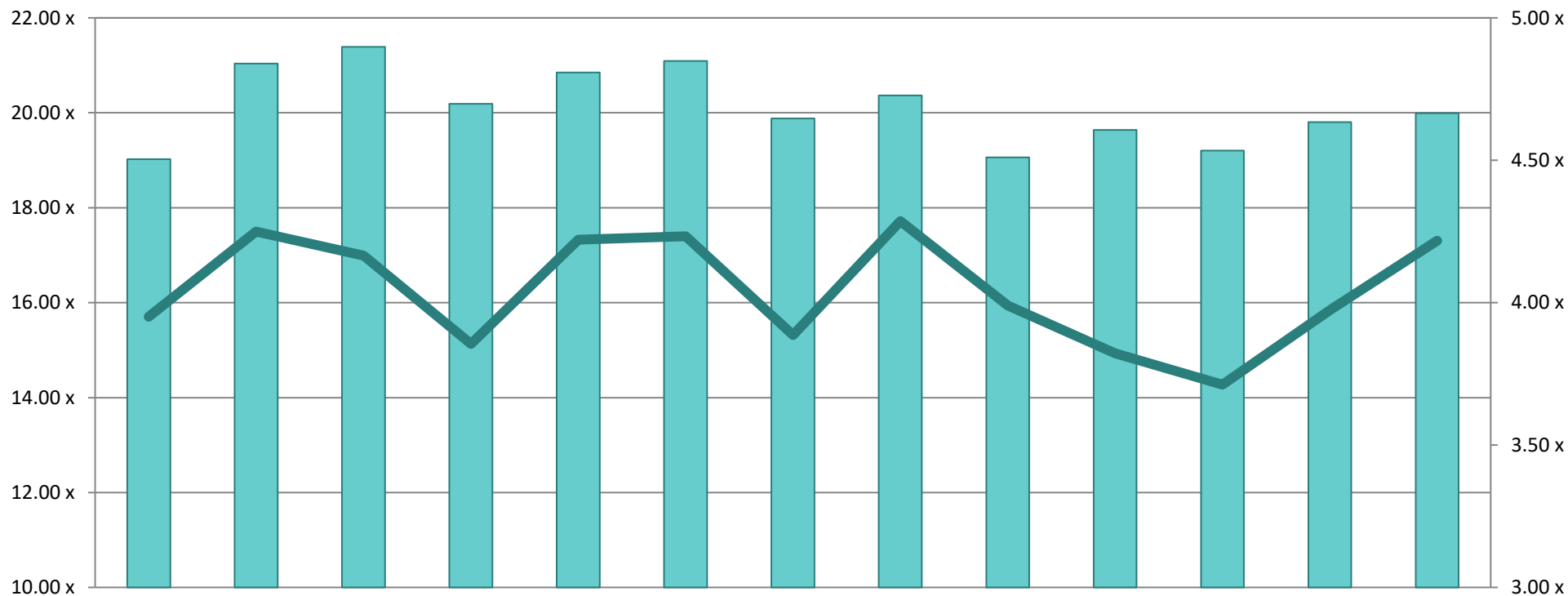
IT Services



Public Valuation Multiples

EV/EBITDA

EV/S



	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
EV/EBITDA	19.02 x	21.04 x	21.39 x	20.19 x	20.85 x	21.09 x	19.88 x	20.37 x	19.06 x	19.64 x	19.20 x	19.80 x	19.99 x
EV/S	3.95 x	4.25 x	4.17 x	3.85 x	4.22 x	4.23 x	3.89 x	4.29 x	3.99 x	3.82 x	3.71 x	3.97 x	4.22 x



Subsector	Sales	EBITDA	Examples		
Business Intelligence	— 5.42x	— 22.6x	<i>MicroStrategy</i>	VERINT	splunk >
Marketing	▲ 3.24x	— 20.2x	WIX	bread financial.	HubSpot
ERP	▲ 4.68x	▲ 22.2x	ORACLE	PEGA	SAP
Human Resources	— 7.88x	— 18.4x	RECRUIT	PAYCHEX	workday.
SCM	▲ 13.8x	▲ 49.3x	AMERICAN SOFTWARE	DESCARTES	Manhattan Associates.
Payments	— 2.81x	— 14.9x	ACI UNIVERSAL PAYMENTS.	PayPal	Square
Other	▲ 3.96x	▲ 19.2x	NUANCE	opentext™	salesforce

2023 Mega Deals (Jan-Jun)



HORIZONTAL
\$28B – 7 Deals



Seller: Reward Gateway [ABRY Partners] [Castik Capital Partners] [United Kingdom]

Acquirer: Edenred [France]

Transaction Value: \$1.4B

- Employee HR engagement SaaS



Human Resources

Seller	Acquirer	Seller Country	Description
	 <small>PERMIRA HELLMAN & FRIEDMAN</small>	USA	Workforce management SaaS
	 <small>AKKR ACCEL-KKR</small>	Australia	\$52M Human capital management SaaS
 <small>a CAREERBUILDER company</small>		United Kingdom	\$52M Talent attraction & acquisition SaaS
 <small>Part of Capita plc</small>		United Kingdom	\$16.6M Employee screening SaaS & services
 <small>Innovative Adult Learning Technologies</small>		USA	Learning management SaaS





Business Intelligence

1010DATA
ADVANCE



SymphonyAI
SAI Group

Seller: 1010data [Advance Publications] [USA]
Acquirer: SymphonyAI [SAI Group] [USA]
- Decision science & data management SaaS

GAZELLE.AI



Lightcast

Seller: Gazelle [Canada]
Acquirer: Lightcast [USA]
- Business intelligence & database SaaS

3PM
SHIELD



ebay

Seller: 3PM Shield [USA]
Acquirer: eBay [USA]
- Brand protection & marketplace compliance SaaS

Meltwater













ALTOR
MARLIN EQUITY
PARTNERS

Seller: Meltwater [USA]
Acquirer: Altor Equity Partners/Marlin Equity Partners [Sweden]
Transaction Value: \$542M
- Media intelligence & social analytics SaaS



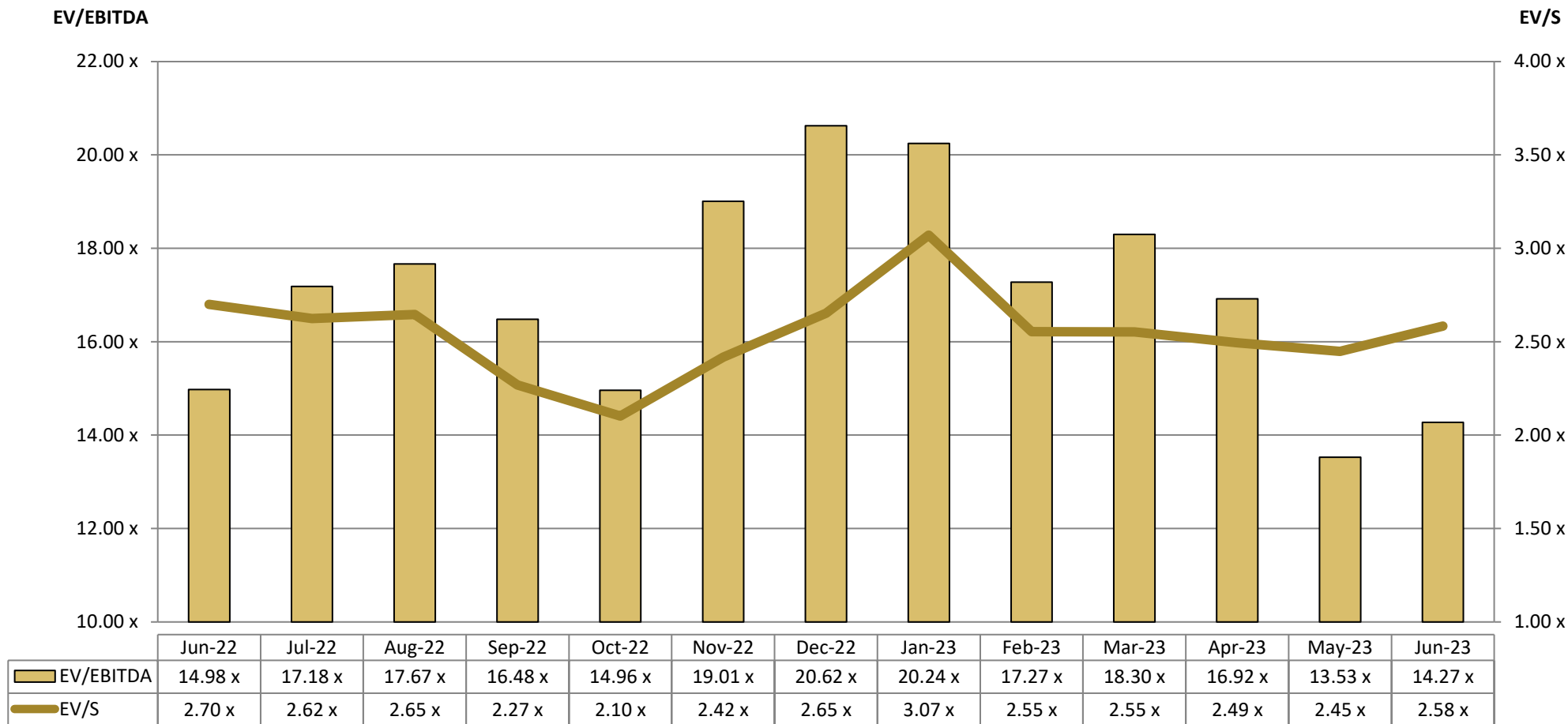


Payments









Seller	Acquirer	Seller Country	Description
 SMARTPAY	 Fortis	USA	Payments processing SaaS
 BOND	 FIS	USA	AI-based digital banking SaaS
 PAYCOMET <small>By Banco Sabadell</small>	 nexi	Spain	\$295M Payment processing SaaS, APIs, and SDKs
 power.	 MARQETA	USA	\$149M Credit card program management SaaS
 GAMMAREY	 Gologiq	USA	\$320M Finance management & digital wallet SaaS



Public Valuation Multiples





Subsector	Sales	EBITDA	Examples		
Casual Gaming	▲ 3.05x	▲ 13.8x	EMBRACER ⁺ GROUP		
Core Gaming	— 3.46x	▼ 12.5x			
Other	▲ 2.49x	▲ 35.8x			

2023 Mega Deals (Jan-Jun)



SCOPELY

SOLD TO



Seller: Scopely [USA]

Acquirer: Savvy Games Group [Saudi Arabia]

Transaction Value: \$4.9B

- Mobile videogames development & publishing













CONSUMER

\$6.0B – 2 Deals



Videogames

Seller	Acquirer	Seller Country	Description
SUPRNATION	 	Malta	\$35M Mobile casino videogames developer
Wargraphs		France	\$27.5M In-game application developer
NUKKLEAR	 JUMPGATE	Germany	\$7.1M Videogame developer
	bE HAVIOUR	United Kingdom	Game development studio
 SKYBOX LABS	 <i>NetEase Games</i>	Canada	Console, mobile/tablet, and PC videogames developer
 NIGHTDIVE STUDIOS	 ATARI	USA	\$10M PC and console videogames developer and publisher
Beyond	 BULLIVERSE	India	Blockchain-based videogames developer



Mobile Payments



Seller: X1 [USA]
Acquirer: Robinhood [USA]
Transaction Value: \$95M
- Credit card platform

SOLD TO



Seller: Envel (Software Technology) [USA]
Acquirer: BM Technologies [USA]
- Mobile banking application

SOLD TO



Seller: Spotii [Zip] [UAE]
Acquirer: NymCard [UAE]
- BNPL mobile application

SOLD TO



Seller: Click [Uzbekistan]
Acquirer: Uzum [Uzbekistan]
- Payment processing mobile application

SOLD TO





Learning Apps



photomath



Google

Seller: Photomath [Croatia]
Acquirer: Google [USA]
- Math learning mobile application

Veeksha



Adda247

Seller: Veeksha [India]
Acquirer: Adda247 [India]
- 3D experiential education mobile application



Blinkist



go1

Seller: Blinkist [Germany]
Acquirer: Go1 [Australia]
- App-based book summarizing platform



Personal Finance

Nest Egg → **GoLogiq**

Seller: Nest Egg [USA]

Acquirer: GoLogiq [USA]

Transaction Value: \$30M

- Retirement investment management mobile application

Steuerbot → **taxfix**

Seller: Steuerbot [Germany]

Acquirer: Taxfix [Germany]

- Tax return filing mobile application

QUO → **homebot**
ASG

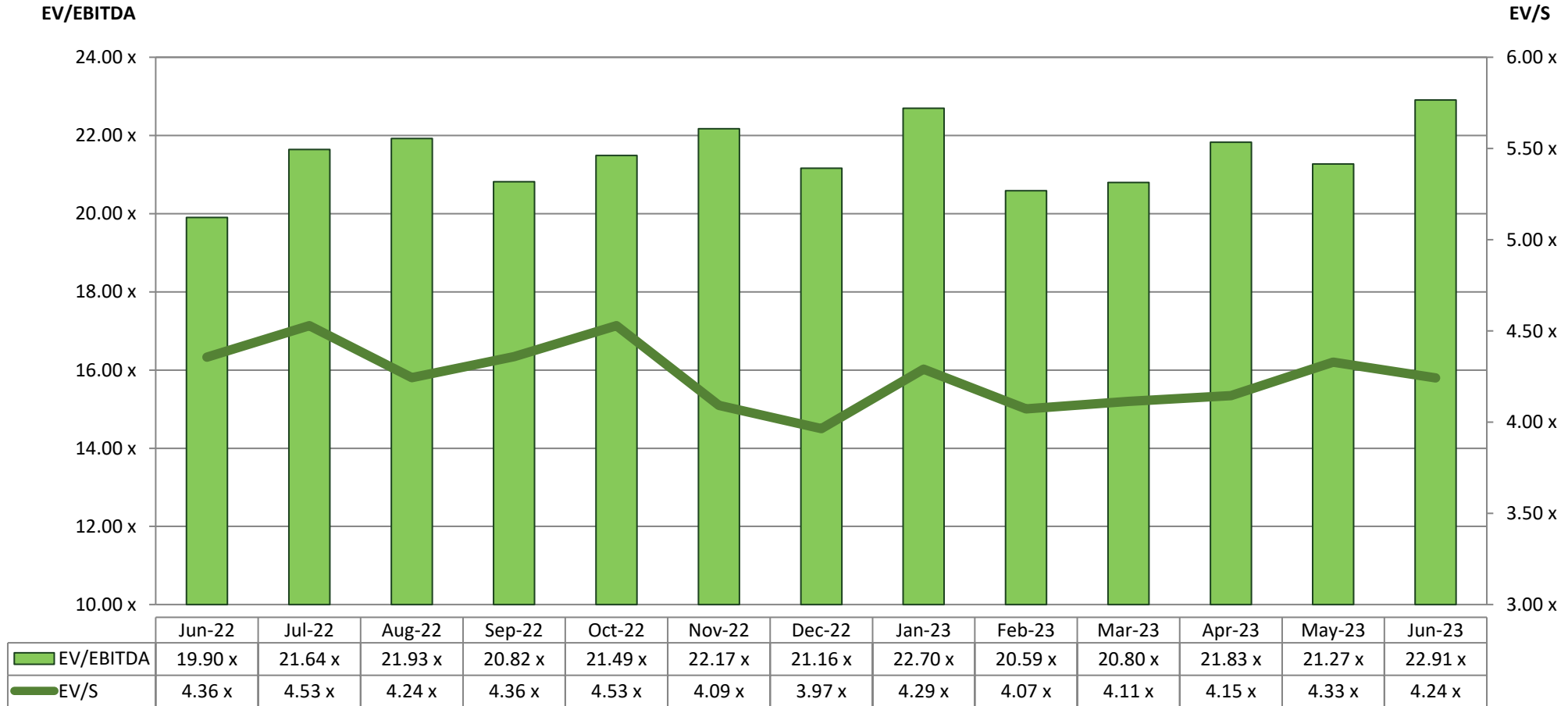
Seller: Quo Finance [USA]

Acquirer: Homebot [Alpine SG] [USA]

- Mortgage search management mobile application



Public Valuation Multiples





Subsector	Sales	EBITDA	Examples		
A/E/C	— 10.5x	— 39.5x	AUTODESK	DASSAULT SYSTEMES	SYNOPSYS®
Automotive	▲ 2.65x	— 17.8x	Autotrader	Scout24	CDK Global
Energy & Environment	▲ 3.24x	— 28.4x	IHS Markit	Itron	xylem
Financial Services	▲ 5.51x	▲ 18.7x	Broadridge®	SS&C	fiserv.
Government	— 2.26x	— 15.6x	NORTHROP GRUMMAN	L3HARRIS	tyler technologies
Healthcare	▲ 1.83x	▲ 17.4x	Allscripts™	HealthCatalyst	Cerner
Real Estate	▲ 3.28x	▲ 61.6x	REDFIN	CoStar Group™	Zillow®
Other	▲ 4.70x	▲ 25.4x	AMADEUS®	Rockwell Automation	Sabre.



VERTICAL
\$26B – 6 Deals



Duck Creek
Technologies

SOLD TO



VISTA

Seller: Duck Creek Technologies [USA]

Acquirer: Vista Equity Partners [USA]

Transaction Value: \$2.6B and 7.6x EV/Sales
- Insurance policy management SaaS



InsurTech



MORNING DATA

Seller: Morning Data [United Kingdom]

Acquirer: Verisk [USA]

- Insurance management SaaS & services

SOLD TO



Verisk

AMODO

Seller: Amodo [Croatia]

Acquirer: Cambridge Mobile Telematics [USA]

- Insurance telematics SaaS

SOLD TO



**CAMBRIDGE
MOBILE TELEMATICS**



Seller: I-Engineering [USA]

Acquirer: XDimensional Technologies [Serent Capital] [USA]

- Insurance agency management SaaS

SOLD TO



Seller: Last Decimal [India]

Acquirer: Turtlefin [Turtlemint] [India]

- Insurance business management SaaS

SOLD TO



2023 Mega Deals (Jan-Jun)



VERTICAL
\$26B – 6 Deals

 **SOLD TO** 

Seller: Adenza [Thoma Bravo] [USA]

Acquirer: Nasdaq [USA]

Transaction Value: \$10.5B

- Financial risk & regulatory management SaaS

 **SOLD TO** 

Seller: Pismo [Brazil]

Acquirer: Visa [USA]

Transaction Value: \$1.0B

- Banking & payments processing SaaS

 **SOLD TO** 

Seller: Network International [UAE]









Acquirer: Brookfield Asset Management [Canada]

Transaction Value: \$2.7B

- Transaction processing



FinTech

Seller	Acquirer	Seller Country	Description
 		Switzerland	\$250M Digital asset custody management SaaS
 		United Kingdom	Financial sector data extraction SaaS
BROADWAY 		USA	Transaction processing SaaS & services
	TRAFIX	Canada	Financial trading & order management SaaS
		India	Digital banking SaaS





A/E/C



Seller: UNIFI [USA]
Acquirer: Autodesk [USA]
- BIM content management SaaS



has acquired



Corum acted as exclusive M&A advisor to UNIFI Labs



Seller: S&P Global (Engineering Solutions) [United Kingdom]
Acquirer: KKR [USA]
Transaction Value: \$975M
- Engineering consulting service & analytics SaaS



Seller: AnchoRock [USA]
Acquirer: KPA [Providence Equity Partners] [USA]
- Construction safety & compliance management SaaS



Seller: Corecon Technologies [USA]
Acquirer: Sage [United Kingdom]
Transaction Value: \$16.4M
- Preconstruction & project management SaaS





Manufacturing Industry Solutions



SOLD TO



Seller: The Rubicon Group [USA]
Acquirer: Fullsteam [USA]
- ERP software for wire and cable manufacturers



LOBBYFOX

SOLD TO



Seller: LobbyFox [USA]
Acquirer: Transmission [USA]
- Manufacturing industry visitor management SaaS



SOLD TO



Seller: Poka [Canada]
Acquirer: IFS [EQT] [Sweden]
- Manufacturing sector workforce management SaaS



SOLD TO

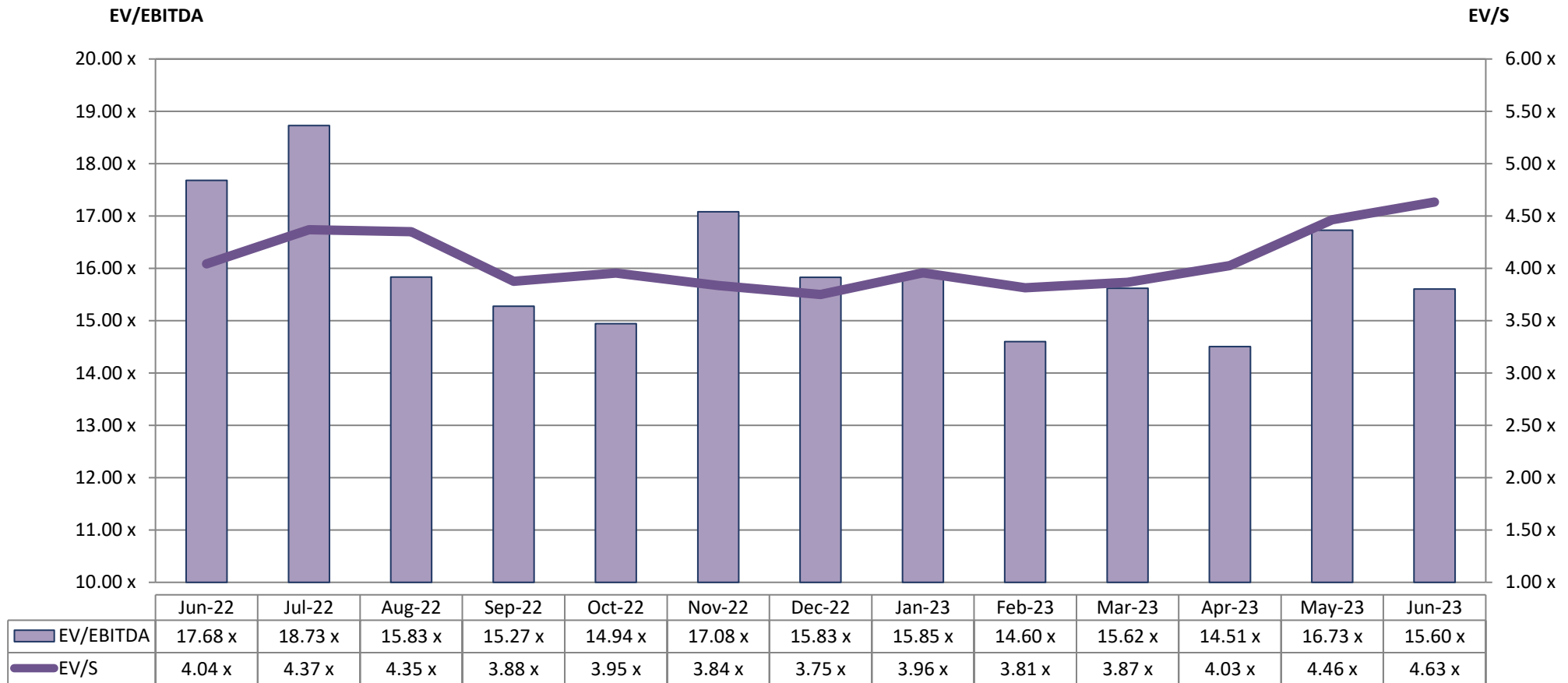


Seller: Ease [Spotlight Equity Partner] [USA]
Acquirer: Luminare Capital Partners [USA]
- Manufacturing plant floor audit SaaS





Public Valuation Multiples





Subsector	Sales	EBITDA		Examples
Application Lifecycle	▼ 4.92x	▼ 14.5x	▲ ATLISSIAN	New Relic® Progress®
Endpoint	▲ 4.93x	▲ 25.8x	zoominfo	Opera vmware®
Network Management	▲ 2.24x	— 13.7x	f5®	CISCO JUNIPER NETWORKS
Security	— 5.52x	— 13.4x	paloalto® NETWORKS	Check Point® SOFTWARE TECHNOLOGIES LTD. FIREEYE™
Storage & Hosting	▲ 3.83x	▼ 33.1x	box	COMMAVAULT® NetApp
Other	— 3.32x	— 18.6x	Akamai	Appian twilio

2023 Mega Deals (Jan-Jun)



Seller: MosaicML [USA]

Acquirer: Databricks [USA]

Transaction Value: \$1.3B

- Generative AI models development SaaS



INFRASTRUCTURE
\$2.6B – 2 Deals



Low-Code/No-Code Software Development

LOU

SOLD TO



Totango

Seller: Lou [USA]

Acquirer: Totango [USA]

- No-code software projects onboarding & training SaaS

SUBX

SOLD TO

BUSINESSPLUG

Seller: SUBX [Singapore]

Acquirer: Businessplug.com/Unipessoal [Portugal]

- No-code blockchain application building SaaS

ZUDY

SOLD TO



Jitterbit

△ Audax Private Equity

Seller: Zudy [USA]

Acquirer: Jitterbit [Audax Management Company] [USA]

- No-code/low-code enterprise application development SaaS



elemeno

SOLD TO



Semantix

Seller: Elemeno [USA]

Acquirer: Semantix [Brazil]

- No-code MLOps management & modeling SaaS













Network Performance & Management

Seller	Acquirer	Seller Country	Description
		United Kingdom	Broadband network monitoring SaaS
		Canada	Reported \$370M Network app performance monitoring & analytics SaaS
	 Audax Private Equity	USA	Network infrastructure monitoring & automation SaaS
	 Audax Private Equity	Iceland	Network management SaaS
		USA	Network performance management SaaS
		USA	Network monitoring SaaS

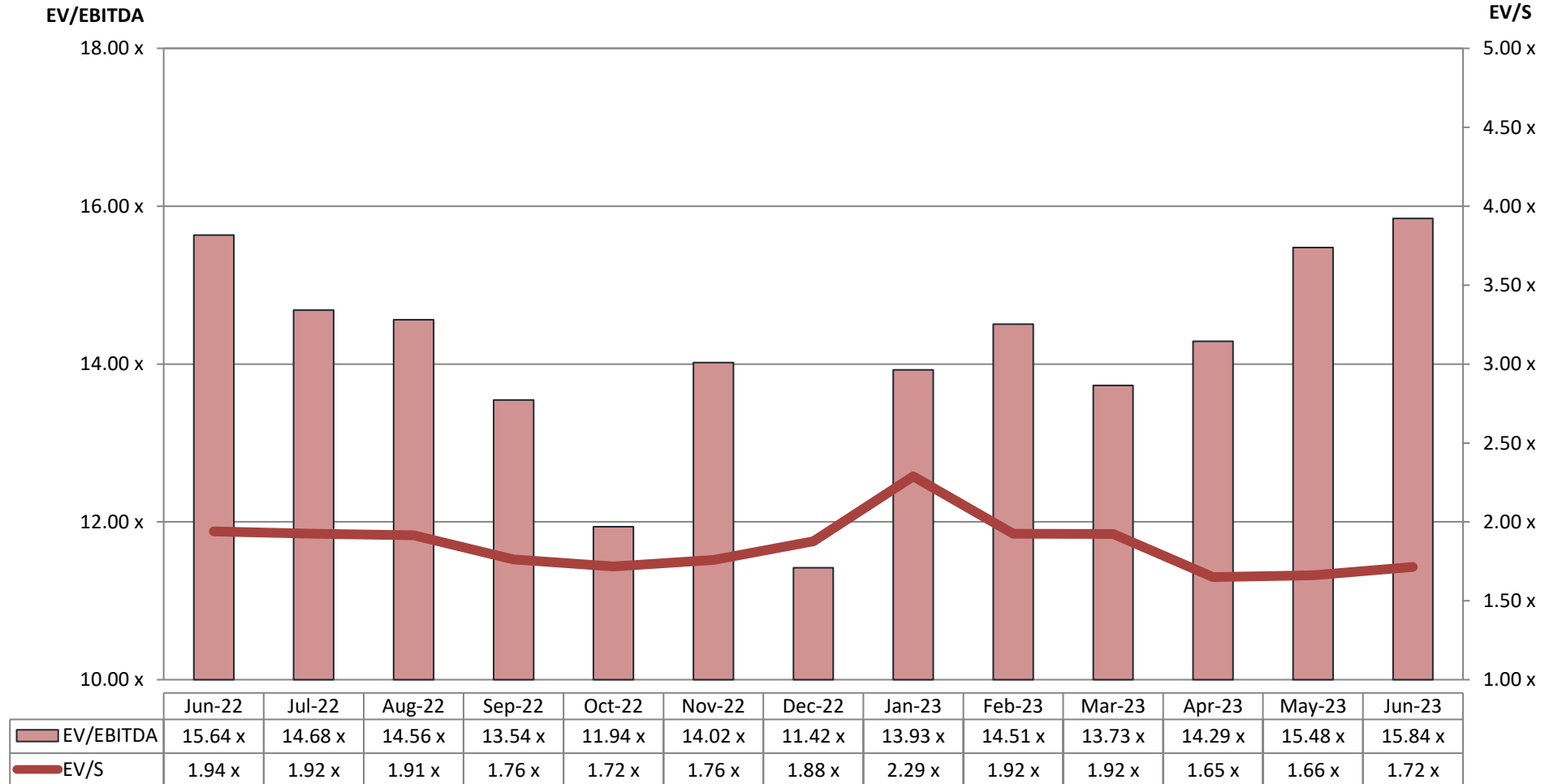


Endpoint Security












Seller	Acquirer	Seller Country	Description
 select assets		USA	Phishing threats management & intelligence SaaS
		Canada	\$657M (3.80x EV/Sales and 96.80x EV/EBITDA) Endpoint security integrity & asset management SaaS
		USA	\$26M Threat intelligence & management SaaS
		USA	Endpoint security & browser isolation SaaS
		Israel	\$38M Anti-evasion & ransomware prevention SaaS



Public Valuation Multiples





Subsector	Sales	EBITDA	Examples
Diversified Internet	— 3.38x	— 15.8x	Alphabet  
eCommerce	▲ 0.94x	— 25.9x	  
Social Network	▼ 1.59x	▼ 3.93x	  
Travel & Leisure	▲ 3.09x	▲ 17.4x	  



Home Rental Marketplaces



Seller: US Home Aggregation [USA]
Acquirer: Cision Capital [USA]
- Rental home online search marketplace



Seller: NestAway Technologies [India]
Acquirer: Aurum PropTech [India]
Transaction Value: \$11M
- Online rental marketplace



Seller: Nestpick Global Services [Germany]
Acquirer: Blueground [USA]
- Furnished housing rental marketplace



Delivery



Super App business

Seller: Careem [UAE]

Acquirer: e& [UAE]

Transaction Value: \$400M

- Super App offering services such as food and grocery delivery, micromobility, etc.

SOLD TO



Seller: Kavall [Sweden]

Acquirer: MatHem i Sverige [Sweden]

- Online grocery delivery mobile application

SOLD TO



Seller: Box Delivery [Brazil]

Acquirer: Rappi [Colombia]

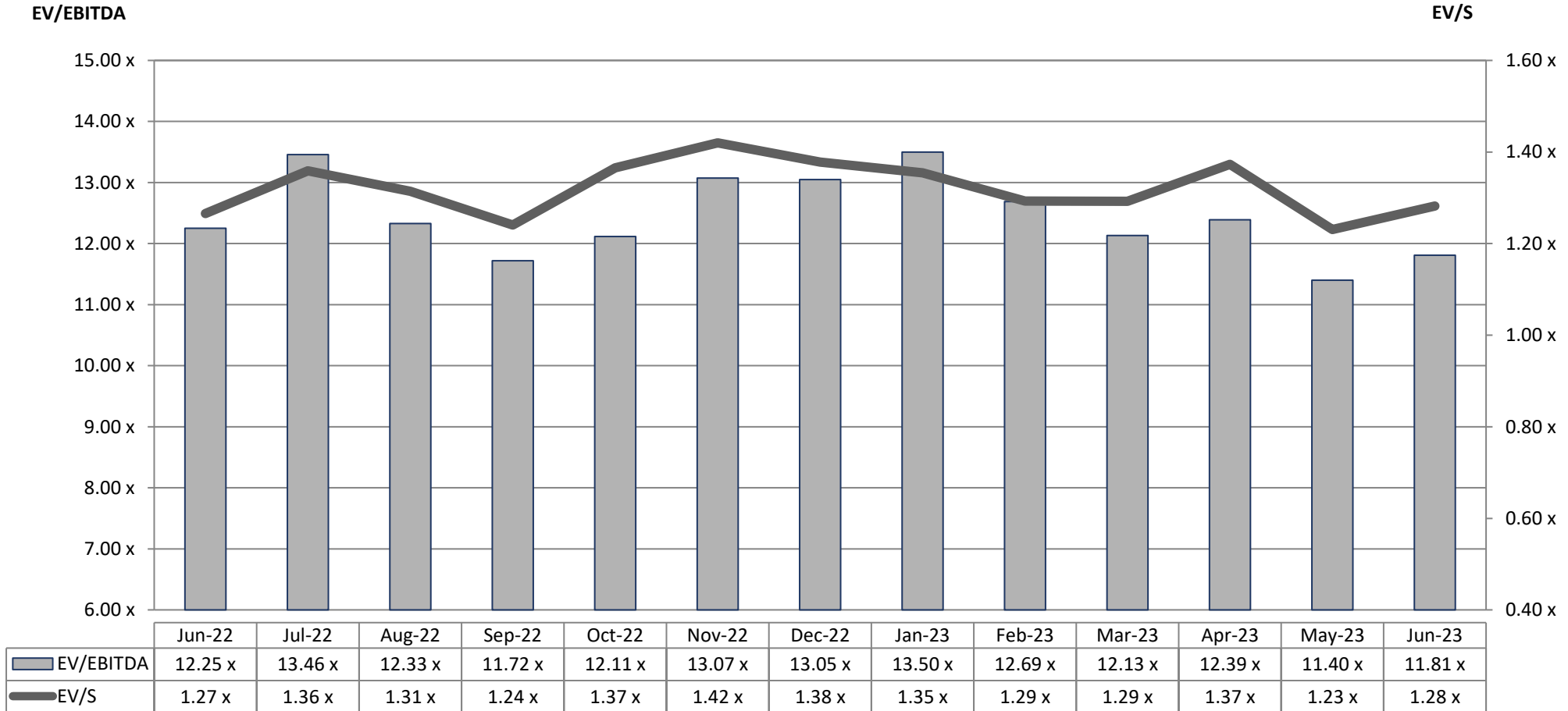
- Food & goods delivery services

SOLD TO



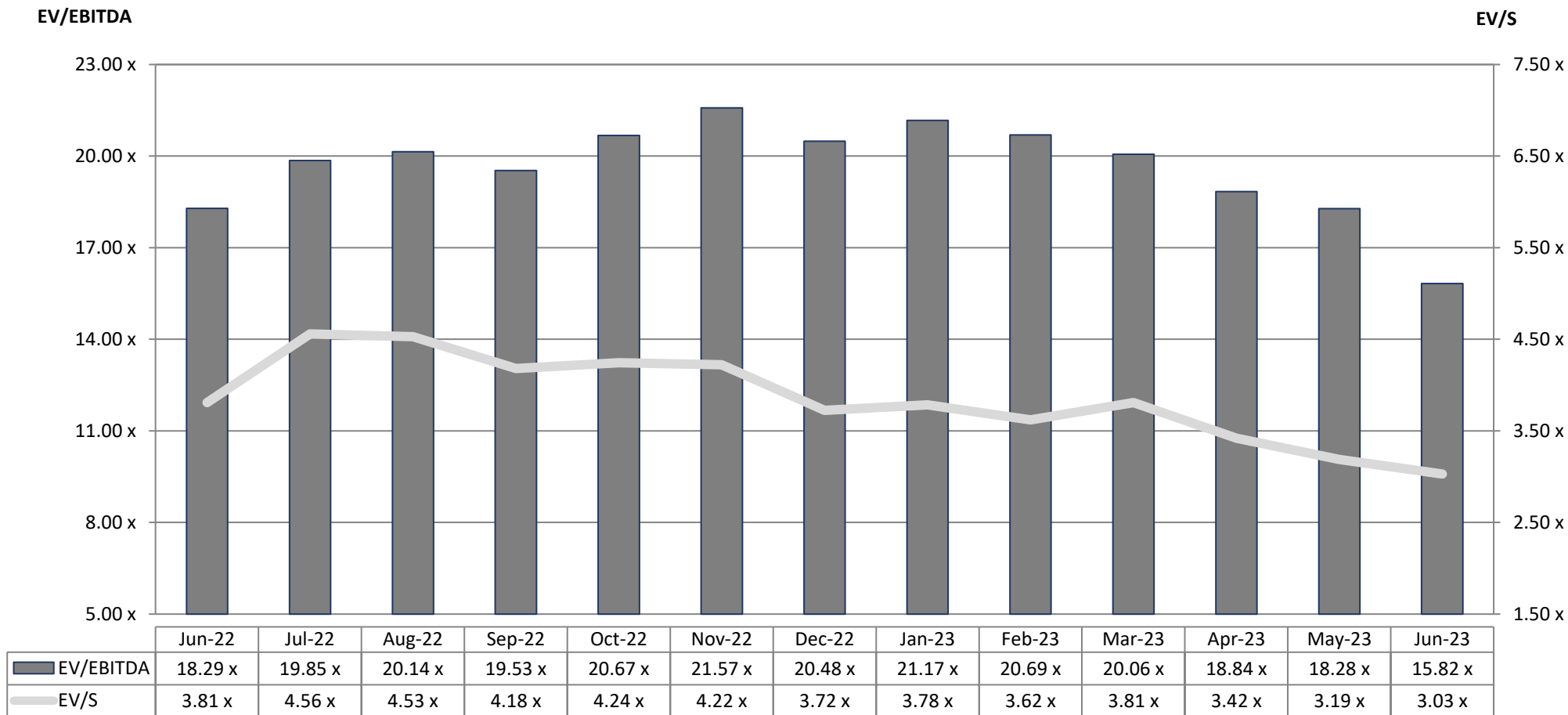


Public Valuation Multiples

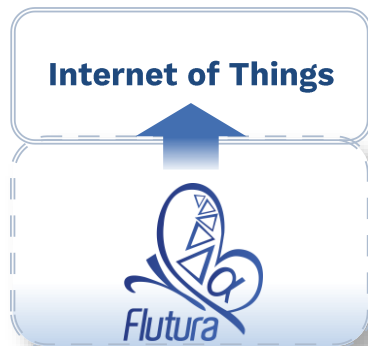




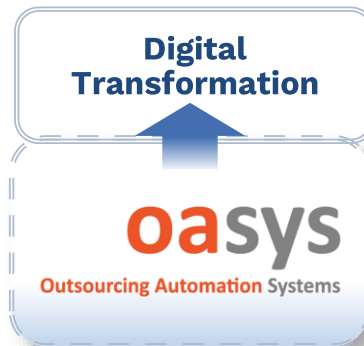
Public Valuation Multiples



Accenture Acquisitions H1 2023



accenture





IT SERVICES
\$6.3B – 2 Deals



Seller: SK Shieldus [SK Square] [South Korea]
Acquirer: EQT [Sweden]
Transaction Value: \$1.5B and 6.8x EV/EBITDA
- Security integration services



AI-Powered Software Development



SOLD TO



Seller: start-up.ai [Israel]

Acquirer: Verix [USA]

- AI and ML-enabled business process improvement software development



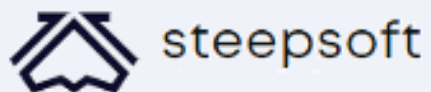
SOLD TO



Seller: Oiga Technologies [USA]

Acquirer: 10Pearls [USA]

- Artificial intelligence, machine learning, big data, and blockchain-enabled software development



SOLD TO



Seller: steepsoft AI [Romania]

Acquirer: RebelDot Solutions [Romania]

- AI-based software development services



SOLD TO

THE VARIABLE

Seller: Data Crunch [USA]

Acquirer: The Variable [USA]

- Analytics & software development services



Amber Stoner
Vice President



**Artem
Mamaiev**
Associate



**Anna
Lebedieva**
Senior Analyst



**Olha
Rumiantseva**
Analyst



Elena Serikova
Data Researcher



Tzvi Kilov
Writer



Tech M&A Research Report

Complete Global Market Report
Available Upon Request
info@corumgroup.com

On demand webcast will be
available at:
www.corumgroup.com

12 Tips For Choosing An Advisor

12 Tips For Choosing An Advisor

- An M&A advisor will be your front-line agent for:
 - Proper presentation
 - Strategy research
 - Opening doors to potential partners
 - Facilitating meetings
 - Developing credible valuation
 - Consulting on financials, legal, accounting, due diligence matters
 - Negotiating final price and structure

12 Tips For Choosing An Advisor



11%

▪ Buyer solicitations that result in transaction



48%

▪ Average improvement from first offer with an auction process



80%

▪ Failure rate in “self-managed” tech M&A



100%

▪ Deals involving only one bidder that are suboptimal

12 Tips For Choosing An Advisor

Tech company values are based on intellectual property, not hard assets.

It's about your story.

12 Tips For Choosing An Advisor

Choosing the wrong M&A firm will not get you the optimal outcome.

1. Focus on Technology – Selling Software & IT Companies

- If they aren't in Tech. Run away!
- Firms must be able to manage the M&A process from beginning to end to achieve the value you deserve.
- Do they have the experience you need?
- Avoid the “full service” firms that try to do everything.



1. Focus on Technology – Selling Software & IT Companies

- If they aren't in Tech. Run away!
- Firms must be able to manage the M&A process from beginning to end to achieve the value you deserve.
- Do they have the experience you need?
- Avoid the “full service” firms that try to do everything.
- Selling companies requires different:
 - Staff
 - Database
 - Processes
 - Valuation Expertise
 - Due Diligence
 - Experience

2. No Conflict of Interest

- Be sure that your advisor doesn't have conflicts.
- Do they mix their business where they actively represent buyers.
- Great sell-side deal makers know how to get that record value and understand how to play bidders against each to get maximum value.



3. Contract Alignment – Is Your Agreement A True Partnership?

- What does the M&A firm expect?
- You need a firm whose interests align with yours.
- They are assuming part of the risk.
- You don't want someone focused on a commission.



4. Domain Expertise – Thought Leadership

- Avoid advisors who don't have domain expertise and lack thought leadership around technology convergence.
- Your advisor must be able to map your company to the disruptive trends and show how your technology would be a key building block to the buyer's strategy.
- Be sure that you pick an advisor that has the respect of the buyers as both domain experts and thought leaders.
- Don't engage a firm that is too hyper-focused on a particular market or a very small niche.

5. Research is Critical

- The research department should be the largest group in the firm.
- If not, they're relying on public (outdated) information.
- Research is critical in building and maintaining buyer databases.
- It's about the crafting of your "story" and requires developing compelling language or "armor-piercing soundbites".

6. Negotiation—Senior Dealmakers Only

- Don't use rookies for important transaction deals.
- A seasoned pro knows what needs to be done to get the job done right.
- Have a steady experienced hand guiding you during the emotional process.



7. It Takes A Team!

- A good transaction takes an average of 3-5 man years invested.
- No CEO has time to take away from the business.
- Industry leaders in tech M&A assign a team of seasoned experts.
- You Need:
 - Valuation Experts
 - Writers
 - Researchers
 - Presentation Coaches
 - Financial Analysts
 - Lead & Backup Negotiators

8. Curated Proprietary Buyer Database

- Does the M&A firm have the right contacts?
- Do they maintain proprietary data on the acquisition submission process of buyers?
- Does your advisor maintain regular contact with the buyers?
- Do they know them?
- Advisors must have extensive knowledge about the international universe of potential partners, both strategic and financial (PE's).



9. The M&A Process Is The Key To Higher Value

- Does the M&A advisor have a process with a proven track record?
- There's no book value, so it's more about telling your story.
- The process starts with:
 - Preparation
 - Best practices
 - Research
 - Buyer database and exhaustive contact
 - Follow up leading to negotiations
- Inexperienced firms will be happy with just getting you any offer.
- They lack the resources and investment in a buyer knowledge base needed to give you an optimal outcome.

10. You Need the Valuation High Ground

- Valuations too early can scare some buyers off, and leaves money on the table with others.
- Deal comps of private company transactions are seldom publicly known.
- You need an advisor with proprietary information and inside transactional data to provide you with a defensible valuation that will increase your value.
- Each buyer is different. How they view your technology, and the opportunity you represent will impact what they may be willing to pay.

11. Beware – Due Diligence Minefield!

- Due diligence is where deals die, thus you must extensively prepare.
- Understanding your buyer and what's unique in their due diligence is key.
- Be ready to do some defensive driving to anticipate problems and have the right answer.
- You don't want to end up being due diligence roadkill!
- An experienced advisor will keep you out of harm's way.

12. Didn't Sell – What now?

- As a seller, you go into an M&A process with the objective of getting the optimal result for your company.
 - Good price/structure
 - Minimal taxes/liabilities
 - Employment
- Sometimes, it becomes clear that the time just isn't right for a sale.
 - You need to grow more
 - Make changes
 - Release new product

12. Didn't Sell – What now?

- If you need to go on a pause, take advantage of what you've learned in the process.
- Does your advisor have a plan if you don't sell?
- Can they help you take advantage of what you learned?
- Will they take you back to market without extra cost?
- Does their staffing/model allow for that?

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



MERGE BRIEFING

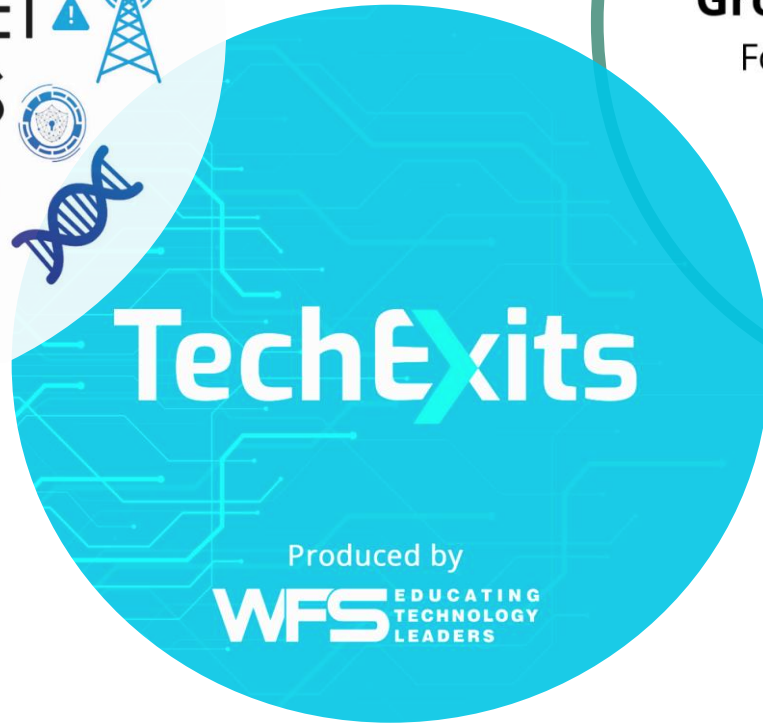


- **Half-Day**
- **Tech M&A Bootcamp**
- **The most attended tech executive conference in history**

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



Webcasts



Podcasts



Conferences

After the Deal – Celebration



www.CorumGroup.com

CORUM

Thank you!