

Tech M&A Monthly

Starts in 2 minutes



Thoughts? Questions? Let us know!
@CorumGroup

CORUM

Tech M&A Monthly

Tech M&A Deal Structures Today



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**





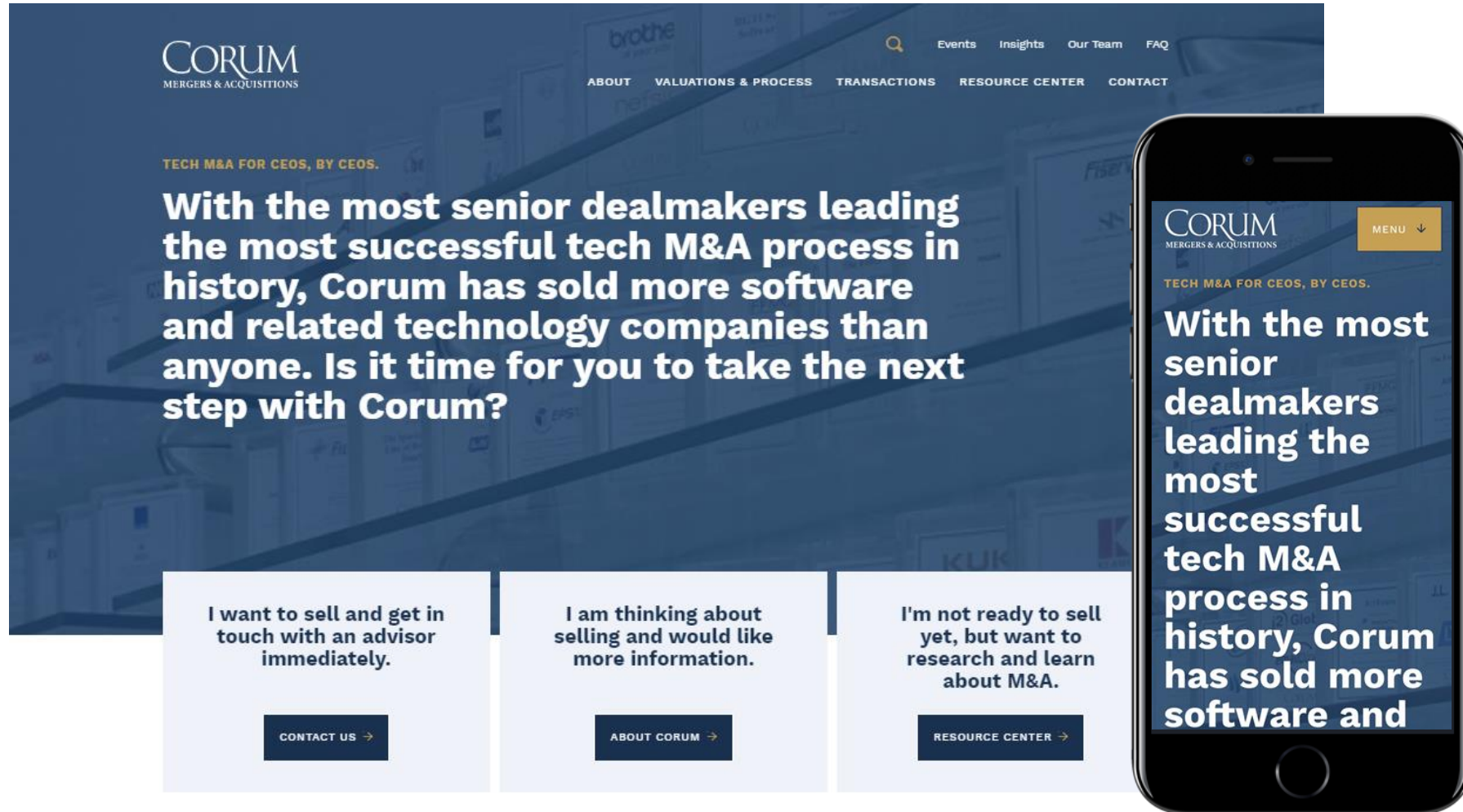
MERGE BRIEFING



- **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 →](#)

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**

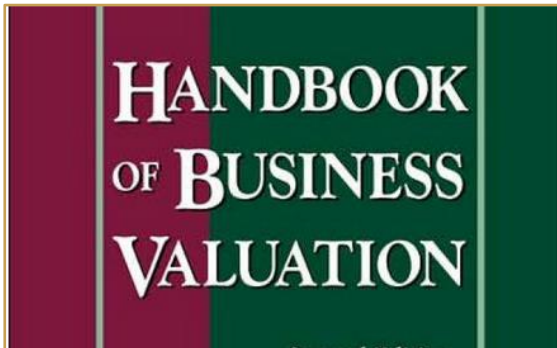
SOLD MORE SOFTWARE-RELATED FIRMS THAN ANYONE



Research

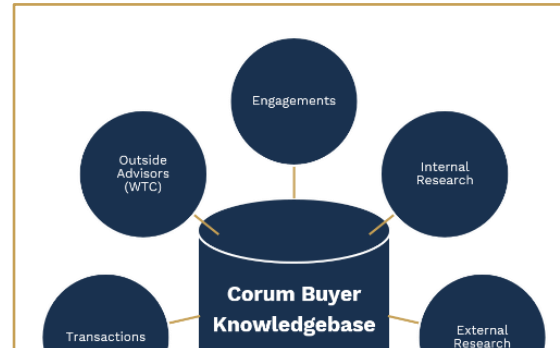


Education



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

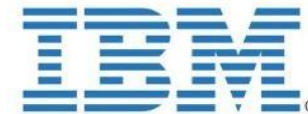
Negotiation

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

Tech M&A Deal Structures Today



Tim Goddard, EVP, Corporate Strategies, Corum Group Ltd.



- **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

Welcome

CEO's Desk: "Tech M&A Deal Structures Today"

Event Report

Deal Report

Tech M&A Market Research Report

Special Report: "8 Presentation Mistakes to Avoid"

Closing

CORUM

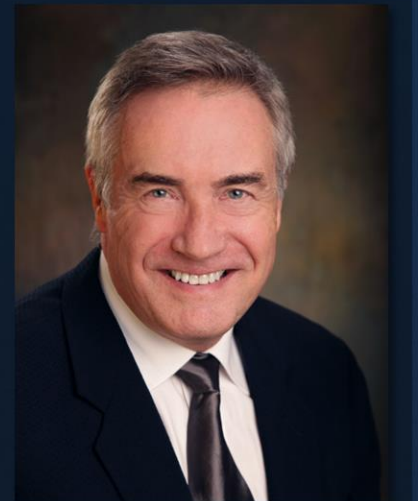
CEO's Desk

Tech M&A Deal Structures Today

Presented By

Bruce Milne

**Chief Executive Officer
Corum Group Ltd.**



**Structure is more
important than price.**

\$100M



All earnout

\$100M



**Unregistered
stock**

\$100M



\$100M in cash

	First offer (Client thought it was a logical buyer)	Second offer (Client never heard of this buyer)
Buyer	Strategic buyer	Private equity
Type	Highly structured	Structured
Cash	Number of non-cash components	-

\$20M

- Most of the payment in the future
- \$5M down
- Two additional payments of \$5M at the end of year one and year two—second payment contingent
- \$5M bonus based on goals, extended employment agreement, and non-compete agreement
- **No provisions for employees**

\$20M structured deal

\$15M

- **All cash with 10% one year escrow**
- \$13.5M at closing
- \$1.5M within a year, if contingencies are met
- Two-year employment agreement, with non-compete for three years
- **Large severance bonus for let-go employees**

\$15M cash deal with escrow for contingences

Which offer would you take?

- It's unclear how much more you would get under Offer #1
 - Worst case might mean you receive only \$10M
 - No provisions for the employees
- Most people lean toward Offer #2 and the \$15M
 - Much better structure for today's environment
 - Shorter period with the company
 - Provisions for the employees

- Logical counter to Buyer #1:
 - **\$20M all cash**
 - **Shorter employment agreement**
 - **Some protection for employees**

“We always thought that you would be the best partner. But your offer is not competitive. We will do the deal if you can do this”

The auction process allows you to confidently counter. This is what creates the higher value.

Components of Deal Structure

1. Today, the overall economy hasn't changed
2. Buyer can pay you the greatest price, if the transaction is all earn-out
3. All cash, the price will be lower



International Company

(\$3M in revenue)

		Round 1	Round 2	Round 3
Strategic Tech Company	Offer	\$12M	Dropped out	
	Earning	Cash		
	Total	\$12M		
Major PE Firm (pushing for bolt-on)	Offer	\$12M	\$28M	Dropped out
	Earning	Half cash, half earn-out	Half cash, half earn-out with stock options	
	Total	\$12M	\$28M	
Small PE Firm (platform play)	Offer	~\$13M	\$28M+	\$52M
	Earning	N/A	With cash, rollover, and earn-out	Cash, rollover, equity, earn-out, and a sellers note as part of the structure
	Total	~\$13M	\$28M+	\$52M

- Use a global partner search to create buyer tension and identify serious bidders.
- Creating an auction environment is essential to achieving an optimal outcome for you and your business.

**Don't leave the selling of your
company to chance!**

**This is the most important
transaction of your life.**

**Never be at the mercy of just
one bidder.**

Don't miss the window!

CORUM

Event Report

August 2024

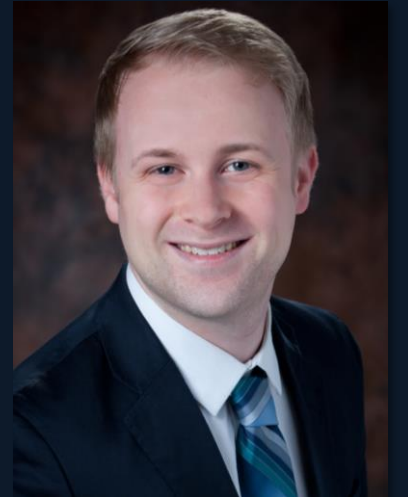
Presented By

Brenden Keene

Senior Marketing

Coordinator

Corum Group Ltd.



MERGE BRIEFING

Online in:

Phoenix – Aug 14

Mexico City – Aug 21

Oslo – Aug 22

Dallas – Aug 29

Edinburgh – Sep 3

Pittsburgh – Sep 4

Milan – Sep 5

Bogota – Sep 10

Perth – Sep 11

Barcelona – Sep 12



Online M&A Bootcamp

Vancouver – Aug 13

Denver – Aug 15

San Diego – Aug 20

London – Aug 21

Montréal – Aug 27

Karachi – Aug 28

Raleigh-Durham – Aug 28

Paris – Aug 29

Ann Arbor – Sep 5

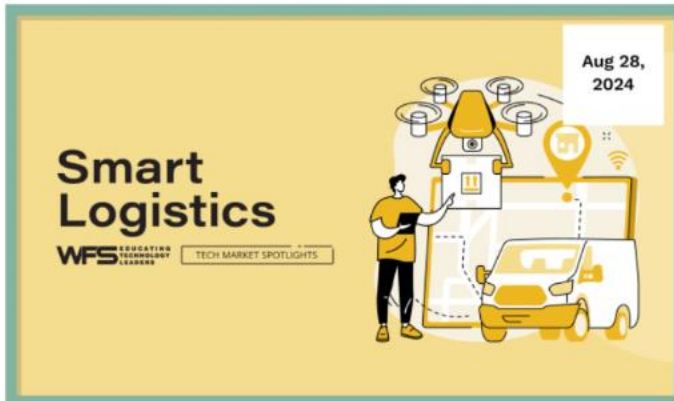
Please visit:

www.corumgroup.com/events

to find a Tech M&A event near you!

WFS Event Report:
August 2024

WFS Content



World Financial Symposiums presents

Tech M&A Master Class

SEPT. 17-19 | LAS VEGAS

NOV. 12-14 | KUALA LUMPUR

DEC. 10-12 | BARCELONA

Register at wfs.com



*Thank you to our
sponsors*



Platinum Sponsor



Event Sponsor

CORUM

Deal Report

August 2024

Presented By
William Hill
Senior Vice President
Corum Group Ltd.



William Hill
Senior Vice President
Corum Group Ltd.



MAIN

CAPITAL PARTNERS

has acquired a controlling interest in

 **FLEXAGON™**

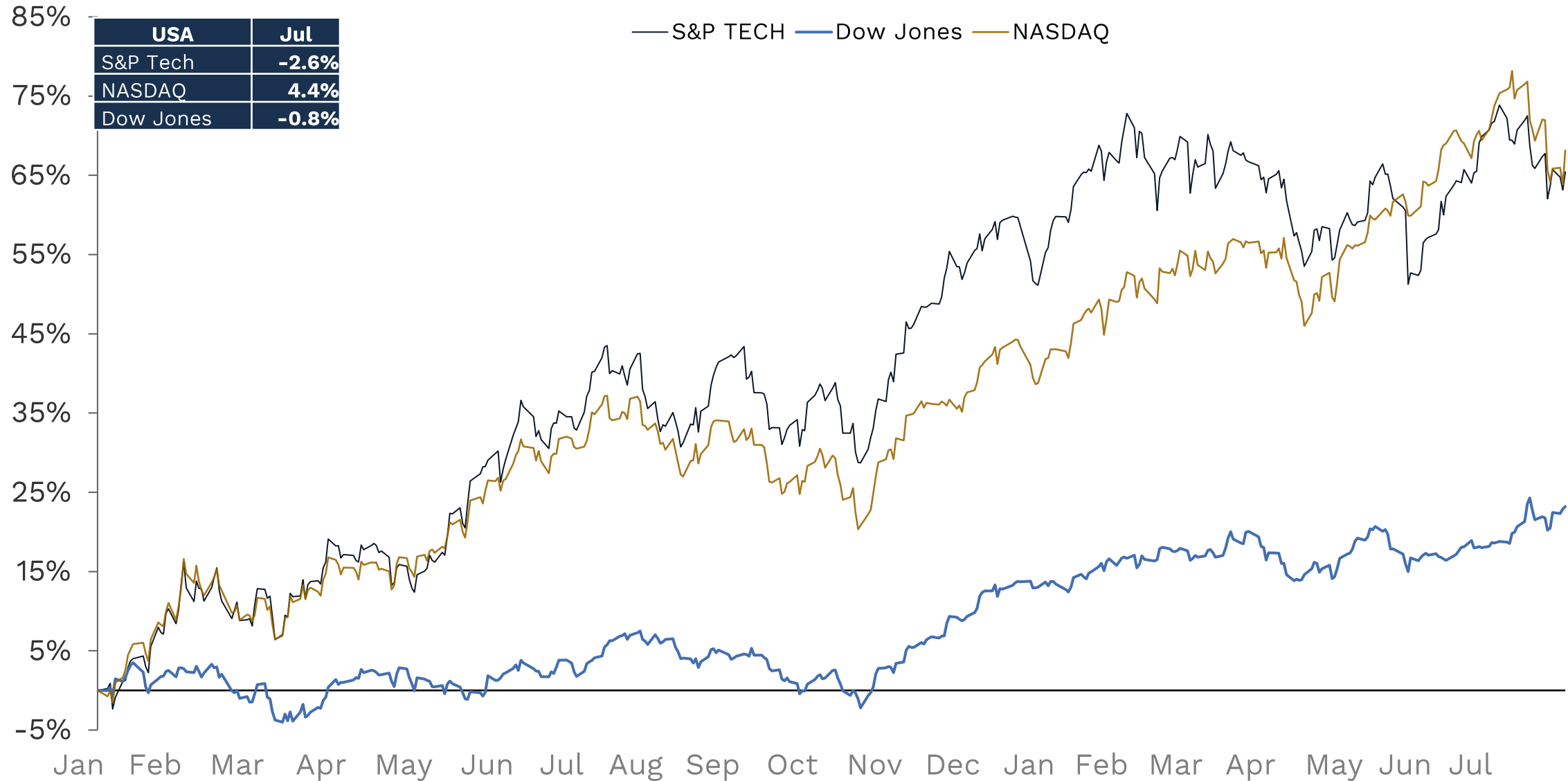
Corum acted as exclusive M&A advisor to Flexagon

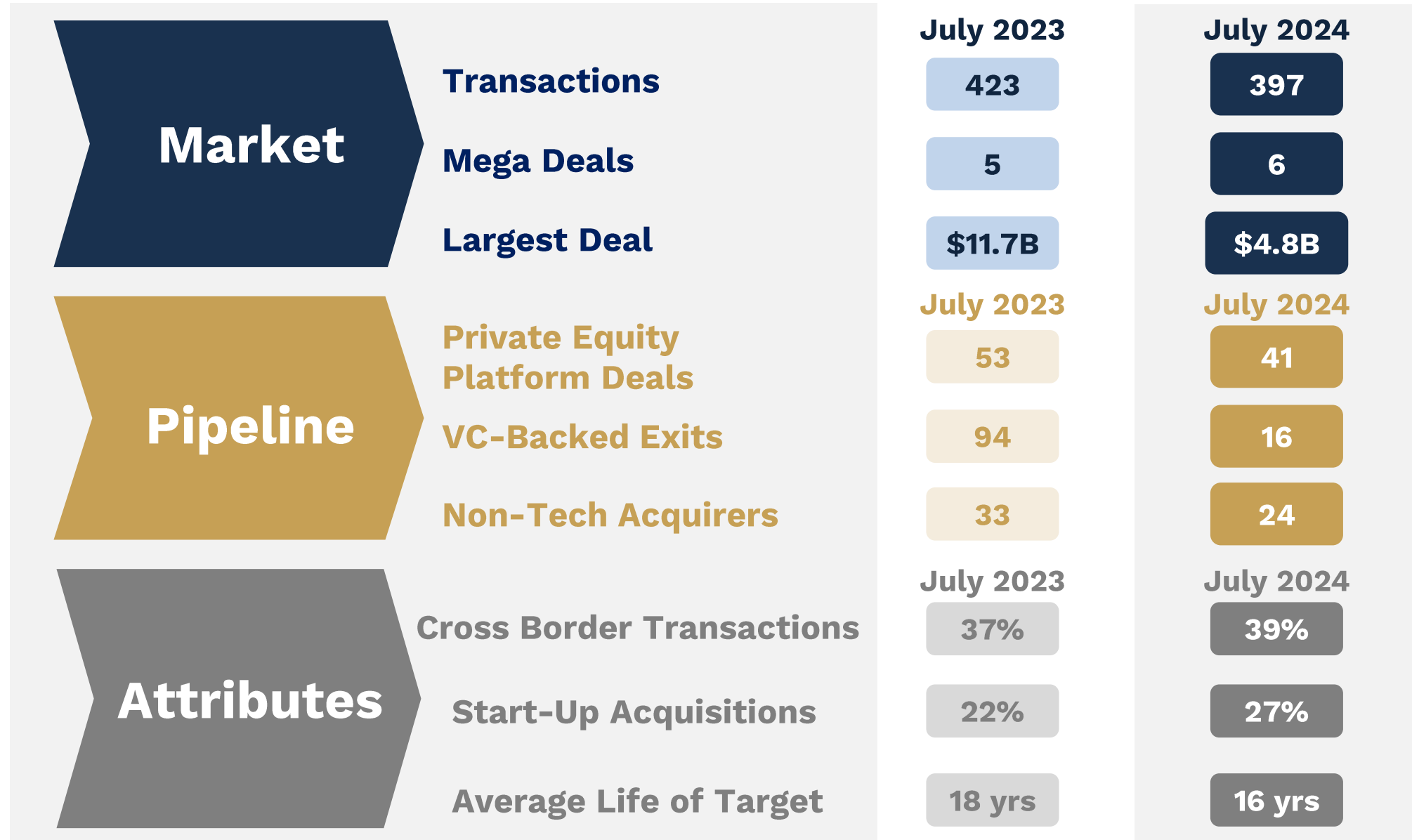
CORUM
MERGERS & ACQUISITIONS

Tech M&A Mid-Year Research Report

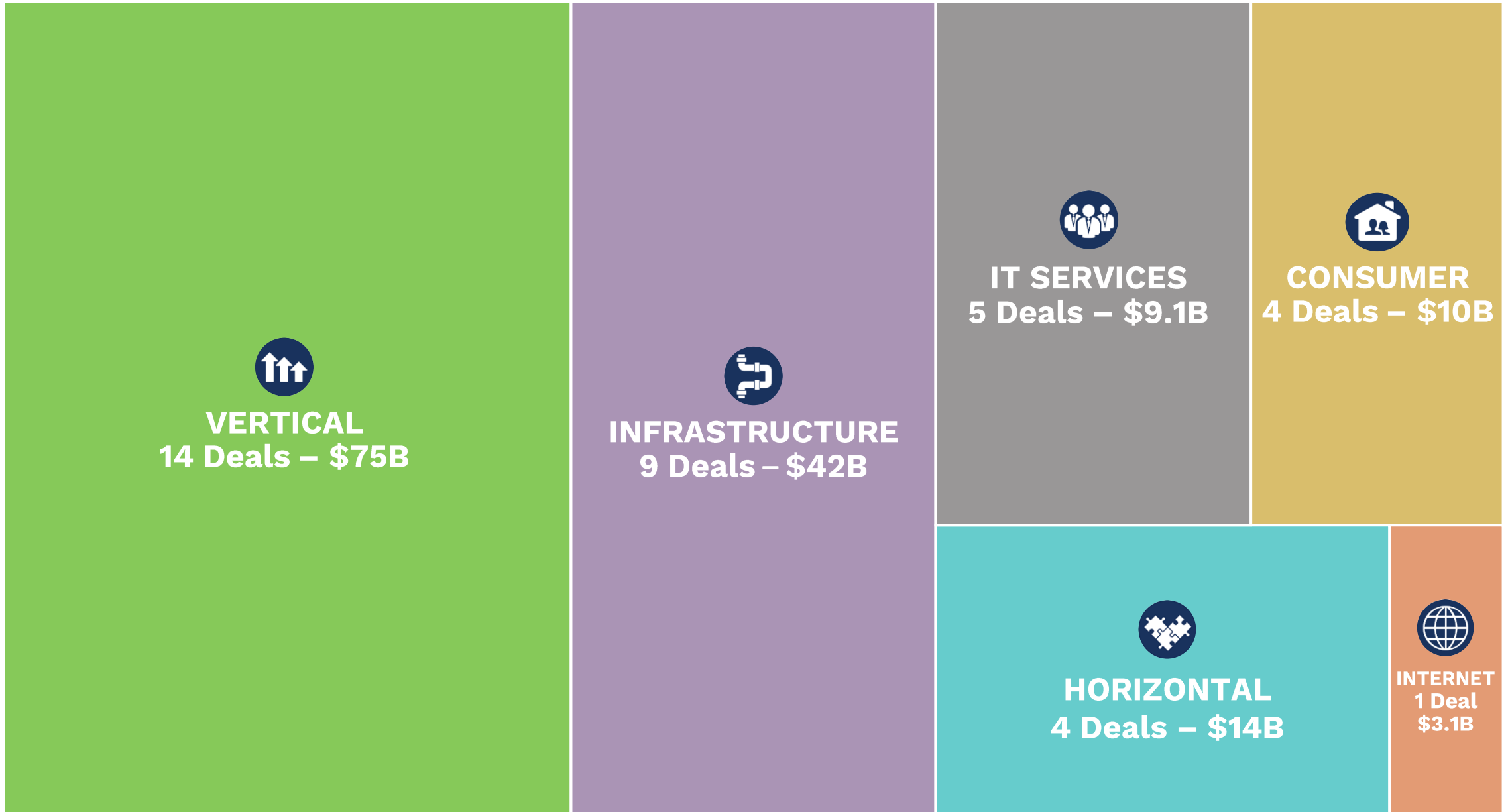
Public Markets Jan 2023 – Jul 2024

% CHANGE



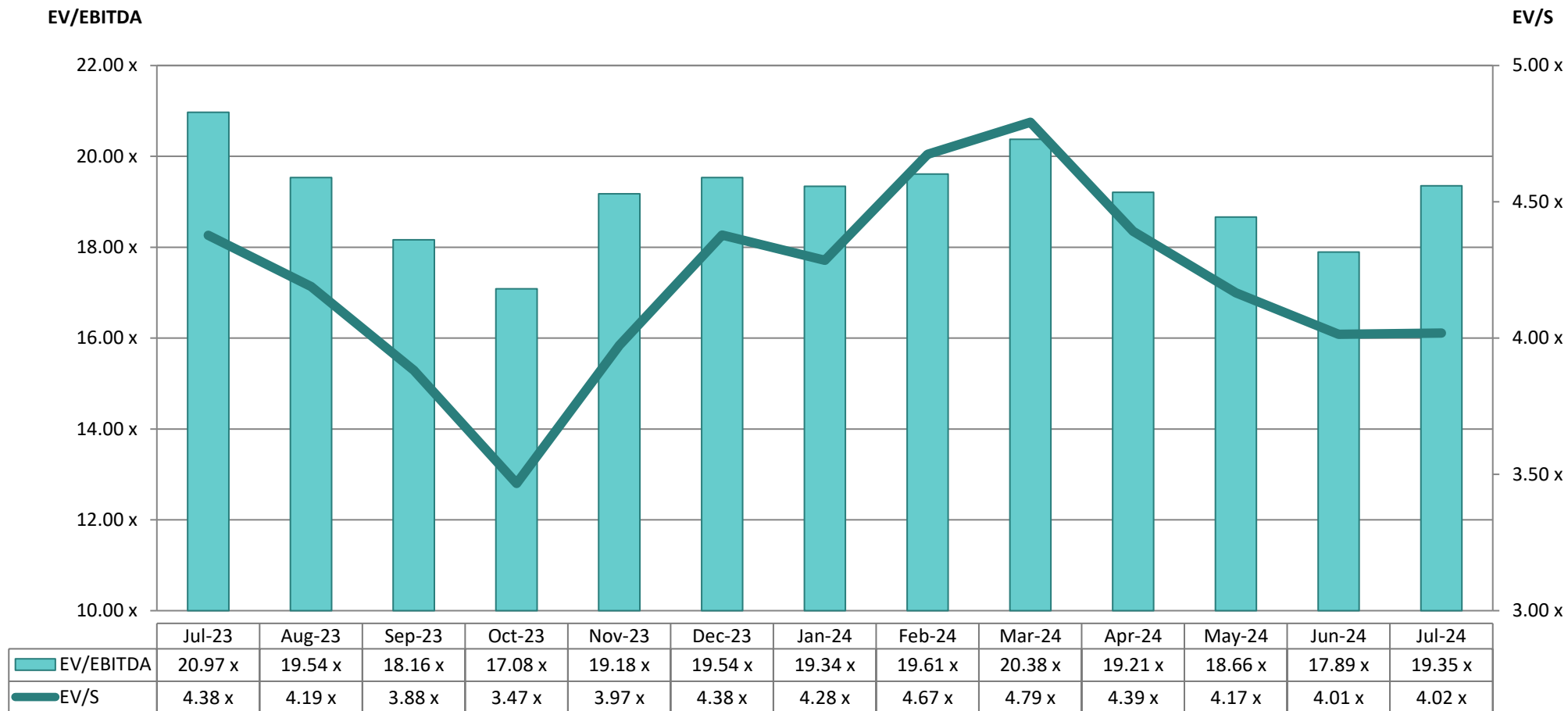


2024 Mega Deals (Jan-Jul)













Public Valuation Multiples





Subsector	Sales	EBITDA	Examples		
Business Intelligence	4.21x	19.0x	<i>MicroStrategy</i>	VERINT	NICE [®]
Marketing	4.12x	17.9x	WIX	 zoominfo	HubSpot
ERP	5.46x	25.0x	ORACLE	 PEGA	SAP
Human Resources	5.42x	19.5x	 RECRUIT	PAYCHEX	workday
SCM	13.8x	49.4x	 AMERICAN SOFTWARE	DESCARTES	 Manhattan Associates
Payments	2.42x	13.2x	ACI UNIVERSAL PAYMENTS.	 PayPal	 Square
Other	2.69x	13.0x	ttec	opentext	 salesforce



Supply Chain Management



Seller: CAMS Software [Canada]
Acquirer: Kaleris [USA]
- Transportation management software



Seller: Versed AI [United Kingdom]
Acquirer: Exiger [USA]
- AI-based supply chain intelligence software



Seller: Gstock [Spain]
Acquirer: Everfield [Aquiline Capital Partners] [Germany]
- Stock & warehouse management software



Seller: ConData [NextGen Growth Partners] [USA]
Acquirer: Astira Capital Partners [USA]
- Supply chain spend management & analytics software



AI-Powered CRM



Census

Seller: Fulcrum [USA]
Acquirer: Census [USA]
- Customer segmentation & success management software



PathFactory

VERTU
CAPITAL

Seller: Überflip [Canada]
Acquirer: PathFactory [Vertu Capital] [Canada]
- Content experience & customer engagement software



reAlpha

Seller: AiChat [Singapore]
Acquirer: reAlpha [USA]
Transaction Value: \$1.1M
- Conversational AI & customer experience software



Bregal

Unternehmerkapital

Seller: BSI [Switzerland]
Acquirer: Bregal Unternehmerkapital [Germany]
- CRM software



Human Resources



Tydy



phenom

Seller: Tydy [USA]

Acquirer: Phenom [USA]

- Employee experience management SaaS



Datacruit



Seyfor
SANDBERG

Seller: Datacruit [Czech Republic]

Acquirer: Seyfor [Sandberg Capital] [Czech Republic]

- Recruitment & training software



**asher
group**



VALSOFT

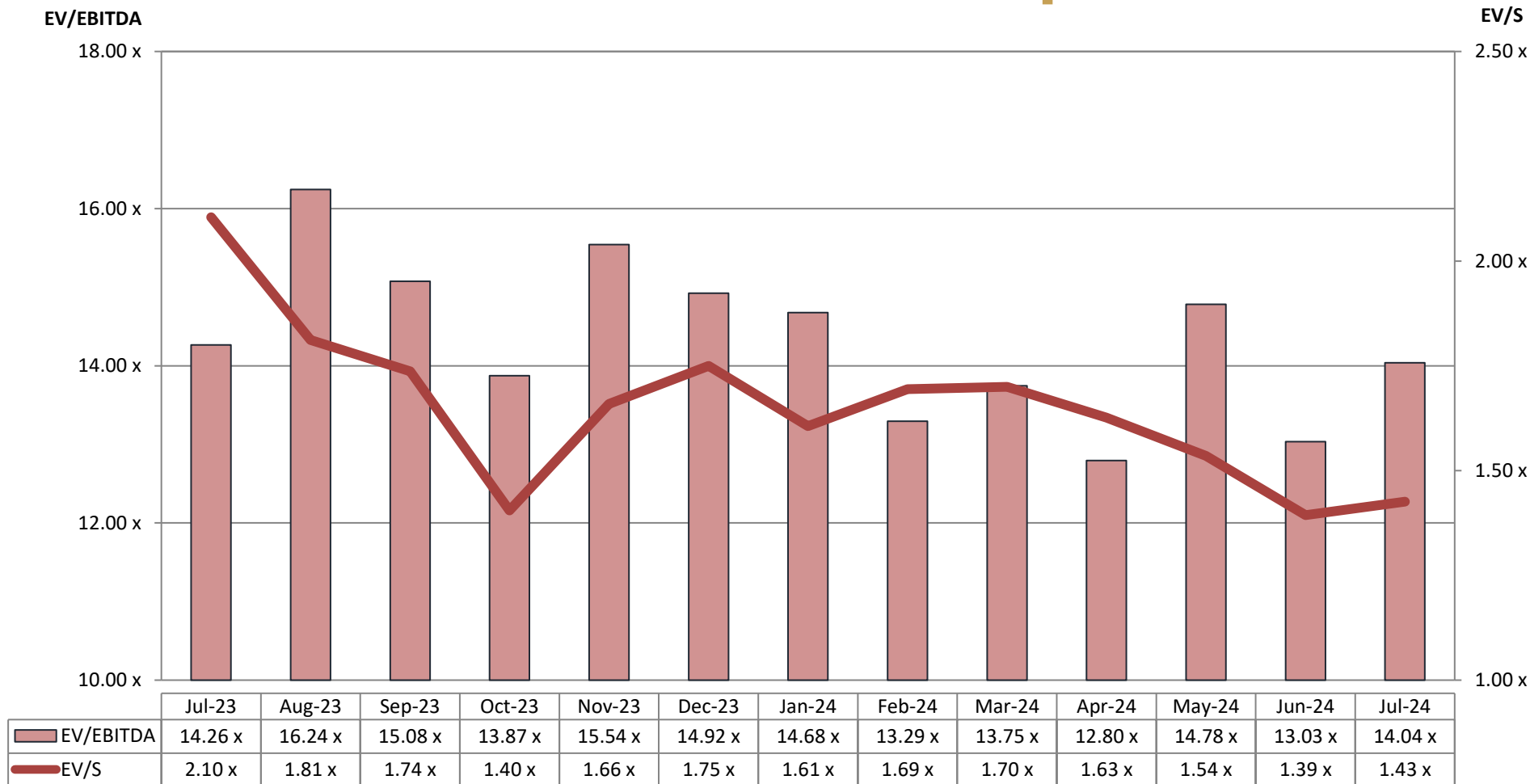
Seller: Asher Group [USA]

Acquirer: Valsoft [Canada]












- HR & emergency communication management software



Public Valuation Multiples





Subsector	Sales	EBITDA	Examples
Diversified Internet	2.26x	14.8x	Alphabet  Baidu 百度  Tencent 腾讯
eCommerce	1.01x	14.4x	 ebay  JD.COM  zalando
Social Network	0.78x	3.66x	 Meta  MIXI  X
Travel & Leisure	3.62x	14.0x	 Delivery Hero  Expedia  BOOKING HOLDINGS



Online Marketplace

 **CURATED**

SOLD TO



Seller: Curated [USA]

Acquirer: Flip [USA]

Transaction Value: \$330M

- Online shopping marketplace



Sports Betting



Seller: Apuesta Total [Peru]

Acquirer: Grupo CIRSA [Spain]

- Online sports betting



Online Networking



Seller: neonVest [USA]

Acquirer: AI Turbo [USA]

- Online startup networking website



Ticketing



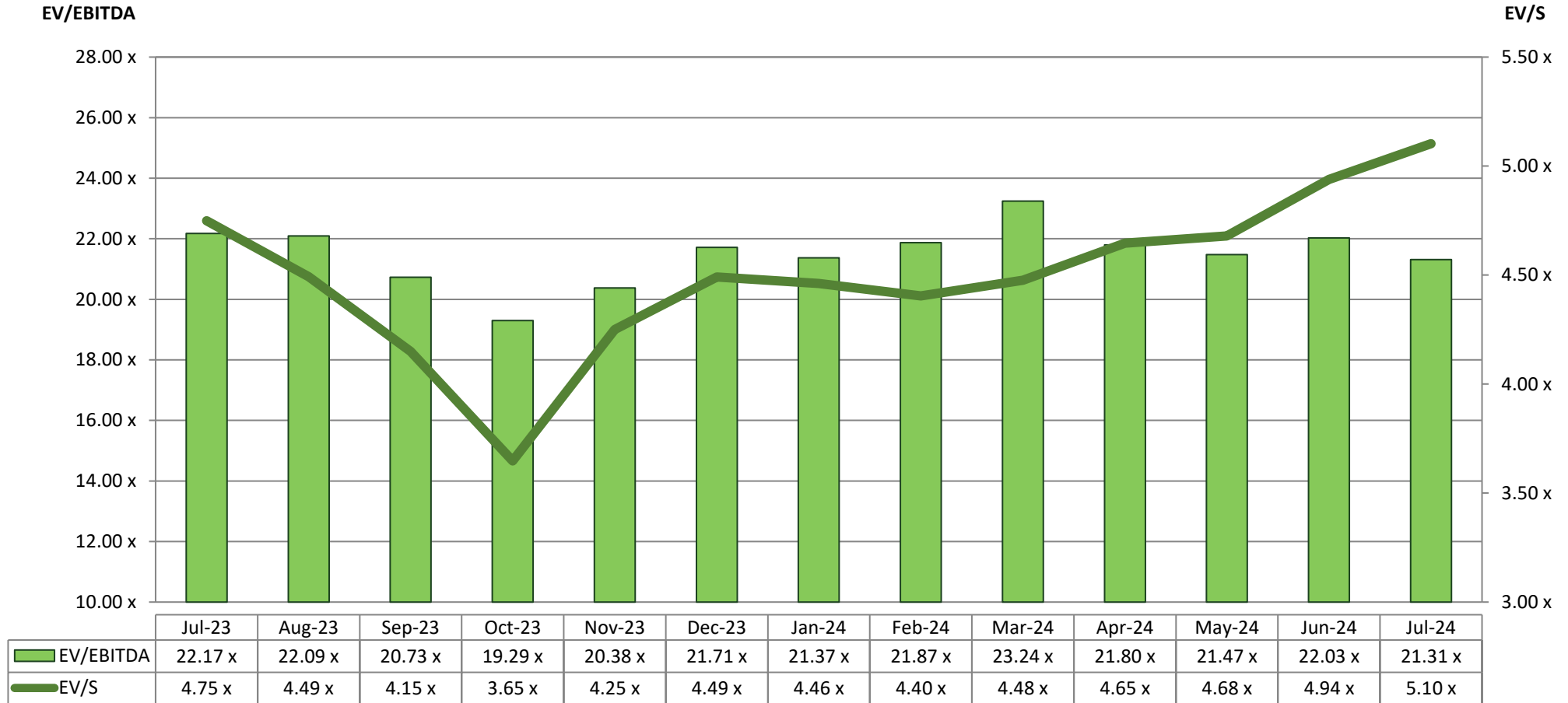
Seller: Quicket [South Africa]

Acquirer: Ticketmaster [USA]

























- Online ticketing website



Public Valuation Multiples





Subsector	Sales	EBITDA	Examples
A/E/C	11.5x	42.3x	 AUTODESK  DASSAULT SYSTEMES  SYNOPSYS®
Automotive	2.82x	20.7x	 AutoTrader  TrueCar®  CarGurus®
Energy & Environment	3.13x	18.9x	 Landis+Gyr  Itron  xylem
Financial Services	5.16x	20.8x	 Broadridge®  SS&C  fiserv.
Government	2.09x	15.1x	 NORTHROP GRUMMAN  L3HARRIS  tyler technologies
Healthcare	1.11x	27.0x	 veradigm.  HealthCatalyst  Teladoc HEALTH
Real Estate	5.16x	N/A	 REDFIN  CoStarGroup™  Zillow®
Other	4.42x	19.6x	 AMADEUS®  Rockwell Automation  Sabre.

2024 Mega Deals (Jan-Jul)



VERTICAL
14 Deals – \$75B



INSTRUCTURE

SOLD TO



KKR

Seller: Instructure [Thoma Bravo] [USA]

Acquirer: KKR [USA]

Transaction Value: \$4.8B (6.9x EV/Sales and 16.9x EV/EBITDA)

- Learning management & employee training software



EdTech



Seller: EdPower [USA]
Acquirer: Prometric [USA]
- Education management software



Seller: Nuro Retention [USA]
Acquirer: Ocelot [USA]
- Student retention & predictive analytics software



Seller: Bullet Solutions [Portugal]
Acquirer: Kinetic Solutions [Volaris] [United Kingdom]
- Education scheduling & timetabling software



Seller: Payk12 [USA]
Acquirer: Raptor Technologies [USA]
- K-12 ticketing & payments management software



AI Healthcare



SOLD TO



commure

Seller: Augmedix [USA]

Acquirer: Commure [USA]

Transaction Value: \$139M

- Healthcare document management software



SOLD TO



GE HealthCare

Seller: Intelligent Ultrasound Group (clinical AI business) [United Kingdom]

Acquirer: GE HealthCare [USA]

Transaction Value: \$51M

- Clinical image analytics & virtual reality simulation software

Get Well

SOLD TO



SAI Group

Seller: GetWellNetwork [USA]

Acquirer: SAIGroup [USA]

- Digital patient engagement software

2024 Mega Deals (Jan-Jul)



VERTICAL
14 Deals – \$75B



ENVESTNET

SOLD TO



BainCapital

Seller: Envestnet [USA]

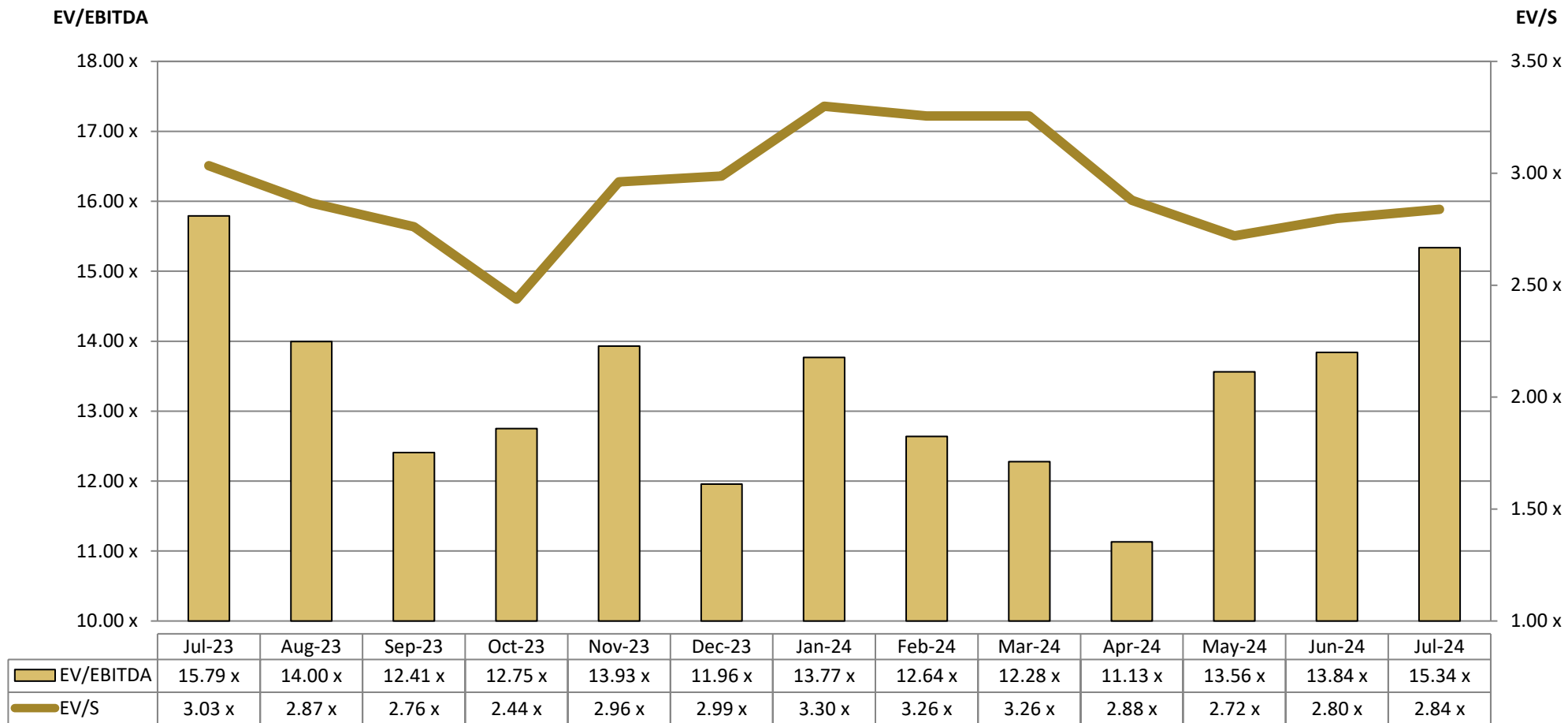
Acquirer: Bain Capital [USA]

Transaction Value: \$4.5B (3.1x EV/Sales and 13.6x EV/EBITDA)







- Wealth & practice management software



Public Valuation Multiples





Subsector	Sales	EBITDA	Examples
Casual Gaming	2.46x	13.8x	EMBRACER+ GROUP  
Core Gaming	3.71x	14.8x	 Electronic Arts 
Other	3.60x	31.1x	 NETFLIX 

2024 Mega Deals (Jan-Jul)



CONSUMER
4 Deals – \$10B



SOLD TO

→ APOLLO

Seller: IGT (gaming and digital business) [United Kingdom]

Acquirer: Apollo Global [USA]

Transaction Value: \$4.1B

- Slot machine hardware & software



SOLD TO

→ APOLLO

Seller: Everi [USA]

Acquirer: Apollo Global [USA]

Transaction Value: \$1.2B (2.5x EV/Sales and 6.1x EV/EBITDA)

- Gaming systems holding company



Games



WARNER BROS.
GAMES

Seller: Player First Games [USA]
Acquirer: Warner Bros. Games [USA]
- Videogame development studio

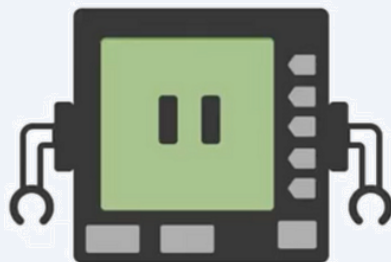


Seller: Singularity 6 [USA]
Acquirer: Daybreak [Enad Global 7] [USA]
- Online multiplayer games developer



Fitness App

ErgBot



SOLD TO

Power Ten Metrics

Seller: ErgBot [USA]

Acquirer: Power Ten Metrics [USA]

- Fitness mobile application



Reservation App



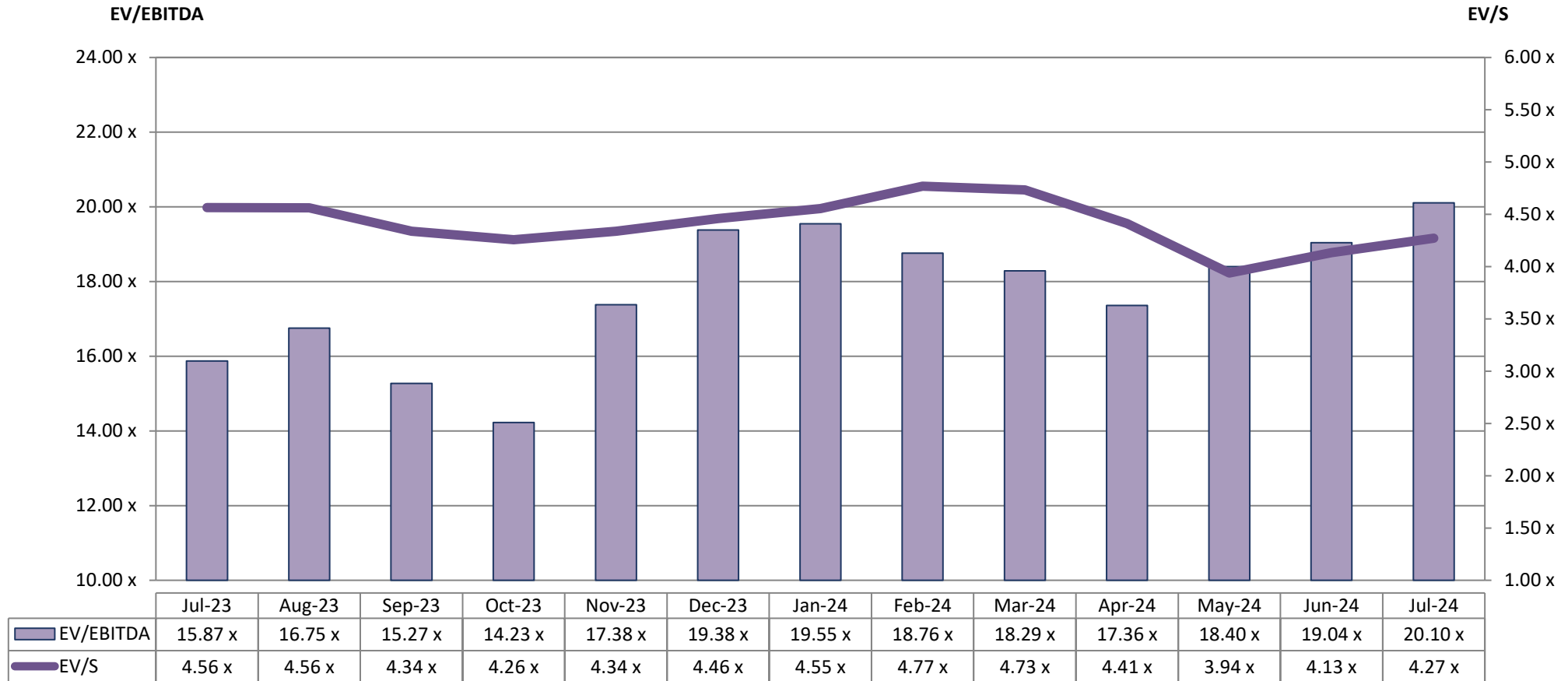
Seller: Chope [Singapore]

Acquirer: Grab [Singapore]














- Restaurant reservation mobile application



Public Valuation Multiples





Subsector	Sales	EBITDA		Examples
Application Lifecycle	4.01x	13.2x	 ATLASSIAN	 unity  Progress®
Endpoint	5.90x	21.2x	 Digital Ocean	 Opera NUTANIX
Network Management	2.48x	22.2x		 CISCO JUNIPER NETWORKS
Security	6.68x	22.2x	 paloalto NETWORKS	 CHECK POINT™ FORTINET®
Storage & Hosting	4.27x	34.4x		 COMMVault™ NetApp
Other	3.21x	15.6x	 Akamai	appian 



Development Tools

infiniteblue



everbridge™

Seller: Infinite Blue [USA]
Acquirer: Everbridge [USA]
- Rapid application development software

SKILLR®



Seller: Skillr [USA]
Acquirer: Motomova [USA]
Transaction Value: \$31.9M
- Mobile application development software



Agile Applications



ieg⁴

Seller: Agile Applications [United Kingdom]
Acquirer: IEG4 [United Kingdom]
- Application development software

FLEXAGON™



MAIN
CAPITAL PARTNERS

Seller: Flexagon [USA]
Acquirer: Main Capital Partners [Netherlands]
- DevOps automation & management software

MAIN

CAPITAL PARTNERS

has acquired a controlling interest in

FLEXAGON™

Corum acted as exclusive M&A advisor to Flexagon

CORUM
MERGERS & ACQUISITIONS



Security Management



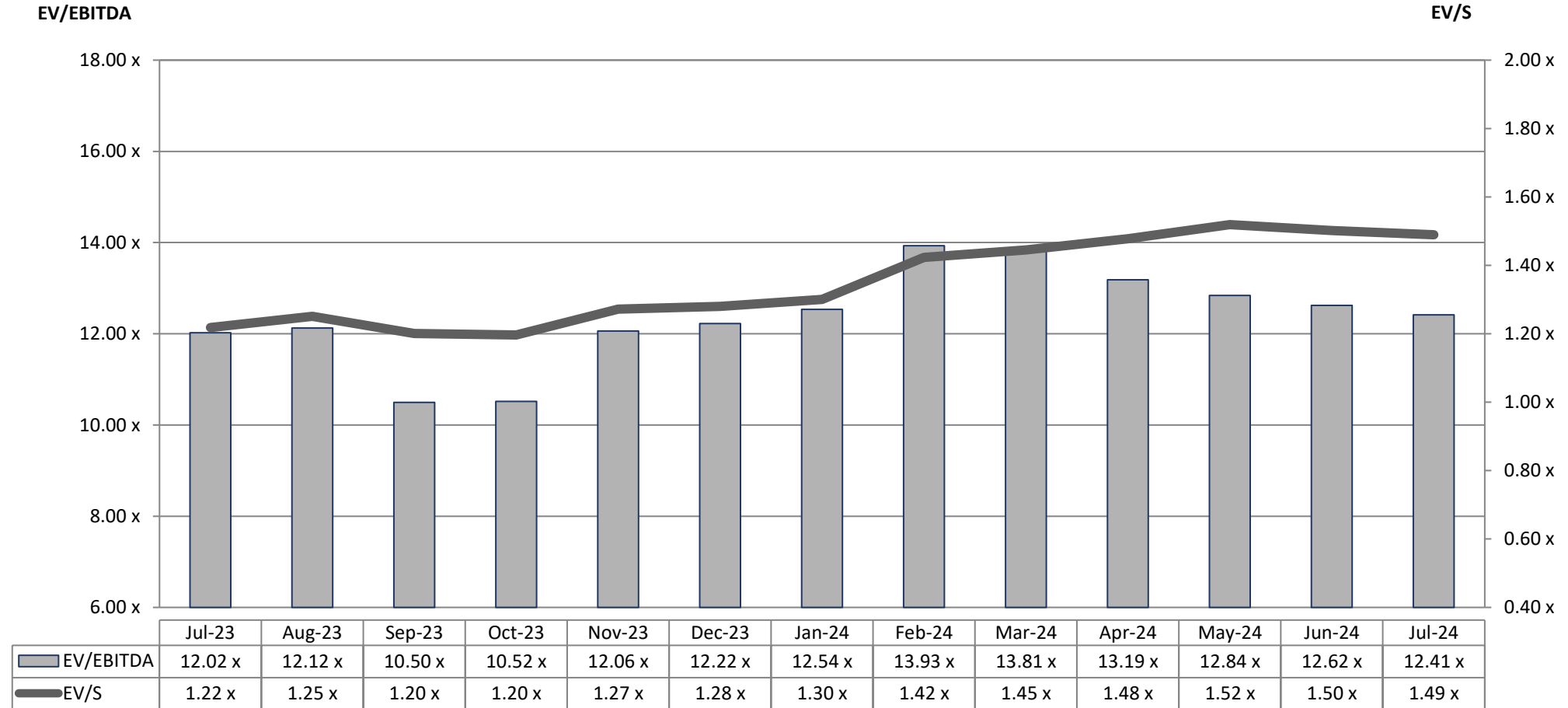
Seller: Noetic Cyber [USA]
Acquirer: Rapid7 [USA]
- CAASM software



Seller: Noggin [Australia]
Acquirer: Motorola Solutions [USA]
- Enterprise security & critical event management software

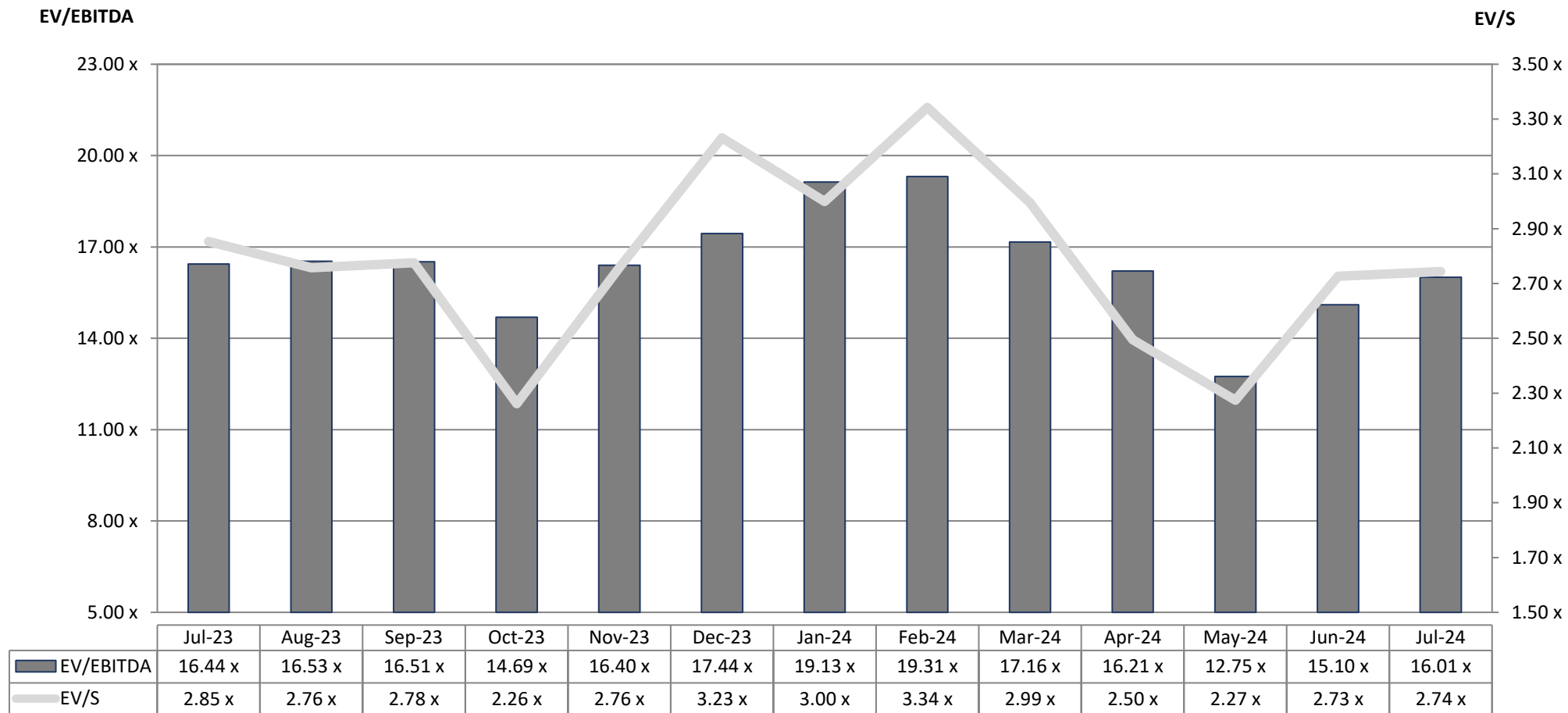


Public Valuation Multiples





Public Valuation Multiples





IT SERVICES
5 Deals – \$9.1B



Seller: Keywords Studios [Ireland]

Acquirer: EQT [Sweden]

Transaction Value: \$2.8B (2.9x EV/Sales and 14.3x EV/EBITDA)

- Outsourced videogame testing & development



Business Process Outsourcing

Hobbes



Seller: Hobbes [USA]
Acquirer: Duolingo [USA]
- Animation & motion design services

ppa
Group



Seller: PPA Group [Germany]
Acquirer: Acuity Knowledge Partners [United Kingdom]
- Outsourced corporate data digitization & processing services



Software Development



SOLD TO



Seller: LinQuest [Madison Dearborn Partners] [USA]

Acquirer: KBR [USA]

Transaction Value: \$737M

- Space systems integration & software development services



SOLD TO



Seller: Silo AI [Finland]

Acquirer: AMD [USA]

Transaction Value: \$665M

- AI software development & integration services



codibly

SOLD TO



Seller: Codibly [Poland]

Acquirer: Spyrosoft [Poland]

- Custom software development services



integral

SOLD TO



Seller: Integral [USA]

Acquirer: Inspire11 [USA]

- Software engineering services

2024 Mega Deals (Jan-Jul)



IT SERVICES
5 Deals – \$9.1B

SEIDOR  CARLYLE

Seller: Seidor [Spain]

Acquirer: The Carlyle Group [USA]

Transaction Value: \$1.1B

- IT consulting & outsourcing services



Amber Stoner
Vice President



**Artem
Mamaiev**
Associate



**Anna
Lebedieva**
Senior Analyst



Elena Serikova
Data Researcher



Callum Turcan
Research 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

CORUM

**8 Presentation
Mistakes to Avoid**
Special Report

8 Presentation Mistakes to Avoid



Every client engagement begins with
personal coaching and an IPM

8 Presentation Mistakes to Avoid

A man in a light blue button-down shirt is shown from the side, pointing his right arm towards a large screen or whiteboard. In the background, several other people are seated at a table, looking towards the screen. The setting appears to be a modern office or conference room with large windows and glass partitions.

Initial **P**resentation **M**eeting

8 Presentation Mistakes to Avoid

1. Don't do a deep dive on technology.
2. Don't give a history lesson.
3. Don't do your highest-value buyer presentations first.
4. Don't forget to present the value proposition right away.
5. Don't forget to share supporting data.
6. Don't pick the wrong team members.
7. Don't forget to listen to the buyer.
8. Don't go into the meeting unprepared for the tough questions.

1. Don't do a deep dive on the technology.

1. Don't do a deep dive on the technology.

- **It's about your story,** not the bits and bytes.
- Use simple to understand technical descriptions.



1. Don't do a deep dive on the technology.

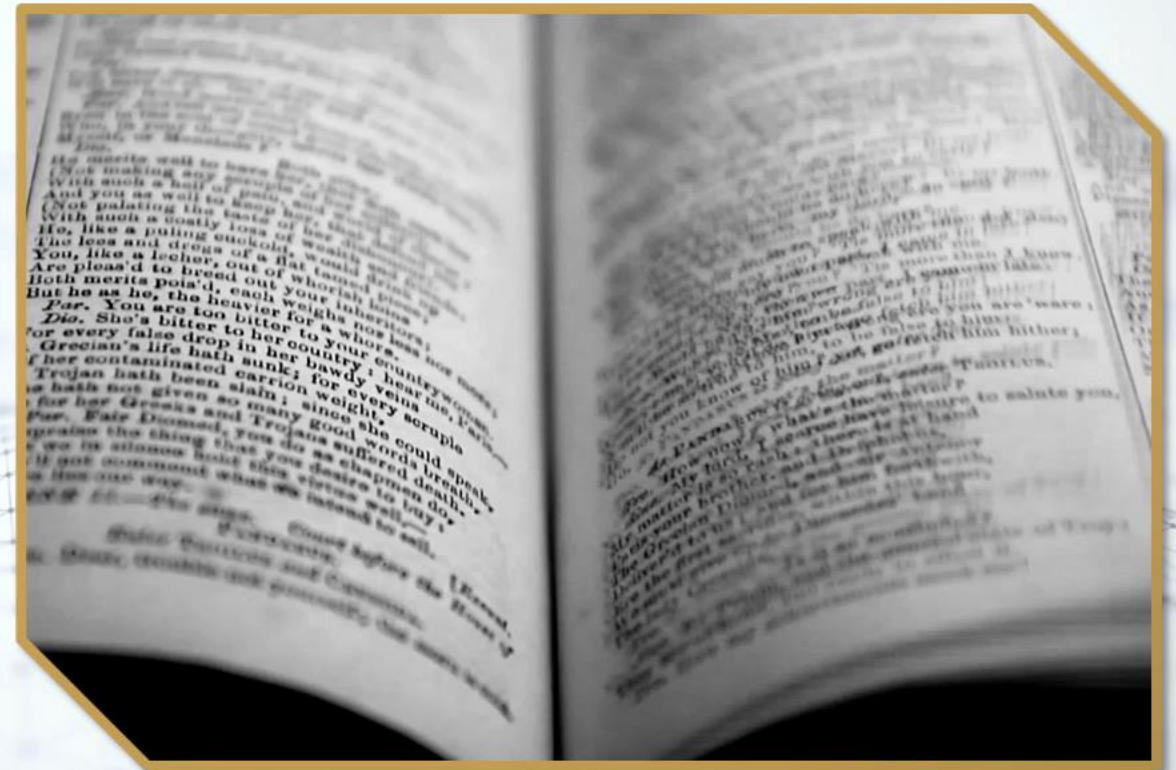
- **It's about your story** not the bits and bytes.
- Use simple to understand technical descriptions.



2. Don't give a history lesson.

2. Don't give a history lesson.

- Quickly get to the point.
- Provide a framework for the buyer to understand the essence of your company—**the opportunity you present.**



2. Don't give a history lesson.

- **Quickly get to the point.**
- Provide a framework for the buyer to understand the essence of your company—**the opportunity you present.**



3. Don't do your highest-value buyer presentations first.

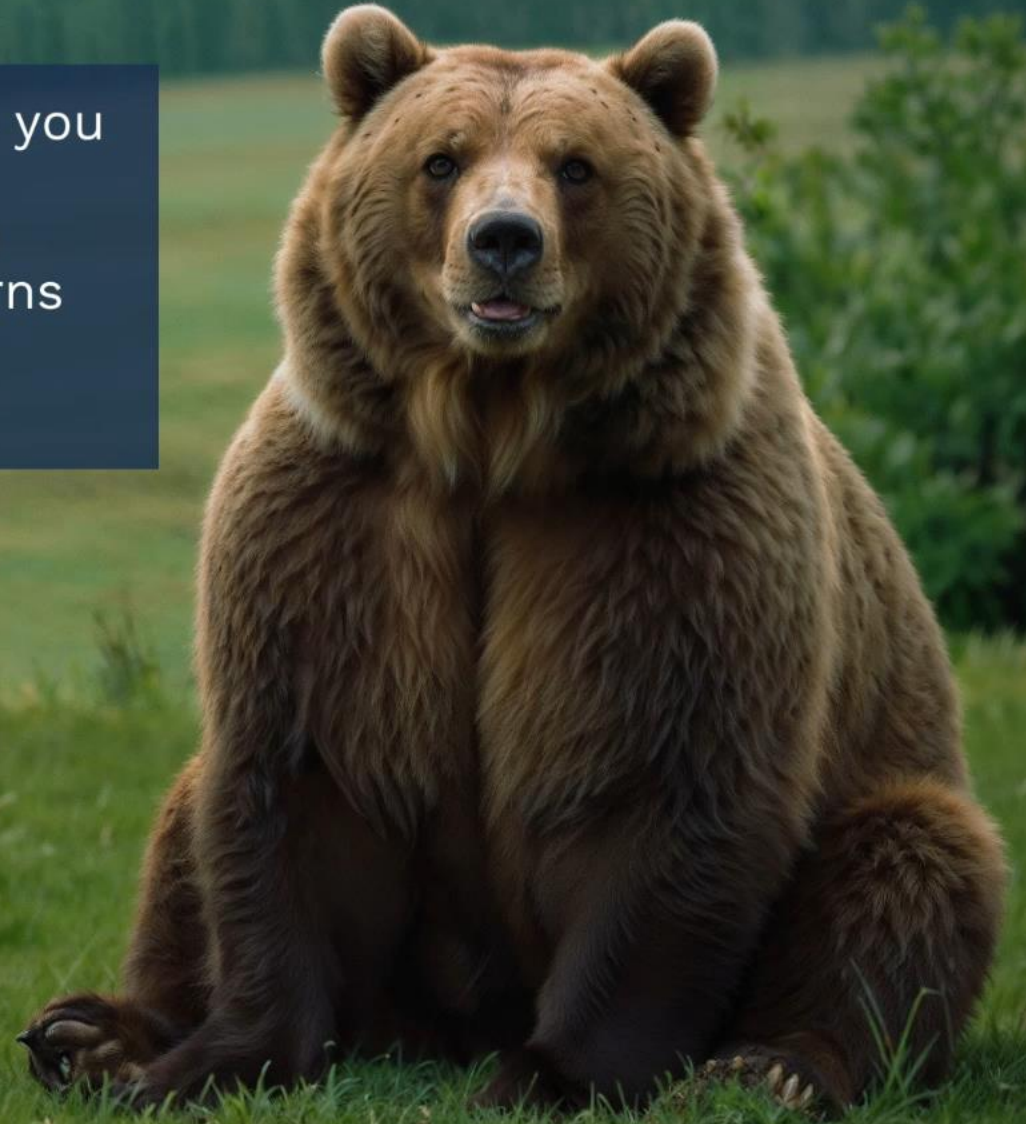
8 Presentation Mistakes to Avoid

- Starting small will give you a chance to **hone your presentation** and learn what questions/concerns other, **more important buyers** may have.



Start with rabbits!

- These are buyers who respond very quickly but at low valuations.



4. Don't forget to present the value proposition right away.

4. Don't forget to present the value proposition right away.

- Quickly define how your company is unique as a leader regarding technology, strategy, domain expertise, etc. — **your story, the opportunity.**

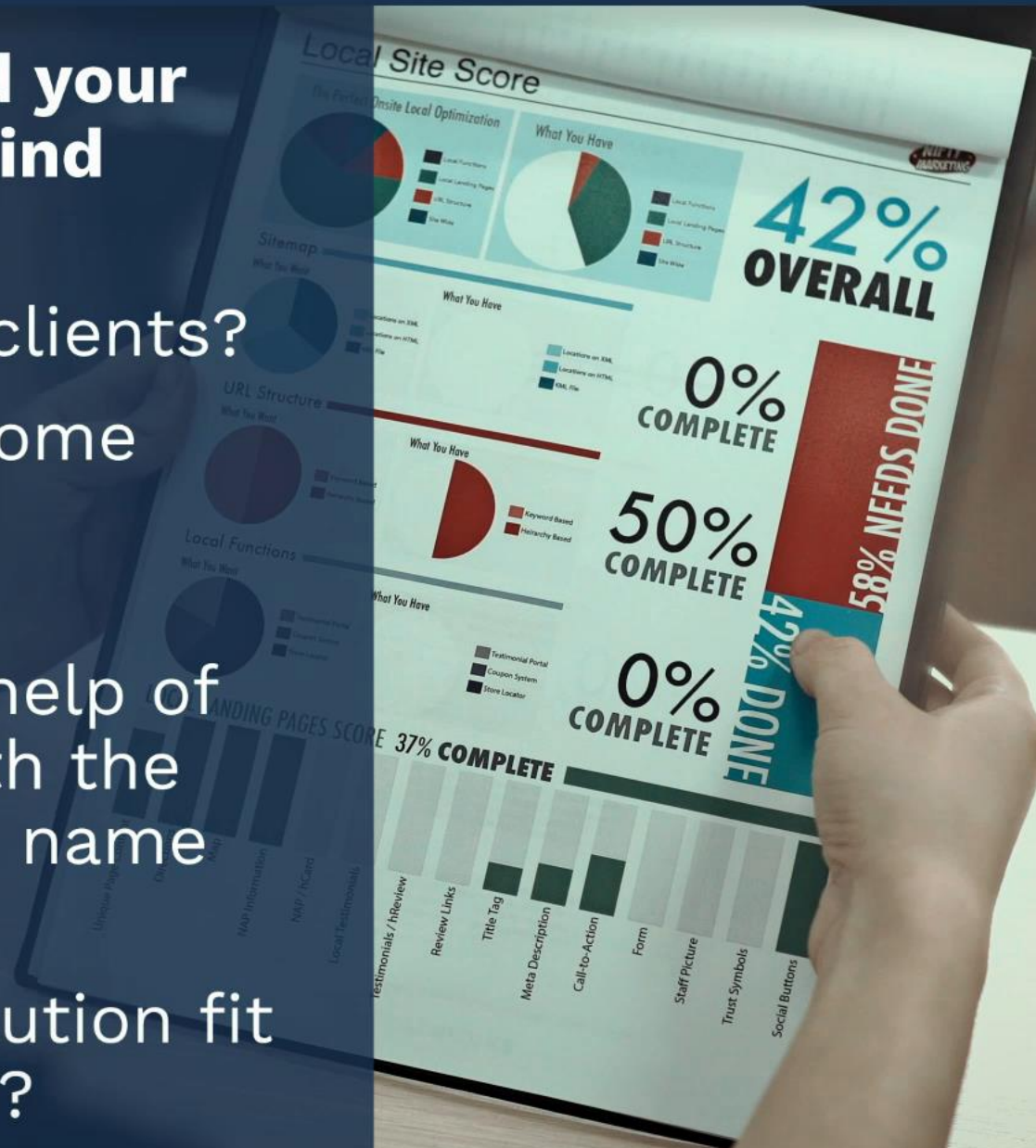


5. Don't forget to share supporting data.

8 Presentation Mistakes to Avoid

Map out how you and your potential buyer will find success together:

- Who are your key clients?
- What markets become accessible?
- What products are possible with the help of the right buyer with the distribution, brand name and userbase?
- How does your solution fit into their portfolio?



6. Don't have the wrong team members in the meeting.

8 Presentation Mistakes to Avoid



Make sure that your team is **aligned**
on the key messages... your story.

**7. Don't forget to listen to
the buyer.**

8 Presentation Mistakes to Avoid

- Dig deep and tease out nuances that could impact the discussion.
- Engage the buyer with relevant questions.
- A productive conversation will help you present your company's value in the context of the buyer's ecosystem.



8 Presentation Mistakes to Avoid

- Dig deep and tease out nuances that could impact the discussion.
- Engage the buyer with relevant questions.
- A productive conversation will help you present your company's value in the context of the buyer's ecosystem.



**8. Don't go into the meeting
unprepared for the tough questions.**

8. Don't go into the meeting unprepared for the tough questions.

- Why now?
- Why us?
- What is your market size?
- Who is your competition?



8 Presentation Mistakes to Avoid

A photograph of two men in a professional setting. The man in the foreground is older, with white hair, wearing a dark suit, white shirt, and red tie. He is looking towards the right. The man in the background is younger, with dark hair, wearing a light-colored shirt, and is seen from the back/side, looking towards the older man. The background shows a window with a view of a building.

**An M&A advisor can help you
answer the tough questions.**

8 Presentation Mistakes to Avoid

How do you get
to Carnegie Hall?

Practice!

Practice!

Practice!



8 Presentation Mistakes to Avoid

1. Don't do a deep dive on technology.
2. Don't give a history lesson.
3. Don't do your highest-value buyer presentations first.
4. Don't forget to present the value proposition right away.
5. Don't forget to share supporting data.
6. Don't pick the wrong team members.
7. Don't forget to listen to the buyer.
8. Don't go into the meeting unprepared for the tough questions.

World Financial Symposiums presents

Tech M&A Master Class

SEPT. 17-19 | LAS VEGAS

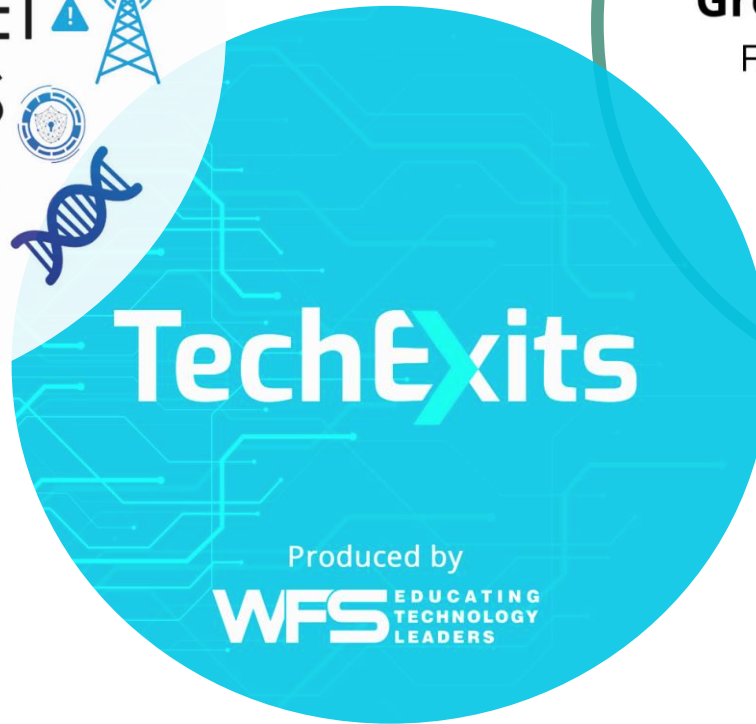
NOV. 12-14 | KUALA LUMPUR

DEC. 10-12 | BARCELONA

Register at wfs.com



Webcasts



Podcasts



Conferences

After the Deal – Celebration



www.CorumGroup.com

CORUM

Thank you!