

The background of the entire page is a dark blue field filled with a complex, repeating pattern of concentric circles and radial lines, resembling a technical or architectural blueprint. Two large, detailed circular diagrams are prominent: one in the upper left and another in the lower right. These diagrams consist of multiple concentric rings, each containing various geometric shapes, lines, and patterns, giving them a high-tech, futuristic appearance. The overall aesthetic is clean, modern, and tech-oriented.

Oaklins

JULY 2021

Quarterly Tech M&A Update

Q2 2021

AGENDA

Tech sector Q2 2021 – Key take-aways

- 

With Forto, Scalable Capital, and Trade Republic achieving unicorn status and wefox reaching a valuation of more than USD 3bn, this quarter is clearly marked by highly successful FinTechs in Germany.
- 

High liquidity in the United States for major TMT players such as Dell, Microsoft, Visa, Etsy and Snap Inc. were fueling add-on acquisitions this quarter (again).
- 

M&A activity in the German tech sector stays strong with 152 transactions closed in Q2 2021. The majority of transactions were executed on a cross-border basis (>69%) within the first half of 2021.
- 


































After a correction of the growth rally at the end of Q1, overall valuation of tech targets rebounded and stayed strong throughout Q2.
- 

The application software segment is currently a very active tech segment in Europe and shows high revenue multiples in Q2 2021. The trend towards software-determined companies continues in this quarter.

This report covers:

EDITOR’S TOP TECH DEAL PICKS	3
TECH SECTOR M&A TRANSACTION OVERVIEW	4
M&A TECH TRANSACTION ACTIVITY	5
TECH SECTOR VALUATION (PUBLIC COMPANIES)	6
OAKLINS TECH DEAL OF THE QUARTER	8
OAKLINS TECH SECTOR TRANSACTIONS Q1 2021	9
OAKLINS GERMANY TECH SECTOR TEAM	10

EDITOR'S TOP TECH DEAL PICKS

Date	Deal type	Target	Deal description	Acquirer/investor
JUN 2021	M&A	 	Tink AB offers a mobile application to track personal finances with bank account management across banks including the offering of transferring money, paying bills, and creating personal budgets. The company got bought by Visa Inc. for USD 1.8bn.	 
JUN 2021	Fundraising	 	Forto GmbH, a company providing freight forwarding services in Asia and Europe through a digital interface offering various services that increase the logistics' transparency , got funded with EUR 202m in a Series C round with seven investors, i.e., Citi Ventures, Cherry Ventures, and Inven Capital, that got led by the SoftBank Vision fund.	SoftBank Vision Fund  citi VENTURES    amongst others
JUN 2021	Fundraising	 	Scalable Capital Vermögensverwaltung GmbH, a company providing digital investment service to individuals with portfolios that are dynamically optimized regarding risk management , raised EUR 150m in a Series E funding round led by Tencent and backed by BlackRock.	Tencent 腾讯  BLACKROCK 
JUN 2021	Fundraising	 	Flink SE offers online retailing of grocery and food while being partnered with large grocery stores and raised USD 240m in a Series A funding round by Prosus & Naspers, Mubadala Capital, and Bond.	prosus  MUBADALA  BOND  amongst others
JUN 2021	Fundraising	 	Celonis SE, a company offering process mining and business process discovery solutions for the analysis and visualization of processes , raised EUR 1bn in a Series D funding round led by T. Rowe Price and backed by, i.e., Splunk Ventures, Franklin Templeton Investments, and Durable Capital Partners.	T.RowePrice  INVEST WITH CONFIDENCE Splunk Ventures    amongst others
JUN 2021	M&A	 	Depop Limited provides a mobile application that allows users to buy, sell, discover, and explore fashion in a peer-to-peer-social-shopping experience. The company got bought by Etsy, Inc. for c. EUR 1.3bn.	Etsy 
JUN 2021	Fundraising	 	Wefox Germany GmbH, a digital platform connecting insurance providers, brokers, and customers raised EUR 650m in a Series C funding round with nine investors, i.e., Partners Group, Salesforce Ventures, and Mountain Partners.	Partners Group  salesforce  Mountain Partners  amongst others
MAY 2021	Fundraising	 	Trade Republic Bank GmbH, a mobile-only and commission-free broker enabling to trade stocks, derivatives, and ETFs on the stock exchange , got funded by EUR 900m in a series C funding round led by Sequoia Capital and backed by six further investors, i.e., TCV, Project A Ventures, and Creandum.	SEQUOIA  TCV    amongst others
MAY 2021	M&A	 	WaveOptics, Ltd. manufactures augmented reality display technology including binocular display, high field-of-view, full RGB color, and lightweight features . The company got bought by Snap Inc., the entity that offers the visual chat application Snapchat, for c. EUR 400m.	Snap Inc. 
APR 2021	M&A	 	Crossinx GmbH operates networks for electronic invoices and document-based business processes for SMEs offering document exchange, inbound invoices, outbound invoices, financial supply chain, and onboarding services . The company got acquired by Belgium Unifiedpost Group for c. EUR 160m.	 unifiedpost 

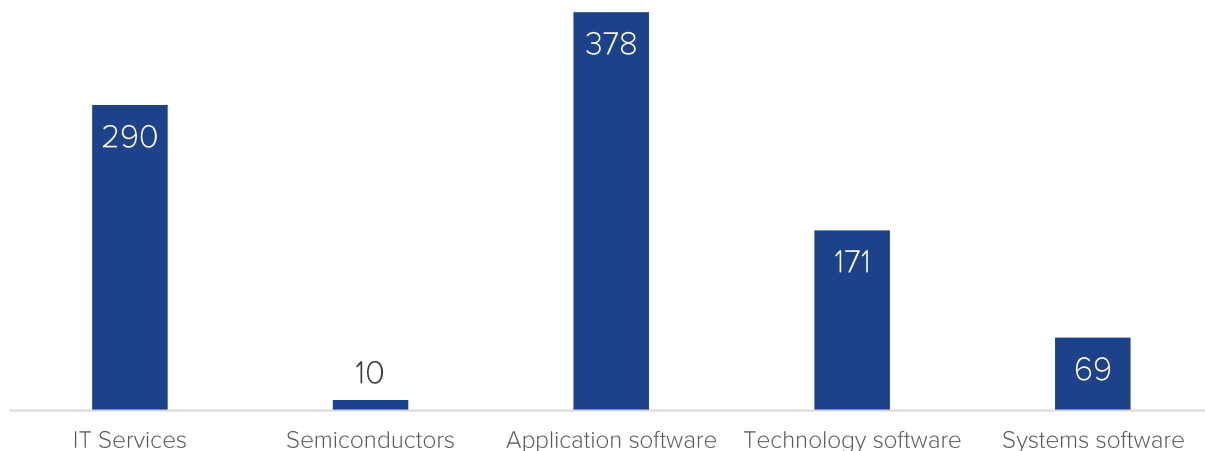
Source: Capital IQ and Mergemarket as of 06/24/2021

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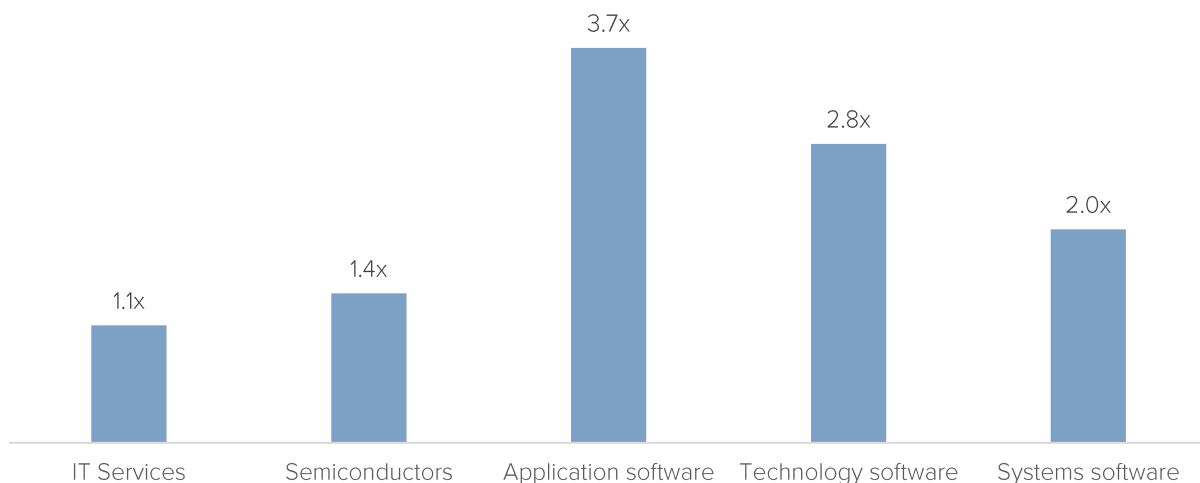
TECH SECTOR M&A TRANSACTION OVERVIEW

Number of M&A transactions in Europe Q2 2021



The European Tech market continues its positive market development and shows a high number of transactions in the IT services as well as in the application and technology software segment.

M&A transaction multiples¹ Q2 2021 (Enterprise Value/Sales²)



The revenue multiples' development in Q2 2021 underlines the attractiveness of the software market and the high number of closed deals in Europe. The application software significantly outperforms the other segments and reflects the current interest from both buyers and sellers.

Source: Capital IQ as of 06/30/2021

Notes: 1) Retrieved from Capital IQ excluding deals with revenue multiples >30.0x

2) Reported as LTM figures

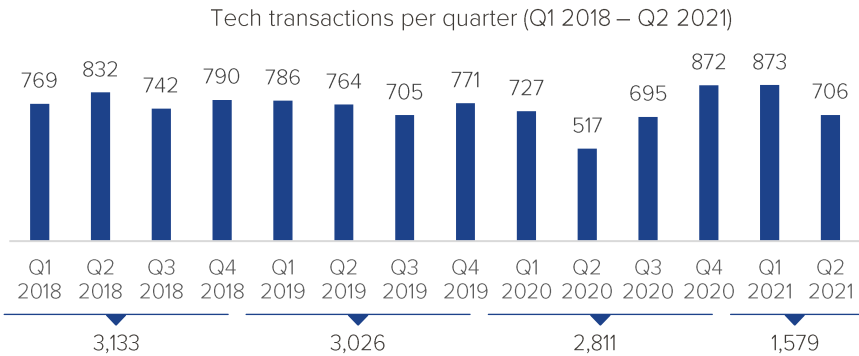
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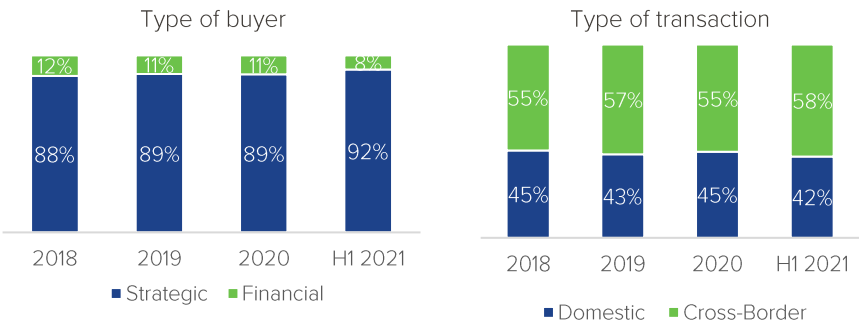


M&A TECH TRANSACTION ACTIVITY

Transaction overview in Europe

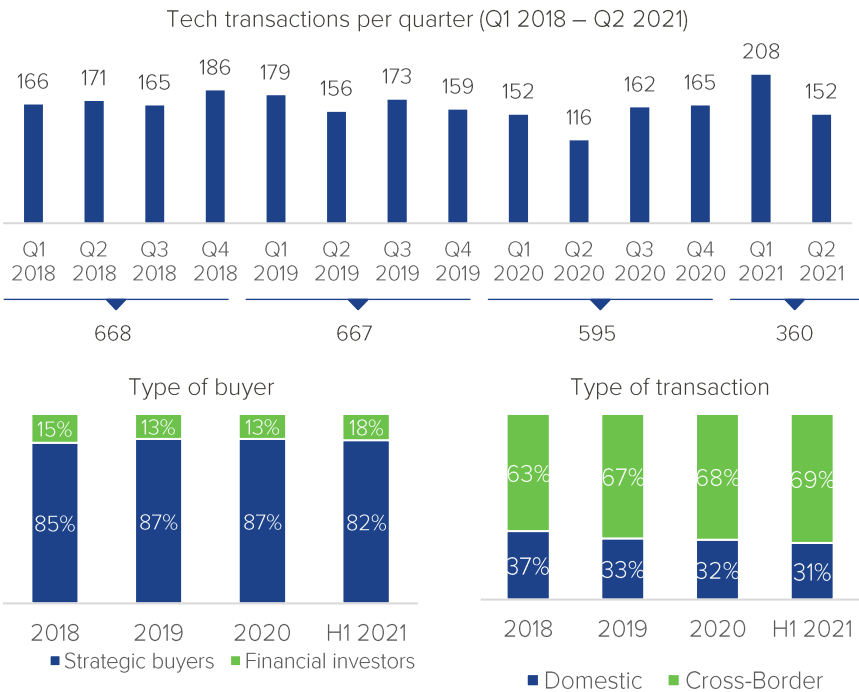


Tech transactions in Q2 2021 showed a slight decrease in count compared to the previous two quarters. However, the transaction activity is significantly higher compared to Q2 2020 (+36%) and shows a stable development.



The tech sector is dominated by strategic buyers acquiring additional know-how, expanding geographically and adding new products and services to their existing portfolios.

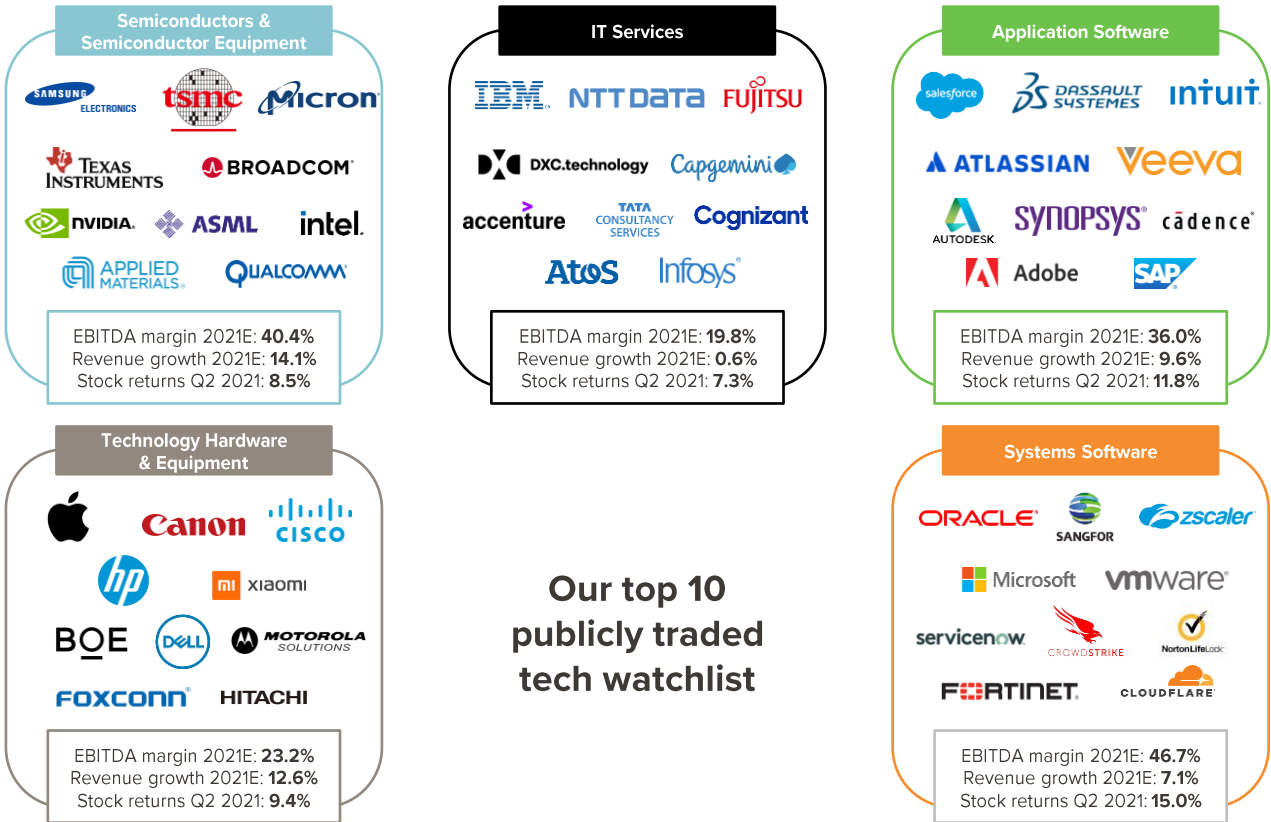
Transaction overview in Germany



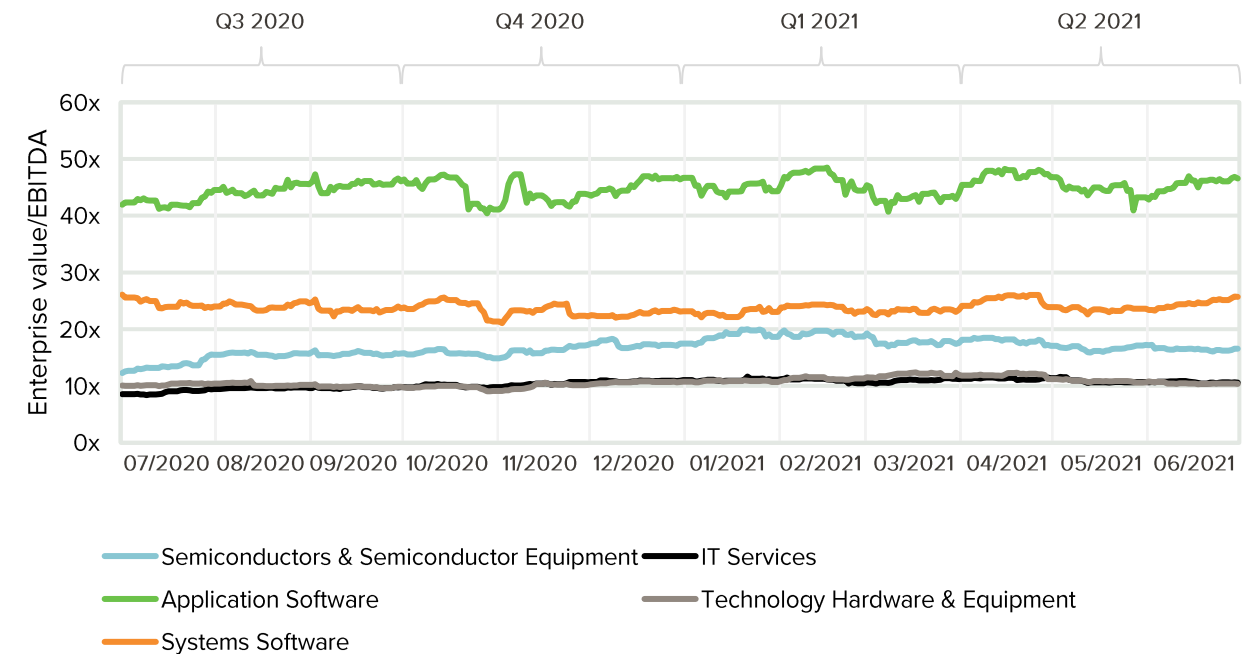
The positive trend and attractiveness of the tech market has slightly slowed down in Q2 2021. The tech market in Germany meets the expectation of a highly acquisitive market in 2021.

Strategic buyers are still dominating tech M&A activity in Germany in H1 2021 especially for cross-border acquisitions.

TECH SECTOR VALUATION (PUBLIC COMPANIES)



EV/EBITDA¹ Multiples Tech Subsectors



Sources: Capital IQ and Mergermarket as of 07/02/2021

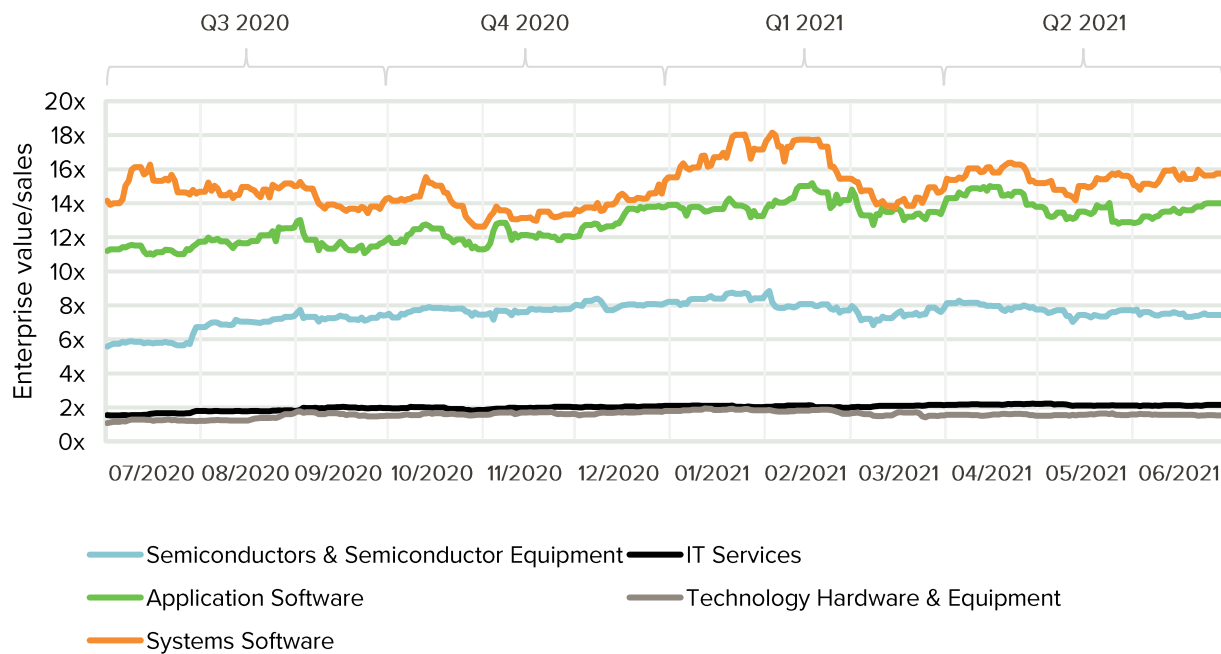
Notes: 1) Daily total EV divided by lease and affiliate income adj. LTM EBITDA as of 07/02/2021 (CapitalIQ)

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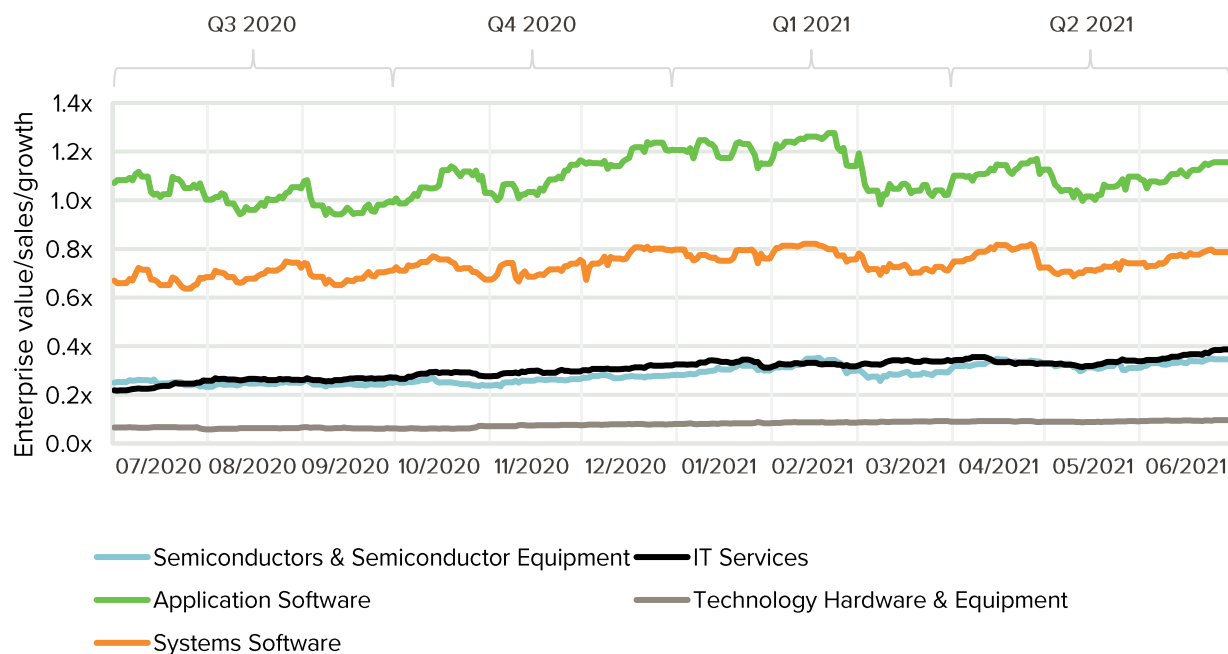
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TECH SECTOR VALUATION (PUBLIC COMPANIES)

EV/Sales Multiples¹ Tech Subsectors



EV/Sales/Growth² Multiples Tech Subsectors

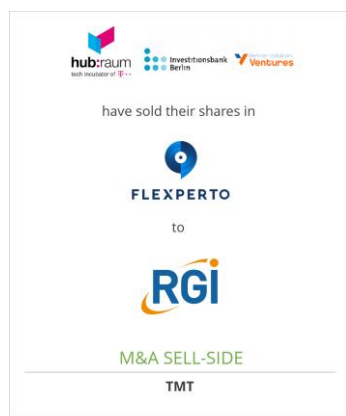


Sources: Capital IQ and Mergermarket as of 07/02/2021

Notes: 1) Daily total EV divided by total LTM revenues as of 07/02/2021 (CapitalIQ)

2) Daily EV/Sales multiple divided by 1-year annual revenue growth consensus estimate as of 07/02/2021 (CapitalIQ)

OAKLINS TECH DEAL OF THE QUARTER



April 2021

Flexperto has been acquired by RGI S.p.A.

RGI, an Italian independent software vendor and European leader in the digital transformation of the insurance sector, has acquired Flexperto, a German web-based SaaS insure-tech platform for digital communication between companies and customers. Flexperto was backed by the founders, private shareholders and by three venture capital investors.

Through this acquisition, RGI further strengthens its market position in the DACH region and expands its range of cloud-based offering and communication services. Additionally, Flexperto helps to enrich RGI's ecosystem of innovative solutions.

Founded in 2012 in Berlin, Flexperto offers web-based SaaS communications platform that seamlessly connects all the collaboration tools and channels to enhance the communication between companies and customers and increase the productivity.

RGI is a portfolio company of Corsair Capital, a leading investor in the financial services industry, which develops and delivers software products and technological services for the insurance sector. The company develops and implements modular insurance policy administration system solutions for distribution channels. RGI employs more than 1,100 professionals in Italy, France, Luxembourg, GAS, Slovenia, Ireland, Africa, and the Middle East.



OAKLINS TECH SECTOR TRANSACTIONS Q2 2021

 <p>has acquired through a cash tender offer and delisting</p>  <p>US\$78.3m M&A BUY-SIDE Private Equity/TMT</p>	 <p>has been acquired by</p>  <p>M&A SELL-SIDE TMT</p>	 <p>has been acquired by</p>  <p>M&A SELL-SIDE Business Support Services/TMT</p>	 <p>has acquired a minority stake in</p>  <p>M&A BUY-SIDE Private Equity/TMT</p>
June 2021	June 2021	June 2021	May 2021
 <p>has been acquired by</p>  <p>M&A SELL-SIDE Private Equity/TMT</p>	 <p>has been acquired by</p>  <p>US\$12m M&A SELL-SIDE TMT</p>	 <p>has acquired</p>  <p>M&A BUY-SIDE TMT</p>	 <p>has been acquired by</p>  <p>M&A SELL-SIDE Business Support Services/Private Equity/TMT</p>
May 2021	May 2021	May 2021	May 2021
 <p>has acquired</p>  <p>M&A BUY-SIDE TMT</p>	  <p>have acquired</p>  <p>M&A BUY-SIDE Business Support Services/TMT</p>	 <p>has been acquired by</p>  <p>US\$12.5m M&A SELL-SIDE TMT</p>	   <p>have sold their shares in</p>  <p>to</p>  <p>M&A SELL-SIDE TMT</p>
May 2021	May 2021	April 2021	April 2021

OAKLINS GERMANY TECH SECTOR TEAM

Our industry expertise

Oaklins is a global advisory firm specialized in M&A, corporate finance, valuation, due diligence and fundraising. With more than 850 dedicated professionals in over 45 countries, we leverage our local presence in order to provide the best possible service on the ground.

Each year Oaklins completes more than 50 transactions within the global tech sector. Our German tech sector team brings decades of combined industry experience and has closed a variety of transactions with most of them requiring a cross-border approach.

The tech sector team maintains close contact with decision-makers, industry shifters & movers from the German tech industry.

Tech transactions advised by Oaklins (2016-2020)

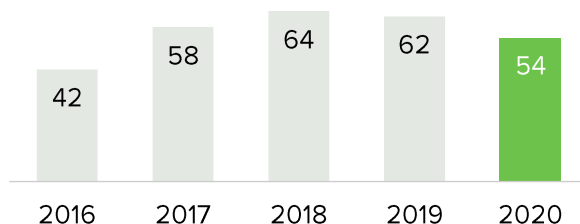
280

Transactions
closed

63%

Cross-border
transactions

No. of tech transactions per year (Oaklins)



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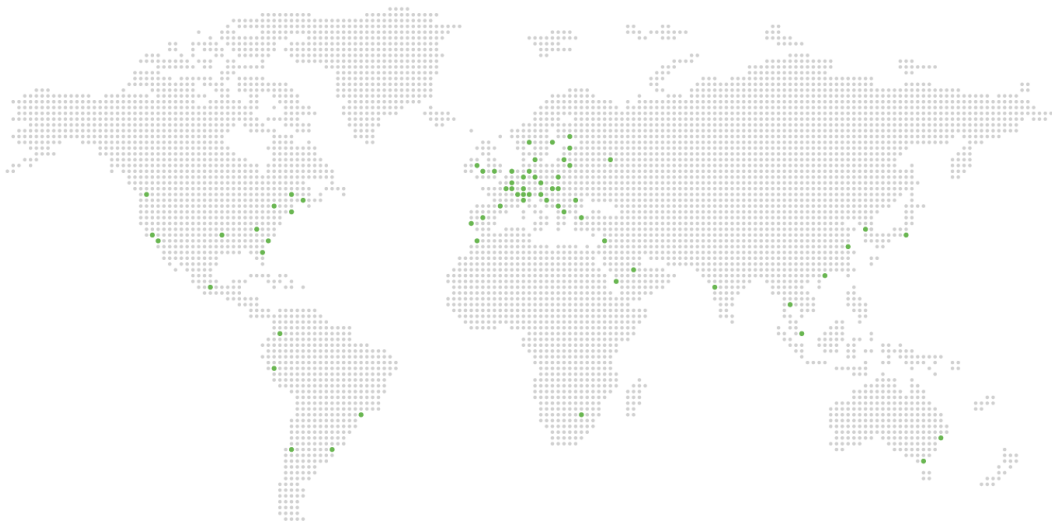
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