

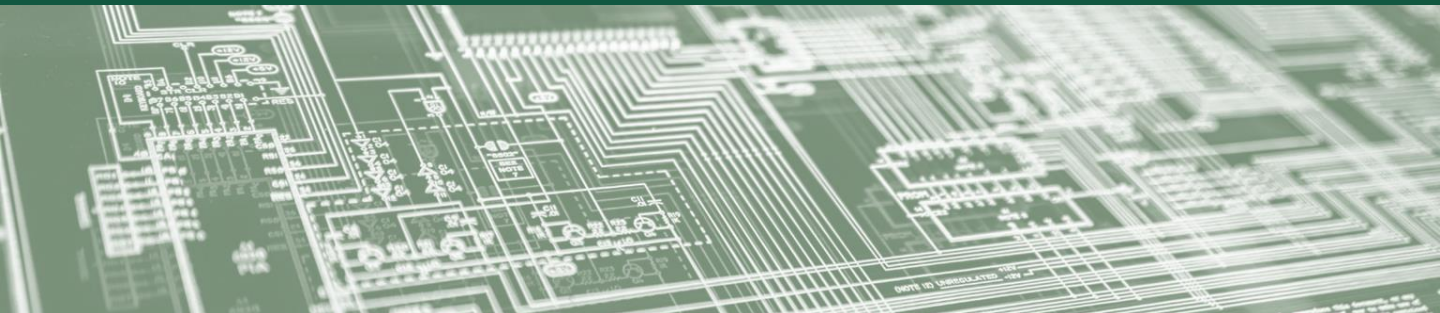
# ProventisPartners.

FOR WHAT TRULY COUNTS



## M&A Facts Quarterly Q2 – 2023

Software Sector



## Software Sector M&A-Highlights and Market Insights

Data source: S&P Capital IQ. Analysis by Proventis Partners.

- ▶ **Positive results** are apparent in the M&A activity within the **Software Sector** during the second quarter of 2023.
- ▶ **Revenue, EBITDA and EBIT multiples** of the **Peer Group** recorded a **rise** comparing to Q1 2023, continuing an **upward trend**.
- ▶ Furthermore, both **number of transaction** and **transaction value went up**, in comparison to Q1 2023. The latter experienced a substantial **growth**, after it bottomed out in Q4 2022.
- ▶ Valuations in the **German Software & Computer Services Index** (FTSE Germany) continued a rising trend during Q2 2023. The EBITDA multiple had an **increase** from 19.72x to 21.48x during the analyzed quarter, which is a rise of **8.9%**.
- ▶ The largest announced transaction of this quarter was **Nasdaq, Inc.** acquisition of **Adenza Group, Inc.** for **EURbn 9.9**. **Adenza Group, Inc.** create and deliver trading, treasury, risk management, and regulatory compliance solutions. Its services include cloud, customer delivery, and education and learning, the company is based in New York, US. **Nasdaq, Inc.** will pay **EURbn 5.3** in cash and **issue shares** of its common stock to finance the transaction.
- ▶ **Edenred SE (ENXTPA:EDEN)**, a French transactions and payment processing services provider, announced the acquisition of **Reward Gateway (UK) Ltd.** from ABRY Partners, LLC and Castik Capital Partners GmbH for **EURbn 1.3**. **Reward Gateway (UK) Ltd.** develops an employee engagement platform that provides employee communication, recognition, survey, and discount solutions, the company is based in London, UK.
- ▶ **Silver Lake Technology Management, L.L.C.**, a US based Private Equity and Venture Capital firm, entered into an agreement to acquire an unknown minority stake in **TeamSystem Holding S.p.A.**, an Italian management/ERP software solutions developer, for **EURm 600**. The transaction is expected to close by the end of the year.
- ▶ **Thomson Reuters Corporation**, a Canadian business information services provider, has agreed to acquire **Casetext, Inc.**, a US based legal research platform developer, for **EURm 596**. **Thomson Reuters Corporation** will pay the transaction value in cash, with an expected closure in the second half of 2023.

## Enterprise Application Software

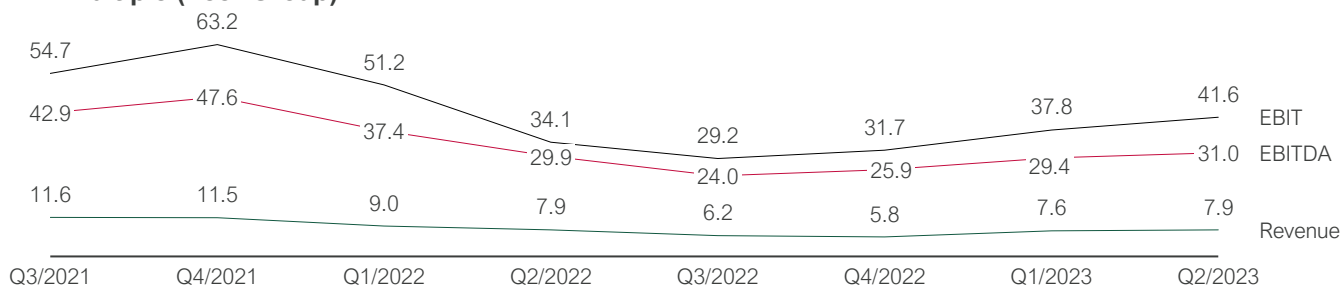
Software for professional users in line functions and industry software. Used through a frontend interface and running on an operating system.

## Peer Group - Current and historic trading multiples

Note: TEV = Total Enterprise Value. LTM = Last 12 Months. Data source: S&P Capital IQ. In EURm.

Company Name	Country	Market Cap	TEV	Total Revenue LTM	EBITDA LTM <sup>1)</sup>	TEV/EBITDA Q1 2023 <sup>2)</sup>	TEV/EBITDA Q2 2023 <sup>2)</sup>	Q1 vs. Q2 Trend
Salesforce, Inc.	United States	188,483	188,425	29,166	6,016	30.9x	26.2x	↓
SAP SE	Germany	146,053	148,148	31,540	5,991	20.6x	23.1x	↑
Dassault Systèmes SE	France	53,402	52,955	5,775	1,501	31.0x	33.3x	↑
ANSYS, Inc.	United States	26,217	26,565	1,979	706	40.4x	37.6x	↓
The Sage Group plc	United Kingdom	10,987	11,792	2,391	443	19.5x	24.8x	↑
Nemetschek SE	Germany	7,928	7,853	814	205	31.8x	35.4x	↑
Temenos AG	Switzerland	5,234	5,916	879	176	27.5x	30.7x	↑
Vitec Software Group AB (publ)	Sweden	1,720	1,820	187	57	28.0x	31.3x	↑
ATOSS Software AG	Germany	1,650	1,610	124	37	37.2x	40.2x	↑
Bytes Technology Group plc	United Kingdom	1,471	1,387	210	61	18.3x	22.4x	↑
<b>Median</b>						<b>29.4x</b>	<b>31.0x</b>	<b>↑</b>

### TEV-Multiple (Peer Group)



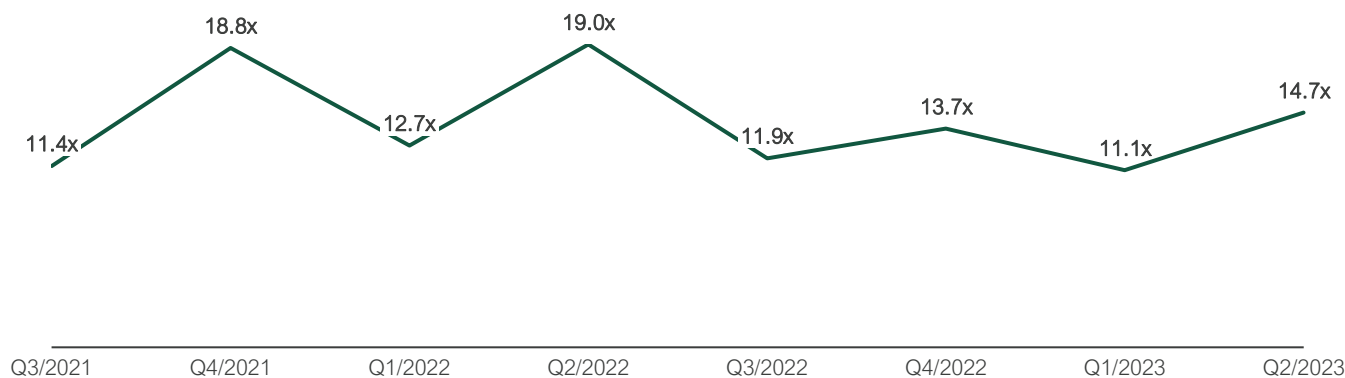
### Recent M&A Transactions: Selected Transactions

Note: EV = Enterprise Value in EURm. Data source: S&P Capital IQ. Selection of transactions by Proventis Partners.

Announced Date	Target	Target Country	Acquirer	Acquirer Country	Acquired Stake (in %)	Total Transaction Value	Implied EV/ EBITDA
6/12/2023	Adenza Group, Inc.	US	Nasdaq, Inc.	US	100	9,952	n/a
5/16/2023	Reward Gateway (UK) Ltd.	GB	Edenred SE	FR	100	1,322	n/a
5/19/2023	TeamSystem Holding S.p.A.	IT	Silver Lake Technology Management, L.L.C.	US	n/a	600	n/a
6/26/2023	Casetext, Inc.	US	Thomson Reuters Corporation	CA	100	596	n/a
5/15/2023	IBS Software Private Limited	IN	Apax Partners LLP; Apax Guernsey Managers Limited; Apax Global Alpha Limited; Apax XI	GB	n/a	414	n/a
4/4/2023	Thomson Reuters Elite	US	TPG Inc.	US	80	365	n/a
4/17/2023	SignUp Software AB (publ)	SE	Insight Venture Management, LLC	US	100	209	105.8x
5/26/2023	GK Software SE	DE	Fujitsu ND Solutions AG	DE	32	137	n/a

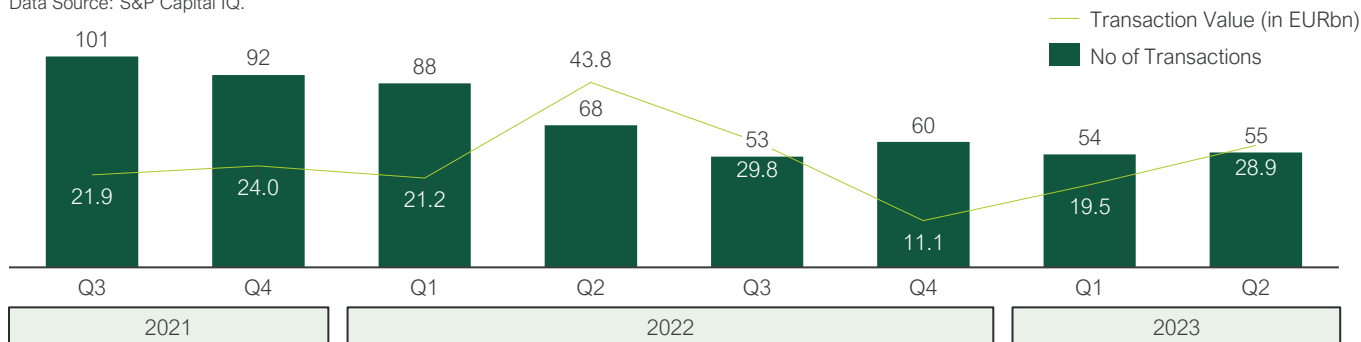
### Recent M&A Transactions: EBITDA-Multiple

Implied Transaction Enterprise Value / EBITDA of announced transactions with disclosed multiple.  
Data Source: S&P Capital IQ.



### Recent M&A Transactions: Deal Count, Recorded Transaction Value<sup>3)</sup> 2021-2023

Data Source: S&P Capital IQ.



1) EBITDA LTM does not include income (loss) from affiliates.

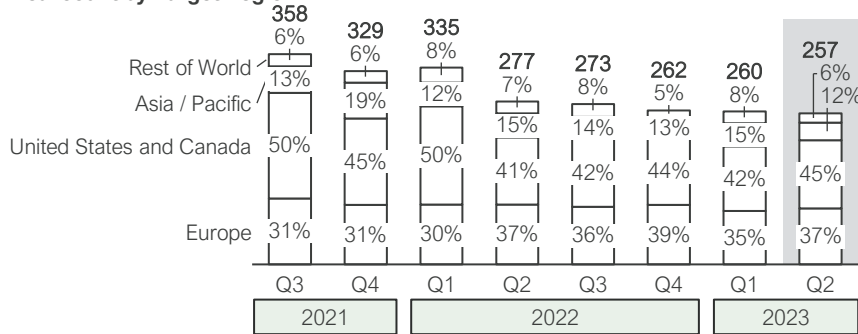
2) Multiples are calculated based on last reported LTM EBITDA including income (loss) from affiliates.

3) Only for a limited number of recorded M&A transactions the transaction volume is being published

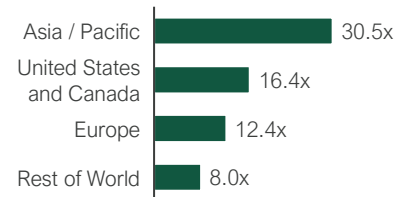
### Global Software M&A Deal Analysis

Announced transactions. Implied M&A Enterprise Value / LTM EBITDA of announced transactions with disclosed multiple.  
Data Source: S&P Capital IQ.

#### Deal count by Target Region

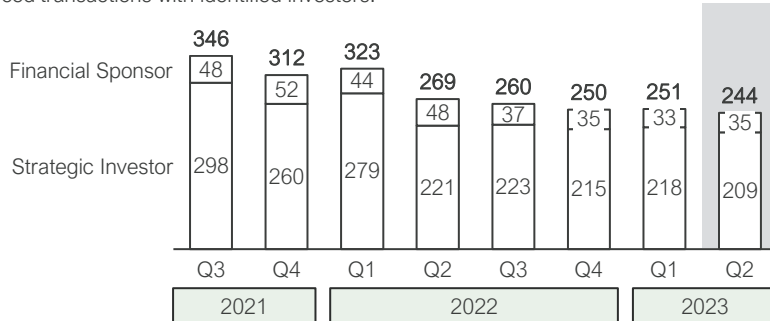


#### EBITDA Multiple (LTM) by Target Region



#### Deal count by Investor Type

Announced transactions with identified investors.

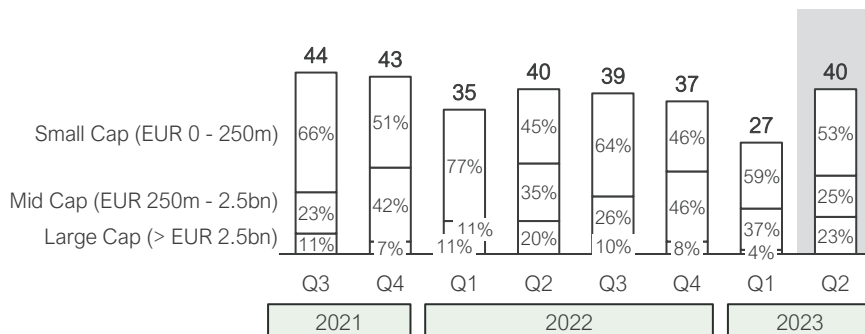


#### EBITDA Multiple (LTM) by Investor Type

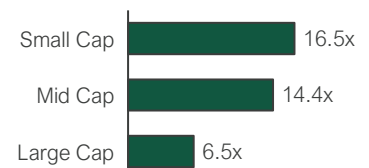


#### Deal count by Company Size

Announced transactions with disclosed annual pre-transaction revenues.



#### EBITDA Multiple (LTM) by Company Size



### Notes

The analysis considers announced transactions only. Recent Transactions and Multiples only include items with available Total Enterprise Values (TEV). As S&P Capital IQ constantly updates its database, the values might differ from previous M&A Facts.

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