

# SOFTWARE INDUSTRY REPORT

FACTS, TRENDS, M&A & VALUATION METRICS

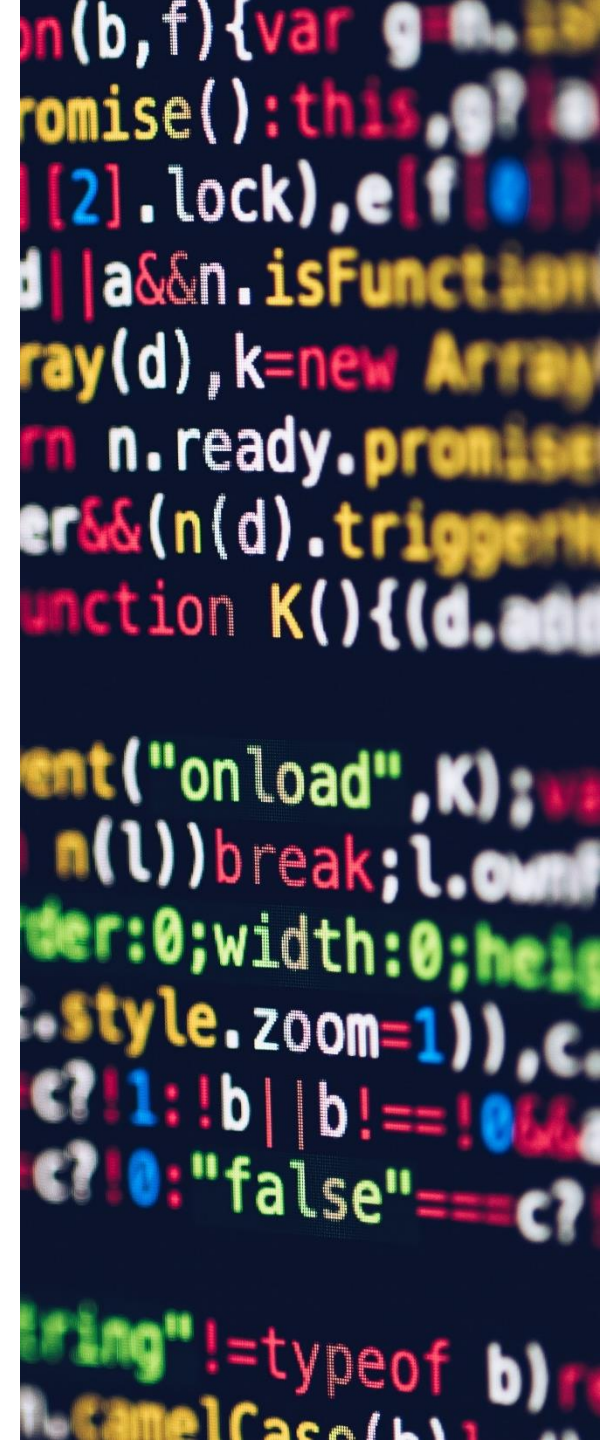
Q1 2020

IMAP



# Agenda

- |    |   |         |
|----|---|---------|
| 1. | <b>Introduction &amp; Executive Summary</b> | Page 3  |
| 2. | Software Market                             | Page 5  |
| 3. | Valuation and M&A activity                  | Page 10 |
| 4. | Introduction to IMAP and relevant expertise | Page 33 |



# Introduction and Executive Summary

## Welcome to IMAP's Software Industry Report

### Introduction

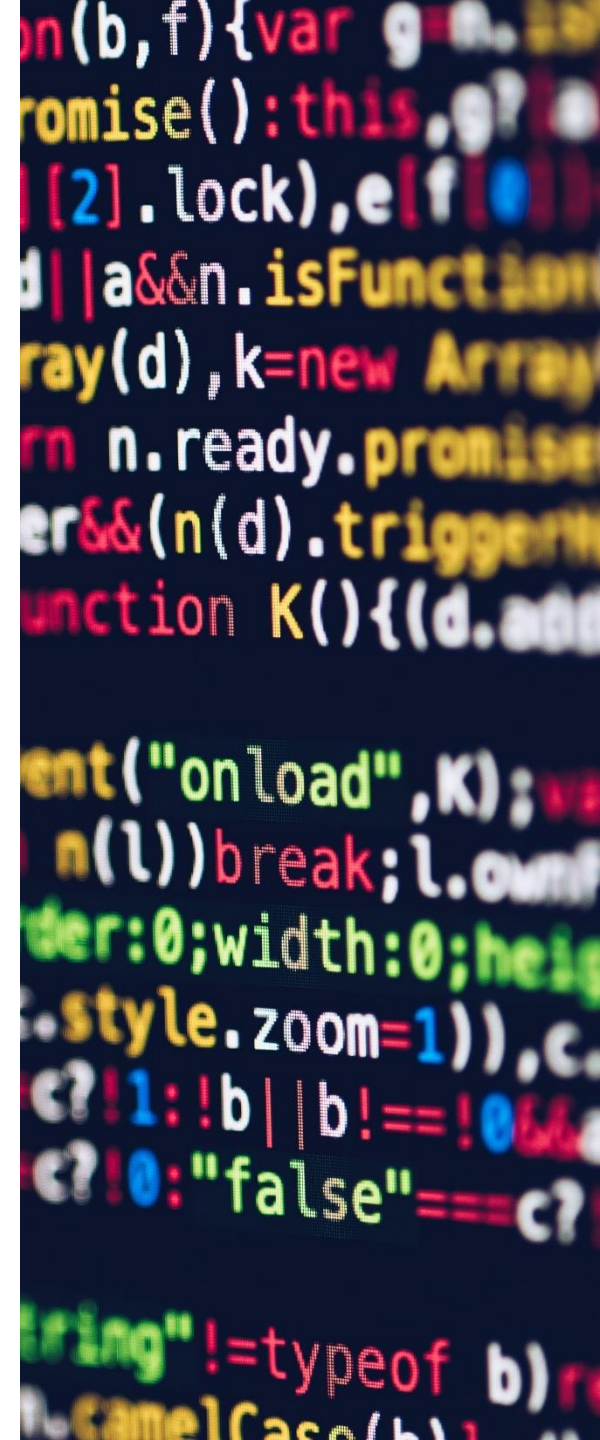
- IMAP Hungary is pleased to present the Software Industry Report Q1 2020. This report provides commentary and analysis on current market trends, valuation developments as well as M&A dynamics within the Software and IT Services sector in Q1 2020
- With each publication, we will highlight key trends and developments in different vertical subsectors
- For the analysis of valuation developments, we will focus on the following sub-verticals within the Software and IT Services Industry:
  - Infrastructure and Cloud: companies providing hardware, software or services related to running and maintaining infrastructure and cloud environments
  - Software as a Service: companies following a subscription based business model
  - Application software: companies providing application software
  - SW development: companies active in software development, either as service or technology providers
  - IT service: companies providing a broader spectrum of IT services
  - Conglomerates: a collection of software and IT companies with a market capitalization in excess of USD100bn
- IMAP has advised on more than 200 M&A transactions in the technology space in the past 10 years, comprising Internet Software & Services, IT consulting and services, Software companies, as well as Technology and High Tech companies
- In Hungary, IMAP advised on ten software/ IT transactions within the last two years

### Executive Summary

- The global software market is continuously characterized by high levels of **deal activity**, though **Q1 2020 has seen a two year low** in terms of deal activity
- While **revenue multiples** paid in M&A transactions declined compared to the previous quarter, they still remained **above their three-year average**. **EBITDA multiples** even increased **up to 18.8x** which constitutes nearly a three-year high
- **European deal volume** has a **lower share** of global deal volume compared to the share in terms of deal activity, which indicates smaller transaction volumes on average for European targets. The **share of financial buyers is higher in Europe** compared with global M&A activity
- Valuations of publicly traded companies have experienced a sharp decline following the outbreak of the Covid crisis, analogue to the overall stock market decline.
- In the following recovery phase end of Q1 especially companies active in Infrastructure and Software development were able to exceed their last twelfth months stock prices again
- Providers of **application software** remain the **highest valued sub-sector** with a median revenue multiple for 2020E of 5.6x, followed by Conglomerates and Infrastructure companies with 4.8x and 4.4x respectively

# Agenda

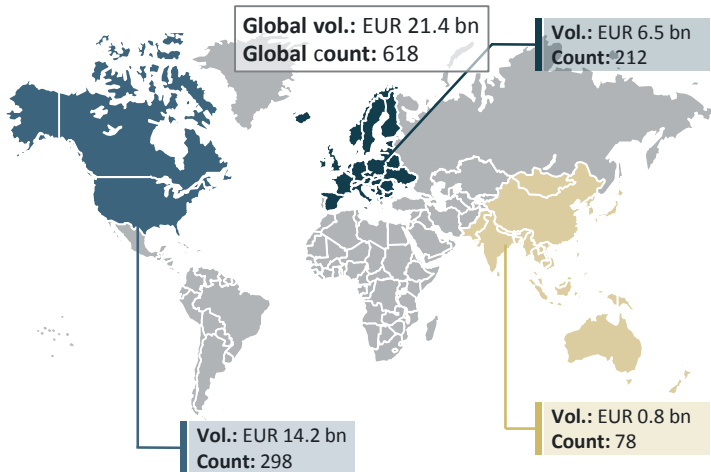
- |    |   |               |
|----|---|---------------|
| 1. | Introduction & Management Summary           | Page 3        |
| 2. | <b>Software Market</b>                      | <b>Page 5</b> |
| 3. | Valuation and M&A activity                  | Page 10       |
| 4. | Introduction to IMAP and relevant expertise | Page 33       |



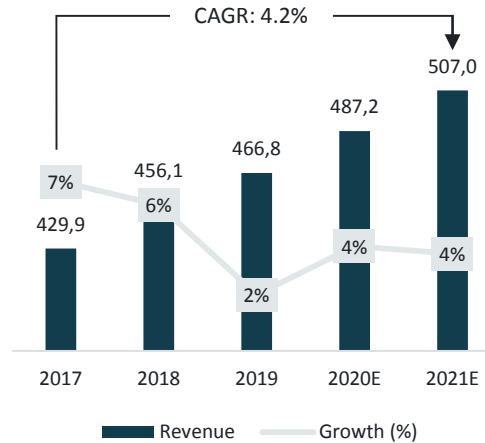
# World Market

Growing global software market with the USA and Europe as a driving force

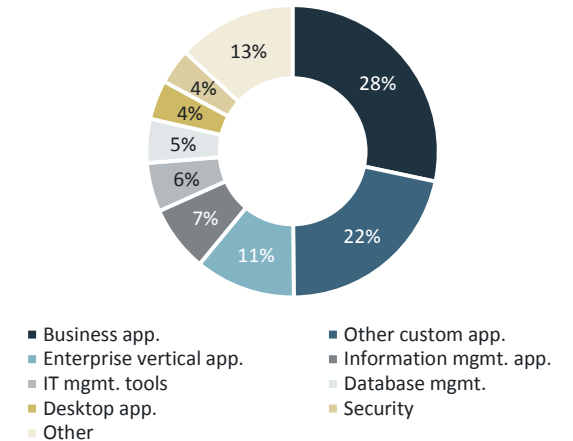
## M&A transactions in the software market in Q1 2020



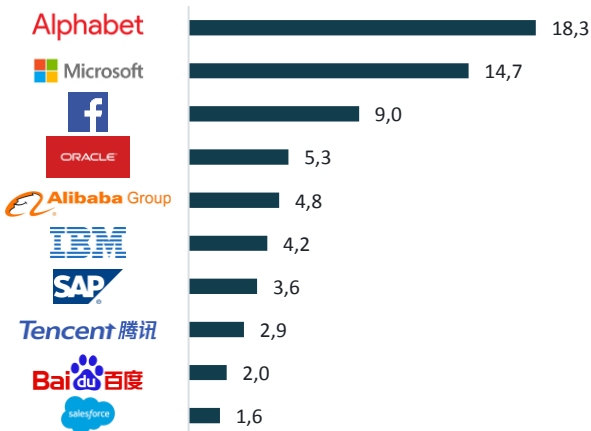
## Software market revenue (in EUR bn)



## IT spending by products (in %)



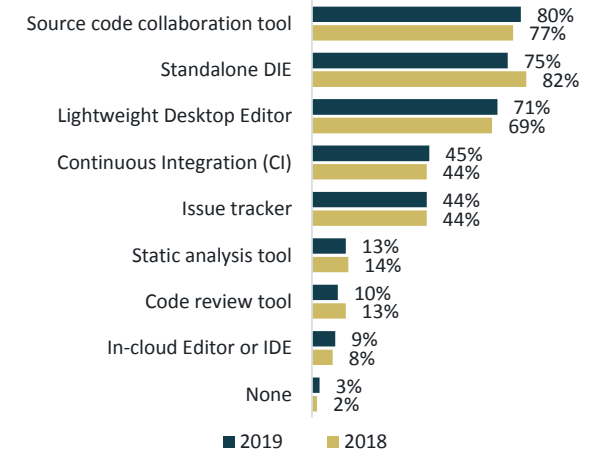
## Top investors in SW service R&D (in EUR bn)



## Programming language used by SW developers

Language	Used LTM	Plan to adopt
Javascript	69%	5%
HTML / CSS	61%	2%
SQL	56%	2%
Java	50%	4%
Python	49%	9%
Shell script.	40%	2%
PHP	29%	2%
TypeScript	25%	7%

## Programming tools used by SW developers



# Industry Trends (I/II)

## Selected industry trends

### Infrastructure



**Serverless computing** may reduce the need for infrastructure software



**AI** is likely to increase the demand for storage capacity and thus leads to growing IT infrastructure



The demand for **agile networks** is driven by cloud computing, IoT, AI, etc.



**Edge computing:** Customers demand fast information processing for a seamless user experience



The **shift to SaaS** must be supported by robust IT infrastructure

### SaaS



**Vertical-specific SaaS** applications for target niches are going to be more prevalent



**Transition from SaaS to PaaS** - from customer acquisition to customer retention



The **shift of mobile messaging apps to real platforms** may endorse a new trend for mobile SaaS



**Blockchain** can help SaaS companies to manage security challenges



Businesses require SaaS solutions that have enhanced **integration and connection capabilities**

### Application



**Cloud** computing facilitates data sharing and encourages the development of new applications



Industrial IT providers will continue to invest in robotic **process automation (RPA)**



**Machine learning** is a high priority for businesses globally, driving the demand for skilled AI specialists

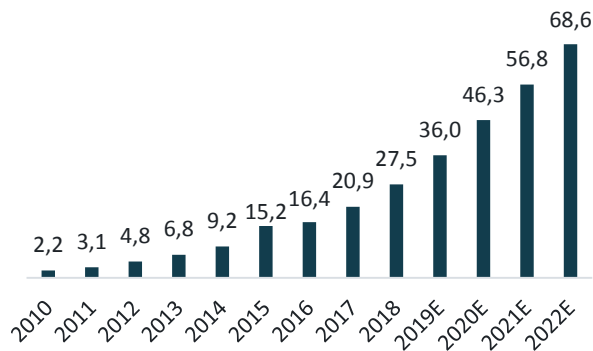


Conversational platforms enabling **human-like interactions** with computer systems become increasingly popular

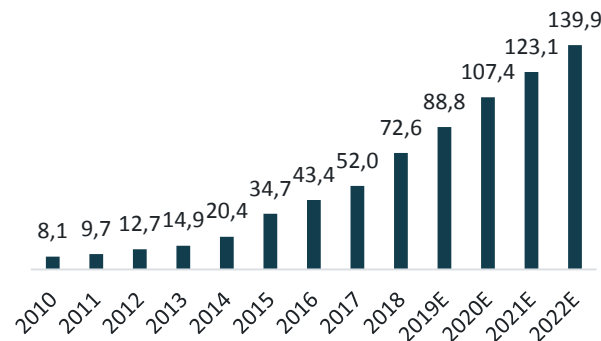


**Augmented Reality** has the potential to crossover to the mass consumer and corporate markets

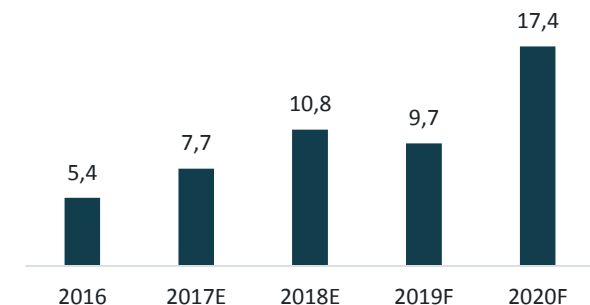
### Global sales of IaaS in EUR bn



### Global sales of SaaS in EUR bn



### Size of the global AR and VR market in EUR bn



# Industry Trends (II/II)

## Selected industry trends

### Software Development



**5G** is attracting software developers due to presumed higher data security and enhanced VR applications



**IoT growth** is a major technology trend in 2020 demanding for applications to connect sensors, devices, machines etc.



In the field of software architecture, the trend towards **microservice architecture** is expected to continue



The demand for appropriate **cyber security**, particularly in the area of financial services, communication and data storage, is increasing

### IT Services



Distributed Ledger Technology (DLT), Artificial Intelligence (AI), Extended Reality (XR) and **Quantum Computing**



**HR:** Changed employee skills requiring companies to adapt tech strategies to support a new way of working



Technology-driven interactions allow **new ways of identifying and understanding** the next generation of **customers**



Businesses require **guidance in the area of IT security**, as new technologies create both opportunities and risks

### Conglomerates (Top 5)



Machine learning, AI, IoT, blockchain, mixed reality



AI, self-driving cars, mobile image recognition applications, customized reality



AI, platform interconnection, Facebook AR/ VR, cryptocurrency and payments (Libra)

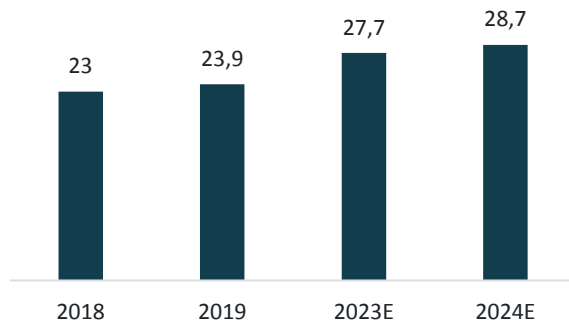


AI, autonomous driving, 5G network, cloud computing, edge computing

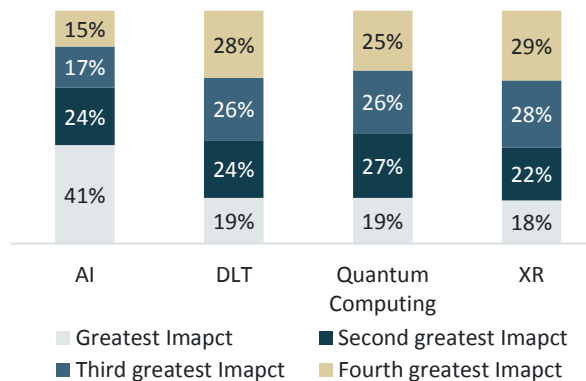


Cybersecurity, intent-based networking & AI, sourcing skilled employees, 5G, real time data

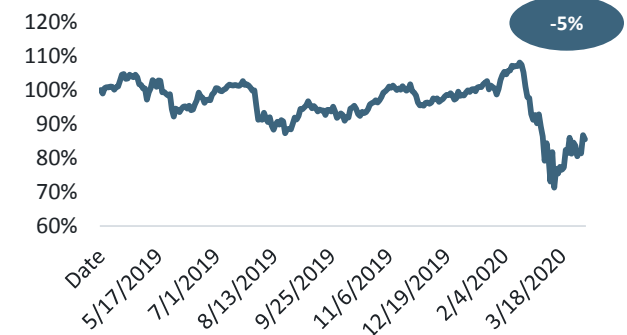
### Global number of software developers in mn



### Assumptions on the impact of the new techn.

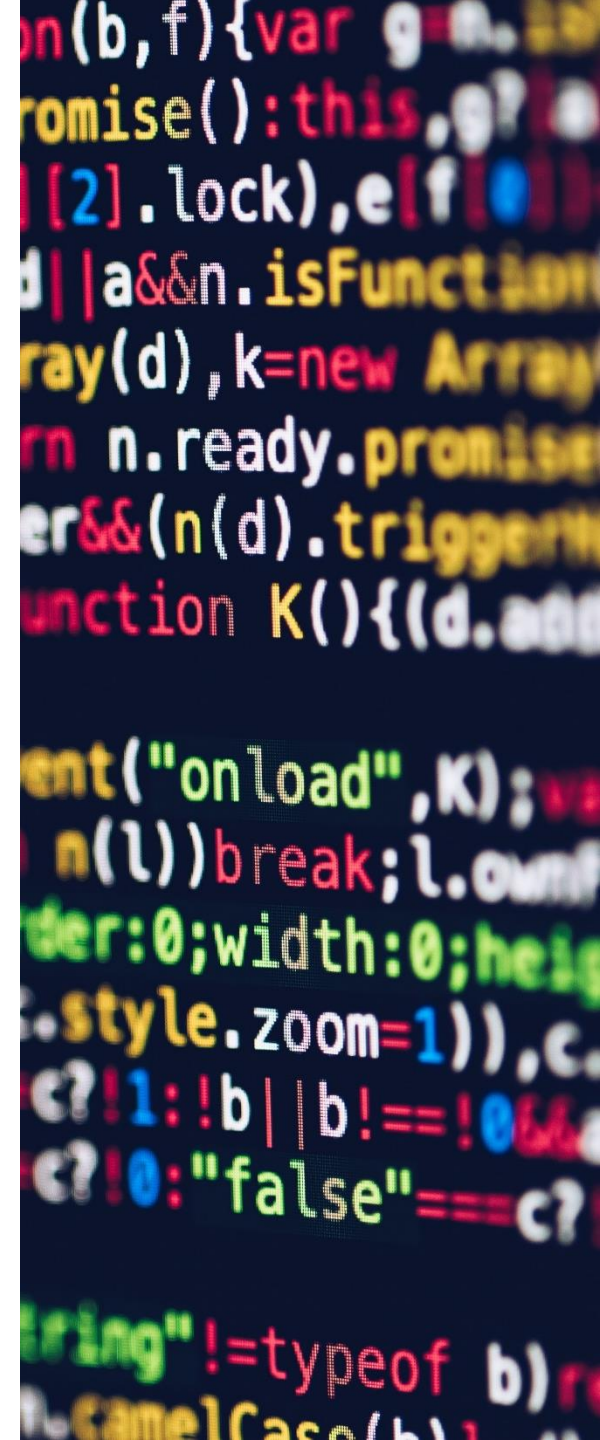


### Indexed stock performance conglomerates<sup>1,2</sup>



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1. Introduction & Executive Summary Page 3
2. Software Market Page 5
- 3. Valuation and M&A activity Page 10**
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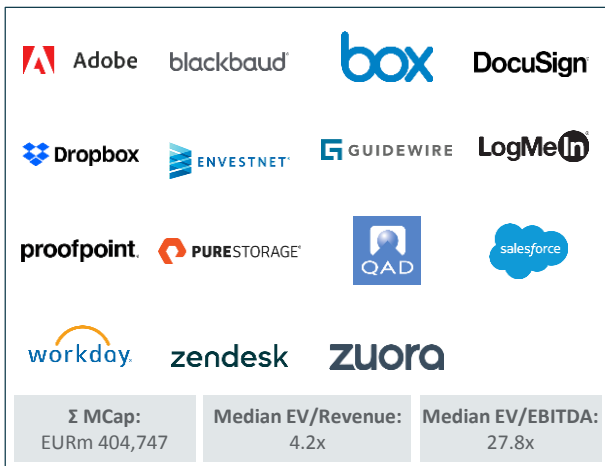
# Public Company Valuation

Selected public companies by sub-sector

## Infrastructure



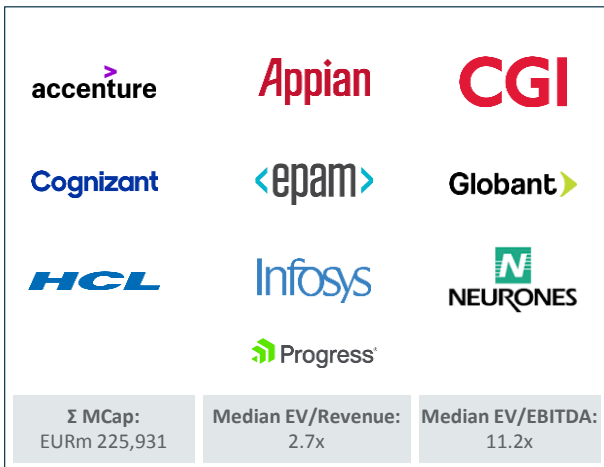
## SaaS



## Application



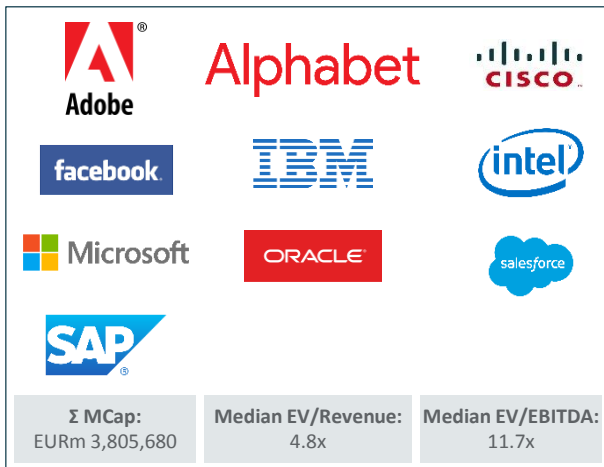
## Software Development



## IT Services



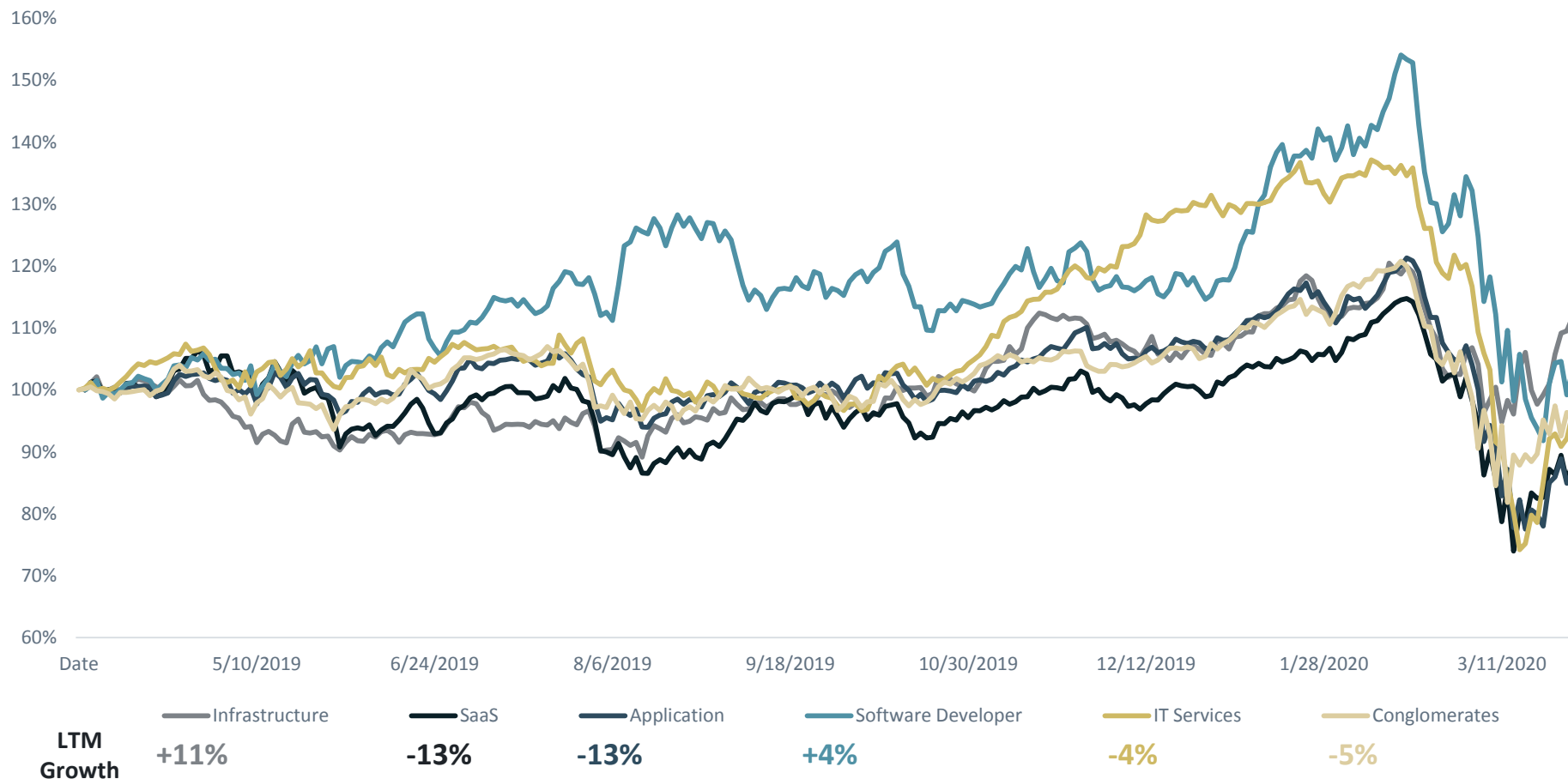
## Conglomerates



# Stock Performance

Segmented, indexed stock performance<sup>1</sup>

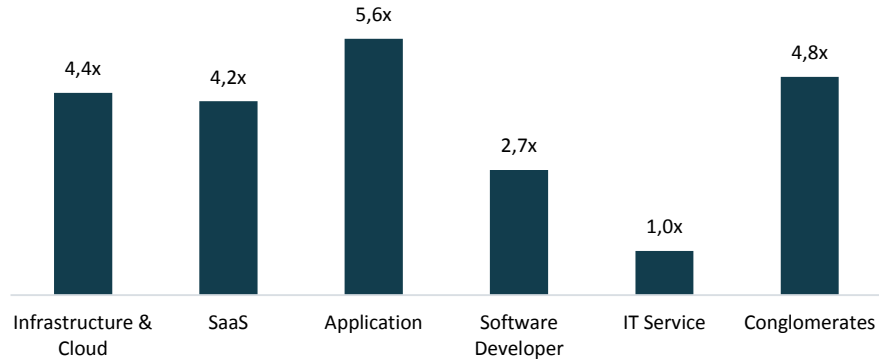
Q1 2019 – Q1 2020 indexed stock performance



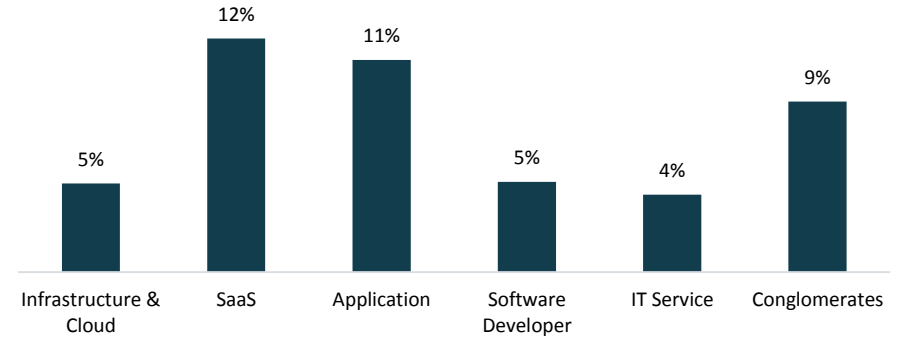
# Segment Valuation (I/III)

Median segment valuation metrics in 2020E

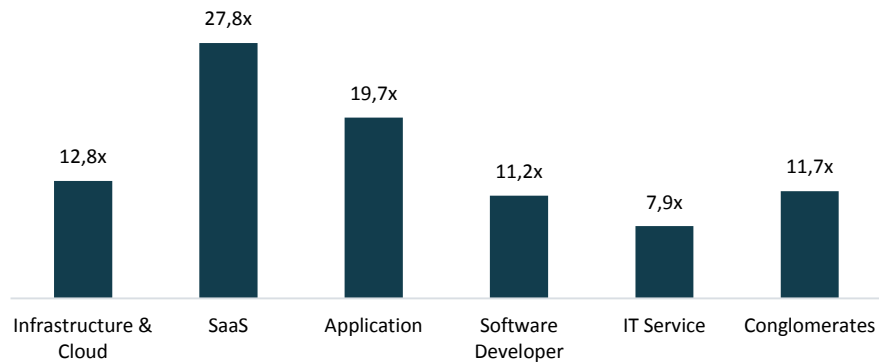
## EV/ Revenue 2020E



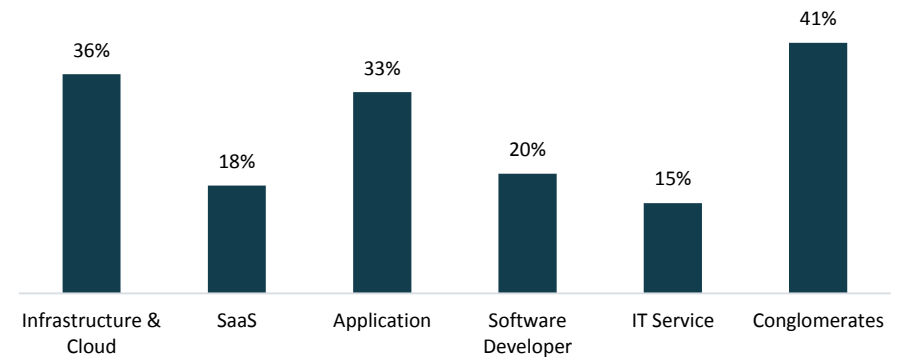
## Revenue growth 2020E



## EV/ EBITDA 2020E



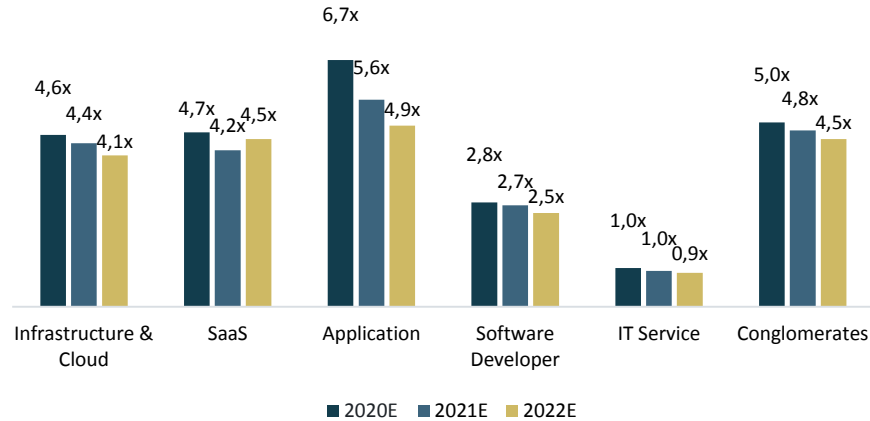
## EBITDA-margin 2020E



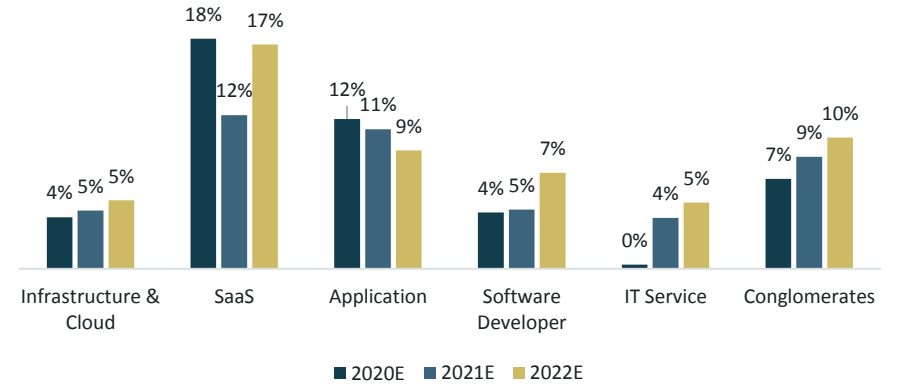
# Segment Valuation (II/III)

Development of the median segment valuation metrics between 2020E and 2022E

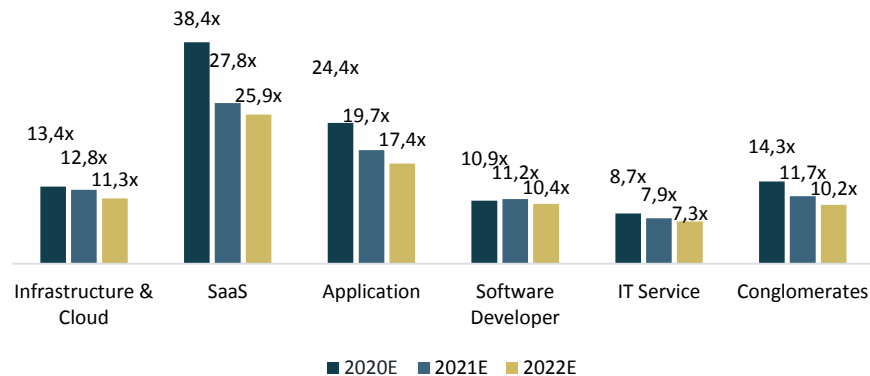
EV/ Revenue 2020E-2022E



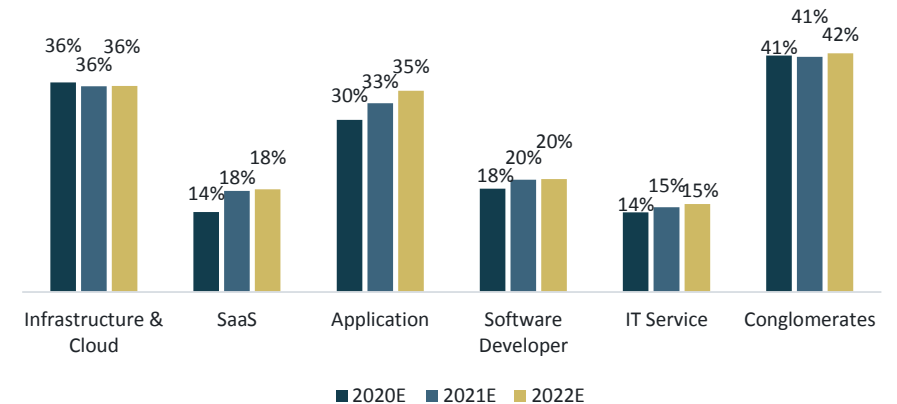
Revenue growth 2020E-2022E



EV/ EBITDA 2020E-2022E



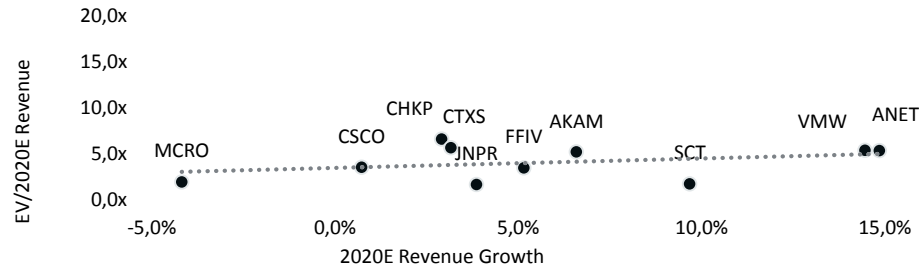
EBITDA-margin 2020E-2022E



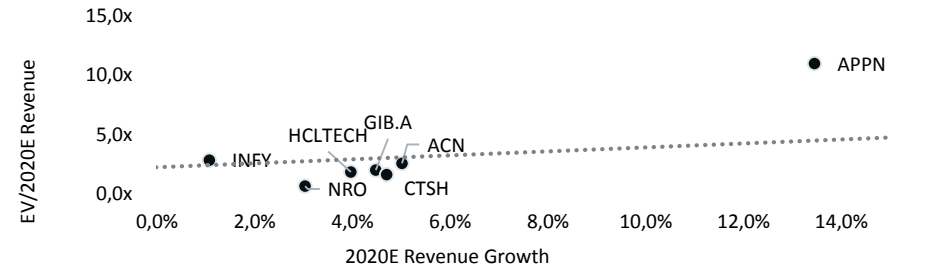
# Segment Valuation (III/III)

Correlation between EV/ 2020E revenue and 2020 revenue growth

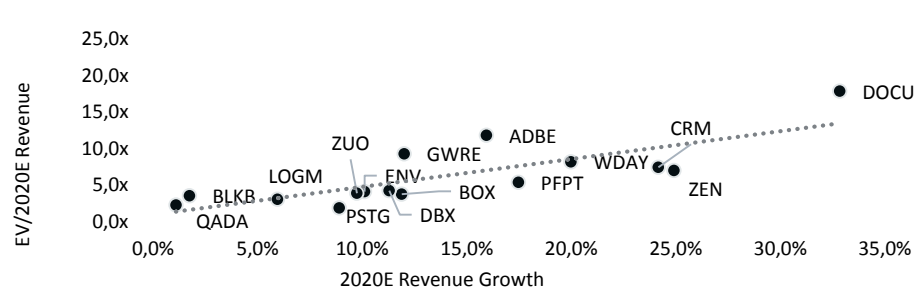
## Infrastructure



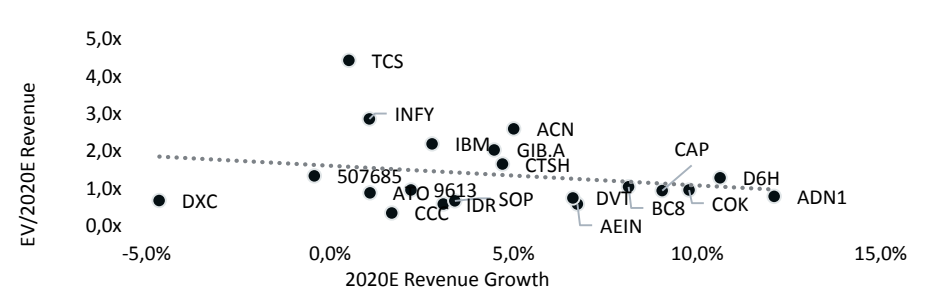
## Software Developer



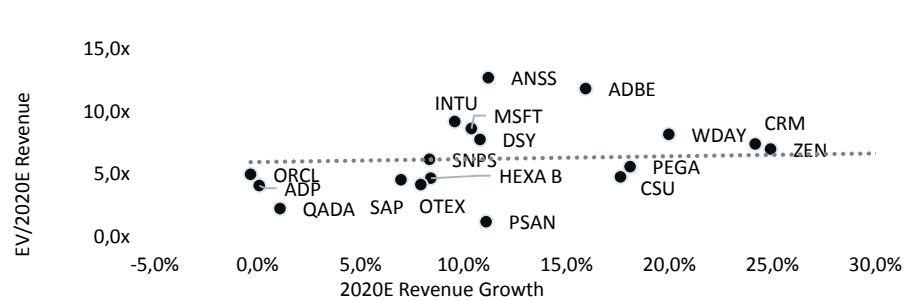
## SaaS



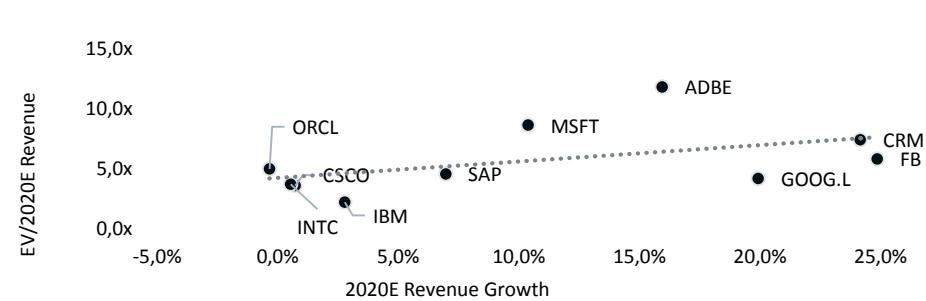
## IT Service



## Application



## Conglomerates



# Valuations in the Infrastructure & Cloud Segment (I/II)

Selected publicly listed companies - multipliers

Company	Country	Market Cap (EUR m)	Net Debt (EUR m)	EV (EUR m)	EV/Revenue			EV/EBITDA			EV/EBIT		
					2020E	2021E	2022E	2020E	2021E	2022E	2020E	2021E	2022E
Akamai Technologies, Inc.	US	14,609	1,294	15,914	5.6x	5.2x	4.9x	13.0x	12.0x	11.1x	18.6x	17.2x	15.6x
Arista Networks, Inc.	US	14,980	-2,328	12,632	6.2x	5.4x	4.7x	16.0x	13.9x	11.6x	16.9x	14.6x	12.6x
Check Point Software Technologies Ltd.	IL	14,212	-1,586	12,613	6.8x	6.6x	7.0x	13.7x	13.6x	13.5x	14.3x	13.9x	14.1x
Cisco Systems, Inc.	US	174,599	-11,568	163,136	3.6x	3.6x	3.5x	9.7x	9.9x	9.6x	10.8x	10.9x	10.5x
Citrix Systems, Inc.	US	15,848	1,303	17,162	5.9x	5.7x	5.2x	17.5x	17.0x	14.9x	20.8x	19.3x	16.6x
F5 Networks, Inc.	US	7,889	-17	7,872	3.7x	3.5x	3.4x	10.9x	10.0x	10.0x	12.3x	11.4x	10.7x
Juniper Networks, Inc.	US	7,128	-56	7,071	1.8x	1.7x	1.7x	8.8x	8.3x	7.7x	11.6x	10.4x	9.7x
Micro Focus International plc	GB	1,582	3,925	5,374	1.9x	2.0x	2.1x	5.3x	5.5x	5.4x	5.9x	6.1x	5.9x
Softcat plc	GB	2,664	-50	2,617	1.9x	1.8x	1.6x	24.9x	23.5x	21.8x	25.5x	23.7x	22.1x
VMware, Inc.	US	53,333	3,380	56,772	6.2x	5.4x	4.9x	16.0x	15.3x	13.6x	18.8x	19.7x	16.4x
<b>Mean</b>		<b>30,684.4</b>	<b>-570.5</b>	<b>30,116.2</b>	<b>4.4</b>	<b>4.1</b>	<b>3.9</b>	<b>13.6</b>	<b>12.9</b>	<b>11.9</b>	<b>15.5</b>	<b>14.7</b>	<b>13.4</b>
<b>Median</b>		<b>14,410.7</b>	<b>-33.4</b>	<b>12,622.3</b>	<b>4.6</b>	<b>4.4</b>	<b>4.1</b>	<b>13.4</b>	<b>12.8</b>	<b>11.3</b>	<b>15.6</b>	<b>14.2</b>	<b>13.3</b>

# Valuations in the Infrastructure & Cloud Segment (II/II)

Selected publicly listed companies - key figures

Company	Country	Revenue (in EURm)			Revenue Growth			EBITDA-Margin			EBIT-Margin		
		2020E	2021E	2022E	2020E	2021E	2022E	2020E	2021E	2022E	2020E	2021E	2022E
Akamai Technologies, Inc.	US	2,850.3	3,038.1	3,241.6	10.5%	6.6%	6.7%	43.0%	43.6%	44.4%	30.0%	30.5%	31.5%
Arista Networks, Inc.	US	2,034.2	2,336.4	2,679.5	-5.3%	14.9%	14.7%	38.7%	39.0%	40.6%	36.8%	37.1%	37.6%
Check Point Software Technologies Ltd.	IL	1,847.8	1,901.5	1,793.3	4.0%	2.9%	-5.7%	49.6%	48.9%	52.0%	47.8%	47.6%	49.8%
Cisco Systems, Inc.	US	45,167.8	45,495.0	47,124.0	-3.1%	0.7%	3.6%	37.1%	36.1%	36.0%	33.5%	32.8%	33.1%
Citrix Systems, Inc.	US	2,914.5	3,006.6	3,272.7	8.9%	3.2%	8.9%	33.7%	33.5%	35.2%	28.4%	29.5%	31.5%
F5 Networks, Inc.	US	2,130.7	2,240.5	2,327.8	4.0%	5.2%	3.9%	33.8%	35.0%	33.7%	30.0%	30.8%	31.6%
Juniper Networks, Inc.	US	3,970.1	4,123.5	4,255.3	0.7%	3.9%	3.2%	20.2%	20.8%	21.6%	15.4%	16.5%	17.2%
Micro Focus International plc	GB	2,811.3	2,693.8	2,613.3	n.m.	n.m.	n.m.	35.9%	36.3%	38.3%	32.4%	32.8%	34.7%
Softcat plc	GB	1,348.9	1,479.5	1,632.3	7.2%	9.7%	10.3%	7.8%	7.5%	7.3%	7.6%	7.5%	7.2%
VMware, Inc.	US	9,128.8	10,449.2	11,693.7	17.7%	14.5%	11.9%	38.9%	35.6%	35.7%	33.0%	27.6%	29.5%
<b>Mean</b>		<b>7,420.4</b>	<b>7,676.4</b>	<b>8,063.4</b>	<b>5.0%</b>	<b>6.8%</b>	<b>6.4%</b>	<b>33.6%</b>	<b>33.3%</b>	<b>34.1%</b>	<b>29.2%</b>	<b>28.9%</b>	<b>29.9%</b>
<b>Median</b>		<b>2,830.8</b>	<b>2,850.2</b>	<b>2,960.6</b>	<b>4.0%</b>	<b>5.2%</b>	<b>6.7%</b>	<b>37.1%</b>	<b>35.6%</b>	<b>35.7%</b>	<b>30.0%</b>	<b>30.5%</b>	<b>31.5%</b>

# Valuations in the SaaS Segment (I/II)

Selected publicly listed companies - multipliers

Company	Country	Market Cap (EUR m)	Net Debt (EUR m)	EV (EUR m)	EV/Revenue			EV/EBITDA			EV/EBIT		
					2020E	2021E	2022E	2020E	2021E	2022E	2020E	2021E	2022E
Adobe Inc.	US	162,697	491	163,193	13.7x	11.8x	10.3x	29.7x	25.3x	21.8x	n.m.	n.m.	n.m.
Blackbaud, Inc.	US	2,359	567	2,931	3.6x	3.5x	n.a.	18.6x	18.6x	n.a.	n.m.	n.m.	n.m.
Box, Inc.	US	2,408	207	2,618	4.2x	3.7x	3.4x	50.1x	25.2x	19.5x	n.m.	n.m.	n.m.
DocuSign, Inc.	US	20,657	-7	20,650	23.7x	17.9x	14.1x	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Dropbox, Inc.	US	8,187	-15	8,171	4.7x	4.2x	3.8x	17.7x	14.7x	12.5x	n.m.	n.m.	n.m.
Envestnet, Inc.	US	3,357	572	3,932	4.5x	4.1x	3.7x	21.0x	18.2x	16.0x	n.m.	n.m.	n.m.
Guidewire Software, Inc.	US	7,216	-567	6,639	10.4x	9.3x	7.9x	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
LogMeIn, Inc.	US	3,800	108	3,909	3.2x	3.0x	n.a.	10.6x	9.6x	n.a.	n.m.	n.m.	n.m.
Proofpoint, Inc.	US	6,001	-119	5,881	6.3x	5.3x	4.5x	44.9x	30.3x	25.3x	n.m.	n.m.	n.m.
Pure Storage, Inc.	US	3,606	-633	2,962	2.0x	1.8x	1.6x	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
QAD Inc.	US	728	-94	631	2.3x	2.2x	2.0x	58.4x	50.0x	27.6x	n.m.	n.m.	n.m.
salesforce.com, inc.	US	142,380	-1,528	140,825	9.2x	7.4x	6.2x	31.8x	25.3x	21.5x	n.m.	n.m.	n.m.
Workday, Inc.	US	32,231	-338	31,887	9.8x	8.1x	6.9x	47.1x	34.6x	29.2x	n.m.	n.m.	n.m.
Zendesk, Inc.	US	7,967	118	8,086	8.7x	7.0x	5.6x	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Zuora, Inc.	US	1,152	-84	1,066	4.3x	3.9x	3.5x	n.a.	n.m.	n.m.	n.m.	n.m.	n.m.
<b>Mean</b>		<b>26,983.1</b>	<b>-88.3</b>	<b>26,892.2</b>	<b>7.4</b>	<b>6.2</b>	<b>5.6</b>	<b>33.0</b>	<b>25.2</b>	<b>21.7</b>	n.m.	n.m.	n.m.
<b>Median</b>		<b>6,001.3</b>	<b>-15.5</b>	<b>5,881.4</b>	<b>4.7</b>	<b>4.2</b>	<b>4.5</b>	<b>30.8</b>	<b>25.3</b>	<b>21.7</b>	n.m.	n.m.	n.m.



# Valuations in the SaaS Segment (II/II)

Selected publicly listed companies - key figures

Company	Country	Revenue (in EURm)			Revenue Growth			EBITDA-Margin			EBIT-Margin		
		2020E	2021E	2022E	2020E	2021E	2022E	2020E	2021E	2022E	2020E	2021E	2022E
Adobe Inc.	US	11,918.0	13,818.3	15,880.8	17.5%	15.9%	14.9%	46.1%	46.6%	47.1%	n.m.	n.m.	n.m.
Blackbaud, Inc.	US	819.8	834.2	n.a.	2.7%	1.7%	n.a.	19.2%	18.9%	n.a.	n.m.	n.m.	n.m.
Box, Inc.	US	626.1	700.5	771.5	17.8%	11.9%	10.1%	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
DocuSign, Inc.	US	870.8	1,156.8	1,464.2	43.6%	32.8%	26.6%	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Dropbox, Inc.	US	1,736.9	1,933.0	2,152.5	17.6%	11.3%	11.4%	26.6%	28.8%	30.5%	n.m.	n.m.	n.m.
Envestnet, Inc.	US	873.2	961.6	1,074.6	8.5%	10.1%	11.8%	21.4%	22.5%	22.9%	n.m.	n.m.	n.m.
Guidewire Software, Inc.	US	640.5	717.5	842.0	-0.5%	12.0%	17.4%	11.1%	16.2%	20.0%	n.m.	n.m.	n.m.
LogMeIn, Inc.	US	1,215.9	1,288.3	n.a.	8.4%	6.0%	n.a.	30.3%	31.8%	n.a.	n.m.	n.m.	n.m.
Proofpoint, Inc.	US	937.4	1,101.2	1,300.1	19.0%	17.5%	18.1%	14.0%	17.6%	17.9%	n.m.	n.m.	n.m.
Pure Storage, Inc.	US	1,479.4	1,611.1	1,890.8	22.7%	8.9%	17.4%	8.6%	3.1%	n.m.	n.m.	n.m.	n.m.
QAD Inc.	US	280.5	283.6	309.7	-3.2%	1.1%	9.2%	3.9%	4.4%	7.4%	n.m.	n.m.	n.m.
salesforce.com, inc.	US	15,337.2	19,044.2	22,665.2	32.7%	24.2%	19.0%	28.8%	29.2%	29.0%	n.m.	n.m.	n.m.
Workday, Inc.	US	3,261.6	3,913.5	4,610.3	32.9%	20.0%	17.8%	20.8%	23.6%	23.7%	n.m.	n.m.	n.m.
Zendesk, Inc.	US	926.0	1,156.9	1,454.3	27.6%	24.9%	25.7%	9.4%	11.4%	13.8%	n.m.	n.m.	n.m.
Zuora, Inc.	US	250.4	274.9	304.9	22.6%	9.8%	10.9%	-10.6%	-5.6%	3.9%	n.m.	n.m.	n.m.
<b>Mean</b>		<b>2,744.9</b>	<b>3,253.0</b>	<b>4,209.3</b>	<b>18.0%</b>	<b>13.9%</b>	<b>16.2%</b>	<b>17.7%</b>	<b>19.1%</b>	<b>21.6%</b>	n.m.	n.m.	n.m.
<b>Median</b>		<b>926.0</b>	<b>1,156.8</b>	<b>1,454.3</b>	<b>17.8%</b>	<b>11.9%</b>	<b>17.4%</b>	<b>19.2%</b>	<b>18.9%</b>	<b>21.5%</b>	n.m.	n.m.	n.m.

# Valuations in the Application Software Segment (I/II)

Selected publicly listed companies - multipliers

Company	Country	Market Cap (EUR m)	Net Debt (EUR m)	EV (EUR m)	EV/Revenue			EV/EBITDA			EV/EBIT		
					2020E	2021E	2022E	2020E	2021E	2022E	2020E	2021E	2022E
Adobe Inc.	US	162,697	491	163,193	13.7x	11.8x	10.3x	29.7x	25.3x	21.8x	33.3x	28.0x	24.0x
Amadeus IT Group, S.A.	ES	18,212	3,031	21,243	6.7x	4.3x	4.0x	24.4x	12.1x	10.3x	69.6x	19.8x	16.3x
ANSYS, Inc.	US	20,699	-154	20,544	14.1x	12.7x	11.4x	35.5x	29.6x	26.2x	34.4x	30.1x	26.3x
Automatic Data Processing, Inc.	US	53,797	688	54,490	4.1x	4.1x	3.9x	16.5x	16.8x	14.9x	18.6x	18.8x	16.6x
Constellation Software Inc.	CA	20,294	206	20,505	5.6x	4.8x	4.2x	21.0x	17.4x	15.4x	33.8x	27.8x	n.a.
Dassault Systèmes SE	FR	36,830	2,373	39,255	8.6x	7.8x	7.2x	27.4x	23.6x	20.5x	29.1x	25.0x	22.2x
Hexagon AB (publ)	SE	16,388	2,054	18,514	5.0x	4.7x	4.4x	16.0x	13.4x	12.6x	22.5x	18.1x	16.7x
Intuit Inc.	US	69,460	-1,364	68,073	10.1x	9.2x	8.4x	27.8x	25.0x	22.5x	31.5x	27.4x	24.8x
Microsoft Corporation	US	1,286,848	-48,791	1,237,644	9.5x	8.6x	7.7x	20.7x	19.0x	16.8x	25.7x	23.7x	20.8x
Open Text Corporation	CA	9,950	2,746	12,721	4.5x	4.2x	4.1x	12.6x	11.1x	10.5x	13.6x	11.5x	n.a.
Oracle Corporation	US	153,818	25,195	179,839	5.0x	5.0x	4.9x	10.7x	10.7x	10.2x	11.3x	11.2x	10.9x
Pegasystems Inc.	US	6,421	28	6,449	6.6x	5.6x	4.7x	n.m.	n.m.	n.a.	n.m.	n.m.	n.a.
PSI Software AG	DE	305	-21	284	1.3x	1.2x	1.1x	12.1x	9.3x	8.2x	20.4x	13.6x	11.6x
QAD Inc.	US	728	-94	631	2.3x	2.2x	2.0x	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
salesforce.com, inc.	US	142,380	-1,528	140,825	9.2x	7.4x	6.2x	31.8x	25.3x	21.5x	55.3x	41.4x	32.4x
SAP SE	DE	127,847	9,475	137,395	4.9x	4.5x	4.2x	13.8x	12.4x	11.3x	16.6x	14.7x	13.0x
Synopsys, Inc.	US	22,040	143	22,191	6.7x	6.2x	5.7x	22.3x	19.7x	18.0x	24.9x	21.8x	19.3x
Workday, Inc.	US	32,231	-338	31,887	9.8x	8.1x	6.9x	47.1x	34.6x	29.2x	n.m.	n.m.	n.m.
Zendesk, Inc.	US	7,967	118	8,086	8.7x	7.0x	5.6x	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
<b>Mean</b>		<b>115,206.0</b>	<b>-302.3</b>	<b>114,935.2</b>	<b>7.2</b>	<b>6.3</b>	<b>5.6</b>	<b>20.5</b>	<b>17.0</b>	<b>15.9</b>	<b>24.5</b>	<b>18.5</b>	<b>17.0</b>
<b>Median</b>		<b>22,040.2</b>	<b>142.7</b>	<b>22,190.8</b>	<b>6.7</b>	<b>5.6</b>	<b>4.9</b>	<b>20.9</b>	<b>17.1</b>	<b>15.4</b>	<b>23.7</b>	<b>19.3</b>	<b>16.7</b>

# Valuations in the Application Software Segment (II/II)

Selected publicly listed companies - key figures

Company	Country	Revenue (in EURm)			Revenue Growth			EBITDA-Margin			EBIT-Margin		
		2020E	2021E	2022E	2020E	2021E	2022E	2020E	2021E	2022E	2020E	2021E	2022E
Adobe Inc.	US	11,918.0	13,818.3	15,880.8	17.5%	15.9%	14.9%	46.1%	46.6%	47.1%	41.1%	42.1%	42.8%
Amadeus IT Group, S.A.	ES	3,189.1	4,920.7	5,371.7	-43.0%	54.3%	9.2%	27.3%	35.8%	38.5%	9.6%	21.8%	24.3%
ANSYS, Inc.	US	1,457.5	1,621.0	1,805.2	8.6%	11.2%	11.4%	39.7%	42.9%	43.4%	40.9%	42.1%	43.2%
Automatic Data Processing, Inc.	US	13,329.5	13,340.5	14,128.0	7.0%	0.1%	5.9%	24.7%	24.4%	26.0%	22.0%	21.7%	23.3%
Constellation Software Inc.	CA	3,656.8	4,301.4	4,830.5	17.6%	17.6%	12.3%	26.7%	27.3%	27.6%	16.6%	17.1%	n.a.
Dassault Systèmes SE	FR	4,562.9	5,055.8	5,479.0	12.3%	10.8%	8.4%	31.4%	32.9%	34.9%	29.5%	31.1%	32.3%
Hexagon AB (publ)	SE	3,667.6	3,976.2	4,186.2	-5.9%	8.4%	5.3%	31.5%	34.6%	35.2%	22.4%	25.7%	26.5%
Intuit Inc.	US	6,771.6	7,420.4	8,090.1	11.6%	9.6%	9.0%	36.2%	36.8%	37.4%	32.0%	33.5%	33.9%
Microsoft Corporation	US	130,147.3	143,661.3	160,547.4	18.6%	10.4%	11.8%	45.9%	45.3%	46.0%	37.1%	36.4%	37.1%
Open Text Corporation	CA	2,834.9	3,059.6	3,091.9	11.8%	7.9%	1.1%	35.5%	37.6%	39.3%	32.9%	36.0%	n.a.
Oracle Corporation	US	36,286.7	36,165.1	36,757.7	2.9%	-0.3%	1.6%	46.5%	46.7%	48.2%	43.8%	44.4%	45.0%
Pegasystems Inc.	US	976.4	1,153.1	1,360.4	18.5%	18.1%	18.0%	4.6%	6.3%	n.a.	-0.3%	3.0%	6.6%
PSI Software AG	DE	216.0	240.0	254.4	-1.5%	11.1%	6.0%	10.9%	12.7%	13.7%	6.4%	8.7%	9.7%
QAD Inc.	US	280.5	283.6	309.7	-3.2%	1.1%	9.2%	3.9%	4.4%	7.4%	1.7%	1.0%	4.0%
salesforce.com, inc.	US	15,337.2	19,044.2	22,665.2	32.7%	24.2%	19.0%	28.8%	29.2%	29.0%	16.6%	17.9%	19.2%
SAP SE	DE	28,284.5	30,256.9	32,843.1	2.4%	7.0%	8.5%	35.3%	36.7%	37.1%	29.2%	30.8%	32.2%
Synopsys, Inc.	US	3,323.0	3,600.7	3,868.0	10.3%	8.4%	7.4%	30.0%	31.3%	31.9%	26.8%	28.2%	29.7%
Workday, Inc.	US	3,261.6	3,913.5	4,610.3	32.9%	20.0%	17.8%	20.8%	23.6%	23.7%	13.2%	14.3%	16.3%
Zendesk, Inc.	US	926.0	1,156.9	1,454.3	27.6%	24.9%	25.7%	9.4%	11.4%	13.8%	4.6%	6.7%	10.5%
<b>Mean</b>		<b>14,233.0</b>	<b>15,631.0</b>	<b>17,238.6</b>	<b>9.4%</b>	<b>13.7%</b>	<b>10.7%</b>	<b>28.2%</b>	<b>29.8%</b>	<b>32.2%</b>	<b>22.4%</b>	<b>24.3%</b>	<b>25.7%</b>
<b>Median</b>		<b>3,656.8</b>	<b>4,301.4</b>	<b>4,830.5</b>	<b>11.6%</b>	<b>10.8%</b>	<b>9.2%</b>	<b>30.0%</b>	<b>32.9%</b>	<b>35.1%</b>	<b>22.4%</b>	<b>25.7%</b>	<b>26.5%</b>

# Valuations in the Software Development Segment (I/II)

Selected publicly listed companies - multipliers

Company	Country	Market Cap (EUR m)	Net Debt (EUR m)	EV (EUR m)	EV/Revenue			EV/EBITDA			EV/EBIT		
					2020E	2021E	2022E	2020E	2021E	2022E	2020E	2021E	2022E
Accenture plc	IE	112,682	-1,846	111,228	2.7x	2.6x	2.4x	15.4x	15.1x	14.1x	18.4x	17.4x	16.2x
Appian Corporation	US	3,285	-88	3,196	12.5x	11.0x	9.2x	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
CGI Inc.	CA	14,357	2,475	16,885	2.1x	2.0x	2.0x	10.9x	10.4x	10.1x	14.1x	13.3x	12.9x
Cognizant Technology Solutions Corp.	US	26,362	-804	25,552	1.7x	1.7x	1.6x	10.0x	8.5x	8.0x	12.1x	10.4x	9.5x
EPAM Systems, Inc.	US	11,332	-584	10,743	4.5x	3.7x	3.1x	25.4x	19.8x	15.9x	29.0x	22.3x	18.1x
Globant S.A.	LU	4,451	52	4,503	6.4x	5.3x	4.3x	35.6x	26.9x	21.8x	46.9x	34.1x	27.5x
HCL Technologies Limited	IN	17,051	-491	16,627	1.9x	1.9x	1.7x	8.4x	7.9x	7.2x	10.1x	9.9x	8.9x
Infosys Limited	IN	34,526	-2,277	32,292	2.9x	2.9x	2.6x	11.8x	12.0x	10.6x	13.4x	13.8x	12.1x
Neurones S.A.	FR	483	-187	326	0.7x	0.7x	0.6x	6.8x	n.a.	n.a.	9.0x	7.7x	6.9x
Progress Software Corporation	US	1,528	135	1,664	4.2x	4.2x	4.1x	8.9x	8.7x	9.6x	10.6x	10.5x	10.4x
<b>Mean</b>		<b>22,605.7</b>	<b>-361.5</b>	<b>22,301.7</b>	<b>4.0</b>	<b>3.6</b>	<b>3.2</b>	<b>14.8</b>	<b>13.7</b>	<b>12.2</b>	<b>18.2</b>	<b>15.5</b>	<b>13.6</b>
<b>Median</b>		<b>12,844.3</b>	<b>-338.9</b>	<b>13,685.2</b>	<b>2.8</b>	<b>2.7</b>	<b>2.5</b>	<b>10.9</b>	<b>11.2</b>	<b>10.4</b>	<b>13.4</b>	<b>13.3</b>	<b>12.1</b>

# Valuations in the Software Development Segment (II/II)

Selected publicly listed companies - key figures

Company	Country	Revenue (in EURm)			Revenue Growth			EBITDA-Margin			EBIT-Margin		
		2020E	2021E	2022E	2020E	2021E	2022E	2020E	2021E	2022E	2020E	2021E	2022E
Accenture plc	IE	40,765.9	42,809.5	45,617.4	3.8%	5.0%	6.6%	17.7%	17.2%	17.3%	14.8%	14.9%	15.1%
Appian Corporation	US	256.0	290.4	345.6	8.1%	13.5%	19.0%	-14.5%	-9.9%	-3.8%	-17.0%	-12.3%	-5.8%
CGI Inc.	CA	7,938.3	8,293.9	8,497.8	-5.6%	4.5%	2.5%	19.4%	19.6%	19.7%	15.1%	15.2%	15.4%
Cognizant Technology Solutions Corp.	US	14,781.0	15,475.8	16,320.1	-0.8%	4.7%	5.5%	17.3%	19.3%	19.7%	14.3%	15.8%	16.4%
EPAM Systems, Inc.	US	2,362.7	2,895.2	3,493.4	16.3%	22.5%	20.7%	17.9%	18.7%	19.3%	15.7%	16.6%	17.0%
Globant S.A.	LU	698.3	847.3	1,046.1	19.1%	21.3%	23.5%	18.1%	19.7%	19.8%	13.8%	15.6%	15.7%
HCL Technologies Limited	IN	8,572.6	8,912.9	9,652.0	10.4%	4.0%	8.3%	23.1%	23.6%	23.8%	19.2%	18.8%	19.4%
Infosys Limited	IN	11,146.1	11,266.0	12,318.6	5.0%	1.1%	9.3%	24.6%	24.0%	24.7%	21.6%	20.7%	21.6%
Neurones S.A.	FR	470.6	484.9	516.4	-7.4%	3.0%	6.5%	10.3%	n.a.	n.a.	7.7%	8.7%	9.1%
Progress Software Corporation	US	397.7	396.2	401.3	2.7%	-0.4%	1.3%	47.3%	48.1%	43.0%	39.7%	40.2%	40.0%
<b>Mean</b>		<b>8,738.9</b>	<b>9,167.2</b>	<b>9,820.9</b>	<b>5.1%</b>	<b>7.9%</b>	<b>10.3%</b>	<b>18.1%</b>	<b>20.0%</b>	<b>20.4%</b>	<b>14.5%</b>	<b>15.4%</b>	<b>16.4%</b>
<b>Median</b>		<b>5,150.5</b>	<b>5,594.5</b>	<b>5,995.6</b>	<b>4.4%</b>	<b>4.6%</b>	<b>7.4%</b>	<b>18.0%</b>	<b>19.6%</b>	<b>19.7%</b>	<b>14.9%</b>	<b>15.7%</b>	<b>16.0%</b>

# Valuations in the IT Service Segment (I/II)

Selected publicly listed companies - multipliers

Company	Country	Market Cap (EUR m)	Net Debt (EUR m)	EV (EUR m)	EV/Revenue			EV/EBITDA			EV/EBIT		
					2020E	2021E	2022E	2020E	2021E	2022E	2020E	2021E	2022E
Accenture plc	IE	112,682	-1,846	111,228	2.7x	2.6x	2.4x	15.4x	15.1x	14.1x	18.4x	17.4x	16.2x
adesso SE	DE	338	84	422	0.9x	0.8x	0.7x	8.9x	7.4x	6.7x	17.6x	12.4x	10.7x
Allgeier SE	DE	324	164	511	0.6x	0.6x	0.5x	6.4x	5.6x	4.2x	11.2x	8.7x	6.1x
Atos SE	FR	7,096	3,009	10,117	0.9x	0.9x	0.9x	6.4x	6.0x	5.6x	10.8x	10.1x	9.0x
Bechtle AG	DE	6,350	147	6,498	1.1x	1.1x	1.0x	19.0x	17.5x	16.1x	25.4x	22.4x	20.2x
Cancom SE	DE	2,062	-269	1,794	1.1x	1.0x	0.9x	13.2x	11.7x	10.4x	21.3x	16.8x	14.7x
Capgemini SE	FR	14,572	1,633	16,200	1.0x	0.9x	0.9x	7.2x	6.4x	5.8x	9.5x	8.3x	7.4x
CGI Inc.	CA	14,357	2,475	16,885	2.1x	2.0x	2.0x	10.9x	10.4x	10.1x	14.1x	13.3x	12.9x
Cognizant Technology Solutions Corp.	US	26,362	-804	25,552	1.7x	1.7x	1.6x	10.0x	8.5x	8.0x	12.1x	10.4x	9.5x
Computacenter plc	GB	2,004	-24	1,981	0.3x	0.3x	0.3x	8.5x	8.4x	8.2x	12.2x	11.6x	11.4x
DATAGROUP SE	DE	449	80	529	1.4x	1.3x	1.2x	10.4x	8.6x	8.0x	25.0x	16.5x	14.5x
Devoteam SA	FR	573	-3	585	0.8x	0.7x	0.7x	7.5x	6.0x	5.6x	10.1x	7.7x	7.0x
DXC Technology Company	US	3,895	7,067	11,497	0.6x	0.7x	0.7x	3.8x	4.2x	3.7x	5.9x	6.5x	5.9x
Indra Sistemas, S.A.	ES	1,256	633	1,913	0.6x	0.6x	0.6x	6.2x	5.3x	4.9x	10.8x	8.2x	7.3x
Infosys Limited	IN	34,526	-2,277	32,292	2.9x	2.9x	2.6x	11.8x	12.0x	10.6x	13.4x	13.8x	12.1x
International Business Machines Corp.	US	99,049	52,405	152,016	2.3x	2.2x	2.2x	9.7x	8.8x	9.1x	14.9x	12.7x	12.5x
NTT DATA Corporation	JP	13,915	4,572	18,943	1.0x	1.0x	0.9x	7.2x	6.9x	6.1x	15.3x	14.3x	12.5x
Sopra Steria Group SA	FR	2,082	856	2,987	0.7x	0.7x	0.6x	7.0x	6.0x	5.3x	10.8x	8.9x	7.8x
Tata Consultancy Services Limited	IN	88,655	-3,517	85,201	4.5x	4.4x	4.1x	16.7x	16.9x	15.0x	18.2x	18.4x	16.4x
Wipro Limited	IN	12,723	-2,866	9,861	1.3x	1.3x	1.3x	6.5x	7.0x	6.6x	7.8x	8.5x	8.0x
<b>Mean</b>		<b>22,163.5</b>	<b>3,076.1</b>	<b>25,350.6</b>	<b>1.4</b>	<b>1.4</b>	<b>1.3</b>	<b>9.6</b>	<b>8.9</b>	<b>8.2</b>	<b>14.2</b>	<b>12.4</b>	<b>11.1</b>
<b>Median</b>		<b>6,723.0</b>	<b>115.6</b>	<b>9,988.5</b>	<b>1.0</b>	<b>1.0</b>	<b>0.9</b>	<b>8.7</b>	<b>7.9</b>	<b>7.3</b>	<b>12.8</b>	<b>12.0</b>	<b>11.0</b>

# Valuations in the IT Service Segment (II/II)

Selected publicly listed companies - key figures

Company	Country	Revenue (in EURm)			Revenue Growth			EBITDA-Margin			EBIT-Margin		
		2020E	2021E	2022E	2020E	2021E	2022E	2020E	2021E	2022E	2020E	2021E	2022E
Accenture plc	IE	40,765.9	42,809.5	45,617.4	3.8%	5.0%	6.6%	17.7%	17.2%	17.3%	14.8%	14.9%	15.1%
adesso SE	DE	477.4	535.2	586.2	6.3%	12.1%	9.5%	10.0%	10.7%	10.7%	5.0%	6.4%	6.8%
Allgeier SE	DE	815.9	870.9	932.5	4.3%	6.7%	7.1%	9.8%	10.6%	12.9%	5.6%	6.7%	9.0%
Atos SE	FR	11,311.2	11,435.0	11,660.5	-2.2%	1.1%	2.0%	14.0%	14.8%	15.4%	8.3%	8.8%	9.6%
Bechtle AG	DE	5,717.4	6,182.7	6,748.5	8.9%	8.1%	9.2%	6.0%	6.0%	6.0%	4.5%	4.7%	4.8%
Cancom SE	DE	1,692.8	1,858.5	2,051.1	7.4%	9.8%	10.4%	8.0%	8.2%	8.4%	5.0%	5.7%	6.0%
Capgemini SE	FR	15,779.7	17,208.8	18,000.3	11.6%	9.1%	4.6%	14.3%	14.7%	15.5%	10.8%	11.3%	12.1%
CGI Inc.	CA	7,938.3	8,293.9	8,497.8	-5.6%	4.5%	2.5%	19.4%	19.6%	19.7%	15.1%	15.2%	15.4%
Cognizant Technology Solutions Corp.	US	14,781.0	15,475.8	16,320.1	-0.8%	4.7%	5.5%	17.3%	19.3%	19.7%	14.3%	15.8%	16.4%
Computacenter plc	GB	5,670.8	5,766.5	5,904.0	-6.2%	1.7%	2.4%	4.1%	4.1%	4.1%	2.9%	3.0%	3.0%
DATAGROUP SE	DE	372.0	411.6	434.0	24.9%	10.6%	5.4%	13.7%	15.0%	15.2%	5.7%	7.8%	8.4%
Devoteam SA	FR	737.6	786.5	833.0	-3.3%	6.6%	5.9%	10.6%	12.3%	12.5%	7.8%	9.6%	10.0%
DXC Technology Company	US	17,872.7	17,041.7	17,432.3	-3.5%	-4.6%	2.3%	17.1%	16.0%	17.8%	11.0%	10.4%	11.3%
Indra Sistemas, S.A.	ES	3,195.2	3,293.8	3,443.3	-1.2%	3.1%	4.5%	9.7%	11.0%	11.3%	5.6%	7.1%	7.6%
Infosys Limited	IN	11,146.1	11,266.0	12,318.6	5.0%	1.1%	9.3%	24.6%	24.0%	24.7%	21.6%	20.7%	21.6%
International Business Machines Corp.	US	67,492.4	69,372.8	69,434.7	-1.7%	2.8%	0.1%	23.3%	24.9%	24.0%	15.1%	17.2%	17.5%
NTT DATA Corporation	JP	19,208.9	19,633.5	20,358.7	12.2%	2.2%	3.7%	13.7%	13.9%	15.1%	6.4%	6.7%	7.5%
Sopra Steria Group SA	FR	4,319.6	4,466.6	4,630.7	-3.2%	3.4%	3.7%	9.9%	11.1%	12.1%	6.4%	7.5%	8.3%
Tata Consultancy Services Limited	IN	19,126.2	19,225.5	20,987.8	1.5%	0.5%	9.2%	26.6%	26.3%	27.0%	24.5%	24.0%	24.8%
Wipro Limited	IN	7,387.8	7,356.6	7,710.5	-2.2%	-0.4%	4.8%	20.4%	19.3%	19.5%	17.1%	15.7%	16.0%
<b>Mean</b>		<b>12,790.4</b>	<b>13,164.6</b>	<b>13,695.1</b>	<b>2.8%</b>	<b>4.4%</b>	<b>5.4%</b>	<b>14.5%</b>	<b>15.0%</b>	<b>15.5%</b>	<b>10.4%</b>	<b>11.0%</b>	<b>11.6%</b>
<b>Median</b>		<b>7,663.1</b>	<b>7,825.2</b>	<b>8,104.2</b>	<b>0.3%</b>	<b>3.9%</b>	<b>5.1%</b>	<b>13.9%</b>	<b>14.8%</b>	<b>15.3%</b>	<b>8.1%</b>	<b>9.2%</b>	<b>9.8%</b>

# Valuations in the Conglomerates Segment (I/II)

Selected publicly listed companies - multipliers

Company	Country	Market Cap (EUR m)	Net Debt (EUR m)	EV (EUR m)	EV/Revenue			EV/EBITDA			EV/EBIT		
					2020E	2021E	2022E	2020E	2021E	2022E	2020E	2021E	2022E
Adobe Inc.	US	162,626	491	163,125	16.1x	13.6x	11.7x	35.7x	29.5x	25.1x	40.4x	33.1x	27.8x
Alphabet Inc.	US	866,086	-91,387	773,293	5.3x	4.9x	4.1x	14.7x	14.6x	11.8x	25.0x	26.1x	19.8x
Cisco Systems, Inc.	US	173,475	-11,568	161,934	3.5x	3.6x	3.5x	9.7x	9.6x	9.8x	10.9x	10.6x	10.8x
Facebook, Inc.	US	555,157	-45,022	509,442	8.1x	7.2x	5.7x	14.4x	14.8x	11.4x	19.8x	22.0x	16.4x
Intel Corporation	US	228,004	17,241	245,667	3.9x	3.6x	3.6x	8.7x	8.0x	7.9x	12.0x	11.0x	11.2x
International Business Machines Corp.	US	95,972	52,405	149,302	2.2x	2.2x	2.1x	9.2x	9.4x	8.6x	13.5x	14.5x	12.4x
Microsoft Corporation	US	1,283,420	-48,791	1,233,878	11.2x	9.4x	8.5x	26.2x	20.5x	18.8x	33.6x	25.4x	23.4x
Oracle Corporation	US	154,204	25,195	180,403	5.1x	4.9x	4.9x	11.1x	10.6x	10.6x	11.7x	11.3x	11.2x
salesforce.com, inc.	US	142,385	-1,528	140,820	12.2x	9.2x	7.3x	50.4x	31.8x	25.1x	71.8x	55.3x	41.0x
SAP SE	DE	123,536	9,475	133,084	4.8x	4.7x	4.4x	13.4x	13.3x	12.0x	16.2x	16.1x	14.3x
<b>Mean</b>		<b>380,482.2</b>	<b>-9,349.0</b>	<b>371,161.2</b>	<b>6.4</b>	<b>5.7</b>	<b>5.1</b>	<b>16.4</b>	<b>14.3</b>	<b>12.7</b>	<b>22.8</b>	<b>19.1</b>	<b>16.5</b>
<b>Median</b>		<b>168,648.0</b>	<b>-518.5</b>	<b>171,515.9</b>	<b>5.0</b>	<b>4.8</b>	<b>4.5</b>	<b>14.3</b>	<b>11.7</b>	<b>10.2</b>	<b>19.4</b>	<b>15.7</b>	<b>13.3</b>



# Valuations in the Conglomerates Segment (II/II)

Selected publicly listed companies - key figures

Company	Country	Revenue (in EURm)			Revenue Growth			EBITDA-Margin			EBIT-Margin		
		2020E	2021E	2022E	2020E	2021E	2022E	2020E	2021E	2022E	2020E	2021E	2022E
Adobe Inc.	US	11,880.4	13,774.7	15,830.6	17.2%	15.9%	14.9%	46.1%	46.6%	47.1%	41.1%	42.1%	42.8%
Alphabet Inc.	US	154,718.4	185,563.4	215,613.0	6.7%	19.9%	16.2%	33.8%	35.1%	34.8%	19.0%	20.8%	20.8%
Cisco Systems, Inc.	US	45,025.1	45,351.2	46,975.1	-3.4%	0.7%	3.6%	37.1%	36.1%	36.0%	33.5%	32.8%	33.1%
Facebook, Inc.	US	70,462.8	87,982.3	104,668.2	12.2%	24.9%	19.0%	48.3%	50.4%	52.1%	32.6%	35.0%	35.7%
Intel Corporation	US	67,397.7	67,762.3	71,510.6	6.5%	0.5%	5.5%	45.2%	45.2%	47.4%	32.9%	32.0%	33.0%
International Business Machines Corp.	US	67,279.1	69,153.5	69,215.3	-2.0%	2.8%	0.1%	23.3%	24.9%	24.0%	15.1%	17.2%	17.5%
Microsoft Corporation	US	129,736.0	143,207.3	160,040.1	18.2%	10.4%	11.8%	45.9%	45.3%	46.0%	37.1%	36.4%	37.1%
Oracle Corporation	US	36,172.1	36,050.8	36,641.6	2.6%	-0.3%	1.6%	46.5%	46.7%	48.2%	43.8%	44.4%	45.0%
salesforce.com, inc.	US	15,337.2	18,981.6	22,612.7	32.7%	23.8%	19.1%	28.8%	29.2%	28.9%	16.6%	17.8%	19.1%
SAP SE	DE	28,284.5	30,256.9	32,843.1	2.4%	7.0%	8.5%	35.3%	36.7%	37.1%	29.2%	30.8%	32.2%
<b>Mean</b>		<b>62,629.3</b>	<b>69,808.4</b>	<b>77,595.0</b>	<b>9.3%</b>	<b>10.6%</b>	<b>10.0%</b>	<b>39.0%</b>	<b>39.6%</b>	<b>40.2%</b>	<b>30.1%</b>	<b>30.9%</b>	<b>31.6%</b>
<b>Median</b>		<b>56,152.1</b>	<b>56,556.7</b>	<b>58,095.2</b>	<b>6.6%</b>	<b>8.7%</b>	<b>10.2%</b>	<b>41.2%</b>	<b>41.0%</b>	<b>41.5%</b>	<b>32.7%</b>	<b>32.4%</b>	<b>33.0%</b>

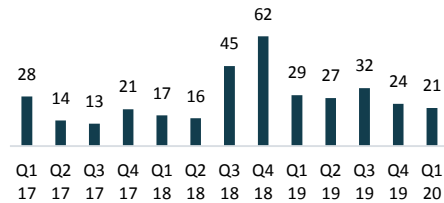
# Deal Dashboard

## Application and system software market

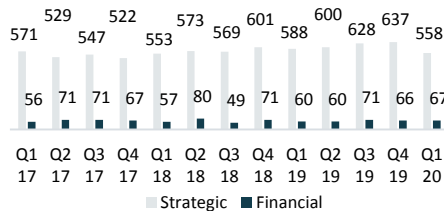
### Selected global transactions

Buyer	Target	Amount
Microsoft	affirmed	€1.2bn
intuit	ck	€6.6bn
salesforce	Vlocity	€1.2bn
INFOR		€12.0bn
accenture	MUDANO WASTE LESS. DO MORE.	n.a.
servicenow	PLAID	€54mn
VISA	PLAID	€4.9bn

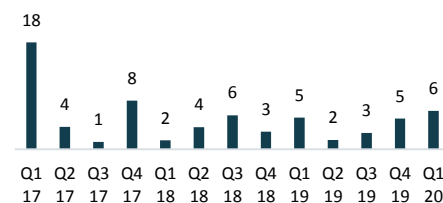
### Global M&A volume in EUR bn



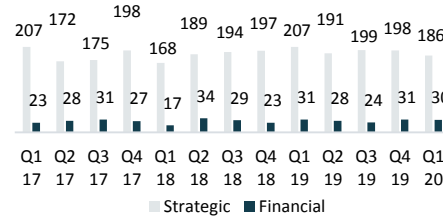
### Global M&A Deal Count



### Europe M&A volume in EUR bn



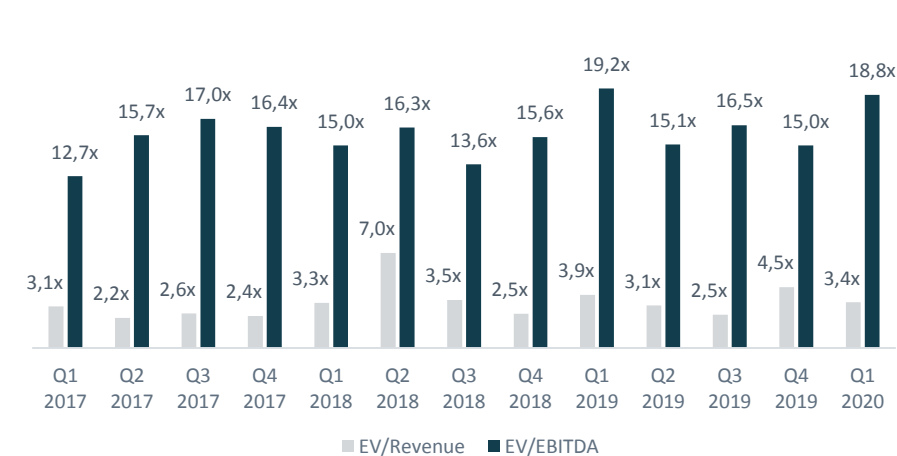
### Europe M&A deal count



### Selected European transactions

Buyer	Target	Amount
align	exocad	€376mn
KION GROUP	DAI	€120mn
Schneider Electric	RIB	€1.4bn
Atlas Copco	ISRA VISION	€1.1bn
TIGERGLOBAL	snyk	€135mn
INSIGHT PARTNERS	veeam	€4.5bn
Hg	P&I	€2.0bn

### Quarterly multiples between 2017 and Q1 2020



### Top 10 - Most active global buyers 2017 - Q1 2020

#### Deal Count




















THOMABRAVO	Thoma Bravo	26
MARLIN EQUITY PARTNERS	Marlin	12
cisco	Cisco	12
insight PARTNERS	Insight	11
VISTA EQUITY PARTNERS	Vista	11
vmware	Vmware	11
Hg	Hg	7
salesforce	salesforce	7
KKR	KKR	6
SYNOPSIS	Synopsys	6

#### Deal volume in EUR bn

IBM	IBM	31.7
BROADCOM	Broadcom	28.8
salesforce	Salesforce	28.6
THOMABRAVO	Thoma Bravo	16.7
intel	Intel	13.7
GIC	GIV	11.4
QIAE	Qatar Holding	11.1
VISTA EQUITY PARTNERS	Vista Equity Partners	10.8
HELLMAN & FRIEDMAN	Hellman & Friedman	10.5
Blackstone	Blackstone	9.7

# Selected Transactions (I/III)

Q1 2020 with a focus on European MidCap transactions

Date	Target company	Country	Buyer	Target Description	EV mEUR'	EV Revenue	EV EBITDA	EV EBIT
03.04.2020	 exocad GmbH	Germany	 Align Technology, Inc.	Provider of computer aided design or computer aided manufacturing software for the dental industry	376	na	na	na
13.03.2020	 Mercury Trade Finance Solutions Sl.	Spain	 Banco Santander, S.A.	Mercury Trade Finance Solutions Sl. operates as a subsidiary of Banco Santander, S.A.	20,0	na	na	na
11.03.2020	 iBlocks Limited	United Kingdom	 Tracsis plc	Developer of enterprise applications, including transit software.	24,0	na	na	na
10.03.2020	 Orbicule BV	Belgium	 Invitae Netherlands, B.V.	Developer of Moon, an artificial intelligence software that diagnoses genetic disorders.	83,9	na	na	na
06.03.2020	 Context	United Kingdom	 Accenture plc	Provider of cyber security consultancy and advisory services	123,1	na	na	na
06.03.2020	 Data Respons ASA	Norway	 AKKA Technologies SE	Provider of research and development services, and smart embedded solutions	78,9	na	na	na
03.03.2020	 Digital Applications International Limited	United Kingdom	 KION Group AG	Logistics software company	120	3,0x	na	na
28.02.2020	 CNL Software Ltd	United Kingdom	 Everbridge, Inc.	Developer of Physical Security Information Management (PSIM) software for the homeland defense sector	32,5	na	na	na
27.02.2020	 Seal Software Group Limited (93% Stake)	United Kingdom, USA	 DocuSign, Inc.	Provider of contract discovery, data extraction, and analytics software	na	na	na	na
24.02.2020	 Peoplevox Limited	United Kingdom	 The Descartes Systems Group Inc.	Provider of a software-based warehouse management system	22,5	na	na	na









# Selected Transactions (II/III)

Q1 2020 with a focus on European MidCap transactions

Date	Target company	Country	Buyer	Target Description	EV mEUR'	EV Revenue	EV EBITDA	EV EBIT
24.02.2020	<b>BEHAVOX</b> Behavox Limited	United Kingdom	SoftBank Vision Fund SoftBank Vision Fund L.P.	Provider of an enterprise platform that unifies all types of data into a single data lake	na	na	na	na
18.02.2020	 Wellbeing Software Group Ltd	United Kingdom	 <b>citadel group</b> The Citadel Group Limited	Provider of software solutions and services to hospitals	123,6	6,2x	15,8x	na
13.02.2020	 RIB Software SE	Germany	 Schneider Electric SE	Provider of technical Enterprise Resource Planning software solutions	1380,5	6,5x	27,6x	na
06.02.2020	 <b>LivingLens</b> Living Lens Enterprise Ltd	United Kingdom	<b>Medallia</b> Medallia, Inc.	Provider of video mining and analytics solutions	23,7	na	na	na
05.02.2020	 Funcom N.V. (71% Stake)	Netherlands,Norway	 Tencent Holdings Ltd.	Developer and publisher of computer and console games	147,4	na	na	na
05.02.2020	 Cerner Corporation (IT Healthcare business)	Germany	 <b>CGM</b> CompuGroup Medical CompuGroup Medical SE	Document archiving solution for healthcare providers	225,0	3,4x	19,1x	na
05.02.2020	 Engineering Ingegneria Informatica SpA	Italy	 Bain Capital, LP.	Computer engineering company	1600,0	1,2x	10,0x	na
27.01.2020	 Monsido ApS	Denmark	 Vaekstfonden; Level Equity Management, LLC	Provider of software solutions to scan websites and to improve user experience by reporting issues related to compliance, errors, dead links and breaches of current legislation	na	na	na	na
22.01.2020	 Ever Team Software SA	France	 KYOCERA Document Solutions Inc.	France-based company engaged in providing management solutions	41,0	na	na	na
17.01.2020	 Opportunity	France	 Omnes Capital	France-based developer of SaaS platform for customer interaction management	35,0	na	na	na

# Selected Transactions (III/III)

Q1 2020 with a focus on European MidCap transactions

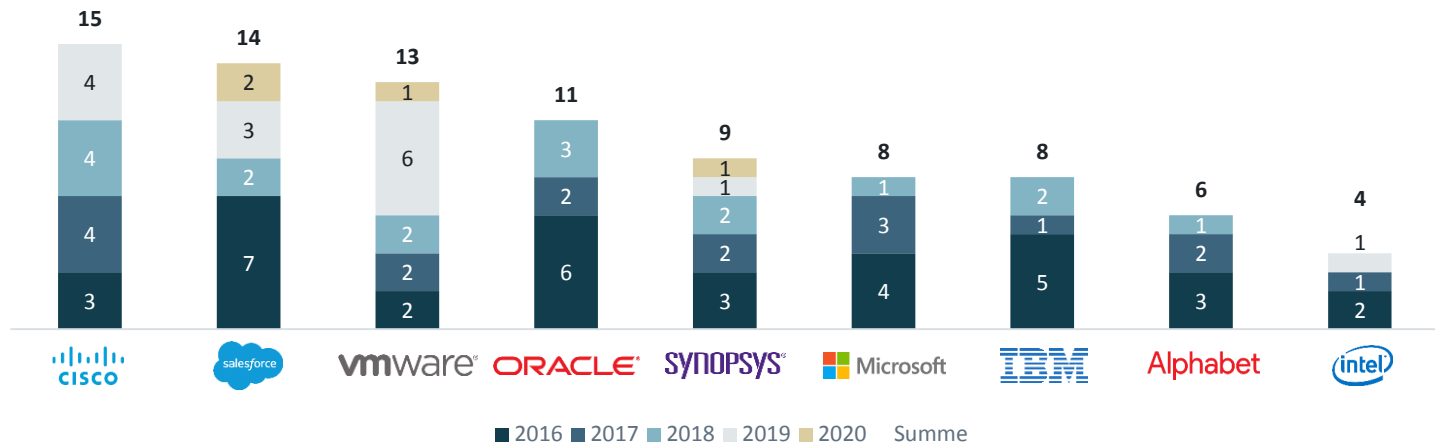
Date	Target company	Country	Buyer	Target Description	EV mEUR'	EV Revenue	EV EBITDA	EV EBIT
16.01.2020	 Arrow Business Communications Limited	United Kingdom	 MML Capital Partners LLP	UK-based company providing telecommunications solutions to businesses and corporate customers	128,9	na	na	na
16.01.2020	 Clustree	France	 Cornerstone OnDemand, Inc.	France-based HR SaaS Software company	16,6	na	na	na
07.01.2020	 Webbhalsa AB	Sweden	 Accel; Index Ventures; Creandum	Sweden-based developer of an app enabling video consultations with medical professionals	na	na	na	na
07.01.2020	 Gastrofix GmbH	Germany	 Lightspeed POS Inc.	Germany-based provider of cloud-based Point-of-Sales (POS) systems for the hospitality sector	106,7	9,5x	na	na

# Buyer Universe

Strategic & financial acquirers in the application and system software market

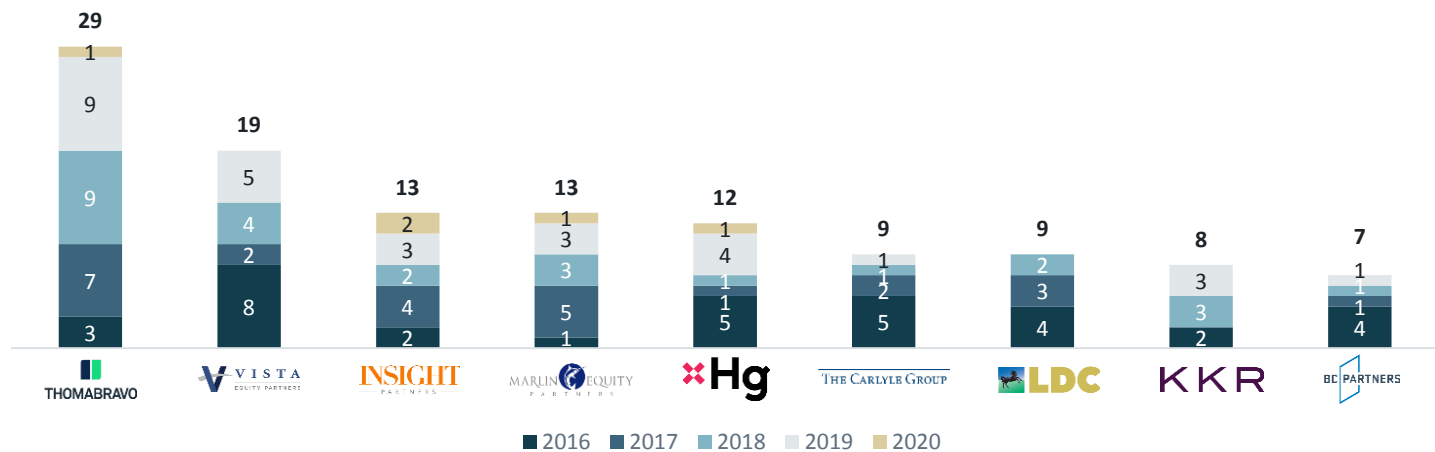
## Most active strategic buyers of targets in the software sector by deal count, 2016 – Q1 2020

- In total, the 9 most active strategic buyers have closed over **86 transactions** between 2016 and Q1 2020
- Cisco** accounted for most of the acquisitions in area of application and system software with 15 transactions
- In Q1 2020 **salesforce** was the most active strategic buyer with 2 transactions



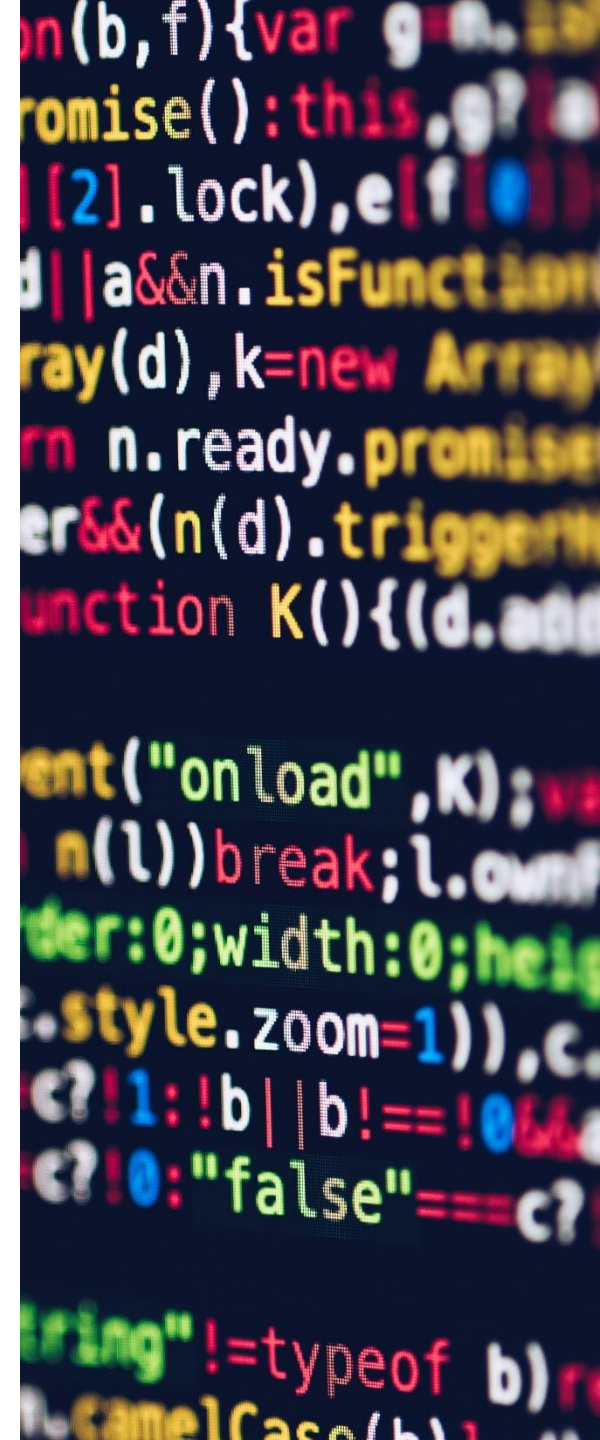
## Most active financial investors of targets in the software sector by deal count, 2016 – Q1 2020

- In total, the 9 most active financial investors have closed over **119 transactions** between 2016 and Q1 2020
- Thoma Bravo** accounted for most of the acquisitions in the area of application and system software with 29 transactions
- In Q1 2020 **Insight** was the most active financial investor with 2 transactions



# Agenda

1. Introduction & Executive Summary Page 3
2. Software Market Page 5
3. Valuation and M&A activity Page 10
- 4. Introduction to IMAP and relevant expertise Page 33**



# IMAP is specialized on mid-cap M&A transactions for privately owned companies

With over 200 transactions annually, we are one of the leading M&A advisors globally



**Global M&A-Organization**  
with 60 offices in **43 countries**



Successful **since 1993**  
in the Hungarian market



**c. 500 employees**  
thereof **12 in Hungary**



Managed by **partners with long-term experience**, who are only responsible to the customer



**Ø 220 transactions** per year  
thereof **c. 9-12 in Hungary**  
ca. **50% company sales**



**International sector teams**  
operating on a global **IT platform**



Transaction volume p.a. **c. 13 bn**  
- Ø deal value **c. 60 mn**



Among **Top 10** M&A firms  
in relevant industry rankings

**Our values:**

**Execution**



**Dedication**



**Informality**



**Talent**

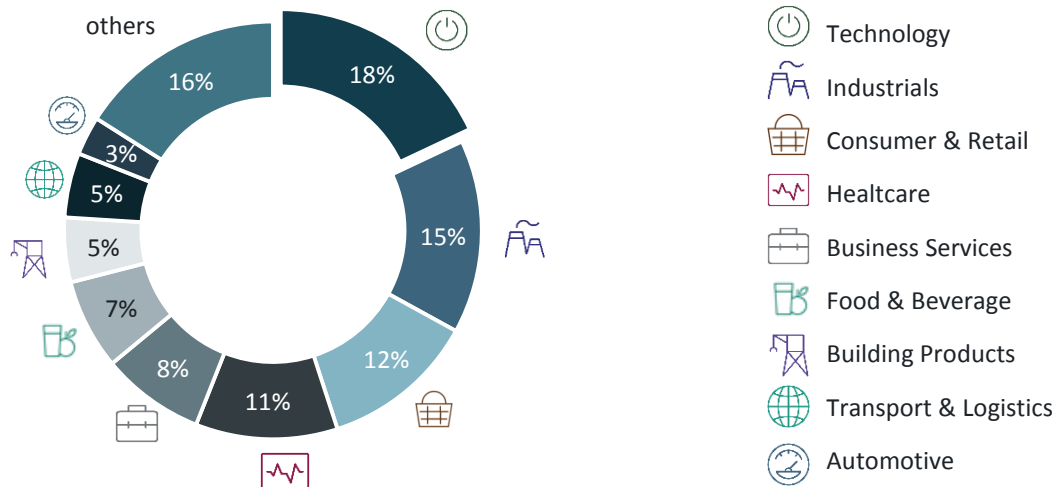




# IMAP International

Over 230 transactions with c. 500 professionals in 43 countries completed in 2019

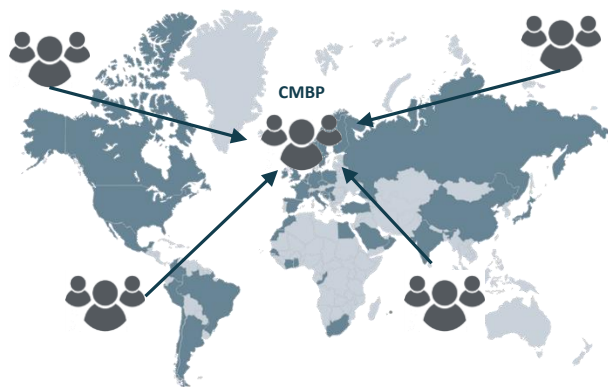
## Transactions by sectors (2019 - # Deals: 234)



## Global partnership

- Combining local knowledge and contacts in the most important international markets
- Standardized, IMAP-wide working routines regarding market developments and market opportunities
- Globally rotating IMAP conferences & symposia
- International sector- and project teams
- Resources and knowledge pool for all sector specific projects
- Access to all relevant national and international databases

## International Distribution



### Europe & Africa

- 24 offices in the EU
- 1 office each in UK, Turkey, Serbia and Bosnia and Herzegovina
- 9 offices in Africa
- over 280 M&A professionals

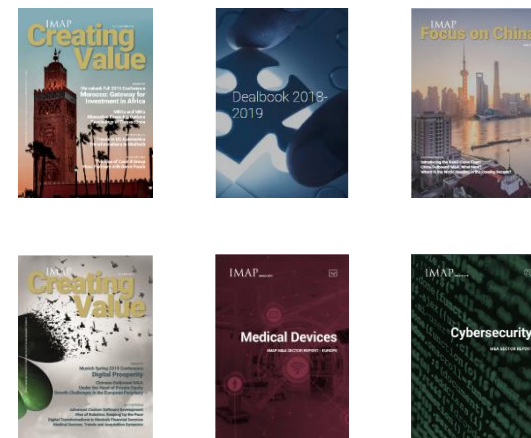
### North and South America

- 17 offices in USA, 2 offices in Canada
- 1 office each in Argentina, Brazil, Chile, Colombia, Mexico and Peru
- over 170 M&A professionals

### Asia

- 2 offices in Japan, 1 office each in China and India
- over 50 M&A professionals

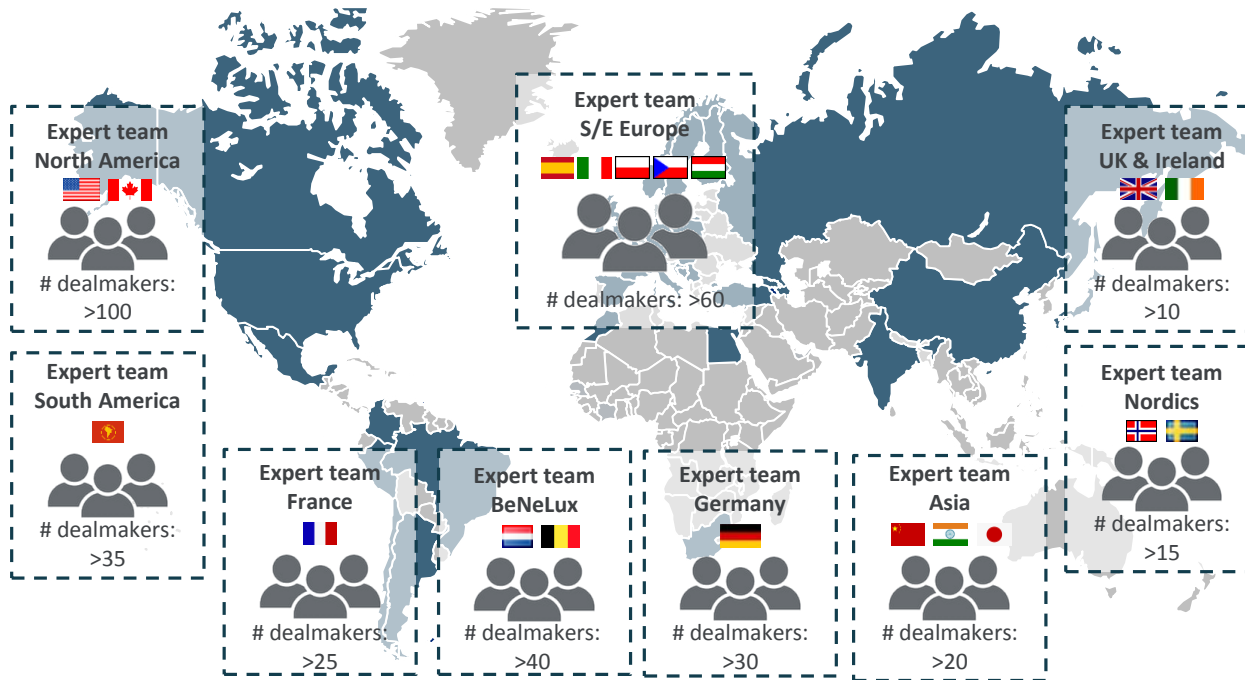
## Publications



# IMAP Global Technology Team

Globally active with experienced sector experts

## International sector cooperation



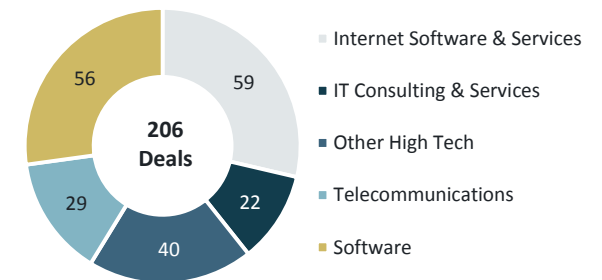
## IMAP Technology Deal Statistics

Ø approx. **20 deals p.a.**

Ø deal value approx. **EUR 69 mn**

**206 deals in the technology sector**  
since 2010

## Deal split by Technology sub-sector<sup>1</sup>



## IMAP South and Central Europe Technology Team



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# IMAP IT/Software Deals

Selected IMAP international deals 2019/2018

 Acquired 100%  Advisor to ITS Security	 Acquired 100%  Advisor to Maximum	ASSESSIO Acquired 100%  Advisor to HFM	 Acquired Majority Control  Advisor to Cedacri	PROVIDENCEEQUITY Strategic investment  Advisor to Chatmeter	 Acquired 100%  Advisor to EI Towers	 Acquired Investment Interest PROMEDICO Advisor to Promedico	 Acquired 100%  Advisor to Shoper
 Acquired a Majority Stake  Advisor to Highland	 Acquired 100%  Advisor to TSS	 Acquired 100%  Advisor to neuroio	 Acquired 50%  Advisor to Lomitel	 Acquired 100%  Advisor to Teletronika	 Acquired Minority Shares  Advisor to ArtOrigo	 Acquired 100%  Advisor to WinBooks	 Acquired 100%  Advisor to Omegatech
ARDIAN Acquired Majority Control  Advisor to Trustteam	 Acquired 100%  Advisor to Smulweb	 Acquired 100%  Advisor to APS	 Acquired 100%  Advisor to ISONAS	 Acquired 100%  Advisor to loopup	 Acquired Majority Control  Advisor to Milestone	 Acquired 100%  Advisor to dotpay	PERFORCE Acquired Majority Control  Advisor to PRQA
 Acquired 100%  Advisor to imagequix	 Acquired 100%  Advisor to Csolutor	HANOVER INVESTORS Other  Advisor to Escher	 Acquired 100%  Advisor to HPH	 Acquired 100%  Advisor to Goyello	 Acquired 100%  Advisor to plixer	 Acquired Majority Control  Advisor to Third Base	 Acquired 100%  Advisor to Ibcos

# CMBP IT/Software Deals

Selected Concorde MB Partners deals 2020/2018



Execution of  
management buy-out

Advisor to the Management



Acquired 100% of Business  
operations of



Advisor to WebSupport



Acquired 100% of Business  
Operations



Advisor to Hungaropharma



Execution of  
management buy-out

Advisor to the Management



Established a joint venture  
company for expanding in  
a new vertical

Advisor to Capture



Acquired minority share and  
raised capital in



Advisor to ArtOrigo

An international automotive  
solution provider company

Acquired 100% of Business  
operations of



Advisor to GPS Tuner



Acquired 100% of Business  
Operations of



Advisor to Hungaropharma

# Concorde MB Partners

## Contacts

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