

PRIVATE EQUITY INFORMATION INDUSTRY

Q3 2021 :: Mergers and Acquisitions Trend Report

Q3 2021 KEY HIGHLIGHTS

- The Information Industry's largest sponsored transaction in Q3 2021 occurred in the Healthcare vertical. Along these lines was Nordic Capital and Insight Venture Partners' announced acquisition of Inovalon, a provider of cloud-based platforms supporting data-driven healthcare, for \$7.3 billion.
- In the Education vertical, the most active overall acquirer through the 1st 3 Quarters of 2021, either directly or through an affiliated business, was Leeds Equity Partners with eight industry transactions. Four of these deals were focused on early childhood education, three were licensing and certification training companies focused on the financial sector, and one was a school that serves students in grades 6-12.

Q3 2021 KEY TRENDS

- Total transaction volume in the 1st 3 Quarters of 2021 increased by 33 percent over the 1st 3 Quarters of 2020, from 622 to 825.
- Total transaction value in the 1st 3 Quarters of 2021 more than doubled over the 1st 3 Quarters of 2020, from \$51.5 billion to \$127.2 billion.

MULTIPLES & VALUE TRENDS

- The median revenue multiple on a year-over-year basis rose by 38 percent, from 3.2x to 4.4x. Disclosed median enterprise value multiples from 2018 to 2021 on a 1st 3 Quarters basis were 3.3x revenue and 15.2x EBITDA.

M&A Market Dynamics

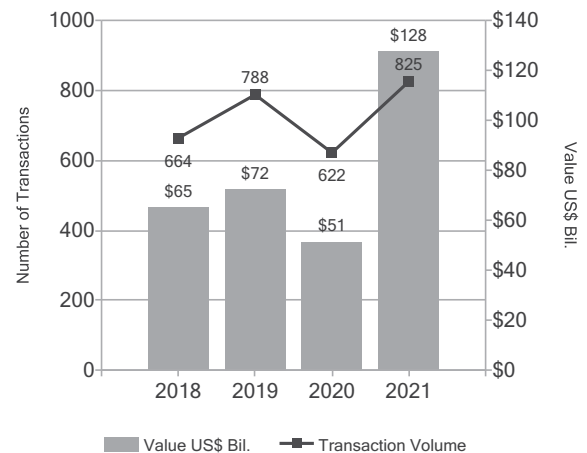


Figure 1. 1st 3 Quarters value and volume comparison from 2018 to 2021.

Median Enterprise Value Multiples

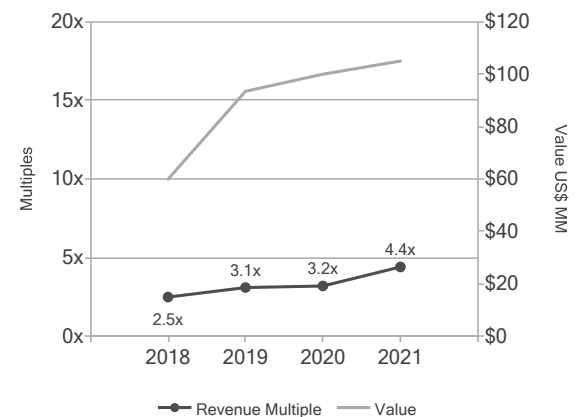


Figure 2. 1st 3 Quarters median value and revenue comparison from 2018 to 2021.

Top Ten Notable Transactions - 1st 3 Quarters 2021

Deal Date	Target Name	Buyer	Value MM US\$
04/26/21	Proofpoint, Inc.	Thoma Bravo, LLC	\$12,300
08/19/21	Inovalon, Inc.	Nordic Capital, Insight Venture Partners	\$7,307
06/15/21	McGraw-Hill	Platinum Equity, LLC	\$6,388
07/27/21	Medallia	Thoma Bravo, LLC	\$5,898
07/09/21	Stamps.com	Thoma Bravo, LLC	\$5,628
06/02/21	Cloudera, Inc.	Kohlberg Kravis Roberts, Clayton, Dubilier & Rice	\$5,300
05/03/21	Verizon Media	Apollo Global Management	\$5,000
04/21/21	Grupo Televisa, S.A.	Univision Communications Inc.	\$4,800
08/06/21	Cornerstone OnDemand, Inc.	Clearlake Capital Group, L.P.	\$4,784
08/31/21	BillDesk	PayU Group	\$4,700

2021 Aggregate Transaction Value \$127,722

Top 10 Aggregate Transaction Value \$62,105

Top 10 Aggregate Value as a Percentage of All Transactions 49 %

Figure 3. Lists the top ten transactions for the 1st 3 Quarters of 2021 and calculates their aggregate transaction value as a percentage of the total aggregate transaction value.

Note: Transaction data based on announced date.

TOP TEN DEALS THROUGH Q3 2021

The top ten deals by value have seen five new additions since our half year report, including two by Thoma Bravo: the acquisition of Medallia, an experience management company that leverages proprietary AI to help companies better understand their customers and employees, for \$5.9 billion; and Stamps.com, a provider of e-commerce shipping software solutions, for \$5.6 billion.

These five transactions, with an aggregate value of \$28.3 billion, represented 22 percent of transaction value in the 1st 3 Quarters of 2021 and 59 percent of Q3 2021 transaction value.

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RECENT FINANCIALLY SPONSORED TRANSACTIONS



HAS BEEN ACQUIRED BY



CLASS VALUATION

A PORTFOLIO COMPANY OF



HAS BEEN ACQUIRED BY

BACKSTAGE

A PORTFOLIO COMPANY OF



HAS BEEN ACQUIRED BY



FALFURRIAS CAPITAL



HAS RECEIVED A STRATEGIC INVESTMENT FROM



HAS BEEN ACQUIRED BY



CLASS VALUATION

A PORTFOLIO COMPANY OF



GeoData Plus

HAS BEEN ACQUIRED BY



A PORTFOLIO COMPANY OF



CLASS VALUATION

HAS BEEN ACQUIRED BY



A PORTFOLIO COMPANY OF



HAS ACQUIRED THE MARKET DATA REPORTING BUSINESS FROM



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