

**Europe TMT Market  
Update & Spotlight on  
Germany**

**December 2022**

New York // San Francisco // Berlin // Tel Aviv  
[digitalcapitaladvisors.com](https://digitalcapitaladvisors.com)

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## Executive Summary

- Broad economic challenges in Europe, such as inflation, supply chain disruptions, rising interest rates, energy prices and the war in Ukraine, have slowed M&A activity dramatically, although deal volume continues to linger above pre-pandemic levels. Germany remains particularly exposed to these factors when compared to the wider European region due to its heavy reliance on Russian energy.
- In Q3 2022, GDP growth across the Eurozone clocked in at 0.3%, a sharp decline from 2.3% a year prior, illuminating the economic challenges felt throughout Europe.
- EV/Revenue deal multiples for the TMT space in the region were tracking at 4.3x in Q3 2021 but have since been reduced to 2.3x in Q3 2022, as prospective sellers undergo significant valuation declines.
- Perpetuated by uncertainties around future economic performance and a decreased appetite for risk, the number of IPOs dropped 77% year-over-year in Q3 2022, driving market liquidity down and hampering dealmaking efforts across the region.
- Substantial stock price declines of TMT equities are pushing market capitalizations lower, limiting M&A as dealmakers remain cautious and financially constrained.
- Nearly 30% of consumers in Germany are spending more money than they earn, as inflation continues to tread on consumer purchasing power and corporate forecasts.
- Some dealmakers are optimistic in the near term as lower valuation expectations, an increased willingness to purchase and over \$1 trillion in dry powder held by financial buyers create opportunities for M&A across the sector.
- Digital Capital Advisors believes the European TMT M&A market will remain active but continue to experience headwinds for the foreseeable future.

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# Section I

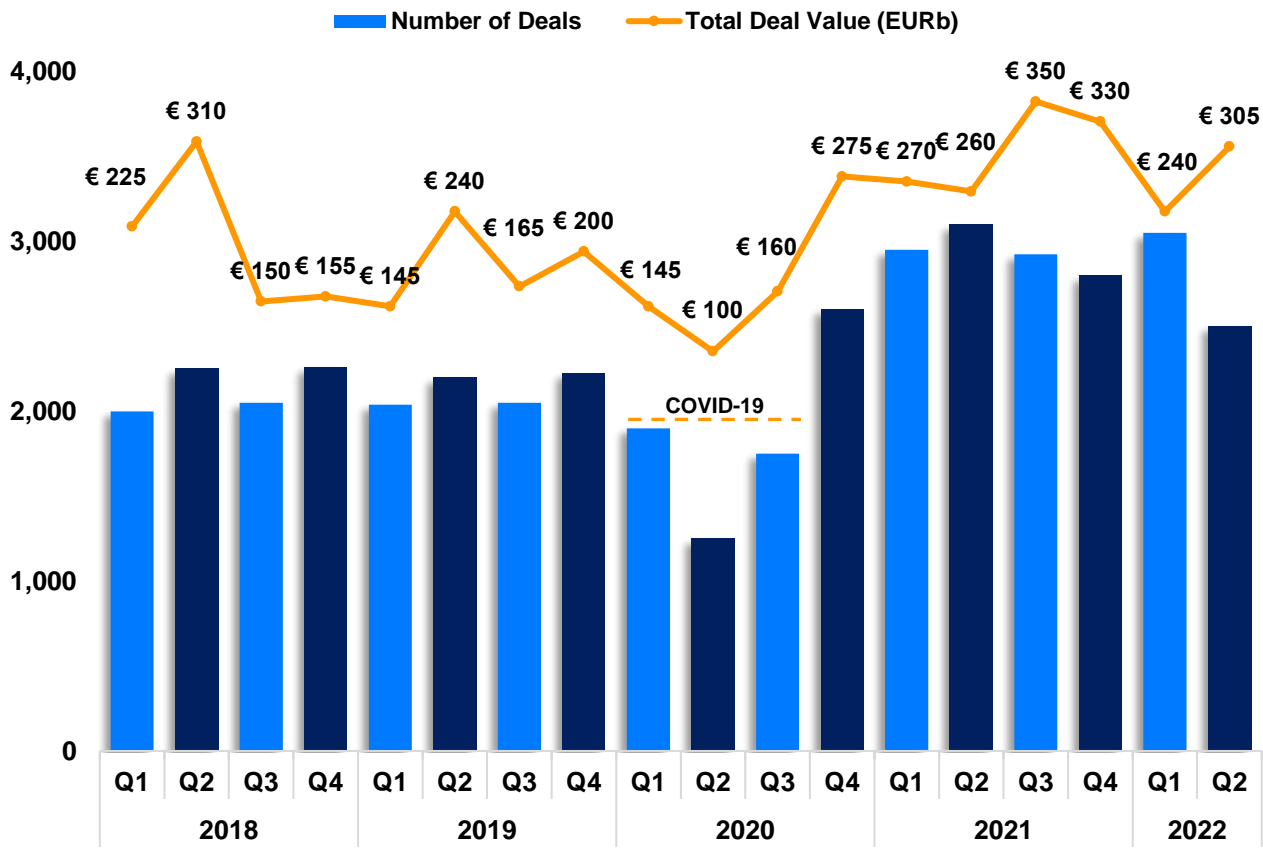
## European Market Overview



# Europe TMT Market Update

After a record-breaking year of dealmaking in 2021, European M&A declined 8% in the first half of 2022 but remains above pre-pandemic levels. While the appetite for M&A appears to be healthy amongst corporate and financial acquirers, rising market pressures will continue to suppress deal quantity and valuations.

European M&A: Q1'18 – Q2'22



DCA Commentary

- While it is increasingly likely that Europe will enter a recession, the duration and extent of it largely depends on Russia's readiness to supply Europe with natural gas, and the ability of Europeans to substitute other energy sources and reduce consumption, as well as the effect of temperatures in the region.
- Despite facing strong headwinds, 73% of corporate and financial experts expect European M&A activity to increase over the next 12 months as carve-outs and spin-offs ramp up.
- Private capital funds held over \$1.2T in dry powder at the end of Q3 2022, continuing to drive M&A as value investors search for ways to deploy capital.



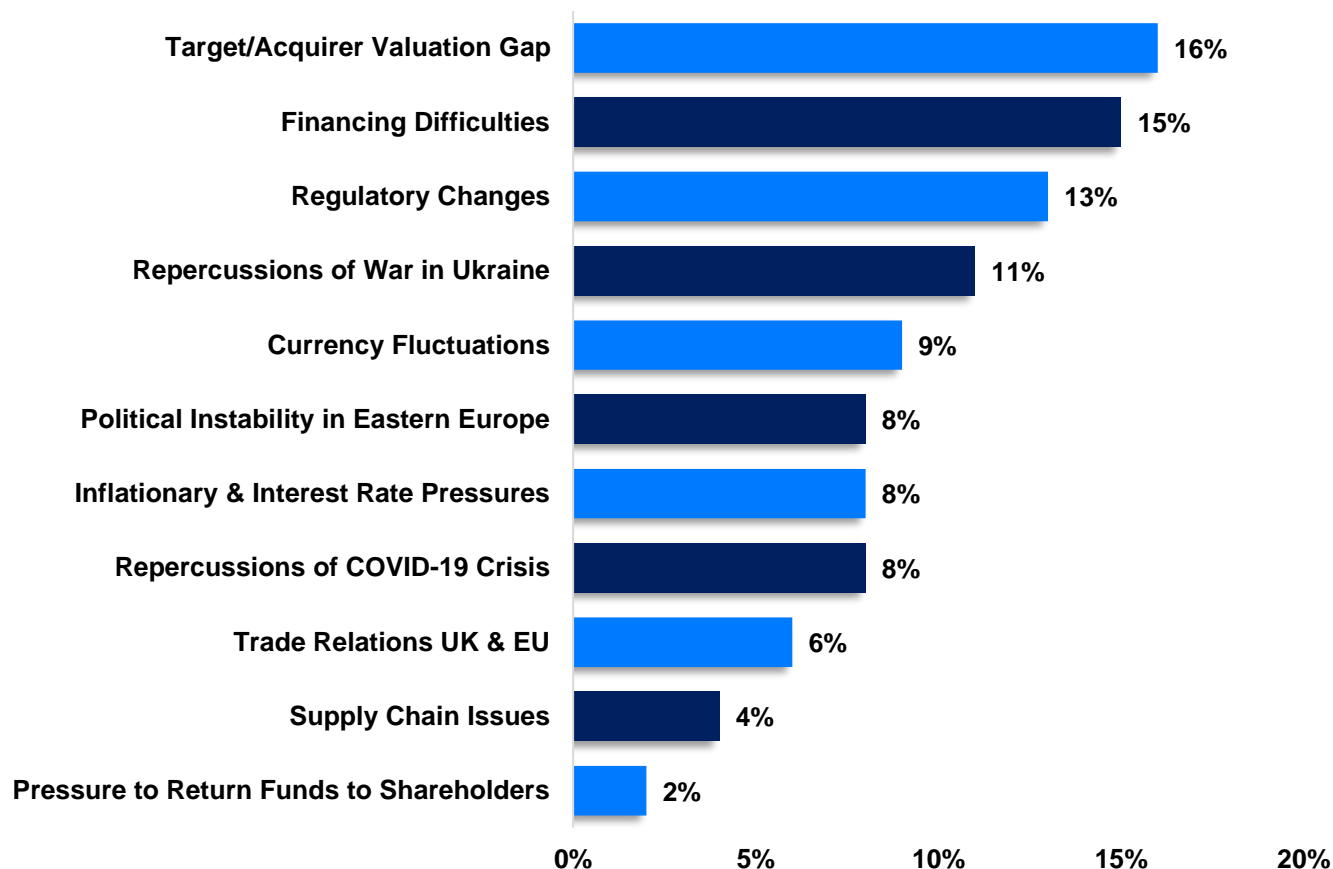
# Europe TMT Market Update (Cont'd)

As various scenarios unfold across Europe, the M&A environment is likely to remain challenging and volatile in the near term as the economy is impacted by elevated energy prices, rising interest rates, supply chain disruptions and the war in Ukraine.

## DCA Commentary

- Historically, periods of increased volatility can disrupt price expectations as sellers struggle to relinquish previous record-high valuations and buyers seek to acquire repriced assets.
- Despite the optimism for expected dealmaking, investors remain practical regarding the borrowing climate as the ECB and other central banks raise interest rates and reduce balance sheets.
- European governments are becoming increasingly interventionist during periods of economic downturns, enacting measures supportive of consumer spending but concurrently escalating debt levels more quickly than expected.
- Surging energy prices have diminished valuations, particularly amongst energy-intensive businesses and industries.

## Survey: Expected Principal Obstacles to M&A Activity in Europe Over the Next 12 Months



# European Market Backdrop

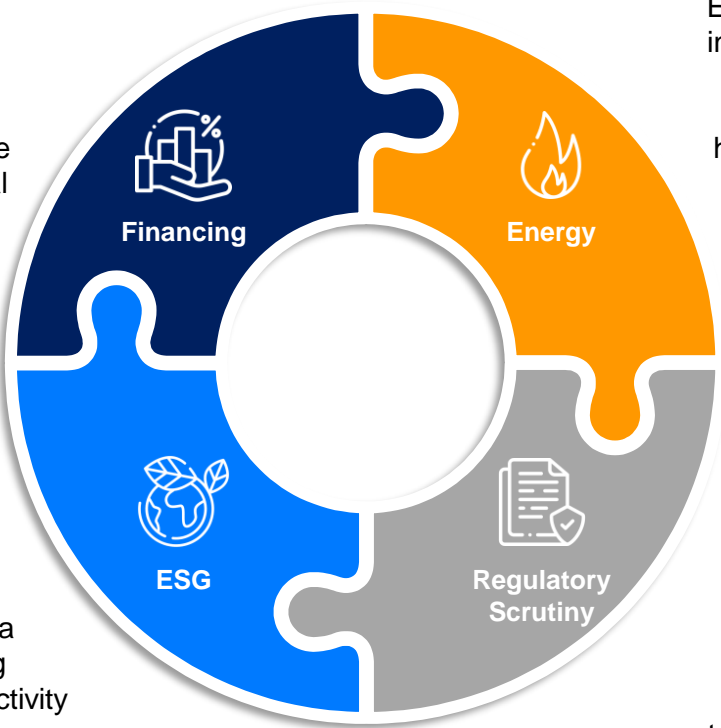
While the macroeconomic and geopolitical landscapes continue to deteriorate, dealmakers will be keeping a sharp eye on interest rates, energy prices, ESG and regulatory proceedings as deal activity and valuations decline.

## Financing

After a decade of record-low interest rates and soaring valuations, high inflation and rising rates have disrupted business valuations. In the short term, this disruption has caused acquisition financing to become more expensive and inflation to cut into real rates of return on investments.

## Energy

Europe remains highly exposed to fluctuations in energy prices due to its reliance on Russian energy, with the potential for energy markets to tighten even further. Rising energy costs have led to high inflation and low investor and consumer sentiment, elevating the cost of capital for TMT companies.



## ESG

Europe is leading the global effort towards a net-zero carbon future, materially impacting M&A across the region. ESG-driven deal activity will continue expanding to new geographic regions as rising energy costs accelerate public interest for businesses to prioritize ESG, particularly across the TMT sector.

## Regulatory Scrutiny

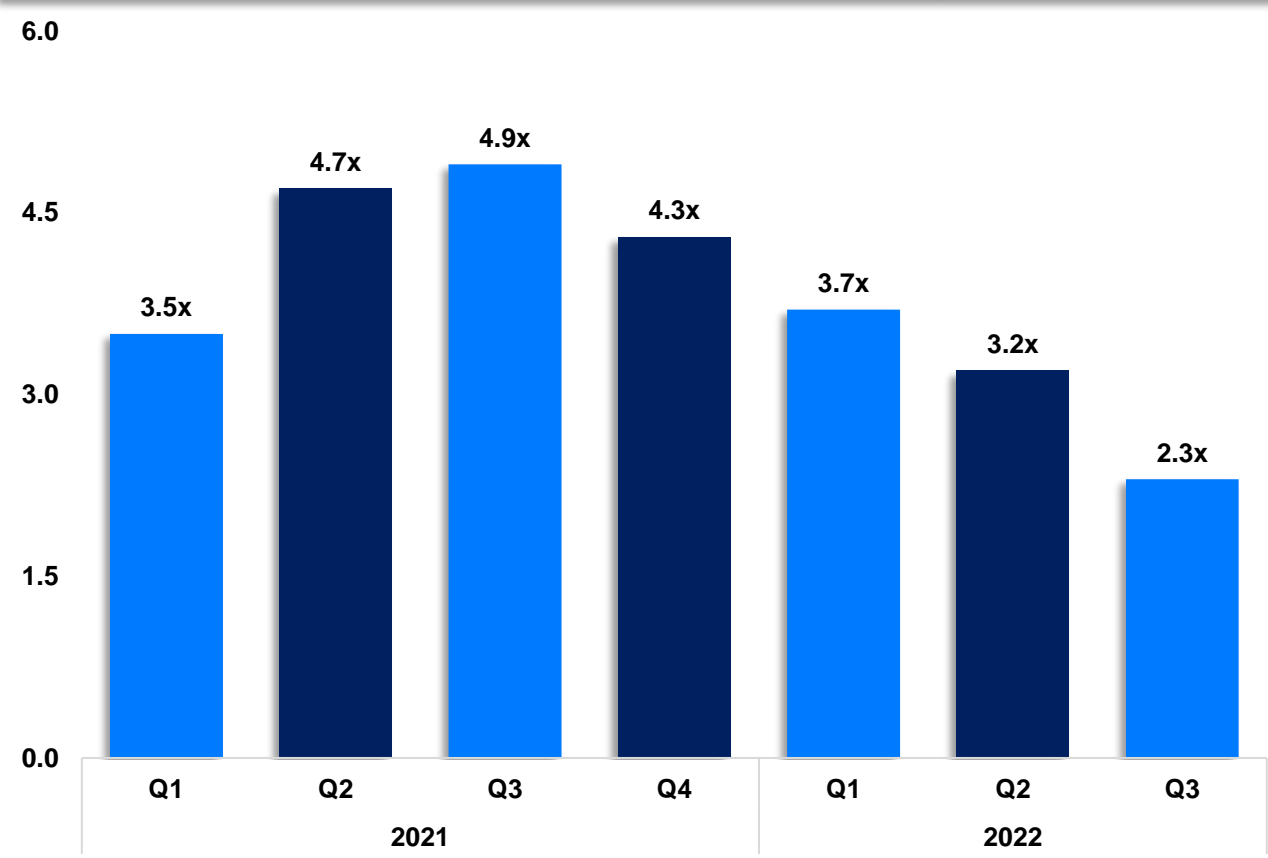
The TMT and banking sectors are seeing increased regulatory scrutiny on M&A transactions. Enhanced oversight of transactions is expected to remain high for the foreseeable future.

Source: Reuters, DCA Research

# Falling TMT Multiples: A Valuation Reset

A valuation reset has catalyzed the decline in multiples for M&A deals as technology companies continue to adjust to lower valuation expectations. In Europe, public company valuations have diminished quicker and more significantly than private entities.

2022 Median EV/TTM Revenue Tech Deal Multiples



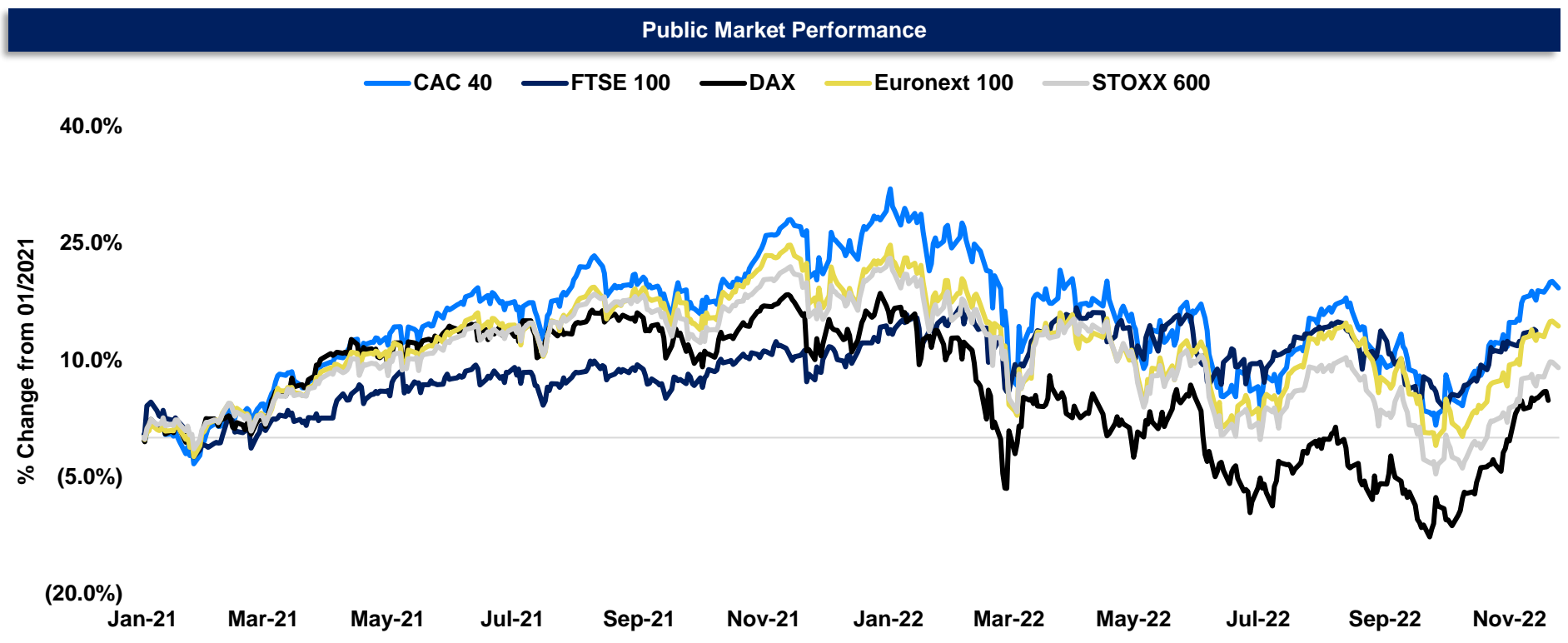
DCA Commentary

- Outlook for the TMT sector remains mixed. In the near-term, valuations are unlikely to rebound to levels seen in 2021 as multiples continue to decline, due to the lack of cheap financing and rising inflation.
- However, 68% of European business leaders expect the TMT sector to be the highest or second-highest growth area in the next 12 months.
- Private equity deals will continue to slow as fundraising becomes more competitive, opening the door to other types of buyers and investors.
- Acquirers remain more optimistic towards TMT than any other sector. TMT has retained the largest share of M&A value in Europe over the past decade and will continue to be driven by advancements in business digitalization across the sector.

Source: S&P, CMS, DCA Research



# European Public Market Indices Performance



Commentary

- After a record year for TMT stocks in 2021, public markets have been hammered by investor fears over higher interest rates and macroeconomic and geopolitical risks, raising the cost of capital for companies that thrive on new funding to drive growth.
- In recent months, the German DAX has declined significantly across Europe, with German tech stocks leading the selloff as seen in the 20.6% YTD decline in the TecDAX, an index that tracks the 30 largest German technology companies.

# Section II

## Spotlight on Germany



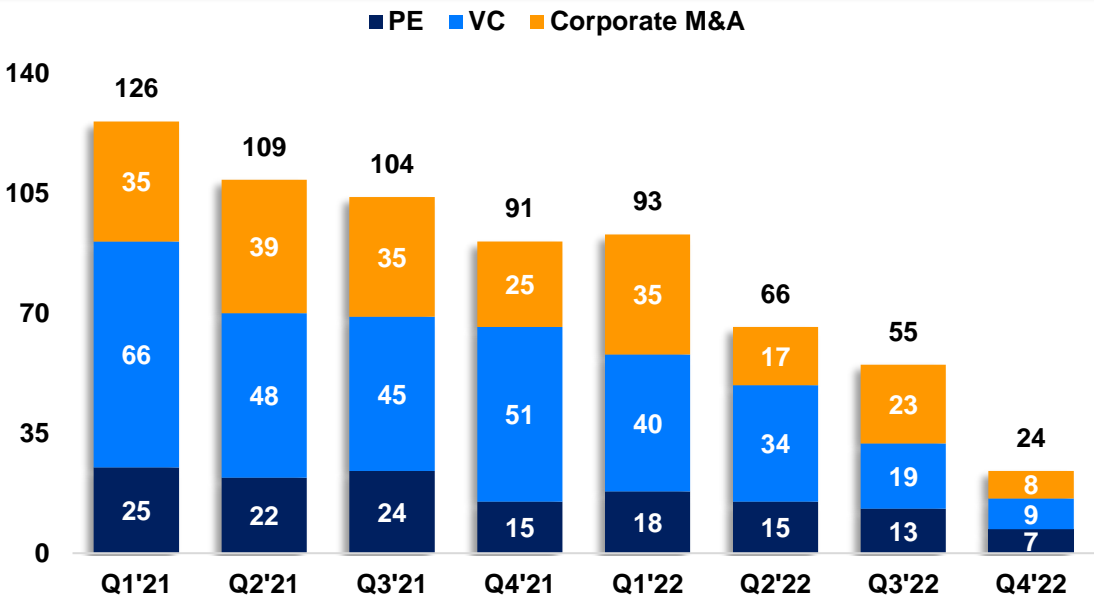
# German Dealmaking Summary

German dealmaking faces many of the same economic and geopolitical headwinds felt across the wider European region. However, Germany's dependence on Russian energy has magnified many of these issues, resulting in a significant slowdown in the market and creating uncertainty and skepticism heading into 2023 as investors closely monitor the challenges ahead.

## M&A in Germany

- 4.6%** German deal activity in H1 2022 was down 4.6% compared to H1 2021
- 14** H1 2022 saw 14 transactions in Germany with a recorded deal volume of more than €1B
- 393** 393 German TMT deals closed in H1 2022, a 7.5% YoY decrease, but a 34% increase compared to H1 2020
- 29%** Private Equity investors' share of deal activity was 29% in H1 2022, down from 37% in 2021

## 2021-2022 German Deal Count



## DCA Commentary

- Significant macroeconomic challenges, including the impact of the Russia-Ukraine war and the effects on supply chains and energy prices have exacerbated the extensive slowdown of German dealmaking and market activity in H2 2022.
- 40-year high inflation and rising interest rates have created uncertainty among investors, suggesting deal activity will continue to struggle in the coming months.

# German Market Developing Picture

Similar to the issues facing the broader Eurozone, major uncertainties continue to hamper the German market, including inflation, energy prices, consumer confidence, exports and the fiscal deficit, driving dealmakers to exercise high levels of caution as global pressures continue to mount and impact the region.

**Inflation**

Producer price inflation has remained above 30% since April 2022, straining consumer purchase behavior and increasing costs for German businesses, inhibiting the ability to pursue M&A opportunities.

**Exports**

Despite possessing extensive economic resources and opportunities, Germany is an export-oriented economy being weighed down by various crises, with the balance of trade decreasing 64.5% from 2021.

**Energy Prices**

Prior to the Russia-Ukraine conflict, 1/3 of Germany's primary energy supply came from Russia, resulting in Germany enduring a steeper increase in energy prices as the country continues to seek alternative sources.

**Fiscal Deficit**

Energy support packages, climate investments and military expenditures will continue to widen the fiscal deficit, contributing to elevated inflation across the region.

**Consumer Confidence**

The GfK Consumer sentiment index sits close to -40.0, with nearly 30% of consumers spending more than they earn, posing a threat to consumer health and corporate sales projections.



# German Growth Hurdles & Inhibitors



## Cost of Borrowing

- The ECB lifted rates 2.0% in three months and has indicated it expects to continue raising rates, increasing the cost of capital for private equity firms looking to make acquisitions. The benchmark 1-month Euribor has also increased, rising from 0.3% to 1.5% over the same period, illustrating the increased cost of short-term borrowing.



## Consumers' Purchasing Power

- Inflation in Germany has risen dramatically in 2022, measuring 10.0% or more in both September and October, hindering consumers' ability to maintain previous spending habits and lowering corporate sales forecasts.



## Production Capabilities

- Inflation and rising energy prices are increasing costs for German companies and deterring investments as margins shrink.



## Disrupted Supply Chains

- Germany remains particularly sensitive to supply chain issues due to the Russia-Ukraine conflict, persistent labor shortages and dependence on manufacturing and trade, where factors such as China's COVID restrictions will likely prolong the issue.



## Energy Shortage

- Germany's energy crisis is primarily a result of its previous reliance on Russian energy and with little reason to suggest the conflict in Ukraine is nearing a resolution, Germany will likely suffer from energy shortages for the foreseeable future if unable to secure additional resources.

# Section III

## M&A & Financing Overview





# Declining Stock Prices & Multiples Hinder M&A

Public stock prices of prominent TMT players have fallen dramatically as the macroeconomic climate continues to deteriorate. Corporate acquirers have become wary of M&A due to the higher costs of debt and equity capital and reduced margins from cost inflation.

Company	Price 12/5/2022	Change from LTM		Market Cap	Net Debt	EV	Enterprise Value / Revenue			
		High	Low				LTM	FY 2021A	FY 2022P	NTM
Adevinta	\$6.83	-52.2%	20.8%	\$8,300.8	\$2,175.1	\$10,488.7	8.5x	8.4x	6.2x	5.6x
Cellnex Telecom*	\$35.69	-42.1%	31.2%	\$25,174.3	\$16,730.7	\$42,851.5	12.2x	16.0x	11.9x	10.9x
Deutsche Telekom	\$20.69	-0.3%	31.5%	\$102,847.5	\$144,106.1	\$289,257.1	2.3x	2.4x	2.4x	2.4x
Embracer Group*	\$4.71	-57.5%	22.6%	\$5,826.3	\$1,222.7	\$7,070.0	3.1x	6.8x	4.4x	1.8x
Ericsson*	\$6.62	-48.4%	26.6%	\$22,204.3	(\$481.0)	\$21,562.9	0.8x	0.9x	0.8x	0.8x
Future (Media)*	\$18.04	-66.0%	45.9%	\$2,180.7	\$594.8	\$2,729.5	2.7x	3.4x	2.8x	2.7x
Informa*	\$7.61	-10.5%	40.4%	\$10,834.2	(\$200.0)	\$10,981.7	3.7x	4.5x	3.9x	3.5x
ITV*	\$0.93	-44.5%	59.5%	\$3,753.0	\$773.8	\$4,582.6	1.0x	1.0x	1.0x	1.1x
Liberty Global (UK)	\$19.63	-32.5%	29.0%	\$9,249.9	\$11,027.1	\$20,389.4	2.8x	1.9x	2.9x	3.0x
Media and Games Invest*	\$1.71	-66.4%	25.6%	\$271.9	(\$116.4)	\$154.1	0.5x	0.6x	0.5x	0.4x
Nokia	\$5.09	-22.1%	23.8%	\$28,515.8	(\$3,784.1)	\$24,841.7	1.0x	1.0x	1.0x	0.9x
Orange	\$10.16	-20.7%	14.7%	\$27,016.6	\$32,517.2	\$62,723.9	1.3x	1.4x	1.4x	1.4x
Publicis Groupe*	\$66.56	-12.8%	55.1%	\$16,639.0	\$2,858.0	\$19,461.5	1.4x	1.7x	1.6x	1.5x
Average:							2.6x	3.0x	2.6x	2.3x

Note: \*Denotes acquisitive entities prior to M&A slowdown

Source: PitchBook data as of 12/5/2022

# Declining Stock Prices & Multiples Hinder M&A (Cont'd)

Over the past twelve months, previously acquisitive TMT organizations have seen a considerable reduction in trading multiples due to a slump in enterprise valuations. Valuation multiples have been materially impacted and will remain suppressed in the near-term as interest rates and geopolitical tensions continue to rise.

Company	Price 12/5/2022	Change from LTM		Market Cap	Net Debt	EV	Enterprise Value / Revenue			
		High	Low				LTM	FY 2021A	FY 2022P	NTM
RTL Group*	\$42.64	-29.6%	42.3%	\$6,598.0	\$610.0	\$7,964.4	1.0x	1.1x	1.1x	1.1x
Schibsted *	\$19.53	-54.4%	48.7%	\$4,498.7	\$858.5	\$5,373.8	3.3x	3.2x	3.5x	nm
Spotify*	\$80.31	-67.5%	15.9%	\$15,510.3	(\$1,829.2)	\$13,681.1	1.1x	1.3x	1.1x	1.0x
Ströer CORE	\$47.50	-41.9%	43.7%	\$2,693.0	\$1,614.9	\$4,320.3	2.3x	2.4x	2.3x	2.3x
Swisscom *	\$546.48	-11.4%	23.0%	\$28,309.8	\$1,744.3	\$30,058.2	2.6x	2.6x	2.6x	nm
Telefónica*	\$3.77	-30.9%	19.8%	\$21,767.2	\$37,785.2	\$66,332.3	1.6x	1.5x	1.6x	1.6x
Telefonica Deutschland*	\$2.39	-26.2%	22.4%	\$7,099.4	\$4,670.4	\$11,769.8	1.3x	1.5x	1.4x	1.4x
Telenor Group	\$9.78	-41.1%	15.0%	\$13,679.5	\$11,215.5	\$25,360.1	2.1x	2.1x	2.3x	2.2x
Universal Music Group	\$23.96	-18.6%	48.2%	\$43,440.8	\$2,857.0	\$46,297.8	4.4x	4.9x	4.3x	4.1x
Vivendi*	\$9.42	-32.6%	28.0%	\$9,657.4	\$1,532.4	\$11,409.1	1.0x	1.1x	1.1x	1.1x
Vodafone Group	\$1.12	-41.7%	4.6%	\$30,628.5	\$59,647.5	\$92,521.0	1.9x	1.8x	2.0x	1.9x
WPP*	\$10.75	-35.6%	37.0%	\$11,512.6	\$6,386.1	\$18,479.1	1.0x	1.3x	1.3x	1.3x
Average:							2.6x	3.0x	2.6x	2.3x

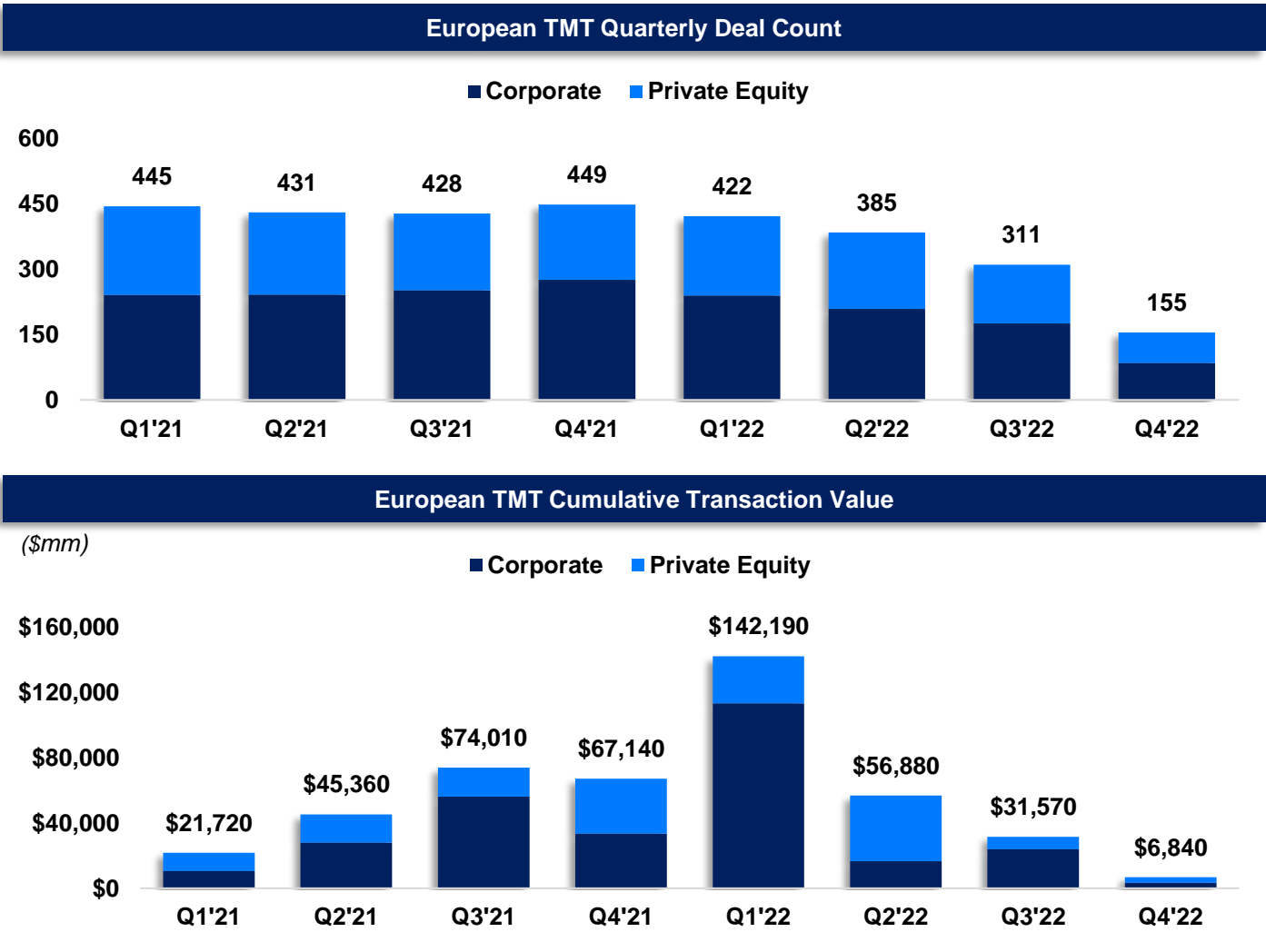
Note: \*Denotes acquisitive entities prior to M&A slowdown

Source: PitchBook data as of 12/5/2022

# European TMT M&A Market Activity

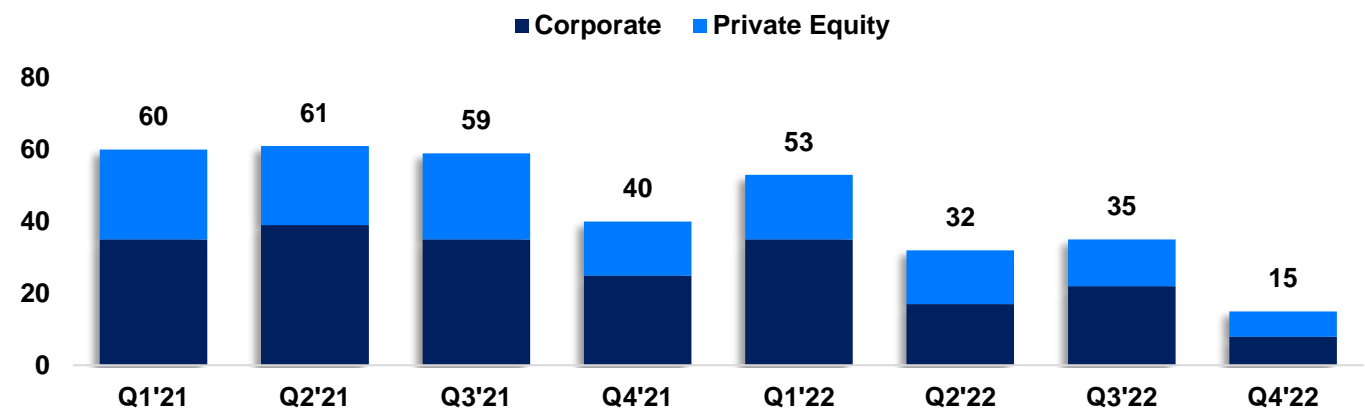
Commentary

- While deal activity remained strong in early 2022 after a record 2021, it underwent a sharp decline in H2 2022 as corporate acquirers attempted to navigate volatile equity markets and private equity firms suffered from the high cost of debt and challenging exits.
- As valuations fell across both the public and private markets, cumulative transaction values also declined significantly, falling from \$142B in Q1'22 to \$31.5B in Q3'22 after a booming start to 2022.

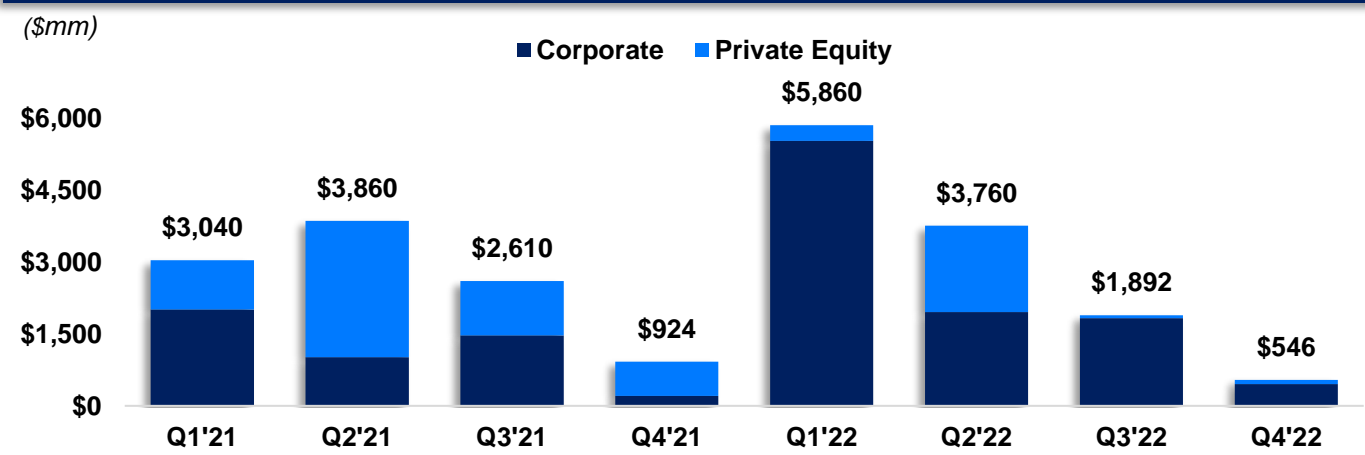


# Germany TMT M&A Market Activity

Germany TMT Quarterly Deal Count



Germany TMT Cumulative Transaction Value



Commentary

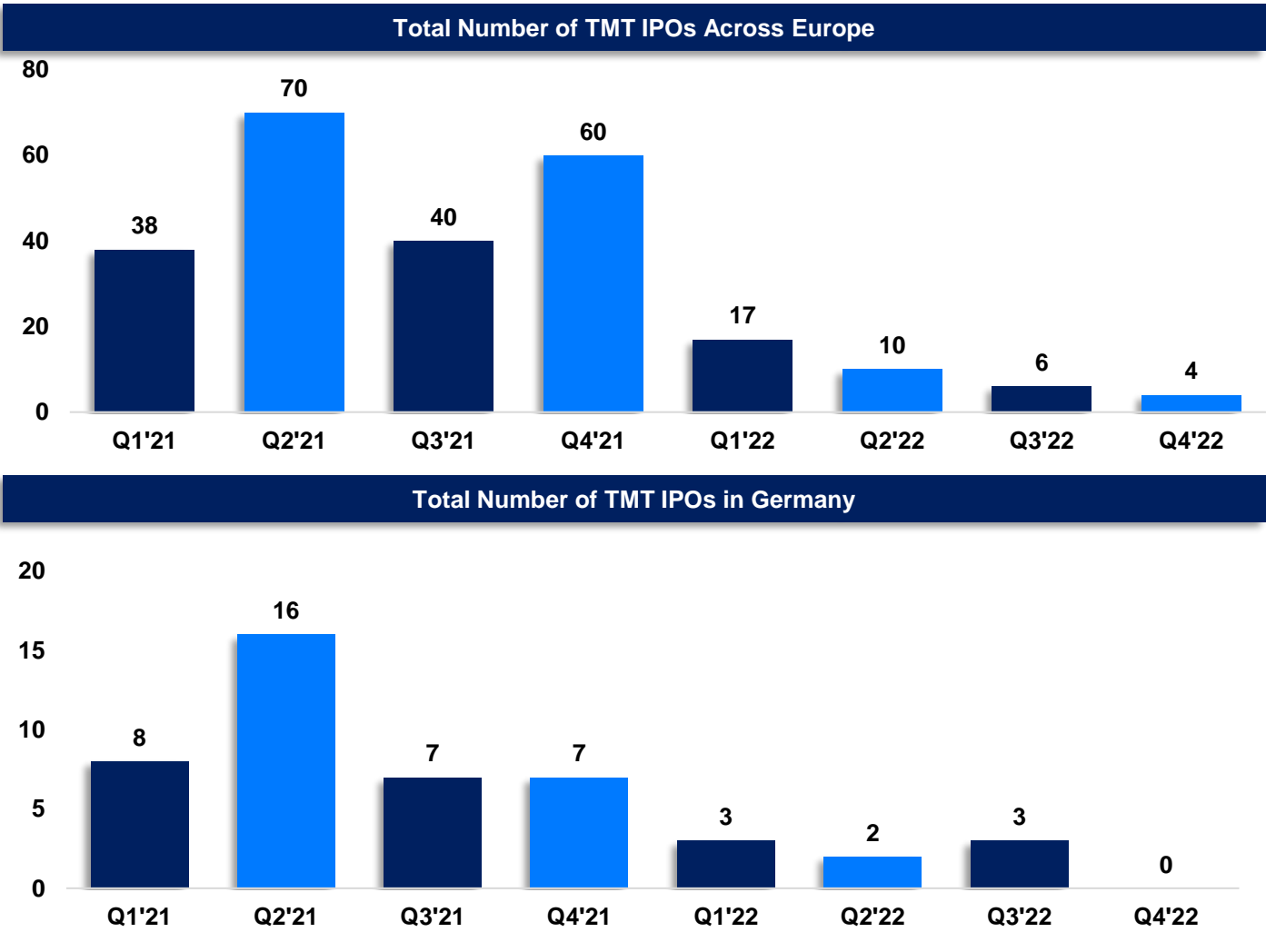
- Following a strong performance across the TMT sector in 2021 and early 2022, German deal activity plummeted from 53 transactions in Q1'22 to 32 in Q2'22, before flattening at current deflated levels. Inflation and supply-chain issues, from the Russia-Ukraine conflict and sustained COVID-19 lockdowns in China, have created uncertainty and wariness amongst German investors and dealmakers.
- Private Equity's share of cumulative transaction value nose-dived in H2 2022, as soaring interest rates materially increased the cost of acquisition financing.

Source: PitchBook















# TMT IPO Activity in Freefall

Commentary

- 2021 was a record year for both the greater European and German IPO market with the TMT sector having its strongest year. Volatile equity markets and poor aftermarket performance of 2021 IPOs have resulted in a significant decrease in public offerings as companies hold out for a rebound in valuations.
- As a result of the various challenges facing the region, the appetite for risk has decreased tremendously, fueling the steep decline in IPOs.



# Europe TMT Precedent M&A Transactions






Target	Date	Acquirer	Business Description	Implied EV	EV/LTM Revenue	EV/LTM EBITDA
 <b>CITELINE</b>	Nov-22	 <b>MUBADALA</b>	Provider of specialist intelligence, data and software for clinical trials, drug development and regulatory compliance catering to global pharma and life sciences analytics markets.	\$2,779.2	ND	ND
 <b>Avast</b>	Sep-22	 <b>NortonLifeLock</b>	Developer of computer security software dedicated to creating a world that provides safety and privacy for all.	\$8,261.8	8.8x	19.3x
 <b>Ideagen</b>	Jul-22	 <b>Hg</b>	Ideagen PLC is a supplier of compliance-based information management software.	\$1,293.1	ND	ND
 <b>mimecast</b>	May-22	 <b>PERMIRA</b>	Mimecast Ltd is a provider of next generation cloud security and risk management services for email and corporate information.	\$5,383.8	9.4x	42.8x
 <b>Realytics</b> <i>DCA Transaction</i>	May-22	 <b>smartclip</b>	Developer of an advertising analysis platform designed to bring offline advertising into the digital age.	ND	ND	ND
 <b>IFS</b>	May-22	 <b>Hg</b>	Developer of service management, enterprise resource planning and asset management software intended for manufacturing, aerospace and defense, energy and utilities, oil and gas and service industries.	\$10,000.0	ND	ND
 <b>T Mobile</b>	Mar-22	 <b>Apax</b>	Provider of mobile telecommunications services based in Den Haag, Netherlands.	\$5,611.7	ND	ND
				<b>Median:</b>	<b>7.3x</b>	<b>19.3x</b>














# Europe TMT Precedent M&A Transactions (Cont'd)

Target	Date	Acquirer	Business Description	Implied EV	EV/LTM Revenue	EV/LTM EBITDA
 SS&C   blueprism	Mar-22	 SS&C	Blue Prism Group PLC is a UK based software company specializing in the field of Robotic process automation (RPA).	\$1,302.8	5.7x	ND
 AUTOFORM Forming Reality	Feb-22	 THE CARLYLE GROUP GLOBAL ALTERNATIVE ASSET MANAGEMENT	Developer and marketer of specialized die-facing design and simulation software intended for the die-making and sheet metal forming industries.	\$1,875.0	ND	ND
 SUMO DIGITAL	Jan-22	 Tencent 腾讯	Sumo Group PLC, along with its subsidiaries, provides end-to-end creative development and co-development services to the video games and entertainment industries.	\$1,410.5	ND	ND
 wireless logic	Dec-21	 montagu	Provider of the internet of things and machine-to-machine as well as managed services for industrial, healthcare, energy, transport and logistics sectors.	\$1,426.3	ND	ND
 m	Nov-21	 candle	Operator of a kids digital entertainment company intended to create and distribute inspiring and engaging digital content to expand kids' worlds and minds.	\$3,000.0	ND	ND
 infor EAM	Oct-21	 HEXAGON	Developer of enterprise asset management software catering to industrial companies.	\$2,851.0	15.5x	ND
 gamesys	Oct-21	 Bally's	Developer and operator of online gaming, social and real money slots intended to serve the domestic and international market.	\$2,248.9	2.1x	8.5x
				Median:	7.3x	19.3x















# Europe TMT Precedent M&A Transactions (Cont'd)

Target	Date	Acquirer	Business Description	Implied EV	EV/LTM Revenue	EV/LTM EBITDA
 ALLOCATE	Sep-21	 RLDATIX	Developer of a SaaS-based workforce management software intended to help healthcare institutions manage their staff safely and efficiently.	\$1,336.7	ND	ND
 dialog SEMICONDUCTOR	Aug-21	 RENESAS	Dialog Semiconductor PLC develops and manufactures semiconductor components for use in home appliances, networking, smart home, smart lighting and smart meter applications.	\$5,217.6	3.5x	22.6x
 euskaltel	Aug-21	 MASMOVIL®	Euskaltel SA is a telecommunications operator. The services provided by the company include fixed and mobile telecommunication services broadband and wireless Internet, digital television and others.	\$2,251.9	2.8x	6.8x
 nets	Jul-21	 nexi	Nets A/S is a Denmark-based company that is engaged in providing payment services and related technology solutions across the Nordic region.	\$10,452.6	11.8x	52.3x
 UNIT4	May-21	 TA ASSOCIATES	Developer of enterprise resource planning (ERP) software intended to serve customers in industries including professional services, public sector, nonprofit and education.	\$2,150.0	ND	ND
 ITIVITI	May-21	 Broadridge	Developer of trade software intended to serve the global financial industry.	\$2,580.4	12.9x	ND
Tele Columbus AG	Apr-21	 Morgan Stanley INVESTMENT MANAGEMENT	Tele Columbus AG is a triple-play telecommunications company. It derives revenue from TV, the Internet, cellphone, and voice services.	\$1,947.5	3.5x	7.5x
				Median:	7.3x	19.3x

# Germany TMT Precedent M&A Transactions

Target	Date	Acquirer	Business Description	Implied EV	EV/LTM Revenue	EV/LTM EBITDA
 <b>MEDIFOX DAN</b>	Nov-22	 <b>ResMed</b>	Developer of enterprise system software for outpatient care services, inpatient care facilities and therapeutic practices.	\$1,000.0	ND	ND
<b>westconnect</b>	Oct-22	 <b>igneo</b> Infrastructure Partners	Provider of broadband network services based in Essen, Germany.	\$1,429.5	ND	ND
 <b>ADVA™</b> Optical Networking	Jul-22	<b>Adtran</b>	ADVA Optical Networking SE develops, manufactures, and sells optical and Ethernet-based networking solutions to telecommunications carriers and enterprises.	\$722.2	1.0x	17.0x
 <b>Deutsche Funkturm</b>	Jul-22	<b>Brookfield</b> Infrastructure Partners	Developer of infrastructure systems intended for mobile communications operators, broadcasters, operators of radio relays and the radio networks of authorities and other institutions.	\$18,198.2	ND	ND
 <b>ESL</b>	Apr-22	 <b>SAVVY GAMES GROUP</b>	Developer and operator of an online gaming portal in based Cologne, Germany.	\$1,050.0	ND	ND
 <b>glasfaserplus</b>	Jan-22	 <b>ifm</b> investors	Developer and operator of the fiber-optic network intended to serve telecommunication services providers and households across Germany.	\$2,043.6	ND	ND
 <b>PRO GAMERS GROUP</b>	Oct-21	 <b>HAL Investments</b>	Manufacturer and distributor of performance gaming computer systems, equipment and peripherals intended to create an unprecedented gaming experience	\$961.5	ND	ND
				<b>Median:</b>	<b>11.7x</b>	<b>27.9x</b>

# Germany TMT Precedent M&A Transactions (Cont'd)

Target	Date	Acquirer	Business Description	Implied EV	EV/LTM Revenue	EV/LTM EBITDA
 flaschenpost.de	Jul-21	 OETKER-GRUPPE	Developer of an online beverage delivery platform designed to deliver beverages at the earliest.	\$1,203.3	ND	ND
 whow <i>DCA Transaction</i>	Jun-21	 azerion	Developer of online free-to-play social games designed to bring the casino lifestyle directly from Las Vegas.	ND	ND	ND
 Fyber	May-21	 Digital Turbine	Fyber NV is a mobile advertising technology company operating through its subsidiary. Its focus lies on developing monetization solutions for connected devices	\$559.6	1.8x	38.7x
 ADJUST	Apr-21	 APPROVIN	Developer of a business intelligence platform designed to track mobile application marketing fraud prevention.	\$967.8	ND	ND
 SIGNAVIO	Mar-21	 SAP	Developer of business process management software in Berlin, Germany.	\$1,147.2	21.6x	ND
 celcentric	Mar-21	 VOLVO	Manufacturer of hydrogen fuel cell systems intended to offer climate-neutral and sustainable transportation to the world.	\$1,451.4	36.2x	ND
 BOMBARDIER	Jan-21	 ALSTOM	Provider of railway technology based in Berlin, Germany. The company digital technologies like driver assistance safety systems, alternative propulsion, predictive maintenance or high-performance signaling technology.	\$9,237.4	ND	ND
				Median:	11.7x	27.9x

# Section IV


## Digital Capital Advisors




# A Truly Technology Focused Investment Bank...

DCA is the premier global investment bank dedicated to serving innovative emerging technology companies through sell-side and buy-side M&A, as well as equity and debt private placements.


## Software




Acquired by  
**Paycor**  
DCA served as exclusive financial advisor to Talenya



Acquired by  
**IMAX**  
DCA served as exclusive financial advisor to SSIMWAVE




Acquired by  
**COMCAST**  
DCA served as exclusive financial advisor to Metrological




Acquired by  
**@WalmartLabs**  
DCA served as exclusive financial advisor to PunchTab


## Data & Analytics




Acquired by  
**LinkedIn**  
A Subsidiary of:  
**Microsoft**  
DCA served as exclusive financial advisor to Oribi



Received a majority growth investment from:  
**FRONTIER GROWTH**  
DCA served as exclusive financial advisor to ListenFirst




Acquired by  
**Tender Creative**  
DCA served as exclusive financial adv. to Tender Creative




Acquired by  
**The Weather Company**  
DCA served as exclusive financial adv. to WeatherUnderground


## Ecommerce




Acquired by  
**WORLD SYNC**  
A subsidiary of  
**Battery**  
DCA served as exclusive financial advisor to Swogo



Received  
\$15,200,000 from:  
**BERINGEA**  
DCA served as exclusive financial advisor to InContext



Acquired by  
**STRÖER**  
DCA served as exclusive financial advisor to stylefruits



Acquired by  
**STRÖER**  
DCA served as exclusive financial advisor to Bodychange

## Entertainment & Sports Tech



Acquired by  
**azerion**  
DCA served as exclusive financial advisor to WHOW



Received an undisclosed investment from:  
**Verizon Ventures**  
DCA served as exclusive financial advisor to ShotTracker



A portfolio company of:  
**HIC CAPITAL**  
Acquired by  
**Sandbox & Co**  
DCA served as exclusive financial adv. to Constructive Media



Acquired by  
**MTG**  
DCA served as exclusive financial advisor to Zoomin. TV

## Marketing Technology



Received  
\$12,500,000 from:  
**NEWSPRING FOUNDATION**  
DCA served as exclusive financial advisor to Revi



Acquired by  
**vidlet**  
DCA served as exclusive financial advisor to Vidcaster




Acquired by  
**STRÖER**  
DCA served as exclusive financial advisor to Content Fleet




Received a controlling investment from:  
**lin media**  
DCA served as exclusive financial adv. to Dedicated Media


## Advertising Technology




Acquired by  
**RTL**  
DCA served as exclusive financial advisor to Realytics



Acquired by  
**theTradeDesk**  
DCA served as exclusive financial advisor to Adbrain



Has sold Collective Europe Ltd to:  
**TimeInc. UK**  
DCA served as exclusive financial advisor to Collective



Acquired by  
**MEDIEN GRUPPE RTL**  
DCA served as exclusive financial advisor to smartclip

Note: Representative Transactions & Categories



...Providing Premium Services for Entrepreneurs by  
Entrepreneurs...

Digital Capital Advisors was established to fill the void among investment banks, providing an exclusive focus on technology, operator insight, a global footprint and the achievement of superior results.

What Sets Us Apart



**Operator's Perspective:** Led by senior bankers who have founded, built and sold leading technology companies, providing entrepreneurs with tailored M&A advisory services derived from decades of experience globally across a plethora of tech verticals.



**Global Footprint:** With offices spanning the globe, Digital Capital Advisors possesses an unparalleled network of relationships with Strategic buyers, Private Equity firms and Venture Capital groups.



**World Class Bankers:** Digital Capital Advisors' marriage of serial entrepreneurs and award-winning investment bankers have ensured that the DCA team has unparalleled experience and expertise in complex transaction structures.

Digital Capital Advisors



Founded in 2010 in  
New York



Deep Expertise Selling to  
Financial & Strategic Buyers



Cross-Border Transactions  
With Deal Sizes \$100M+



Ability to Position Companies  
for Superior Outcomes

Digital Capital Advisors' operational DNA, global reach, multi-disciplinary experience and specialized expertise in the technology ecosystem captures maximal value for our clients

## ...Led by Operators with Unequaled Sector Knowledge & Expertise...

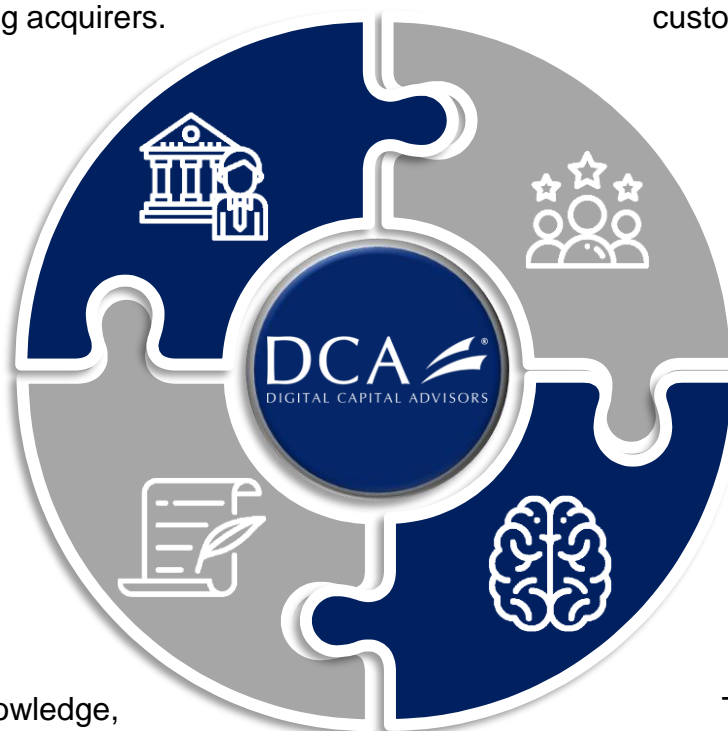
Digital Capital Advisors' team of senior Bankers have all built, run and sold their own technology companies, providing DCA with unique insight into how to position companies and run processes.

### Sector Experts

Having operated dozens of global businesses across the media and technology spaces, Digital Capital Advisors' Bankers possess intimate knowledge of the landscape as well as the strategic initiatives of leading acquirers.

### Holistic Understanding

Digital Capital Advisors' team of bankers are able to provide deeper insights into both individual technologies and markets, allowing for highly customized positioning and material building.



### Granular Storytelling

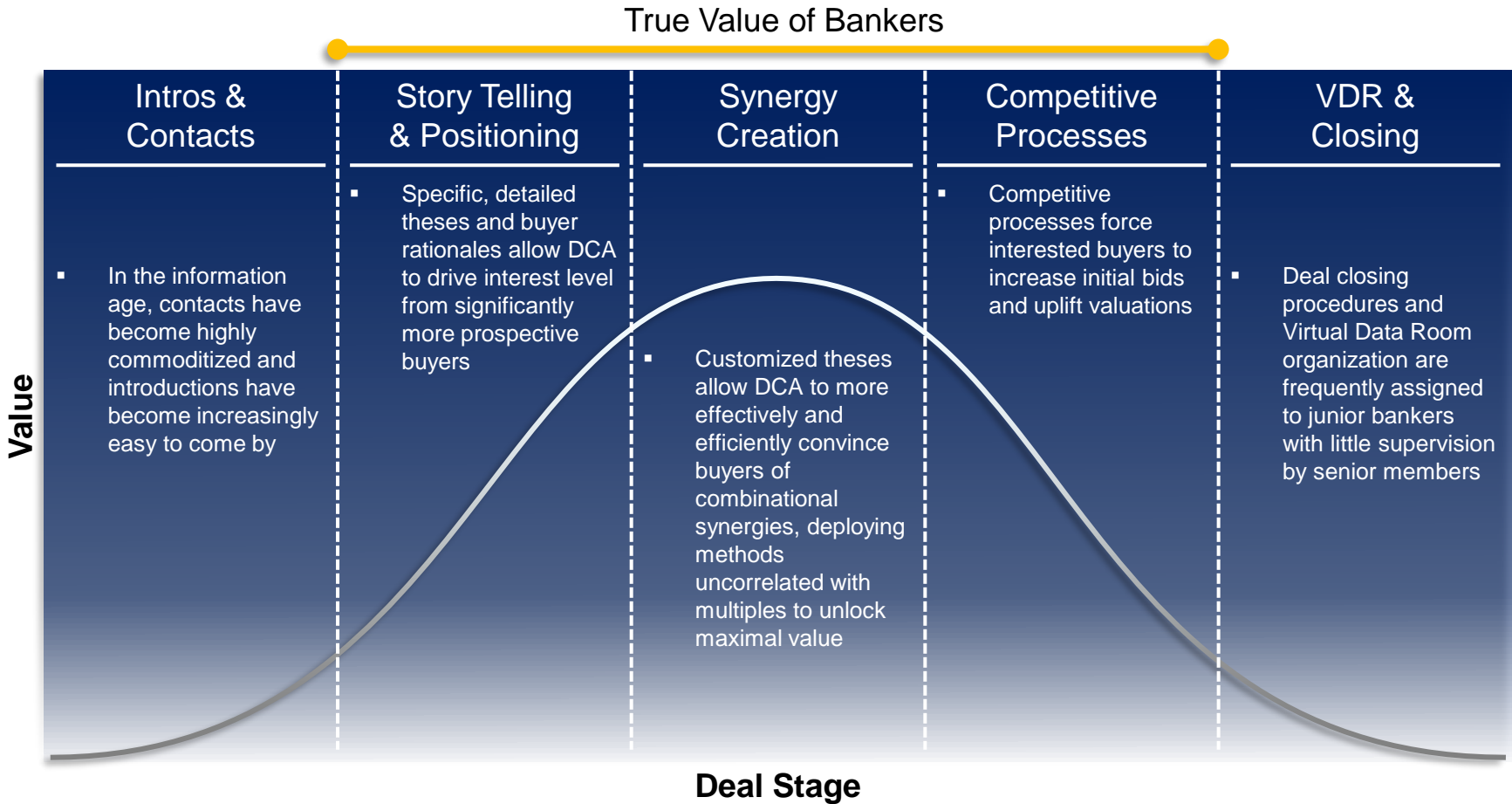
Due to intimate market and product knowledge, Digital Capital Advisors is uniquely capable of providing individual and granular theses for strategic acquirers across the landscape.

### Traditional Banking

Traditional banking capabilities leverage knowledge of capital markets and M&A trends to provide tailored frameworks for each process.

...Enabling a Precise, Thesis-Driven Approach to Deals...

Traditionally, Bankers have over-indexed and overstated the importance of contacts and deal closing capabilities, while true valuation enhancement comes from the ability to create highly competitive processes amongst buyers with deep understanding of the value proposition.



## ...With a Global Footprint Providing Exceptional Cross-Border Capabilities...

Digital Capital Advisors' global footprint provides clients with unique insight and access to strategic and financial buyers across the world, with special attention paid to cross-border transactions.



## ...Yielding a Superior Level of Services to Global Clients

### Private Placements

DCA advises clients on a range of capital solutions to facilitate growth and optimize the capital structure for an array of situations

#### ♦ Situations ♦

**Growth Capital**

**Acquisition Financing**

**Recapitalizations**

**Secondary Sales**

#### ♦ Capital Types ♦

**Common & Preferred Stock**

**Convertible & Hybrid Securities**

**Senior, Sub & Bank Debt**

**Equity Lines of Credit**

### Mergers & Acquisitions

DCA works with buyers and sellers who would like to fast-track growth through strategic acquisitions or pursue exit opportunities

#### ♦ Situations ♦

**Sell-side**

**Cross-border**

**Carve-outs**

**Restructuring**

**Buy-side**

### Strategic Advisory

DCA assists clients in preparing for a transaction and/or navigating shifting market dynamics through corporate development, opportunity assessments and the exploration of potential strategic partnerships

#### ♦ Situations ♦

**Sell-side Preparation**

**Valuation of Partnership Opportunities**

**Financial Advisory Services**

**Other Consultative Services**

### World Class Results

- Insights drawn from a unique blend of operations, world class advisory and investment expertise allow the DCA team to deliver superior results across a variety of advisory services and transaction types.
- DCA's selective approach to deals and unique entrepreneurial DNA enable it to deliver a greater volume of time to clients, acting as a resource for a variety of business and process topics throughout the lifecycle of an engagement.

# DCA's Senior Bankers Provide Unparalleled Execution Across a Broad Range of Industry Sectors...

Digital Capital Advisors' sector expertise drives the company's thesis-first approach, with DCA Bankers developing granular level rationales through which to approach each potential acquirer.

## Digital Capital Advisors' Sector Expertise



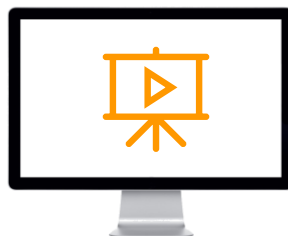
### Enterprise Software

- B2B SaaS
- Data & Analytics
- RetailTech
- HR Tech
- Customer Experience
- Communication
- Customer Mgmt.



### Consumer Software

- B2C SaaS
- EdTech
- Productivity Tools
- Mobile
- Ecommerce
- SportsTech
- B2C Marketplaces
- Mobility Solutions



### Media

- OTT
- Gaming
- Digital Content
- Digital Audio
- Podcasts
- Social Media
- eSports
- iGaming



### AdTech & MarTech

- Agencies
- CDPs
- Content Marketing
- Display
- Native
- Video
- Social
- Linear TV



### Emerging Tech

- AR & VR
- AI & Machine Learning
- IoT
- Autonomous Vehicles
- NLP
- 5G
- Blockchain
- Cloud Computing



...Leveraging Deep, Global Relationships with Strategic & Financial Partners

Representative Strategic Relationships



Representative Financial Relationships



Note: Representative DCA Relationships

# DCA

DIGITAL CAPITAL ADVISORS

A Premier Global Investment Bank

**DCA**  <sup>®</sup>  
DIGITAL CAPITAL ADVISORS

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