

The SilverPeak logo features the word "SILVERPEAK" in a bold, white, sans-serif font. The letter "A" is replaced by a stylized orange triangle pointing upwards. The background of the slide is a dark blue gradient with glowing, swirling lines in shades of blue and orange, and scattered light blue bokeh dots.

SILVERPEAK

ANNUAL NORDIC TECH DINNER

Technology M&A and fundraising update

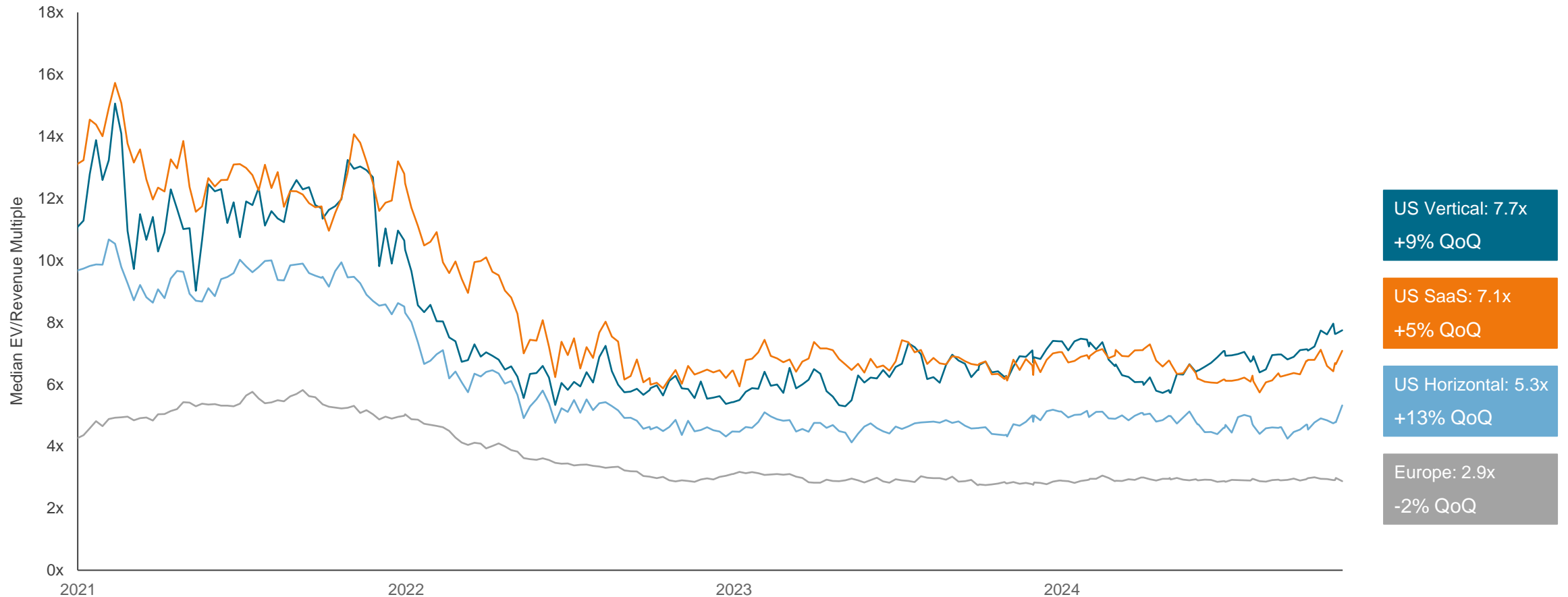
21 NOVEMBER 2024

SECTION 1

Europe & NA software public valuation trends

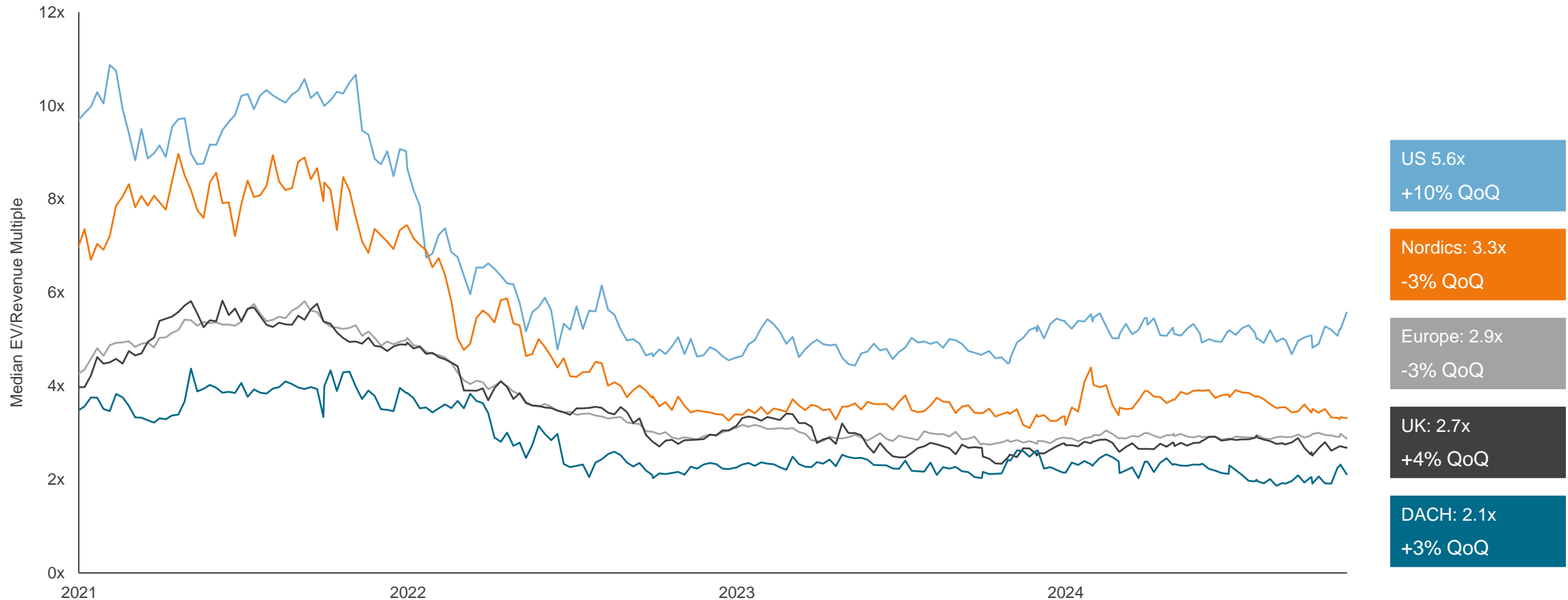
Public SaaS valuations are in a “new normal” with EV/R multiples 3-8x

SOFTWARE CATEGORY VALUATION METRICS: MEDIAN EV / REVENUE MULTIPLES 2021- Q4 24



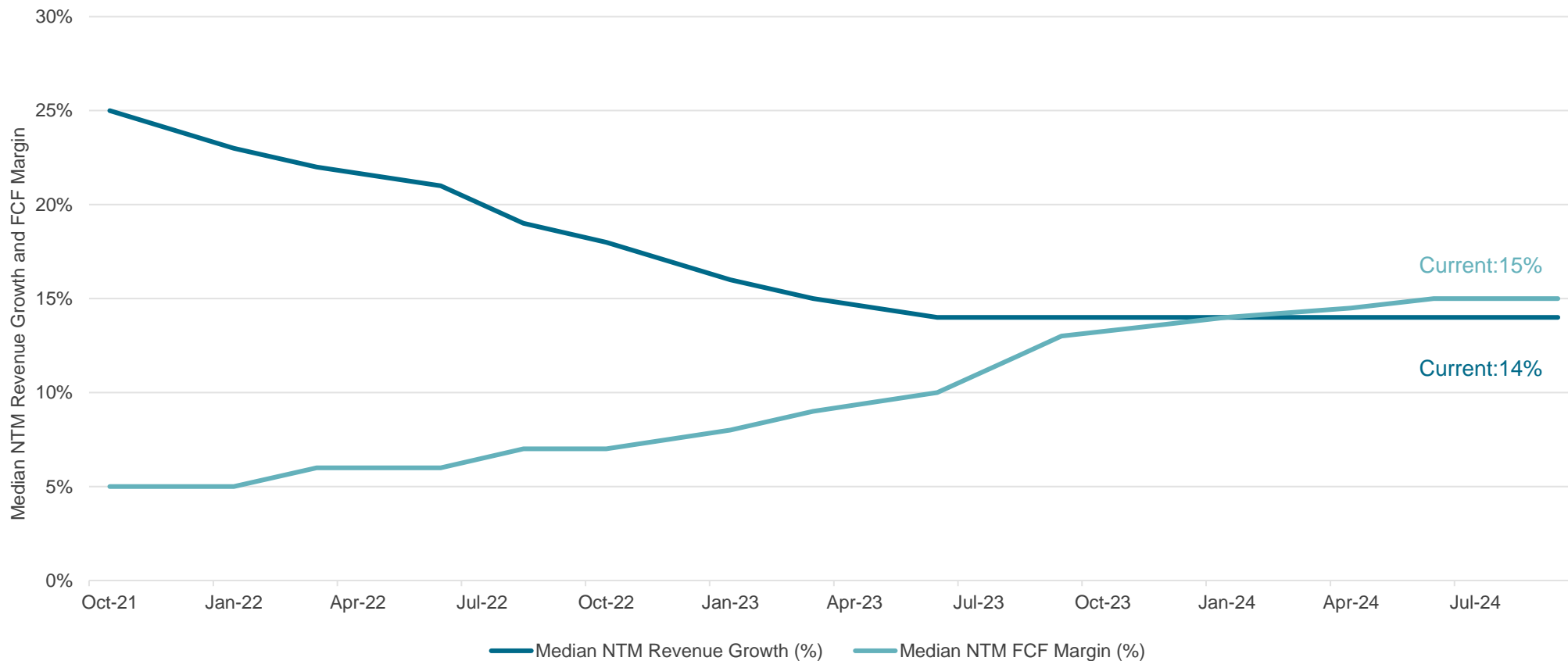
US public companies trade at a premium to their European peers

REGIONAL US & EUROPEAN VALUATION METRICS: MEDIAN EV / REVENUE MULTIPLES 2021 – Q4 24



The new mantra for SaaS companies is profitable growth: “Rule of 40”

NTM REVENUE GROWTH AND NTM FREE CASH FLOW MARGIN



Rule of 40 at work: revenue growth weights more; no US public SaaS company is expected to grow more 30%

RULE OF 40 COMPOSITION ANALYSIS: MEDIAN EV / IMPLIED ARR MULTIPLE

		NTM REVENUE GROWTH			
		<10%	10-20%	20-30%	>30%
NTM FREE CASH MARGIN	<10%	2.0x	4.7x	10.6x	-
	10-20%	3.7x	7.0x	9.9x	-
	20-30%	5.2x	9.3x	15.7x	-
	>30%	6.4x	13.7x	24.2x	-

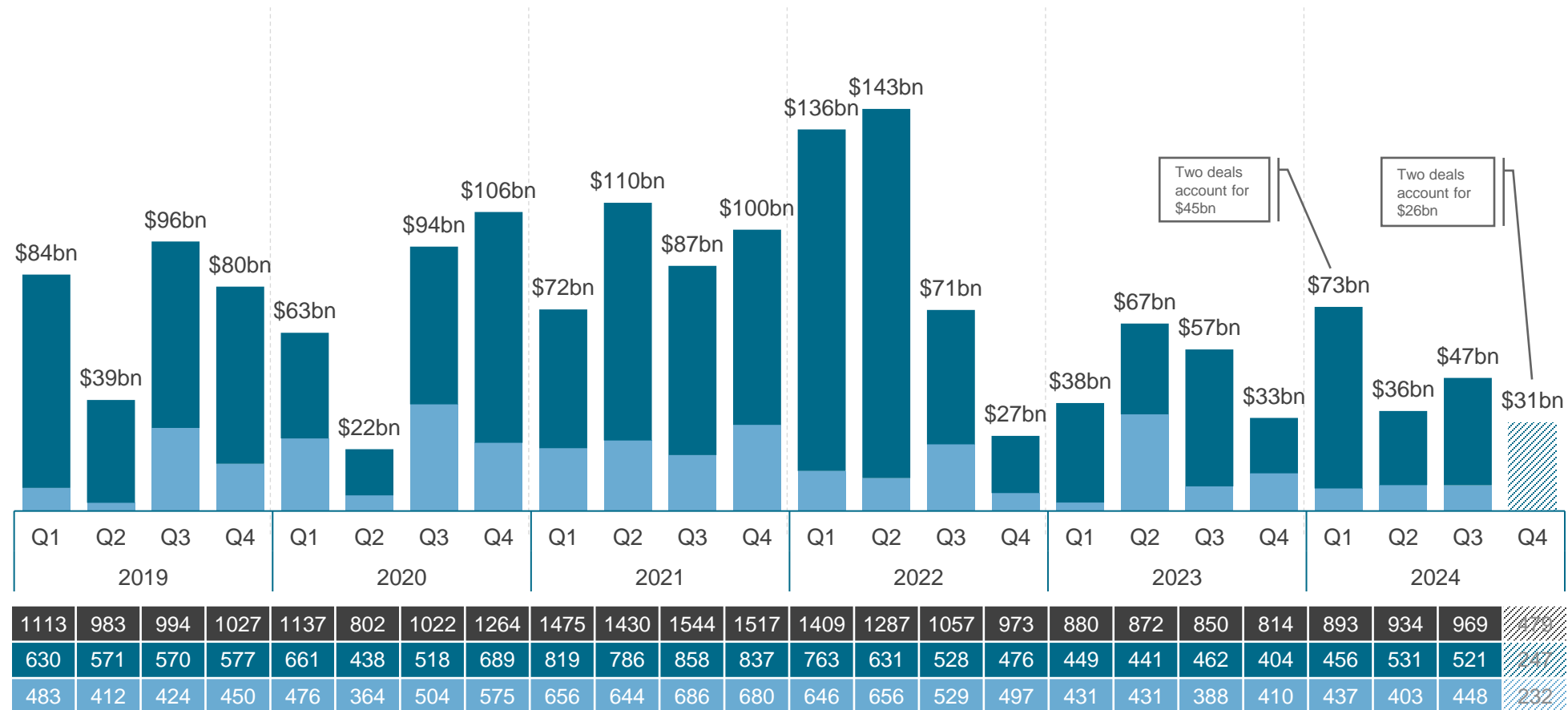
SECTION 2

Europe & NA software M&A trends



A generally subdued M&A market, with some signs of potential recovery, in particular in the US

SOFTWARE M&A DEAL VALUE AND COUNT BY REGION, 2019 – 2024



NORDIC SNAPSHOT

DEAL
volue
 Jul-24 \$584m
 Advent International
 Advent International
 GLOBAL PRIVATE EQUITY

DEAL
hubexo
 Jan-24 \$1.3bn
 TA ASSOCIATES

North America

Europe

DEAL COUNT AVERAGE⁽¹⁾

1,098

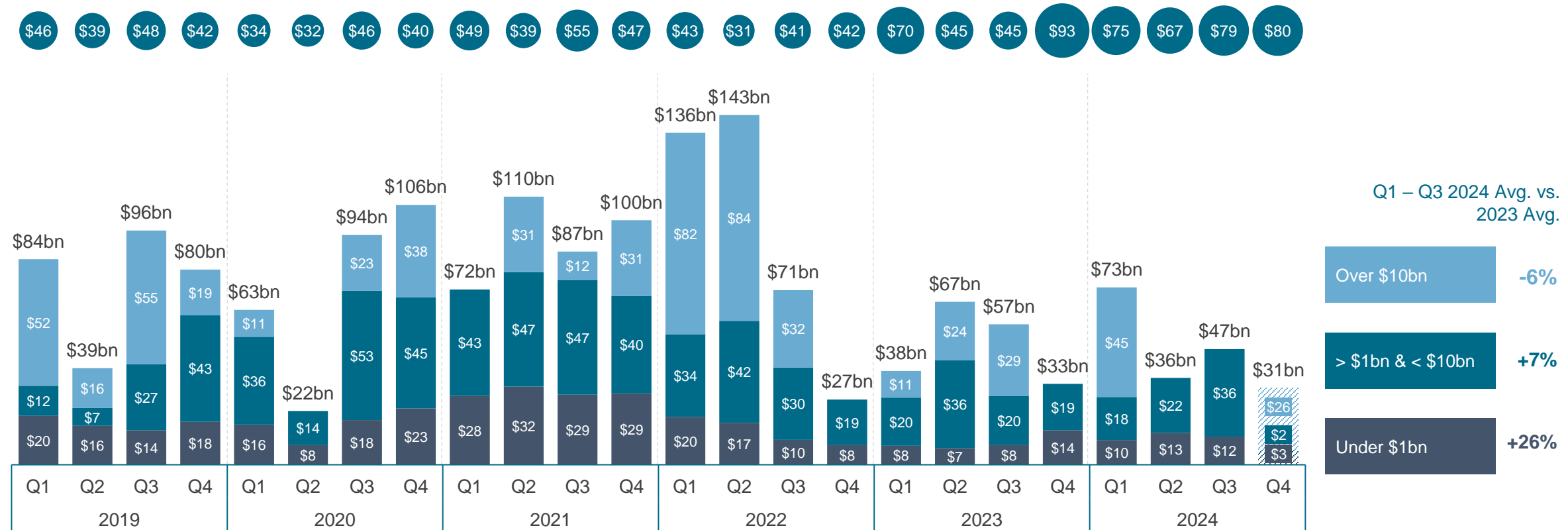
592

506

¹⁾ Number of deals, including deals without disclosed value
 Source: CapIQ, Pitchbook. Only deals greater than \$5m shown here. \$ values shown are implied EV. Data as of 13/11/2024

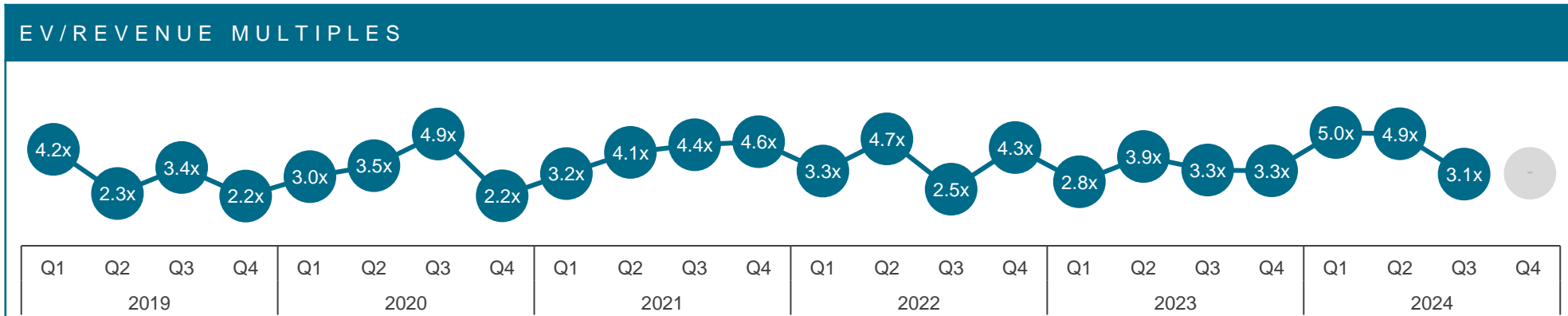
The value of deals below \$1bn increased in 2024 from a low level in 2023, while the value deals larger than \$1bn has been more erratic

SOFTWARE M&A CUMULATIVE DEAL VALUES BY SIZE, 2019 – 2024



EV/Revenue and EV/EBITDA multiples in SaaS M&A transactions do not follow the same trajectory as multiples of SaaS public companies

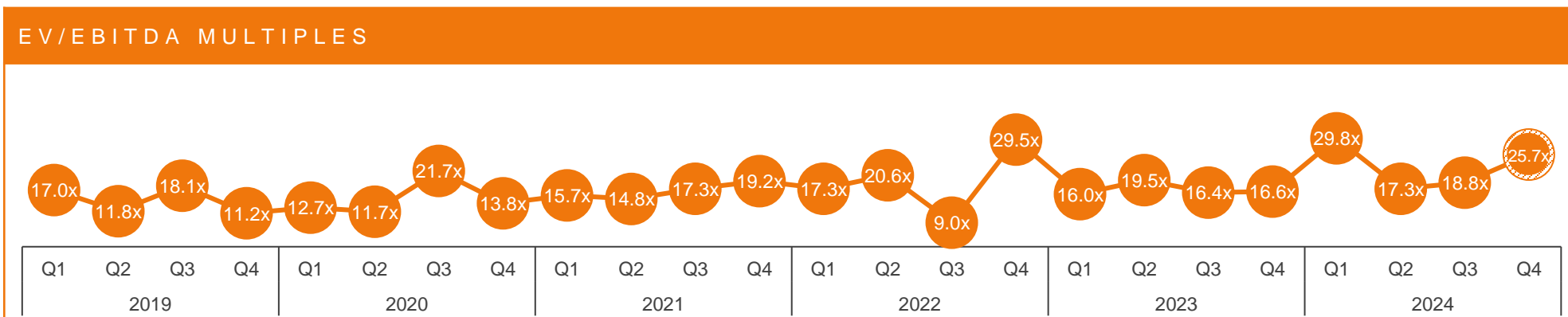
MEDIAN VALUATION MULTIPLES FOR M&A DEALS, 2019 – 2024



NORDIC DEALS SNAPSHOT

DEAL	Company	Deal Date	Multiple
hubexo	Sweden	Jan-24	5.3x
volve	Denmark	Jul-24	4.0x

MEDIAN
-1.8x QoQ (Q3)



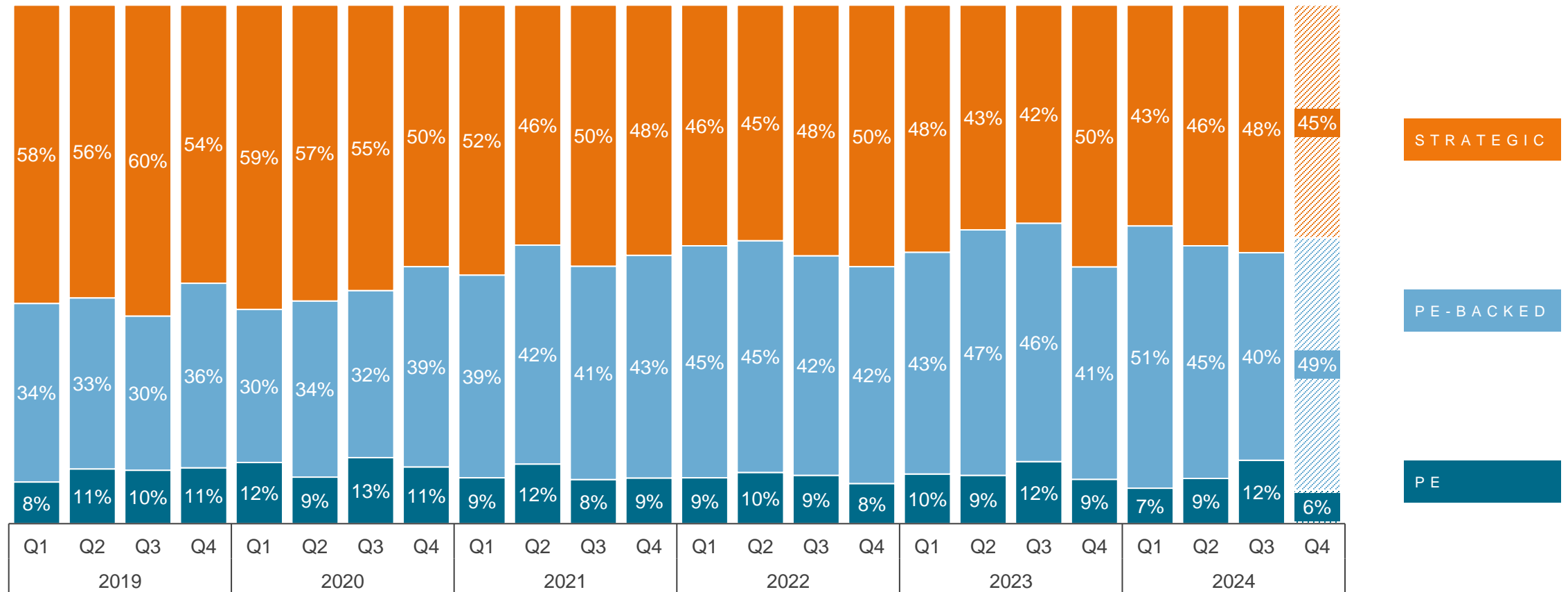
NORDIC DEALS SNAPSHOT

DEAL	Company	Deal Date	Multiple
hubexo	Sweden	Jan-24	16.9x
volve	Denmark	Jul-24	37.9x

MEDIAN
+6.9x QoQ (Q4)

Long-term trend of increasing importance of PE buyers through buy-and-build strategies and platform acquisitions

DEAL COUNT BY BUYER TYPE: STRATEGIC, PE OR PE-BACKED DEALS



Public SaaS companies are being taken private, often by private equity funds

STRATEGIC BUYERS

DEAL (1)

Ansys

Jan-24
\$32.6bn

SYNOPSYS

DEAL (1)

aspentech

Nov-24
\$15.4bn

EMERSON

DEAL (1)

ALTAIR

Oct-24
\$10.1bn

SIEMENS

DEAL (1)

HashiCorp

Apr-24
\$6.4bn

IBM

DEAL

Altium

Feb-24
\$5.7bn

RENESAS

PE BUYERS

DEAL (1)

smartsheet

Sep-24
\$7.7bn

Blackstone

DEAL

DARKTRACE

Apr-24
\$5.2bn

THOMABRAVO

DEAL

INSTRUCTURE

Jul-24
\$4.7bn

KKR

DEAL (1)

ENVESTNET

Jul-24
\$4.3bn

BainCapital

DEAL (1)

ESKER

Sep-24
\$1.8bn

Bridgepoint

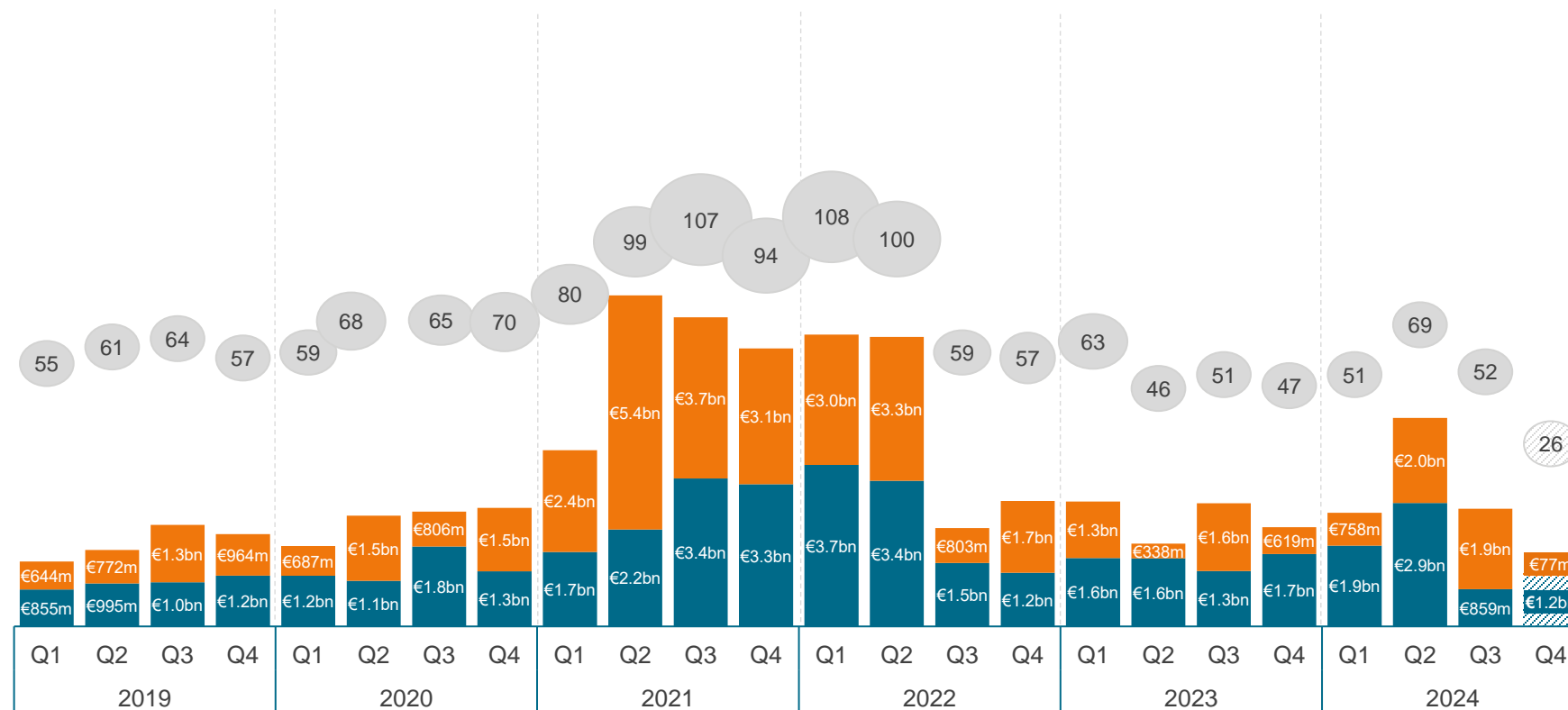
SECTION 3

European venture growth investment trends



Series B funding has already surpassed financing levels seen in Q3, whilst investment in series C remains subdued

SERIES B&C TOTAL FINANCING AMOUNTS, Q1 2019 – Q4 2024



NORDIC FINANCING DEALS SNAPSHOT

DEAL	DEAL
Jan-24 €92m	Oct-24 €63m

Q1 – Q3 2024 Avg. vs. 2023 Avg.

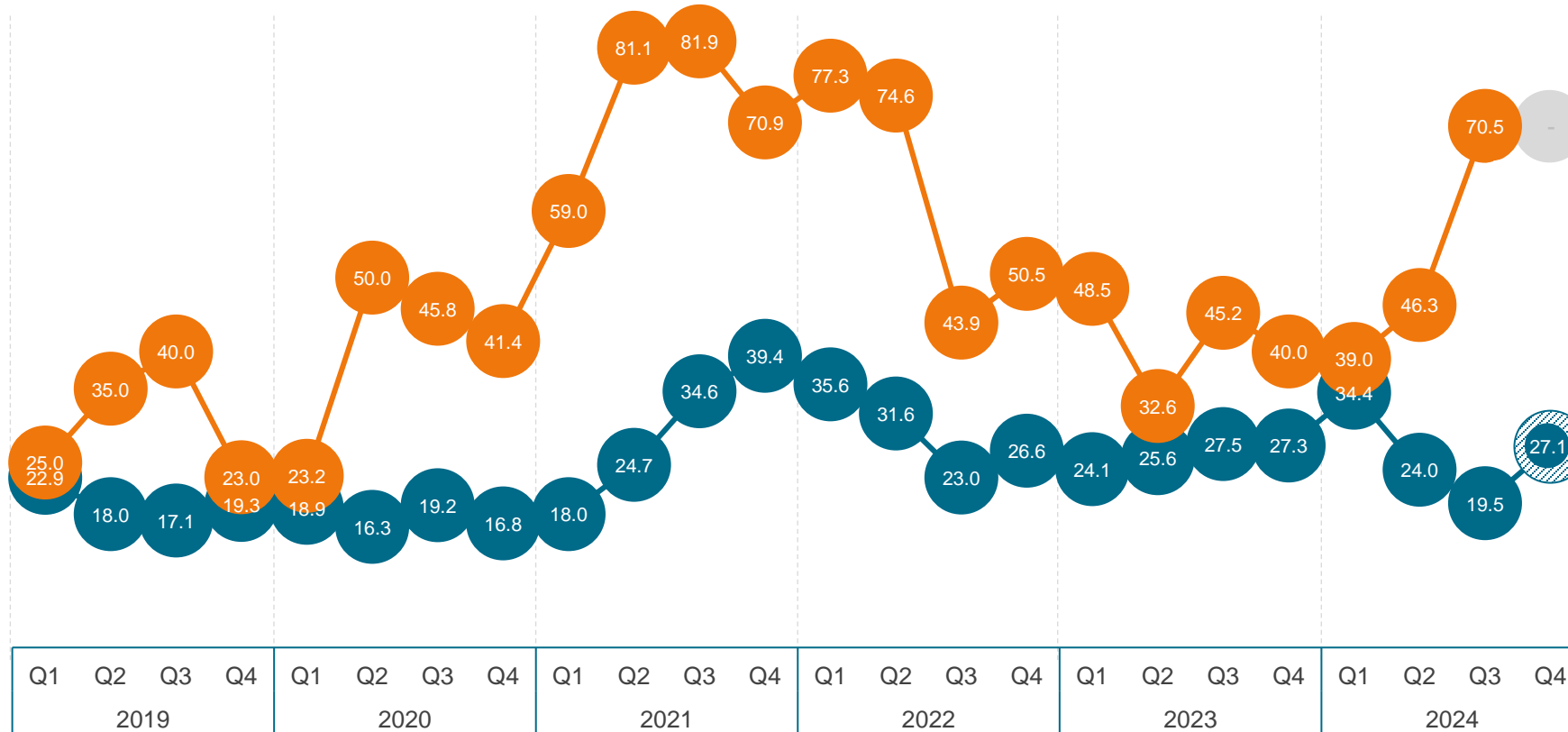
SERIES B & C DEAL COUNT +11%

SERIES C CAPITAL INVESTED +60%

SERIES B CAPITAL INVESTED +22%

Since January 2024, the gap between median deal values for Series B and Series C financing rounds has been widening

SERIES B&C ROUNDS, MEDIAN DEAL VALUES (€M), Q1 2019 – Q4 2024



Outlier Series C deals valued at over > €250m

- Jul-24 €450m
- Jul-24 €259m

SERIES C QoQ (Q3) +52%

Outlier Series B deals valued at over > €250m

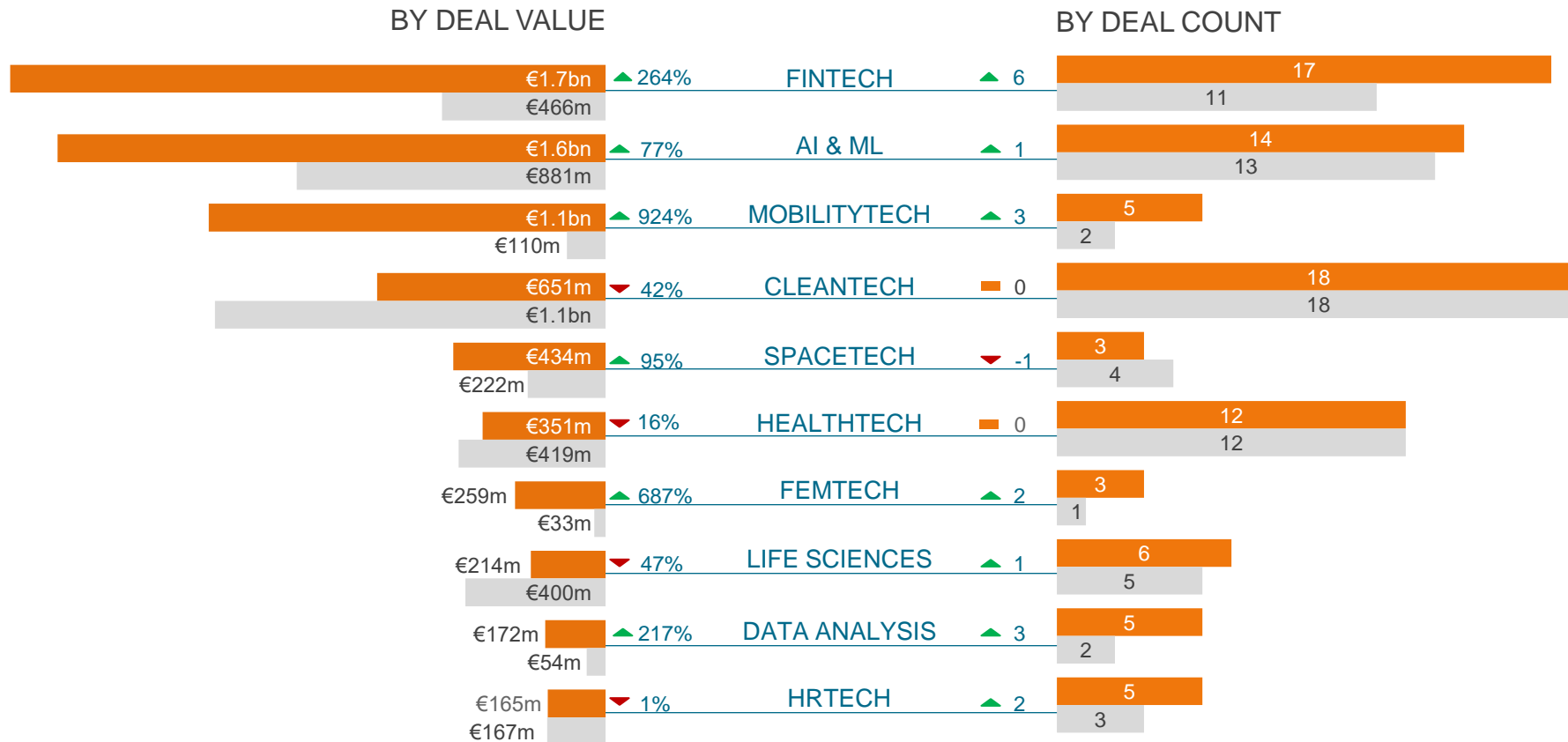
- Oct-24 €450m

SERIES B QoQ (Q3) -19%

AI continues to dominate in deal value, and Fintech is making a strong comeback, while Cleantech experiences a decline but maintains its deal volume

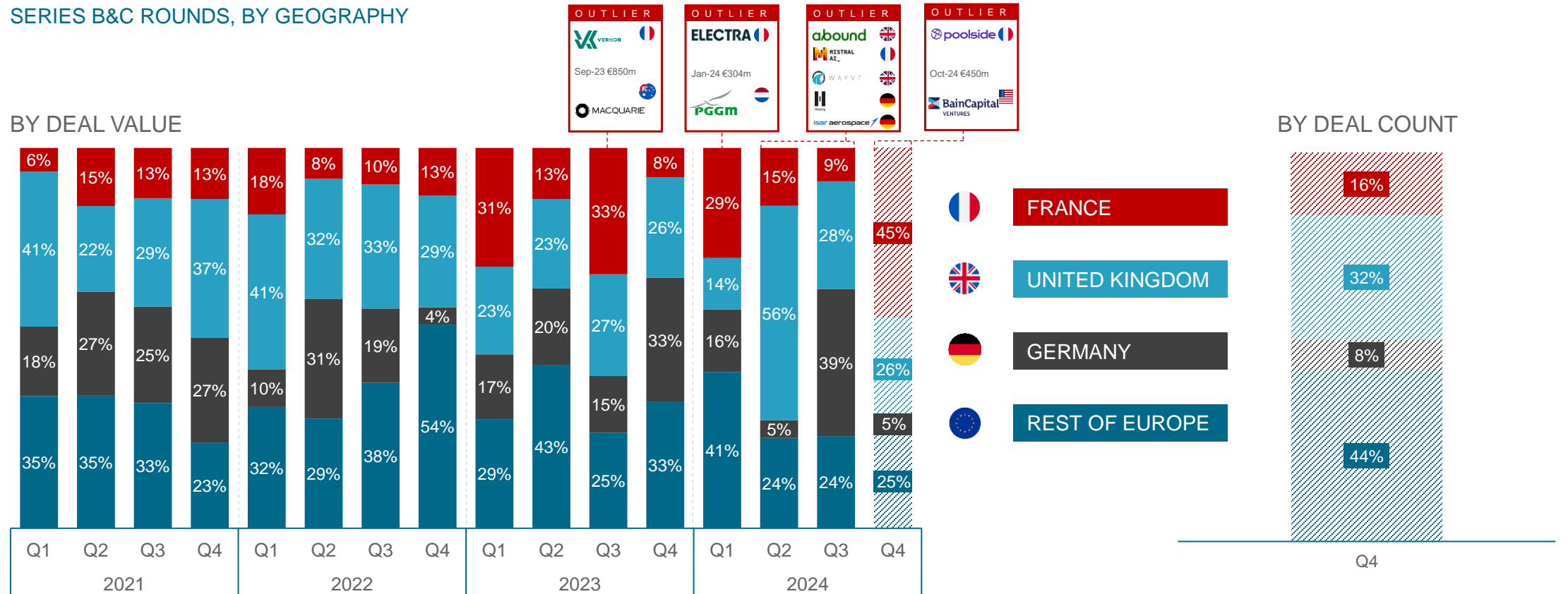
SERIES B&C ROUNDS, BY VERTICAL

Q2 2024 & Q3 2024
Q4 2023 & Q1 2024



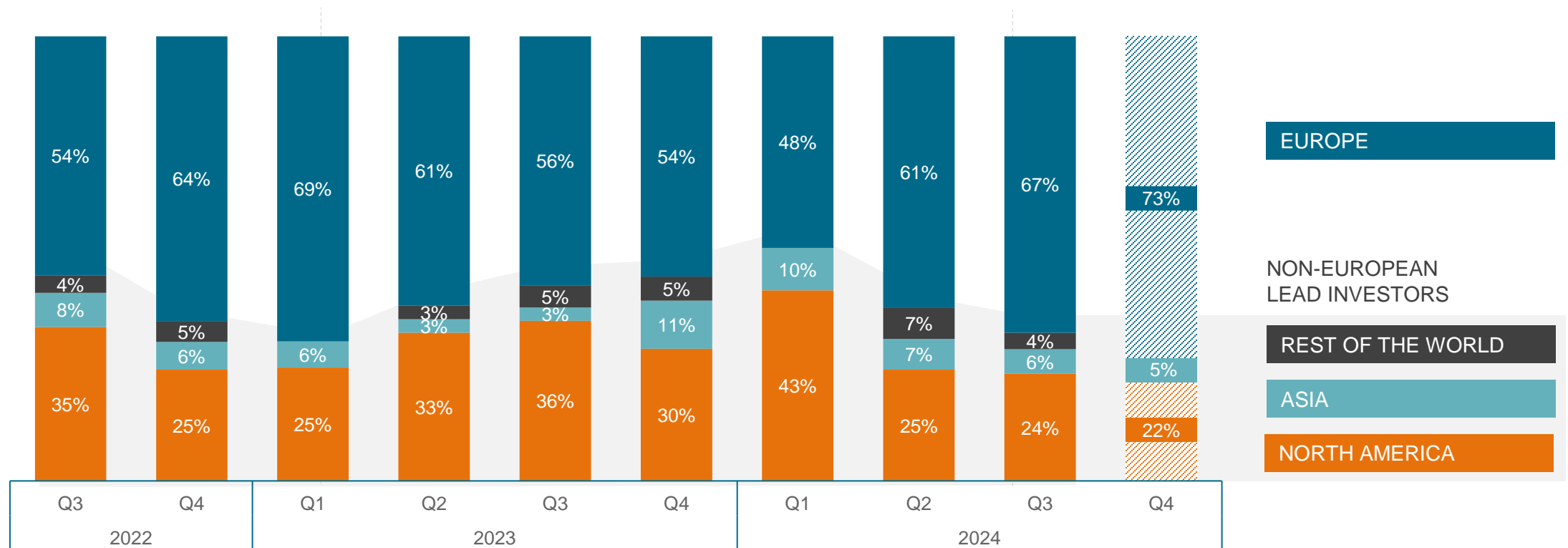
Following Germany's dominance in Q3, France is well positioned to lead total financing deal value in Q4 through large series B&C rounds

SERIES B&C ROUNDS, BY GEOGRAPHY

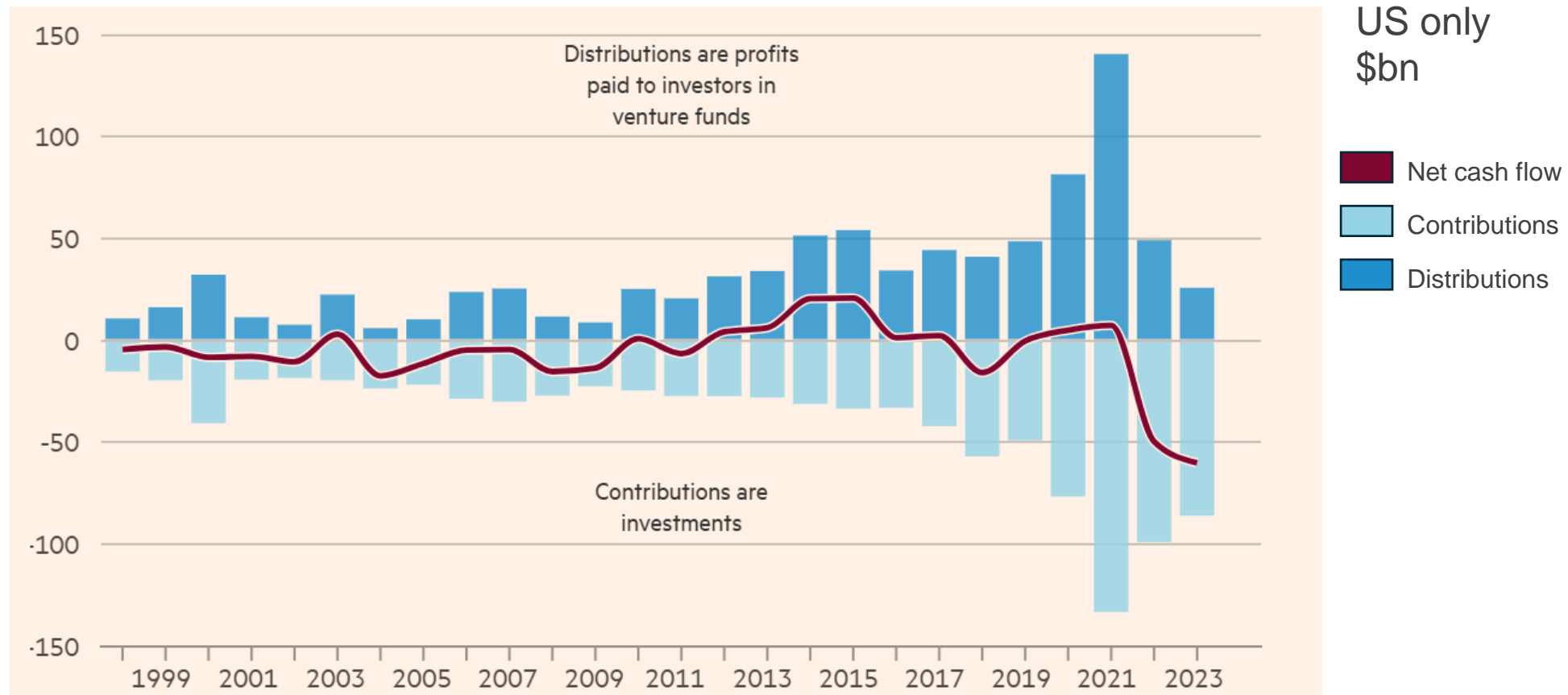


Non-European investors have been less active in leading deals on the continent since the second quarter of 2024

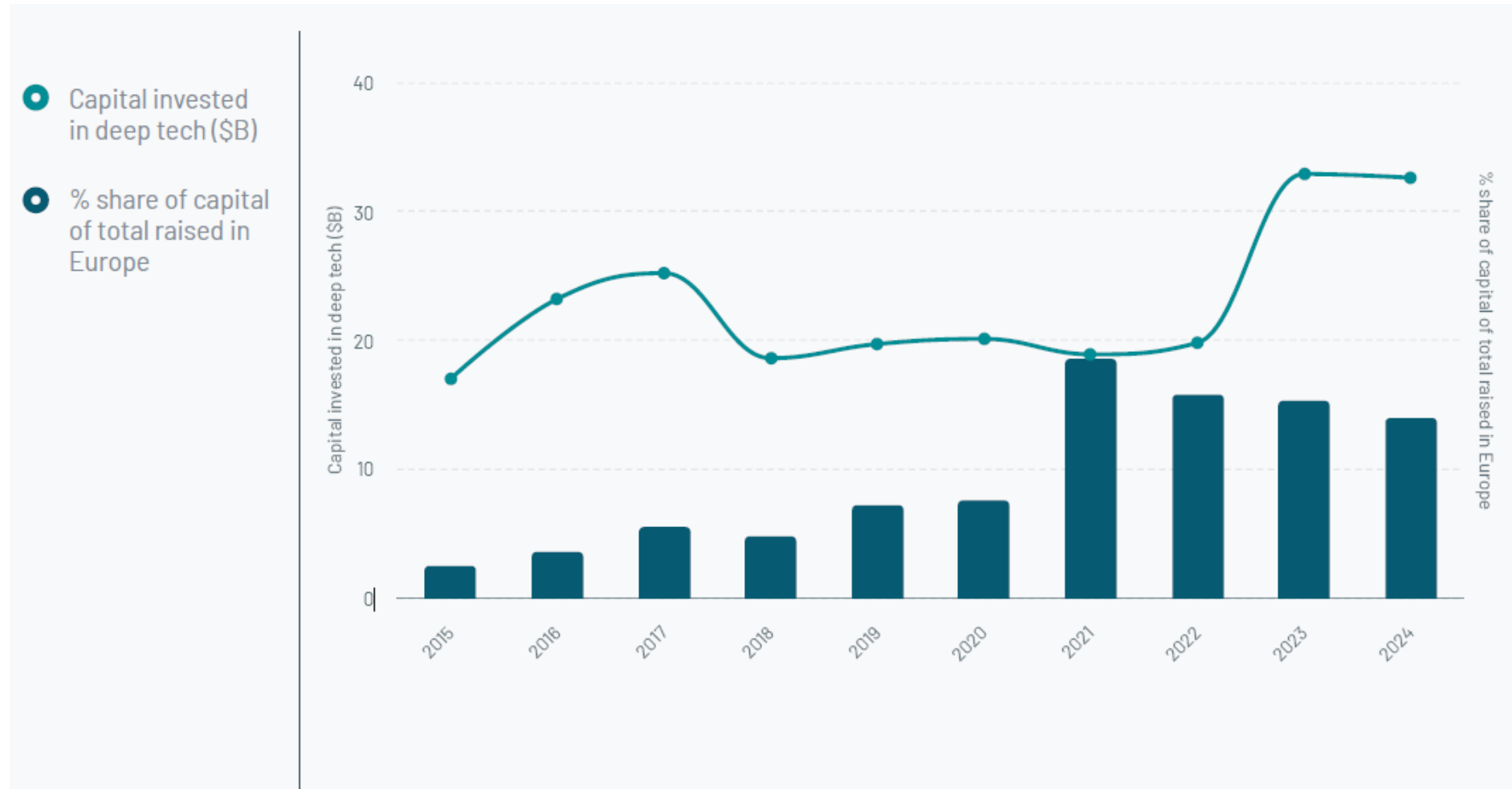
GEOGRAPHIC DISTRIBUTION OF LEAD INVESTORS FOR SERIES B&C ROUNDS (BY DEAL COUNT) Q3 2022 – Q4 2024



Venture capital funds experience falling cash flow



Total deep tech funding (\$B) and share (%) of total funding in Europe, 2015-24



Deeptech includes any technology that is based on tangible engineering innovation or scientific advances and discoveries applied for the first time as a product, often aiming to solve society's biggest issues. Full year funding extrapolated linearly from year to date. Excludes the following: biotech, debt, lending capital, and grants.



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