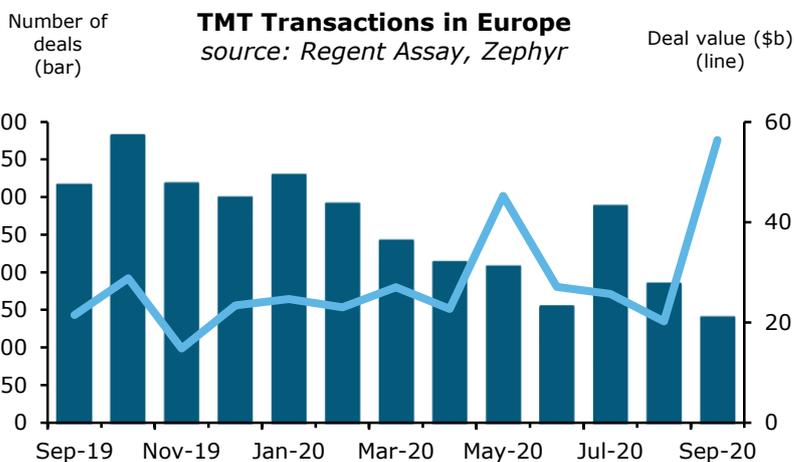


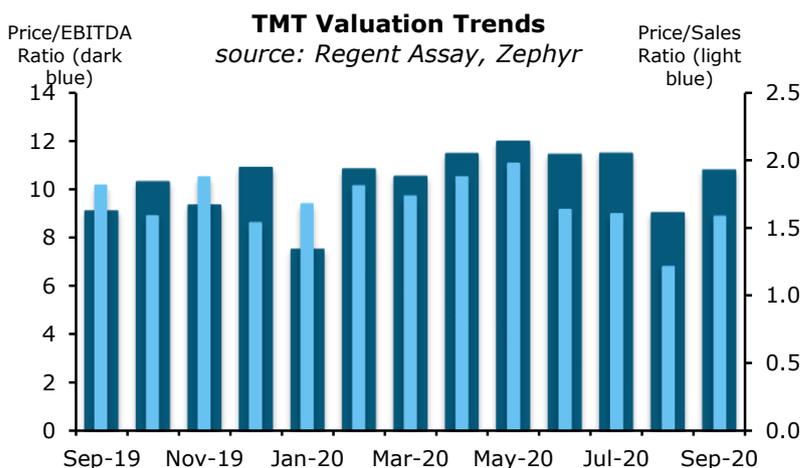
Regent Assay's View of the Month

Total deal value skyrocketed this month across the European TMT M&A industry, reaching an estimated value of \$56.4 bn, largely driven by the acquisition of Arm by Nvidia (see below), making it the highest figure since April 2018. However, this is amid a stagnant environment for deal makers, as total transactions fell by a further 24% to reach 141 this month, down from 185 in September, which means the 300 deal-threshold hasn't been broken since January. Sellers will find some reassurance in strong valuation multiples, with the P/EBITDA ratio at 10.78 and the P/SALES at 1.6, up from 9x and 1.2x respectively.

US based Nvidia announced on 13 September that it will acquire British semiconductor and software design company Arm Limited from the SoftBank Group (SBG) for \$40 billion, creating the leading computing company for the age of AI. Arm is a provider of IP and IoT products to multiple verticals while Nvidia is a chip manufacturer. The combination of Nvidia's AI computing capabilities with Arm's CPU expertise has the potential to advance computing from the cloud to self-driving cars and robotics, according to Nvidia's CEO Jensen Huang. Arm will remain headquartered in Cambridge, UK, where the new entity plans to build a new AI research facility. SBG will keep a 10% minority shareholding in Arm.



AIM listed and UK based provider of domain names, CentralNic, announced on 24 September the acquisition of Krakow based businesses Zeropark and Voluum, together being Codewise, for a total consideration of \$36m. Codewise provides services to domain name owners and website operators as well as tools for online marketers to manage and optimise online activities, serving over 6,000 customers across 190 countries. This deal is set to strengthen CentralNic's monetisation segment following on from the acquisition of Team Internet in December 2019. For the first six months of 2020, CentralNic more than doubled revenues to \$111m with EBITDA up 64% year-on-year, thanks to growing demand for online products.



Toronto headquartered VitalHub Corp acquired UK healthtech business Transforming Systems Ltd, on 9 September, for \$7.7m. Founded in 2009, Transforming Systems helps the NHS capture real time information and transform it into high quality data through its flagship product SHREWD. This acquisition will easily fit with VitalHub's technology offering to hospitals and regional health authorities, which includes an EHR product. The company is committed to pursuing an aggressive M&A strategy in its bid to expand operations worldwide.

In the IT sector, private equity firm HIG Europe announced on 11 September the acquisition of DGS S.p.A, a leading player in the Italian market. DGS provides digital solutions, including system integration on main ERP and CRM, cybersecurity services and IT management consultancy to various high-profile customers across a range of industries.

In Northern Europe, Nordic Capital backed IT solutions provider, Conscia, announced on 21 September the acquisitions of Denmark's Net IT and Credocom, Netherland headquartered Damecon and Swedish SECOA, further strengthening its expertise in cybersecurity and cloud management.

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