

Regent Assay's View of the Month

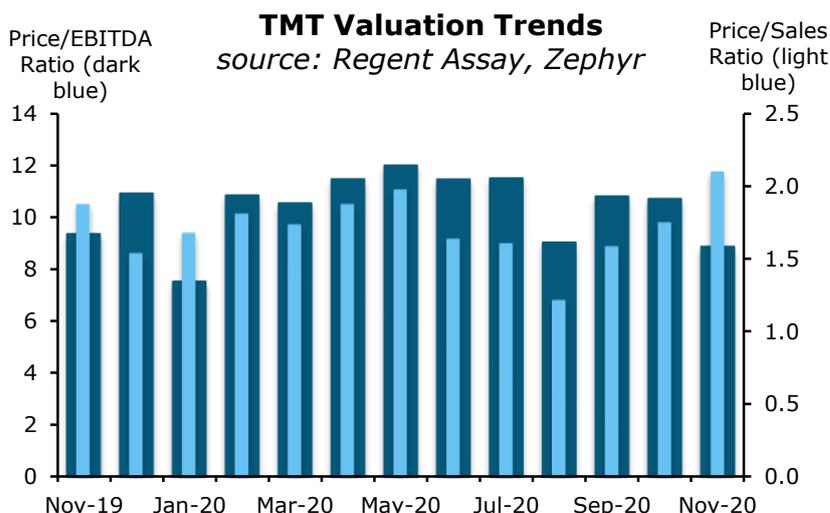
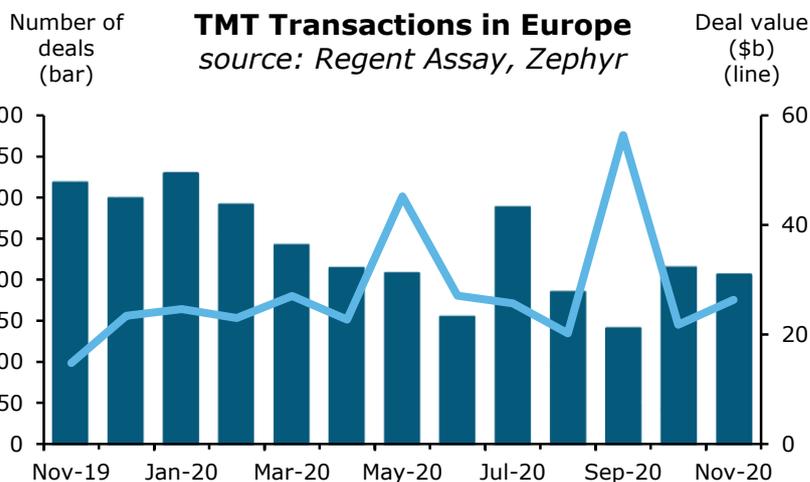
If deal volume hasn't quite gone back to pre-Covid levels, the general tendency of the past few months will be a good omen to deal makers looking forward to the new year. Indeed, for the first time since April-May, total transactions within the European TMT market remained above the 200 threshold for two consecutive months, at 206. Importantly, this is above the "Covid" 8-month average (April-November) of 202. Another sign of optimism will be found in the aggregate deal value increasing by 20% to reach \$26.3bn. Valuation multiples diverged but remained at healthy levels: if the P/EBITDA lost some ground at 8.8x, the P/S ratio increased to 2.1x, its highest figure since January 2019.

On 16 November, Italian payment company, Nexi SpA announced its merger with Danish based payments solutions provider, Nets A/S, for \$9.2 billion. Nexi is the Italian leader within the digital payment market, with more than 900,000 business using its solutions to collect payments. Nets is a leader in the Nordic countries with a strong presence across Central and Eastern Europe. The new combined group will become one of the largest pan-European PayTech players, present over 25 countries and generating about \$3.5 billion of revenue in 2020. This deal follows Nexi's acquisition of the merchant acquiring division of Intensa Sanapolo in December 2019 for over \$1 billion.

On 5 November, Global Healthcare Opportunities (GHO Capital), a specialist investor in European healthcare, acquired a majority stake in Envision Pharma Group. Headquartered in the UK, Envision helps biopharmaceutical and medical device companies commercialise new compounds through medical strategy, strategic publications planning, and medical communications delivery. Its flagship technology, iEnvision, supports medical strategy and grant management activities to help pharmaceutical companies operate their businesses compliantly. Envision has recently expanded via several key strategic acquisitions and is present across Australia, Japan, Serbia, and Hungary.

British media company, Future plc, announced on 25 November the acquisition of GoCo Group for approximately \$800m. GoCo Group operates a number of savings websites in the UK, including one of the leading price comparison websites, GoCompare.com, as well as Myvouchercode.co.uk, a voucher deals site; and LookAfterMyBills.com, an energy automated switching site. The terms of the combination values GoCo Group shares at a premium of 32% to the average price over the past three months, and GoCo shareholders will own approximately 19% of the combined group.

On 10 November, Graphite Capital, a leading UK mid-market private equity specialist, backed the management buyout of Babble from LDC, valuing the company at approximately \$120 million (£90m). Based in the UK, Babble is a unified communications, cloud contact centre and cyber security provider, supporting around 2,000 medium-sized across a wide range of sectors including financial, health and education, travel and accommodation, and public services. Babble has long-standing relationships with leading suppliers such as Five9, Evolve IP, Gamma and Microsoft. LDC will retain a minority stake in Babble.



Pradip Somaia
Partner
psomaia@regentassay.com

Leo Bretelle
Analyst
lbretelle@regentassay.com

Hana Glanville
Business Dev Director
hglanville@regentassay.com