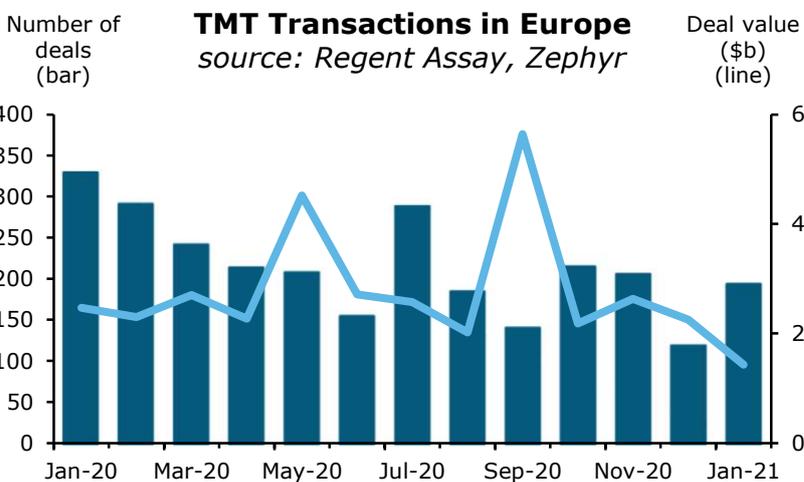


## Regent Assay's View of the Month

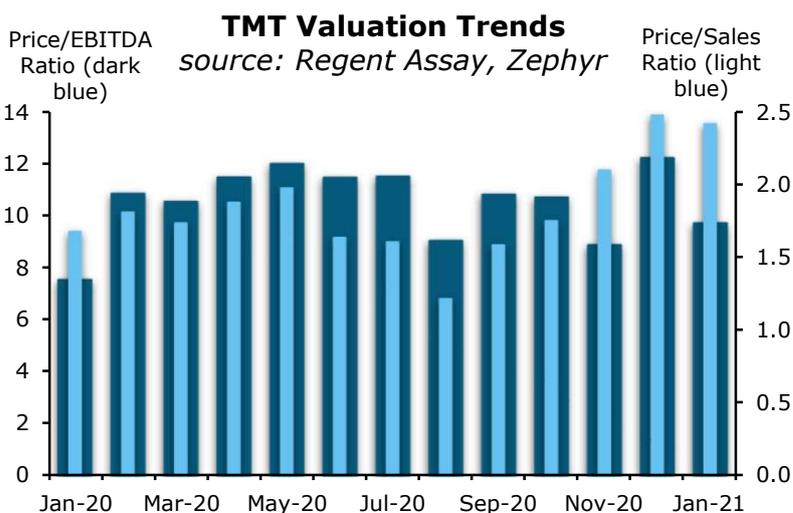
M&A activity across the European TMT industry kicked off to a slow but positive start in January. Aggregate transaction volume increased by 62%, from 120 in December to 194, which put deal volume back in line with yearly averages. Announced deal value dropped to \$14bn, its lowest figure since September 2019. Signs of optimism came from strong valuation multiples, which remained high: the P/S ratio hovered at 2.4x, while the P/EBITDA decreased slightly to 9.7x. This is the third month in a row the P/S ratio is above the 2x figure. American PE and trade buyers continued to express interest for the European tech sector (see below).

US-based Workday, a provider of cloud applications for finance and human resources, announced on 28 January the acquisition of Denmark-based Peakon, a provider of online employee engagement software, for \$700m in cash. Peakon, which was founded in 2014, is a people analytics platform that enables organizations to gain visibility into employee experience and sentiment to improve overall business performance. Peakon's software can automatically send targeted surveys to gauge employee sentiment and recommend actions based on employee feedback. The company had raised a total of \$68m in funding from the likes of Atomico, EQT Ventures and IDInvest Partners prior to being bought by Workday.



Spanish telecommunications giant Cellnex, announced on 21 January that it had reached an agreement with Deutsche Telekom to merge their tower businesses in the Netherlands and fund an independently managed Digital Infrastructure Vehicle (DIV), majority owned by Cellnex. The deal will result in Cellnex integrating T-Mobile Infra BV's 3,150 telecommunications towers and sites in the Netherlands. Once the agreement is finalised, Cellnex Netherlands will operate a total of 4,314 sites including 180 new sites to be rolled out over the next 7 years. Cellnex's share in Cellnex Netherlands is valued at \$488m.

London headquartered virtual events platform, Hopin, announced on January 7 that it had acquired StreamYard, a live video streaming studio based in the USA, for \$250 million. StreamYard is a cloud-based solution that helps businesses and entertainers create live events for their audiences and simulcast live to a number of social channels, including YouTube, Facebook, LinkedIn, and Twitch. StreamYard has grown from \$1 million to \$30 million in annual revenue in 2020 and now has more than 3.5 million users. This is Hopin's second acquisition in the USA in as many months, after acquiring networking technology business Topi in December.



US based investment firm, The Carlyle Group, announced on 25 January that it had acquired Jagex, a leading developer and publisher of video games. If the terms of the transaction were not disclosed, the deal value is expected to exceed the \$530m Macarthur Fortune Holding paid when it acquired Jagex only a year ago. Headquartered in Cambridge, UK, and employing more than 450 people, Jagex is one of the largest British video game studios, developing and publishing video games on PC and mobile. The company is best known for its online role-playing living game franchise *RuneScape*, which has attracted almost 300 million player accounts since its launch 20 years ago.

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