

A wide-angle photograph of a city skyline, likely New York City, viewed from across a body of water. In the foreground, a harbor with numerous sailboats and a small dock is visible. The middle ground is filled with dense greenery and trees showing autumn foliage. The background features a variety of skyscrapers, including a prominent white tower with a green glass facade and a tall yellow tower. The sky is blue with scattered white clouds.

# AGC's Tech Private Equity Annual Report

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Private Equity Rides The Post-COVID Tech Tidal Wave

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December  
2021



# Tech Capital Markets Turbo-Charged by COVID and PE Firepower

The global tech ecosystem has escalated to a feverish pitch since briefly getting crushed by COVID in the spring of 2020. Tech company formation, revenue and hiring growth, and the viral spread of technology to every aspect of our lives has propelled the sector to be the #1 industry, representing \$6.9T in GDP, ahead of manufacturing, finance, healthcare, and everything else. Entrepreneurship, VCs, PEs, bankers, and public investors have stoked the flames of the raging tech industry's growth with a flood of capital, manpower, and creativity.

While not all of the fruits of technology utilization are pleasant – e.g. 10 hours of screen time a day – there is so much of our lives that have been altered/improved in the way we work and live by the introduction of new technologies. 24% of the S&P 500 is represented by technology and the public software index has risen by 218% since April 2020, outperforming the S&P 500 by more than 2x. Annual technology M&A transaction value, which peaked around \$600B pre-COVID, will cross over \$1.3T this year. The tech IPO market will be up 7x in 2021 compared to its ten-year median. The SPAC market, which did not exist two years ago, will put up \$480B in M&A value and over \$100B in IPO proceeds in 2021. Public SaaS valuations, which have fluctuated between 5x and 10x revenues over the last 10 years are at roughly 16x.

In this post-COVID world, the sun has shined on technology, and tech PE funds have been making a ton of hay. By our last count, there are now over 300 tech PE funds with 3,700 portfolio companies and over \$1.5T under management. Led by Vista, Hg, TA, Thoma, and Insight, tech PEs have done 1,200 of the 3,700 tech deals thus far in 2021. The latest tech funds to be announced are ginormous: Insight at \$20B, Silver Lake at \$20B, Thoma at \$22B and Vista at \$22B. Rumor has it that Thoma currently has five funds in the market raising a total of \$34B in dry powder ready for deployment in 2022. AGC has now done 15 transactions with Thoma including PDFTron and Greenphire. With this amount of fund raising, we think there should be a few more deals to come!

Near zero interest rates, sky high public valuations, and strong PE returns are drawing LP allocations into these tech funds. In turn these tech funds will be doing larger deals, more go privates and a lot more PE to PE deals. The number of “club” deals has rocketed in the last two years and for several good reasons. The growth and quality of the 3,700 PE Port Cos makes for good hunting. In addition, a PE selling 51% of a Port Co to a fellow PE versus exiting 100% benefits from a big step up in basis (not to mention cash plus bragging rights), a continued position in a great company and a new partner to carry the torch going forward.





# Venture Growth Investors Step On To A Bigger Stage

The PE funds have rapidly deployed a ton of capital for company building, acquisitions, and shareholder liquidity. In many cases, they have also advanced their portfolio companies' capabilities across multiple fronts driving organic growth as well as acquisitions. Value creation from these activities has been enormous, and in some cases, it has been good enough to just rely on the benefits of growth and multiple expansion. As they say, it's good to be in the right place at the right time, and technology private equity has been in the right place at the right time in a COVID world.

Tech venture growth funds have now emerged to be contenders for investing in these hyper-scaling young private tech companies. The days of venture capital checks capping out at \$20M strictly for primary investment have been blown away by these new age venture growth funds like Tiger, Softbank and Founders. In the last three years, the top 150 venture growth funds have logged over 15,000 minority investments, with the top five combining for nearly 2,000. These funds are writing checks at a furious pace, sized between \$5-200M with commitments made over a cup of coffee on the back of a napkin. Deals are done with limited due diligence, 30-day closings, standard preferred terms, sky high valuations, and passive investors. In many cases, the venture growth minority check is beating out the PE majority check with a higher valuation and the lure of not giving up control.

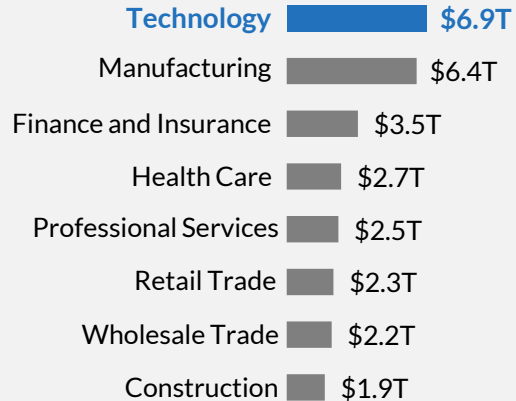
In AGC's annual PE report, we have surveyed more than 50 of the top tech-focused PEs. With heavy participation from many of the top PEs, we gathered four years of stats on tech M&A activity, total assets under management, total number of majority-owned portfolio companies, and total number of platform deals. We hope you enjoy the report.

**About AGC:** Before jumping into the slides, I want to share a quick update on AGC. Our momentum has continued into December of 2021, with 41 deals closed in the last year and 12 deals currently under LOI, making AGC the most active technology investment bank. Recently, we represented K1, Luminate, Riverside, Silversmith and Vista on transactions ranging from roughly \$200M to over \$1B. We have built the leading global technology investment bank focused on middle market M&A and growth financings with 448 transactions completed since inception and we are the market SaaS leader with 137 transactions since 2010. Our main offices are in Boston, New York, San Francisco and London, and we have expanded our go-local strategy with senior hires in Charlotte, Denver and Los Angeles. With AGC's team of 21 tech banking sector-expert Partners, we have built one of the largest technology-focused teams on Wall Street.

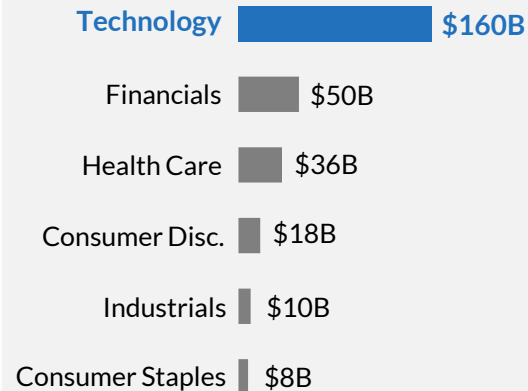


# Tech is the Driver of Economic Growth and Wealth Creation

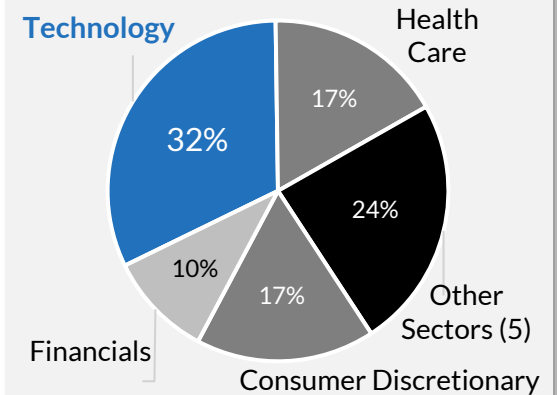
## #1 in Industry GDP



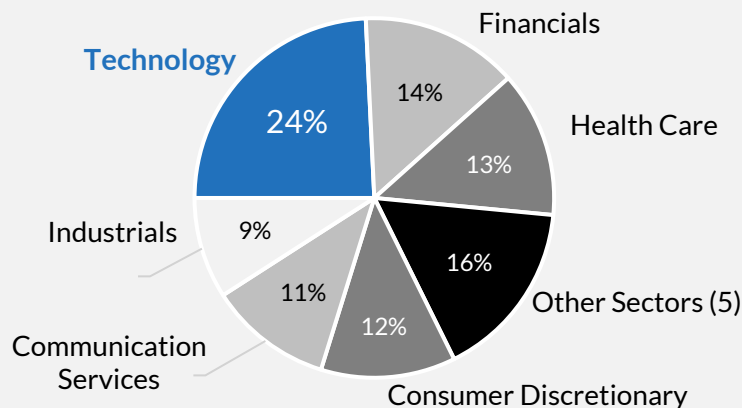
## #1 in IPO Proceeds



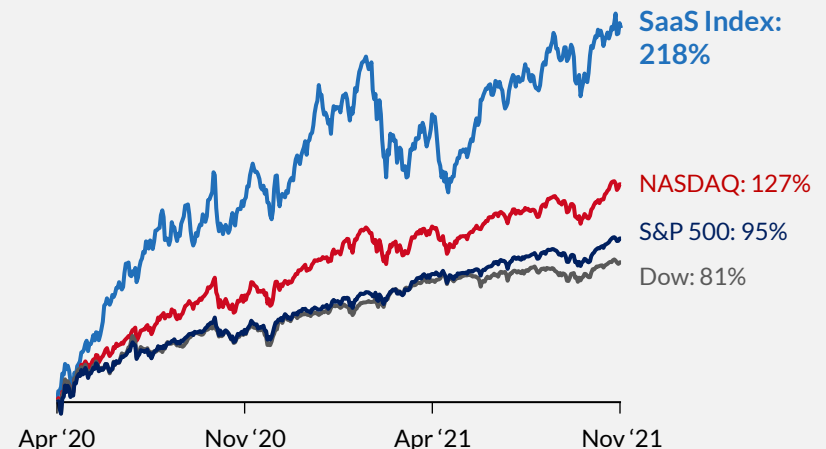
## #1 in Private Placements



## #1 in S&P 500 by Value



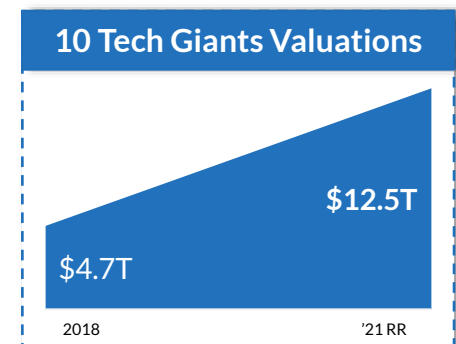
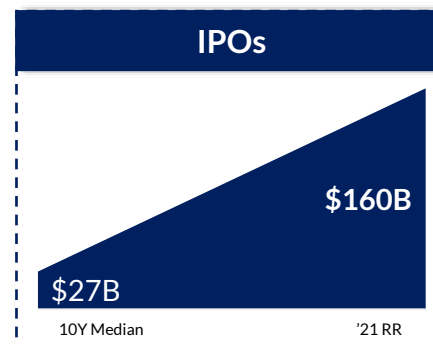
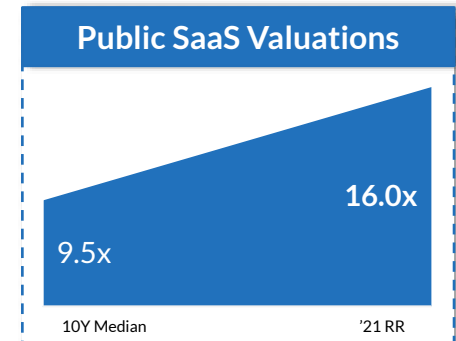
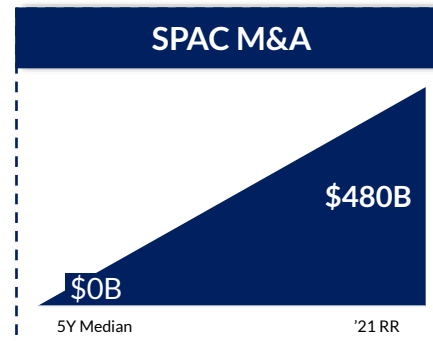
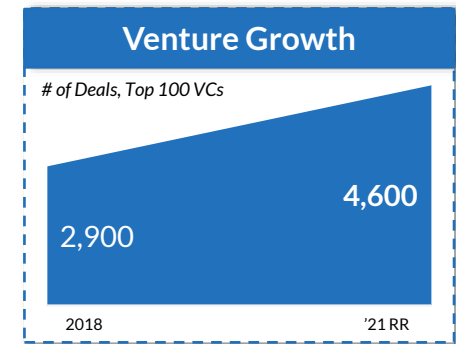
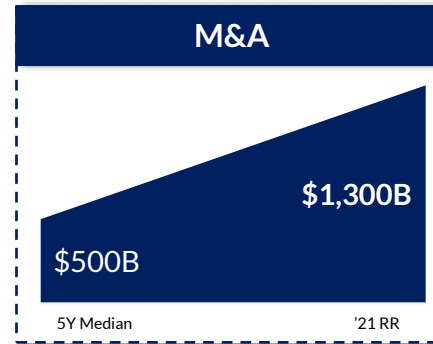
## #1 Wealth Creator in Public Markets



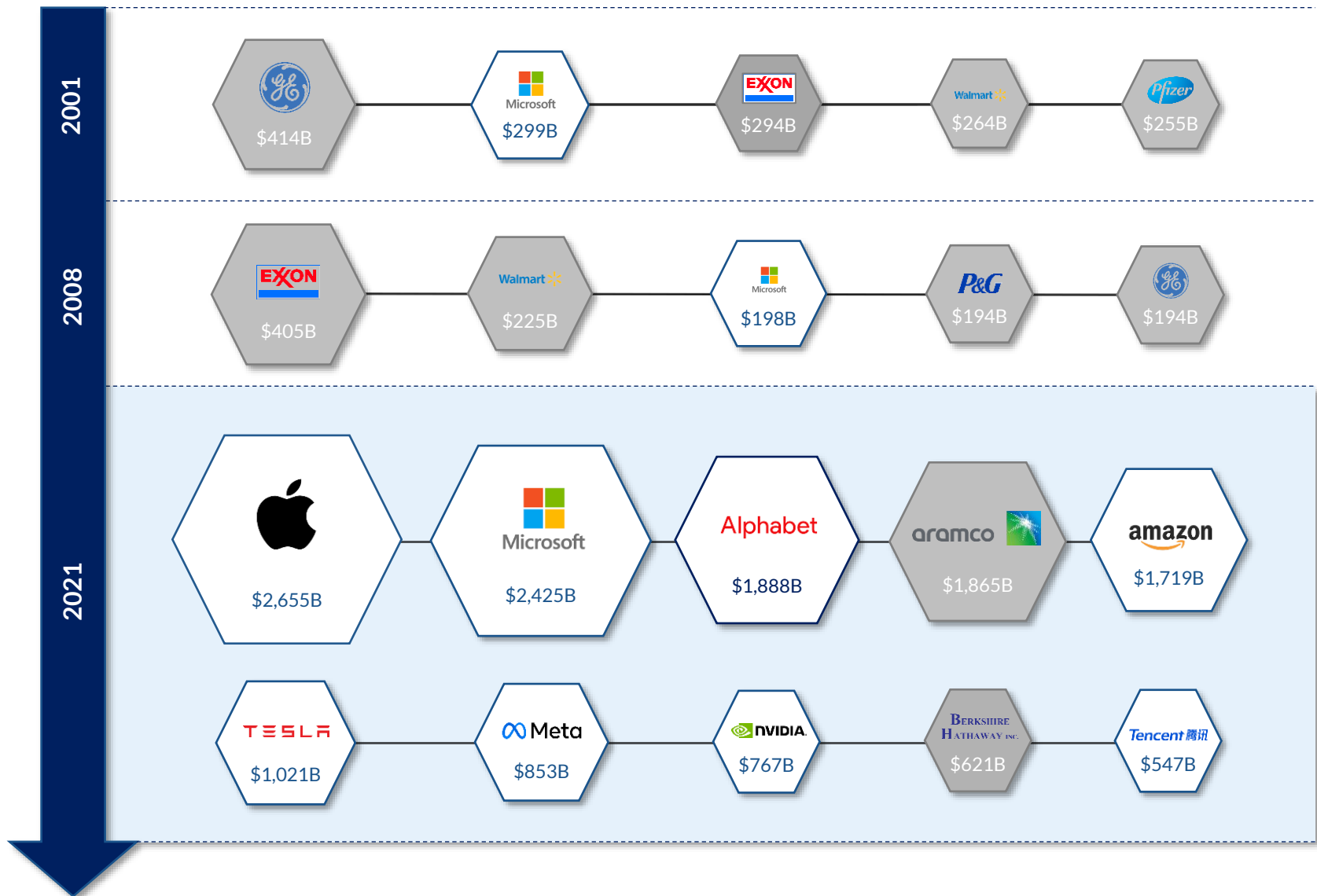


# We Are Riding The Post-COVID Tech Tidal Wave

- Tech M&A, which was peaking out at \$600B the last couple of years, will cross **over \$1.3T this year**, more than double the previous record
- Tech SPACs burst on the scene at roughly the same time COVID broke and will post **\$480B in M&A value** and **\$100B in IPO proceeds** in 2021
- Tech IPOs exclusive of SPACs, which have bumped along at \$20B, will reach \$160B in 2021
- There are now more than 1,000 tech venture growth funds, the top 100 of which will do **4,600 financings** this year. Many of these deals have been done **over 15x CARR**
- SaaS valuations, which ranged between 5-10x for the last ten years, are currently trading at **16x**. Our top 10 tech giants, headlined by Microsoft, Apple and Google, have risen from \$4.7T in '18 to \$12.5T today



# Tech Titans Dominate the Mega Cap



# Top 40 PE Tech Platform Leaders

- Thoma Bravo and Vista remain at the top of the list with **43 and 39 platform acquisitions** respectively, and Marlin and Hg move up to 3 and 4 in the ranking
- In most PE platform deals, the PE selling **holds on to a significant ownership position** looking to piggy-back on the new PE owner's ambitions of building a much bigger company
- These PEs and Port Cos are now paying **5-15x current ARR** – often more generous than the strategics
- Out of the 2,500 PE tech deals completed since 2020, 780 were platform deals. PEs are on track to do over **425 platform deals in 2021**

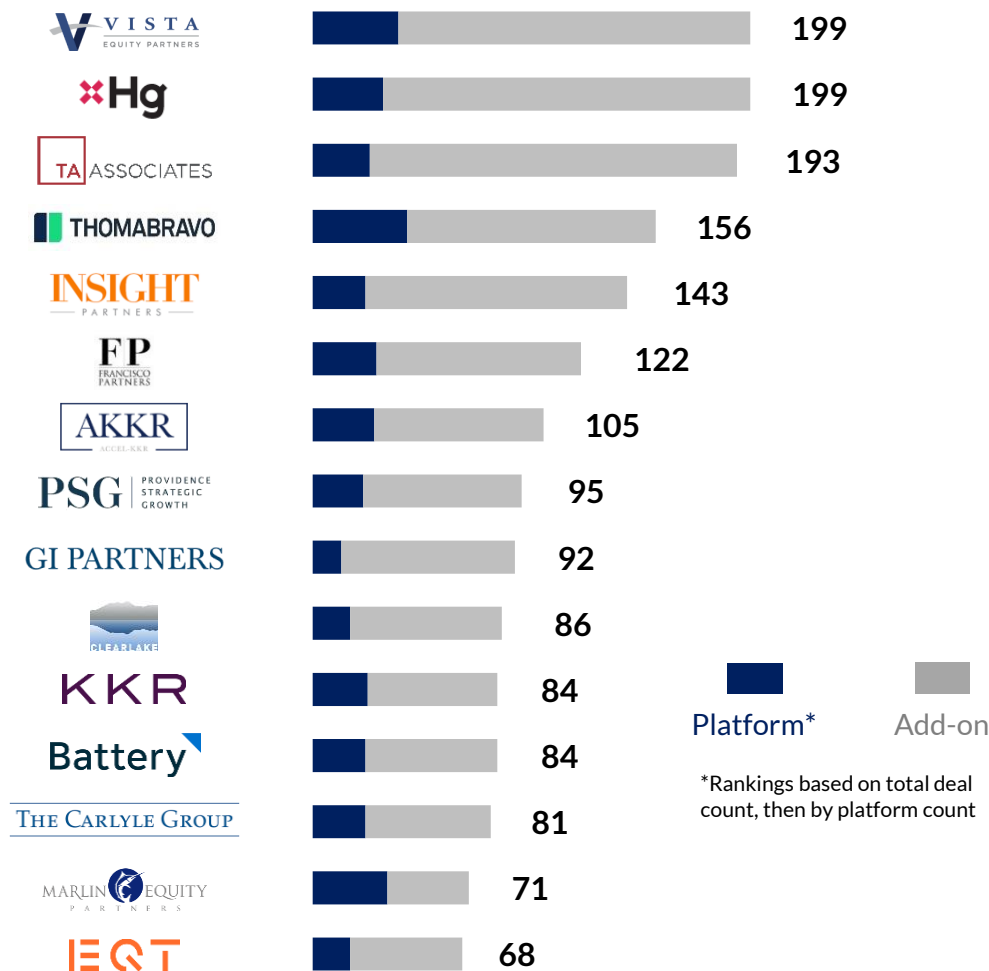
Rank	PE Firm	Count
1.	THOMABRAVO	43
2.	VISTA EQUITY PARTNERS	39
3.	MARLIN EQUITY PARTNERS	34
4.	Hg	32
5.	FP FRANCISCO PARTNERS	29
6.	AKKR	28
7.	TA ASSOCIATES	26
8.	KKR	25
9.	Battery	24
10.	THE CARLYLE GROUP	24
11.	INSIGHT PARTNERS	24
12.	PSG PROVIDENCE EQUITY	23
13.	ALPINE	22
14.	abry partners	21
15.	Blackstone	20
16.	Great Hill PARTNERS	20
17.	STG SYMPHONY TECHNOLOGY GROUP	18
18.	GREENWATER	17
19.	IEQT	17
20.	Apax PARTNERS	15

Rank	PE Firm	Count
21.	BainCapital	15
22.	CVC	14
23.	HILL CAPITAL	14
24.	LLR Partners	14
25.	Riverside	14
26.	WARBURG PINCUS	14
27.	Advent International GLOBAL PRIVATE EQUITY	13
28.	GI PARTNERS	13
29.	ARDIAN	12
30.	MDP® Madison Dearborn Partners	11
31.	PROVIDENCE EQUITY	11
32.	TPG	11
33.	AQUILINE CAPITAL PARTNERS LLC	10
34.	BC PARTNERS	10
35.	ESW   CAPITAL	10
36.	GTCR	10
37.	SILVERLAKE	10
38.	STONE POINT CAPITAL	9
39.	RUBICON technology partners	8
40.	NMC NEW MOUNTAIN CAPITAL LLC	7

# Tech PE Fund Momentum Continues – Lots of Capital & Deals

- Vista, Hg, TA and Thoma lead the charge in PE acquisitions
- PE funds and their Port Cos have completed over **1,200 of the 3,700 tech deals** in 2021
- **3 out of 4 PE deals** are now add-on acquisitions by their Port Cos
- Funds are combining two companies at inception for **more scale and synergies** – because they need to write bigger checks

## Most Active Tech Acquirers (PEs)



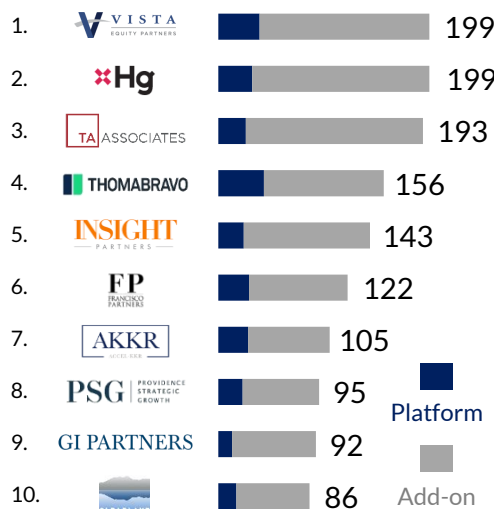




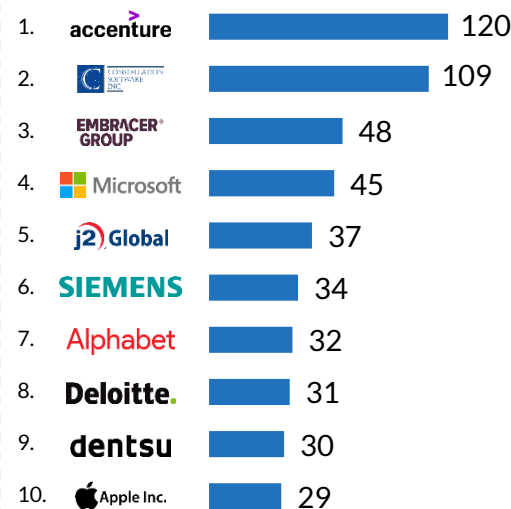
# Tech PEs Have Become Much More Active Buyers Than Strategics

- The top ten most acquisitive PEs combined for 1,350 deals since 2018, more than double the tally of the top ten strategics at 500
- Private equity is taking over more of the high end of the tech M&A market. Year to date in 2021, **33% of deals done at a revenue multiple of 4x or higher** have been PE-led, up three fold from ten years ago
- **PE-led deals have doubled in the last five years**, jumping from 672 in 2015 to 1,389 in 2021
- Strategics now account for only 67% of such deals, down from 92% in 2011

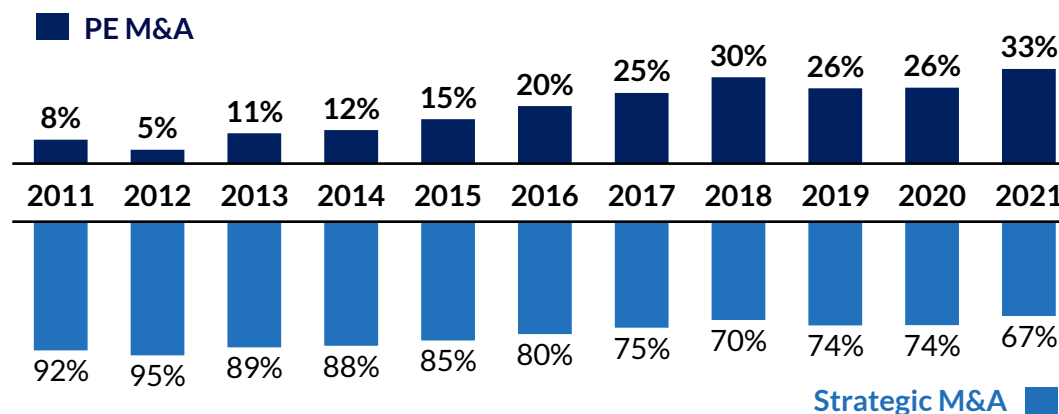
Top 10 Tech PE Acquirers by Deal Count (2018-2021)



Top 10 Tech Strategic Acquirers by Deal Count (2018-2021)



Percentage of PE vs. Strategic M&A on Deals with 4x+ Revenue Multiples



# Tech AUMs for Tech Focused PEs

- With over **\$1.5 trillion in AUMs**, Tech PEs have record funds to invest
- Tech PEs have **3,700 Port Cos** – most all of them on the hunt for acquisitions
- All of the roughly 300 tech funds are accelerating their cadence of **new funds raised and portfolio exits** – good for us M&A bankers
- Funds continue to get bigger; Thoma, Vista, Silver Lake, and Insight's most recent funds are each **over \$20 billion**

Rank	PE Firm	Tech AUM (\$M)
1.	THOMABRAVO	\$78,100
2.	VISTA EQUITY PARTNERS	76,500
3.	SILVERLAKE	66,000
4.	INSIGHT PARTNERS	65,000
5.	GENERAL ATLANTIC	36,000
6.	FP FRANCISCO PARTNERS	26,744
7.	SILVERLAKE	26,299
8.	Hg	26,076
9.	TCV	23,300
10.	TA ASSOCIATES	23,250
11.	VERITAS CAPITAL	17,010
12.	PROVIDENCE EQUITY	14,184
13.	SUMMIT PARTNERS	12,800
14.	ICONIQ	11,856
15.	AKKR	10,000
16.	Battery	8,544
17.	MARLIN EQUITY PARTNERS	8,062
18.	MARLIN EQUITY PARTNERS	7,808
19.	GI PARTNERS	7,604
20.	Great Hill PARTNERS	7,600

Rank	PE Firm	Tech AUM (\$M)
21.	SPECTRUM EQUITY	\$6,619
22.	PSG PROVIDENCE STRATEGIC GROWTH	6,390
23.	Montagu private equity	6,386
24.	JMI	5,777
25.	STG SYMPHONY TECHNOLOGY GROUP	5,700
26.	SIRIS	5,641
27.	Gotham Square Private Capital	5,571
28.	stripes	3,810
29.	PARTHENON CAPITAL	3,172
30.	AQUILINE CAPITAL PARTNERS LLC	3,029
31.	ALPINE	3,000
32.	FTV CAPITAL	2,741
33.	bv INVESTMENT PARTNERS	2,534
34.	Bregal Sagemount	2,385
35.	VECTOR CAPITAL	2,174
36.	LEVEL EQUITY	2,042
37.	LLR Partners	1,556
38.	PAMLICO CAPITAL	1,484
39.	polarispartners	1,400
40.	SEPI SUYOUNG EQUITY PARTNERS	1,291

Source: PitchBook. As of 8/31/21. Represents total AUMs reported on form ADV, adjusted for Pitchbook estimates of non-PE strategies and non-tech investing activity. "Tech PEs" are defined as those historically allocating 50%+ to the tech sector and pursuing a growth equity or buyout strategy for 50%+ of closed funds.

# Big PE Buyout Tech AUMs

- The top 80 tech PE funds manage **\$1.1 trillion in AUM**
- With all the money being made in tech over the last 10 years, you can bet that LPs have been pushing their favorite PEs to build out their respective tech groups, and in some cases, build a team from scratch
- This LP driven motivation has contributed to the recent rise of tech-focused mega funds, the creation of new maiden tech funds, and the **increasing allocation to tech within generalist PE funds**

Rank	PE Firm	Tech AUM (\$M)
1.	Blackstone	\$66,989
2.	APOLLO	58,108
3.	KKR	40,145
4.	IEQT	30,886
5.	THE CARLYLE GROUP	29,693
6.	ARDIAN	24,411
7.	WARBURG PINCUS	21,423
8.	TPG	21,000
9.	Advent International	19,662
10.	CVC	18,565
11.	BainCapital	18,442
12.	Adams Street	17,584
13.	6 SIXTH STREET	16,832
14.	HARBORVEST	15,480
15.	A.P. INVEST	14,696
16.	ELLIOTT	12,721
17.	PERMIRA	12,367
18.	Apax PARTNERS	11,935
19.	GENSTAR	11,605
20.	HELLMAN & FRIEDMAN	11,335

Rank	PE Firm	Tech AUM (\$M)
21.	H.I.G. CAPITAL	\$11,182
22.	GTCR	8,159
23.	N.M.C. NEW MOUNTAIN CAPITAL LLC	8,131
24.	STONE POINT CAPITAL	5,496
25.	Platinum Equity	5,091
26.	LGP	5,021
27.	GOLDEN GATE CAPITAL	4,945
28.	Centerbridge	4,718
29.	MDP <sup>®</sup> Madison Dearborn Partners	4,314
30.	PAMPLONA CAPITAL MANAGEMENT	4,288
31.	LONE STAR FUNDS	4,255
32.	BlackRock	4,233
33.	Berkshire Partners	3,950
34.	Riverside	3,744
35.	abry partners	3,186
36.	WCAS	2,821
37.	ONEX	2,609
38.	BC PARTNERS	2,606
39.	SQR	2,448
40.	HGGC	2,279



# New Tech PE Funds: The Big Keep Getting Bigger...

Fund Name	Size (\$M)	Fund Name	Size (\$M)
1. Thoma Bravo Fund XV	\$22,000*	21. Veritas Capital Fund VII	\$6,500
2. Vista Equity Partners Fund VIII	22,000*	22. KKR European Fund V	6,429
3. Silver Lake Partners VI	20,000	23. Providence Equity Partners VIII	6,000
4. Insight Partners XII	20,000*	24. Hg Genesis 9	5,200
5. Thoma Bravo Fund XIV	17,800	25. Madison Dearborn Cap Partners VIII	5,000
6. Vista Equity Partners Fund VII	16,000	26. Hg Capital Saturn 2	4,950
7. KKR Asian Fund IV	14,735	27. Summit Partners Growth Eq Fund X	4,900
8. Thoma Bravo Fund XIII	12,600	28. Charlesbank Equity Fund X	4,600
9. TA XIV	12,500	29. Providence Strategic Growth V	4,500
10. Clearlake Capital Partners VII	10,000*	30. Warburg Pincus China-SE Asia II	4,500
11. Francisco Partners VII	10,000*	31. Vista Foundation Fund IV	4,500*
12. Insight Partners XI	9,542	32. Advent Global Technology II	4,000
13. Ardian LBO Fund VII	8,891	33. K5 Private Investors	4,000
14. TA XIII	8,500	34. GI Partners Fund VI	3,900
15. Summit Partners Growth Eq Fund XI	8,350	35. Thoma Bravo Discover Fund III	3,900
16. General Atlantic Inv. Partners 2021	7,800	36. ICONIQ Strategic Partners VI	3,750*
17. GTCR Fund XIII	7,500	37. TPG Growth Fund V	3,600
18. Francisco Partners VI	7,450	38. Thomas H. Lee Equity Fund VIII	3,590
19. Nordic Capital Fund X	7,189	39. Siris Partners IV	3,450
20. Clearlake Capital Partners VI	7,068	40. H.I.G. Middle Market LBO Fund III	3,100

\*Estimated target/fund size. Not yet closed.



















- The upper end of tech PE fund sizes has increased from \$10B-\$12B in 2018 to **\$15B-\$22B today**
- Silver Lake closed its \$20B mega fund in Jan '21 and has already made 37 investments, including large minority stakes in Stripe and Euroclear of \$1B and \$825M, respectively
- All but one of these 37 investments are late stage fundings or secondary transactions, in what may be a preview to what the next batch of \$20B+ funds will encounter to fully deploy their capital

Source: PitchBook, PE Hub, Bloomberg. Includes funds closed or launched during the period 1/1/20 through 8/31/21. "Tech PE Funds" are defined as funds managed by Tech Focused PEs, plus one-off sector funds run by generalist managers. "Tech Focused PEs" are defined as those historically allocating 50%+ to the tech sector and pursuing a growth equity or buyout strategy for 50%+ of closed funds.



# ...And the First Time Funds Keep Coming

- Momentum in tech investing has **spurred fundraising across all strategies** including late stage, mid-market buyout, large-cap buyout, sector funds, and structured equity
- This has given rise to another phenomenon: **rising stars spinning out of legacy firms to launch maiden tech PE funds**

PE Firm	Fund Name	Size (\$M)	Lineage
 LONG RANGE CAPITAL	Long Range Capital Fund I	\$1,520	Robert Berlin (Navab)
 ETHOS INVEST	Ethos Financial Services and Tech Fund	1,390*	Quintan Wiktorowicz (Frost)
<b>BOND</b>	Bond Capital Fund	1,250	Mary Meeker, Noah Knauf & Juliet de Baubigny (Kleiner)
 BRIGHTON PARK CAPITAL	Brighton Park Capital Fund I	1,100	Mark Dzialga (General Atlantic), Zachary Gut (Apax)
 AVANCE	Avance Investment Partners	1,000*	Luis Zaldivar, David Perez, Erik Scott (Palladium)
 10T	10T Holdings Crypto Fund	750	Dan Tapiero (DTAP)
 OCEANSOUND PARTNERS	OceanSound Partners Fund	550 *	Joe Benavides (Veritas), Ted Coons (TCV)
 CGE PARTNERS	CGE Partners	519*	Nick Heslop (Bridgepoint), Chloe Holding (Inflexion)
 SAVANT GROWTH	Savant Growth Fund I	500	Javier Rojas (Broadview)
 EQUALITY ASSET MANAGEMENT	Equality Private Equity Partners I	500 *	Jeffrey Del Papa (TA), Thomas Roberts (Summit)
 CortenCapital	Corten Capital Fund I	460	Joseph Schull (Warburg Pincus)
 AMERICAN PACIFIC GROUP	American Pacific Group Fund I	450	Fraser Preston (H.I.G.)
 bd-capital	BD-Capital Fund I	444	Richard Baker (Advent)
 Crest Rock Partners	Crest Rock Fund I	400	Jeff Carnes & Steve Johnson (Marlin)
 ASIA PARTNERS	Asia Partners Fund I	384	Nick Nash (General Atlantic), Oliver Rippel (Naspers)
 GALLANT CAPITAL	Gallant Capital Partners I	378	Anthony Guagliano & Jon Gimbel (Gores)
 CLEARHAVEN PARTNERS	Clearhaven Opportunities Fund I	312	Michelle Noon (Riverside, Thoma), Kevin Wood (Clearhaven)
Cuadrilla Capital	Cuadrilla Capital Fund I	300	Michael T. Richards (Marlin, Vicente), Jonah Sulak (Marlin), Vikram Abraham (Clearlake)
COBALT CAPITAL	Cobalt Strategic Partners I	298	Daniel Abrams (OpenGate)
 RF CAPITAL	RF Investment Partners SBIC	252	Peter Fidler, Peter Rothschild (Tamarix)
 TELEO	Teleo Capital	250	John McCormack (Marlin), Andy Martinez (Foundation)

\*Target Only. Not yet closed.

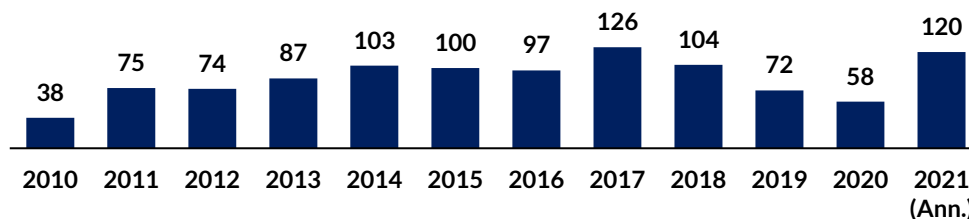
Source: PitchBook, PE Hub. For the period 1/1/16 to 8/31/21.



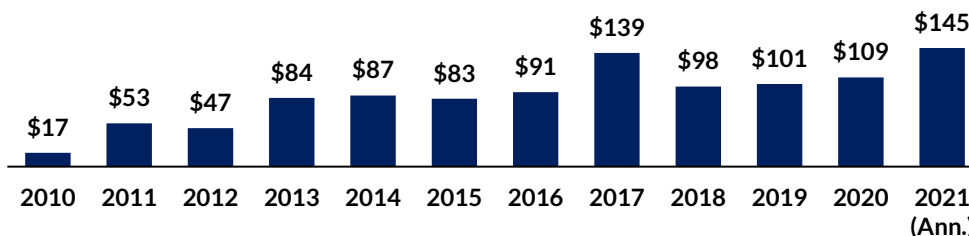
# Tech PE Funds Closed and Capital Raised Since 2010

- Tech PEs have broken out of a three-year closing slump and are **on pace to close 120 funds in 2021**
- Total capital dollar volumes have likewise rebounded in 2021, with PEs on pace to reach a **new watermark for capital raised at \$145B**
- Several top PEs are **moving capital towards the middle market** to compliment their large buyout funds. TA and HIG have both raised multiple top middle market funds since 2018, and TPG and Bain appear in the top ten in both middle market funds and large cap buyout funds

Number of Funds Closed



Capital Raised (\$B)



Middle Market Funds By PEs Since 2018

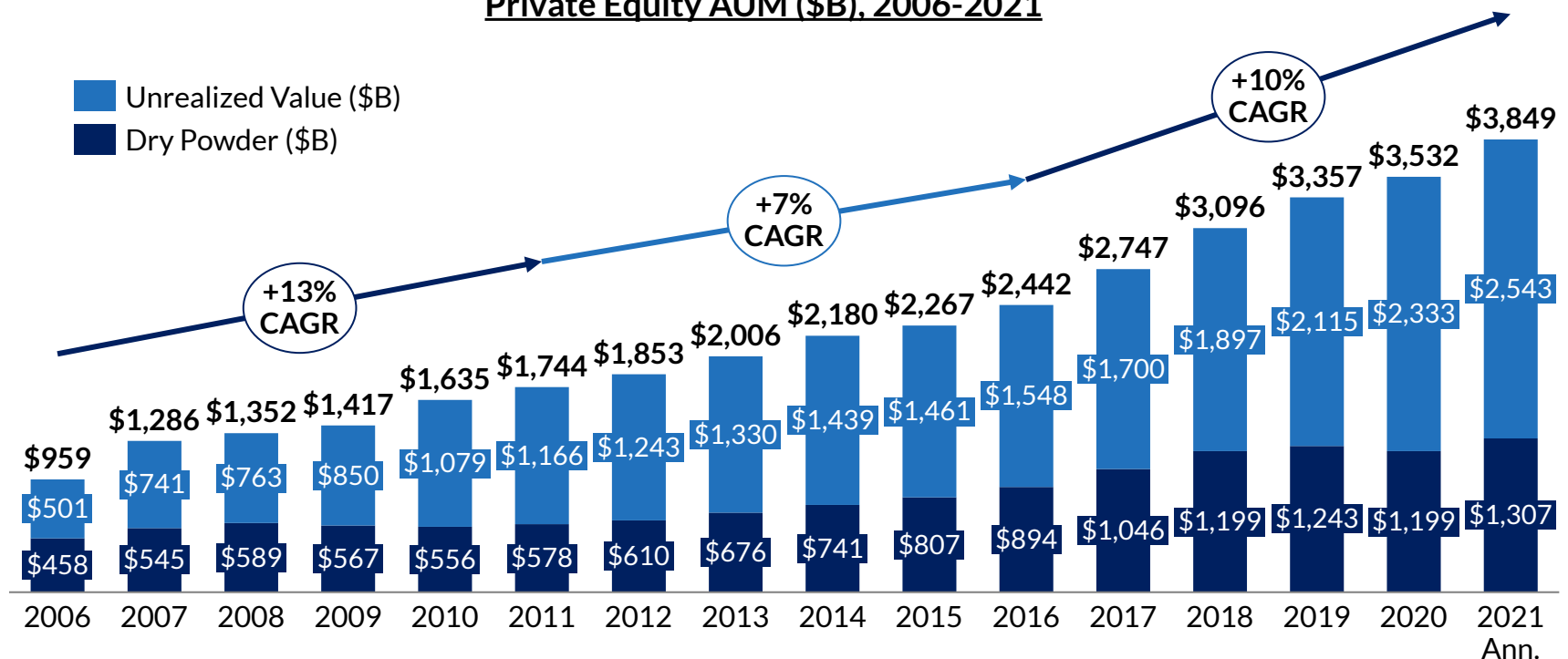
PE Firm	Fund Name	Size (\$M)
TA ASSOCIATES	TAXIV	\$12,500
CLEARLAKE CAPITAL PARTNERS VII	Clearlake Capital Partners VII	10,100
INSIGHT PARTNERS	Insight Venture Partners XI	9,542
VISTA EQUITY PARTNERS	Vista Foundation Fund IV	4,500
THOMABRAVO	Thoma Bravo Discover Fund III	3,900
TPG	TPG Growth Fund V	3,560
H.I.G. CAPITAL	H.I.G. Middle Market LBO Fund III	3,100
AKKR	Accel-KKR Capital Partners VI	2,850
COURT SQUARE	Court Square Capital Partners IV	2,700
GREAT HILL PARTNERS	Great Hill Equity Partners VII	2,500
LL LEVINE LEICHTMAN CAPITAL PARTNERS	Levine Leichtman Capital Partners VI	2,500
ALPINE	Alpine Investors VIII	2,250
abry partners	ABRY Partners IX	2,100
AQUILINE TECHNOLOGY GROWTH	Aquiline Financial Services Fund IV	2,043
BainCapital	Bain Capital Tech Opportunities Fund	2,000
STG SYMPHONY TECHNOLOGY GROUP	STG VI	2,000

Source: Capital IQ, PitchBook. "Tech PE Funds" are defined as funds managed by Tech Focused PE Firms, plus one-off sector funds managed by diversified PE firms.

# \$3.8T in Assets, \$1.3T in Dry Powder

- Over the past fifteen years, private equity as an asset class has **experienced tremendous growth**
- According to Pitchbook, **AUMs now exceed \$3.8T** with \$1.3T in Dry Powder
- AUM growth has picked back up over the last five years, rebounding from a slowdown between 2011-2016. At a CAGR of 10%, AUMs are **on track to exceed \$5T By 2024**, with most public pension funds playing catch-up to allocations targeting 10-15% to PE as an asset class

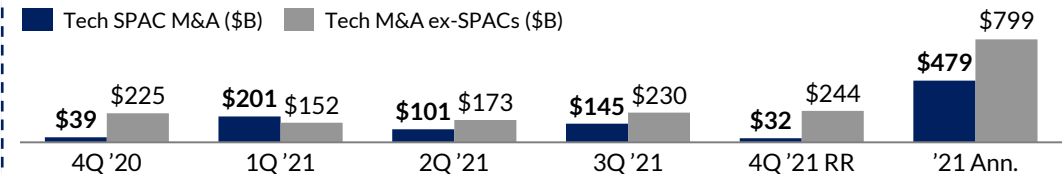
**Private Equity AUM (\$B), 2006-2021**



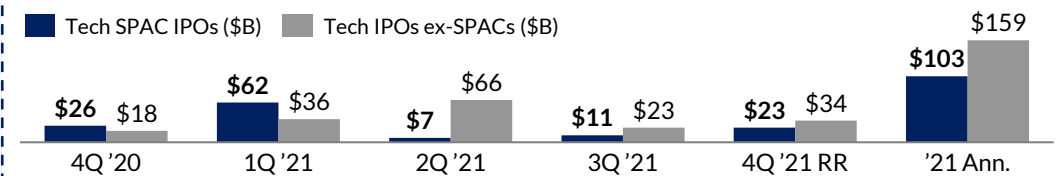
# Tech SPACs Power Up IPO and M&A Markets

- In 2021, SPAC acquisitions will **near \$500B** and IPO proceeds will **exceed \$100B**
- There are now 305 Tech SPACs seeking targets with **\$590B in buying power**
- Tech SPACs now account for more than **one-third of all capital raised** in the tech IPO market
- After tapering off in the summer, Tech SPAC IPOs have rebounded strongly with 70 completed IPOs in October and November
- Meanwhile, SPACs have taken over as a powerful force in the Tech M&A market, accounting for nearly half of all deal value
- PEs that have taken the plunge as sponsors of SPACs in addition to traditional PE funds have benefited from a deluge of capital formation in the space
- SPAC buyers and their \$590B in buying power will continue to be a mega player in the tech M&A market

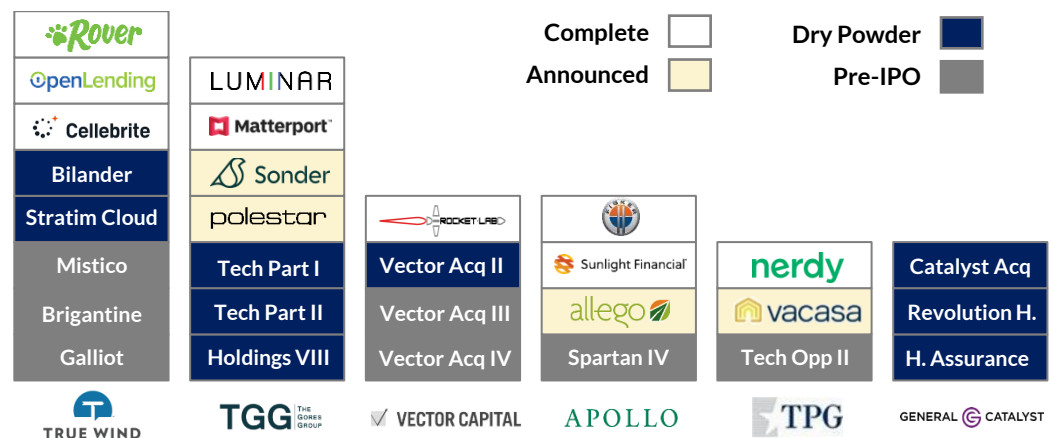
## Tech SPAC M&A Explodes

















## Tech SPAC Capital Raising Holds Steady



## PEs That Have Taken The Plunge – Multiple Tech SPACs Since 2020









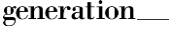













# Tech PEs as Sponsors: Cashing in on the SPAC Frenzy

10 Notable PE Sponsors of Tech SPACs				
PE Sponsor	Most Recent Tech SPAC	Deal Status	Deal EV (\$M)	Target / Intended Sector
✓ VECTOR CAPITAL	Vector Acquisition I	Closed NAS: RKL B	\$4.1B	 ROCKET LAB
 TPG	TPG Pace Solutions	Announced	\$3.7B	 vacasa
APOLLO	Spartan Energy Acq. III	Announced	\$2.7B	 allego
 REDBIRD CAPITAL PARTNERS	RedBall Acquisition	Announced	\$1.4B	 SeatGeek
GENERAL CATALYST	Catalyst Partners Acq.	Dry Powder	\$345M	Generalist Tech
 TRUE WIND	TWC Tech Holdings II	Closed NAS: CLBT	\$1.8B	 Cellebrite
 TGG THE GORES GROUP	Gores Guggenheim	Announced	\$20.0B	polestar
HIGHLAND CAPITAL PARTNERS	Highland Transcend I	Announced	\$1.6	 PACKABLE
 THOMABRAVO	Thoma Bravo Advantage	Closed NYS: IS	\$10.8B	 ironSource
 SANDBRIDGE CAPITAL	Sandbridge Acquisition	Closed NYS: OWLT	\$1.1B	 Owlet

- With their deep expertise and extensive track records in tech deal-making, PEs were a natural fit to **take on roles as SPAC sponsors**
- Those who made the move have benefited from explosive growth in investor appetite, capital raised and sponsor economics
- A combined **\$155B in capital** was raised from **IPO and PIPE investors** in the last year for tech-oriented SPACs. That is more than the amount raised by traditional Tech PE funds (\$145B) in what has been a record year
- Not all PEs made the move, as SPACs can pose a **reputational risk** given their checkered past. Moreover, all paths lead to a public listing, which the PEs swore off long ago
- Despite these drawbacks, the SPAC's **20% promote fee** and **reliance on savvy deal-making** are too much for many to ignore

# Calling an Audible: Legacy PEs/VCs Shift Towards Tech & ESG

## New ESG Funds Launched in 2020 and 2021

Association	Fund Name	Size (\$M)
<b>Brookfield</b>	Brookfield Global Transition	\$12,500*
 <b>TPG</b> /  <b>RSE</b>	Rise Climate Fund	5,400
 <b>L CATTERTON</b>	L Catterton IX	3,712
 <b>TPG</b> /  <b>RSE</b>	Rise Fund II	2,100
 <b>LEEDS Equity Partners</b>	Leeds Equity Partners VII	1,250
<b>TRILL IMPACT</b>	Trill Impact Fund	1,060
 <b>generation</b>	Generation IM Sustainable	1,000
 <b>Microsoft</b>	Microsoft Climate	1,000
 <b>lightrock</b>	Lightrock Growth I	900
 <b>BainCapital</b>	Bain Double Impact II	800
 <b>Lowercarbon Capital</b>	Lowercarbon Fund	800
 <b>DBL PARTNERS</b> <small>DOUBLE BOTTOM LINE VENTURE CAPITAL</small>	DBL Partners IV	600
 <b>infraVia</b>	InfraVia Growth	550*
 <b>Owl Ventures</b>	Owl Ventures IV	415
 <b>C&gt;PRICORN</b> <small>INVESTMENT GROUP</small>	Sustainable Investors Fund	313
 <b>LearnCapital</b>	Learn Capital Fund IV	250*
 <b>RETHINK</b> <small>CAPITAL PARTNERS</small>	Rethink Impact II	182
 <b>GSV Ventures</b>	GSV Ventures II	180
 <b>CONGRUENT</b> <small>VENTURES</small>	Congruent II	175
 <b>Reach</b> <small>Capital</small>	Reach Capital III	165

\*Target Only. Not yet closed.

Source: PitchBook, PE Hub

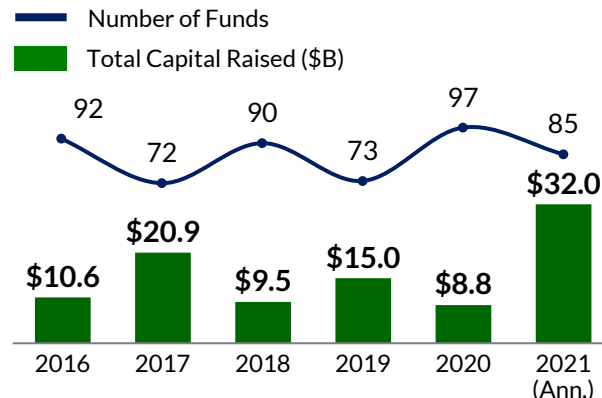
- More and more established PE managers are **changing their stripes and fund strategies** to introduce tech focused funds for the first time
- The surge in interest in ESG investing as a result of the **global pandemic provided a strong catalyst** for these managers to make the switch
- For legacy infrastructure and real asset managers, this provided an opportunity to **parlay their expertise** in asset efficiency into clean tech, real estate tech and other **concepts in sustainability that leverage technology**
- ESG has generated huge LP demand for **EdTech funds** in particular as they are able to combine tech investing with social impact investing in a more seamless and clear-cut manner



# Tech-Focused ESG Funds Raising Billions in Capital

- Recent interest in sustainable investing has driven capital raised for tech-focused ESG funds to \$32B in 2021, **triple the amount raised in 2020**
- TPG's impact platform, which began with the launch of The Rise Fund in 2016, now manages more than **\$11B in assets across three strategies**
- In July, Brookfield announced an initial \$7B close on its Global Transition Fund, which focuses on the transition to a net-zero economy, and represents the **largest ESG fund to date**

## Tech ESG Capital Raised by Year



## Selected Dry Powder Leaders (\$M)



Dry Powder: \$7,300

**Brookfield**

Dry Powder: \$7,000

generation

Dry Powder: \$5,637



Dry Powder: \$1,143

**TRILL IMPACT**

Dry Powder: \$1,059



Dry Powder: \$877



Dry Powder: \$735

Lowercarbon Capital

Dry Powder: \$656



Dry Powder: \$546

**RETHINK**  
CAPITAL PARTNERS

Dry Powder: \$346

# Total Funds Raised by Tech PEs Since 2018

- Investor demand has accelerated, allowing these 40 PEs to raise **over \$350B** in tech funds since 2018
- Thoma Bravo and Insight have separated themselves from the pack, raising \$39.6B and \$36.7B respectively
- A total of 11 firms have raised \$10B or more over the last three years, with several in the final stages of either launching or closing \$20B+ funds in the coming months

	PE Firm	Fund Size (\$M)
1.	THOMABRAVO	\$39,608
2.	INSIGHT PARTNERS	36,718
3.	CREANDUM	31,500
4.	TA ASSOCIATES	24,156
5.	SILVERLAKE	24,102
6.	VISTA EQUITY PARTNERS	22,510
7.	GENERAL ATLANTIC	21,260
8.	SUMMIT PARTNERS	16,087
9.	Hg	13,800
10.	H.I.G. CAPITAL	13,457
11.	FP CAPITAL PARTNERS	12,000
12.	PSG PROVIDENCE STRATEGIC GROWTH	9,320
13.	GTCR	9,109
14.	VERITAS CAPITAL	8,300
15.	TCV	7,300
16.	GENERAL CATALYST	6,361
17.	PROVIDENCE EQUITY	6,000
18.	AKKR	5,803
19.	GI PARTNERS	4,252
20.	STG SYMPHONY TECHNOLOGY GROUP	3,800

	PE Firm	Fund Size (\$M)
21.	Battery	\$3,765
22.	Montagu private equity	3,665
23.	ICONIQ	3,662
24.	ALPINE	3,661
25.	SIRIS	3,450
26.	LLR Partners	3,000
27.	JMI	2,900
28.	Great Hill PARTNERS	2,500
29.	abry partners	2,125
30.	AQUILINE CAPITAL PARTNERS LLC	2,044
31.	MAIN CAPITAL PARTNERS	2,033
32.	PARTHENON CAPITAL	2,000
33.	IVP	1,838
34.	SPECTRUM EQUITY	1,572
35.	Bregal Sagemount	1,500
36.	Georgian	1,400
37.	PAMLICO CAPITAL	1,400
38.	HIGHLAND EUROPE	1,375
39.	SAGEVIEW CAPITAL	1,319
40.	RUBICON technology partners	1,269

Source: 451 Research, Company Reports. For the period 1/1/18 through 12/1/21. "Tech PEs" are defined as those historically allocating 50%+ to the tech sector and pursuing a growth equity or buyout strategy for 50%+ of closed funds.



# Tech Venture Growth: Bigger Checks – Higher Velocity

- The top 150 venture growth funds have made over **15,000 investments in the last three years**
- Venture growth funds are investing in more mature companies using the VC playbook, but with **much larger checks between \$5M-\$200M**
- Many of these deals have been hammered out on the back of a napkin over a cup of coffee;
  - Limited due diligence
  - 30-day closings
  - Standard preferred terms
  - Sky high valuations
  - Typically passive investors – e.g. no PE playbooks















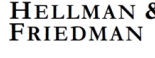












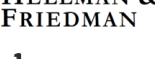
































Rank	Firm	Max Check Size (\$M)	# of Tech Deals
1.	<b>TIGERGLOBAL</b>	\$300	464
2.	<b>Accel</b>	100	401
3.	<b>ALUMNI VENTURES GROUP</b>	10	381
4.	<b>INSIGHT PARTNERS</b>	2,000	376
5.	<b>andreesen horowitz</b>	100	356
6.	<b>SEQUOIA</b>	200	313
7.	<b>GGVCAPITAL</b>	25	296
8.	<b>GENERAL CATALYST</b>	100	273
9.	<b>Lightspeed</b>	100	267
10.	<b>BESSEMER TRUST</b>	75	264
11.	<b>SoftBank</b>	1,000	257
12.	<b>Index Ventures</b>	75	237
13.	<b>FOUNDERS FUND</b>	150	230
14.	<b>FJ LABS</b>	7	219
15.	<b>NEA</b>	200	207
16.	<b>khosla ventures</b>	20	200
17.	<b>GFC</b>	15	200
18.	<b>SPARK CAPITAL</b>	30	180
19.	<b>KLEINER PERKINS</b>	60	176
20.	<b>NORWEST</b>	250	175
21.	<b>GREYCROFT</b>	35	172
22.	<b>Battery</b>	300	158
23.	<b>BainCapital VENTURES</b>	300	151
24.	<b>8VC</b>	35	142
25.	<b>10XCAPITAL</b>	5	141

Rank	Firm	Max Check Size (\$M)	# of Tech Deals
26.	<b>GSR Ventures</b>	\$30	138
27.	<b>OurCrowd</b>	20	136
28.	<b>FLIGHT VENTURES</b>	5	135
29.	<b>partech</b>	50	134
30.	<b>GENERAL ATLANTIC</b>	900	132
31.	<b>8<sup>th</sup> EIGHT ROADS</b>	45	132
32.	<b>Felicitas Ventures</b>	75	130
33.	<b>mercia</b>	5	126
34.	<b>SAPPHIRE VENTURES</b>	100	121
35.	<b>EVOLUTION VC PARTNERS</b>	30	119
36.	<b>Goldman Sachs</b>	150	118
37.	<b>revolution</b>	40	116
38.	<b>TRIBE CAPITAL</b>	60	113
39.	<b>LU+</b>	100	112
40.	<b>ICONIQ</b>	400	109
41.	<b>true Ventures</b>	25	109
42.	<b>Redpoint</b>	50	108
43.	<b>Canaan</b>	80	107
44.	<b>Headline</b>	60	106
45.	<b>bdc*</b>	35	105
46.	<b>DRAGONEER</b>	120	103
47.	<b>Ribbit Capital</b>	65	102
48.	<b>MENLO VENTURES</b>	50	102
49.	<b>F-PRIME</b>	40	102
50.	<b>artesian</b>	5	100

# Top 10 Performing PEs by Year

- The number of tech-focused firms topping the list of HEC-DowJones' annual ranking of PE performance has steadily risen over the years
- In 2020, **tech PEs represented six of the top ten** best performing PEs, up from one in 2015 and two as recently as 2018

## HEC-DowJones Private Equity Performance Ranking

Rank	2015	2016	2017	2018	2019	2020
1.	 VISTA	 WATERLAND PRIVATE EQUITY INVESTMENTS	 THOMABRAVO	 THOMABRAVO	 THOMABRAVO	 FRANCISCO PARTNERS
2.	 ODYSSEY CAPITAL	 VISTA	 WATERLAND PRIVATE EQUITY INVESTMENTS	 WATERLAND PRIVATE EQUITY INVESTMENTS	 CLAYTON DUBILIER & RICE	 GENSTAR CAPITAL
3.	 WATERLAND PRIVATE EQUITY INVESTMENTS	 CLAYTON DUBILIER & RICE	 HELLMAN & FRIEDMAN	 CLAYTON DUBILIER & RICE	 GENSTAR CAPITAL	 VITRUVIAN PARTNERS
4.	 ENDEAVOUR	 ALTOR BUILDING BETTER BUSINESSES	 Platinum Equity	 Advent International GLOBAL PRIVATE EQUITY	 WATERLAND PRIVATE EQUITY INVESTMENTS	 VERITAS CAPITAL
5.	 Advent International GLOBAL PRIVATE EQUITY	 Platinum Equity	 VISTA	 HELLMAN & FRIEDMAN	 HELLMAN & FRIEDMAN	 WATERLAND PRIVATE EQUITY INVESTMENTS
6.	 CLAYTON DUBILIER & RICE	 APOLLO	 CLAYTON DUBILIER & RICE	 abry partners	 VISTA	 THOMABRAVO
7.	 Platinum Equity	 ONEX	 Advent International GLOBAL PRIVATE EQUITY	 AMERICAN SECURITIES	 VERITAS CAPITAL	 Hg
8.	 Berkshire Partners	 Advent International GLOBAL PRIVATE EQUITY	 GTCR	 Platinum Equity	 Platinum Equity	 LGP
9.	 abry partners	 HELLMAN & FRIEDMAN	 abry partners	 VISTA	 AMERICAN SECURITIES	 CLAYTON DUBILIER & RICE
10.	 astorg.	 astorg.	 APOLLO	 AEA	 Great Hill PARTNERS	 QUADRANT PRIVATE EQUITY

Source: HEC, Dow Jones, MJ Hudson. The above rankings are based on an HEC-DowJones report published annually to evaluate the top performing private equity firms based on a proprietary methodology of calculating aggregate performance.

# Largest Tech Acquisitions by PEs Since 2018

- Blackstone accounted for **three of the top four** PE-backed tech deals, most notably acquiring Refinitiv in 2020 for \$30.9B at a multiple of 5.2x
- Thoma Bravo, which makes **four appearances on the list**, bought Proofpoint in 2021 for \$12.3B at a multiple of 11.3x
- The median size of these 20 largest tech acquisitions is **\$6.7B** with a median multiple of **5.3x**

Acquirer	Target	EV/Rev	Deal EV
Blackstone	REFINITIV	5.2x	\$30.9B
Advent International / PERMIRA	McAfee	4.6x	\$14.2B
THOMABRAVO	proofpoint.	11.3x	\$12.3B
Hg	VISMA	6.1x	\$12.2B
Blackstone	QTS	20.1x	\$11.3B
Blackstone / HELLMAN & FRIEDMAN	Ultimate SOFTWARE	9.9x	\$10.9B
THOMABRAVO	REALPAGE	9.4x	\$10.4B
KKR	bmc	3.8x	\$8.4B
WARBURG PINCUS / GENERAL ATLANTIC	58.com	ND	\$7.9B
NORDIC CAPITAL / INSIGHT PARTNERS	inovalon	10.2x	\$7.3B
Platinum Equity	INCRAM	0.1x	\$7.2B
CC Capital / THL Thomas H. Lee Partners	dun & bradstreet	3.9x	\$7.0B
VERITAS CAPITAL	perspecta.	1.5x	\$6.7B
THE CARLYLE GROUP	sedgwick.	ND	\$6.7B
THOMABRAVO	stamps.com	8.3x	\$6.6B
SIRIS / EVERGREEN CAPITAL	TRAVELPORT	2.5x	\$6.4B
APOLLO	TechData	0.2x	\$6.2B
THOMABRAVO	Medallia	12.3x	\$6.1B
INSIGHT PARTNERS	CoreLogic	3.2x	\$5.9B
KKR	CLOUDERA	6.4x	\$5.6B

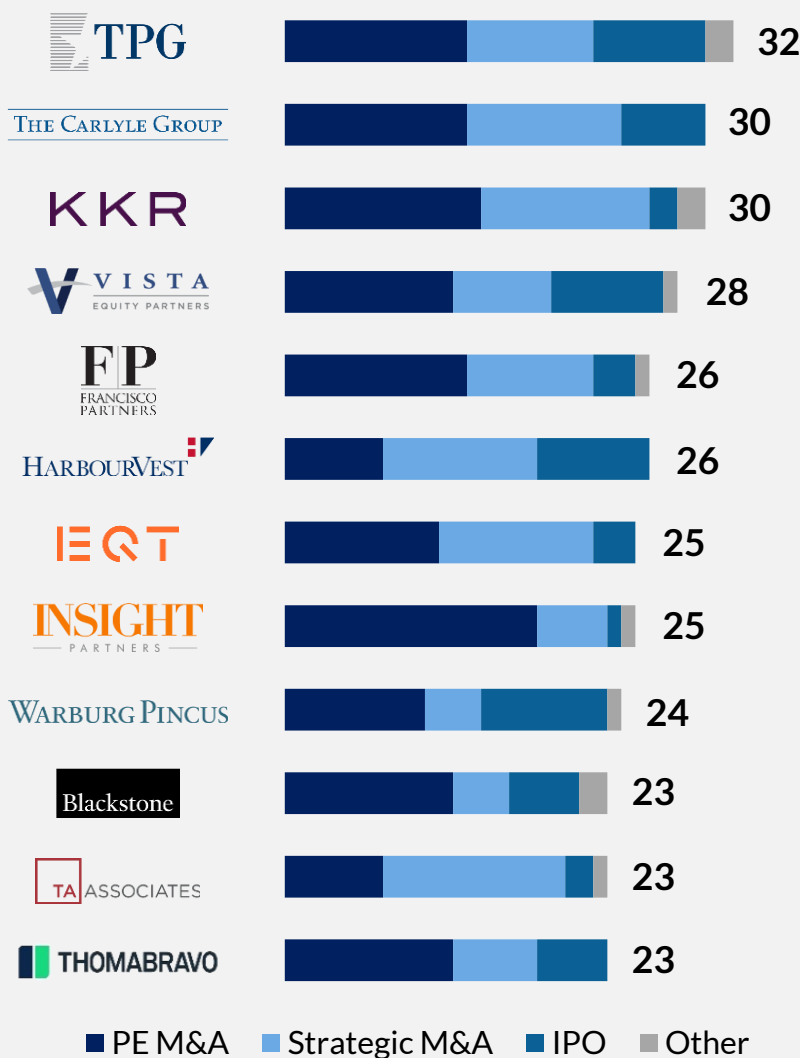


# Tech PEs Ranked by Exits



- **TPG** leads the way in PE-backed tech exits with 32, including a \$2.25B strategic sale of supply chain tech company Transplace to Uber Freight in Jul '21
- **Carlyle** and **KKR** are close behind with 30 exits each. Notably, Carlyle sold Novetta to Accenture for \$1B in Aug '21, and KKR handed off Calabrio to Thoma Bravo in Apr '21
- **Insight** has accumulated 18 tech M&A exits to other PEs since 2018, including a \$1.25B sale of risk assessment data and analytics provider Appriss to Clearlake in Apr '19
- The most active seller in 2021 thus far is **Vista** with 15 exits, headlined by a \$3.5B IPO of the education technology platform PowerSchool Group in Jul '21

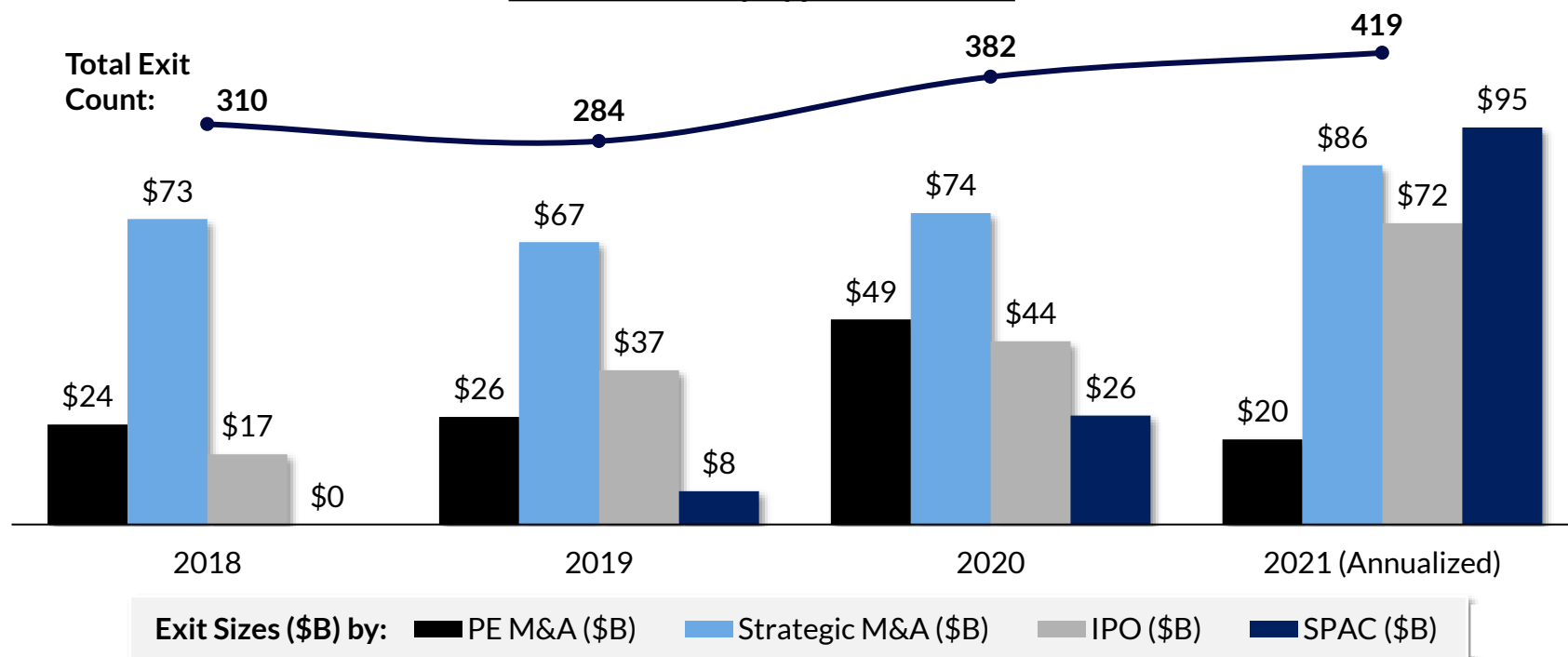
## PE-Backed Tech M&A Exits Since 2018



# PE Tech Exits - SPACs Go From \$0 to \$95B

- The balance of the PE tech exit landscape has shifted in 2021. SPACs completed a rapid four-year ascension to emerge as the **largest exit category at \$95B** in annualized M&A value
- Strategic buyers and IPO exits continued their **upward trajectory** to \$86B and \$72B, respectively, while **PE to PE M&A has consequently fallen** from #2 to a distant #4 as a source of liquidity
- The aggregate value of all PE exits has risen from \$120B in 2018 to a staggering \$270B in 2021

**PE Tech Exits by Type Since 2018**



# PE IPO Exits

- While most tech IPOs are still VC-backed, more and more PE-backed companies are going public to cash in on robust valuations
- Thoma Bravo, Vista, SilverLake, Apollo, and EQT** were all sellers in multiple top-20 IPO exits. Thoma's three featured exits amount to \$13.4B in combined deal value
- Despite not ranking in the top 20, **Warburg Pincus** has seen **9 of its portfolio companies go public** since 2018, including Converge ICT Solutions in Oct '20 for \$2.6B
- The average deal value of these 20 largest tech IPOs by PEs is **\$6.7B**

## Top 20 Tech IPO Exits by PEs

Company	PE Seller (s)	Date	Value (\$B)
<b>investimentos</b>	GENERAL ATLANTIC	Dec-19	\$14.9
<b>GoodRx</b>	FP /  SILVERLAKE /  SPECTRUM EQUITY	Sep-20	\$12.6
<b>AutoStore</b>	EQT /  SoftBank /  THL	Oct-21	\$12.0
<b>ADT</b>	APOLLO /  FLC /  KOCH EQUITY DEVELOPMENT	Jan-18	\$10.5
<b>InPost</b>	Advent International /  KKR	Jan-21	\$9.7
<b>chewy</b>	BC Partners /  VISTA	Jun-19	\$8.8
<b>nexi</b>	BainCapital /  Advent International /  CLESSIDRA	Apr-19	\$8.2
<b>GoHealth</b>	Centerbridge /  NEP	Jul-20	\$6.6
<b>solarwinds</b>	THOMABRAVO /  SILVERLAKE /  HARBOURVEST	Oct-18	\$6.2
<b>SUSE</b>	ARDIAN /  EQT	May-21	\$6.0
<b>TELUS   International</b>	BPEA Baring Private Equity Asia	Feb-21	\$5.5
<b>dynatrace</b>	THOMABRAVO	Aug-19	\$4.4
<b>datto</b>	VISTA EQUITY PARTNERS	Oct-20	\$4.3
<b>DoubleVerify</b>	PROVIDENCEEQUITY	Apr-21	\$4.2
<b>rackspace</b>	ABRY PARTNERS /  APOLLO /  SEARCHLIGHT	Aug-20	\$4.2
<b>CERTARA</b>	Arsenal Capital Partners /  EQT	Dec-20	\$3.5
<b>PowerSchool</b>	ONEX /  VISTA EQUITY PARTNERS	Jul-21	\$3.5
<b>avast</b>	CVC /  SUMMIT PARTNERS	May-18	\$3.3
<b>Evercommerce</b>	PSG /  PROVIDENCE STRATEGIC GROWTH /  SIXTH STREET	Jul-21	\$3.3
<b>jamf</b>	VISTA EQUITY PARTNERS	Jul-20	\$3.0

# PE SPAC Exits

- The top PE-Backed Tech SPAC exit is **Multiplan**, which announced its business combination with Churchill Capital Corp III in October '20. The healthcare payer platform was a portfolio company of **H&F**, **FLC**, and **LGP**
- Ten of the top fifteen PE SPACs were announced in 2021. What was once a nonexistent exit category in the private equity world is now on pace for **\$95B in M&A value** by the end of the year
- The average deal value of these 15 largest tech SPACs by PEs is **\$5.1B**

## Top 15 Tech SPAC Exits by PEs

Company	PE Seller (s)	Date	Value (\$B)
MultiPlan	HELLMAN & FRIEDMAN / FLC / LGP	Oct-20	\$11.0
Paysafe	CVC / FP / Blackstone	Mar-21	\$9.0
alight	Blackstone / NMG	Jul-21	\$7.3
ccc	Advent International / OAK HILL CAPITAL	Aug-21	\$7.0
vivint	SUMMIT PARTNERS	Jan-20	\$5.6
VERTIV	Platinum Equity	Dec-19	\$5.3
cvent	VISTA EQUITY PARTNERS	Jul-21	\$5.3
ADVANTAGE SOLUTIONS	CVC / LGP	Oct-20	\$5.2
Clarivate	ONEX / BPEA	Jan-19	\$4.2
Cyxtera	BC Partners / MEDINA CAPITAL	Jul-21	\$3.4
BEACHBODY	RAINE	Jun-21	\$2.9
syniverse	CARLYLE GROUP	Aug-21	\$2.9
E2OPEN	INSIGHT PARTNERS	Feb-21	\$2.6
Global Blue	SILVERLAKE	Aug-21	\$2.6
MIRION TECHNOLOGIES	charterhouse	Jun-21	\$2.6

# PE to Strategic Exits



## Top 15 Exits by PEs to Strategics

- With a deal value of \$11B and a revenue multiple of 12.7x, **Thoma Bravo's** sale of mortgage lending technology company **EllieMae** to **Intercontinental Exchange** takes the top spot of Tech PE to Strategic M&A exits
- A frequent strategic partner of Thoma's since 2018 has been **Roper Technologies**; the two have connected on \$1.6B and \$1.1B deals for software companies Internet Pipeline and PowerPlan
- The average deal value of these 15 largest PE to Strategic exits is **\$5.7B**

Company	PE Seller (s)	Deal EV (\$B)	Revenue Multiple	Strategic Buyer
<b>EllieMae</b>	THOMABRAVO	\$11.0	12.7x	ICE
BlueYonder	NEW MOUNTAIN CAPITAL LLC	\$8.5	8.5x	<b>Panasonic</b>
GlobalLogic	Partners Group	\$8.1	11.0x	<b>HITACHI</b>
<b>ZeniMax</b> <sup>®</sup> MEDIA INC.	PROVIDENCE EQUITY	\$7.5	ND	Microsoft
TechData	<b>APOLLO</b>	\$7.2	0.2x	SYNnex
credit karma	<b>SILVERLAKE</b>	\$7.1	ND	<b>intuit</b>
<b>nets</b> ™	HELLMAN & FRIEDMAN	\$7.1	12.1x	<b>nexi</b>
<b>CPA GLOBAL</b>	<b>LGP</b>	\$6.8	12.1x	Clarivate™
Vertafore™	BainCapital /  VISTA	\$5.4	ND	ROPER
OSIsoft.	SoftBank	\$5.0	ND	<b>AVEVA</b>
ProQuest	Goldman Sachs Private Capital	\$5.3	6.1x	Clarivate™
PA	THE CARLYLE GROUP	\$2.8	ND	<b>Jacobs</b>
<b>infor</b>	KOCH	\$2.8	14.9x	HEXAGON
<b>ITIVITI</b>	<b>NORDIC CAPITAL</b>	\$2.5	15.5x	Broadridge
<b>TRANSPLACE</b>	TPG	\$2.3	ND	Uber Freight



# PE to PE Exits



## Top 10 Exits by PEs to PEs

- While 2021 has been a down year for PE-to-PE tech exits, 2020 witnessed \$49B worth of such deals. Permira led the way with their **\$6.3B sale of Ancestry to Blackstone** in November
- Close behind are Veeam, which Insight bought from CPP for \$5B in Feb '20, and Epicor, which was taken off KKR's hands by CD&R for \$4.7B in Oct '20
- The average deal value of these 10 largest PE to PE exits is **\$3.8B**

Company	PE Seller (s)	Deal Value (\$B)	Revenue Multiple	PE Buyer
ancestry	PERMIRA	\$6.3	ND	Blackstone
veeam	CPPinvestments	\$5.0	6.9x	INSIGHT PARTNERS
EPICOR	KKR	\$4.7	ND	CLAYTON DUBILIER & RICE
McGraw Hill Education	APOLLO	\$4.5	ND	Platinum Equity
CALYPSO	Bridgepoint / SUMMIT PARTNERS	\$3.8	ND	THOMABRAVO
precisely	Centerbridge / ALPINVEST	\$3.5	5.8x	CLEARLAKE ICG TA ASSOCIATES
SMARTBEAR	FP FRANCISCO PARTNERS	\$3.4	24.5x	VISTA EQUITY PARTNERS
edgeconnex	PROVIDENCEEQUITY	\$2.5	ND	IEQT
newfold digital	SIRIS	\$2.2	ND	CLEARLAKE
UNIT4	Advent International	\$2.2	ND	Partners Group TA ASSOCIATES

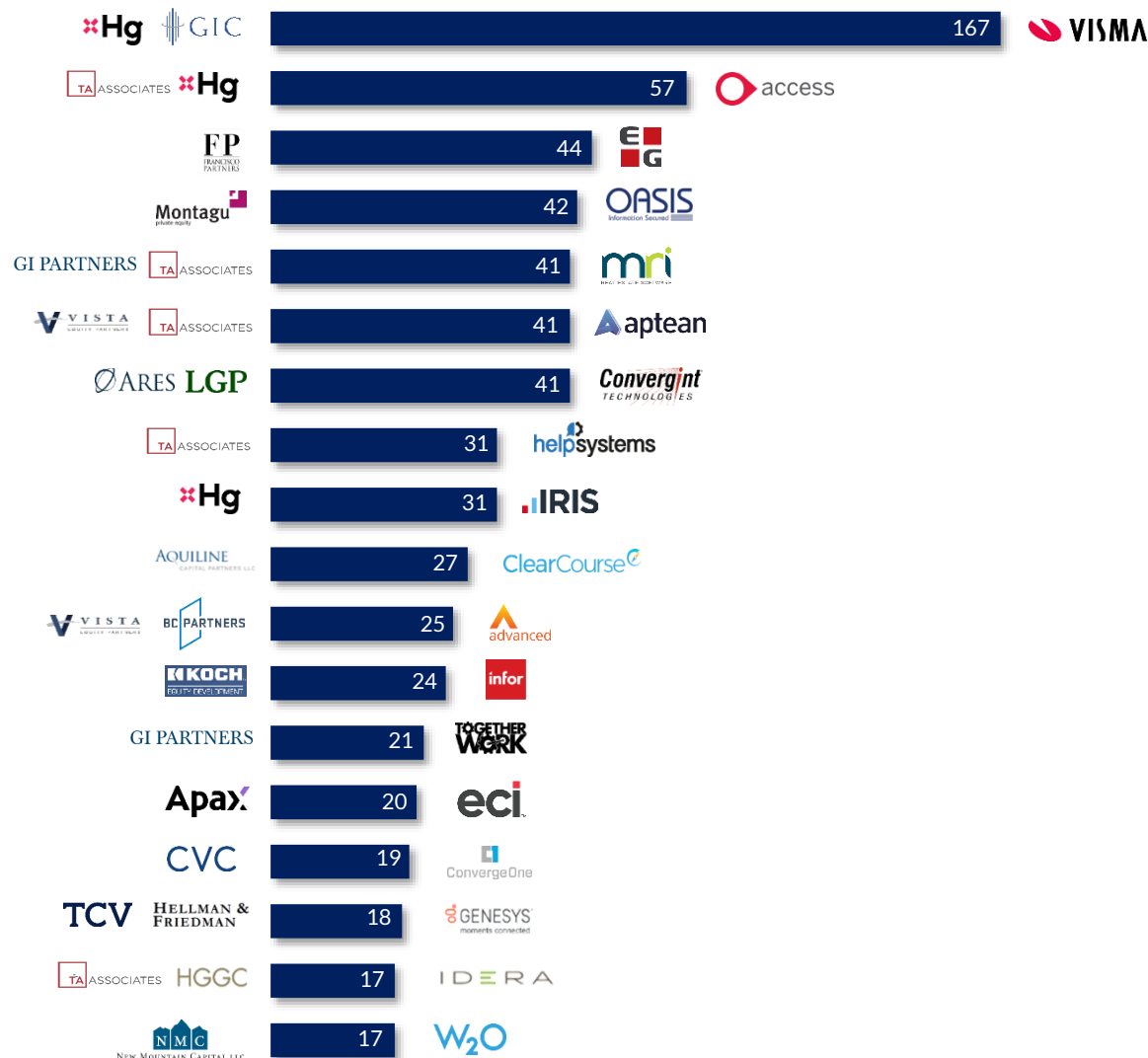
# The Hyper Consolidators of the Tech World

“ Buy-and-build can offer a **clear path to value** at a time when deal multiples are at record levels and GPs are under heavy pressure to find strategies that don't rely on traditional tailwinds... Buying a strong platform company ...and building value rapidly through well-executed add-ons **can generate impressive returns** ”

**BAIN & COMPANY**

- Hyper buyers have seen massive value creation through infrastructure leverage, cost cutting, buying at private multiples, and selling at public IPO valuations, sometimes **2-3x the private values**
- AGC has done **15 deals with Thoma Bravo** with the cost cutting done at closing and valuation creation on day one

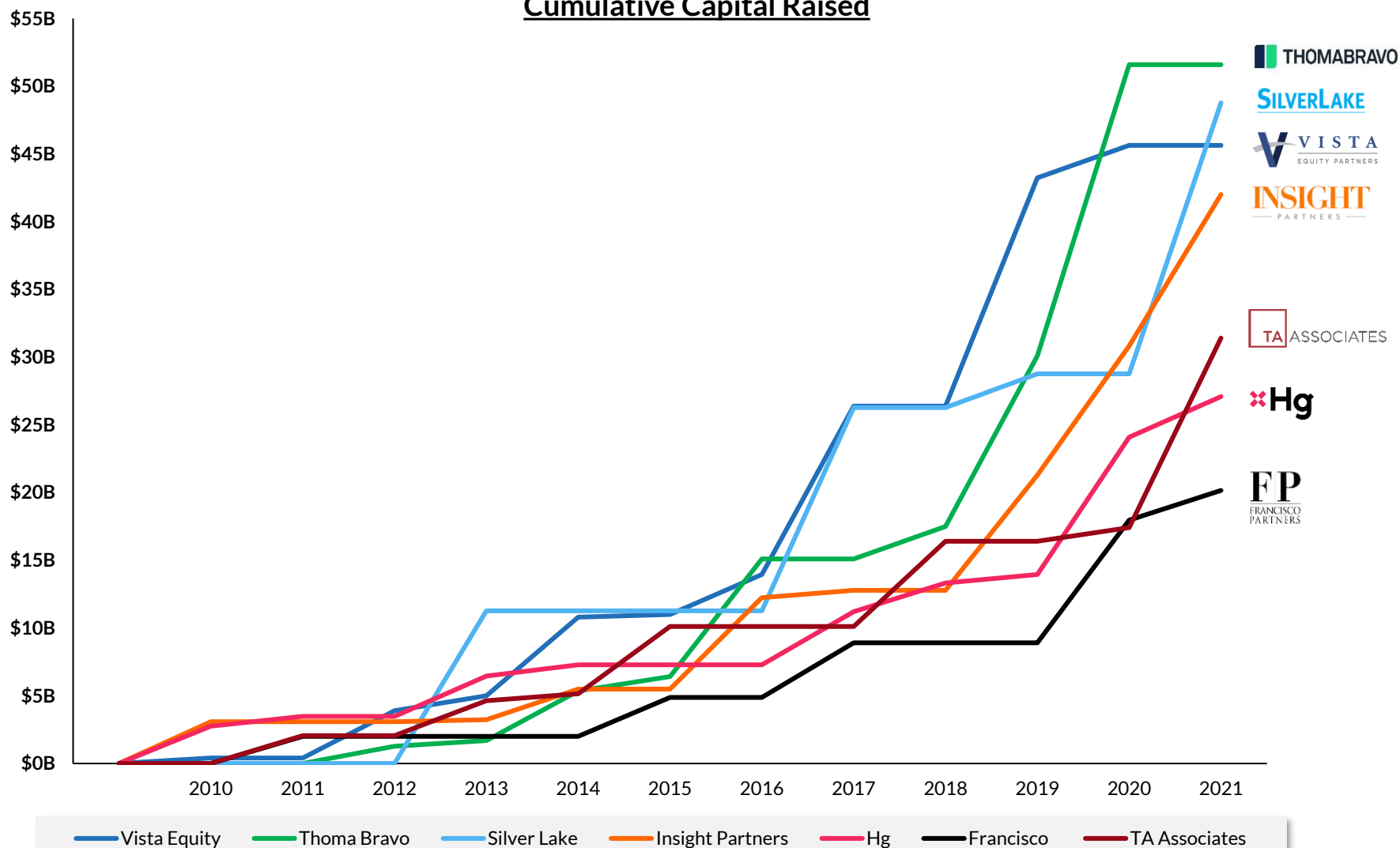
## Cumulative Acquisitions Since 2010 While PE-Owned





# Top Tech Focused Asset Gatherers Since 2010

## Cumulative Capital Raised

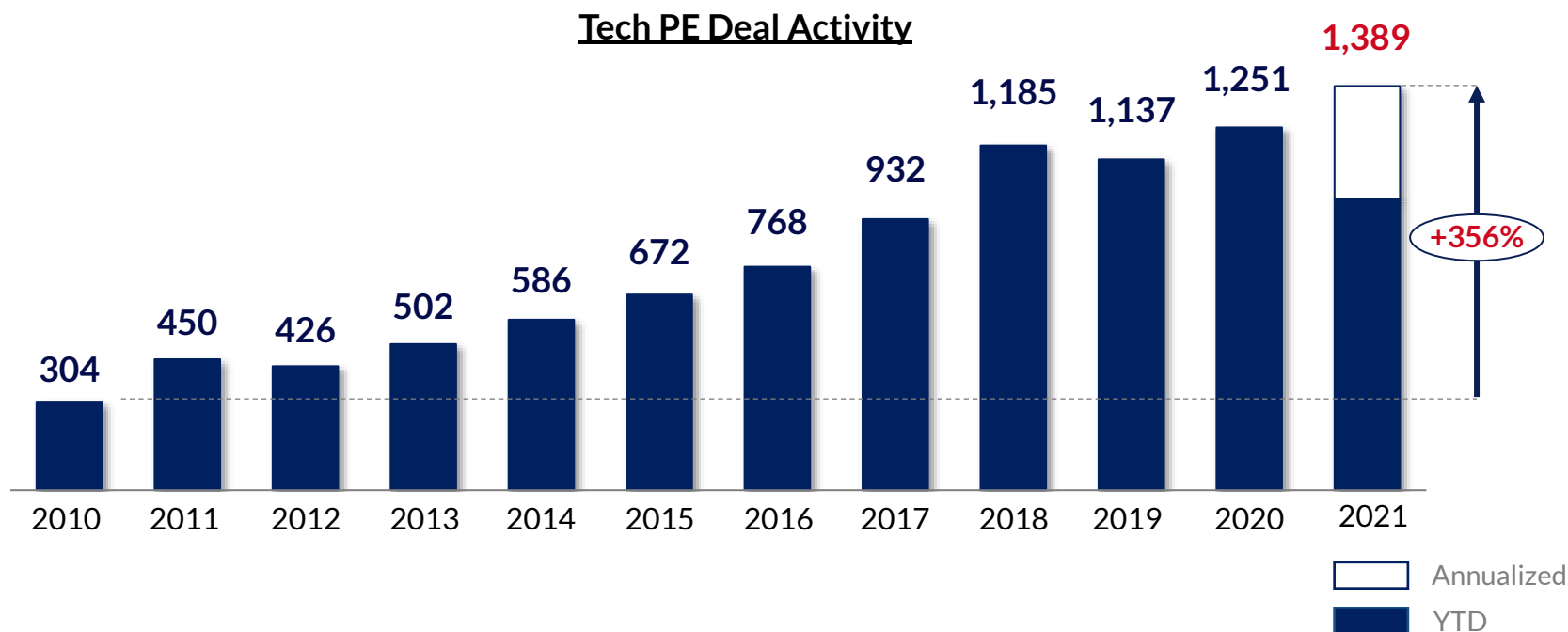


Source: PitchBook. "Tech Focused Asset Gatherers" are defined as those historically allocating 70%+ to the tech sector and pursuing a growth equity or buyout strategy for 50%+ of closed funds.



# Tech PEs Scouring the World for Acquisitions

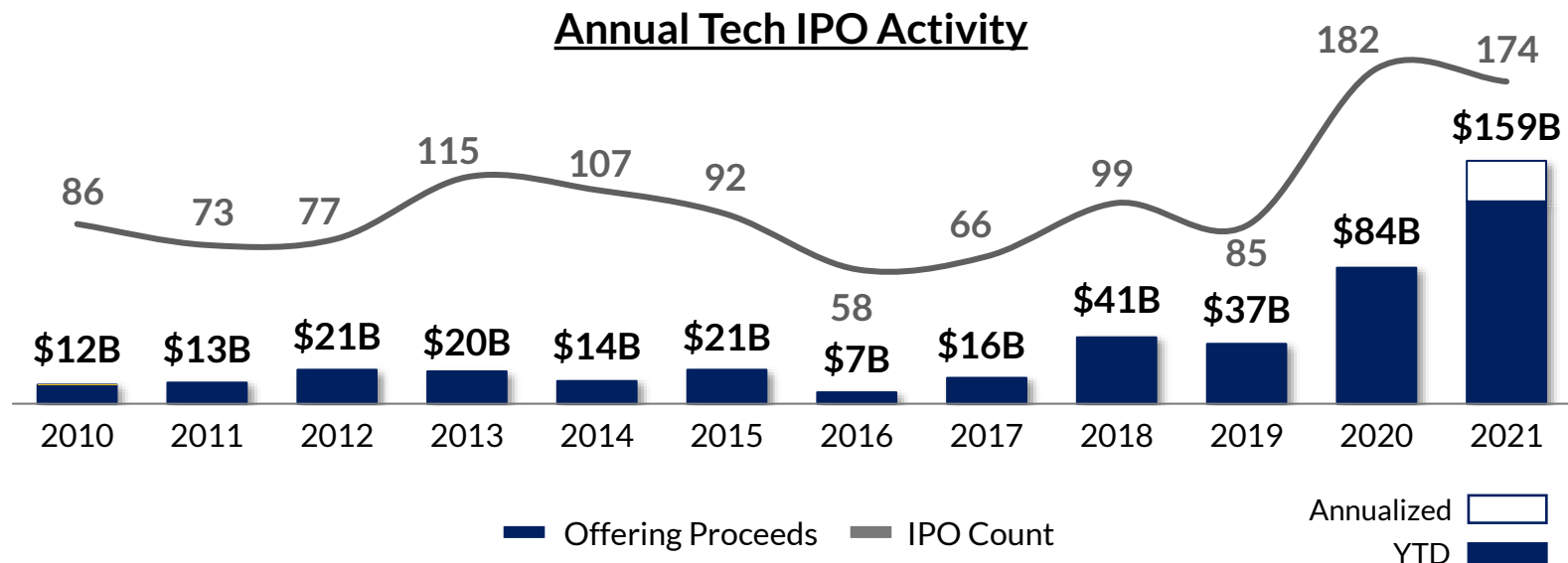
- Extended economic growth run, historically low interest rates, supportive credit markets, and record levels of dry powder continue to fuel Global PE activity
- The past decade has seen massive growth in aggregate capital deployed and deal volume by PEs pursuing buyouts in tech, with **\$580 billion+** in deal value and **4,600+** deals over the last 5 years alone
- It is not uncommon for PE platforms to buy a growing but unprofitable \$50 million revenue SaaS company and in short order morph it into a **\$20 million EBITDA profitable division**
- **Buy and build strategies** have accelerated this growth among the most active tech PEs, with three out of every four transactions representing add-ons to existing platform companies





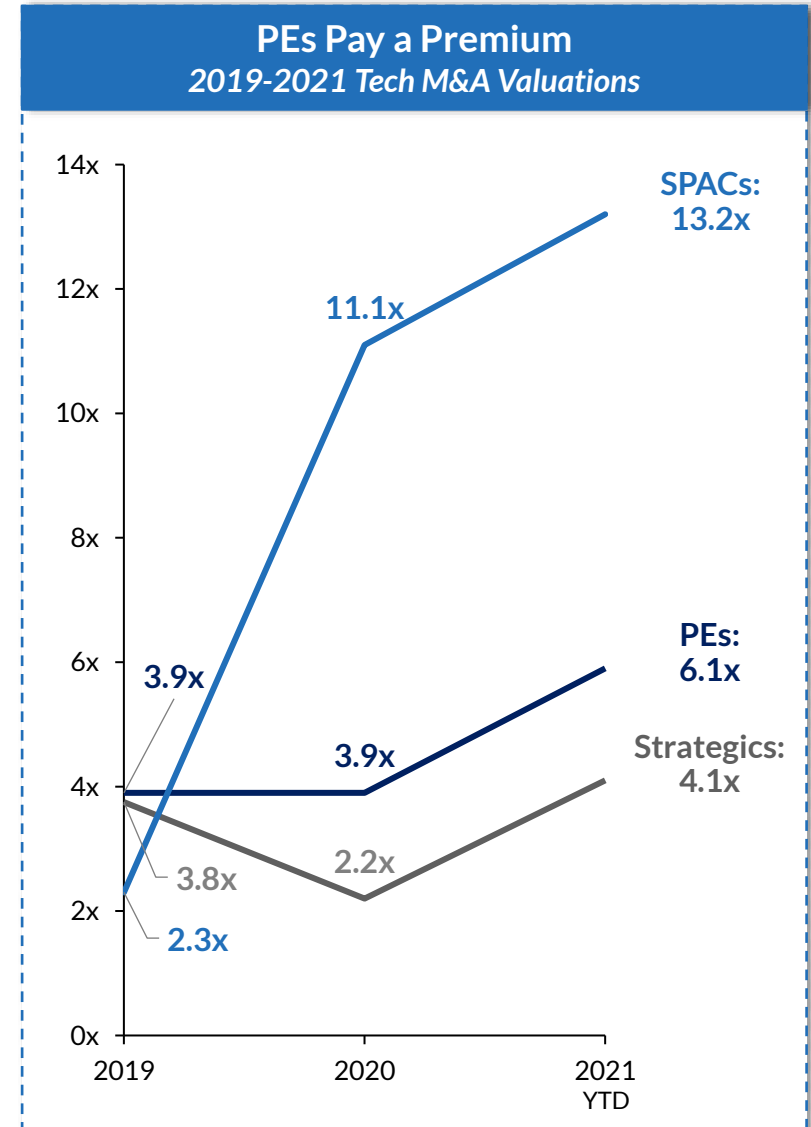
# Tech IPO Offering Proceeds at an All-Time High

- The tech IPO market, which bumped along at \$15B per year from 2010 to 2017, jumped to around \$40B in 2018 and 2019, then **doubled to a record \$84B in 2020**
- The 2020 record will be short lived, however, with the tech IPO market on pace for **174 IPOs** and **\$159B** in total offering proceeds in 2021. This total does not include SPAC IPOs, which will eclipse \$100B in 2021
- **Coinbase** and **Roblox** have fueled the surge in offering proceeds, generating a staggering \$51.5B in combined value. Coinbase's \$37.7B IPO alone is larger than the total volume of tech IPOs in 2019
- While there has been a notable increase in sponsor-to-sponsor recaps and secondary sales, **going public is back in favor** as a viable means of **creating liquidity for large caps** in particular



# Tech Revenue Multiples Melt Up in 2021, Propelled by SPACs

- After hitting a previous record high of 3.9x in 2018, the median EV / Revenue multiple now sits at **7.1x** on a trailing 12 month basis, up 82%
- This explosion has been led, and no doubt distorted, by SPACs which are on track to record 200 tech deals for \$530B, or 40% of the tech M&A market in 2021
- For the first five years of the last decade, strategics out-paid PEs, but **PEs have taken the lead** since late 2015
- A rising tide lifts all boats, and even after excluding SPACs, valuations for tech sit at an all-time high of 4.6x
- After being at relative parity in 2019, revenue multiples paid by PEs are now a full two turns higher than strategics at 6.1x and 4.1x, respectively
- PEs have transformed from turnaround specialists buying assets on the cheap, to **savvy growth investors** paying top dollar





# Top 40 PE Tech Acquirers – By Total Deal Count

- The top five PE Tech acquirers accounted for **one-third of the top 40 deal volume**, with the majority of activity being **value creation through add-ons and tuck-ins**
- Includes both platform and add-on acquisitions

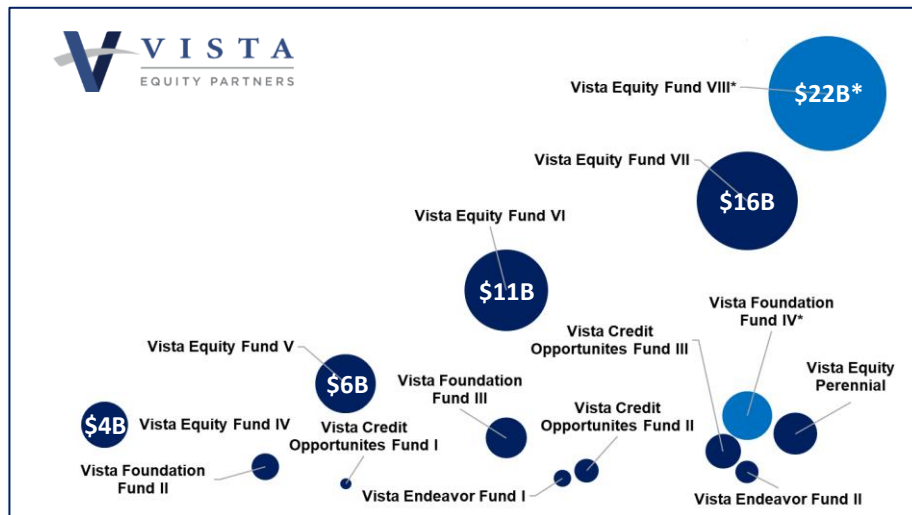
Rank	PE Firm	Count
1.	VISTA EQUITY PARTNERS	199
2.	Hg	199
3.	TA ASSOCIATES	193
4.	THOMABRAVO	156
5.	INSIGHT PARTNERS	143
6.	FP PARTNERS	122
7.	AKKR	105
8.	PSG PROVIDENCE STRATEGIC GROWTH	95
9.	GI PARTNERS	92
10.	REFINITIV	86
11.	KKR	84
12.	Battery	84
13.	THE CARLYLE GROUP	81
14.	MARLIN EQUITY PARTNERS	71
15.	IEQT	68
16.	GENSTAR	67
17.	AQUILINE CAPITAL PARTNERS LLC	63
18.	Advent International GLOBAL PRIVATE EQUITY	61
19.	ALPINE	57
20.	Apax PARTNERS	56

Rank	PE Firm	Count
21.	abry partners	54
22.	PROVIDENCE EQUITY	53
23.	Blackstone	52
24.	Great Hill PARTNERS	51
25.	Riverside	48
26.	LLR Partners	45
27.	HIG CAPITAL	43
28.	TPG	41
29.	NMC NEW MOUNTAIN CAPITAL LLC	41
30.	SILVERLAKE	41
31.	WARBURG PINCUS	39
32.	BainCapital	36
33.	MDP <sup>®</sup> Madison Dearborn Partners	36
34.	CVC	35
35.	STONE POINT CAPITAL	34
36.	PERMIRA	34
37.	HGGC	33
38.	ARDIAN	32
39.	GTCR	32
40.	RUBICON technology partners	31

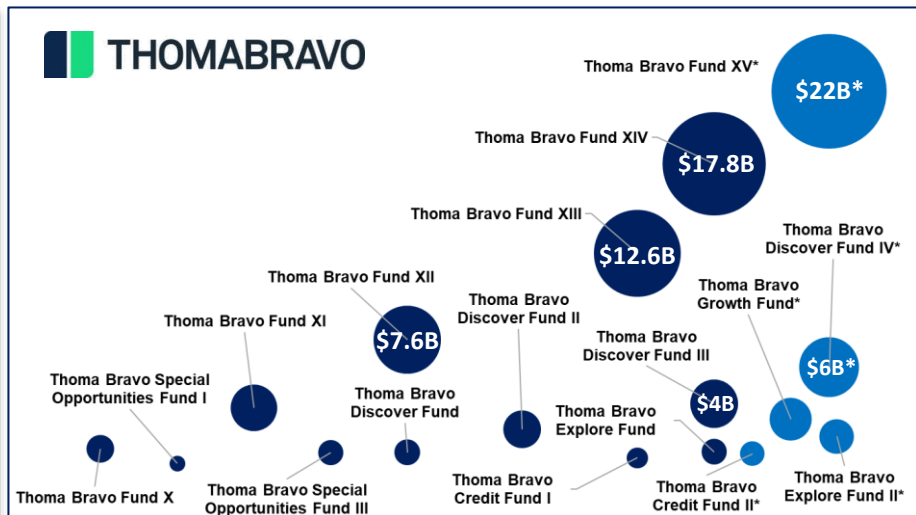
Source: 451 Research, PitchBook, Company Reports. For the period 1/1/18 through 8/31/21. Includes total platform and add-on transactions in the tech sector, announced or reported only, and control transactions only. Excludes PE consortiums of more than two. Rankings based on total deal count, then by platform count.



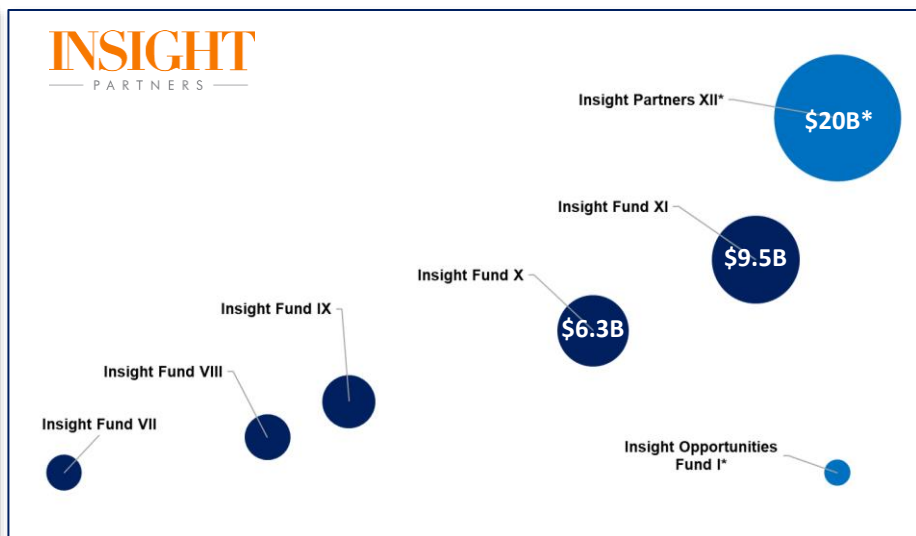
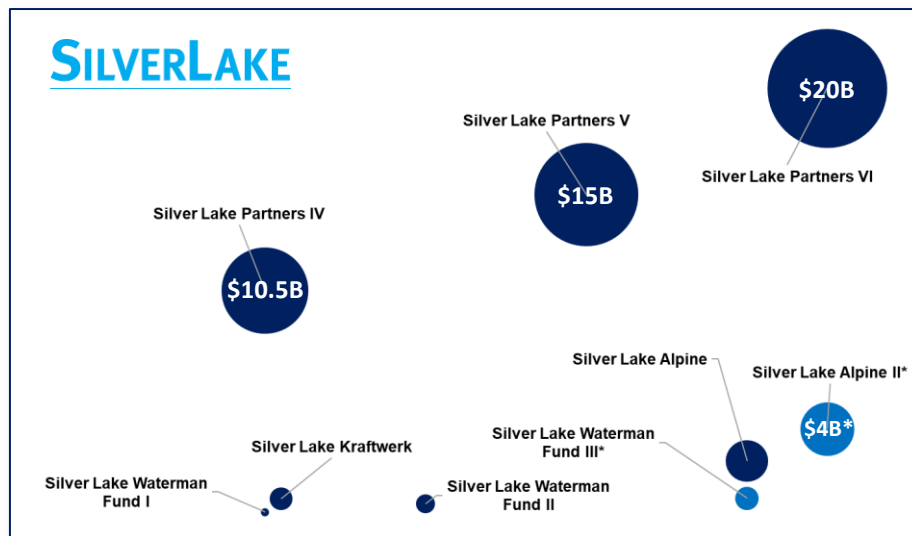
# New Funds Closed or Launched by Top Tech Focused PEs



2010 → 2021



2010 → 2021



\*Target only. Not yet closed.

Source: Pitchbook. "Tech Focused PE Firms" are defined as those historically allocating 50%+ to the tech sector and pursuing a growth equity or buyout strategy for 50%+ of closed funds.

# PE Spinoffs and Startups: Getting Back To Basics

- The asset management industry is replete with examples of **smaller funds outperforming larger funds**, which often outgrow their ability to generate excess returns due to:



Far fewer  
large-scale  
opportunities



The larger opportunities tend  
to have already been  
optimized – all of the juice  
squeezed out of the orange























Fund partners are spread over  
too many deals, watering  
down their effectiveness on  
any given portfolio company

- The advantage of new firms is the partner's ability to **provide greater focus** and attention to their investments
- Larger PEs with 100+ portfolio companies can only provide so much oversight to each individual investment, **whereas a new firm can devote 100% of its time to a much smaller group of investments**. This translates to increased management and resources at the ground level for companies that are highly management sensitive and hungry for such expertise
- Getting back to a granular level of focus on each deal allows for a fresh look at the market opportunity and business models required to succeed
- **Tech in particular is subject to constant change**, with new business models coming to the fore while others fade. Many of the new fund families being formed are attempting to capture these subtle shifts using differentiated approaches from predecessor firms or striking out on their own in a new direction
- As maiden funds and talent continue to spin out from the larger players, it will **create healthy competition for capital and investment targets alike**

# Top 40 Strategic Tech Acquirers – By Total Deal Count

- Like the PE tech world, the **strategic tech acquirer world** is pursuing a high frequency, “buy and build” approach to M&A
- Less than half of the 40 most active strategic acquirers did blockbuster deals (\$1B+) over the last two years; **most focused on small tuck-ins and bolt-on acquisitions**

Rank	Company	Count
1.	 <b>accenture</b>	120
2.	 <b>CONSTELLATION SOFTWARE</b>	109
3.	 <b>EMBRACER GROUP</b>	48
4.	 <b>Microsoft</b>	45
5.	 <b>j2 Global</b>	37
6.	 <b>SIEMENS</b>	34
7.	 <b>Alphabet</b>	32
8.	 <b>Deloitte.</b>	31
9.	 <b>dentsu</b>	30
10.	 <b>Apple Inc.</b>	29
11.	 <b>HEXAGON</b>	27
12.	 <b>cisco</b>	26
13.	 <b>Bentley</b>	24
14.	 <b>amazon</b>	23
15.	 <b>Cognizant</b>	23
16.	 <b>DELL Technologies</b>	22
17.	 <b>Walmart</b>	21
18.	 <b>wisetech global</b>	21
19.	 <b>Atos</b>	20
20.	 <b>CONVERGE</b>	20

Rank	Company	Count
21.	 <b>Meta</b>	20
22.	 <b>IBM</b>	19
23.	 <b>Keywords STUDIOS</b>	19
24.	 <b>salesforce</b>	18
25.	 <b>NTT</b>	17
26.	 <b>Alibaba.com</b>	16
27.	 <b>EY</b>	16
28.	 <b>PDU</b>	16
29.	 <b>servicenow</b>	15
30.	 <b>SYNOPSYS</b>	15
31.	 <b>ASSA ABLOY</b>	15
32.	 <b>coinbase</b>	15
33.	 <b>ORACLE</b>	15
34.	 <b>ALTAIR</b>	14
35.	 <b>appfire</b>	14
36.	 <b>Broadridge</b>	14
37.	 <b>DXC technology</b>	14
38.	 <b>HITACHI</b>	14
39.	 <b>NCR</b>	14
40.	 <b>SAP</b>	13

# The Evolving European PE Landscape

Europe has long boasted an extremely rich Venture Capital market focused on finding the next hyper-growth technology company with the potential to return all investor capital singlehandedly. The Venture market has been complemented by large regional and pan-European Private Equity buyout funds focused on EBITDA positive, cash-rich businesses. More recently, these major capital market players have been locking horns with a new foe in the search for technology-driven investment returns. The burgeoning market of new US-style Growth Equity funds focused on buying revenue are providing new liquidity options for founders at an earlier stage, while putting valuation pressure on the buyout funds that have historically competed for opportunities on an EBITDA basis.

The rapidly developing European Growth Equity market is the most important capital market trend to watch over the next decade. These players are filling a major funding gap that has been ever-present in Europe's capital market history, and their flexible investment mandates put them in the crosshairs of both ends of the tech capital markets. New European Growth Equity funds are popping up in all major technology markets, while long-standing US Growth Equity funds are establishing offices across Europe to address this "greenfield" opportunity that has quickly become a preferred market to the more mature and crowded US Growth Equity market.

The legacy European Growth Equity players are quickly seeing their funds being outsized by these global investment strategies that bear greater LP firepower; however, the regional funds have greater knowledge of the local markets and well-established networks, maintaining a key competitive advantage in the eyes of technology founders. It is still early days for the European Growth Equity market, but all signs point to a new major player in the technology capital markets that is here to stay and flourish, much like we have seen in the US over the past decade.

## European Growth PEs

1. Atlantic Bridge Capital		11. Highland Europe		21. Palamon Capital Partners	
2. Avedon Capital		12. HPE Growth		22. Pamplona Capital	
3. Cipio Partners		13. Idinvest Partners		23. Partech Partners	
4. Connected Capital		14. Investcorp		24. Scottish Equity Partners	
5. Corten Capital		15. Keensight Capital		25. Summa Equity	
6. CVC Capital		16. Kennet Partners		26. Synova Capital	
7. Digital+ Partners		17. Livingbridge		27. Target Global	
8. EMK		18. Main Capital Partners		28. Tenzing Private Equity	
9. Farview Equity		19. Oakley Capital		29. Verdane Capital	
10. FPE Capital		20. One Peak Partners		30. Waterland	

\* Headquarters indicated by country flags.

# The Evolving European PE Landscape (Cont.)

## Large European Buyout PEs

1. 3i Group
2. Alpinvest Partners
3. Apax Partners
4. Ardian
5. BC Partners
6. Charterhouse Capital
7. Cinven
8. ECI
9. EQT
10. Exponent Private Equity
11. FSN Capital
12. Hg
13. IK Investment
14. Inflexion Private Equity
15. LetterOne
16. Nordic Capital
17. Partners Group
18. Permira
19. Terra Firma
20. Vitruvian Partners



## Major US PEs in Europe

1. ABRY
2. Accel-KKR
3. Apollo Global
4. Baird Capital
5. Battery Ventures
6. Blackstone Private Equity
7. Carlyle
8. Francisco
9. General Atlantic
10. HarbourVest
11. HIG Capital
12. KKR
13. Marlin Equity
14. OpenGate
15. Providence Equity
16. Summit Partners
17. TA Associates
18. TCV
19. TPG
20. Warburg



\* Headquarters indicated by country flags (European headquarters in the case of US-domiciled firms).





# Tech PE Industry: Evolution and Growing Influence

Over the past 30 years, tech has influenced the public and private markets far more than any industry. The unprecedented success achieved by the likes of Apple, Google, Amazon, Facebook, Uber, and Airbnb demonstrates the lightning speed at which on-demand, easy-access services can envelop the connected world with wild-fire ferocity. Paralleling this new consumer world, the business world has been transformed by cloud computing and the software / SaaS model. With 90% gross margins and fast growth rates, it is a recipe for creating strong and sustained profitability and shareholder value in the shortest period of time, as Microsoft, Salesforce, Workday, Adobe, Zoom, and many others have demonstrated.

These two value creating models, the on-demand connected consumer and business software-SaaS, have together seeded 4 of the 5 largest market capitalized companies in the world with an aggregate value approaching \$10 trillion.

I started doing tech deals in 1987 with the \$430 million hostile takeover of Computer Vision by Prime Computer. Back then, there was a small group of tech-focused PE investors mostly doing minority growth investing, which included Advent, GA, Summit, TA, and Warburg. They only managed a few hundred million in AUMs each. In the 80s and 90s, the PE model was pretty simple: buy low, let it grow, and sell high. The teams were small with no consulting, and they did not do add-on acquisitions. Today's entrepreneurs, with a little help from PE competition, deal pricing transparency, and great investment banks like AGC, are not selling cheap. Today, there are hundreds of tech-focused PEs with over \$1.5 trillion of PE capital invested in or earmarked for tech. The top tech PEs are paying up for the best platform companies and using every lever to drive top line growth and increased profitability. They have dramatically advanced the art of creating value by building businesses through a methodical and multi-faceted organic and inorganic game plan.

*Continued*

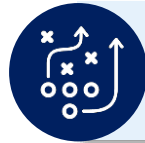
# Tech PE Industry: Building Blocks for Value Creation

## Add-on Acquisitions



The largest and most successful PEs are deploying capital and intellectual firepower across portfolio companies at accelerating rates, driving inorganic growth through aggressive M&A roll-up strategies.

## Operational Playbook



PEs are evaluating and rebuilding every aspect of a company: enhancing/replacing management, revamping go-to-market efforts, turbo hiring, digital marketing, optimizing prices, moving up and down market and re-branding are all on the table.

## Overlay New Products



PEs have become better at selling new products to an existing customer base. For example, a SaaS company selling accounting software to building owners can double revenues by overlaying a payments and insurance offering.

## Know What You Are Buying



Make sure the team has done their job in knowing the company and all of its pitfalls. Starting off with unexpected baggage at high valuation levels is real trouble.

## Direct Cost Improvements



PE consulting teams with vast company and operating experience are examining every meaningful cost to find a better or cheaper way. Rent, hosting, virtual employees, and office sharing are all considerations.

## Utilizing Financial Leverage



PE firms have very tight relationships with banking and debt funds that are providing higher debt levels at much lower cost of capital than entrepreneurs would ever consider possible or have access to. For the first time lenders are allowing pro-forma synergy adjustments in calculating the EBITDA and debt capacity.



# Tech PE Industry: Valuations Too High?

Since 2020, PE funds and their portfolio companies have bought nearly 2,500 tech companies, accounting for 32% of all tech M&A transactions. That's a significant increase from the 304 PE-led deals at 9% of the tech M&A market in 2010. There are now approximately 300 tech-focused PE firms pursuing growth equity and buyout strategies. These firms closed 175+ new funds over the last two years, representing \$250 billion in fresh capital to deploy. Private Equity has become the power player in the global tech world, competing toe-to-toe with the strategic community and rocking the landscape across hundreds of technology markets and thousands of companies.

Are tech valuations a bit over their skis? When you consider that the top 58 public SaaS companies are trading at 16x revenues, I would say yes, valuations across public and private markets are larger than their near-term financial prospects and market opportunities can support. In some cases, companies are getting bigger values than their respective TAMs. We crunched the numbers on all tech deals since 2010, and on a trailing 12-month basis the median EV/Revenue multiple now sits at 4.6x, 77% higher than the trailing five-year average of 2.6x. Strategics have paid a median multiple of 4.1x versus 6.1x paid by PEs. For the first five years of the last decade, strategics out-paid PEs, but then PEs took the lead in late 2015 and never looked back. This may be attributed to PE deals tending to be auction-based or because PEs are choosing better companies. A counter-argument on valuations can be made that with 10-year Treasuries now yielding below 1.7% and GDP growth slowing again, tech companies with outsized growth prospects deserve enormous premiums. Moreover, many of us have been guilty of saying valuations would not recover from prior corrections, and have been wrong every time.

The five most active tech PE firms – Vista, Hg, TA, Thoma Bravo, and Insight – are relentless in their programmatic efforts to build organically and through acquisitions. They seek out and compete hard for platform companies that have the size, market leadership, and management on which they can build. Over the four-year period tracked, these five firms alone combined for 682 add-ons and 169 platform acquisitions, a 4 to 1 split with add-ons creating a powerful multiplier effect. To that end, it is typical for these PE platforms to buy a growing but unprofitable \$50 million revenue SaaS company and in short order morph it into a \$20 million EBITDA profitable division. Most of these add-on acquisitions that we are involved in are done with 100% debt and feature the lowest rates and close to the highest leverage ratios that I have seen in the growth market. For the first time, lenders are allowing pro-forma synergy adjustments in calculating EBITDA and debt capacity. AGC Partners is open for business with all PE firms but has done the most with Thoma, connecting on fifteen deals thus far.

Not surprisingly, the PE “Bigs” like KKR, Blackstone and Carlyle appear on several exhibits with the largest deals. Expect more from these mega-funds as they continue to break new records, like Blackstone did with its recent \$26B fund. Right up there both in dollar terms and certainly in volumes are the pure tech firms with deals ranging from tens of millions to the billions, and lots of them. These are the firms perfecting the PE “buy and build” formula and generating outsized returns in kind. As long as that lasts, we will continue to see rapid growth in funds raised, M&A and technology leadership from this same crowd. Here's to the next 30 years.



*Overview of*



**AGC**  
PARTNERS

**Leading Software Technology Bank With Global Reach**

**December  
2021**



# AGC Rises to Global Leadership in SaaS Deal Making



AGC ranked Top M&A Middle-Market Software Advisor of 2020 by Merger Trends



41 deals closed in the last 12 months



21 Partners and 40+ active engagements

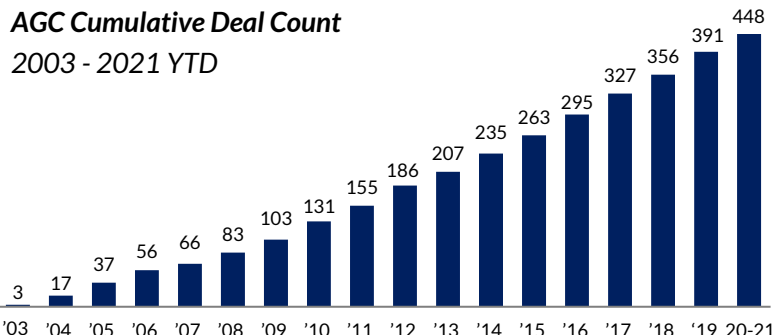


448 deals generates lots of goodwill and bonding with PE and Strategic tech buyers for our next engagement



Partners on the ground in 12 major cities across the US and Europe

**AGC Cumulative Deal Count**  
2003 - 2021 YTD



## 451 Research SaaS Rankings\*

Firm	# Trans.
1.  AGC PARTNERS	137
2. <i>William Blair</i>	127
3. <b>RAYMOND JAMES</b>	99
4.  Morgan Stanley	76
5. <b>STIFEL</b>	70
6.  HOULIHAN LOKEY	70
7.  GCA	69
8. <b>EVERCORE</b>	60
9.  cg/canaccord Genuity	59
10. <b>KeyBank</b>	56

\*451 Research deal count based on all SaaS related Sell-Side transactions since 2010. Excludes co-managed deals.

## Top Sell-Side Tech Deal Makers in 2019-21 YTD\*

Firm	# Trans.
1. Raymond James	75
2. <b>AGC Partners</b>	73
3. Houlihan Lokey	67
4. Canaccord Genuity	65
5. William Blair & Co.	63
6. Goldman Sachs	62
7. Morgan Stanley	62
8. Jefferies	59
9. GCA Advisors	58
10. Evercore Partners	57
11. J.P. Morgan	54
12. Robert Baird & Co.	54
13. Barclays Capital	39
14. Moelis & Company	33
15. Qatalyst Partners	30

\*451 Research deal count based on all disclosed technology related Sell-Side transactions from 2019-2020. Excludes co-managed deals.



# AGC's Three Primary Sources of Business

## Private Equity Engagements



### Deal Sources



\$100M - \$1B+ EV



400+ PE/VE Relationships



400+ Strategic Relationships



44+ Deals Closed LTM



18+ Years focused only on technology

## VC Engagements

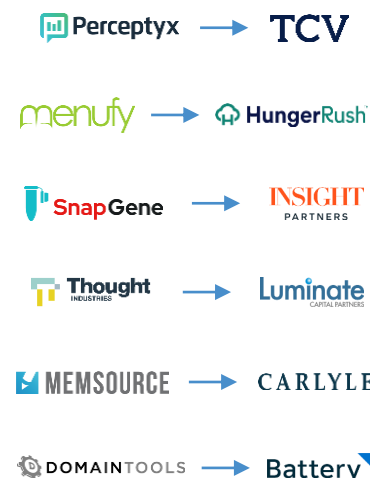


### Deal Sources



\$50M - \$300M EV

## Bootstrapped







# Led By 21 AGC Partners With Deep Sector Specialization



Infra /  
Cloud  
Mobility

Rob Buxton



Cyber  
Security  
Data  
Privacy

Eric Davis



Digital  
Media  
MarTech

Linda Gridley



C-Suite

Jon Guido



Gaming  
Digital  
Media

Nate Hennings



HCIT  
Life  
Sciences

Hugh Hoffman



Vertical  
SaaS  
Cyber  
Security

Ben Howe



C-Suite

Doug Hurst



Infra /  
Cloud  
IoT

Fred Joseph



Cyber  
Security

Maria Lewis  
Kussmaul



Digital  
Media  
3D /  
Gaming

Elena Marcus



HCIT  
HR Tech

Mike Parker



Big Data  
IoT

Bob Renner



HR Tech  
Infra /  
Cloud

Greg Roth



Supply  
Chain  
Fintech

Dennis Rourke



Vertical  
SaaS  
Digital  
Media

Charlie Schopp



HCIT  
Vertical  
SaaS

Tristan Snyder



Fintech  
HCIT

Jim Stone



Europe  
Vertical  
SaaS

Sean Tucker



Fintech  
Prop  
Tech

Jon Weibrecht



Defense  
Tech  
Cyber  
Security

Russ Workman





# AGC's Momentum

41 Deals Closed in the Last 12 Months With Transaction Values Ranging From \$50M - \$1B+  
Across All Hot Sectors

## Security

 <b>FLASHPOINT</b> Acquired by  Audax Group Advisor to Flashpoint MAGC PARTNERS	 <b>TransientX</b> Acquired by  Deloitte Advisor to TransientX MAGC PARTNERS	 <b>GUIDEPOINT</b> SECURITY Financed by  Webster Bank Advisor to GuidePoint MAGC PARTNERS	 <b>DOMAINTOOLS</b> Acquired by  Battery Advisor to DomainTools MAGC PARTNERS	 <b>IntelSecure</b> Acquired by  proofpoint Advisor to IntelSecure MAGC PARTNERS	 <b>IDENTITYIQ</b> Acquired by  CORBIS CAPITAL Advisor to Corbis Capital MAGC PARTNERS
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## C-Suite

 <b>Beezy</b> A Portfolio Company of Goldman Sachs Acquired by  SAPSPACE A Portfolio Company of LLR Partners Advisor to Beezy MAGC PARTNERS	 <b>PDFTRON</b> A Portfolio Company of SILVERSMITH SERVICES PARTNERS Financed by  THOMABRAVO Advisor to PDFtron MAGC PARTNERS	 <b>ActivTrak</b> A Portfolio Company of EII FINANCIAL SERVICES Financed by  SAPPHIRE Advisor to ActivTrak MAGC PARTNERS	 <b>complysci</b> A Portfolio Company of VISTA SECURITY PARTNERS Acquired by  SEPH Advisor to ComplySci MAGC PARTNERS	 <b>TASKTOP</b> Acquired by  SEPH Advisor to Tasktop MAGC PARTNERS	 <b>LiquidFrameworks</b> A Portfolio Company of Luminate SERVICES PARTNERS Acquired by  SERVICEMAX A Portfolio Company of SILVERLAKE Advisor to LiquidFrameworks MAGC PARTNERS
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## MarTech

 <b>NetWise</b> Acquired by  dun & bradstreet Advisor to NetWise MAGC PARTNERS	 <b>eyeota</b> Acquired by  dun & bradstreet Advisor to Eyeota MAGC PARTNERS	 <b>ZAIUS</b> Acquired by  Optimizely A Portfolio Company of INSIGHT PARTNERS Advisor to Zaius MAGC PARTNERS	 <b>mautic</b> Acquired by  ACQUIA Advisor to Mautic MAGC PARTNERS	 <b>kapost</b> Acquired by  upland Advisor to Kapost MAGC PARTNERS	 <b>SMALL ARMY</b> Acquired by  FINN Advisor to Small Army MAGC PARTNERS
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## Vertical Software / Other

 <b>menufy</b> Acquired by  HungerRush A Portfolio Company of CAPSNEY Advisor to Menufy MAGC PARTNERS	 <b>FILES</b> .COM Financed by  RIVERWOOD CAPITAL Advisor to Files.com MAGC PARTNERS	 <b>SHOOTER DETECTION SYSTEMS</b> Acquired by  ALARM.COM Advisor to Shooter Detection Systems MAGC PARTNERS	 <b>RUCKIT</b> Acquired by  Command Allion A Portfolio Company of THOMABRAVO Advisor to Ruckit MAGC PARTNERS	 <b>RapidVisa</b> Acquired by  BOUNDLESS Advisor to RapidVisa MAGC PARTNERS	 <b>QOS</b> NETWORKS Financed by  MC Advisor to QOS Networks MAGC PARTNERS
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## Europe

 <b>crossinx</b> Acquired by  unifiedpost Advisor to Crossinx MAGC PARTNERS	 <b>MEMSOURCE</b> Acquired by  THE CARLYLE GROUP Advisor to Memsource MAGC PARTNERS	 <b>Fixflo</b> Acquired by  Pareon A Portfolio Company of Advantix International Advisor to Fixflo MAGC PARTNERS	 <b>Auction Mobility</b> Acquired by  atg A Portfolio Company of TD ASSOCIATES Advisor to Auction Mobility MAGC PARTNERS	 <b>Reflektive</b> Acquired by  Ltg Advisor to Reflektive MAGC PARTNERS	 <b>secmaker</b> Acquired by  POINTSHARP A Portfolio Company of MAIN Advisor to SecMaker MAGC PARTNERS
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## HCIT / Life Science

 <b>labarchives</b> Acquired by  InsightfulScience A Portfolio Company of INSIGHT PARTNERS Advisor to LabArchives MAGC PARTNERS	 <b>greenphire</b> A Portfolio Company of Riverside Acquired by  THOMABRAVO Advisor to Greenphire MAGC PARTNERS	 <b>HealthBridge</b> Financed by  44go Advisor to HealthBridge MAGC PARTNERS	 <b>DENTAL INTELLIGENCE</b> Financed by  PSG And  THOMABRAVO Advisor to Dental Intelligence MAGC PARTNERS	 <b>patientNOW</b> Acquired by  PSG And  THOMABRAVO Advisor to PatientNOW MAGC PARTNERS	 <b>STACSDNA</b> Acquired by  Invitro A Portfolio Company of Riverside Advisor to STACS DNA MAGC PARTNERS
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# AGC's Extensive Experience with PEs (2019 – 2021 YTD)

## Established Private Equity Relationships

- Our Tech PE friends Insight Partners, JMI, K1, Luminate, Silversmith, Sumeru and Vista, among others, are hiring AGC at a steady cadence to sell their portfolio companies
- AGC's exits are constantly at premier multiples with recent deals ActivTrak, ComplySci, Crossinx, FixFlo, Greenphire and PDFTron generating revenue multiples between 10x – 20x
- AGC has developed tight-knit relationships with decision makers at top-tier PEs by running transparent and efficient processes, generating significant goodwill and trust that can be leveraged when AGC goes to market. Thoma Bravo has acquired 15 of AGC's clients

## Select Platform Deals with Private Equity Firms

<b>KEYFACTOR</b> Acquired by <b>INSIGHT PARTNERS</b>	<b>PKWARE</b> Acquired by <b>THOMPSON STREET</b>
<b>skuid</b> Acquired by <b>MARLIN EQUITY PARTNERS</b>	<b>dialsource</b> Financed by <b>CAMDEN PARTNERS</b>
<b>CRITERIA</b> Acquired by <b>SEIP</b>	<b>MEMSOURCE</b> Acquired by <b>CARLYLE</b>
<b>deepwatch</b> Acquired by <b>ASS CAPITAL PARTNERS</b>	<b>di</b> Acquired by <b>PSG</b>
<b>OpusCapita</b> Divested to <b>PSG</b>	<b>DOMAINTOOLS</b> Acquired by <b>Battery</b>
<b>Perceptyx</b> Acquired by <b>TCV</b>	<b>patientNOW</b> Acquired by <b>PSG</b>
<b>Beezy</b> Financed by <b>Goldman Sachs</b>	<b>ActivTrak</b> Financed by <b>SAPPHIRE VENTURES</b>
<b>GRAMMATECH</b> Acquired by <b>FIVE POINT CAPITAL PARTNERS</b>	<b>TASKTOP</b> Acquired by <b>SEIP</b>
<b>THOUGHT INDUSTRIES</b> Acquired by <b>Luminate</b>	<b>greenphire</b> Acquired by <b>THOMABRAVO</b>
<b>RevenueWell</b> Acquired by <b>MARLIN EQUITY PARTNERS</b>	<b>FILES .COM</b> Acquired by <b>RIVERWOOD CAPITAL</b>
<b>GUIDEPOINT SECURITY</b> Financed by <b>ASS CAPITAL PARTNERS</b>	<b>PDFTRON</b> Acquired by <b>THOMABRAVO</b>
<b>EXOSTAR</b> Acquired by <b>THOMABRAVO</b>	<b>complysci</b> Acquired by <b>K1</b>
	<b>FLASHPOINT</b> Acquired by <b>Audax Group</b>

## Select Deals with PE Portfolio Companies

<b>Bernoulli</b> Acquired by <b>capsule</b>	a Portfolio Company of <b>FP</b>
<b>distil networks</b> Acquired by <b>imperva</b>	a Portfolio Company of <b>THOMABRAVO</b>
<b>SnapGene</b> Acquired by <b>GraphPad</b>	a Portfolio Company of <b>INSIGHT PARTNERS</b>
<b>orkus</b> Acquired by <b>SailPoint</b>	a Portfolio Company of <b>THOMABRAVO</b>
<b>Auction mobility</b> Acquired by <b>atg</b>	a Portfolio Company of <b>TA</b>
<b>RUCKIT</b> Acquired by <b>Command Alkon</b>	a Portfolio Company of <b>THOMABRAVO</b>
<b>cerdant</b> Acquired by <b>Logically</b>	a Portfolio Company of <b>Riverside</b>
<b>Vanilla</b> Acquired by <b>higher logic</b>	a Portfolio Company of <b>JMI</b>
<b>STACSDNA</b> Acquired by <b>invita</b>	a Portfolio Company of <b>Riverside</b>
<b>Fixflo</b> Acquired by <b>Aareon</b>	a Portfolio Company of <b>Advent International</b>
<b>secmaker</b> Acquired by <b>POINTSHARP</b>	a Portfolio Company of <b>MAIN</b>

# Deep Domain Knowledge: ~180 Market Leading Private Sector Reports

## Partner Led From Start to Finish

- ~180 industry thought pieces published by AGC Partners covering Vertical Software, Cyber Security, Infrastructure, Internet, HCIT, FinTech, and 60+ subsectors
- Partner-led and authored, with 6-person AGC research team working on perfecting each piece, going deep on the market, TAM, key trends, challenges, M&A and financings activity
- Developed and implemented over 18 years proprietary processes and procedures that will typically unearth 100-200 leading private companies in each sector

"This is a beautiful report, it is better than anything we have seen from Gartner or any of the other investment banks. We see stuff from Houlihan Lokey and Deloitte and this blows it away."

— Steven Maroulis, CEO of Jarvis Dental, on recent Dental Tech publication



"This may be one of the only cold emails that I have actually responded to...Report is awesome. Happy to chat."

— Nadeem Kassam, CEO of Connect the Doc, on recent Dental Tech publication

## Industry Leading Research Covering the Most Coveted Private Sectors of Technology



### Vertical Software

Automotive  
Building / Engineering  
CRM / CXM  
C-Suite  
Education  
Food/Restaurant  
GovTech  
Healthcare  
HR Tech  
Insurance  
Legal  
Public Sector  
Real Estate  
Travel & Leisure



### Cyber Security

APT  
CASB  
Cybersecurity  
Endpoint  
IAM  
IOT / SCADA  
Network  
Security Orchestration  
Security Services  
Threat Intelligence  
User Behavior Analytics  
Vulnerability



### Infrastructure

AI  
BI / Analytics  
Big Data  
Cloud Computing  
Communication  
Data Center  
DevOps  
Energy & Industrial  
ERP / Supply Chain  
Internet of Things  
IT Services  
Mobility Solutions  
Smart Cities  
Technical Software  
Storage



### Internet

AdTech  
Augmented Reality  
Consumer  
E-Commerce  
Food Tech  
Gaming  
Internet  
Marketplaces  
MarTech  
Mobile  
Social  
Retail  
Virtual Reality



### HCIT

Clinical Decision Support  
Clinical Trials  
Dental Solutions  
EHR  
Genomics Data Mgmt.  
HIS  
Payer Solutions  
Pharma Analytics  
PMS  
Precision Medicine  
RCM / Payment Solutions  
Telehealth



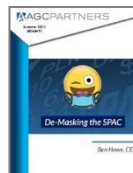
### FinTech & Payments

Blockchain  
Digital Lending  
FinTech Market Updates  
Mobile App Monetization  
Mobile Money  
Payments  
Remittance / Money Transfer

## Selected Recent Partner Authored Whitepapers



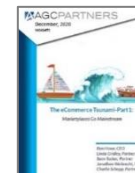
Real Estate Tech Market Update



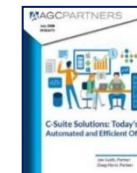
De-Masking The SPAC



PE Buyer Tiger Global



eCommerce Marketplaces Go Mainstream



C-Suite



Cloud Native



Telehealth

# The Best Middle-Market Growth Technology Conferences Globally

## Testimonials

*"We achieved in one single day the equivalent of 2+ weeks of prospecting work"*

*"Excellent and **highly productive** event; AGC gathers the most relevant group of companies and PE/VC investors in one place"*

*"Superb event and opportunity for entrepreneurs to **tell their story to the investor community**"*

### Premier Global Technology Conferences

- AGC Partners is one of the only investment banks to hold middle-market industry conferences solely focused on driving relationships among strategic acquirers, PEs, and emerging private growth companies spanning all major tech sectors – At our last conference pre COVID in Feb'20 we had 3,000 one-on-ones
- Offers insights from leaders in their respective industries, and direct engagement with the most active investors in the space
- Includes 500+ early and growth stage technology companies (revenues \$10-\$100M ARR) and 600+ private equity firms and strategic acquirers
- High caliber panels and 30-minute pre-arranged one-on-one meetings lead to hundreds of new leads, several new engagements, and drive the marketing efforts for pre-engaged clients

### 2020 San Francisco Conference Stats

**1,585**  
Attendees

**\$1.3T**  
In AUM Represented

**3,000**  
1-On-1 meetings



	San Francisco	London	Boston	Total
Attendees	1,585	414	719	2,718
Private Companies	485	112	225	822
Investors	343	85	190	618
Strategics	233	26	50	309
Total 1-on-1 Meetings	3,000	915	2,250	6,165

### Select Strategic Attendees



### Select Private Equity Attendees



# CEO And Buyer Testimonials



"Thanks to **AGC's persistence and experience** throughout the COVID period, we were able to close a great deal."

David Canek, CEO | MEMSOURCE



"Selecting AGC was the best decision I made. AGC got smart about who we are and **worked harder than anyone I had ever seen.**"

Weston Lunsford, Founder & CEO | DENTALINTELLIGENCE



"We are very grateful for their **invaluable advice**, quick action and **'always-on'** approach."

Barry Kelly, Founder & CEO |



"AGC went **above and beyond in every respect** to ensure we completed a transaction that exceeded all expectations."

John Borland, Founder & CEO | Perceptyx



"I can't speak more highly of the tenacity AGC brought... the deal absolutely **would not have happened without AGC.**"

Richard Addi, CEO | EXOSTAR®



"AGC's expertise was **invaluable in helping us navigate strong investor interest** and connect with a great partner."

Rita Selvaggi, CEO | ActivTrak



"In a tough, competitive market, their **execution is A+** and their **integrity is even higher.**"

A.J. Rohde, Senior Partner | THOMABRAVO



"At the start of our engagement Ben promised that **no one works harder than the team at AGC**, and he was right."

Michael Monteiro, CEO | Buildium®



"**The AGC team was simply extraordinary.** They dig in, roll up their sleeves, and work hard."

Jim Quagliaroli, Co-Founder, Managing Partner | SILVERSMITH



"AGC proved **highly effective** in efficiently delivering a **superior outcome** for our partnership and employees."

Mike Volk, Managing Partner | GUIDEPOINT SECURITY



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