



FrenchTech – VC and M&A Activity

The Rise of French Tech

ICON

GLOBAL TECH INVESTMENT BANKING

LONDON

SAN FRANCISCO

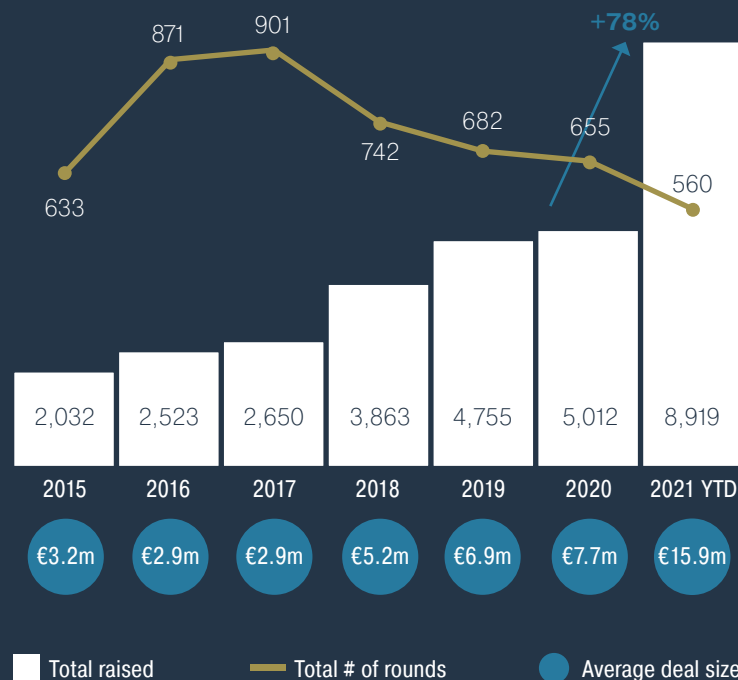
BRISTOL

What You Need to Know

The Rise of French Tech

- 1 VC investment in France totalled €8.9bn in 2021 YTD, the highest figure in history of French Tech
- 2 Late-stage capital has continued to increase. The average deal size has doubled, reaching €15.9m in 2021 YTD vs €7.7m in 2020
- 3 This trend can be explained by international investors that have increased their investments in French tech start-ups
- 4 US investment has grown by 313% between 2020 and 2021 YTD, highlighting the increasing attractiveness of the ecosystem
- 5 Cheap cost of capital, the government attempting to bolster the start-up ecosystem, coupled with unexpected tailwinds created by the pandemic, have also contributed to this boom
- 6 The Tech VC market has matured and we expect this trend to continue in the coming years with France playing a major role in creating European Tech champions such as Sorare, Alan, Ledger and others
- 7 On the M&A market, the activity remains very solid and dynamic, with 286 transactions in 2021 YTD
- 8 We have seen an increase in the disclosed median deal value (€60.0m in 2021 YTD vs €27.4m in 2020) – see page 10
- 9 Acquisitions of software companies accounted for 42% of Tech M&A in 2021 YTD – see page 10

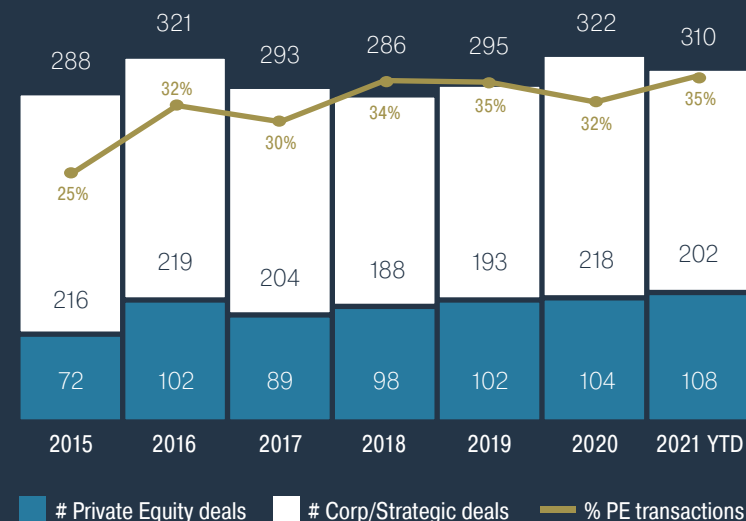
VC ACTIVITY – AMOUNT RAISED AND # OF FUNDING ROUNDS



Big jump in VC investments, reaching c.€9bn in 2021 YTD

TECH M&A ACTIVITY – # OF CORPORATE AND PRIVATE EQUITY-LED TRANSACTIONS

Stable number of Tech M&A transactions over the past years

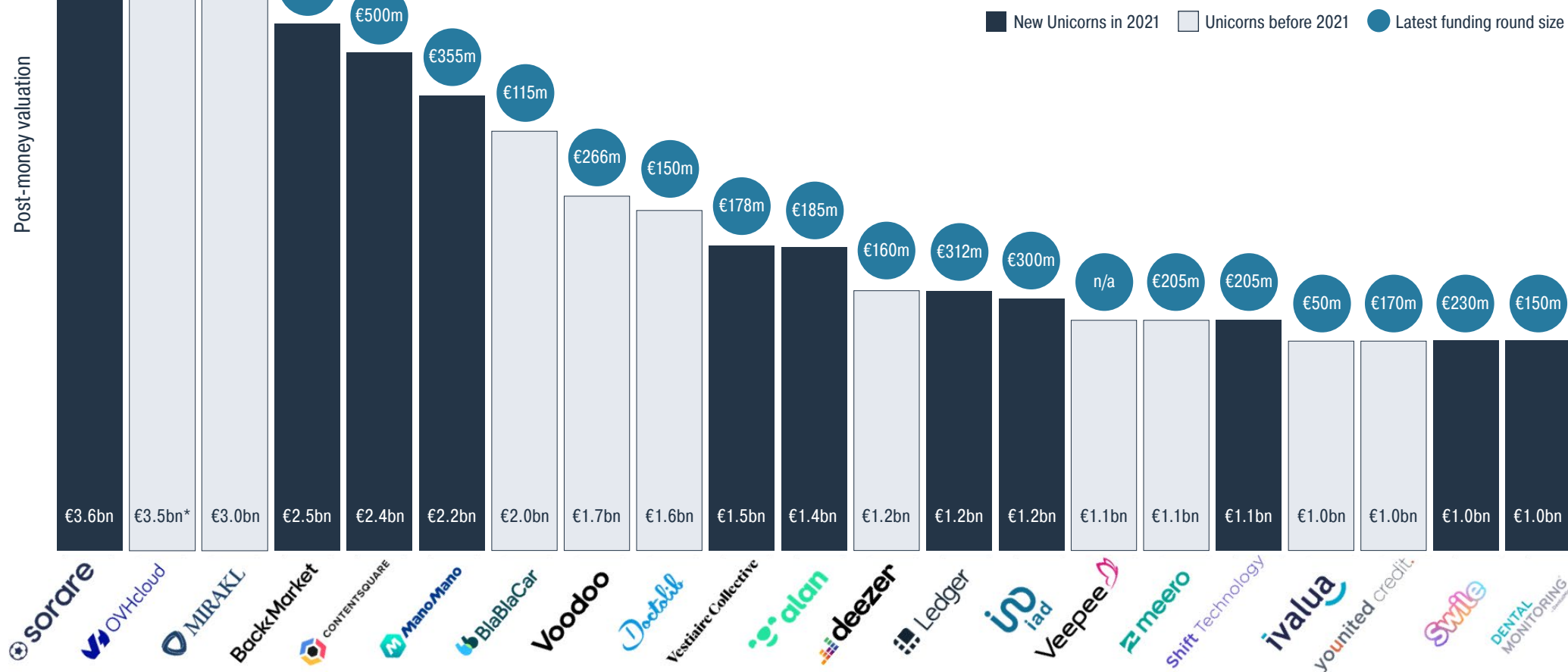


French VC Activity



The number of unicorns has doubled with 11 new ones in 2021

US and international investors are increasingly participating in large funding rounds

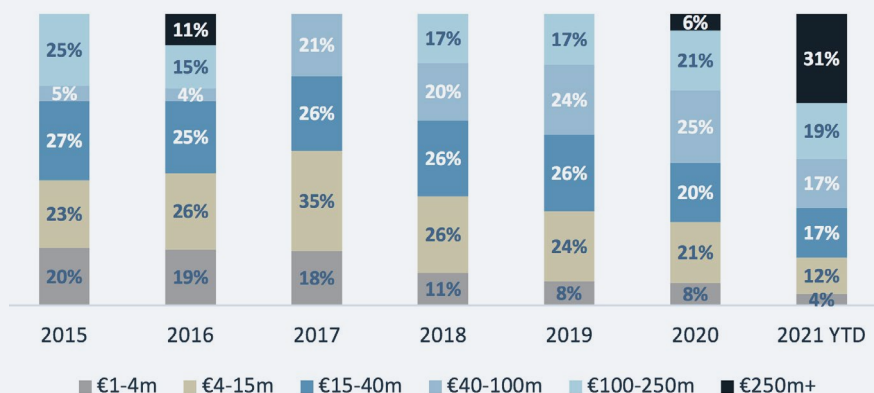


VC Key Stats

A great tech ecosystem supported by local and international investors

VC Investments by size

Rounds bigger than €250m+ represents 31% of the total deal value in 2021 YTD vs 6% in 2020



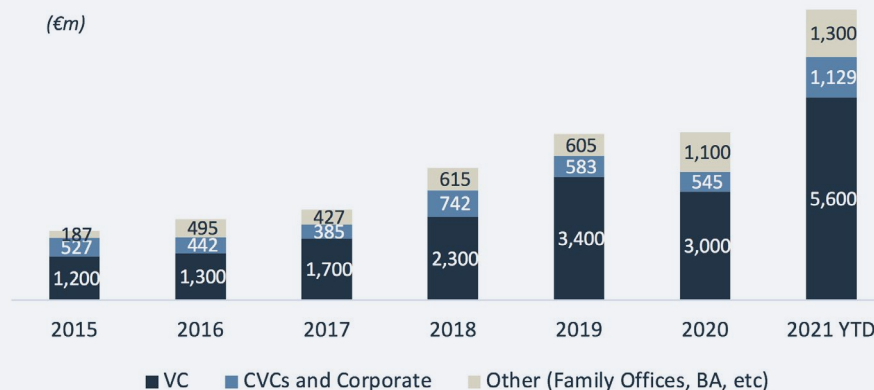
Funding by investor location⁽¹⁾

VC investments coming from the USA have increased by 313% between 2020 and 2021 YTD, reaching €2.5bn



Investments by type of investors

Significant increase in investments from all types of investors



2021 VC Investment by the 10 Top verticals

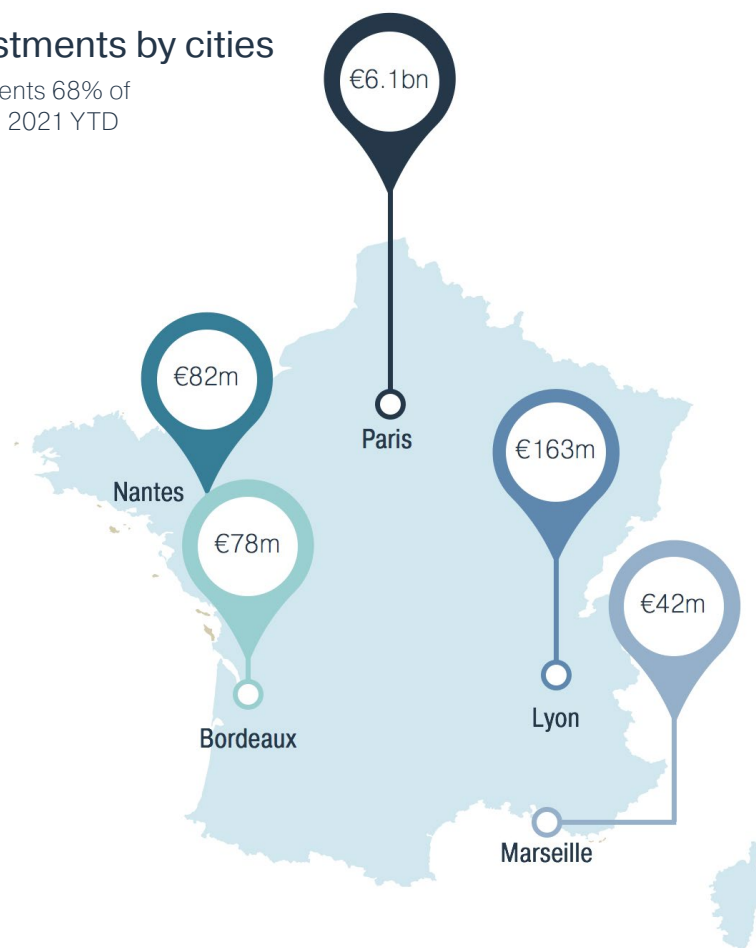
FinTech has attracted €1.9bn of VC capital in 2021 YTD through 90 funding rounds. It is by far the most financed vertical





An ecosystem centralised in Paris and its surrounding regions

VC Investments by cities










Paris represents 68% of deal value in 2021 YTD



Selected recent Series A and B

 <p>Mobility, Series B, €55m, n/a⁽¹⁾</p>	 <p>HRTech, Series B, €40m, n/a⁽¹⁾</p>	 <p>FoodTech, Series B, €31m, n/a⁽¹⁾</p>
 <p>InsurTech, Series B, €30m, n/a⁽¹⁾</p>	 <p>Proptech, Series B, €30m, n/a⁽¹⁾</p>	 <p>DeepTech, Series A, €25m, n/a⁽¹⁾</p>
 <p>FinTech, Series B, €16m, €70m⁽¹⁾</p>	 <p>FinTech, Series A, €15m, n/a⁽¹⁾</p>	 <p>HealthTech, Series A, €10m, €75m⁽¹⁾</p>

Start-ups to watch

 <p>Data Mgmt. platform for real estate assets</p>	 <p>InsurTech</p>	 <p>Smart collaborative application</p>
 <p>All-in-one digital audio advertising platform</p>	 <p>Data leak detection platform</p>	 <p>Green Neobank</p>
 <p>Students on-demand recruitment platform</p>	 <p>WealthTech</p>	 <p>Mobile games developer & publisher</p>

Investor Landscape (1/2)

Highly dynamic VC funding from both Domestic and International players

Selected French VC funds launched in 2021

INVESTOR	FUND NAME	FUND SIZE	INVESTMENT CRITERIA
 breega	Breega Capital Venture III	€110m	Generalist Ticket size: €500k - €5m Stage: Series A and B
 XAnge	XAnge 4	€200m	DeepTech, SaaS, HealthTech Ticket size: €300k - €10m Stage: Pre-seed, Seed, Series A
 AXA Venture Partners	AVP Capital II	€250m	Software, FinTech, digital health Ticket size: €300k - €20m Stage: Early growth to late growth
 Singular.	Singular Fund I	€225m	Generalist Ticket size: up to €20m Stage: Series A and B
 elaia	Elaia DV4	€120m	B2B digital & DeepTech Ticket size: €1m - €10m Stage: Seed to Series B
 RING CAPITAL	Ring Mission	€35m	Impact Ticket size: €500k - €5m Stage: Series A to D
 serena	Serena III	€300m	SaaS, Marketplaces, FinTech, AI Ticket size: €5m - €15m Stage: Series A

Foreign VCs investing in French start-ups

INVESTOR	# INVESTMENTS IN 2021	SELECTED INVESTMENTS	
 Accel	7	 swan	 BeReal.
 GFC	5	 folk	 Shift Technology
 Headline	5	 shares	 Pennylane
 SoftBank	5	 Ledger	 onepilot
 GENERAL ATLANTIC	4	 sorare	 cajoo
 DST GLOBAL	3	 claap	 Swile
 Balderton.	2	 sorare	 360Learning
		 CONTENT SQUARE	 Swile
		 OPENCLASSROOMS	 spendesk
		 ManoMano	 BackMarket
		 jow	
		 libeo	 BeReal.
		 VIRTUO	 KILI TECHNOLOGY

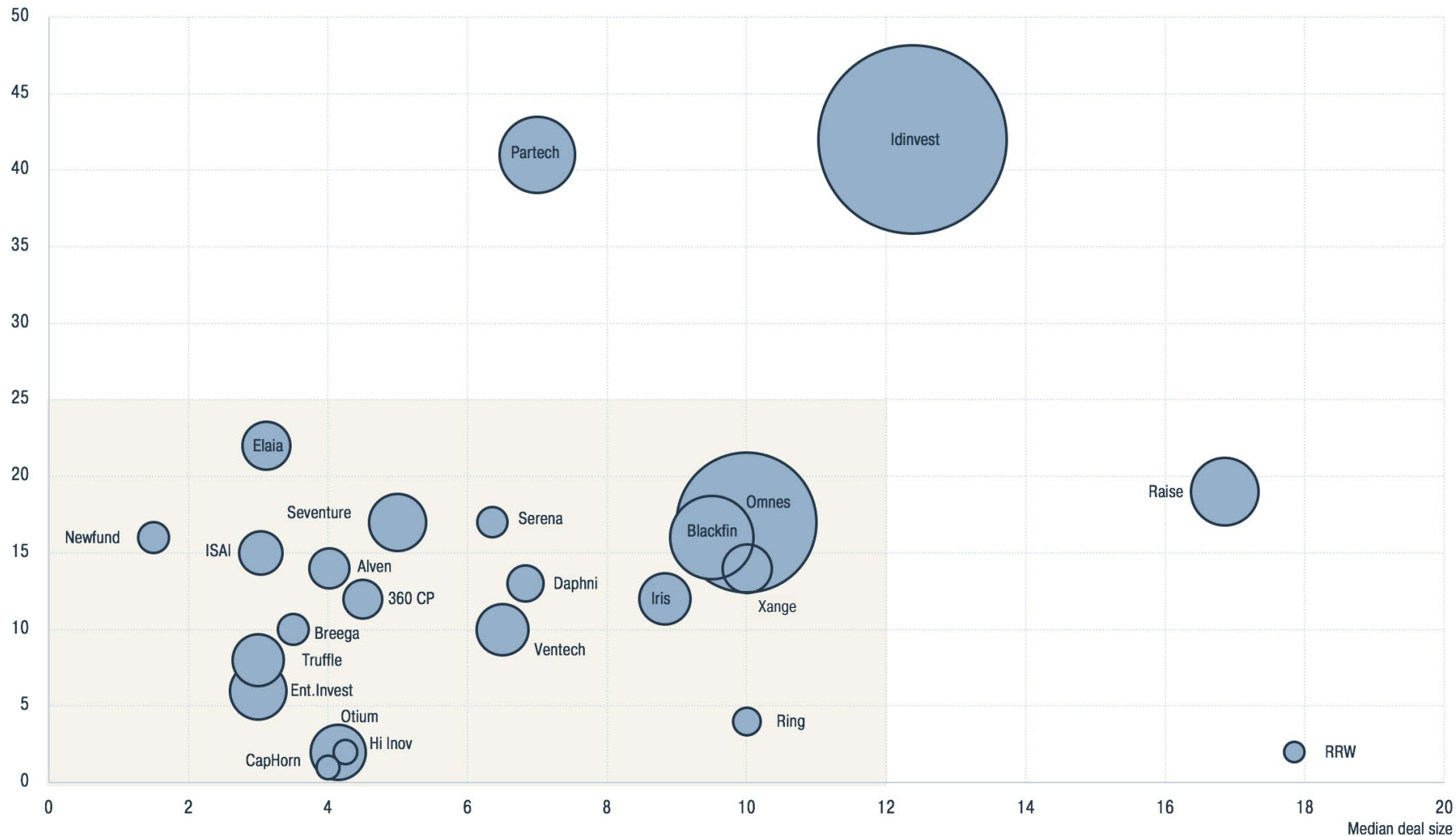
Investor Landscape (2/2)

Large amount of funds being deployed in early stage rounds

French VC⁽¹⁾

Number of deals in 2021

Bubble size = AUM



M&A Market



GLOBAL TECH INVESTMENT BANKING

Tech M&A & Private Equity Activity

Robust Tech M&A Market

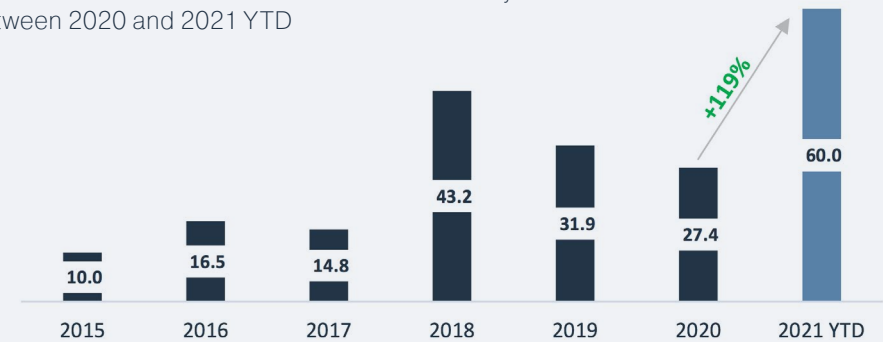
of Tech Corporate and Private Equity-led transactions

Tech M&A market steady in terms of number of deals



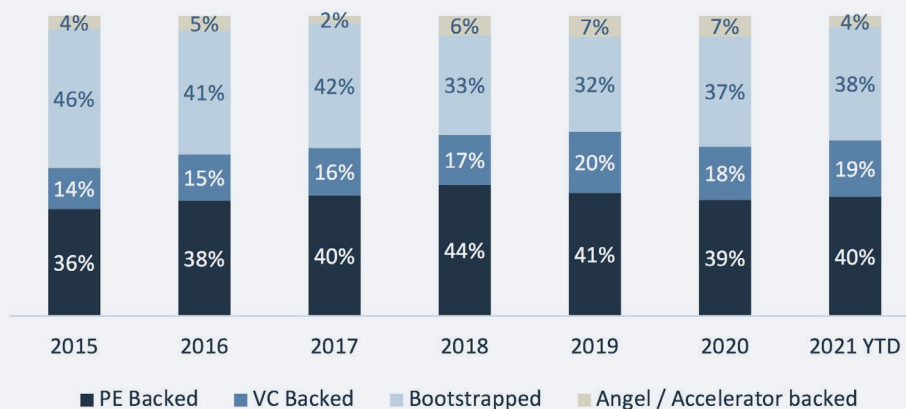
Median disclosed deal valuation (€m)

Median disclosed deal valuation has increased by 119% between 2020 and 2021 YTD



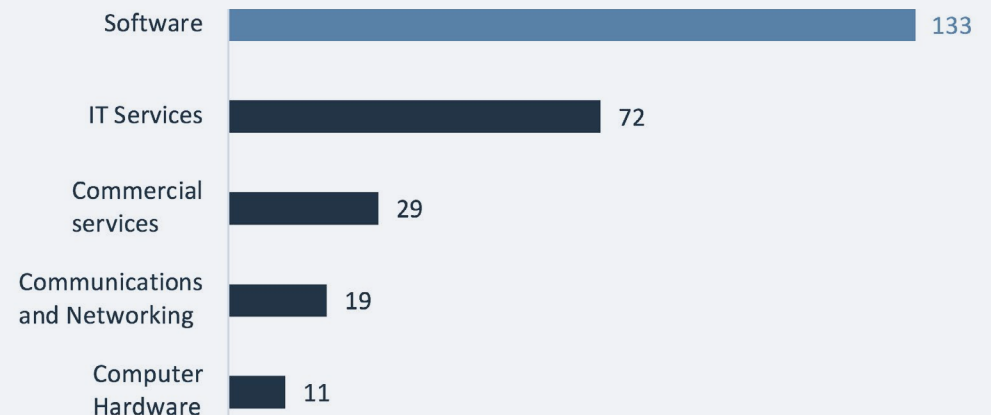
Acquisitions by target financing status

PE and VC backed targets represents 49% of Tech M&A transactions in 2021 YTD



Acquisitions by target industries

Acquisitions of software companies accounted for 42% of Tech M&A in 2021 YTD



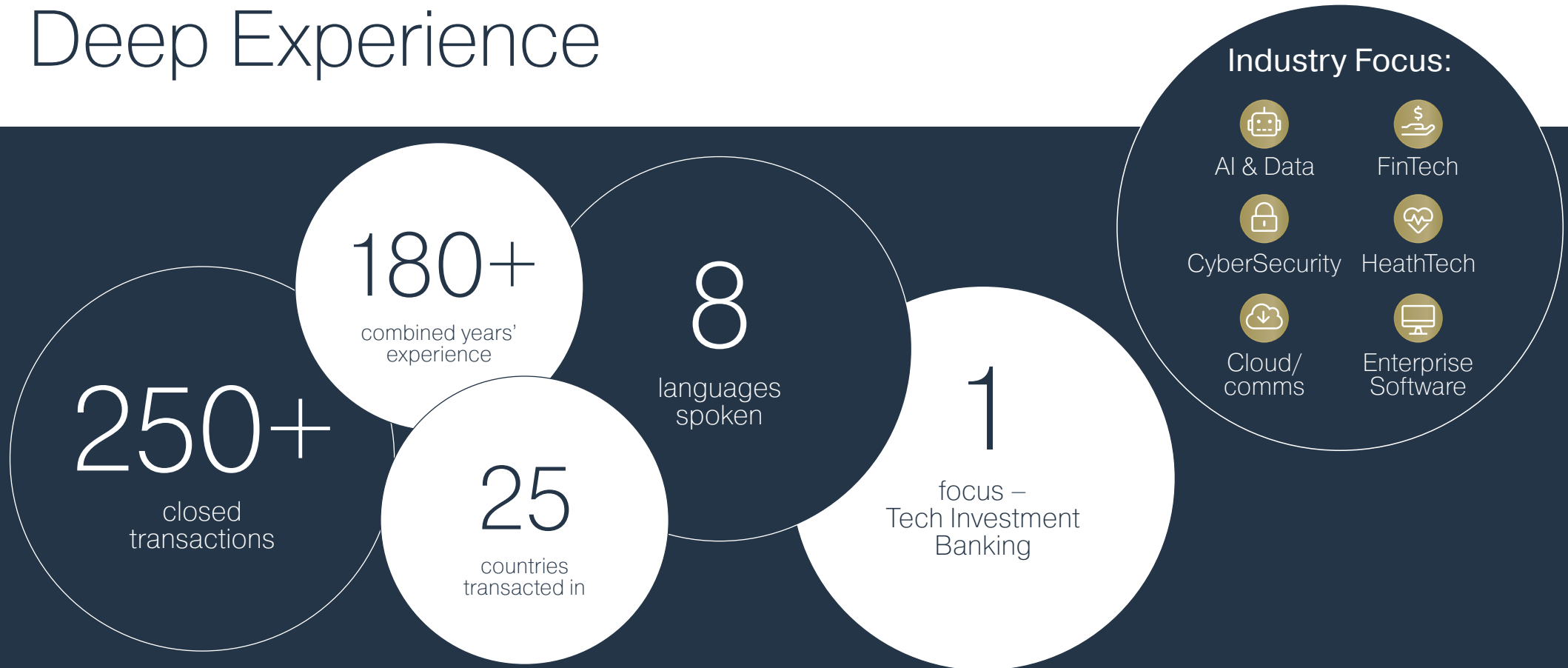
Notable M&A & PE Transactions in 2021 YTD

DATE	TARGET	ACQUIRER	TARGET DESCRIPTION	EV	EV / REVENUE	EV / EBITDA
Sep. 21		 THE ADECCO GROUP	Develops a digital recruitment platform designed to connect job seekers and recruiters	€65m	1.4x	n.a.
Sep. 21	ARTEFACT	ARDIAN	Operates as an independent digital communication company	€273m	3.6x	22.8x
Sep. 21			Develops management analytics tools designed to transform complex data into simple actions	n.a.	n.a.	n.a.
Sep. 21			Provides digital coaching services intended to offer personalised development experiences to employees	n.a.	n.a.	n.a.
Aug. 21			Retrogaming studio and publisher that specialises in releasing modern versions of iconic vintage games	€64m	4.4x	11.0x
Aug. 21			Develops wide-area network governance software for enterprise networks and application-centric services	€60m	n.a.	n.a.
Jul. 21			Develops, produces, sells and maintains a range of computer-aided design software	€288m	8.3x	23.1x
May. 21			Develops a cyber risk platform built to detect directory breaches and combat cyberattacks	€80m	n.a.	n.a.
Mar. 21			Provides data integration and integrity solutions	€2,046m	8.5x	n.m.
Mar. 21			Offers social media intelligence software intended to analyse consumer trends	€50m	2.9x	n.a.
Feb. 21			Provides an application security platform to automate application protection, threat detection, and security monitoring	€178m	n.a.	n.a.

Get in touch

We'd love to hear from you

Deep Experience



Banker Backgrounds

OPPENHEIMER

KPMG

451 Research

pwc

Deloitte.

MOORELAND
PARTNERS

SOCIETE
GENERALE

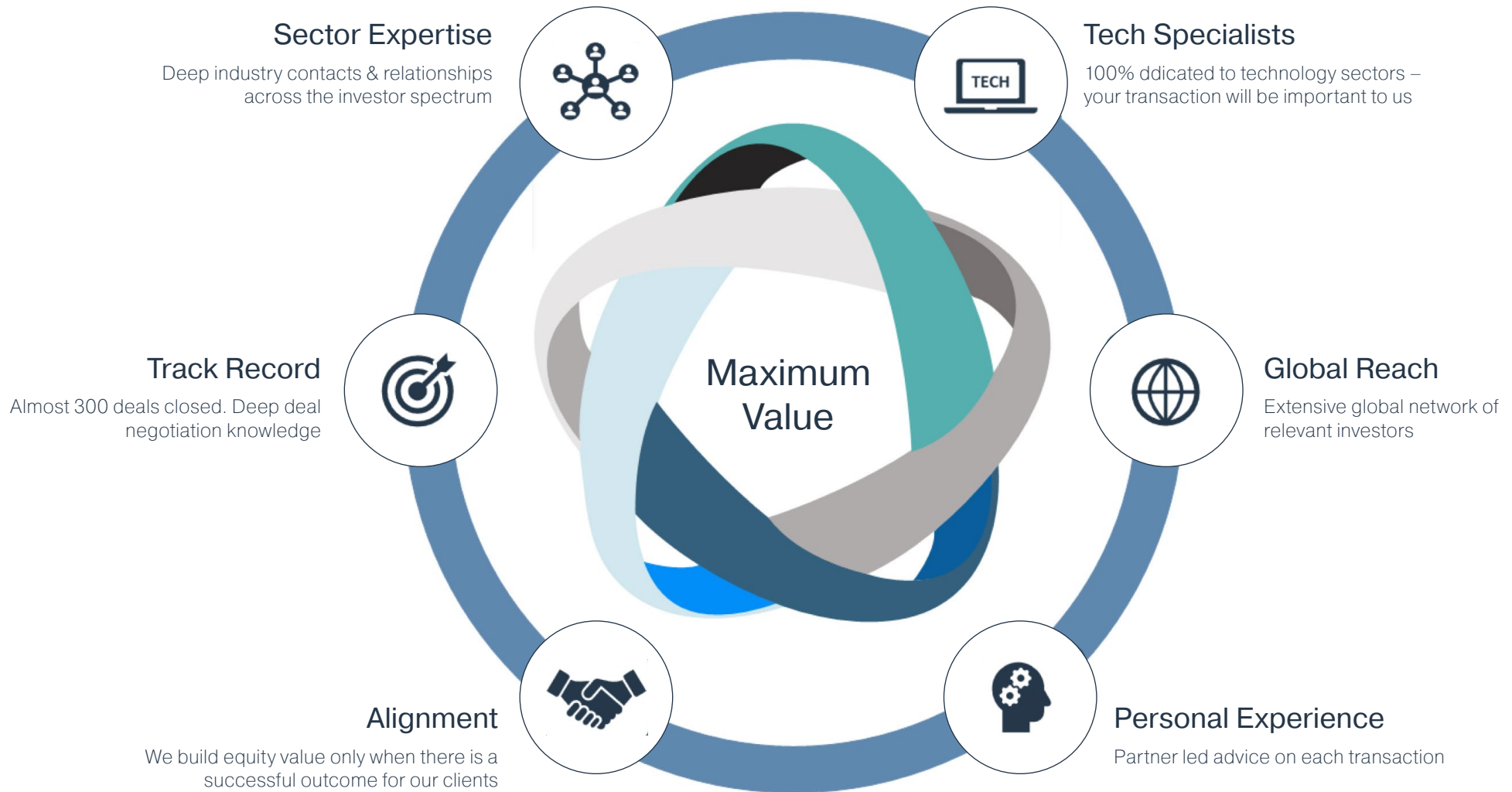
LLOYDS
BANKING
GROUP

J.P.Morgan

ROLLS
ROYCE

Why ICON?

We deliver premium outcomes for our clients



What Our Clients Say

Our reputation is built on delivering for our clients

“ It was a pleasure to work with the ICON team. They managed the process with extreme professionalism and created significant international interest for our business. We are delighted with the end result and to welcome our new strategic investor partner”

Brett Raynes
Founder & CEO, Cloud Direct



“ My compliments to ICON who have been instrumental in helping us close this round. They are formidable deal makers and helped navigate us through every step on the journey”

Matthew Hodgson
CEO, Mosaic Smart Data



“ ICON has been fantastic throughout the process, keeping the project moving all the way, and a pleasure to work with. We absolutely chose the right company to advise us”

Will Salter
CEO, Paragon



“ Selling a business is a far from straightforward journey. ICON introduced us to a variety of interested buyers and negotiated an attractive deal for shareholders but also provided solid advice to help us navigate around the banana skins that were thrown in our direction”

John Gilleran
CEO, Focus Group Europe



“ If you are looking for deep sector knowledge of the global buyers then ICON will ensure that you will achieve the best possible result. ICON demonstrated this as they secured a Latin American based-buyer that was a perfect strategic fit and provides Hydra with a platform to expand into emerging markets”

Sanjay Gandhi
Managing Director, Hydra



“ ICON did a great job managing the process and provided the right blend of experience, patience, commitment and sector knowledge. Their process provided us with a selection of offers, which both provided a choice and helped maximise value for our shareholders”

Philip Maskell
CEO, Business Integrity



“ ICON ran a very effective process which achieved the ideal result that we had been hoping for. I found the support, guidance and reassurance along the way to be very valuable and made what could have been a challenging journey seem a great deal easier. I would strongly recommend ICON”

Ian Lyons
Chairman, Optimum Contact



“ I can't thank you guys enough ... you really turned the thumbscrews at the right time and this yielded a great result”

Jon Folland
CEO & Founder, Nativ



“ I'm tremendously grateful to ICON for the professionalism and utmost effort put into streamlining, curating and managing this process. We're all very pleased with the result and look forward to working with ICON again!”

Luke Kyohere
Founder & CTO, Beyonic



Select Transaction Experience





M&A







 <small>ACQUIRED BY</small>	 <small>ACQUIRED BY</small>	 <small>ACQUIRED BY</small>
  		
Logistics Analytics	Enterprise Software	DataTech





 <small>ACQUIRED BY</small>	 <small>ACQUIRED BY</small>	 <small>ACQUIRED BY</small>
 		
Enabling Tech Enterprise Software	Enabling Tech Enterprise Software	Healthcare Patient Analytics

 <small>ACQUIRED BY</small>	 <small>ACQUIRED BY</small>	 <small>ACQUIRED BY</small>
	 <small>a DOVER company</small>	 <small>CAPITAL PARTNERS LLC</small>  <small>PARTNERSHIP</small>
FinTech	Enabling Tech	Enterprise Software

Funding

 <small>STRATEGIC INVESTMENT BY</small>	 <small>FUNDED BY</small>
	 <small>CAPITAL PARTNERS</small>
ESGTech	HealthTech

 <small>STRATEGIC INVESTMENT BY</small>	 <small>FUNDED BY</small>
  <small>Commerzbank Group</small> 	
FinTech AI	DataTech

 <small>MBO</small>	 <small>FUNDED BY</small>
	
Digital Transformation	InsurTech

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