

ICON

C O R P O R A T E F I N A N C E

The Road Ahead:

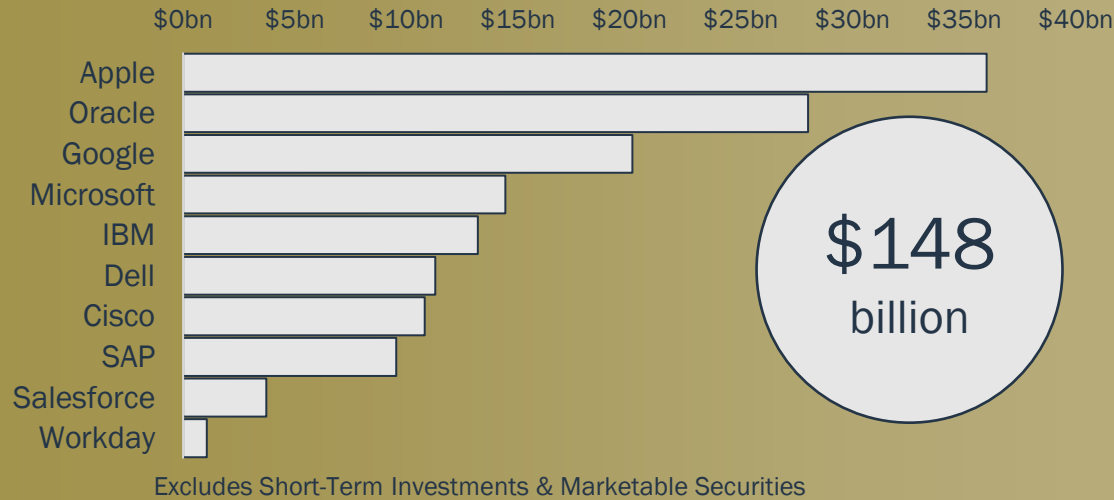
M&A Strategy Planning

Navigating Opportunity, Complexity & Uncertainty

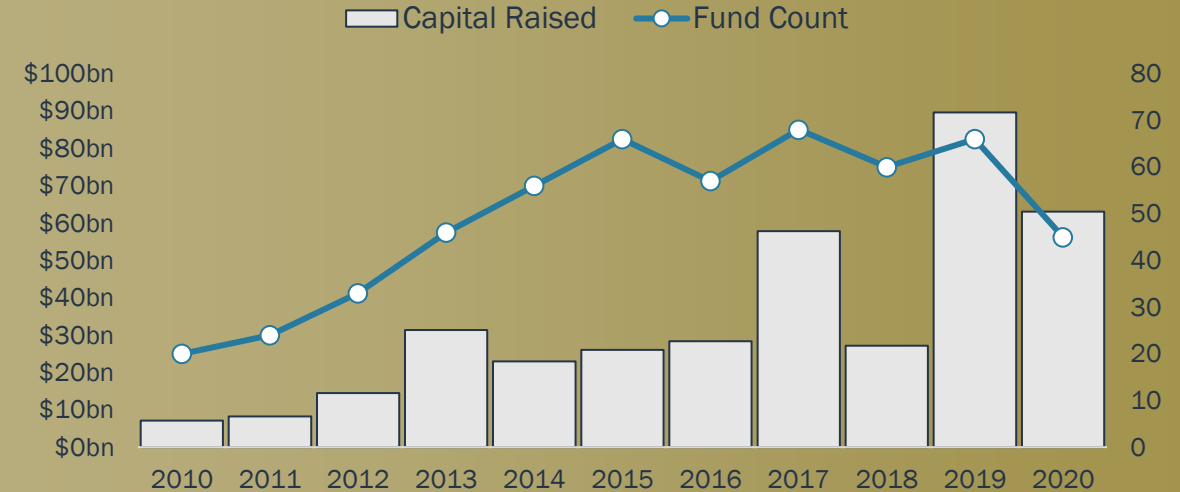
Macro Factors

Factors Influencing M&A: Buyers' Perspective

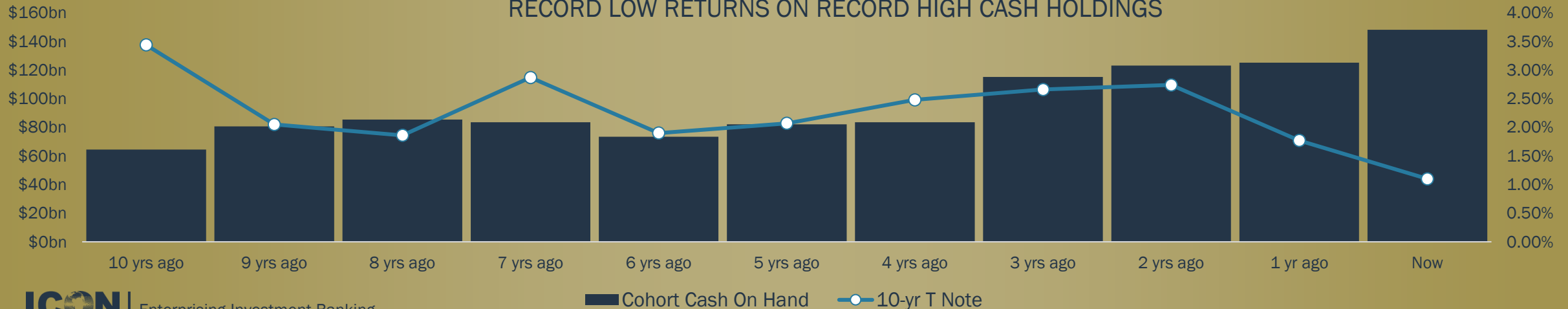
STRATEGIC's CASH ON HAND



US PE TECH-FOCUSED FUNDRAISING

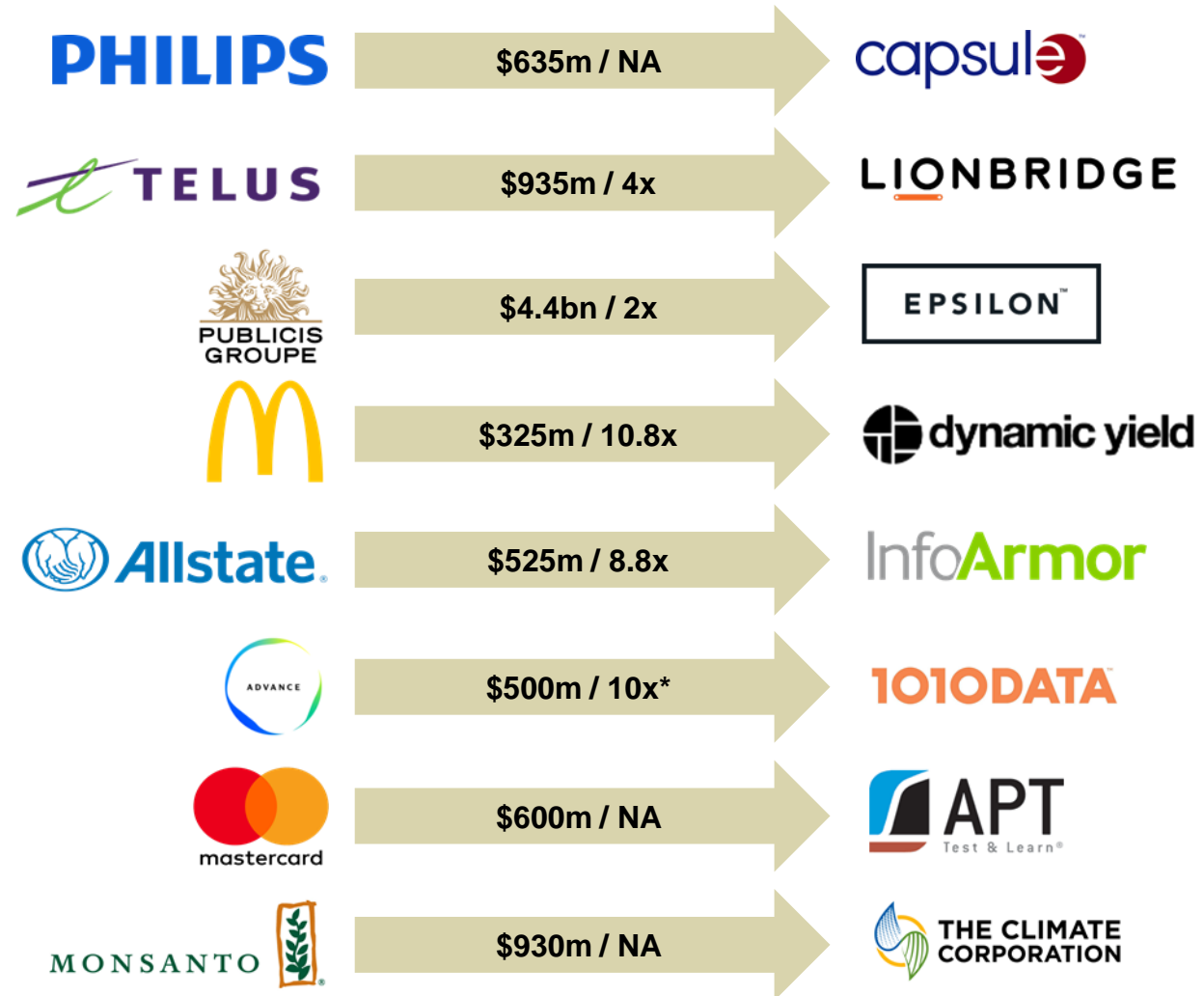


RECORD LOW RETURNS ON RECORD HIGH CASH HOLDINGS



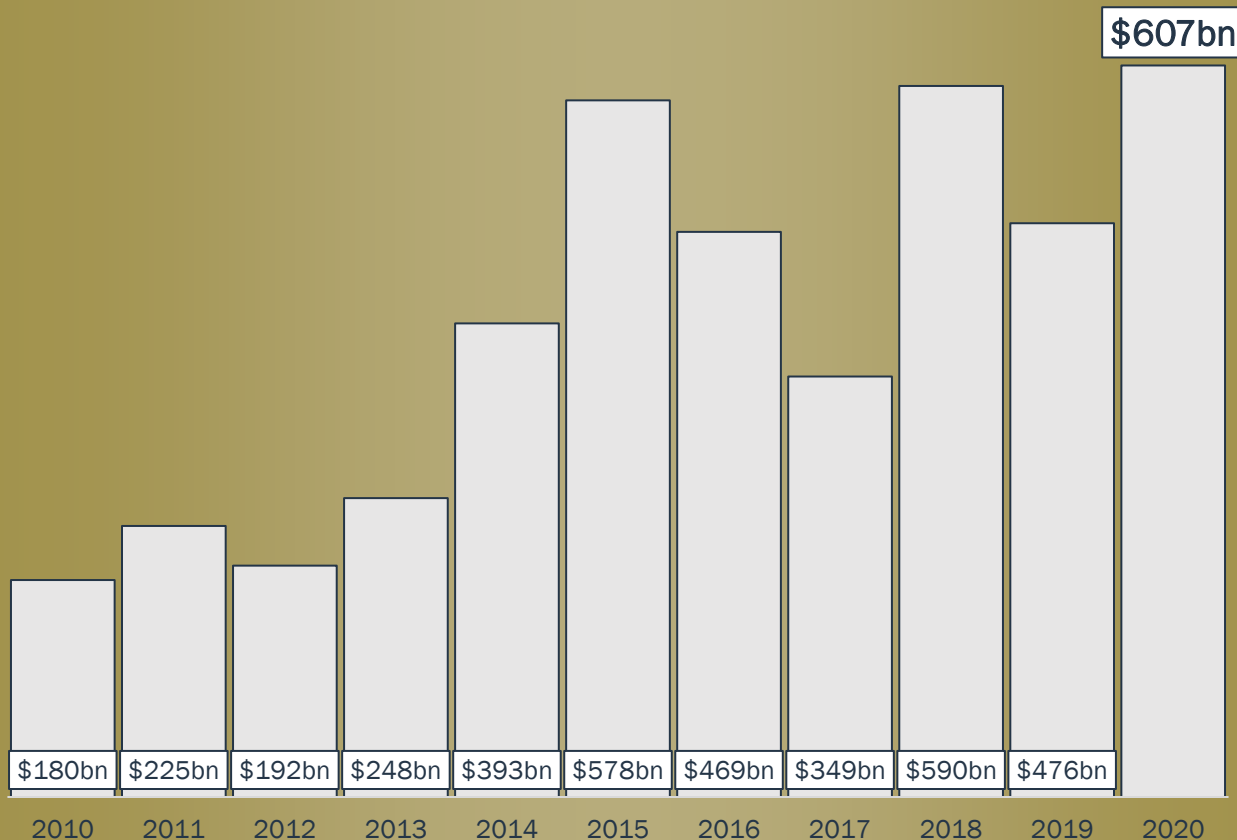
Digitization >> Broadening Of The Buyer Pool

- Rapid migration to cloud during the pandemic accelerated industries' trend toward digitization. As this trend has grown over the years, so too has the pool of acquirers. The diversity of the buyer pool has expanded to include agriculture, publishing, CPG, and even fast-food conglomerates.
- Atypical acquirers are seeking both commercial and operational benefits of digital technologies, but also financial returns. In November 2020, Canadian telco Telus announced it was acquiring AI annotation company Lionbridge for \$935m. Two months later, Telus announced it was taking its newly acquired Lionbridge business public as a separate entity.
- We expect this 'broadening' trend to continue as VCs fund ever more industry disruption vendors that can become digital empowerment targets for evolving industries.



Factors Influencing M&A: Sellers' Perspective

ROBUST TECH M&A:
ANNUAL TOTAL DEAL VALUE REACHES RECORD



GROWING COMPETITION



RARE VALUATION ENVIRONMENT



FUTURE UNCERTAINTY

Long-term:	???
Mid-term:	??
Near-term:	?
Now:	\$\$\$

CAPITAL GAINS CHANGES?



Exit Strategy Planning

Timing The Transaction

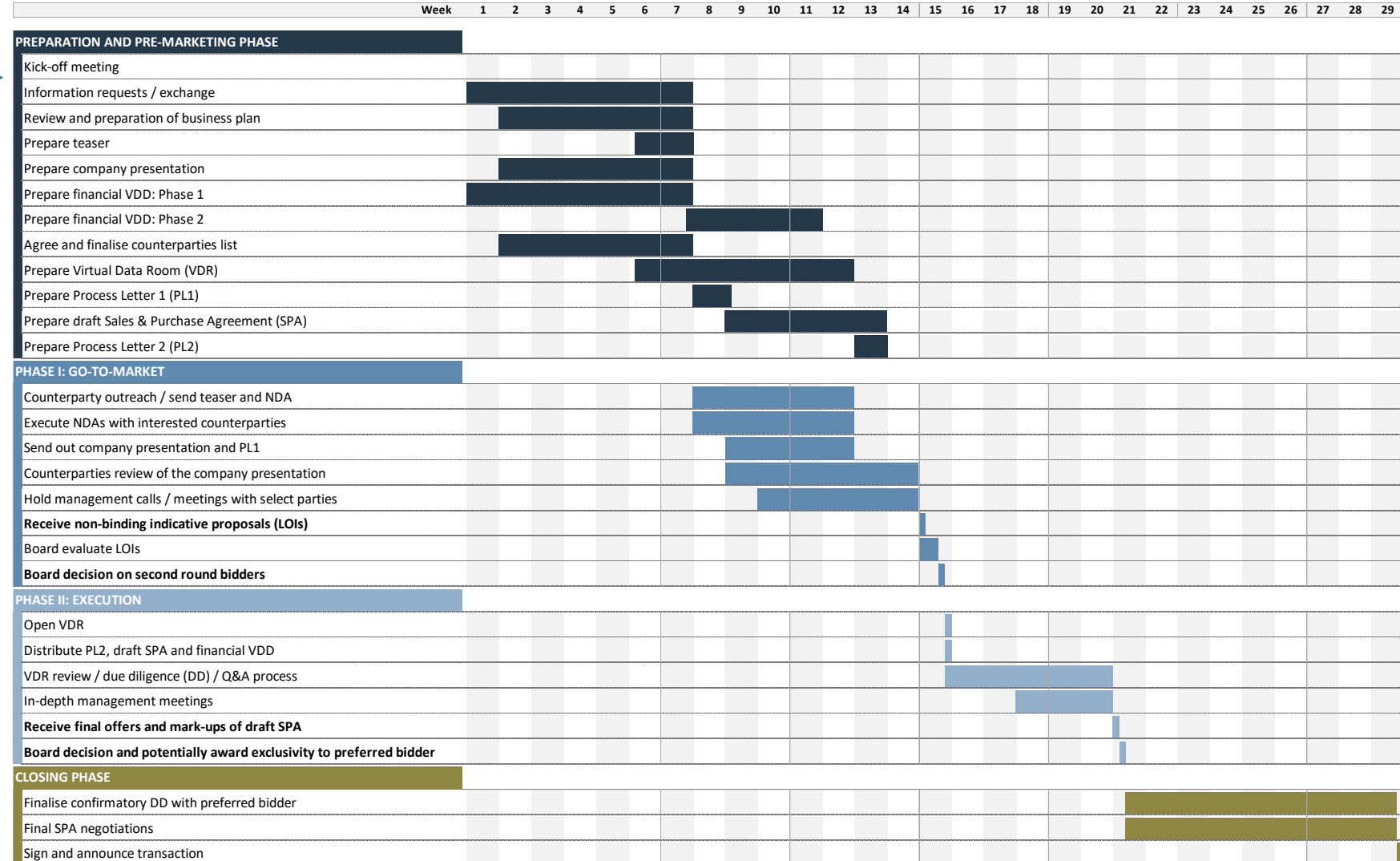


Timing The Transaction

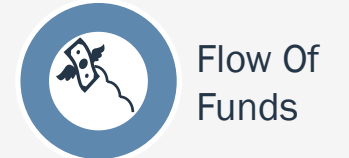
Exit Preparation

~1-6 months

- Corporate Hygiene
- Relationship Development
- Resourcing The Deal
- Shareholder Alignment
- De-risking The Deal
- Establish VDR













Exit Preparation



Gap Analysis

- Nimble and well-capitalized startups are developing disruptive technologies at breakneck speed. With nothing to do but work during the pandemic, development cycles have shortened significantly.
- Acquirers have frequently maintained pace via M&A, and they oftentimes acquire companies that appear to overlap.
- For startups seeking an acquisition—identifying the right acquirers and precise messaging are key to differentiate from the scores of other companies with similar positioning.
- Start the relationship as a partnership; prove value now for a premium acquisition valuation later.
- Be selective though...not every possible acquirer is a good acquirer

ICON PROPRIETARY GAP ANALYSES

Select Vendors	Core Focus	Apps	Analytics								Governance				Infrastructure	
	Platform	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
	Platform	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
	Analytics Governance	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
	Platform	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
	Platform	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
	Platform	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
	Platform	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
	Apps-IT Analytics Governance	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
	Apps-IT Analytics	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
	Analytics Governance	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

Cleansed data; for illustrative purposes only

Strategic Opportunity

High


Medium


Low

TBD

Deal Strategies, Drivers & Killers

Strategies


 → “Reverse Buy-Side”

 → “Padding The Bench”


 → Strategic BizDev

 → De-risk The Deal


Drivers


 ↑ Overall: Performance, Product, People

 ↑ Growth Goals

 ↑ Competitive Dynamics


 ↑ Customer Demand


 ↑ Killer Technology


 ↑ Critical Talent

Killers


 ↓ Distraction >> Poor Performance

 ↓ Poor Preparation

 ↓ Poor Relationship Development

 ↓ Poor Messaging

 ↓ Poor Process Management

 ↓ Loss Of Credibility

 ↓ Emotional Attachment, Excessive Caution

 ↓ Uncovered IP & Legal Issues

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Corporate Finance

About ICON

Select
Recent
Transactions

Paragon

ACQUIRED BY



Logistics Analytics

juriba

CASH OUT
RECAPITALIZATION

BGF

Digital Transformation

beyonic

ACQUIRED BY



FinTech

Industry Specialization



AI & Data



Enterprise



Cloud



FinTech



Cybersecurity



Digital Media

250+

Closed transactions

180+

Combined years'
experience

8

Languages spoken

25+

Countries we've
transacted in

1

Focus – Tech
Investment Banking

Banker Backgrounds

J.P.Morgan

OPPENHEIMER

451 Research

MOORELAND PARTNERS

SOCIETE GENERALE

Deloitte

KPMG

pwc

ROLLS ROYCE

CLSA
ASIA-PACIFIC MARKETS

LLOYDS BANKING GROUP

Global Transaction Record

Select Transaction Experience Across Verticals, Geographies & Structures



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