



B2B Productivity Software

M&A Review & Analysis



Alkali Partners

Technology Investment Banking

TABLE OF CONTENTS

Market Analysis	01
Major Acquirers & Key Deals	02
Market Comparables	03
Appendix – Deal Segment Breakdown	04
Appendix – M&A Transactions	05



01

B2B PRODUCTIVITY REPORT

MARKET ANALYSIS

In the global marketplace, automation and analytics reign supreme. Innovation in cloud computing, AI, and machine learning are revolutionizing organizational and workforce productivity. Institutional needs for smarter task management, project planning, and client interactions are driving demand for productivity software.

Tailwinds include:

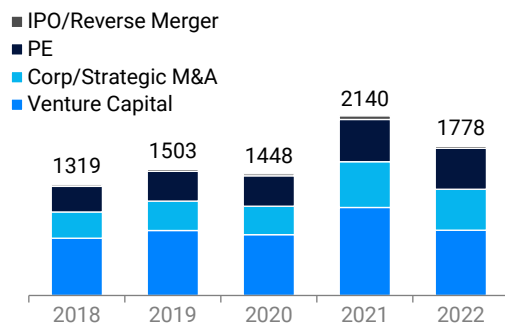
- Globally distributed workforces requiring remote-collaboration and structured-workflow software
- Shifts in labor markets necessitating planning and automation software
- Prevalence and acceptance of the remote-sales model for high-ticket engagements

The B2B productivity software space is positioned for hearty future growth. 2022 saw 1734 deals close with a median post valuation of \$22.2M. Organizations are prioritizing efficiency in an inflationary environment and tight labor market. Consequently, productivity investments are deepening across all verticals. As such, we forecast enthusiasm and action in the 2023 productivity software capital markets.

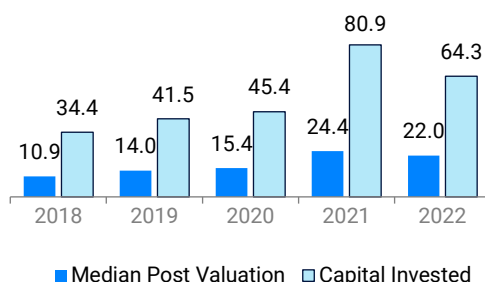
Industry Statistics

24,553	17,188	26,799
Companies	Investors	Deals

Deal Count



Median Post Valuation (in US\$ Millions) & Capital Invested (in US\$ Billions)



Strategic Acquisitions



Sponsors: Growth-Oriented



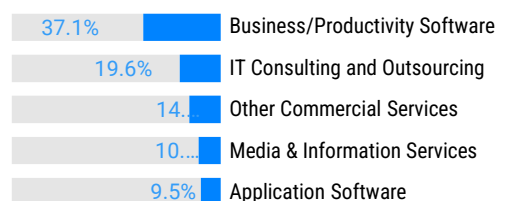
Sponsors: Traditional Buyout



Most Active Strategic Acquirers















Sector Breakdown



02 B2B PRODUCTIVITY REPORT

MOST ACTIVE ACQUIRERS

# of Closed Transactions	Acquirer	Select Transactions Target	Deal Value	Deal Synopsis & Rationale
42	Microsoft	 Clear Software	Undisclosed	Clear Software's API access and system knowledge strengthens Microsoft Power Platform's integration with outside systems
		 Ally	Undisclosed	Ally is an execution management software that integrates with 3 rd -party software including Asana, Salesforce, Slack, etc.
		 NUANCE	\$20B	Nuance will help Microsoft to put advanced AI solutions into the hands of professionals with a focus on Healthcare and large enterprises
18	Atlassian	 ThinkTilt	Undisclosed	Atlassian's acquisition of ThinkTilt expands their suite of digital management and organization software tools
		 Halp	\$17.6M	Halp broadens the reach of Atlassian's inter-office communication software with 3 rd -party integrations in Zendesk and Slack
		 Trello	\$384M	Trello expands Atlassian's online collaboration products with project tracking, content, and communication software
14	Salesforce	 Mobify	Undisclosed	Mobify provides Salesforce with a CRM solution that will allow brands to customize and deliver their commerce experiences
		 slack	\$27B	Salesforce's acquisition of Slack expands the company's product offering to include an enterprise communication platform
		 Click	\$1.4B	Salesforce's acquisition of ClickSoftware adds mobile automated workforce management and optimization services to their offerings

Recent IPOs in B2B Productivity Market



June 2022



February 2022



September 2021

03

B2B PRODUCTIVITY REPORT

MARKET LANDSCAPE

Backoffice and Client-Facing Productivity

ERP Software



CRM Software



Smart Planning, Task Management & Collaboration

Collaboration Software



Workstream Automation

Project Management Software



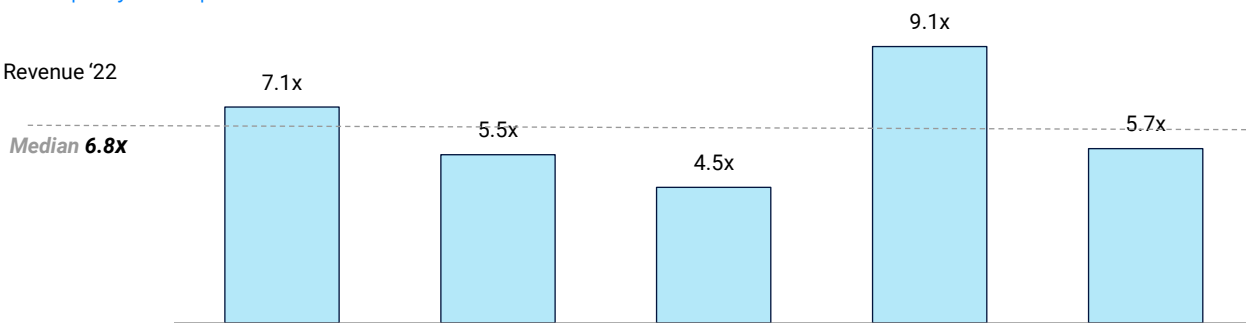


04 B2B PRODUCTIVITY MARKET COMPARABLES

The global productivity software M&A market is extremely active, with the B2B segment constituting most transactions. Public companies in the productivity software sector are trading at a medium multiple of ~6.8x EV/revenue. Private companies in the productivity software sector are seeing a median multiple of ~3.6x EV/revenue, based on a limited selection of available private transaction data.

Public Company Multiples

■ EV / Revenue '22



Company

EV

\$326.24B

\$162.86B

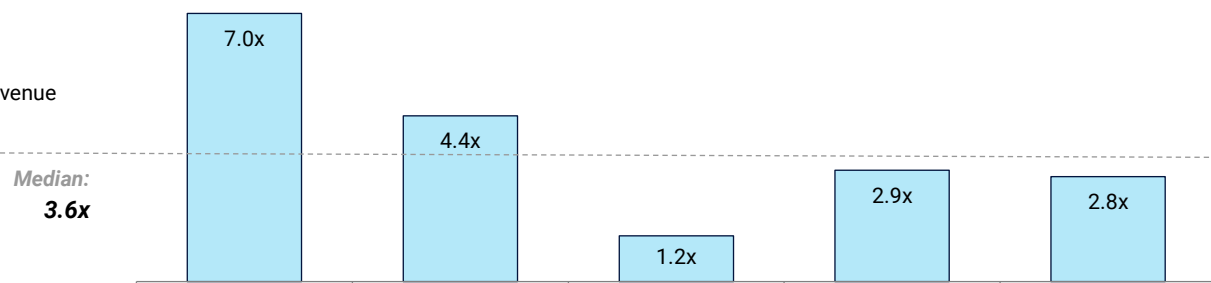
\$146.33B

\$120.77B

\$95.40B

Select M&A Transactions

■ EV / Revenue



Target

Investor

Deal Value

Year

Sources: Pitchbook, Yahoo Finance, Proprietary Insights

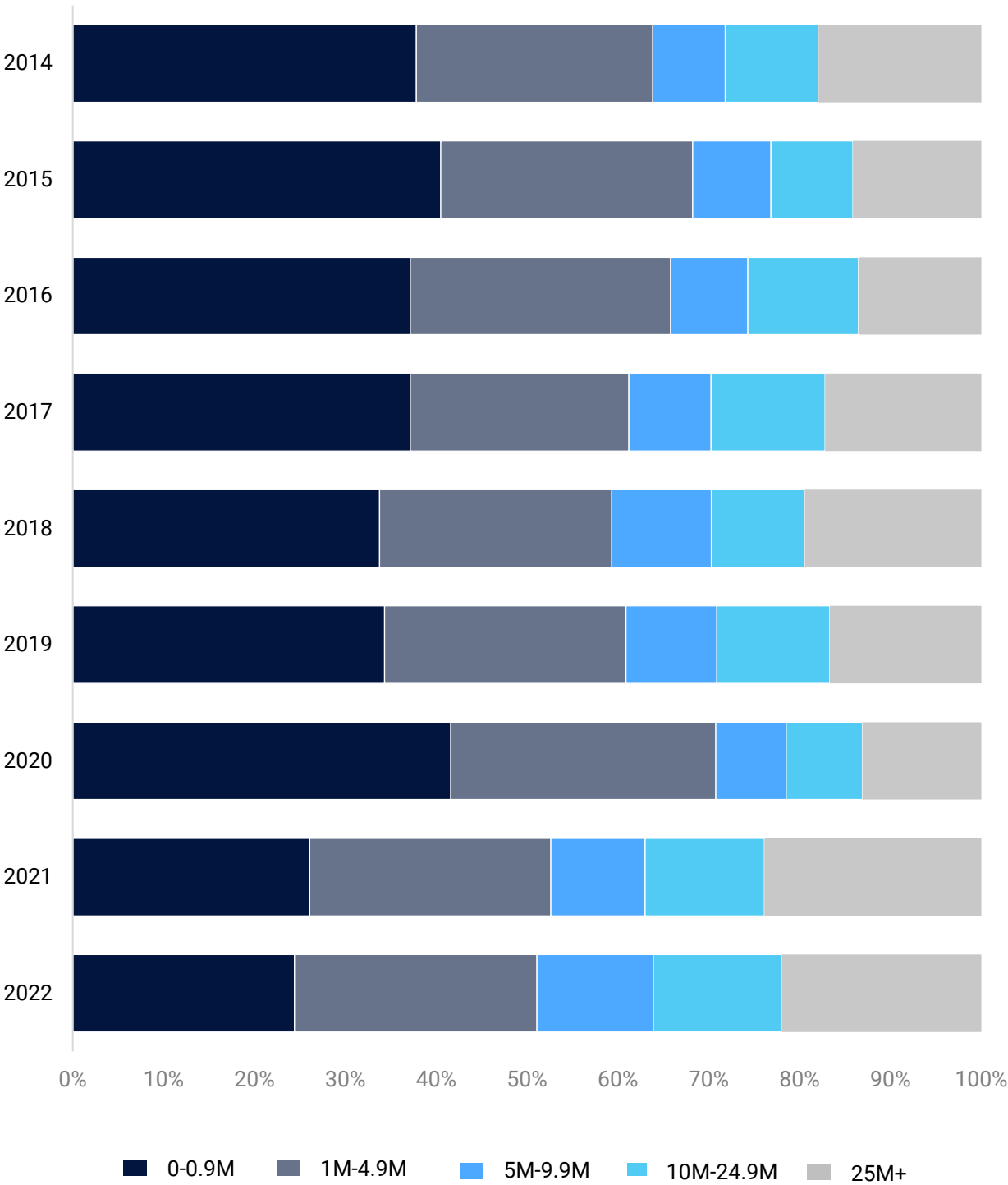
Note: Value figures based on Pitchbook and Yahoo Finance updated as of 05/16/2022

05

B2B PRODUCTIVITY

APPENDIX – INVESTMENTS

Segment Breakdown Based on Investment Size, 2014-2022





06

B2B PRODUCTIVITY REPORT

APPENDIX – SELECTED M&A/LBO TRANSACTIONS

Select Industry Transactions, 2019-2022

Date	Target	Acquirer	Deal Value (US\$ MM)
04-Sep-2020	ICE Mortgage Technology	Intercontinental Exchange (NYS: ICE)	11,418
22-Nov-2022	Zendesk	Abu Dhabi Investment Authority	10,200
01-Aug-2022	Lotos	PKN Orlen	10,102
04-Oct-2019	Grupo Primavera	Ekon	8,418
04-Oct-2019	Redcard	Zelis Healthcare	6,000
21-Oct-2021	Evergrande Property Services Group	Hopson Development	5114
14-Oct-2020	Epicor Software	Clayton, Dubilier & Rice	4,700
12-Oct-2021	Cornerstone OnDemand	Ares Management	3,800
17-Apr-2019	ICE Mortgage Technology	Thoma Bravo	3,700
20-Aug-2021	Hexaware Technologies	The Carlyle Group (NAS: CG)	3,000
0-Aug-2021	Mphasis		2,800
12-Aug-2019	Advanced Computer Software Group	BC Partners & Vista Equity Group	2,464
26-Feb-2021	Wrike	Citrix Systems (NAS: CTXS)	2,250
20-Jul-2022	Inetum	Bain Capital	2,229
21-May-2021	Unit4	Navitas Capital	2,150
01-Mar-2022	Yayoi	Kohlberg Kravis Roberts	2,082
10-Jun-2021	Civica		2,000
05-Nov-2021	Qad	Thoma Bravo	2,000
19-Aug-2021	NN Investment Partners	The Goldman Sachs Group	1,887
23-Aug-2019	Internet Pipeline	Roper Technologies	1,625
21-Jan-2020	Cision Group	Platinum Equity	1,484
17-Aug-2020	ForeScout Technologies	Advent International	1,430
19-Nov-2019	Webhelp	Groupe Bruxelles Lambert	1,400
10-Feb-2021	Constant Contact	Clearlake Capital Group	1,375
22-Apr-2020	Saba Software	Cornerstone OnDemand	1,359



Alkali Partners

Contact Information

Shane Hubbell

Managing Director
+1 (518) 570-5656
shane@alkalipartners.com

Chris Skubic

Managing Director
(+1 503) 367-9976
chris@alkalipartners.com

Mohammad Hissan

Associate
+1 (202) 713-0949
hissan@alkalipartners.com