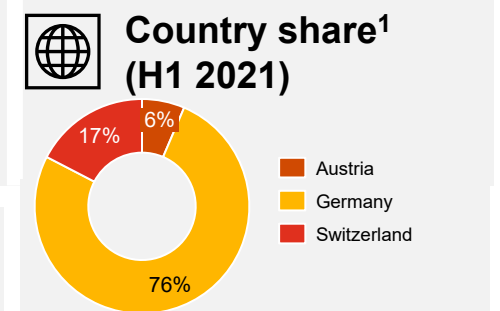
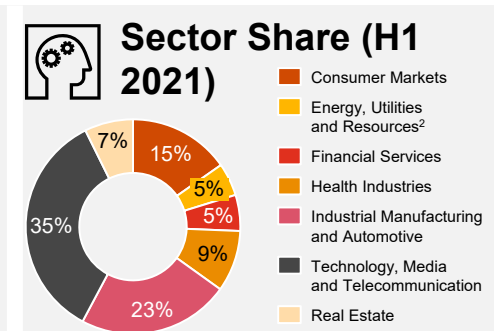
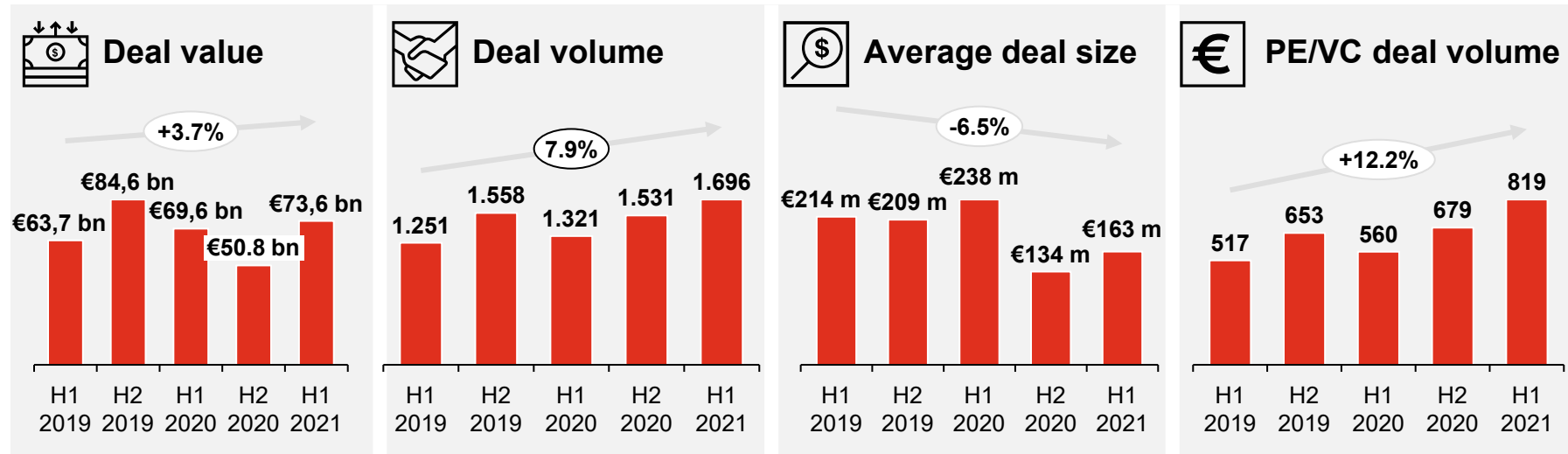


# DACH: M&A Insights

## – H1 2021

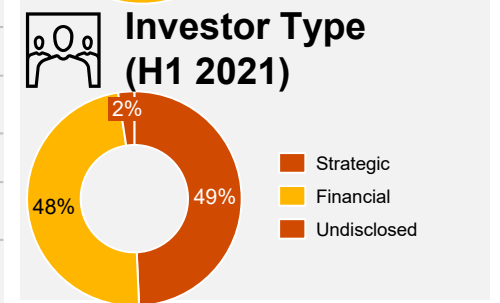
Slide Title	Slide Number
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## Key M&A metrics



### Top 5 Deals

Target	% Stake	Acquirer	Industry type	Deal value
Deutsche Wohnen SE*	100.0%	Vonovia SE	Real Estate	€17,9 bn
Roivant Sciences GmbH	100.0%	Montes Archimedes Acquisition Corp (SPAC)	Health Industries	€5,2 bn
Lonza Specialty Ingredients	100.0%	Cinven and Bain Capital	Energy, Utilities and Resources	€3,9 bn
CA Immobilien Anlagen AG	70.0%	SOF-11 Klimt CAI Sarl	Real Estate	€2,3 bn
European Tinplate business	100.0%	KPS Capital Partners	Consumer Markets	€2,3 bn



Source: Global M&A dashboard and supporting data pack, Unquote database  
 Note: 1) DACH includes Germany (D), Austria (A) and Switzerland (CH); 2) Energy, Utilities and Resources and Government and Public Services  
 \* Transaction still pending

# Top Investors and Average Deal Multiples - DACH

## Top investors

Investor name	Investor Type	Deals Count	Investor Location
High-Tech Gründerfonds	Financial	19	Germany
BayBG	Financial	8	Germany
Auctus Capital Partners	Financial	6	Germany
Redalpine	Financial	5	Switzerland
Insight Partners	Financial	4	United States

Source: Global M&A dashboard and supporting data pack

## Top 3 Deals by Country

Target	% Stake	Acquirer	Deal value
Deutsche Wohnen SE*	100.0%	Vonovia SE	€17.863 m
European Tinplate business	100.0%	KPS Capital Partners	€2.250 m
Lilium GmbH	100.0%	Qell Acquisition Corp (SPAC)	€2.077 m

Source: Global M&A dashboard and supporting data pack, Unquote database

Note: 1) Based on disclosed EV/EBITDA multiple, excluding outliers (Considered "NM" below 40.0x); 2) DACH includes Germany (D), Austria (A) and Switzerland (CH)

\* Transaction still pending

## SPAC Buyer

Target	Acquirer	Deal value
Roivant Sciences GmbH	Montes Archimedes Acquisition Corp	€5.2 bn
SIGNA Sports United GmbH	Yucaipa Acquisition Corp	€2.1 bn
Lilium GmbH	Qell Acquisition Corp	€2.0 bn
Boxine GmbH	468 Spac Sponsors GmbH & Co. KG	-
HomeToGo GmbH	Lakestar Spac I SE	-
IEstate GmbH	Investunity AG	-
KlickOwn Immobilien AG	Investunity AG	-

Source: Global M&A dashboard & supporting data pack and Press articles

## Global Average Deal Multiple 2020<sup>1</sup>

	EV/EBITDA				
	H1 2019	H2 2019	H1 2020	H2 2020	H1 2021
Mean	11.2x	11.9x	9.3x	13.3x	11.3x
Median	9.9x	10.3x	6.9x	12.9x	9.6x

- **Valuation remained high H1 2021:** Valuation multiples in DACH region declined with EV/EBITDA multiple of 11.3x as in H1 2021, as compared to 13.3x in H2 2020. The latter were, however, skewed as many deals were put on hold due to the COVID-19 uncertain outlook in 2020. With easing lockdown measures and vaccination rates increasing, deal activity booming valuations remain on a very high level.
- **IMA sector witnessed significant transactions in the DACH region, with major PE firms and SPACs attracted to the sector:** IMA sector in the region witnessed significant investments from the U.S. based SPACs and PE firms such as Qell Acquisition Corp acquired Lilium, a German aviation start-up developing small electric. Further, the shift away from hydrocarbon-fueled transport to lower-emitting alternatives is expected to remain a key deal driver in the DACH industrials market.

## Germany

Target	% Stake	Acquirer	Deal value
Deutsche Wohnen SE*	100.0%	Vonovia SE	€17.863 m
European Tinplate business	100.0%	KPS Capital Partners	€2.250 m
Lilium GmbH	100.0%	Qell Acquisition Corp (SPAC)	€2.077 m

## Austria

Target	% Stake	Acquirer	Deal value
CA Immobilien Anlagen AG	70.0%	SOF-11 Klimt CAI Sarl	€2.327 m
S IMMO AG	69.9%	Immofinanz AG	€1.132 m
Schur Flexibles Holding GesmbH	80.0%	B&C Privatstiftung	€900 m
































## Switzerland

Target	% Stake	Acquirer	Deal value
Roivant Sciences GmbH	100.0%	Montes Archimedes Acquisition Corp (SPAC)	€5.241 m
Lonza Specialty Ingredients	100.0%	Cinven and Bain Capital	€3.887 m
Arvelle Therapeutics International GmbH	100.0%	Angelini SPA	€786 m

# Top 10 deals in H1 2021 - DACH



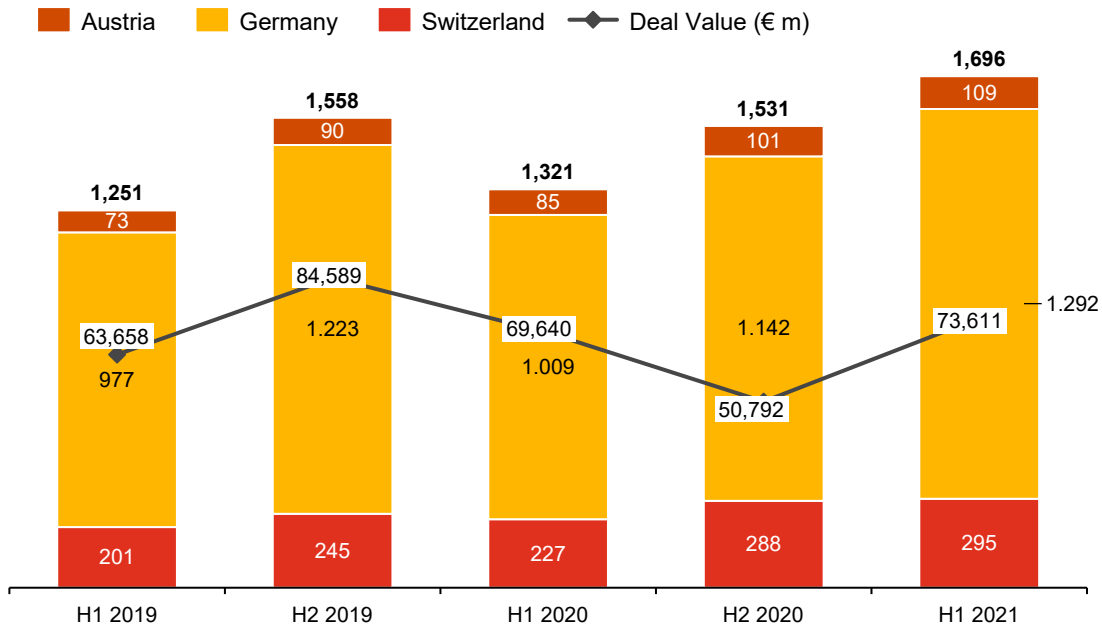
## Top 10 DACH Deals, H1 2021

	Target	Buyer	Investor type	Sector	Deal size (€ bn)
1	Deutsche Wohnen SE*	 Vonovia SE	 Strategic	Real Estate	17,9 
2	Roivant Sciences GmbH	 Montes Archimedes Acquisition Corp (SPAC)	 Financial	Health Industries	5,2 
3	Lonza Specialty Ingredients	 Cinven and Bain Capital	  Financial	Energy, Utilities and Resources	3,9 
4	CA Immobilien Anlagen AG	 SOF-11 Klimt CAI Sarl	 Financial	Real Estate	2,3 
5	European Tinplate business	 KPS Capital Partners	 Financial	Consumer Markets	2,3 
6	Lilium GmbH	 Qell Acquisition Corp (SPAC)	 Financial	Industrial Manufacturing and Automotive	2,1 
7	SIGNA Sports United GmbH	 Yucaipa Acquisition Corp (SPAC)	 Financial	Consumer Markets	2,0 
8	Rodenstock	 Apax Partners	 Financial	Health Industries	1,5 
9	Norsk Hydro's Rolling business	 KPS Capital Partners	 Financial	Energy, Utilities and Resources	1,4 
10	OSRAM Licht AG	 ams Offer GmbH	 Strategic	Industrial Manufacturing and Automotive	1,4 

Source: Global M&A dashboard and supporting data pack, Unquote database

\* Transaction still pending

## Deal value (€ m) and volume – By country<sup>1</sup>

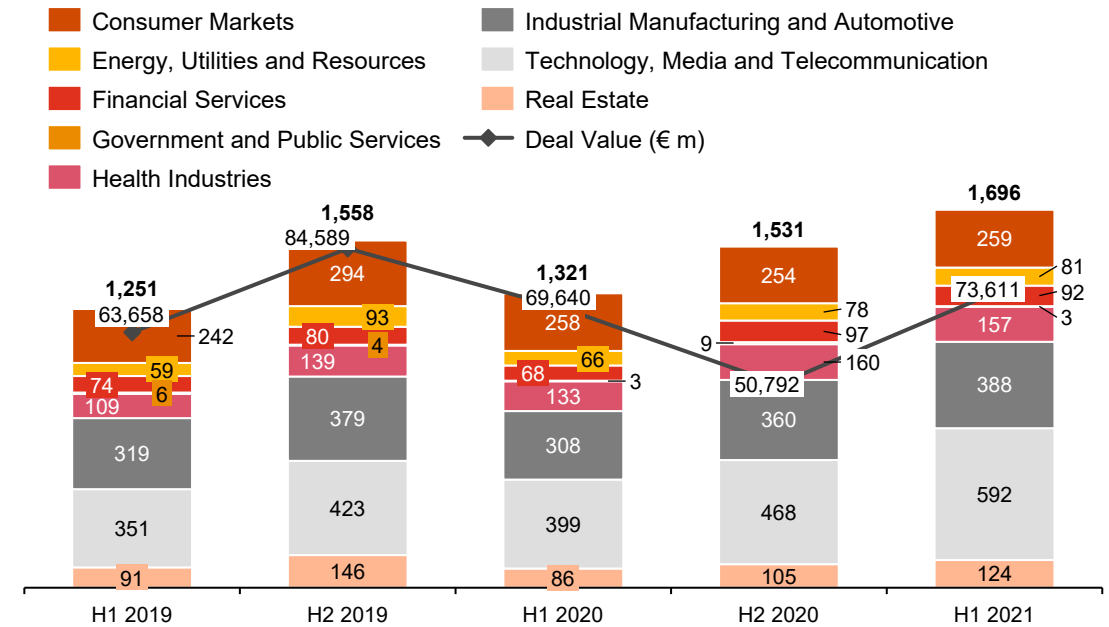


- **Germany drove deal activity in the DACH region in H1 2021:** Germany witnessed a rise in deal activity (76.2% of the total deal volume) in the first half of 2021, across the DACH region, with strong governmental support of the economy, the German Mittelstand with many hidden champions and technology leaders as well as the good control of pandemic impact all led to more focus of investors on the German market.
- **Increased investor confidence in the region:** Owing to the favorable investment opportunities available in the DACH region, investors increased their investments, with the U.S. being the largest source of inbound investments in the region
- **Positive economic outlook anticipated for the DACH region in 2021 and:** The DACH region has a positive economic outlook, with Germany forecasted to achieve a GDP growth of 3.6% , while Austria and Switzerland are expected to grow by 3.5% each in 2021, which could boost investor confidence

Source: Global M&A dashboard and supporting data pack, Unquote database & Press articles

Note: 1) DACH includes Germany (D), Austria (A) and Switzerland (CH); Sweden, Russia and The Netherlands contribute maximum in the 'Others' category

## Deal value (€ m) and volume – By sectors



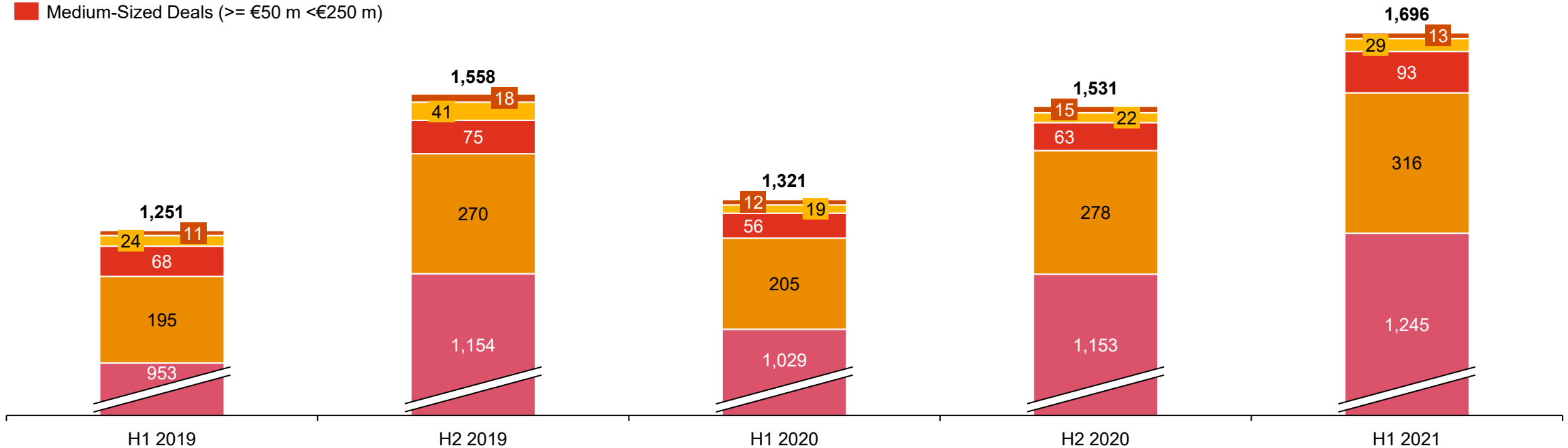
- **TMT and IMA sectors drove deal activity across the DACH region in H1 2021:** M&A activity across the region witnessed a recovery in H1 2021 as compared with H2 2020, driven by the Technology, Media and Telecommunications (TMT) (34.9% of total deal volume), and Industrial Manufacturing and Automotive (IMA) (22.9% of total deal volume) sectors
- **Buyouts in technology sector led deal activity in H1 2021:** Technology buyouts in the DACH region remained consistent in H1 2021 due to high industry multiples and competitive exit opportunities, which resulted in strong deal activity. TMT is further on the rise with the pandemic fueling digitization and new ways of working.
- **PE/VC deals are expected to surge in the future:** Financial investors are expected to invest heavily in the region, due to large amount of dry powder available, along with the increased focus of European PE funds in the DACH region. In addition, a large number of restructuring and divestments deals out of corporate Germany, owing to non-core assets and strategic realignment are expected to drive deal volume in the

# DACH: Deals and private equity deals by transaction size, H1 2021 DACH: M&A Insights – H1 2021

- In H1 2021, a total of 451 deals were announced for which the transaction volume was disclosed, however, there were 1,245 deals with an undisclosed transaction value. Accordingly, the proportion of deals with disclosed transaction value were 26.6% to total deal volume announced in H1 2021
- After the peak in terms of mega deals in H2 2019 with 18 deals, the mega deals in H1 2021 were slowed down to 13 deals. Further, there was a decrease of 13.3% as compared with H2 2020 mega deals (15 deals), as the adverse conditions caused by pandemic and the associated economic uncertainty continues to impact the larger deals. This is, however, of temporary nature and is expected to reverse. H1 20 through to H1 21 all have surpassed H1 19 in terms of mega deals – a boom year, which broke many records.
- The area with the highest disclosed deal activity over the past few years are deals with a deal volume of small deals (<€ 50m). In H1 2021, the respective deal volume increased by 54.1% to 316 deals as compared to H1 2020 (205 deals)

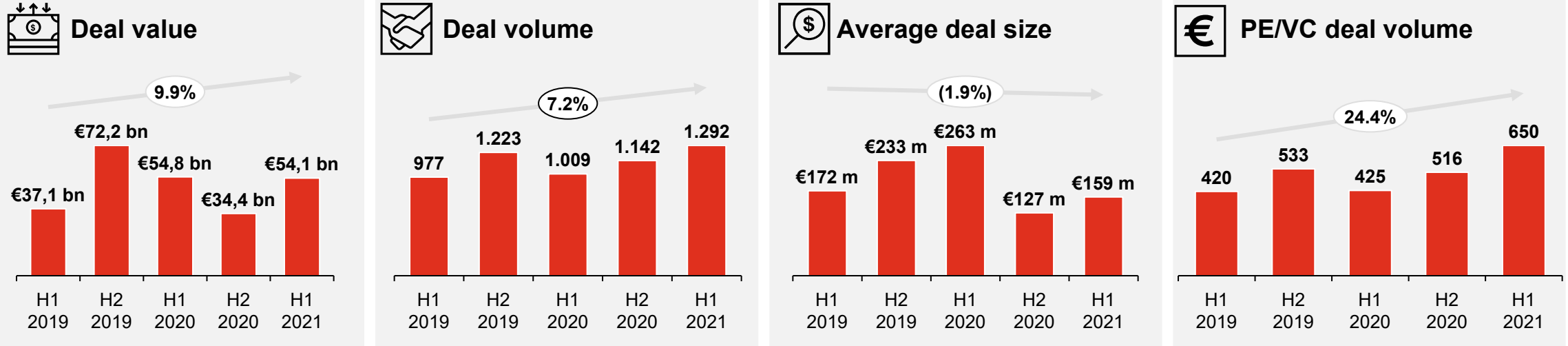
## Deal volume by transaction size

- Mega Deals (>= €1 bn)
- Small Deals (< €50 m)
- Big Deals (>= €250 m <€1 bn)
- Unknown
- Medium-Sized Deals (>= €50 m <€250 m)



Source: Global M&A dashboard and supporting data pack, Unquote database & Press articles

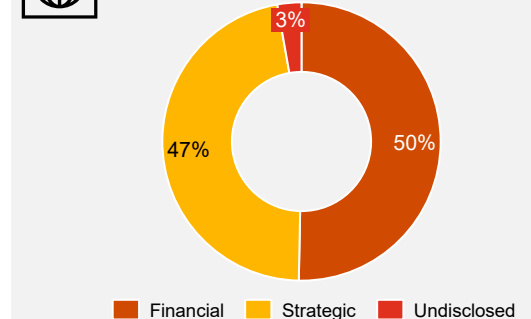
## Key M&A metrics



## Top 5 Deals

Target	% Stake	Acquirer	Industry type	Deal value
Deutsche Wohnen SE*	100.0%	Vonovia SE	Real Estate	€17,9 bn
European Tinplate business	100.0%	KPS Capital Partners	Consumer Markets	€2,3 bn
Lilium GmbH	100.0%	Qell Acquisition Corp	Industrial Manufacturing and Automotive	€2,1 bn
SIGNA Sports United GmbH	100.0%	Yucaipa Acquisition Corp	Consumer Markets	€2,0 bn
Rodenstock	100.0%	Apax Partners	Health Industries	€1,5 bn

## Investor type



Source: Global M&A dashboard and supporting data pack, Unquote database

\* Transaction pending



# Germany: Deal volume and value trends, H1 2021

- **Surged deal activity witnessed in H1 2021:** Deal volume in Germany increased by 13.1% in H1 2021 (1,292 deals) as compared with H2 2020 (1,142 deals), owing to high levels of dry powder available with PE investors, low interest rate environment, the safe haven status of the country, multitude of technology leaders in the Mittelstand and family business and increased technology adoption by companies to enhance capabilities further leading to improved deal activity in the country
  - Germany has a bullish outlook for PE activity in 2021, with a regained optimism owing to COVID-19 vaccination programme, government support and spending as well as continued Brexit impact
- **Active interest from financial investors in H1 2021:** Germany witnessed an active interest from financial investors in H1 2021, contributing to 50.3% of the total deal volume
- **While TMT sector witnessed high growth in terms of deal volume, real estate sector attracted investments with large deal value in H1 2021:** The increasing demand for emerging technologies and digital offerings is boosting M&A activity across technology industry, while real estate companies, which have been directly impacted by lockdown measures and trading at discounts compared to pre-pandemic levels have encouraged consolidation and subsequently opened up opportunistic deals at attractive valuations. On the other hand real estate companies focus on the housing market have experienced value appreciation with housing insufficient and record high price increases.
  - Corporates across various industries continued to tap into opportunities presented by digital transformation, sustainability and technology to survive the pandemic-led disruptions, which was one of the major drivers for increased M&A activities during H1 2021. This is expected to strengthen M&A activity in future as well.

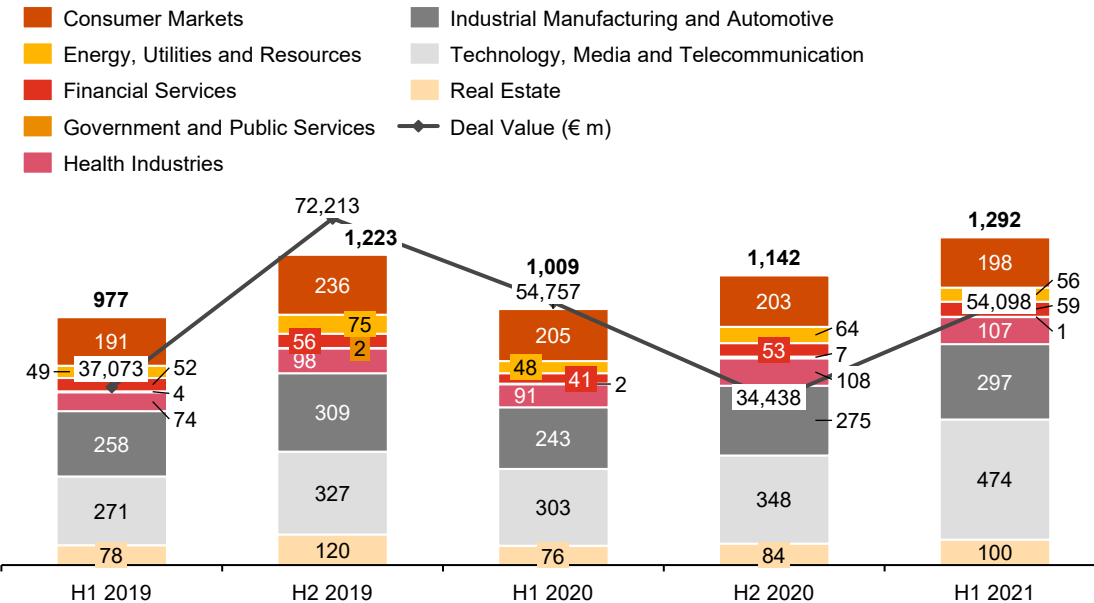
## Deal value, volume and sub segments

### Total Deal Value H1 2020

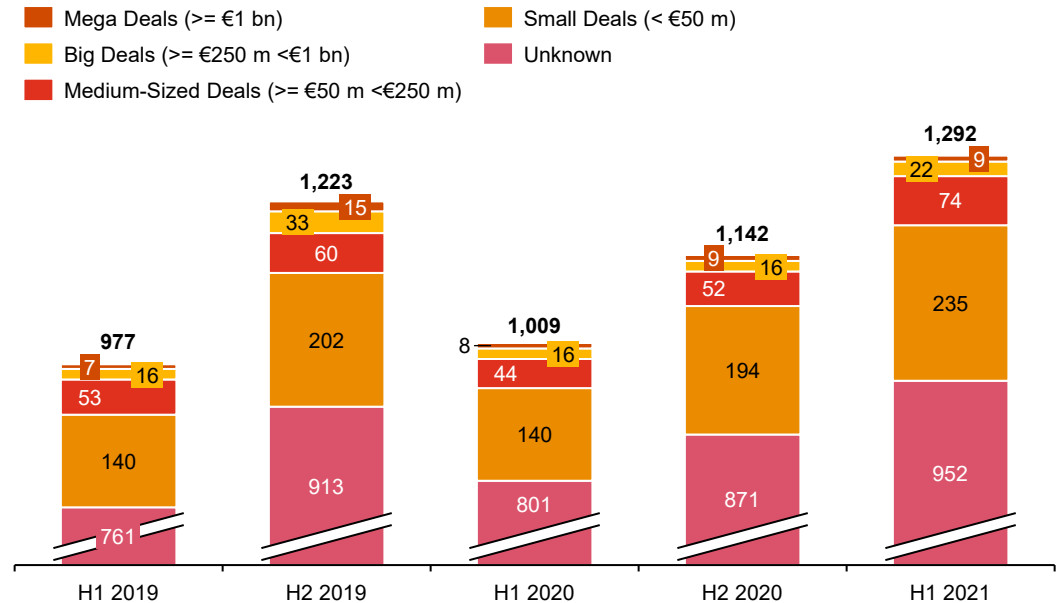
€ €54,098 m

### Total Deal Volume H1 2020

 1,292

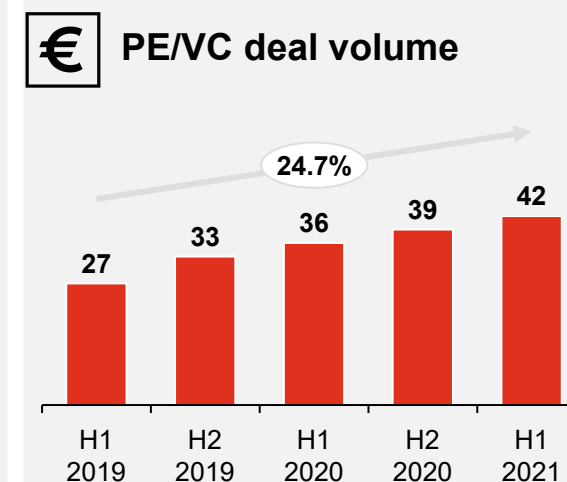
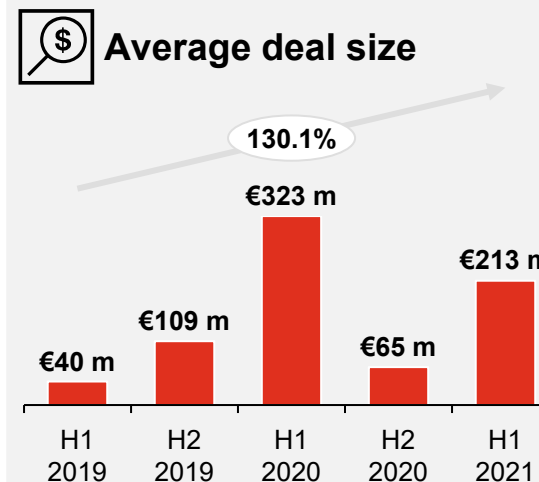
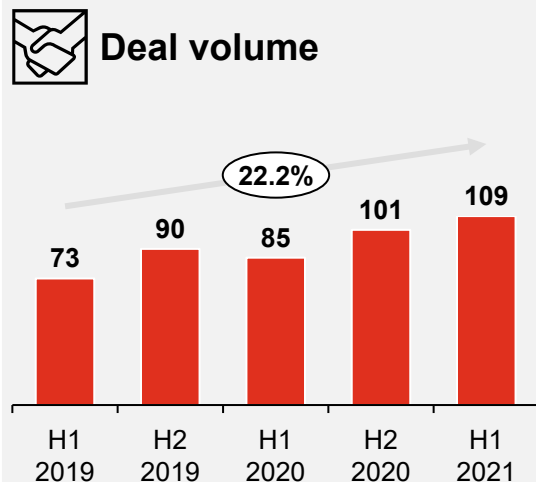
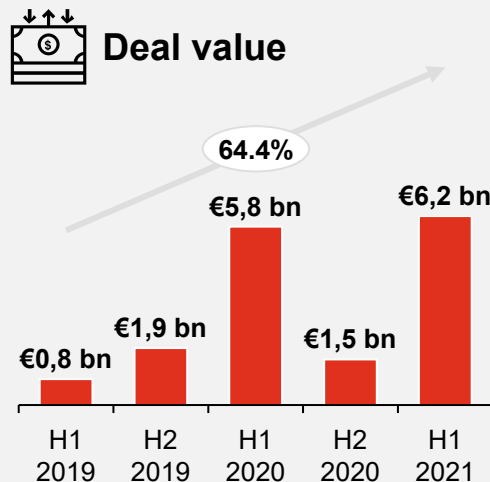


### Deal volume by transaction size



Source: Global M&A dashboard and supporting data pack, Unquote database & Press articles

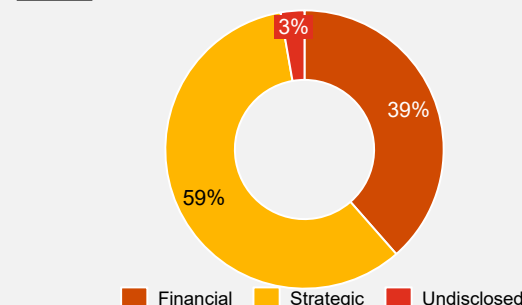
## Key M&A metrics



## Top 5 Deals

Target	% Stake	Acquirer	Industry type	Deal value
CA Immobilien Anlagen AG	70.0%	SOF-11 Klimt CAI Sarl	Real Estate	€2,3 bn
S IMMO AG	69.9%	Immofinanz AG	Real Estate	€1,1 bn
Schur Flexibles Holding GesmbH	80.0%	B&C Privatstiftung	Consumer Markets	€0,9 bn
Shopping City Sued	45.0%	Credit Agricole Assurances SA	Real Estate	€0,5 bn
GlaxoSmithKline PLC- Cephalosporin Antibiotics Business	100.0%	Sandoz International GmbH	Health Industries	€0,4 bn

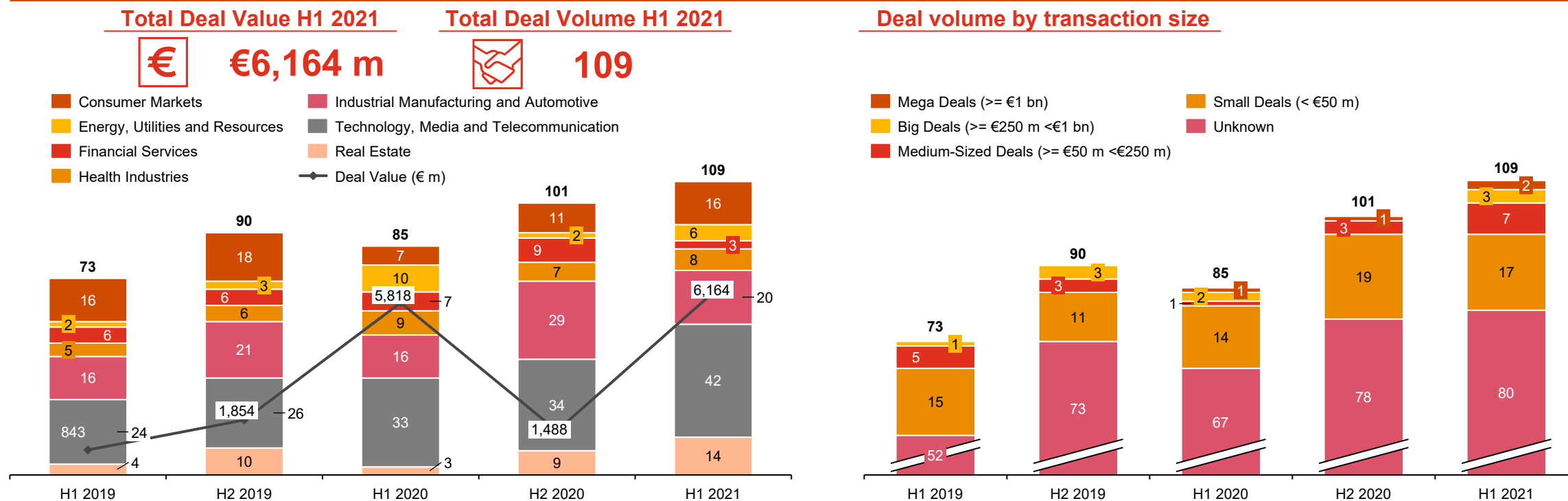
## Investor type



# Austria: Deal volume and value trends, H1 2021

- **Resilient deal activity witnessed in H1 2021 in Austria:** Deal volume in Austria increased by 7.9% in H1 2021 (109 deals) as compared with H2 2020 (101 deals), as strategic buyers with strong cash reserves and PE's with significant dry powder invested in distressed targets at favorable valuations
  - Private equity funds and financial sponsors are expected to benefit from the opportunities created from the pandemic and would actively invest in several distressed companies struggling with debts or insolvency issues, boosting deal activity in 2021 as well as in the first half of 2022
- **Real estate sector drove deal value in Austria in H1 2021:** Deal value in Austria increased significantly by 314.2% from €1.5 bn in H2 2020 to €6.2 bn in H1 2021, primarily due to the acquisition of CA Immobilien Anlagen AG by Starwood Capital Group Management LLC for €2.3bn
  - The real estate sector, in particular, was majorly responsible for the growth in the Austrian M&A market in H1 2021, contributing 67.9% to the total transaction value in H1 2021
- **TMT and IMA sectors dominated deal activity in the country:** TMT and IMA sectors dominated deal activity in H1 2021, together accounting for 56.9% of the total deal volume. The sectors witnessed increased consolidation activity and enhanced digitalization, opening up new M&A opportunities

## Deal value, volume and sectors

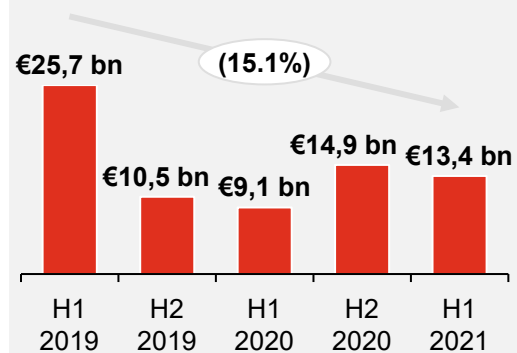


Source: Global M&A dashboard and supporting data pack, Unquote database & Press articles

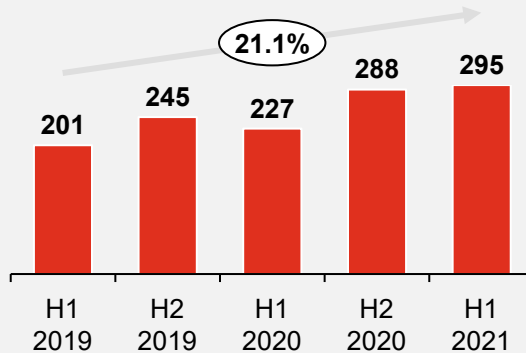
## Key M&A metrics



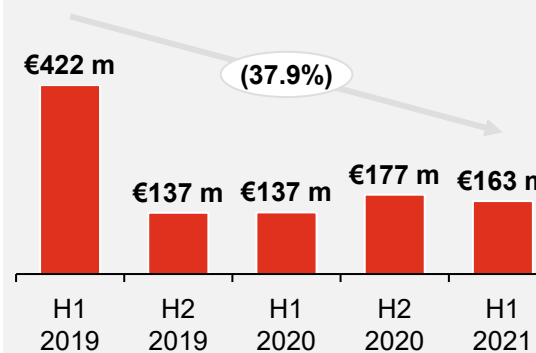
### Deal value



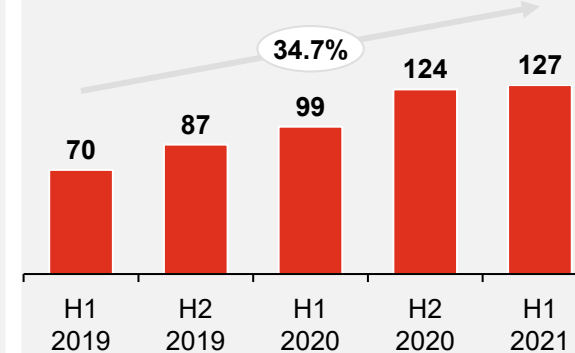
### Deal volume



### Average deal size



### PE/VC deal volume

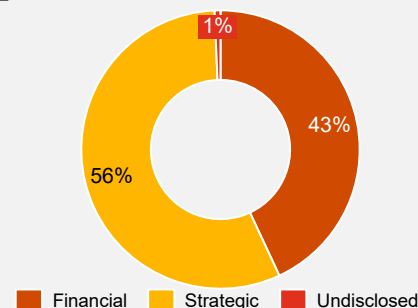


### Top 5 Deals

Target	% Stake	Acquirer	Industry type	Deal value
Roivant Sciences GmbH 	100.0%	Montes Archimedes Acquisition Corp (SPAC) 	Health Industries	€5,2 bn
Lonza Specialty Ingredients 	100.0%	Cinven and Bain Capital  	Energy, Utilities and Resources	€3,9 bn
Arvelle Therapeutics International GmbH 	100.0%	Angelini SPA 	Health Industries	€0,8 bn
Clariant Pigments 	100.0%	SK Capital Partners 	Energy, Utilities and Resources	€0,8 bn
Clearstream Fund Centre AG 	100.0%	Deutsche Boerse AG 	Financial Services	€0,4 bn



### Investor type



# Switzerland: Deal volume and value trends, H1 2021

- **Slight increase in deal activity witnessed in H12021, owing to revival of investor confidence in the region:** Deal activity increased slightly by 2.4% in H1 2021 (295 deals) as compared with H2 2020 (288 deals), owing to the investors' optimistic economic outlook for 2021 and improved sentiments, following the recovery of Switzerland from the pandemic.
  - Switzerland's positive outlook in 2021 is sustained with low interest environment, decent valuations across several sectors and significant amount of dry powder available with PE's; however acquirers remain defensive in some COVID-19-affected sectors, given continued uncertainties and potential wave of bankruptcies, following halt in COVID-19 financial support.
- **Scrutiny of regulations for SPAC companies might delay deals in near future:** In Mar 2021, the activity of Swiss SPACs were put on hold by the country's market regulator, The Swiss Financial Market Supervisory Authority (FINMA), which seeks new rules to govern the burgeoning business. As per FINMA, the bourse operator, SIX, needs to revise its listing rules for SPACs, addressing the market concerns like transparency, investor protection and market integrity. These new rules would further delay SPAC investments in the coming months.
- **Health industries sector accounted for ~50.5 % share of the total deal value in the region in H1 2021:** The increasing demand for healthcare services, accelerated due to continued pandemic situation, drove M&A activity in the segment. Moreover, sector companies are enhancing their digital offerings with emerging technology adoption to stay competitive in the market, further impacting deal activity.
  - Deal value in health industries sector increased by 873.6% in H1 2021 as compared to H1 2020, primarily, due to the acquisition of Roivant Sciences GmbH by Montes Archimedes Acquisition Corp for €5.2 bn.

## Deal value, volume and sub segments

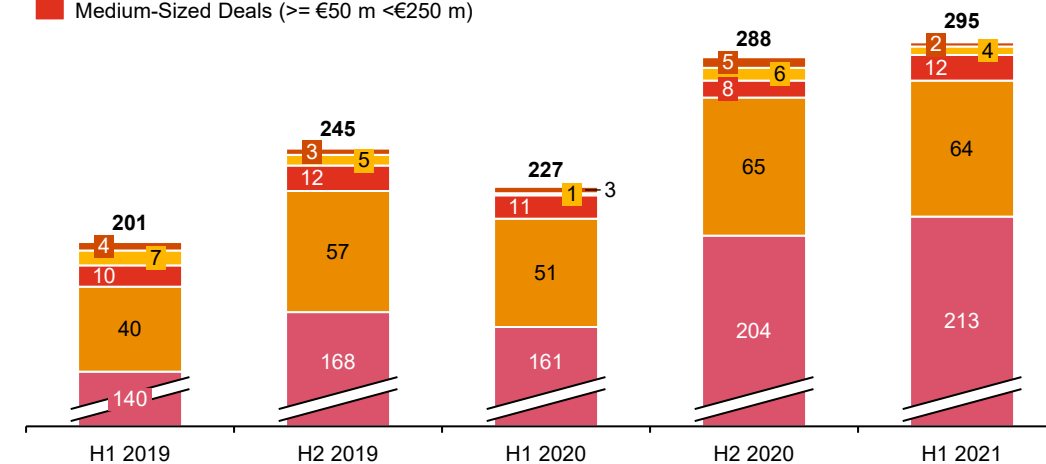
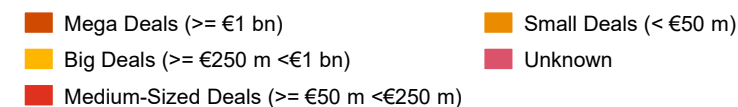
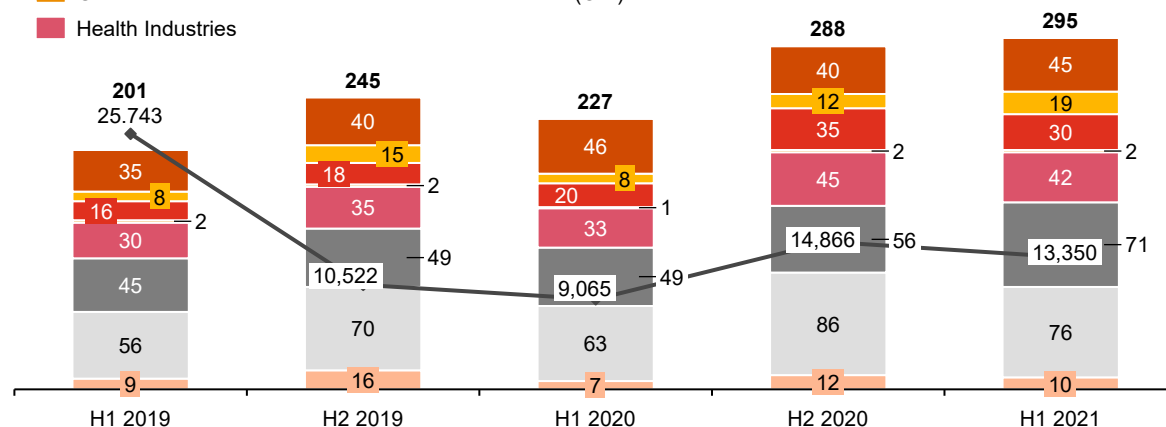
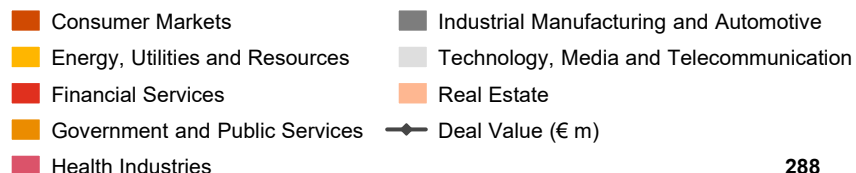
### Total Deal Value H1 2021

€ €13,350 m

### Total Deal Volume H1 2021

 295

### Deal volume by transaction size



Source: Global M&A dashboard and supporting data pack, Unquote database & Press articles

# Thank you

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