Thoma Bravo's acquisition of Mercell

Deal Spotlight

THOMABRAVO

MERCELL

WARWICK M&A GROUP

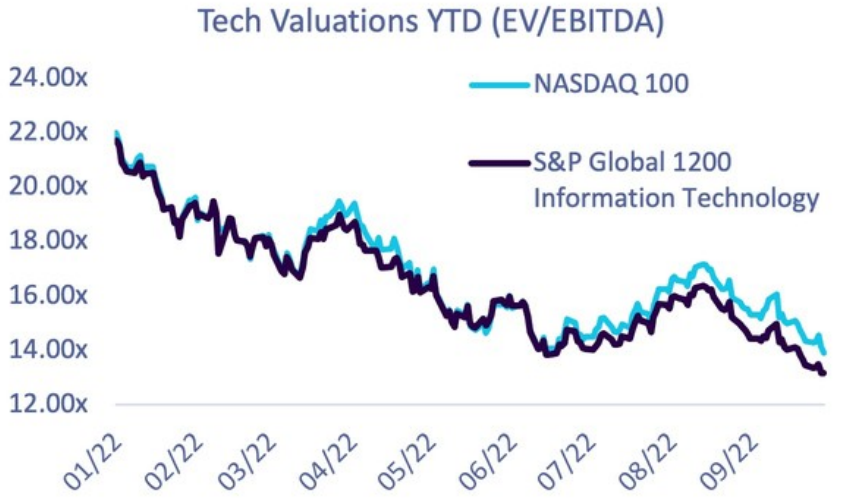
Transaction Overview

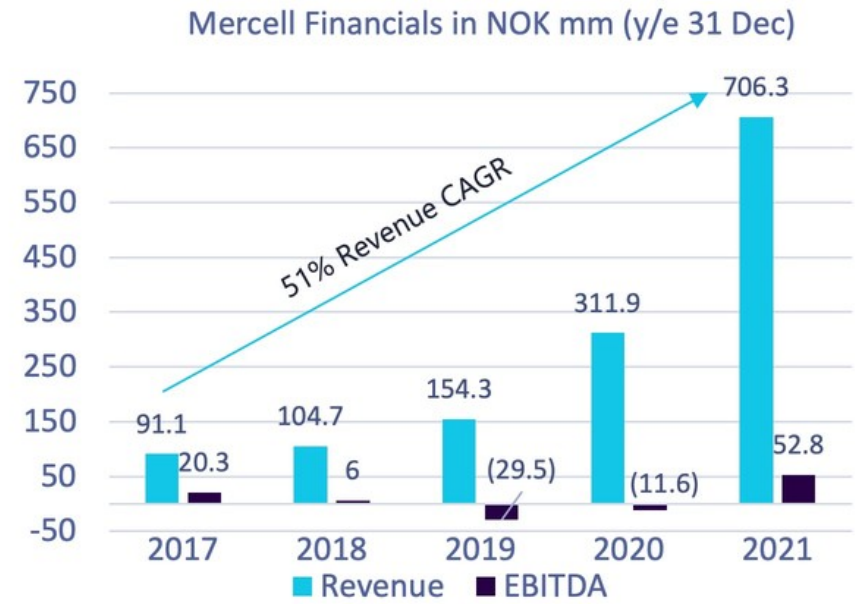
- **Announcement date:** 25th May 2022
- **Offer per share:** NOK 6.30/share
- **Transaction value:** NOK 4.7bn
- **Implied Premium:** 110% above close on 24th May 2022
- **Acquirer adviser(s):** J.P. Morgan, ABG Sundal Collier Norge ASA
- **Target adviser(s):** Skandinaviska Enskilda Banken (SEB Norway)
- **Transaction Summary:**
  - Thoma Bravo, L.P. made an offer to acquire Mercell Holding ASA
  - As of June 10, 2022, Funds managed by Viking Venture AS and Luxor Capital Group, who combined own 24.04% of the Shares, have entered into irrevocable undertakings to accept the offer.
  - The acquisition was completed on August 16th, 2022. Shares have been suspended from trading from August 12th, 2022 and will be delisted soon.
  - Barings, one of the world's leading investment managers, announced on 14th September, 2022 its role as sole lead lender of secured credit facilities backing Thoma Bravo's acquisition in Mercell Holding AS, providing senior secured facilities to support the take-private of Mercell as well as additional committed facilities to enable Mercell to further expand the group via in-organic growth opportunities across the European market.



Rationale and Outlook

- Thoma Bravo believes that Mercell represents a unique market leading software franchise for public eTendering and procurement in the Nordics
- As a platform-centric investor who focus on investing in businesses with market-leading positions, multiple organic and inorganic growth opportunities, and strong management teams, Mercell fits exceptionally well with the investment strategy of Thoma Bravo.
- The PE firm believes that Mercell will benefit from their knowledge, network and resources to scale its platform and better achieve its long-term potential and continued growth trajectory.
- The transaction underpins Thoma Bravo's conviction in software companies in 2022, despite tech valuations taking a hit. The firm has been on an acquisition spree, taking advantage of the lower multiples acquiring Sailpoint for $6.9bn and Ping Identity for $2.8bn





Acquirer and Target Profiles

Acquirer

THOMABRAVO

Thoma Bravo is a private equity firm specialising in buy-outs, carveouts, growth equity and take-private transactions. The firm invests in growth-oriented, innovative companies operating in the software and technology sectors. Leveraging the firm's deep sector expertise and proven strategic and operational capabilities, Thoma Bravo collaborates with its portfolio companies to implement operating best practices, drive growth initiatives and make accretive acquisitions intended to accelerate revenue and earnings.

Over the past 20 years, the firm has acquired or invested in more than 380 companies representing over $190 billion in enterprise value.

- **AUM:** $122bn
- **Sectors of interest:** SaaS, enterprise software, business services, Infrastructure and security software, consumer goods and services
- **Headquarters:** Chicago, United States
- **Number of Employees:** ~123
- **Notable Investments:** FTX Trading, FalconX, Service Titan

Target

MERCELL

Mercell Holding ASA provides eTendering, tender notification, and bid manager solutions through online marketplace in the Nordic region. Mercell is already a leading platform for public e-tendering and entered the procurement market in 2020, servicing approx. 30,000 customers across 15 EU markets and in the US.

Mercell's unique marketplace simplifies the tender and procurement process and makes it safe and easy for buyers to find relevant suppliers for their tenders and daily purchasing needs. It also ensures suppliers find relevant business opportunities and offers tools for suppliers to digitally receive and handle purchases from public & private buyers.

- **Market Cap:** NOK 2.8bn (As on 24th May 2022)
- **Net Debt:** NOK 1.4bn
- **LTM Revenue:** NOK 759.72mm
- **LTM EBITDA:** NOK 66.84mm
- **Implied Enterprise Value:** NOK 4.6bn
- **Implied EV/ LTM Revenues:** 6.0x
- **Implied EV/ LTM EBITDA:** 68.5x