

DATE

February 08, 2021

SECTORS

Technology & Software

DEAL LOCATIONS



DEAL TEAM



François Prioux

Managing Director



Maxime Leclercq

Executive Director

DC Advisory advised the shareholders of DL Software on its capital reorganisation



BACKGROUND

- Founded in 2003, DL Software is a buy-and-build platform of vertical ERP software vendors comprising 13 industry specific software providers, serving a variety of end markets in France across the healthcare, insurance, retail, wholesale, real estate and tourism industries
- DL Software provides a number of centralised/corporate resources, including financial, marketing, and HR support, and promotes the implementation and sharing of best practices in product development, lead generation, sales execution and customer service
- The group has a total of 550 employees and serves more than 20,000 SME, mid- and large-cap companies
- DL Software's key strategic objectives are to accelerate investment in technological innovation, to deliver high-quality and agile software solutions, and to foster growth for itself and its customers
- In 2017, 21 Invest, alongside Amundi Private Equity Funds, SWEN Capital Partners, the company's founders and the management team, took a majority position in DL Software to support its organic and acquisitive development strategy
- In 2020, the group achieved total revenue of close to €75 million, up from €48 million in 2016

PROCESS

- DC Advisory acted as exclusive financial advisor to DL Software's shareholders on the

company's capital reorganisation

OUTCOME

- In January 2021, TA Associates signed an exclusivity agreement to take a controlling stake in DL Software
- The envisaged transaction, which is currently under review by representatives of the company's employees, is expected to close in Q2 2021, subject to customary approvals
- Together with the management team, and the current shareholders, who are expected to retain a minority stake in the business, TA Associates aims to provide DL Software with the means to expand its leading position in the vertical ERP software sector, and to accelerate the company's external growth strategy in France and internationally
- This transaction further illustrates DC Advisory's strong expertise and capacity to operate in the very active technology & software sector, as well as its ability to optimise valuation for shareholders