

ONGOING CONSOLIDATION IN THE ONLINE TRAVEL MARKET

Deal snapshot

- The shareholders of dé VakantieDiscounter have successfully sold the company to Otravo, a portfolio company of Waterland Private Equity Investments.
- dé VakantieDiscounter is the leading independent online travel agency (OTA) for holiday packages in the Benelux. The company offers over 10,000 holiday packages to more than 50 countries in categories such as sun, car, winter, city and long-haul. In addition, dé VakantieDiscounter sells related travel products such as insurance and car rentals.
- Otravo is the Benelux and Scandinavian market leader in online air travel sales. Otravo operates several well-known travel brands, including Vliegtickets.nl, Vliegtickets.be, WTC.nl, Schipholtickets.nl and the Scandinavian brands Flygstolen and Tripmonster.
- Otravo is a portfolio company of Waterland Private Equity Investments, an independent private equity investment group with offices in the Netherlands, Belgium, Germany, Poland and the UK. Waterland Private Equity Investments acts as an active shareholder in its portfolio companies, playing a key role in their strategic and operational development, growth and performance.



Transaction rationale

dé VakantieDiscounter's market-leading position, in combination with ongoing consolidation in the travel industry, sparked the interest of several parties with various strategic angles to acquire the company. This interest triggered the shareholders to consider a sale of the company's shares. By joining forces with a strategic partner, shareholders are convinced dé VakantieDiscounter is able to accelerate its stand-alone business plan. dé VakantieDiscounter's current offering, services and outstanding IT platform complement Otravo's existing business. As a result, both companies see a wide range of opportunities that will boost the growth strategy of the combined company.

Our role in the transaction

- Oaklins' team in the Netherlands acted as the exclusive financial advisor to the owners of dé VakantieDiscounter in its sale to Otravo.
- The Dutch team set up a broad international process to find the right partner. In cooperation with their international colleagues, the team approached parties from several countries.



Market trends and deal drivers

- There is ongoing consolidation as pan-European OTAs aim to strengthen their position through acquisitions.
- Intensified competition highlights the need for OTAs to strengthen customer loyalty and identify new revenue sources to monetize web traffic.
- A seamless travel experience, comprising a complete portfolio of travel products and ancillary services in combination with an easy and intuitive booking process, is becoming key in customers' choice of a supplier.
- A scalable, compatible and flexible IT platform is essential to facilitate growth as demand changes and competition increases.

M&A valuation aspects

- The financial terms of the transaction have not been disclosed, but the valuation represented a more than attractive EV/EBITDA multiple.
- With a strong financial track record, including double-digit growth in the last three years and an outstanding, scalable, in-house-developed IT platform, dé VakantieDiscounter was a unique opportunity in the Benelux. In addition, the company is perfectly positioned to further roll out its virtual tour operating (VTO) activities that will boost future growth.

Oaklins industry specialist



 **Marc van de Put**, Partner, Consumer & Retail Specialist, Oaklins, The Netherlands

Marc, the partner responsible for this transaction, has extensive experience in the travel and leisure industry and a strong track record of transactions in these sectors. He has worked with key international OTAs (Expedia) and tour operators (Kuoni and TUI), and with major international players in hotel booking, flight ticketing, holiday car rental and holiday homes. "Following the sale of Canal Bike to Strömme Turism & Sjöfart and the sale of Flygstolen to Otravo, this is our third transaction in the leisure industry in the last nine months. Over the next few years, M&A activity is expected to intensify as larger industry players, confronted by relatively mature home markets, are looking to enter new growth segments and strengthen their presence in emerging markets. Niche players with strong brands and solid technology platforms are attractive targets for acquisitive industry players."

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