

MERGER OF LEADING PROVIDER OF FINANCIAL AND COMMERCIAL TECHNOLOGICAL SOLUTIONS IN THE AVIATION INDUSTRY

Deal snapshot

- Accelya Holding World, S.L. (Accelya), a portfolio company of Chequers Capital, has been acquired by private equity firm Warburg Pincus LLC with the objective of merging it with Mercator, one of its portfolio companies.
- Accelya is one of the leading providers of financial, commercial and analytics solutions, including revenue accounting and assurance, payment solutions, cost management, statistics and data analytics, to the airline and travel industries, offering its services to more than 200 companies in nine countries. The company employs over 2,000 professionals worldwide.
- Warburg Pincus is a global private equity firm with more than US\$44 billion in assets under management and more than 130 companies in its current portfolio.
- Chequers Capital is a leading Pan-European private equity firm, with over US\$2 billion in assets under management, focused on leveraged buy-out and management buy-out transactions for mid-market companies.



Transaction rationale

Chequers Capital attempted to sell Accelya in 2014 but failed to reach final agreement with the preferred bidder. After almost three years in which the majority of Accelya's management was replaced and a new senior management team appointed, Chequers Capital decided it was the right time to reconsider an exit.

Our role in the transaction

Oaklins' team in Spain acted as advisor to Accelya's management team on all aspects of its reinvestment and ongoing participation in the company and its subsequent integration with Mercator. Initially, the Spanish team's engagement started with Chequers Capital to facilitate the management team's transition to a new private equity owner.



Market trends and deal drivers

- The main deal driver is Warburg Pincus' plan to merge Accelya and Mercator to create the world's leading provider of technological solutions for airlines, travel agencies and transport agencies.
- Mercator is another of the leading providers of software and technology services to the airline, logistics, transportation and travel industries. The company is headquartered in Dubai and was acquired by Warburg Pincus in 2014.
- The resulting company is expected to have a global footprint of more than 400 clients worldwide, including 250 airlines, and expected annual revenues of more than US\$200 million. Together, Accelya and Mercator will offer a broadened product portfolio, including revenue accounting, revenue management and assurance, cargo management, payment solutions, data analytics, cost management and commercial solutions. Customers of both companies will benefit from enhanced product and technology capabilities.

M&A valuation aspects

- The fact that it is a steady growth business with elevated market share in its lines of business, high margins, and clear and confident forecasts made Accelya an extremely attractive acquisition.
- Financial terms of the transaction have not been disclosed. However, according to public sources, the deal value was close to US\$650 million and had a very attractive EV/EBITDA multiple.

Oaklins industry specialist



✉ José Falgás, Partner, Oaklins, Spain

José Falgás has many years' experience in advisory roles for management teams involved in large private equity-led transactions. Some of his clients include most of the prominent Spanish financial institutions, such as Banco Santander, BBVA, La Caixa, among others, as well as listed groups, including Endesa, Repsol, Telefónica and Gas Natural.

"Advising an international, multicultural management team on all aspects related to ongoing roles, responsibilities, reinvestments and incentive package participation, and given the complexities of an immediate merger with a major competitor, was challenging. Moreover, we were caught within timetable and process restrictions imposed by the sellers' corporate finance advisors in what turned out to be one of Europe's largest and most competitive sale processes during the current calendar year."

OAKLINS HAS CLOSED 133 DEALS IN BUSINESS SUPPORT SERVICES IN THE LAST FIVE YEARS

Oaklins is the world's most experienced mid-market M&A advisor, with 700 professionals globally and dedicated industry teams in 40 countries worldwide. We have closed over 1,500 transactions in the past five years.