



# Analysing New Zealand's SaaS Boom

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## Recent Transactions

2021



Advised **APLYiD** on its capital raise from Octopus Ventures

2021



Advised **Hatch**, a division of Kiwi Wealth, on its sale to FNZ

2021



Advised **Homes.co.nz** on its sale to Trade Me

2021



Advised **StarNow** on its sale to Backstage

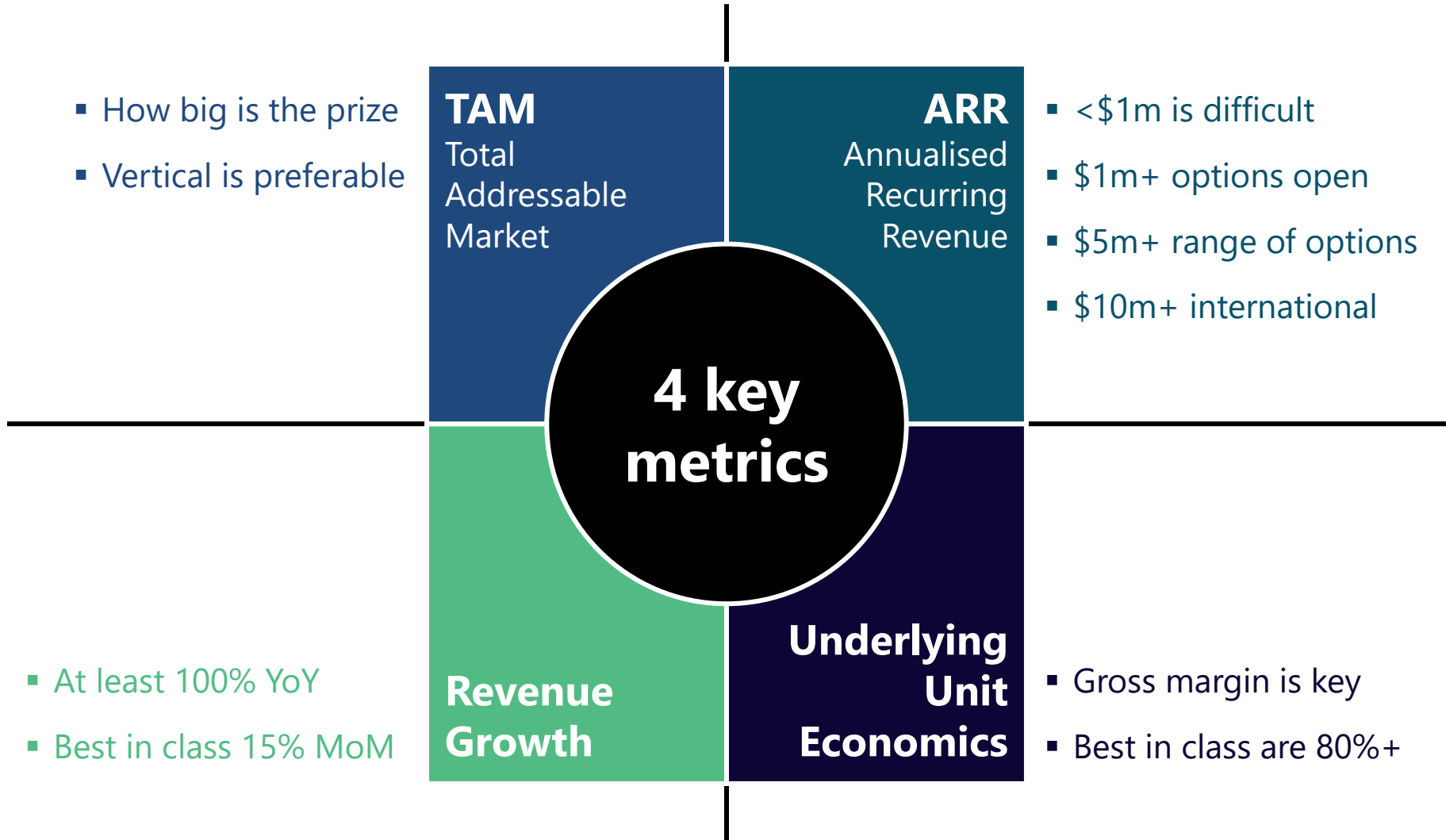
# The New Zealand technology industry

	<b>“The Big Bang”</b> 31 Mar 2006	<b>GFC impact</b> Up to 31 Mar 2010	<b>Take-off</b> Up to 31 Mar 2015	<b>Acceleration (Now)</b> Up to 15 Nov 2021
<b>Listed NZ technology companies (market cap)</b>	<b>Total: \$10 million</b>  Includes: Finzsoft \$7 million Solution Dynamics \$3 million	<b>Total: \$418 million</b>  Includes: Rakon \$188 million Xero \$144 million	<b>Total: \$7,464 million</b>  Includes: Xero \$3,202 million Trade Me \$1,468 million Vista \$352 million	<b>Total: \$28,467 million</b>  Includes: Xero \$22,580 million Pushpay \$1,733 million Serko \$851 million
<b>SaaS market cap</b> <i>SaaS as a % of listed total</i>	<b>\$0</b> 0%	<b>\$190 million</b> 46%	<b>\$5,853 million</b> 78%	<b>\$26,957 million</b> 95%
<b>Xero market cap</b> <i>Xero as a % of listed total</i>	<b>NA</b> 0%	<b>\$144 million</b> 34%	<b>\$3,203 million</b> 43%	<b>\$22,580 million</b> 79%
<b>NZ technology M&amp;A</b>	<b>\$765 million</b>  Includes: Trade Me \$750 million	<b>\$15 million</b>  Includes: WorkflowMax \$7 million	<b>\$307 million</b>  Includes: BankLink \$136 million	<b>\$11,306 million</b>  Includes: Trade Me \$2,600 million Weta Digital \$2,300 million Seequent \$1,450 million
<b>NZ SaaS M&amp;A</b> <i>SaaS as a % of tech M&amp;A</i>	<b>\$0</b> 0%	<b>\$7 million</b> 47%	<b>\$136 million</b> 44%	<b>\$4,287 million</b> 38%

## Comments

This analysis is an abstraction, we are capturing partial data to show a trend. There are also a range of questions to consider including “What is a Tech company?” and “What is an NZ company?” At Clare Capital, we view “The Big Bang” of NZ technology wealth creation as the acquisition of Trade Me by Fairfax in 2006. There is a long history of technology in NZ – but that is when the dollars got serious and is our starting point. We have only looked at two types of companies in this analysis: 1) NZ headquartered listed (ASX/NZX) technology companies and 2) NZ Technology M&A transactions. We have made some inclusion/exclusion calls (e.g. FPH is not included) and is not an exhaustive inclusion of M&A deals. Privately held companies are only included in the numbers where an M&A sale occurred. All values in NZD.

## Lessons learnt



# Valuation multiples

