DRAKE STAR PARTNERS

COMMUNICATIONS UPDATE

MAY 2021

OUR 1ST COMMUNICATIONS NEWSLETTER

The Drake Star Partners Global Communications team is pleased to present this inaugural issue of our monthly Communications Report, providing updates on industry happenings such as important news and events, mergers and acquisitions activity and insights into the present and future trends impacting major areas of investment within the industry, including:

Wireless networks & infrastructure
Internet of Things (IoT) connectivity
Communications Equipment
Communications Software
Telecommunications Services

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VIEW FROM OUR INVESTMENT BANKERS

James Turino, Managing Partner, Communications

Today many of us tend to take communications and connectivity for granted. We may forget – or be unaware – that the networks we all use on a daily basis are the products of multiple decades of innovation and transformation. In fact, few industries have been impacted by technology transformation as much as telecommunications and over as long a period of time. Consider the following cycles of innovation leading to the present day:

1980s-90s: Signaling networks create the potential for using the telecom network for messaging (SMS) value-added services such as caller ID and transactional purposes. Mobile networks enable the untethering of a *person* to a fixed *location*. Who could have imagined then that mobile communications would become the pervasive medium for connectivity, entertainment and computing this it has become today.

2000s-10s: The migration to packet-switched networks opens the doors to a broadening of new services, including broadband, messaging, video and literally *millions* of third party apps and internet-based use cases none of us could have conceived of 20 years ago. The adoption of virtual network functions and cloud services provides decoupling of communications services on one hand and the infrastructure to deploy services on the other, creating efficiencies in network operations and allowing new services to be created more rapidly.

2020s-30s: Today the telecommunications industry is poised for what may be its biggest era of transformation. The roll-out of 5G in particular and the allocation of additional spectrum such as CBRS are delivering unprecedented levels of bandwidth and speed to mobile networks and enabling a wide range of applications from video streaming and conferencing to virtual reality to the connectivity of things. 5G is not only opening up whole new, very large market opportunities but also giving rise to new paradigms in infrastructure, especially towards the network edge where larger amounts of computing power will be needed to support new applications such as autonomous vehicles and IoT. These trends present industry players with major, once-in-a-lifetime opportunities, and especially to those players able to invest with a long term perspective.

OUR PICK OF STORIES OF THE MONTH

WIRELESS NETWORKS & INFRASTRUCTURE

Digital Colony acquires Boingo Wireless

Digital Colony has entered into a definitive agreement to acquire Boingo Wireless [NASDAQ: WIFI], the distributed antenna system (DAS) and wifi provider which serves carriers, consumers, property owners and advertisers worldwide. The deal is valued at US$854m.

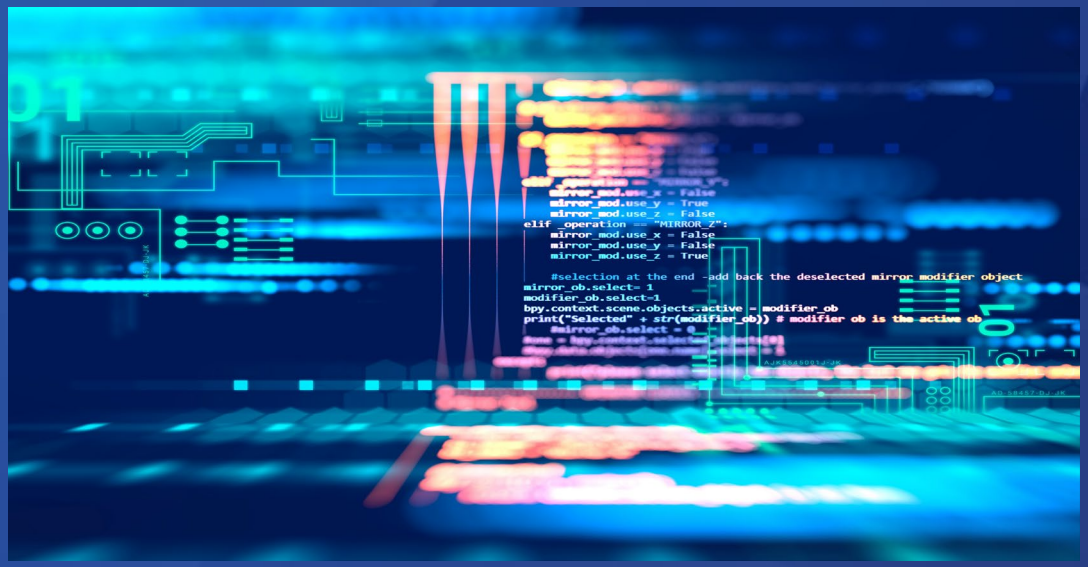
Announced March 1, 2021, the take-private transaction represents a 23% premium to Boingo's previous trading price. Boingo's large footprint of WiFi, DAS and small cell networks make it a great platform for next-generation mobile network infrastructure. Given Digital Colony's portfolio of mobile infrastructure assets and operating expertise, they are a logical partner to take Boingo forward. The transaction is expected to close within the second quarter of 2021.

OneWeb Secures 550 Million in New Funding: Eutelsat to take Significant Equity Stake in the Company.

OneWeb welcomes Eutelsat Communications as a significant equity partner (c.24%). The transaction was announced on the 27th of April. Eutelsat investment brings OneWeb to $1.9 billion in total financing, securing 80% of total financing, as the latest launch puts almost 30% of Gen 1 fleet in space.

The collaboration with GEO satellite operator offers new customer opportunities. Besides, Eutelsat joins U.K Government, Bharti Global and SoftBank as Key investors. It is a sizeable deal and strategic on satellite internet access delivery.

COMMUNICATIONS SOFTWARE



Sinch AB (publ): Sinch establishes leadership in US voice communications through the acquisition of Inteliquent

Sinch AB (publ), a global leader in cloud communications for mobile customer engagement, today entered into a definitive agreement to acquire Inteliquent, the largest independent voice communications provider in the United States, for a total cash consideration of $1.140B USD.

The transaction was announced on the 17th of February this year, it represents Sinch's largest acquisition to date, expanding the reach of CPaaS leader into Unified Communications, including voice and cloud communications; Inteliquent also expands Sinch presence in US Enterprise market. The transaction is expected to close in the second half of 2021.

SOME OF THE TRANSACTIONS OF THE MONTH

April 2021

Target	Acquirer	Subsector	Value	Links
Tele Columbus AG Germany	**Morgan Stanley Infrastructure Inc.** United States	Wireless networks & infrastructure	$487.84 million	**Morgan Stanley fund to take over German fibre operator Tele Columbus**
Boingo Wireless Inc United States	**Digital Colony Management, LLC** United States	Wireless networks & infrastructure	$854 million	**Boingo Wireless to be acquired by Digital Colony**
Sabre Industries Inc United States	**The Blackstone Group Inc.** United States	Wireless networks & infrastructure	Not disclosed	**Blackstone to acquire Sabre Industries Inc**
VMware Inc Australia	**Spin-Off/Split-Off**	Communications Software	$9.7 billion	**Dell spins off VMware stake, generating up to $9.7bln.**
WirliebnKabel GmbH United States	**SPIE SA** France	Wireless networks & infrastructure	Not disclosed	**SPIE SA to acquire WirliebenKabel**
CIS Secure computing Inc United States	**Hammond, Kennedy, Whitney & Company, Inc.** United States	Communications Software	Not disclosed	**HKW announces acquisition of CIS**
AvaLAN Wireless Systems Inc United States	**Dover Fueling Solutions Segment, Inc.** United States	Internet of Things (IoT) connectivity	Not disclosed	**AvaLAN acquired by Dover**
TNS Inc United States	**Koch Equity Development, LLC** United States	Wireless networks & infrastructure	Not disclosed	**Koch enters agreement to acquire TNS**
INTO Telecom & IT BV Netherlands	**Yielder Group** Netherlands	Telecommunications Services	Not disclosed	**Yielder Group to acquire INTO Telecom & IT BV**
MorethanIP GmbH Germany	**Synopsys, Inc** United States	Internet of Things (IoT) connectivity	Not disclosed	**Synopsys to acquire MorethanIP**
New providence Acquisition Corp. United States	**AST SpaceMobile, Inc.** United States	Wireless networks & infrastructure	$462 million	**AST to acquire New Providence Acquisition Corp**
Vocus Group Limited Australia	**Aware Super Pty Ltd; Macquarie Infrastructure and Real Assets** Australia	Wireless networks & infrastructure	$4.6 billion	**Vocus acquired by Aware Super and Macquarie**

SOME OF OUR +100 TRANSACTIONS IN COMMUNICATIONS

DRAKE STAR PARTNERS

A LEADING GLOBAL TMC M&A INVESTMENT BANK

370+	70%	100+	9
TRANSACTIONS COMPLETED	CROSS-BORDER DEALS	BANKERS	OFFICES GLOBALLY

NEW YORK

LONDON

MUNICH

AMSTERDAM

SAN FRANCISCO

LOS ANGELES

PARIS

BERLIN

GENEVA

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