

**Overview****Clare Capital Tech Insights 229 - Weta Digital acquired by Unity Software - 20211112**

Wellington-based Weta Digital has sold its tech unit, including its tools, pipeline, technology and engineering talent, to Unity Software in a USD \$1.625 billion deal. Unity estimates that the acquisition of Weta Digital will increase its total market opportunity by over USD \$10 billion, bringing its total market opportunity to approximately USD \$45 billion.

**Weta Digital acquisition**

Unity Software has acquired the tech division of Weta Digital.

The Weta visual-effects team itself will remain as a standalone entity known as WetaFX.



Weta Digital's visual effects business

- A new standalone entity called WetaFX that is expected to become Unity Software's largest customer
- Approx. 1,200 employees

Majority ownership by Sir Peter Jackson and Fran Walsh  
CEO: Prem Akkaraju



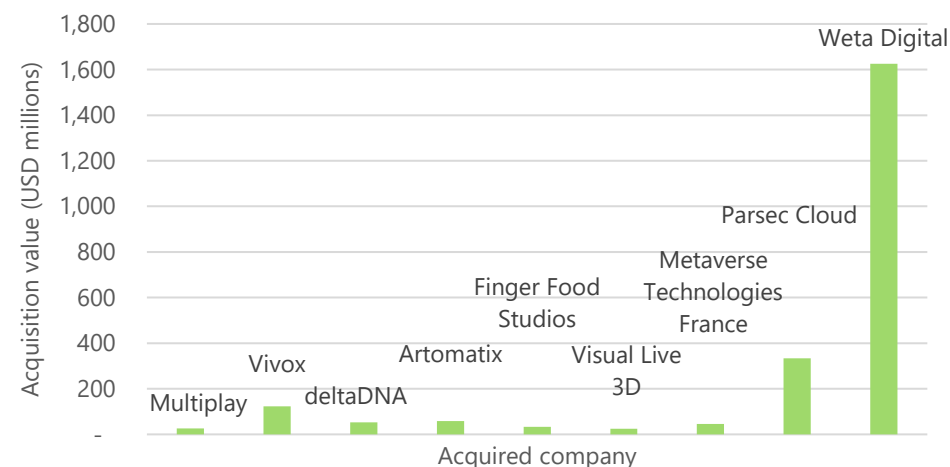
Weta Digital's tools, pipeline, technology and engineering talent

- 275 engineers
- Dozens of industry-leading tools
- Foundational data platform for interoperable 3D art creation
- A library of thousands of digital assets which the WetaFX team will continue to accumulate

Purchased by Unity for:

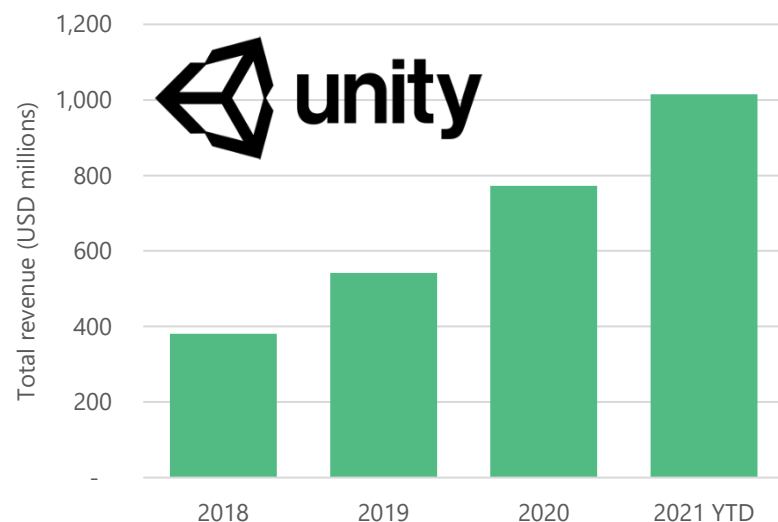
Cash	USD \$1 billion
Common stock	USD \$0.625 billion
<b>Total</b>	<b>USD \$1.625 billion</b>

Weta Digital will eventually be made available to game developers, artists and consumer creators as a SaaS subscription model.

**Unity Software selected acquisitions since 2017**

Acquired company	Country	Date announced	Acquisition price
USD millions			
Weta Digital	New Zealand	Nov 21	1,625
OTO Systems	United States	Aug 21	n/a
Parsec Cloud	United States	Aug 21	333
Metaverse Technologies France	France	Jun 21	46
Visual Live 3D	United States	Mar 21	25
Finger Food Studios	Canada	May 20	33
Artomatix	Ireland	Dec 19	59
deltaDNA	UK	Sep 19	53
Vivox	United States	Jan 19	123
Digital Monarch Media	Canada	Oct 18	est. 2
Multiplay	UK	Nov 17	25

## Unity Software revenue



## Unity Software enterprise value



## Comparable company metrics

Company name	Ticker	Market cap	Enterprise value	Revenue	EV / Revenue	Description
		USD \$bn	USD \$bn	USD \$bn		
Unity Software	NYSE:U	56	55	1	54.3x	Real-time 3D development platform
Roblox	NYSE:RBLX	62	61	2	36.5x	An online game platform and game creation system
Dassault Systèmes SE	ENXTPA:DSY	83	74	5	13.5x	Software for 3D design and innovation
Autodesk, Inc.	NasdaqGS:ADSK	72	74	4	18.2x	3D design, engineering and entertainment software
AppLovin Corporation	NasdaqGS:APP	42	43	3	17.1x	Software-based platform for mobile app developers
Adobe Inc.	NasdaqGS:ADBE	313	311	15	20.6x	Diversified software company providing a range of applications
SAP SE	XTRA:SAP	169	157	32	4.9x	Enterprise application software
DocuSign, Inc.	NasdaqGS:DOCU	52	52	2	29.1x	Cloud-based e-signature software solution
VMware, Inc.	NYSE:VMW	53	53	12	4.3x	Digital solutions that power apps, services and experiences

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