

SOFTWARE & TECHNOLOGY M&A PULSE

FIRST QUARTER 2024



OUR INSIGHTS

Transaction volume and total value increased significantly in Q1 2024 compared to the previous quarter for the software & technology sector. Many investors anticipated improved appetite for tech M&A going into 2024, and although Q1 showed a strong uptick, there are still reasons for cautious optimism.

Though the quarter appeared strong in totality, March saw a noticeable decline, with the 10 largest transactions all occurring in the first two months of the quarter. Concerns over the general economy, interest rates, and growth rates across the IT sector continue to weigh on investors. The current uncertainty paired with increased M&A activity in the quarter suggests there are still attractive deals being pursued in the sector, but buyers are being highly selective.

IN THIS ISSUE

- 03 Q1 2024 Market Summary & Outlook
- 04 2024 B2B SaaS Benchmarks
- 06 Macroeconomic Trends & Signals
- 07 Equity Market Valuations & Market Commentary
- 09 Software & Technology M&A Activity
- 11 What is a Strategic Assessment

Software & Technology Coverage Team



MATT RUPPRECHT
 Director
 248.603.5210
 matt.rupprecht@pmcf.com



JAYSON GITT
 Director
 303.796.4349
 jayson.gitt@pmcf.com



COREY SCHREIBER
 Associate
 303.846.3378
 corey.schreiber@pmcf.com



NOLAN GUTENSCHWAGER
 Associate
 248.603.5068
 nolan.gutenschwager@pmcf.com

ABOUT PMCF

PMCF is an investment bank focused exclusively on middle market transactions with professionals in Chicago, Detroit, Denver, and across the globe through Corporate Finance International™ affiliates. Offering a depth of advisory services, PMCF helps clients worldwide meet their sale, acquisition, financing, and strategic growth objectives. Additional information on PMCF can be found by visiting our website, pmcf.com.

Mergers & Acquisitions	Carve-outs & Divestitures	Strategic Assessments	Capital Raising
------------------------	---------------------------	-----------------------	-----------------

SOFTWARE & TECHNOLOGY INDUSTRY EXPERTISE

Our focus on software and technology sale, merger, and acquisition advisory provides significant advantages to our clients and the opportunity to maximize value in a transaction. PMCF’s extensive coverage of these industries has provided us with specialized, in-depth knowledge of the sector dynamics and relationships with key strategic and financial industry players. Our firm has been serving the software and technology industries for over 20 years and has a long track record of successful transactions involving specialty, niche players in these industries.

Financial Technology	Supply Chain Management	Workforce Management	Not-For-Profit Software
Vertical Software	Enterprise Software	Tech-Enabled Services	ESG Software
Application Software	Cybersecurity	IT Services	BI/Data Analytics

SELECT PMCF SOFTWARE & TECHNOLOGY TRANSACTIONS

RSI LOGISTICS

has been acquired by

TRINITYRAIL

breeze

has been acquired by

Tithe.ly

MONTWAY
 AUTO TRANSPORT

and

ship.cars

have been acquired by

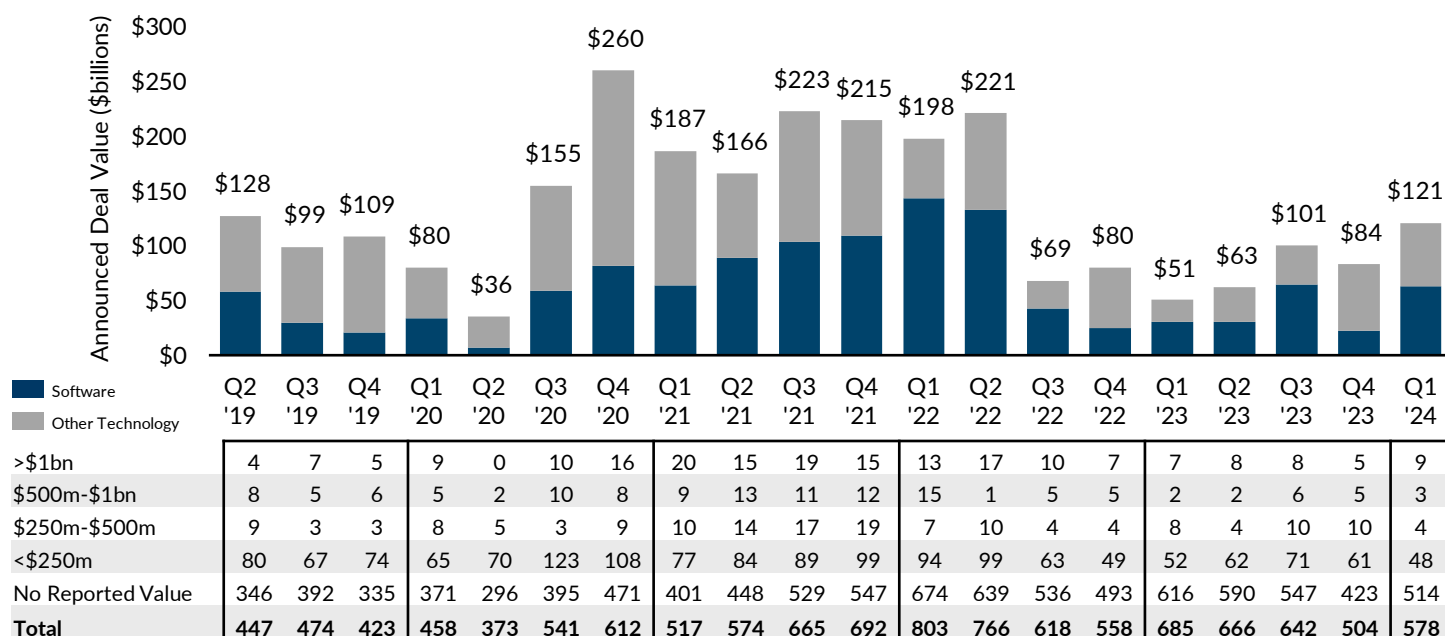
AEA

SoundCom
 SYSTEMS

has been acquired by

AMETEK

Q1 2024 Market Summary & Outlook



M&A MARKET DYNAMICS – SOFTWARE & TECHNOLOGY

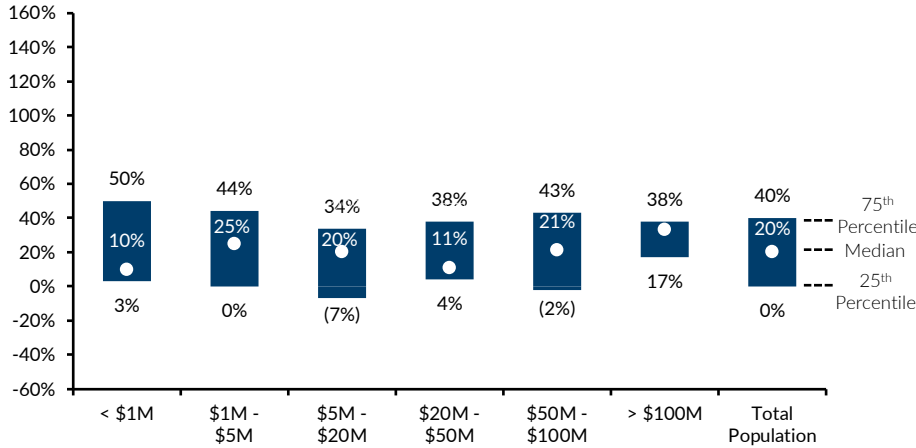
- After a meaningful drop last quarter, broader technology sector total deal value in Q1 2024 increased 45% compared to Q4 2023 and more than doubled Q1 2023's figure, with \$121B in transaction value. The increase is due to software specifically, with software total deal value climbing 180% while other technology sectors decreased roughly 5% relative to the prior quarter.
- Compared to Q4 2023, Q1 2024 software deal volume increased 15%, with 578 transactions in the quarter. This represents a marked improvement quarter-over-quarter, but still well short of the first three quarters of 2023. The combination of rebounding deal values and steady deal volumes may indicate market stabilization after post-pandemic record highs and subsequent lows following the series of interest rate hikes.
- The considerable uptick in spending in Q1 2024 is surprising in some regards given the financing environment. For private equity buyers, the cost of debt is still at elevated levels, placing increased pressure on their returns. For strategic buyers, who accounted for the clear majority of spending in Q1 2024, they utilized a historically small portion of equity as part of the transaction. Using their own equity in addition to cash is often a favored approach for strategic buyers, but the Q1 run-rate is tracking towards the lowest number of technology transactions with an equity component in the 20-year history of 451 Research's database.

Featured Sectors - Deal Count	2019	2020	2021	2022	2023	Q4 '23	Q1 '24	Q4 '23 - Q1 '24 Change
Workforce Management	251	263	338	467	343	61	85	39%
Supply Chain Technology	66	73	91	105	108	22	25	14%
Financial Technology	87	110	117	144	123	33	24	-27%
Other Software	1,420	1,538	1,902	2,029	1,923	388	444	14%
Total	1,824	1,984	2,448	2,745	2,497	504	578	15%
Strategic	1,196	1,312	1,544	1,903	1,814	371	415	12%
Financial Buyer - Add-on	403	459	651	607	446	84	110	31%
Financial Buyer - Platform	225	213	253	235	237	49	53	8%

2024 B2B SaaS Benchmarks

During the Spring of 2024, Benchmarkit partnered with various leading B2B SaaS vendors, venture capital firms, CFO outsourcing companies, and advisory services firms to collect data from ~1,000 private B2B SaaS companies. This data illustrates how different cohorts of SaaS companies perform compared to their peers based on FY23 results.

Rule of 40 – By Revenue⁽¹⁾

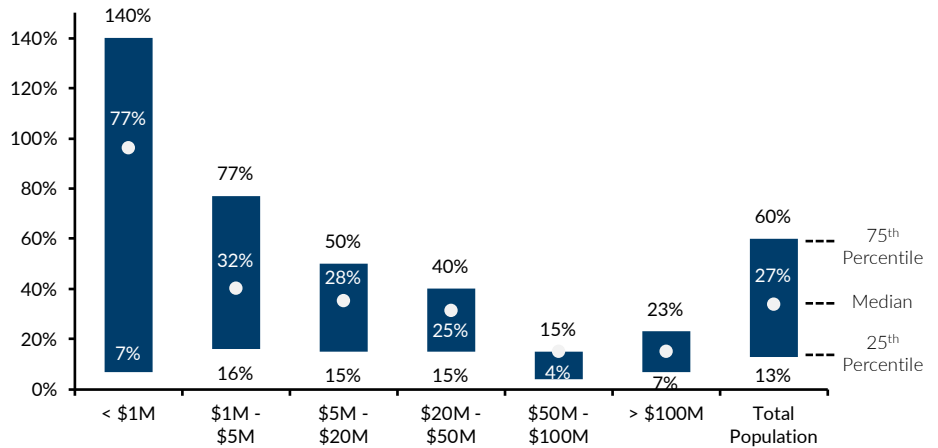


Rule of 40 = YoY Growth Rate (%) + Free Cash Flow (%)

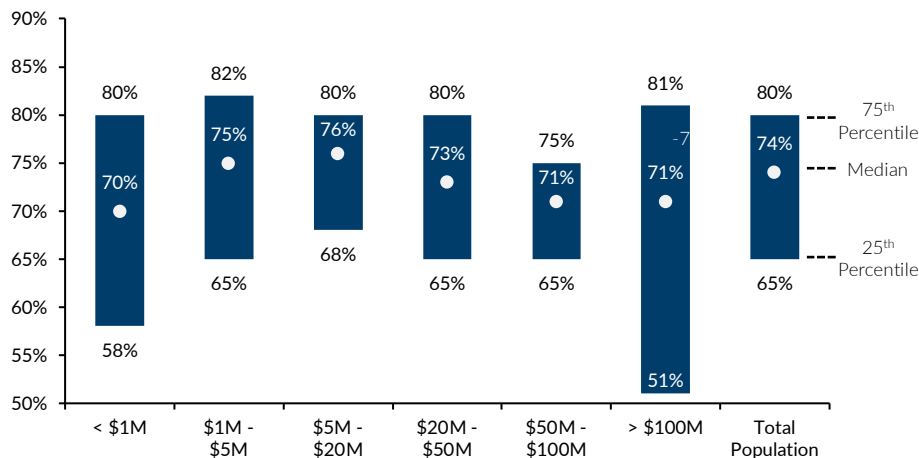
Benchmarks for Rule of 40, which measures the efficiency of spending and return on that spending, decreased across the majority of cohorts in 2023. The decline was driven by both a fall in growth rates and EBITDA margin across the total population of participants. As companies scale beyond \$50M in revenue, there is debate on the ideal combination of growth and profitability. Though there is not one right combination, many in the industry suggest growth rates above 30% paired with free cash flow margins above 10% will drive the largest EV/Revenue multiples.

Company Growth Rate – By Revenue⁽¹⁾

Growth rates decreased across most company sizes in 2023, though the sub-\$1M revenue cohort saw a noticeable jump, increasing to a median of 77% compared to 50% in 2022. Broadly, the 2023 median growth rate aligned with 2022, as customers strategically allocated SaaS spending. The same survey of participants indicated they anticipate growth rates to increase by 8% in 2024, potentially signaling some optimism about customer spending. Companies that can quickly accelerate sales and marketing investment will be well-positioned to capture growth once customer behavior aligns with growth expectations exhibited by vendors.



Total Gross Margin – By Revenue⁽¹⁾



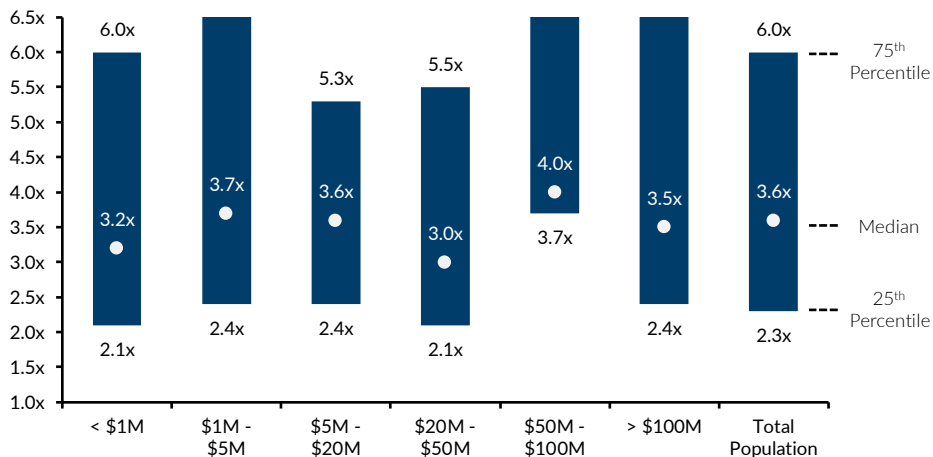
Total Gross Margin is an indicator of the cash generation potential of a SaaS business model. It represents a combination of Subscription Gross Margin and Services Gross Margin, both of which should be captured and highlighted to investors as a best practice. At 74%, median Total Gross Margin increased marginally compared to 72% in 2022 and 73% in 2021, demonstrating the historical stability in this metric. Subscription margin also remained stable at 79% while the Services margin fluctuated in a much wider band, as services are often delivered at lower margins during the onboarding stage for new customers in an effort to increase the available budget for ARR.

Source: Benchmarkit

2024 B2B SaaS Benchmarks

During the Spring of 2024, Benchmarkit partnered with various leading B2B SaaS vendors, venture capital firms, CFO outsourcing companies, and advisory services firms to collect data from ~1,000 private B2B SaaS companies. This data illustrates how different cohorts of SaaS companies perform compared to their peers based on FY23 results.

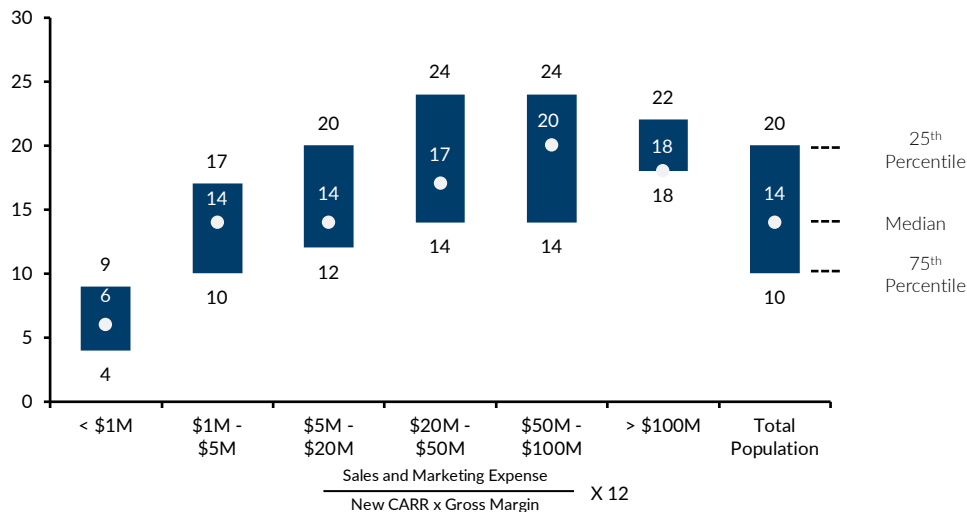
CLTV: CAC Ratio – By Revenue ⁽¹⁾



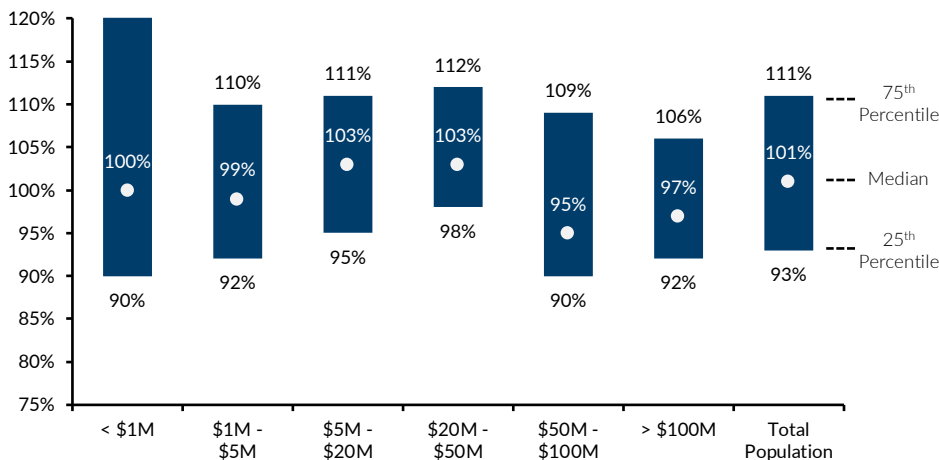
The median benchmark for CLTV:CAC ratio across the total population in 2023 matched that of 2022, coming in at 3.6x. Neither company size nor Annual Contract Value are highly correlated to the CLTV:CAC Ratio. A key to this metric is that at least one to two agreement renewal cycles should be completed to establish a more reliable churn rate across renewal periods. This ratio is impacted by numerous factors, including Average Revenue Per Account, Average Customer Acquisition Cost, churn rate, and gross margin. Investors care not only about the ratio itself, but the leading variables that directly influence it.

CAC Payback Period – By Revenue (In Months) ⁽¹⁾

CAC Payback Period across the entire population shortened to a median of 14 months, representing a significant improvement from last year's benchmark of 17 months. Although CAC Payback Period is correlated to company size, it has a higher correlation to Annual Contract Value. CAC Payback Period can fluctuate dramatically month-over-month in enterprise and commercial market segments if a reporting period includes outlier deal sizes. CAC Payback Period is best evaluated in conjunction with CAC Ratio, Gross Dollar Retention, and Net Dollar Retention for a more complete picture on acquiring, retaining, and expanding customer relationships.



Net Dollar Retention Rate – By Revenue ⁽¹⁾

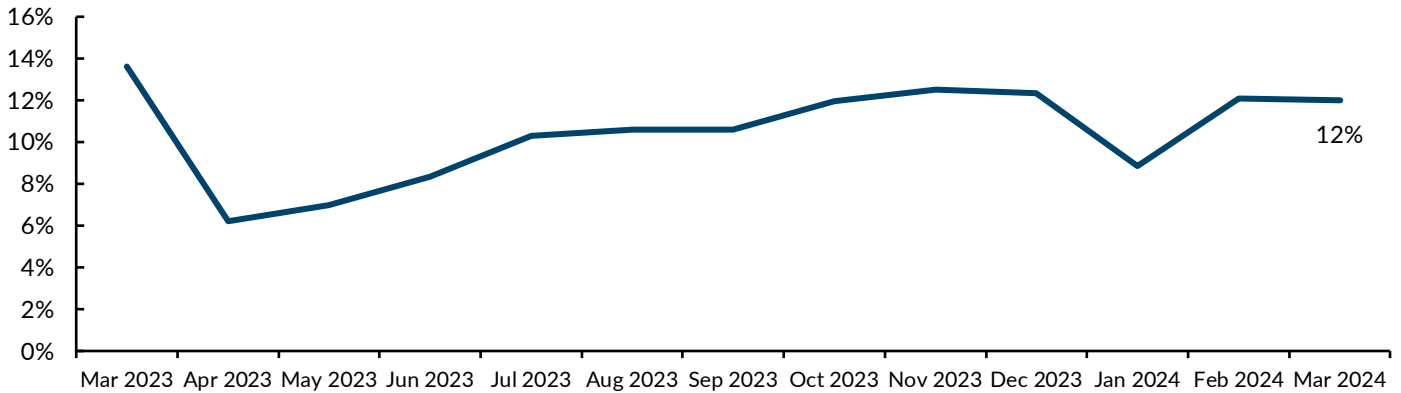


Net Dollar Retention (NDR) measures how much ARR is represented in a cohort of customers at the end of the current accounting period (where their agreement is available to renew) versus the same cohort of customer ARR from a previous period. NDR is not dramatically correlated to company size, as it is with other variables including Go-To-Market motion and pricing model. Additionally, NDR exhibits correlation to ACV, and as ACV increases, the opportunity for expansion is more prevalent. NDR decreased slightly to 101% at median in 2023 compared to 105% in 2022 and remains a higher priority for many companies due to its stronger correlation to enterprise value.

Source: Benchmarkit

Macroeconomic Trends & Signals

Public SaaS Median Rule of 40 Index



Source: SaaS Capital index of B2B publicly traded SaaS companies

The median Rule of 40 measure for publicly traded SaaS companies decreased sharply to 9% in January 2024 before leveling off at 12% the rest of the quarter, a figure in-line with the second half of 2023.

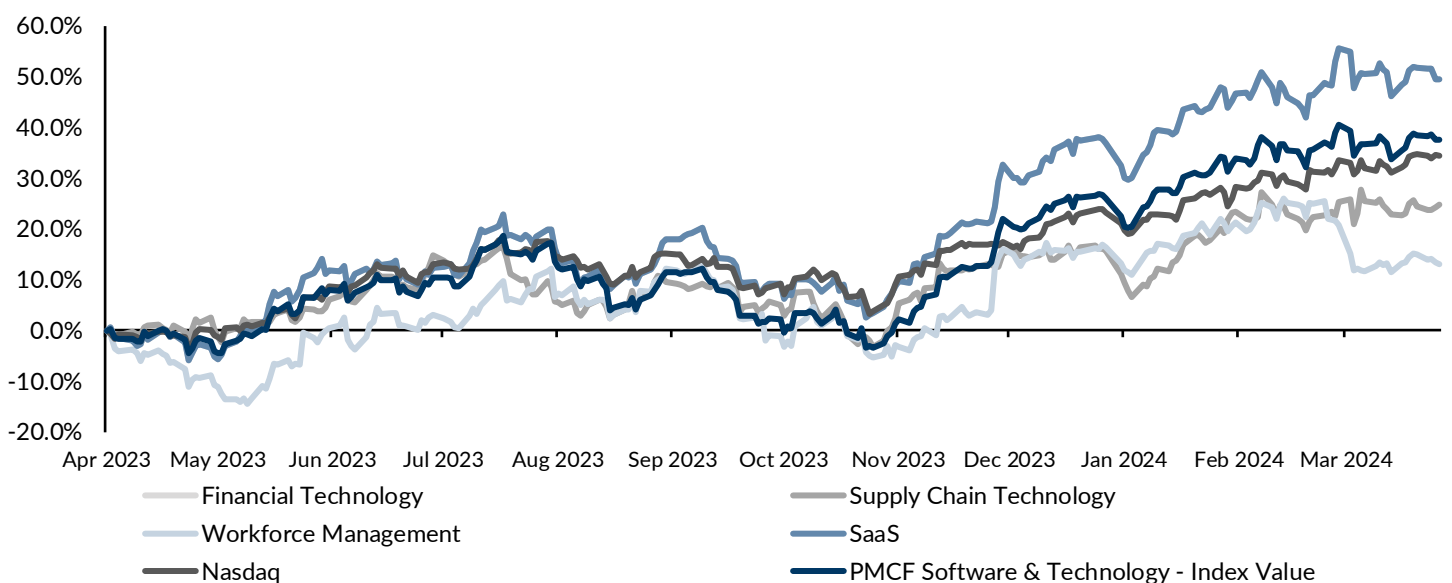
Public SaaS Median Annual Run-Rate (ARR) Multiple



Source: SaaS Capital index of B2B publicly traded SaaS companies

Public SaaS valuations finished Q1 2024 with a median of 6.8x, a figure slightly below the 7.0x mark where Q4 2023 ended. The 6.8x number also represents the average of the last 12 months, suggesting valuations may have stabilized near this level.

Public Equity Indices – Market Valuation



Source: Capital IQ - PMCF Technology Index of 35 publicly traded SaaS companies

PMCF Software & Technology Index

Company Name	Headquarters Location	Market Cap. ⁽¹⁾	Enterprise Value ⁽¹⁾	TTM Revenue	TTM Gross Margin	TTM EBITDA Margin	Net Debt/EBITDA	EV/EBITDA ⁽²⁾	EV/Revenue		
									NTM	TTM	TTM
									Q1 '24	Q1 '24	Q1 '23
<i>\$ in Millions⁽³⁾</i>											
Financial Technology											
Fiserv, Inc.	United States	\$ 94,358	\$ 117,867	\$ 19,429	60.5%	42.2%	2.8x	14.4x	6.1x	6.1x	5.1x
Global Payments Inc.	United States	34,095	50,581	9,782	62.4%	42.6%	3.9x	12.1x	5.5x	5.2x	4.5x
Adyen N.V.	Netherlands	52,497	43,776	1,797	61.9%	44.8%	(11.1x)	54.4x	20.2x	24.4x	27.9x
BILL Holdings, Inc.	United States	7,225	6,584	1,242	85.8%	(5.8%)	8.1x	(91.8x)	5.0x	5.3x	8.2x
Shift4 Payments, Inc.	United States	4,120	5,657	2,725	26.8%	13.4%	3.4x	15.5x	1.5x	2.1x	2.5x
Nuvei Corporation	Canada	4,411	5,498	1,269	81.6%	19.0%	4.7x	22.8x	4.0x	4.3x	6.6x
Paymentus Holdings, Inc.	United States	2,819	2,650	651	30.0%	5.6%	(4.7x)	72.8x	3.6x	4.1x	1.8x
Marqeta, Inc.	United States	3,062	1,822	577	56.3%	(40.5%)	5.1x	(7.8x)	3.5x	3.2x	1.1x
AvidXchange Holdings, Inc.	United States	2,687	2,379	399	69.4%	(0.5%)	165.5x	(1311.4x)	5.3x	6.0x	3.8x
Repay Holdings Corporation	United States	999	1,339	303	76.6%	21.1%	4.9x	21.0x	4.2x	4.4x	3.5x
Median					62.1%	16.2%	4.3x	14.9x	4.6x	4.8x	4.1x
Supply Chain Technology											
Manhattan Associates, Inc.	United States	\$ 15,406	\$ 15,159	\$ 962	53.6%	23.5%	(0.7x)	67.0x	14.8x	15.8x	11.6x
The Descartes Systems Group Inc.	Canada	7,794	7,484	573	75.9%	40.2%	(1.4x)	32.5x	11.8x	13.1x	13.5x
SPS Commerce, Inc.	United States	6,836	6,575	561	66.0%	19.8%	(2.5x)	59.1x	10.6x	11.7x	11.4x
Kinaxis Inc.	Canada	3,222	2,987	445	60.8%	5.9%	(9.6x)	114.4x	6.1x	6.7x	9.9x
E2open Parent Holdings, Inc.	United States	1,359	2,438	635	66.2%	26.4%	5.6x	14.5x	3.9x	3.8x	4.6x
Tecsys Inc.	Canada	419	396	126	43.6%	3.1%	(6.0x)	102.7x	2.9x	3.1x	2.5x
American Software, Inc.	United States	380	302	119	58.8%	8.9%	(7.4x)	28.5x	2.9x	2.5x	2.8x
Median					60.8%	19.8%	(2.5x)	59.1x	6.1x	6.7x	9.9x
Workforce Management											
Workday, Inc.	United States	\$ 72,006	\$ 67,489	\$ 7,259	75.6%	6.4%	(9.7x)	145.1x	8.0x	9.3x	8.1x
Dayforce Inc.	United States	10,300	10,973	1,575	48.4%	15.1%	3.6x	46.0x	6.4x	7.0x	9.2x
Paylocity Holding Corporation	United States	9,681	9,373	1,354	69.0%	20.5%	(1.6x)	33.8x	6.4x	6.9x	10.1x
Smartsheet Inc.	United States	5,291	4,712	958	80.5%	(11.0%)	5.5x	(44.5x)	4.2x	4.9x	7.8x
Paycor HCM, Inc.	United States	3,461	3,414	630	66.1%	5.8%	(2.1x)	92.7x	4.9x	5.4x	8.9x
Asana, Inc.	United States	3,482	3,241	653	90.1%	(38.8%)	1.0x	(12.8x)	4.5x	5.0x	7.8x
Asure Software, Inc.	United States	199	179	118	71.2%	11.7%	(0.9x)	12.9x	1.4x	1.5x	3.1x
Median					71.2%	6.4%	(0.9x)	33.8x	4.9x	5.4x	8.1x
SaaS											
Salesforce, Inc.	United States	\$292,145	\$ 291,513	\$ 34,857	75.5%	26.5%	(0.1x)	31.6x	7.7x	8.4x	6.3x
ServiceNow, Inc.	United States	156,292	150,496	9,478	78.9%	16.0%	(4.3x)	99.3x	13.8x	15.9x	12.1x
Datadog, Inc.	United States	41,020	39,339	2,258	81.4%	2.3%	(34.7x)	748.7x	15.2x	17.4x	12.4x
HubSpot, Inc.	United States	31,751	31,150	2,286	84.2%	(4.0%)	8.2x	(344.4x)	12.2x	13.6x	11.2x
Zoom Video Communications, Inc.	United States	20,105	13,216	4,527	76.4%	15.5%	(9.8x)	18.8x	2.9x	2.9x	3.7x
Okta, Inc.	United States	17,513	16,608	2,263	74.3%	(16.6%)	2.4x	(44.2x)	6.6x	7.3x	7.4x
Pure Storage, Inc.	United States	16,427	15,164	2,831	71.4%	7.5%	(5.9x)	71.7x	4.9x	5.4x	2.5x
Twilio Inc.	United States	11,133	8,298	4,194	50.0%	(0.8%)	78.8x	(245.2x)	1.9x	2.0x	2.4x
Workiva Inc.	United States	4,641	4,621	656	76.0%	(4.4%)	1.6x	(159.3x)	6.4x	7.0x	9.6x
Freshworks Inc.	United States	5,425	4,267	624	83.3%	(23.7%)	8.0x	(28.9x)	6.0x	6.8x	6.4x
Five9, Inc.	United States	4,554	4,618	939	52.9%	(3.5%)	(3.9x)	(142.3x)	4.4x	4.9x	6.5x
Median					76.0%	(0.8%)	(0.1x)	(28.9x)	6.4x	7.0x	6.5x
Median									5.3x	5.4x	6.6x
Mean									6.6x	7.2x	7.3x

(1) Market capitalizations and total enterprise values as of March 31, 2024; income statement and balance sheet data as of last period reported

(2) Multiple of EBITDA based on EBITDA inclusive of equity income from affiliates

(3) Currency conversions assume historical rate

Source: Capital IQ

Market Commentary

Given the substantial and growing global software spend, top executives are assessing their key focus areas rather than chasing too many avenues. Notable pursuits include product enhancement, front office AI applications, and M&A.

January 2024: “So our strategy was, pick your swim lanes, where we’re going to have offerings, and then add to the portfolio so that as your largest of large enterprises, say, but we need this thing to take that workload we’re using today, but we need to supersize it or we need to scale it, you better have an answer to that...and when you have a \$2 trillion global spend, there are so many places you can go as a company.”

Mark Mader, President, Chief Executive Officer, and Director at Smartsheet

March 2024: “I mean the beauty about the financial services industry is that there’s trillions of dollars everywhere you look. The problem is that the curse of the fintech or the financial service industry is that there’s a trillion dollars everywhere you look. So you end up looking everywhere...we’re not going to do that. We are going to focus on the use cases and make them better So it’s discipline in spending.”

Simon Khalaf, Chief Executive Officer and Director at Marqeta

March 2024: “They [M&A] typically have been more tuck-in type acquisitions really because it’s quite fragmented in this space...that’s a great way to add customers, so roll up strategy as well as product enhancement, technology enhancement or geographic expansion and we’ve done all of those types of acquisitions.”

Kimberly Nelson, Executive VP and Chief Financial Officer at SPS Commerce

March 2024: “Generative AI, one of the best, kind of, use cases and early use cases in front office has been service. The ability to take some of your most frequently asked questions and automate that through AI. The ability to summarize calls and be able to get back with resolutions faster. And so we’re investing pretty heavily with generative AI features for our Service Hub so we can leapfrog there.”

Yamini Rangan, Chief Executive Officer, President, and Director at HubSpot

Software & Technology M&A Activity

Strategic Acquisition

PointClickCare acquires American HealthTech

On January 17, PointClickCare Technologies, a leading healthcare technology platform enabling real-time patient insights, acquired American HealthTech, a subsidiary of Computer Programs and Systems, Inc. and a leading provider of electronic health record solutions for the post-acute care market. The combination will allow for better post-discharge outcomes and actionable data at the point of care for proactive care collaboration and intervention. Terms of the transaction were not disclosed.

Platform Acquisition

Bow River Capital acquires Accelo Inc.

On February 29, Bow River Capital, a Denver-based alternative asset manager, acquired Accelo Inc., cloud-based market leader of professional services automation software. Accelo's system enables strategic insights, accurate and real-time decision-making, and best-in-class execution for all sizes of professional services firms and their respective markets. The investment will allow for continued and accelerated growth across numerous product launches and improvements. Terms of the transaction were not disclosed.

Add-On Acquisition

Clearview Capital-backed AdCellerant acquires Blue Orchid

On March 4, AdCellerant, a portfolio company of Clearview Capital and a leading marketing technology and services company, acquired Blue Orchid, a provider of profit-enhancing services and technology for partners' ad operations processes and execution. The acquisition will provide greater resources and support to enhance service offerings to clients and accelerate continued innovation. Terms of the transaction were not disclosed.

Strategic Acquisition

Descartes Systems Group acquires OCR Services, Inc.

On March 28, Descartes Systems Group, a global leader in uniting logistics-intensive businesses in commerce, acquired OCR Services, Inc., a leading provider of global trade compliance solutions and content. OCR specializes in helping customers streamline and automate processes around denied party screening, license procurement / management, and product classification. Descartes Systems Group anticipates the deal bringing new functionality to its existing global customers. The transaction was for roughly \$90M, satisfied from cash on hand.

Software & Technology M&A Activity

SELECT SOFTWARE & TECHNOLOGY TRANSACTIONS

Announced Date	Target	Buyer	Sector	Type	Implied EV	EV/TTM Revenue
Mar-24	One Network Enterprises, Inc.	Blue Yonder Group Inc.	Supply Chain Technology	Strategic	839	
Mar-24	OCR Services, Inc.	The Descartes Systems Group Inc	Supply Chain Technology	Strategic	90	
Mar-24	The Gearbox Entertainment Company Inc.	Take-Two Interactive Software Inc.	Application Software	Strategic	460	
Mar-24	CWT US LLC	GBT Travel Services UK Limited	Workforce Management	Strategic	570	
Mar-24	DocFox Inc.	nCino Inc.	Application Software	Strategic	75	
Mar-24	Sentenial Ltd.	GoCardless Ltd.	Financial Technology	Strategic	36	
Mar-24	Iress Limited	Bain Capital LP	Application Software	Private Equity	109	
Mar-24	Red Fox I.D. Limited	Quarterhill Inc.	Application Software	Strategic	10	
Mar-24	Credova Holdings, Inc.	PSQ Holdings, Inc.	Financial Technology	Strategic	23	1.5x
Mar-24	TrueContext Corporation	Battery Ventures LP	Workforce Management	Private Equity	108	4.5x
Mar-24	World Kinect Corporation	CAMP Systems International Inc.	Application Software	Strategic	200	
Mar-24	OpSec Security Inc.	Crane NXT, Co.	Cybersecurity	Strategic	270	
Mar-24	TASK Group Holdings Limited	PAR Technology Corporation	Workforce Management	Strategic	175	3.9x
Mar-24	mdf commerce inc.	KKR & Co. Inc.	Workforce Management	Private Equity	189	2.0x
Mar-24	Fortrea Inc.	Arsenal Capital Partners Inc.	Application Software	Private Equity	295	
Mar-24	Stuzo LLC	ParTech Inc.	Application Software	Strategic	189	
Mar-24	NanoString Technologies, Inc.	Patient Square Capital LP	Application Software	Private Equity	220	
Mar-24	Electronic Dreams S.L.	Loomis Digital Solution AB	Financial Technology	Strategic	4	
Mar-24	Elpis2 Inc.	Itron Inc.	Application Software	Strategic	35	
Mar-24	Blockchain Fintech, Unipessoal LDA	Cryptoblox Technologies Inc.	Financial Technology	Strategic	10	
Mar-24	TDO Software Inc.	Valsoft Corporation Inc.	Application Software	Strategic	15	
Feb-24	HUMBL Inc.	AVRIO Worldwide PBC	Application Software	Strategic	5	
Feb-24	Till Payments Global Pty Ltd	Nuvei Corporation	Financial Technology	Strategic	37	
Feb-24	LogIT Corporation	Terilogy Holdings Corporation	Application Software	Strategic	4	
Feb-24	H1 Insights Inc.	Definitive Healthcare Corp.	Application Software	Strategic	14	
Feb-24	Valispace GmbH	Altium Limited	Application Software	Strategic	16	
Feb-24	Cascade Bio Inc.	Veradigm LLC	Application Software	Strategic	140	
Feb-24	Twill Inc.	DarioHealth Corp.	Workforce Management	Strategic	34	1.9x
Feb-24	cPacket Networks Inc.	Morgan Stanley Expansion Capital / Trinity Capital Inc.	Workforce Management	Private Equity	67	
Feb-24	Ansarada Group Limited	Datasite Global Corporation	Workforce Management	Private Equity	135	4.0x
Feb-24	powercloud GmbH	Hansen Technologies Limited	Workforce Management	Strategic	32	
Feb-24	HyperConstruct, Inc.	Infinite Reality LLC	Application Software	Strategic	75	
Feb-24	Solana Labs, Inc.	DeFi Technologies Inc.	Application Software	Strategic	4	
Feb-24	ZeroFox Holdings Inc.	Haveli Investments, L.P.	Cybersecurity	Private Equity	350	1.6x
Jan-24	Vision Box Solues De Viso Por Computador [Keensight Capital]	Amadeus IT Group SA	Cybersecurity	Strategic	347	4.5x
Jan-24	Damstra Technology Pty Ltd	Ideagen Plc	Workforce Management	Private Equity	54	2.7x
Jan-24	Science 37 Holdings, Inc.	eMed, LLC	BI / Data Analytics	Strategic	35	
Jan-24	Intrahealth Systems Limited	Healwell AI Inc.	Workforce Management	Strategic	18	
Jan-24	MediaValet Inc.	Symphony Technology Group LLC	Workforce Management	Private Equity	57	4.9x
Jan-24	Visit Group International AB	PSG Equity LLC	Workforce Management	Private Equity	109	
Jan-24	Habu Inc.	LiveRamp Holdings Inc.	Application Software	Strategic	200	
Jan-24	Sayari Labs, Inc.	TPG Growth LLC	Supply Chain Technology	Private Equity	228	
Jan-24	Above Property, LLC	IBS Software Services	Workforce Management	Strategic	90	
Jan-24	Pagero Group AB	Thomson Reuters Corporation	Workforce Management	Strategic	818	11.4x
Jan-24	Mosaic Group Holdings LLC	Bending Spoons S.p.A.	Application Software	Strategic	160	
Jan-24	C2I Genomics Inc.	Veracyte, Inc.	BI / Data Analytics	Strategic	70	
Median					\$83	3.9x
Mean					\$153	3.9x

What is a Strategic Assessment and Why is it Important?

A Strategic Assessment is a comprehensive report that examines a business holistically with specific consideration given to the financial results, operations, and organizational structure. We advise our clients consider before a planned liquidity event to ensure your company is ready for a transaction. This process includes:

Determining your company's current value

Identifying factors that enhance or erode value and related risk considerations

Developing strategies to bridge gaps in value and market position

7 Reasons Why a Strategic Assessment is Essential for Maximizing Business Value In Preparation of a Liquidity Event

- 1 Prepares your company for the scrutiny of capital investors
- 2 Helps ownership and management identify the value attributes and constraints of the business
- 3 Provides ownership with an understanding of perceived value considerations in the eyes of investors
- 4 Affords your company an opportunity to address shortfalls and enhance the value in advance of a capital transaction
- 5 Helps align corporate strategy with organizational, tax, and wealth transfer planning
- 6 Helps shareholders/management understand how various business strategies can impact future value
- 7 Resolves potential deal obstacles to ensure a smooth diligence process and higher likelihood of deal success

As an investment in your company, PMCF will complete a complimentary Strategic Assessment.

For additional information, please visit pmcf.com

SIGNIFICANT INDUSTRY EXPERTISE AND RESOURCES

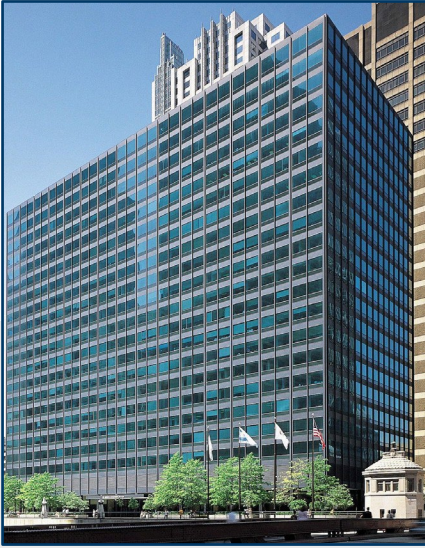
Founded in 1995, PMCF has spent 25+ years successfully advising clients in the middle market. From M&A advisory or capital raising to strategic assessment and transaction planning, we execute transactions to achieve life-changing outcomes for our clients. We leverage our significant deal experience, industry relationships, and a deep understanding of sectors we serve to support our clients' organic and inorganic growth initiatives.

PMCF takes a strategic approach to transaction planning, ensuring the positioning and messaging conveys the unique differentiators of your company. Our affiliation with Plante Moran provides us access to transaction tax experts to provide insight into structure planning considerations.

- Developing strategies to effectively deploy capital and resources to maximize ROI on your high-priority growth initiatives
- Aligning your process capabilities with key macro trends driving industry growth
- Evaluating KPI trends and results and understanding how they are used in daily management
- Reviewing the organizational chart and the internal plan for turnover and/or succession of key management team members
- Pursuing customer diversification at attractive, appropriate margins
- Understanding margin trends and concentrations of margin within product groups or customers
- Assessing your company's differentiation and position in the marketplace
- Leveraging our extensive global relationships to help penetrate new customers and/or markets

About PMCF

OUR LOCATIONS



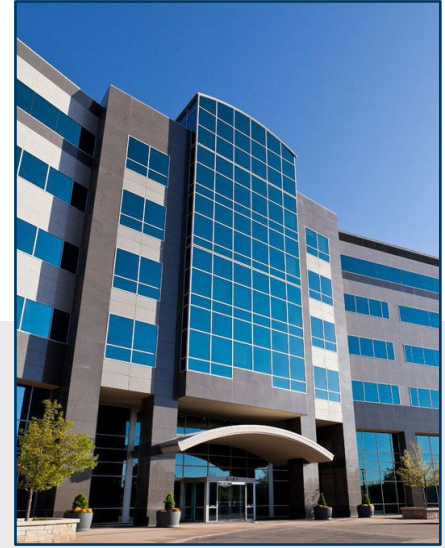
CHICAGO

120 S. Riverside
Suite 2100
Chicago, IL 60606
Phone: 312.602.3600



DETROIT

3000 Town Center
Suite 100
Southfield, MI 48075
Phone: 248.223.3300



DENVER

8181 E. Tufts Avenue
Suite 600
Denver, CO 80237
Phone: 720.370.8181

OUR FIRM

PMCF's M&A advisory and investment banking services are designed to provide company shareholders with a trusted advisor to oversee all transaction related aspects of a company sale or strategic acquisition. Our service levels, industry expertise in human capital management (HCM) & staffing, and approach to managing transactions goes well beyond a typical investment banker.

- Differentiated approach via senior banker leadership and direct involvement through every step of the transaction providing a consistent and highly experienced point of contact
- One of the largest, most active investment banking boutiques with a focus on specialty niche businesses
- Proven positioning and marketing processes to obtain premium valuations in company sales
- Tailored sale process provides for extensive upfront preparation, detailed company review and identification of any potential issues in advance, and buyer evaluation/diligence ensuring the right fit
- Unique sale planning approach that helps shareholders best prepare for a future sale whether its six months or several years
- Long-term and client first approach allows PMCF to provide unbiased feedback

PMCF | INVESTMENT BANKING



Two-time winner, Boutique Investment Banking Firm of the Year by M&A Advisor

Awarded, Cross Border Corporate and Strategic Acquisition of the Year by M&A Advisor

Awarded, Cross Border M&A Deal of the Year by M&A Advisor

Awarded, Deal of the Year by ACG Detroit

120 S Riverside Plaza
Suite 2100
Chicago, IL 60606

This market overview is not an offer to sell or a solicitation of an offer to buy any security. It is not intended to be directed to investors as a basis for making an investment decision. This market overview does not rate or recommend securities of individual companies, nor does it contain sufficient information upon which to make an investment decision.

PMCF will seek to provide investment banking and / or other services to one or more of the companies mentioned in this market overview. PMCF and / or the analysts who prepared this market update, may own securities of one or more of the companies mentioned in this market overview.

The information provided in this market overview was obtained from sources believed to be reliable, but its accuracy cannot be guaranteed. It is not to be construed as legal, accounting, financial, or investment advice. Information, opinions, and estimates reflect PMCF's judgment as of the date of publication and are subject to change without notice. PMCF undertakes no obligation to notify any recipient of this market overview of any such change.

The charts and graphs used in this market overview have been compiled by PMCF solely for illustrative purposes. All charts are as of the date of issuance of this market overview, unless otherwise noted.

The PMCF Software & Technology Index may not be inclusive of all companies in the Software & Technology industry and is not a composite index of the Software & Technology industry sector returns. Index and sector returns are past performance, which is not an indicator of future results.

This market overview is not directed to, or intended for distribution to, any person in any jurisdiction where such distribution would be contrary to law or regulation, or which would subject PMCF to licensing or registration requirements in such jurisdiction.

PMCF is a trade name for PMCF Advisors, LLC and P&M Corporate Finance, LLC, a FINRA-registered broker-dealer and SIPC member firm. The term "PMCF" refers to one or more of these legally separate and independent advisory practices. P&M Corporate Finance, LLC provides capital-raising and private placement services that require registration as a broker-dealer. PMCF Advisors, LLC provides M&A-related services that do not require registration in reliance upon the SEC M&A Brokers No-action Letter (2014) and comparable state-level exemptive relief. Please see pmcf.com to learn more.