

# SOFTWARE & TECHNOLOGY M&A PULSE

SECOND QUARTER 2024



## OUR INSIGHTS

Transaction volume and total value both dropped noticeably in Q2 2024 compared to the previous quarter for the software & technology sector. Continued economic and political uncertainty kept many investors on the sidelines as they opportunistically sought deals.

A stricter borrowing environment pressured the amount of debt private equity firms could obtain while also impacting potential returns. Additionally, some of the key publicly-traded acquirers in the space appear to be showing less interest in M&A based on an analysis of earnings call transcripts. Despite these factors, quality deals are still being pursued, particularly from aggressive investors capitalizing on reduced competition from larger strategic buyers.

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## 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
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## 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

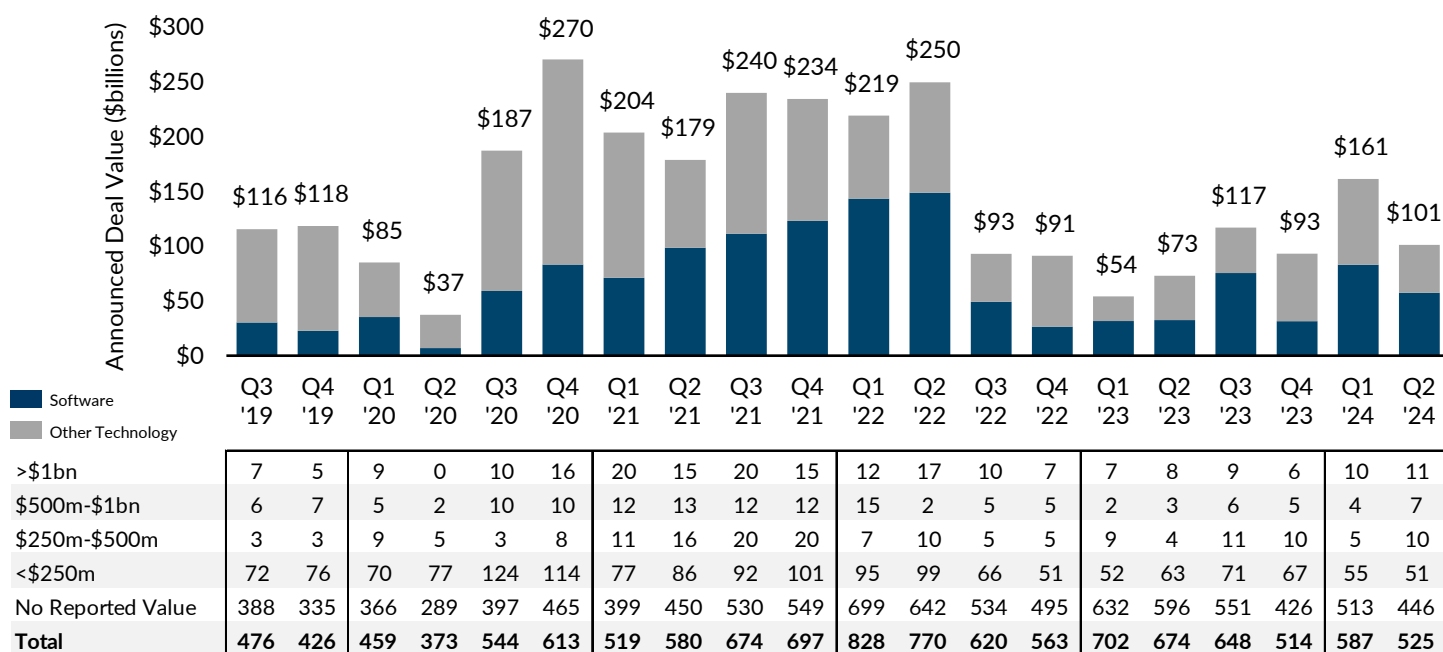
**AEA**

**SoundCom**  
 SYSTEMS

has been acquired by

**AMETEK**

# Q2 2024 Market Summary & Outlook



## M&A MARKET DYNAMICS – SOFTWARE & TECHNOLOGY

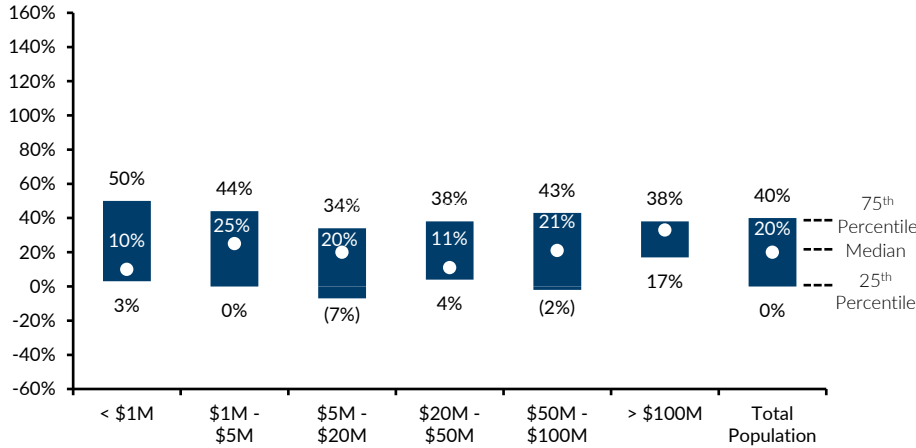
- After an uptick in Q1 2024 in both total software deal volume and deal value, Q2 2024 saw a decline in both software deal volume and deal value. The slowdown in the software segment correlated with the broader technology sector, as the broader technology sector's total deal value dropped 37% relative to the prior quarter, with \$101B in transaction value.
- The software segment declined 11% in deal volume and 31% in deal value compared to Q1 2024. Compared to Q2 2023, transaction volume was down 22% while total deal value was up 38%, indicating that the fewer deals being completed were larger in size. When looking at the broader technology sector, three of the last four quarters exceeded \$100B in total transaction value after not eclipsing that mark in the previous four quarters.
- In addition to a higher interest rate environment slowing down deal activity from private equity investors, some of the largest strategic buyers are showing limited interest in dealmaking. According to an analysis of quarterly earnings call transcripts from US-listed tech providers, the number of mentions of “acquisition” or “M&A” has dropped by roughly one-third compared to pre-pandemic levels. Furthermore, in 2024, NASDAQ and NYSE traded companies are on pace to announce the fewest number of transactions in at least 20 years.

Featured Sectors - Deal Count	2019	2020	2021	2022	2023	Q1 '24	Q2 '24	Q1 '24 - Q2 '24 Change
Workforce Management	252	264	341	469	346	86	78	-9%
Supply Chain Technology	67	73	92	107	109	25	24	-4%
Financial Technology	88	110	118	145	127	24	32	33%
Other Software	1,428	1,542	1,919	2,060	1,956	452	391	-13%
<b>Total</b>	<b>1,835</b>	<b>1,989</b>	<b>2,470</b>	<b>2,781</b>	<b>2,538</b>	<b>587</b>	<b>525</b>	<b>-11%</b>
Strategic	1,200	1,301	1,544	1,914	1,843	416	368	-12%
Financial Buyer - Add-on	410	474	666	624	458	115	96	-17%
Financial Buyer - Platform	225	214	260	243	237	56	61	9%

# 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<sup>(1)</sup>

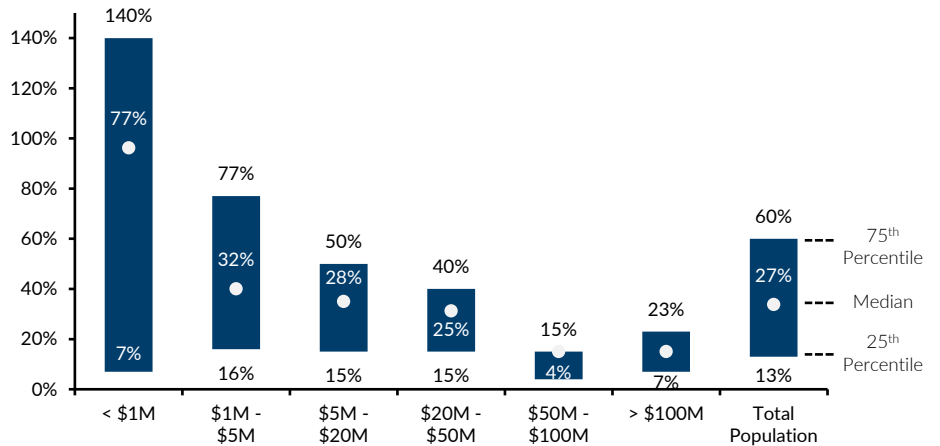


Rule of 40 = YoY Growth Rate (%) + Free Cash Flow (%)

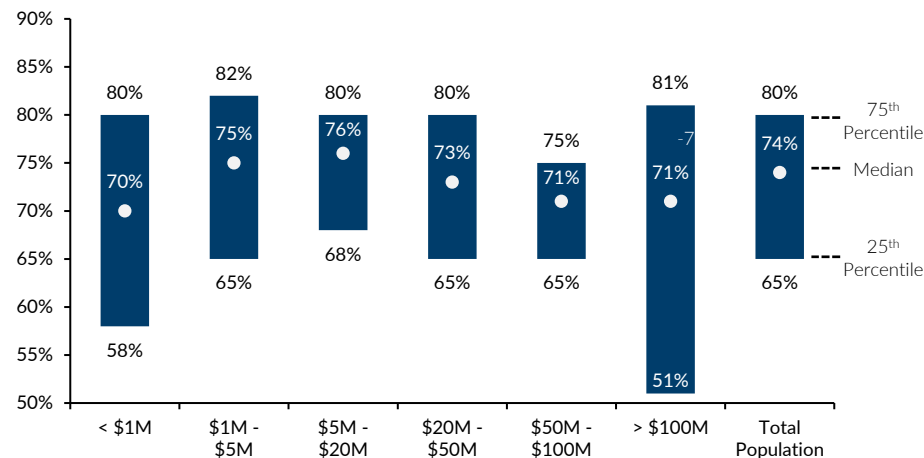
Benchmarks for Rule of 40, which measures the efficiency of spending and return on that spending, decreased across the majority of cohorts in 2023. The decline was driven by both a fall in growth rates and EBITDA margin across the total population of participants. As companies scale beyond \$50M in revenue, 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<sup>(1)</sup>

Growth rates slowed across most company sizes in 2023, though the sub-\$1M revenue cohort saw a noticeable positive 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<sup>(1)</sup>



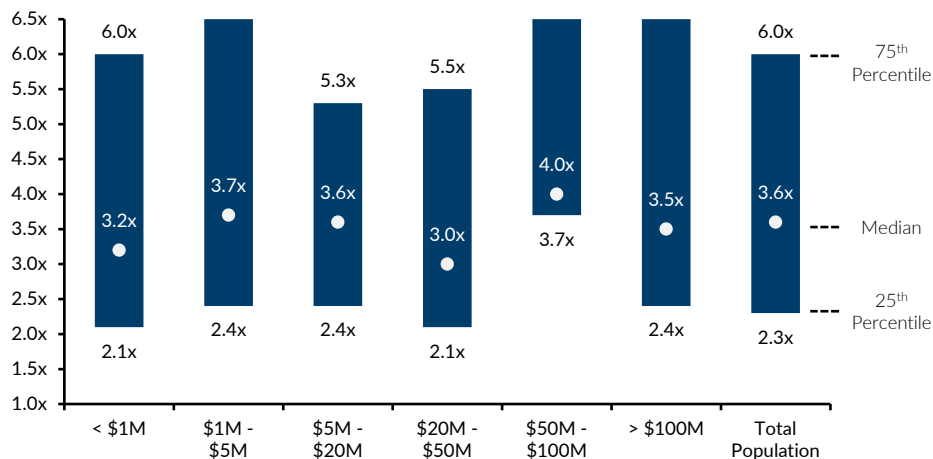
Total Gross Margin is an indicator of the cash generation potential of a SaaS business model. It represents a combination of Subscription Gross Margin and Services Gross Margin, both of which should be captured and highlighted to investors as a best practice. At 74%, median Total Gross Margin increased 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.

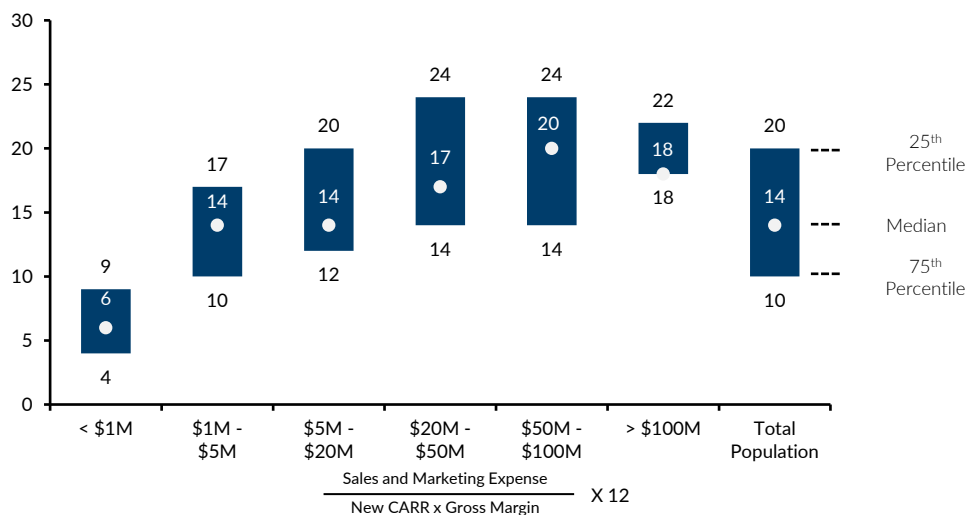
CLTV: CAC Ratio – By Revenue <sup>(1)</sup>



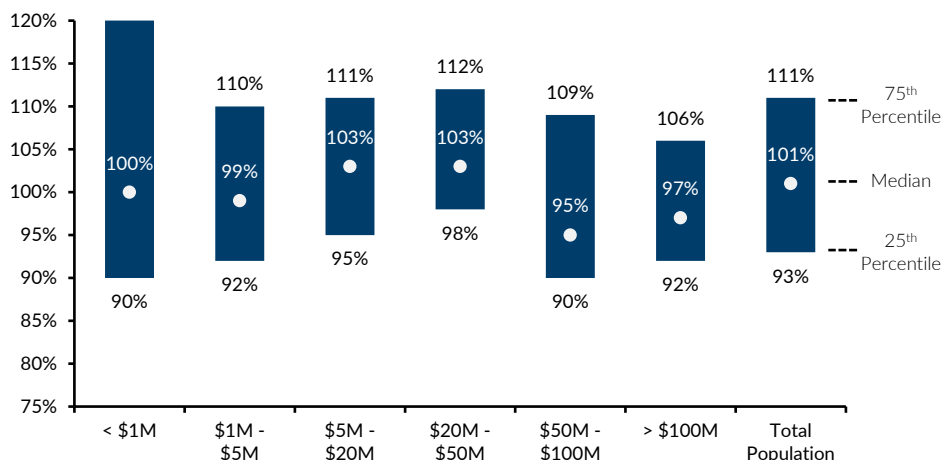
The median benchmark for CLTV:CAC ratio across the total population in 2023 matched that of 2022, coming in at 3.6x. Neither company size nor Annual Contract Value are highly correlated to the CLTV:CAC Ratio. A key to this metric is that at least one to two agreement renewal cycles should be completed 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) <sup>(1)</sup>

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 <sup>(1)</sup>

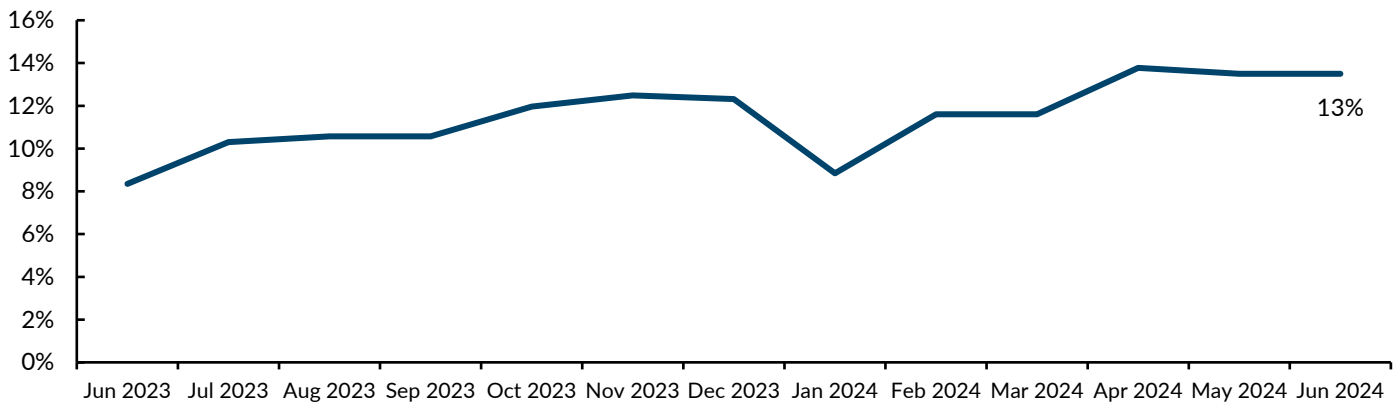


Net Dollar Retention (NDR) measures how much ARR is represented in a cohort of customers at the end of the current accounting period (where their agreement is available to renew) versus the same cohort of customer ARR from a previous period. NDR is not dramatically correlated to company size, as it is 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 remained steady throughout Q2 2024, finishing at 13%, which is a figure in-line with the 12-month average.

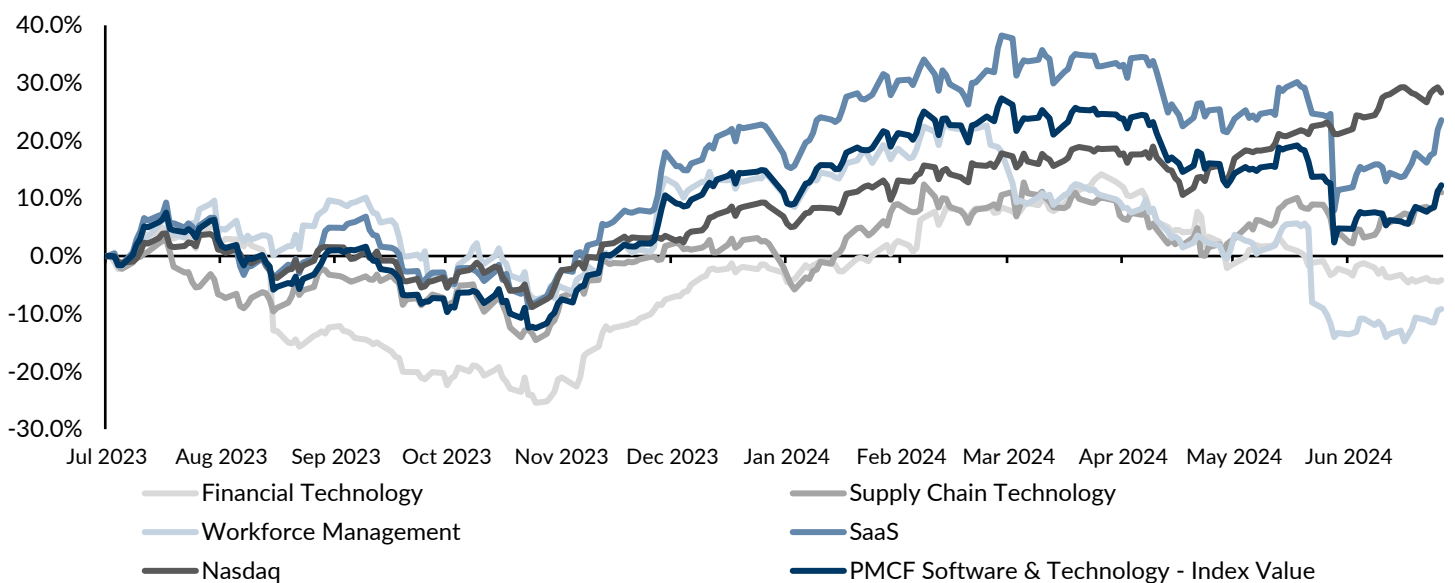
Public SaaS Median Annual Run-Rate (ARR) Multiple



Source: SaaS Capital index of B2B publicly traded SaaS companies

Public SaaS valuations ticked downward throughout Q2 2024 and finished at 5.7x, which represents a full turn lower than Q1 2024's mark of 6.8x. This represents the lowest figure in at least the last five years.

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. <sup>(1)</sup>	Enterprise Value <sup>(1)</sup>	TTM Revenue	TTM Gross Margin	TTM EBITDA Margin	Net Debt/ EBITDA	EV/ EBITDA <sup>(2)</sup>	EV/Revenue		
									NTM Q2 '24	TTM Q2 '24	TTM Q2 '23
<b>Financial Technology</b>											
Fiserv, Inc.	United States	\$ 87,204	\$ 111,311	\$ 19,780	61.0%	42.9%	2.9x	13.1x	5.7x	5.6x	5.4x
Global Payments Inc.	United States	24,683	41,530	9,898	62.8%	42.9%	3.8x	9.8x	4.4x	4.2x	4.6x
Adyen N.V.	Netherlands	37,031	28,369	1,940	62.4%	45.9%	(10.3x)	31.9x	12.6x	14.6x	29.3x
BILL Holdings, Inc.	United States	5,585	5,007	1,290	85.3%	(4.1%)	11.3x	(94.9x)	3.6x	3.9x	11.0x
Shift4 Payments, Inc.	United States	4,673	6,148	2,915	27.3%	14.2%	3.8x	14.9x	1.6x	2.1x	2.3x
Nuvei Corporation	Canada	4,561	5,698	1,307	81.1%	20.5%	4.0x	21.2x	4.0x	4.4x	5.4x
Paymentus Holdings, Inc.	United States	2,359	2,189	700	29.7%	6.0%	(4.3x)	52.1x	2.8x	3.1x	2.1x
Marqeta, Inc.	United States	2,839	1,649	471	67.8%	(12.3%)	19.9x	(28.6x)	3.0x	3.5x	1.4x
AvidXchange Holdings, Inc.	United States	2,492	2,191	413	70.4%	4.4%	(17.9x)	121.4x	4.7x	5.3x	5.2x
Repay Holdings Corporation	United States	966	1,295	306	77.0%	22.3%	4.3x	19.0x	4.0x	4.2x	3.7x
<b>Median</b>					<b>65.3%</b>	<b>17.3%</b>	<b>3.8x</b>	<b>16.9x</b>	<b>4.0x</b>	<b>4.2x</b>	<b>4.9x</b>
<b>Supply Chain Technology</b>											
Manhattan Associates, Inc.	United States	\$ 15,188	\$ 15,032	\$ 997	54.1%	24.5%	(0.6x)	61.6x	14.3x	15.1x	14.4x
The Descartes Systems Group Inc.	Canada	8,270	8,037	588	76.0%	40.6%	(1.0x)	33.7x	12.2x	13.7x	13.1x
SPS Commerce, Inc.	United States	6,968	6,690	584	66.1%	20.3%	(2.2x)	56.3x	10.4x	11.5x	13.8x
Kinaxis Inc.	Canada	3,265	3,019	458	60.6%	6.3%	(8.1x)	105.4x	5.9x	6.6x	9.7x
E2open Parent Holdings, Inc.	United States	1,376	2,420	626	65.8%	25.1%	5.8x	15.4x	3.8x	3.9x	4.5x
Tecsys Inc.	Canada	378	354	125	44.3%	3.3%	(5.8x)	85.0x	2.6x	2.8x	2.5x
American Software, Inc.	United States	304	220	103	64.8%	8.5%	(9.6x)	25.3x	2.1x	2.1x	2.2x
<b>Median</b>					<b>64.8%</b>	<b>20.3%</b>	<b>(2.2x)</b>	<b>56.3x</b>	<b>5.9x</b>	<b>6.6x</b>	<b>9.7x</b>
<b>Workforce Management</b>											
Workday, Inc.	United States	\$ 59,308	\$ 55,470	\$ 7,565	75.6%	7.3%	(6.9x)	100.1x	6.4x	7.3x	8.6x
Dayforce Inc.	United States	7,832	8,679	1,632	48.8%	14.8%	3.2x	35.8x	4.9x	5.3x	8.0x
Paylocity Holding Corporation	United States	7,440	7,005	1,403	68.6%	20.5%	(1.2x)	24.4x	4.6x	5.0x	8.6x
Smartsheet Inc.	United States	6,098	5,475	1,001	81.1%	(8.5%)	7.4x	(64.7x)	4.7x	5.5x	5.7x
Paycor HCM, Inc.	United States	2,263	2,187	655	65.9%	8.0%	(1.9x)	41.8x	3.1x	3.3x	7.5x
Asana, Inc.	United States	3,191	2,948	673	90.0%	(37.7%)	1.0x	(11.6x)	4.0x	4.4x	7.9x
Asure Software, Inc.	United States	217	205	115	69.9%	10.1%	(0.8x)	17.5x	1.6x	1.8x	2.4x
<b>Median</b>					<b>69.9%</b>	<b>8.0%</b>	<b>(0.8x)</b>	<b>24.4x</b>	<b>4.6x</b>	<b>5.0x</b>	<b>7.9x</b>
<b>SaaS</b>											
Salesforce, Inc.	United States	\$ 249,130	\$ 244,852	\$ 35,743	76.0%	25.7%	(0.5x)	26.6x	6.3x	6.9x	6.4x
ServiceNow, Inc.	United States	161,568	155,065	9,955	79.1%	16.5%	(4.0x)	94.6x	13.6x	15.6x	13.7x
Datadog, Inc.	United States	43,381	41,557	2,394	81.6%	3.7%	(22.4x)	466.6x	15.2x	17.4x	16.1x
HubSpot, Inc.	United States	30,057	29,313	2,394	84.5%	(2.6%)	15.6x	(470.2x)	11.0x	12.2x	13.2x
Zoom Video Communications, Inc.	United States	18,306	11,000	4,563	76.2%	18.1%	(8.9x)	13.3x	2.4x	2.4x	3.3x
Okta, Inc.	United States	15,748	14,691	2,362	75.1%	(11.6%)	3.9x	(53.6x)	5.7x	6.2x	5.5x
Pure Storage, Inc.	United States	20,883	19,429	2,935	71.7%	8.9%	(5.6x)	74.2x	6.0x	6.6x	3.8x
Twilio Inc.	United States	9,724	7,058	4,239	50.7%	0.9%	(51.4x)	183.9x	1.6x	1.7x	2.2x
Workiva Inc.	United States	4,002	3,955	678	76.6%	(4.4%)	(1.7x)	(132.9x)	5.3x	5.8x	9.2x
Freshworks Inc.	United States	3,792	2,611	653	83.6%	(22.6%)	6.7x	(17.7x)	3.6x	4.0x	7.3x
Five9, Inc.	United States	3,258	3,383	968	52.9%	(2.7%)	(3.9x)	(129.4x)	3.1x	3.5x	7.1x
<b>Median</b>					<b>76.2%</b>	<b>0.9%</b>	<b>(3.9x)</b>	<b>13.3x</b>	<b>5.7x</b>	<b>6.2x</b>	<b>7.1x</b>
<b>Median</b>									<b>4.6x</b>	<b>5.0x</b>	<b>6.4x</b>
<b>Mean</b>									<b>5.7x</b>	<b>6.3x</b>	<b>7.6x</b>

(1) Market capitalizations and total enterprise values as of June 30, 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

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*Key executives are weighing the macro environment and what that means for their customers' decision-making as well as which segments of the market will perform better. Additionally, new avenues for continued AI adoption remains a focal point.*

**May 2024:** "...I think it starts with being in a more normalized cost of capital environment. So, I think when capital has a real cost associated with it and you're more of a normalized, look, I'd like to see interest rates lower than where they are today. But I think getting back to a more normalized cost of capital environment is generally healthy overall because I think it creates for a more rational competitive environment. And I think that's what we've seen play out over the last kind of 18 months or so is competitors being more balanced in their view of wanting to drive revenue growth in the business as well as wanting to drive profitability and their own free cash flow."

**Cameron Bready**, Chief Executive Officer and Director at Global Payments Inc.

**May 2024:** "There will be a significant amount of value creation as a large swath of enterprise workflows are reinvented with AI, and rigid software categories of the past are reshaped. This is where we're focused, and I believe we're uniquely positioned to win. And our experience isn't that we simply automate the work; it's that we can do more, move faster, and raise the bar on quality."

**Dustin Moskovitz**, Co-Founder and Chief Executive Officer at Asana, Inc.

**May 2024:** "...the market as a whole, we have not seen a significant change in the overall macro environment or customers' intentions to buy. While we have great enthusiasm for our opportunities in AI, spending on AI may put pressure on other parts of IT budgets. We believe that the storage market will fare relatively well in this IT economy but have yet to see a major inflection."

**Charles Giancarlo**, Chairman and Chief Executive Officer at Pure Storage, Inc.

**June 2024:** "So the past few quarters, we felt like the macro environment has stayed pretty steady...we haven't noticed a significant change in how that feels. As far as spending priorities...you will see companies looking to reduce cost. And in doing that, that might mean that they have fewer resources to move forward with projects...companies are also being really careful about new vendors. So any time it's a new logo for us, there's a fairly significant procurement process that we're going through."

**Jill Klindt**, Executive Vice President and Chief Financial Officer at Workiva Inc.



# Software & Technology M&A Activity

## Add-On Acquisition

Peak Rock Capital-backed Amtech acquires Label Traxx

On April 12, Amtech, a portfolio company of Peak Rock Capital and leading industrial software solutions provider to the packaging industry, acquired Label Traxx, a business management software provider for the label printing and flexible packaging markets. Label Traxx offers a full suite of capabilities including ERP, MES, MIS, CRM, and others that are complementary to Amtech. The combination will create end-to-end software solutions for the packing industry. Terms of the transaction were not disclosed.

## Platform Acquisition

Marlin Equity Partners acquires Baxter Planning

On May 21, Marlin Equity Partners, a global investment firm, acquired Baxter Planning, a leading provider of predictive service supply chain solutions. Baxter Planning's BaxterPredict SaaS platform combines service parts planning, parts order execution, and escalation management into a single offering, granting customers greater control and visibility across their entire service parts lifecycle. Terms of the transaction were not disclosed.

## Strategic Acquisition

Precision for Medicine acquires Algorics

On May 29, Precision for Medicine, a global leader in biomarker-driven clinical research and development supporting life sciences companies, acquired Algorics, a specialized data sciences partner to the life sciences industry. Algorics focuses on data management, biostatistics, statistical programming, and data standardization to a global portfolio of biopharmaceutical and CRO clients. The acquisition enhances Precision for Medicine's ability to monitor and advise on the performance of clinical trials. Terms of the transaction were not disclosed.

## Strategic Acquisition

EV3 Global acquires Countable

On June 6, EV3 Global, a technology innovator in employment intelligence and AI, acquired Countable, a leading platform for digital community engagement. Countable provides brands with tools designed to simplify content creation and community-building, thus driving online engagement. The acquisition expands EV3 Global's capabilities by adding experts to its team to further provide solutions for the employee turnover problem. Terms of the transaction were not disclosed.

# Software & Technology M&A Activity

## SELECT SOFTWARE & TECHNOLOGY TRANSACTIONS

Announced Date	Target	Buyer	Sector	Type	Implied EV	EV/TTM Revenue
Jun-24	VectorVMS1 LLC	PIXID SAS	Workforce Management	Private Equity	50	4.4x
Jun-24	Pridok AS	CompuGroup Medical Norway AS	Workforce Management	Strategic	38	8.3x
Jun-24	Tock LLC	American Express Company	Application Software	Strategic	400	
Jun-24	GPS Capital Markets, LLC	Corpay, Inc.	Financial Technology	Strategic	725	
Jun-24	Jun Group Productions, LLC	Verve Group SE	Application Software	Strategic	185	2.4x
Jun-24	Pro-ficiency Holdings, Inc.	Simulations Plus Inc.	Application Software	Strategic	100	6.7x
Jun-24	Circa Labs Inc.	Stake Network Inc.	Financial Technology	Strategic	10	
Jun-24	Copperleaf Technologies Inc.	Industrial and Financial Systems IFS AB	BI / Data Analytics	Private Equity	564	8.8x
Jun-24	VeroSource Solutions Inc.	Healwell AI Inc.	Application Software	Strategic	14	
Jun-24	BoxTop Technologies Limited	The Descartes Systems Group Inc	Supply Chain Technology	Strategic	13	
Jun-24	PAR Government Systems Corporation	Booz Allen Hamilton Holding Corporation	Application Software	Strategic	95	
Jun-24	Hearsay Systems, Inc	Yext, Inc.	Workforce Management	Strategic	125	
Jun-24	Canvas Solutions Inc.	Nemetschek SE	Workforce Management	Strategic	771	11.5x
Jun-24	entroCIM, LLC	Wesco International Inc.	Application Software	Strategic	30	
Jun-24	Sopra Banking Software SA	Axway Software SA	Financial Technology	Strategic	358	0.9x
Jun-24	iCG Pay, LLC	CSG Systems International Inc.	Financial Technology	Strategic	17	1.8x
May-24	SwipeClock LLC	IRIS Software Group Limited	Workforce Management	Private Equity	190	5.4x
May-24	Exabeam Inc.	LogRhythm Inc.	Cybersecurity	Private Equity	500	3.3x
May-24	IBM (QRadar SaaS assets)	Palo Alto Networks Inc.	Cybersecurity	Strategic	500	5.0x
May-24	CloudMD Software & Services Inc.	CPS Capital	Application Software	Private Equity	23	0.3x
May-24	IQGeo Group plc	KKR & Co. Inc.	Application Software	Private Equity	405	7.2x
May-24	Revel Systems, Inc.	Shift4 Payments Inc.	Financial Technology	Strategic	250	
May-24	Traverse Systems LLC	SPS Commerce Inc.	Supply Chain Technology	Strategic	29	
May-24	GT Gettaxi (UK) Limited	Pango Pay and Go Ltd.	Application Software	Strategic	175	
May-24	Paymerang, LLC	Corpay, Inc.	Workforce Management	Strategic	475	
May-24	Celaton Limited	AdvancedAdvT Limited	Workforce Management	Strategic	6	
May-24	Noname Gate, Inc.	Akamai Technologies, Inc.	Cybersecurity	Strategic	450	
May-24	Rubicon Technologies Inc. (fleet technology business)	Rodina Capital	Supply Chain Technology	Private Equity	82	
May-24	DocuSmart, Inc.	DocuSign Inc.	Workforce Management	Strategic	165	
May-24	Clixifix Limited	SmartCraft ASA	Workforce Management	Strategic	13	4.1x
May-24	Device42 Inc.	Freshworks Inc.	Workforce Management	Strategic	230	
May-24	NewBook Pty Ltd.	Storable, Inc.	Application Software	Private Equity	162	
Apr-24	Togai Inc.	Zuora Inc.	Workforce Management	Strategic	26	
Apr-24	AICPG LLC	A1 Group, Inc.	Application Software	Strategic	6	
Apr-24	Aerospace Software Developments Limited	The Descartes Systems Group Inc	Supply Chain Technology	Strategic	61	
Apr-24	Silk Security, Inc.	Armis Inc.	Cybersecurity	Strategic	150	30.0x
Apr-24	NanoString Technologies, Inc.	Bruker Corporation	Application Software	Strategic	393	2.4x
Apr-24	STKS Inc.	Infinite Reality LLC	Application Software	Strategic	8	
Apr-24	Appranix Inc.	CommVault Systems Inc.	Cybersecurity	Strategic	26	
Apr-24	Gresham Technologies plc	Symphony Technology Group LLC	Financial Technology	Private Equity	170	2.8x
Apr-24	Institutional Cash Distributors LLC	Tradeweb Markets Inc.	Financial Technology	Strategic	785	
Apr-24	illion Australia Pty Ltd	Experian plc	BI / Data Analytics	Strategic	532	
Apr-24	Surdex Corporation	Bowman Consulting Group Ltd.	Application Software	Strategic	44	
Apr-24	Wilshire Advisors, LLC (risk and performance analytics assets)	Clearwater Analytics Holdings, Inc.	BI / Data Analytics	Strategic	40	
Apr-24	WSC, Inc.	Curtiss-Wright Corporation	Application Software	Strategic	34	2.3x
Apr-24	AdTheorent Holding Company Inc.	Cadent LLC	Application Software	Private Equity	228	1.3x
<b>Median</b>					<b>\$138</b>	<b>4.1x</b>
<b>Mean</b>					<b>\$210</b>	<b>5.7x</b>

Source: 451 Research, company websites and PMCF proprietary research

# 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](http://pmcf.com)*

## SIGNIFICANT INDUSTRY EXPERTISE AND RESOURCES

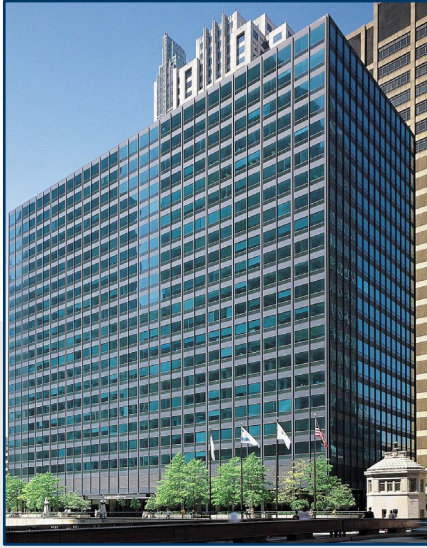
Founded in 1995, PMCF has spent 25+ years successfully advising clients in the middle market. From M&A advisory or capital raising to strategic assessment and transaction planning, we execute transactions to achieve life-changing outcomes for our clients. We leverage our significant deal experience, 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



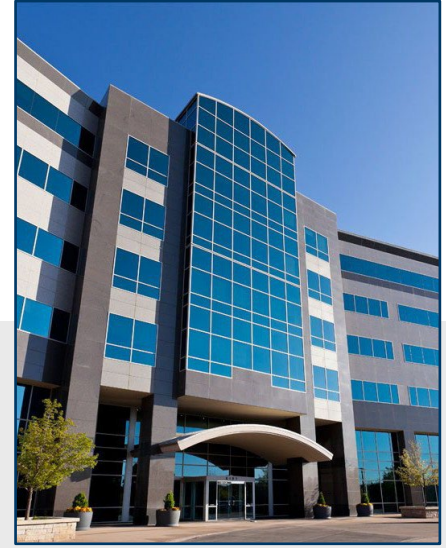
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Suite 2100  
Chicago, IL 60606  
Phone: 312.602.3600



### 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



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*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*

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