

SOFTWARE & TECHNOLOGY M&A PULSE

SECOND QUARTER 2023



Q2'23

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PMCF Technology Coverage Team

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.

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ADAMS PRICE

Managing Director
303.846.1342
Adams.Price@pmcf.com



MATT RUPPRECHT

Director
248.603.5210
Matt.Rupprecht@pmcf.com



JAYSON GITT

Vice President
303.796.4349
Jayson.Gitt@pmcf.com



COREY SCHREIBER

Associate
303.846.3378
Corey.Schreiber@pmcf.com



NOLAN GUTENSCHWAGER

Analyst
248.603.5068
Nolan.Gutenschwager@pmcf.com

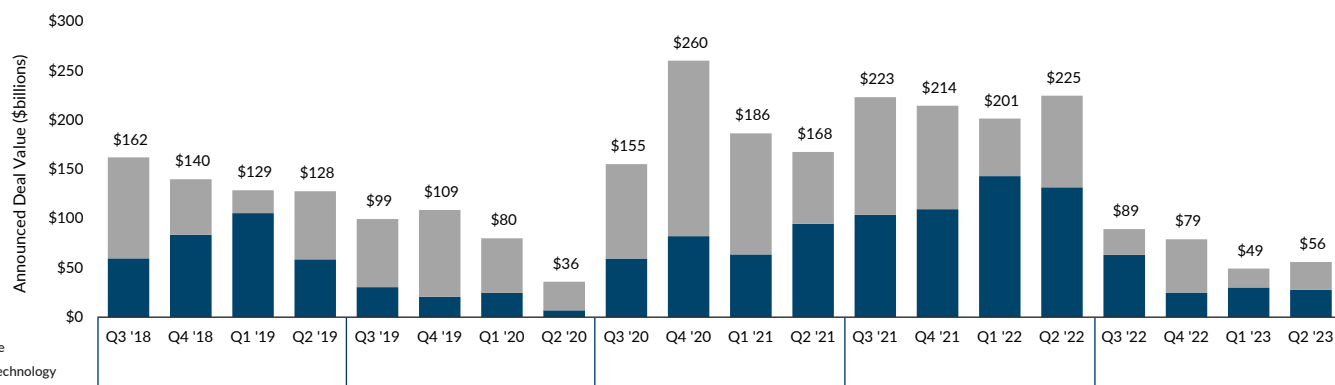
PMCF's Software & Technology Practice

PMCF has the M&A advisory expertise needed to serve middle-market software, technology, and SaaS businesses. Led by an investment banker with 15 years of hands-on operational experience running tech companies and an additional 20 years of M&A advisory, our Software & Technology team engrains this unique perspective and know-how throughout each stage of the transaction process. PMCF's client-centric approach to M&A advisory, paired with an in-depth understanding of the sector dynamics through extensive market research, allows us to best position our clients' transactions and maximize outcomes.

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

Q2 2023 Market Summary & Outlook

GLOBAL SOFTWARE & TECHNOLOGY M&A VOLUME



SOFTWARE TRANSACTION COUNT BY DEAL SIZE

Deal Size	Q3 '18	Q4 '18	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23
> \$1bn	13	15	12	4	7	5	8	0	10	16	20	17	19	15	13	17	11	7	7	7
\$500m-\$1bn	12	7	10	8	5	5	5	2	10	8	9	13	11	12	14	1	5	5	2	2
\$250m-\$500m	9	9	10	9	3	3	8	5	3	9	9	14	17	19	7	8	4	3	6	4
<\$250m	93	104	83	80	67	73	64	68	123	104	73	84	87	99	94	95	60	44	47	54
No Reported Value	274	287	360	345	390	326	367	296	389	466	387	433	520	536	658	607	499	471	571	562
Total	401	422	475	446	472	412	452	371	535	603	498	561	654	681	786	728	579	530	633	629

Source: 451 Research

M&A MARKET DYNAMICS - SOFTWARE & TECHNOLOGY

- Despite the broader technology sector showing an uptick in both deal value and deal volume in the second quarter of 2023 compared to the previous quarter, software specifically saw a modest decrease in value while volume remained largely flat, with 629 transactions in the quarter combining for \$27.7B in value.
- Compared to Q1 2023, Q2 2023 software deal volume was down 0.6% while total value was down 7.8%. This represents a continued reduction in average deal size, a product of fewer large deals combined with lighter valuations.
- The M&A landscape continues to evolve in 2023, with strategic deals increasing in overall transaction volume share relative to private equity platform and add-on investments. Through the first half of 2023, the number of financial sponsor-to-sponsor deals is on pace for its lowest annual total since 2016. The shift in transaction mix could be attributable to higher credit costs leading private equity firms into decreased deal activity coupled with top tier investors delaying going to market as sponsors wait for higher valuations to boost returns.

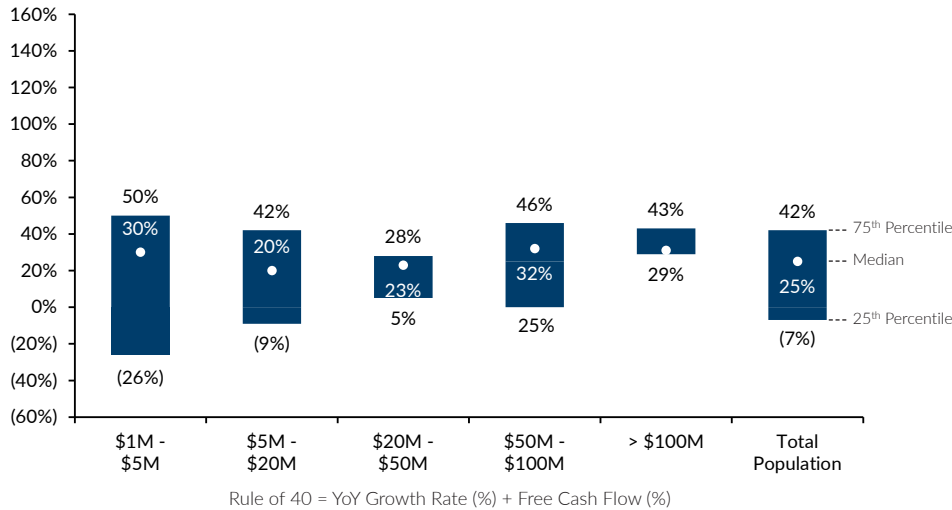
Featured Sectors - Deal Count	2019	2020	2021	2022	Q1'23	Q2'23	Q1'23 - Q2'23 Change
Workforce Management	250	264	334	444	86	82	-5%
Supply Chain Technology	55	64	80	95	32	22	-31%
Financial Technology	81	109	113	141	23	34	48%
Other Software	1,419	1,524	1,867	1,943	492	491	0%
Total	1,805	1,961	2,394	2,623	633	629	-1%
Strategic	1,182	1,285	1,513	1,823	449	463	3%
Financial Buyer - Add-on	399	463	638	579	124	115	-7%
Financial Buyer - Platform	224	213	243	221	60	51	-15%

Source: 451 Research

2023 B2B SaaS Benchmarks

During the Spring of 2023, Benchmarkit (formerly RevOps Squared) partnered with various leading B2B SaaS vendors, venture capital firms, CFO outsourcing companies, and advisory services firms to collect data from 1,880 private B2B SaaS companies. This data illustrates how different cohorts of SaaS companies perform compared to their peers.

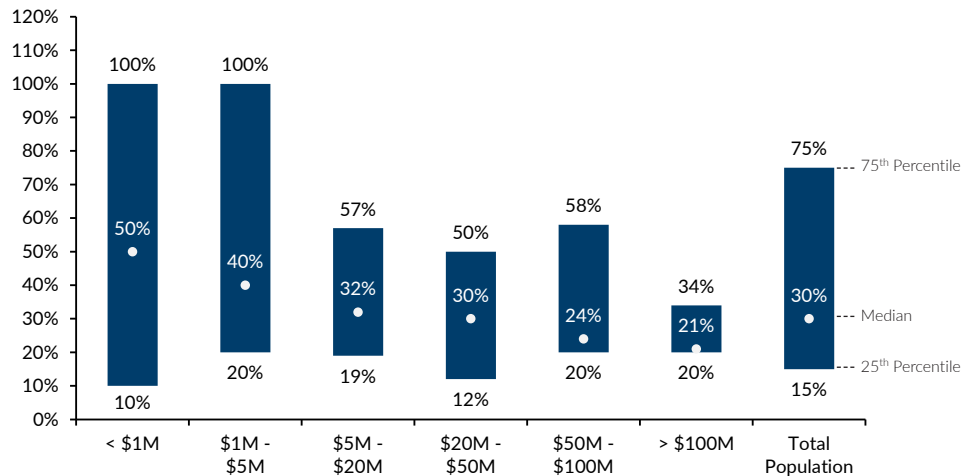
RULE OF 40 – BY REVENUE⁽¹⁾



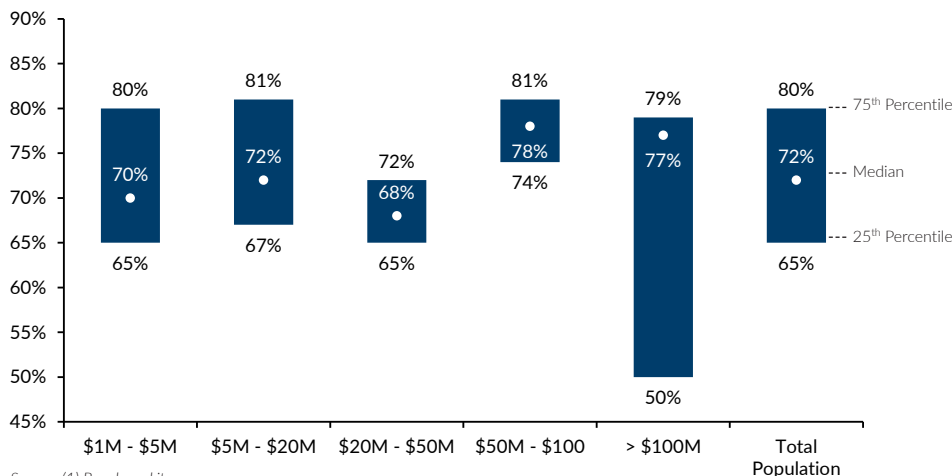
Benchmarks for Rule of 40, which measures the efficiency of spending and return on that spending, decreased across the majority of cohorts in 2022. The decline was driven by a fall in growth rates compared to 2021 coupled with decreased EBITDA across the total population of participants. Rule of 40 is artificially inflated by the growth rates of companies in the < \$5M ARR range. It is not, however, a priority metric for companies in that cohort. Rule of 40 faces pressure in the "scale" stage of growth, which is reflected by the lower results in the \$5M - \$50M ARR cohorts.

COMPANY GROWTH RATE – BY REVENUE⁽¹⁾

Growth rates decreased across all company sizes in 2022, falling from the hyper-growth levels in 2021 back to the reduced levels of growth experienced in 2020. 2022 saw a median growth rate of 30%, pressured by the pullback in SaaS spending that has continued into the first half of this year. Notably, growth rates returned as the top metric impacting enterprise value in Q2 2023 after losing the spot to Rule of 40 in Q4 2022. In a cautious capital environment, it is critical to optimize CAC efficiency metrics in combination with increasing focus on expansion ARR as a percentage of total growth ARR.



TOTAL GROSS MARGIN – BY REVENUE⁽¹⁾

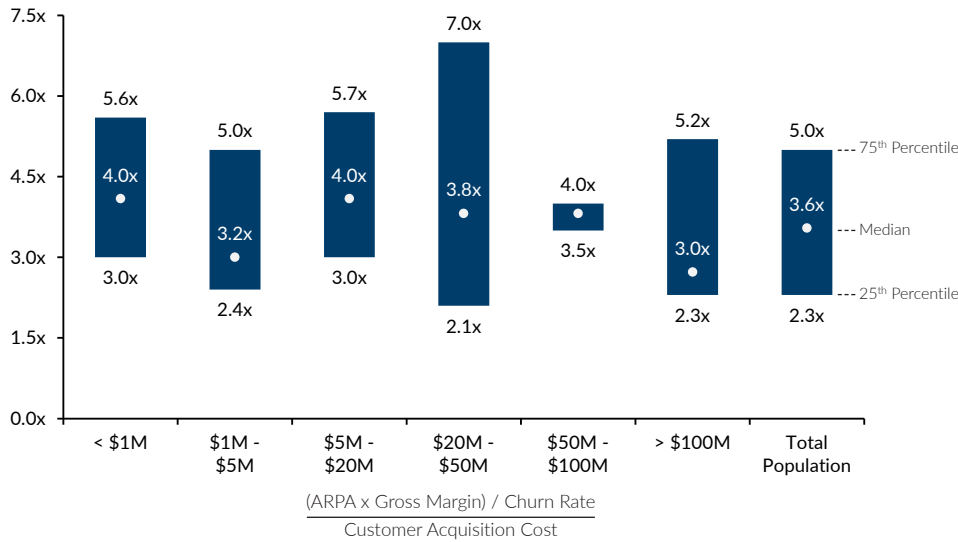


Total Gross Margin is an indicator of the cash generation potential of a SaaS business model. It represents a combination of Subscription Gross Margin and Services Gross Margin, both of which should be captured and highlighted to investors as a best practice. At 72%, Total Gross Margin was almost 10% lower than Subscription Gross Margin, demonstrating the downward pressure the services segment faces. Whereas the Subscription Margin is traditionally stable, the Services margin can vary and is often delivered at lower levels during the onboarding stage for new customers in an effort to increase the available budget for ARR.

Source: (1) Benchmarkit

2023 B2B SaaS Benchmarks Cont.

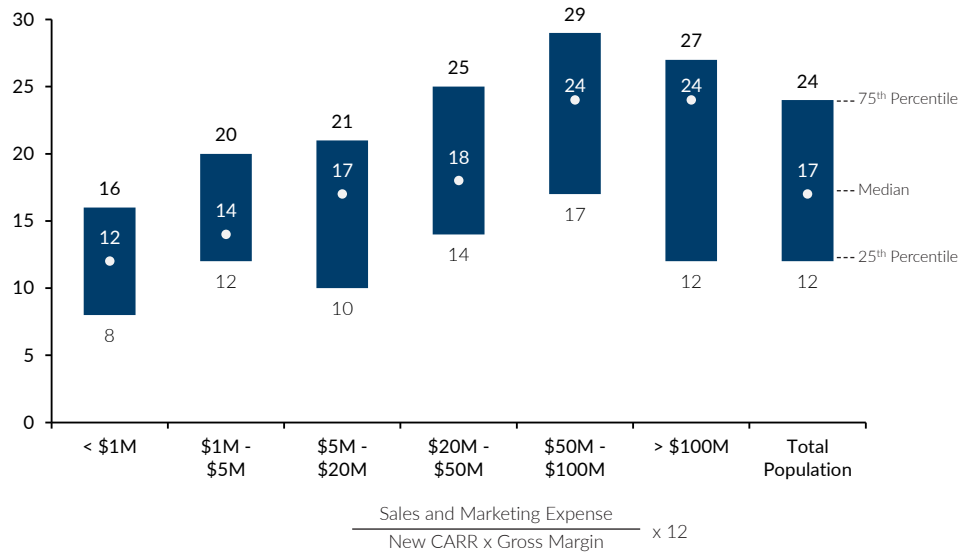
CLTV: CAC RATIO - BY REVENUE⁽¹⁾



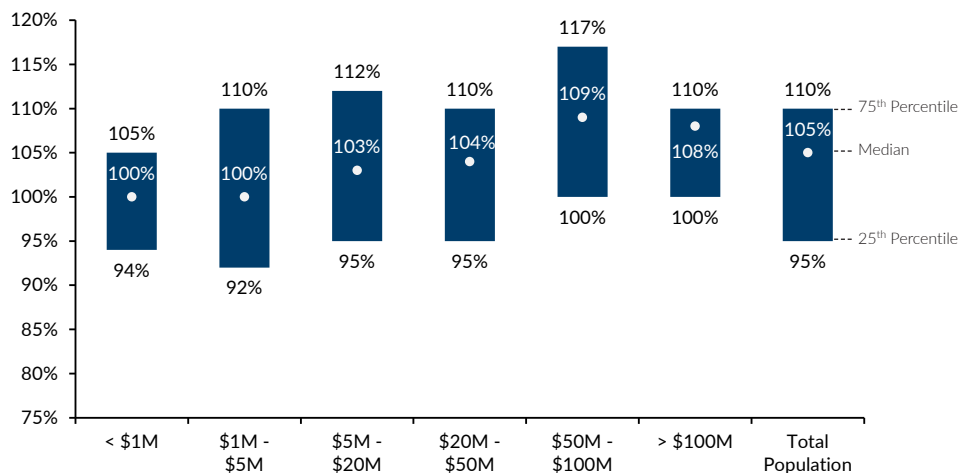
Over the past three years, the median benchmark for CLTV:CAC ratio across the total population has ranged from 3.6x – 4.2x. Neither company size nor Annual Contract Value are highly correlated to the CLTV:CAC Ratio. A key to this metric is that at least one – two agreement renewal cycles should be completed 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 stretched to 17 months at median, representing a roughly 6% regression from last year's benchmark of 16 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 (e.g., 3.0x average ACV). 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⁾

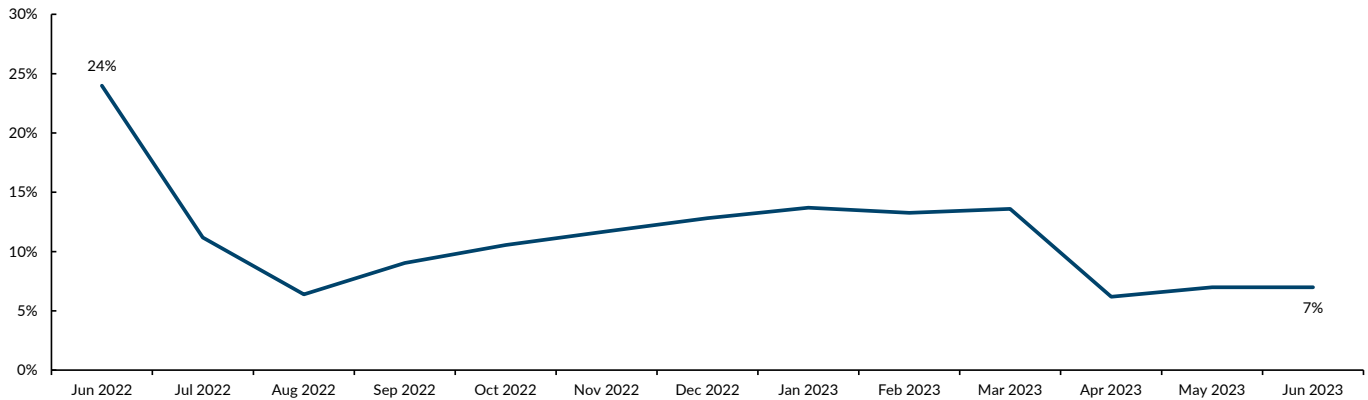


Net Dollar Retention (NDR) measures how much ARR is represented in a cohort of customers at the end of the current accounting period (where their agreement is available to renew) versus the same cohort of customer ARR from a previous period. NDR is not dramatically correlated to company size, as it is 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 has increased over the past three years and is a higher priority for many companies due to its stronger correlation to enterprise value.

Source: (1) Benchmarkit

Transaction & Public Equity Market Valuations

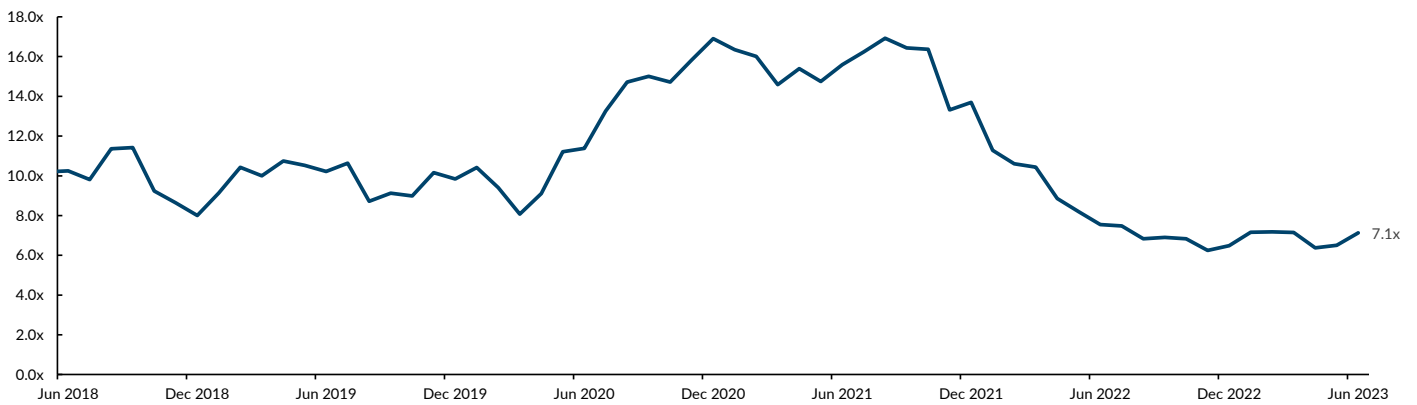
PUBLIC SaaS MEDIAN RULE OF 40 INDEX



Source: SaaS Capital index of B2B publicly traded SaaS companies

The median Rule of 40 measure for publicly traded SaaS companies decreased sharply in Q2 2023, falling to 7% after previously remaining near 14% and demonstrating how this metric has shifted throughout the current economic environment.

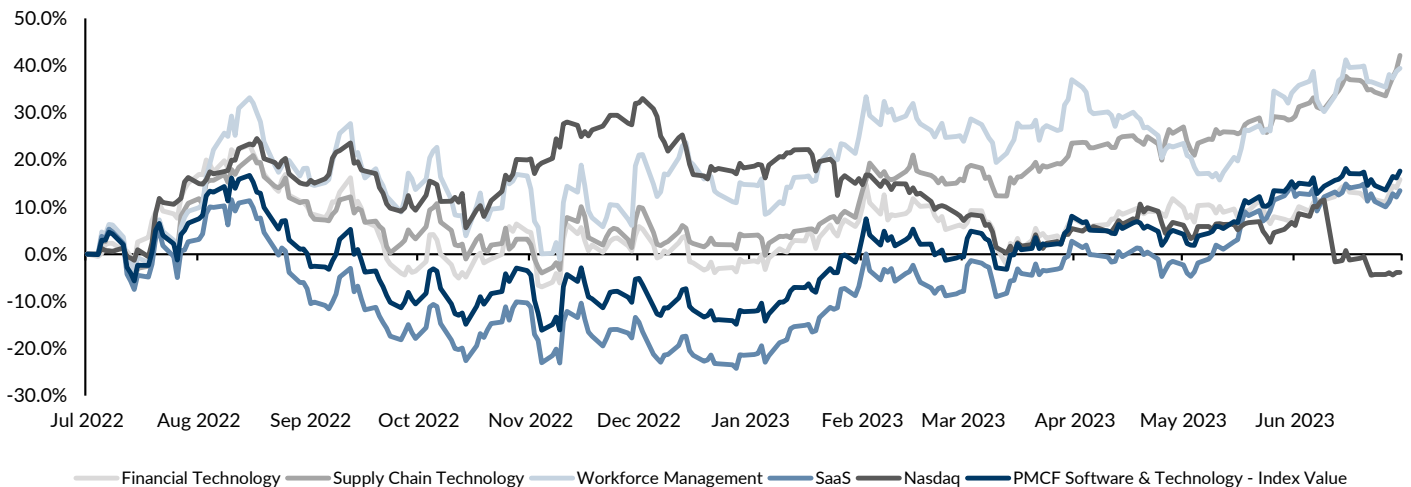
PUBLIC SaaS MEDIAN ANNUAL RUN-RATE REVENUE (ARR) MULTIPLE



Source: SaaS Capital index of B2B publicly traded SaaS companies

Public SaaS valuations ended Q2 2023 equivalent to how they ended Q1 2023, with the median ARR multiple at 7.1x. This figure has remained relatively consistent over the last 12 months after previously falling from record highs.

PUBLIC EQUITY INDICES - MARKET VALUATION



Source: Capital IQ - PMCF Technology Index of 37 publicly traded SaaS companies

Public Equity Market Valuations

\$ in Millions ⁽³⁾

PUBLIC COMPARABLES

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 Q2 '23	TTM Q2 '23	TTM Q2 '22
Financial Technology											
Fiserv, Inc.	United States	\$77,874	\$100,234	\$18,146	55.8%	39.1%	3.0x	14.1x	5.5x	5.5x	4.5x
Adyen N.V.	Netherlands	53,644	46,745	9,550	10.6%	7.8%	(9.1x)	63.1x	24.9x	4.9x	5.2x
Global Payments Inc.	United States	25,808	42,854	9,112	59.0%	39.4%	4.5x	11.9x	4.9x	4.7x	4.7x
BILL Holdings, Inc.	United States	12,418	11,680	963	85.2%	(25.3%)	3.0x	(47.9x)	9.5x	12.1x	16.4x
Nuvei Corporation	Canada	4,103	5,338	885	79.8%	22.5%	6.0x	26.8x	4.0x	6.0x	6.0x
Shift4 Payments, Inc.	United States	4,031	5,191	2,139	24.8%	11.8%	4.0x	20.5x	1.8x	2.4x	1.5x
AvidXchange Holdings, Inc.	United States	2,089	1,808	332	64.0%	(14.7%)	5.7x	(36.9x)	4.7x	5.4x	3.1x
Repay Holdings Corporation	United States	694	1,077	286	76.9%	22.4%	5.5x	16.8x	3.8x	3.8x	6.1x
Paymentus Holdings, Inc.	United States	1,303	1,171	529	29.3%	1.3%	(19.0x)	168.8x	1.9x	2.2x	3.3x
Marqeta, Inc.	United States	2,633	1,185	799	41.8%	(30.2%)	6.0x	(4.9x)	1.3x	1.5x	4.4x
Median					57.4%	9.8%	4.3x	15.5x	4.4x	4.8x	4.6x
Supply Chain Technology											
Manhattan Associates, Inc.	United States	\$12,398	\$12,235	\$809	53.2%	21.3%	(0.9x)	71.0x	14.0x	15.1x	9.9x
The Descartes Systems Group Inc.	Canada	6,818	6,639	506	76.6%	41.0%	(0.8x)	32.0x	11.6x	13.1x	11.5x
SPS Commerce, Inc.	United States	7,016	6,799	472	65.9%	21.6%	(2.1x)	66.8x	12.4x	14.4x	9.3x
Kinaxis Inc.	Canada	4,052	3,830	370	61.4%	6.4%	(9.2x)	162.2x	8.5x	10.4x	9.0x
E2open Parent Holdings, Inc.	United States	1,694	2,905	652	65.9%	28.6%	5.2x	15.6x	4.4x	4.5x	6.7x
American Software, Inc.	United States	355	240	124	60.1%	10.1%	(9.1x)	19.2x	2.0x	1.9x	3.3x
Tecsys Inc.	Canada	307	281	112	41.8%	3.5%	(6.4x)	70.9x	2.2x	2.5x	3.3x
Median					61.4%	21.3%	(2.1x)	66.8x	8.5x	10.4x	9.0x
Workforce Mangement											
Workday, Inc.	United States	\$58,823	\$55,749	\$4,465	73.2%	2.7%	(17.5x)	317.1x	7.4x	8.6x	6.2x
Ceridian HCM Holding Inc.	United States	10,393	11,215	1,324	46.5%	8.9%	7.0x	95.4x	7.3x	8.5x	7.1x
Paylocity Holding Corporation	United States	10,299	10,137	1,095	68.4%	14.0%	(1.1x)	66.0x	7.5x	9.3x	11.3x
Smartsheet Inc.	United States	5,112	4,685	818	78.7%	(21.2%)	2.5x	(27.0x)	4.7x	5.7x	6.1x
Paycor HCM, Inc.	United States	4,179	4,118	524	65.8%	0.2%	(50.8x)	3454.7x	6.6x	7.9x	10.3x
Asana, Inc.	United States	4,779	4,545	579	89.9%	(61.5%)	0.7x	(12.8x)	6.8x	7.9x	7.9x
Asure Software, Inc.	United States	251	273	105	68.3%	11.1%	1.9x	23.6x	2.4x	2.6x	1.7x
Median					68.4%	2.7%	0.7x	66.0x	6.8x	7.9x	7.1x
SaaS											
Salesforce, Inc.	United States	\$205,767	\$205,704	\$32,188	73.8%	20.6%	(0.0x)	31.0x	5.8x	6.4x	5.9x
ServiceNow, Inc.	United States	114,496	111,820	7,619	78.4%	11.4%	(3.1x)	128.5x	12.0x	14.7x	14.2x
Datadog, Inc.	United States	31,666	30,495	1,794	79.3%	(4.1%)	16.0x	(415.9x)	13.8x	17.0x	21.3x
HubSpot, Inc.	United States	26,412	25,725	1,837	82.4%	(4.7%)	7.9x	(296.0x)	11.8x	14.0x	9.1x
Splunk Inc.	United States	17,565	19,175	3,731	78.0%	(0.3%)	(136.6x)	(1626.8x)	4.8x	5.1x	5.9x
Zoom Video Communications, Inc.	United States	20,197	14,692	4,425	75.1%	3.6%	(34.6x)	92.3x	3.2x	3.3x	6.3x
Okta, Inc.	United States	11,260	10,855	1,961	71.6%	(29.6%)	0.7x	(18.7x)	4.8x	5.5x	9.7x
Twilio Inc.	United States	11,702	8,989	3,958	47.5%	(16.3%)	4.2x	(13.9x)	2.2x	2.3x	3.3x
Pure Storage, Inc.	United States	11,323	10,427	2,722	69.2%	4.5%	(7.2x)	84.3x	3.4x	3.8x	2.9x
Workiva Inc.	United States	5,428	5,360	558	75.4%	(18.2%)	0.7x	(52.8x)	8.2x	9.6x	6.6x
Five9, Inc.	United States	5,869	6,018	815	53.0%	(3.5%)	(5.3x)	(213.3x)	6.4x	7.4x	9.3x
New Relic, Inc.	United States	4,595	4,288	926	73.6%	(14.6%)	2.4x	(31.7x)	4.2x	4.6x	3.8x
Freshworks Inc.	United States	5,118	4,001	521	81.1%	(43.0%)	5.0x	(17.8x)	6.6x	7.7x	5.9x
Median					75.1%	(4.1%)	0.7x	(18.7x)	5.8x	6.4x	6.3x
Median									5.5x	5.7x	6.1x
Mean									6.7x	7.1x	7.1x

(1) Market capitalizations and total enterprise values as of June 30, 2023; 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

While uncertainty persists in the macroeconomy, executives noted revivals in customer demand in certain sectors, coupled with a lengthening in subscription deals, as consumers cautiously make up for foregone spending in past quarters.

“...The market is still choppy...But I don’t think it’s deteriorating...Some companies are doing well, some companies are not doing so well. So I just think it’s choppy right now. But I would not say deteriorating. I’d say more – it’s more on the stabilizing side than deteriorating at this point.”

Michael Farlekas, President, CEO & Director at E2open Parent Holdings, Inc.

“...We’re somewhat facing unprecedented times. You have stubborn inflation. You have a Fed that’s obviously committed to combating that with rate actions over a period of time. But employment is very strong and employment trends continue to be very strong. And I think as long as the employment market hangs in similarly to how it has been, I think the consumer is going to remain relatively stable and relatively healthy overall.”

Cameron Bready, President, CEO & Director at Global Payments Inc.

“We’re actually seeing really good, steady pipeline builds in all of our regions. I think, if anything, things have stabilized for many of our customers. And some of the things that we do see as promising are more consolidation conversations, more multiyear agreements...because people are probably more measured in how they’re making their investments, but that also means like once we close those deals, they have greater longevity and durability.”

Anne Raimondi, COO and Head of Business at Asana, Inc.

“If you think of the latest developments with the rise of AI – it is only going to accelerate digital transformation and cloud migration. To be able to use AI, everybody will need to transform with all the new technologies we’re seeing and the new innovation in AI. To be able to use that, you need to be digital...you need to have your data.”

Olivier Pomel, Co-Founder, CEO & Director at Datadog, Inc.

Software & Technology M&A Activity

SELECT SOFTWARE & TECHNOLOGY TRANSACTIONS

\$ in Millions

Announced Date	Target	Buyer	Sector	Type	Implied EV	EV/TTM Revenue
Jun-23	Kaleyra Inc.	Tata Communications Ltd	Application Software	Strategic	236	0.7x
Jun-23	Bestoutcome Limited	Eleco plc	Workforce Management	Strategic	6	2.5x
Jun-23	Berbix	Socure Inc.	BI / Data Analytics	Strategic	70	
Jun-23	Casetext, Inc.	Thomson Reuters Corporation	Application Software	Strategic	650	
Jun-23	Mode Analytics Inc.	ThoughtSpot Inc.	BI / Data Analytics	Strategic	200	
Jun-23	Lufthansa AirPlus Servicekarten GmbH	SEB Kort Bank AB	Financial Technology	Strategic	492	2.0x
Jun-23	Quotient Technology Inc.	Neptune Retail Solutions [Charlesbank Capital]	Application Software	Private Equity	420	1.6x
Jun-23	Immunetrics, Inc.	Simulations Plus Inc.	Application Software	Strategic	16	
Jun-23	Sprengnetter Group	Scout24 AG	BI / Data Analytics	Strategic	146	
Jun-23	intelliHR Limited	TimeTarget Pty Limited [Accel-KKR LLC]	Workforce Management	Private Equity	52	
Jun-23	SMSF Administration Solutions Pty Ltd	Pemba Capital Partners Pty Limited	Workforce Management	Private Equity	5	
Jun-23	ValueFirst Technologies LLC	Tanla Platforms Limited	Application Software	Strategic	2	0.6x
Jun-23	Finvoicer Group Oy	Lemonsoft Oyj	Workforce Management	Strategic	7	
Jun-23	NeuroCarrier Oy	EvokAI Creative Labs Inc.	BI / Data Analytics	Strategic	3	
May-23	Broadbean Technology Limited	Veritone Inc.	Workforce Management	Strategic	52	
May-23	Embark Technology, Inc.	Applied Intuition Inc.	Supply Chain Technology	Strategic	69	
May-23	YouAppi Inc.	Affle International Pte. Ltd.	Application Software	Strategic	35	1.1x
May-23	The Ambassador Platform Ltd	IDP Education Ltd	Application Software	Strategic	11	
May-23	Rampiva Technology Inc.	Nuix Ltd	BI / Data Analytics	Strategic	4	
May-23	Metaco SA	Ripple Labs Inc.	Financial Technology	Strategic	250	
May-23	Honest Day's Work, Inc.	Latch Inc.	Application Software	Strategic	22	
May-23	PointsBet USA Inc.	Fanatics, Inc.	Financial Technology	Strategic	150	
May-23	Hardsuit Labs, Inc.	Keywords Studios Plc	Application Software	Strategic	8	0.8x
May-23	Absolute Software Corporation	Crosspoint Capital Partners LP	Cybersecurity	Private Equity	826	3.8x
May-23	TEOCO Corporation	Amdocs Limited	Application Software	Strategic	90	
May-23	Benefits Science LLC	MultiPlan Corp.	BI / Data Analytics	Private Equity	158	
May-23	FansUnite Entertainment Inc.	Betr Holdings, Inc.	Financial Technology	Strategic	4	
May-23	Cyclica Inc.	Recursion Pharmaceuticals Inc.	BI / Data Analytics	Strategic	40	
May-23	Valence Discovery Inc.	Recursion Pharmaceuticals Inc.	BI / Data Analytics	Strategic	48	
May-23	Wargraphs S.A.S	M.O.B.A. Network AB	Application Software	Strategic	28	2.2x
May-23	Ingenia AI	Vezi Inc [WPF Holdings Inc.]	Financial Technology	Strategic	10	
May-23	myprosperity Pty Ltd	HUB24 Limited	Application Software	Strategic	26	
Apr-23	Data Management, Inc.	CCL Industries Inc.	Cybersecurity	Strategic	7	1.0x
Apr-23	Akerna Corp.	MJ Freeway Acquisition Co	Workforce Management	Strategic	5	
Apr-23	Lookout, Inc.	F-Secure Oyj	Cybersecurity	Strategic	223	5.7x
Apr-23	Envoy Technologies, Inc.	Blink Mobility, LLC	Application Software	Strategic	13	
Apr-23	Paradocs Mountain Software	accesso Technology Group, plc	Application Software	Strategic	7	
Apr-23	Localz	The Descartes Systems Group Inc.	Supply Chain Technology	Strategic	6	
Apr-23	Simplify360 Inc.	Nextiva, Inc.	Application Software	Strategic	12	
Apr-23	Fyniti Global Equities LLC	SMC Entertainment, Inc.	Financial Technology	Strategic	25	
Apr-23	Maltego Technologies GmbH	Charlesbank Capital Partners LLC	BI / Data Analytics	Private Equity	100	5.6x
Apr-23	LookingGlass Cyber Solutions Inc.	ZeroFox Holdings Inc.	Cybersecurity	Strategic	23	
Apr-23	Nukklear GmbH	Jumpgate AB	Application Software	Strategic	7	
Apr-23	WonderFi Technologies Inc.	CoinSmart Financial Inc. / Coinsquare Ltd.	Financial Technology	Strategic	46	
Apr-23	Hypur Inc.	POSaBIT Inc.	Financial Technology	Strategic	7	1.3x
Apr-23	Smart HMI GmbH	Beijer Electronics Group AB	Application Software	Strategic	6	5.3x
Median					\$25	1.8x
Mean					\$100	2.4x

Source: 451 Research, company websites and PMCF proprietary research

Software & Technology M&A Activity (Cont.)

Platform Acquisition

Charlesbank Capital Partners acquires Maltego

On April 18, Charlesbank Technology Opportunities Fund, managed by Charlesbank Capital Partners, acquired Munich-based Maltego, a leading intelligence platform used by institutions for data integration and analysis in complex investigations. Maltego is relied upon by security experts, journalists, and researchers to mine, merge, and map investigative data. Under new ownership, Maltego hopes to accelerate its product development and sales internationalization. The acquisition was secured for \$100M and represents a 5.6x LTM revenue multiple.

Platform Acquisition

Crosspoint Capital Partners acquires Absolute Software

On May 11, Vancouver-based Absolute Software, the sole provider of self-healing, intelligent security solutions, agreed to be acquired by Crosspoint Capital Partners. Absolute Software applies dynamic cybersecurity capabilities to endpoints, applications, and network connections to strengthen resilience against ransomware and malicious attacks. The acquisition will take Absolute Software off of the public equity markets and strongly position the company to achieve its growth potential. The transaction was valued at roughly \$657M exclusive of debt, representing a 3.8x LTM revenue multiple.

Strategic Acquisition

Applied Intuition acquires Embark Technology

On May 25, Applied Intuition, a tooling and software provider for autonomous vehicle development, announced the acquisition of Embark Technology, a San-Francisco-based autonomous trucking software company focused on improving safety, efficiency, and sustainability. Applied Intuition plans to integrate Embark's internal tools, data, and software assets to further improve its offerings for customers in the trucking and automotive end markets. The deal was an all-cash acquisition with a value of \$71M.

Strategic Acquisition

Socure acquires Berbix

On June 27, Socure, a leading provider of digital ID verification solutions, acquired Berbix, a San Francisco-based startup that developed a high-accuracy document verification solution. The acquisition accelerates Socure's expansion into international markets, and contributed to its document verification platform, Predictive Document Verification 3.0, which was announced post-acquisition. The cash and stock deal was estimated at roughly \$70M.

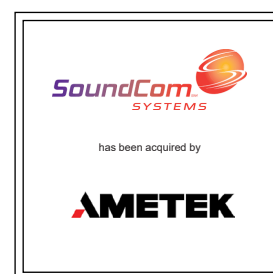
Sources: Company Press Releases, 451 Research

PMCF's Unique Approach to M&A Advisory

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 technology, and approach to managing transactions goes well beyond a typical investment banker. See below for some examples of our differentiation:

- Differentiated approach via senior banker leadership and direct involvement through every step of the transaction providing a consistent and highly experienced point of contact
- Proven positioning and marketing processes to obtain premium valuations in company sales
- Tailored sale process provides for extensive upfront preparation including a detailed company review, identification of any potential issues in advance, and buyer evaluation/diligence ensuring the right fit
- Direct access and credibility with many strategic acquirers and private equity groups
- 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

SELECT PMCF TECHNOLOGY TRANSACTIONS



SELECT CORPORATE FINANCE INTERNATIONAL TRANSACTIONS

PMCF is a founding member of Corporate Finance International ("CFI"), an international network of over 250 professionals across 18 countries. The transactions below represent closed transactions by affiliates in CFI.



Please let us know if you would like to set up a confidential call or meeting to discuss transaction planning and execution.

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 12-36 months 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

The Strategic Assessment allows shareholders time to fully assess the business and implement changes and align strategies with the value-creation objectives of shareholders.



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. Together, our team and the Strategic Assessment prepare companies to navigate the challenges of, and succeed in, today's competitive environment. Areas of assessment may include:

- 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

As an investment in your company, PMCF will complete a complimentary Strategic Assessment. For additional information, please visit pmcf.com

Contact Info



CHICAGO

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



DETROIT

Two Towne Square
Suite 425
Southfield, MI 48076
Phone: 248.223.3300



DENVER

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

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ENERGY PRODUCTS & SERVICES DEAL OF THE YEAR



2021 M&A ATLAS AWARD WINNER – USA MIDDLE MARKETS
PLASTICS & PACKAGING DEAL OF THE YEAR



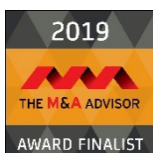
2020 M&A ATLAS AWARD WINNER – AMERICAS
PLASTICS & PACKAGING DEAL OF THE YEAR



2020 M&A ATLAS AWARD WINNER – AMERICAS
INDUSTRIALS BOUTIQUE INVESTMENT BANK OF THE YEAR



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120 S Riverside Plaza
Suite 2100
Chicago, IL 60606

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For more information, check out our new website, where you can access the electronic version of this report, sign up for future emails, read our latest industry reports, and more!

