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IT MERGERS & ACQUISITIONS

IT & Software Market Update

September 2025

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Summary

Macro Update

1.9% / 16.0%
S&P Return: Aug-25/LTM

4.15%
10 Year Treasury Yield

Conference Speak

"In many cases, we see that core gross margins have come down from 50% to 30%.. AI-native MSPs have started to enter the market and undercut prices." – Kaseya CEO Raina Succar, Dattocon 2025

Public Market Multiple

13.3x
Managed Services TTM EV/ EBITDA Multiple

7.3x
SaaS TTM Revenue Multiple

Private Market Multiple

12.5x
Median TTM EV/ EBITDA Multiple for deals below $200 MN

1.6x
Median TTM EV/ Sales Multiple for deals below $200 MN

Select MSP Transactions

Acquiror	Target
Evergreen	NEXT IT
dexian	Conga Technologies (A Dexian Company)

Podcast – M&A Insights

Listing Agreements

[De-mystifying the Listing Agreement. What Every Seller Should Know Before Signing]

In this episode of M&A Insights, I talk about key topics covered in an M&A advisors listing agreement

Current Active Searches

- Excendio is actively working with several strategic and PE buyers looking to make MSP acquisitions. Please see below for details for a selected number of searches and contact us if you are looking to exit or acquire and have a profile that fit these criteria.

KS MSP: Founder-owned Kansas MSP looking to acquire $1MN-$3MN Revenue MSP out of Kansas/Missouri.

Utah MSP: Founder-owned MSP looking to acquire $1-$5MN Revenue MSP with Healthcare and Technology focus.

NY MSP: NY MSP looking to divest $3MN Revenue MSP with strong focus around non-profits.

CO MSP: PE-backed MSP looking to acquire $500K+ EBITDA MSP out of the Denver, CO area.

PE-backed MSP looking to acquire $500K+ EBITDA MSP with Muni focus. Region agnostic.

- In addition to these selected searches, Excendio has several standing buyer assignments with major MSP integrators with varying acquisition models. Please contact us if you wish to learn more about our partnerships and how we can assist you with exits and acquisitions. Excendio works on both buy-side and sell-side assignments and on a contingency-fee basis.

Macro: The Leaves Are Turning

Growth rates going forward will return to levels more consistent with historical averages

Employment growth has slowed down across the country and across most sectors in 2023-2024

We expect growth rate trends for local MSPs to track MSA level employment growth rate trends all else equal.

When sizing Sales and Marketing budgets and setting growth targets, local MSPs should do their research on job creation in their MSAs.

We expect sophisticated buyers of MSPs to build regional variations in employment growth rates into their growth forecasts when valuing local MSPs.

Regional and National MSAs will obviously be less exposed to local variations in employment growth.

A Local MSP should:
Do their own research on job creation and federal, state and municipal spending in their MSAs before investing in Sales and Marketing

A Local MSP should:
Diversify grographically by banding together

A Local MSP should:
Focus on operational efficiency and growth through pricing strategy optimization

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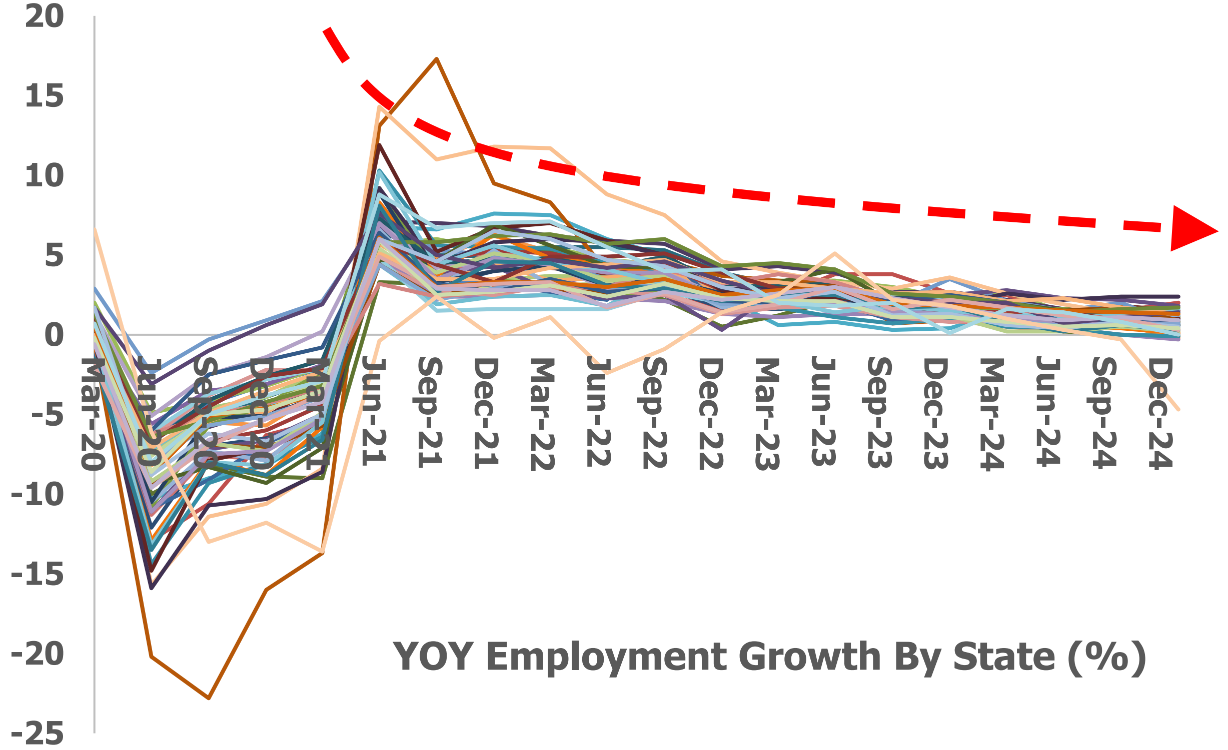
Employment growth has slowed down significantly across states

- The post-Covid sprint in job creation has ground down to a crawl.
- YoY US employment growth has slowed steadily from 6.8% as of Jun 2021 to 0.9% as of Dec 2024.
- Slowdown has been felt across states with few exceptions.
- For 48 states growth rates were lower as of as of Dec 2024 than they were as of Dec 2023.
- We believe 2025 growth rates will be lower still based on the non-farm employment numbers from the BLS.



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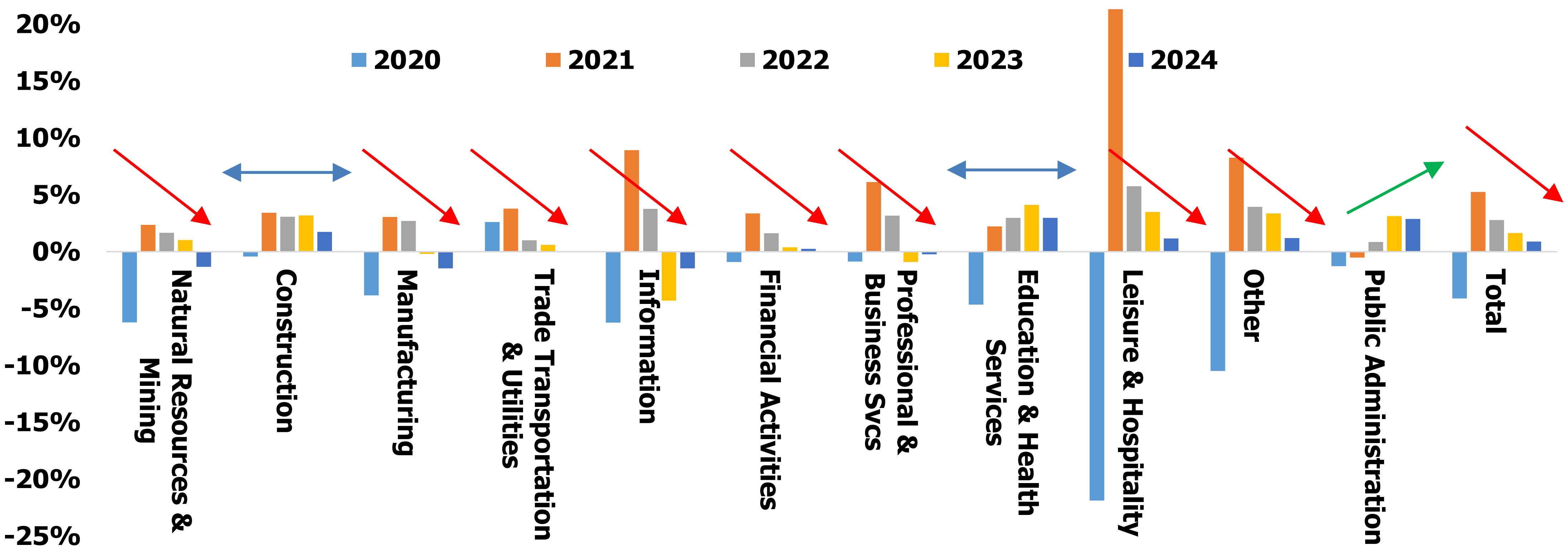
Employment slowdown has been felt across most sectors

Slowdown has been felt across most sectors. Construction, Healthcare being the only private sectors that showed resilience. Employment in the public sector has helped to hold-up employment so far

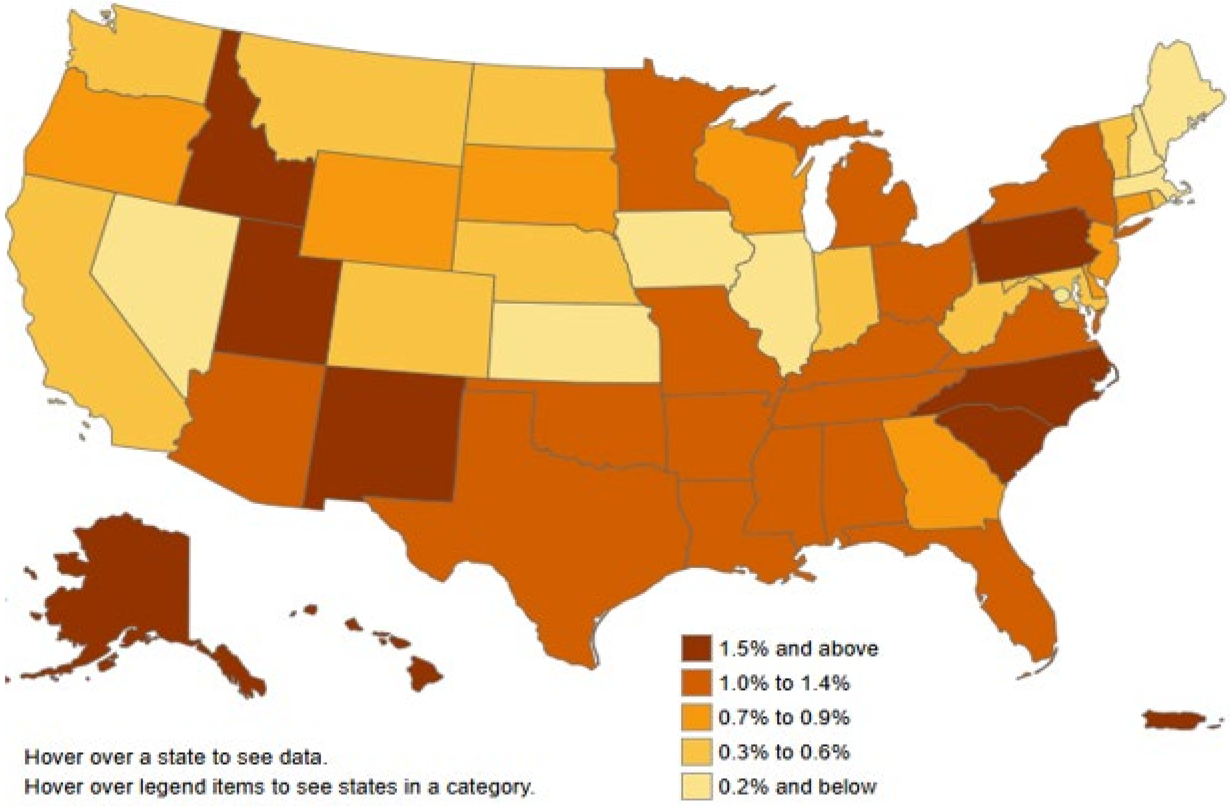


YOY % Change in Employment by Broad Segment

Important differences exist in employment growth across states

- Important differences exist across states in their current employment growth rates
  - The Carolinas, Pennsylvania and Utah are experiencing some of the fastest growth rates in the country
  - Technology-heavy states like California and Washington are experiencing some of the slowest growth rates in the country
  - Growth in Texas, Florida and New York has begun to slowdown to a more normal pace after surging in 2021-2022

Change in nonfarm employment by state, August 2024 to August 2025, seasonally adjusted



Hover over a state to see data.
Hover over legend items to see states in a category.
Source: U.S. Bureau of Labor Statistics.

Differences in state employment growth can be traced back to key MSAs

YoY change in total nonfarm employment for metropolitan areas, not seasonally adjusted (with a Census 2020 population of 1MN or more

	Metropolitan area	State	Aug. 2024 (thousands)	Aug. 2025 (p) (thousands)	Over-the-year net change (thousands)	Over-the-year percent change (%)	Significant? Rank
Top Ten	Charlotte-Concord-Gastonia, NC-SC	North Carolina	1377.7	1411.6	33.9	2.5	1
	Urban Honolulu, HI	Hawaii	454.30	464.10	9.8	2.2	2
	Richmond, VA	Virginia	721.4	736.6	15.2	2.1	3
	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	Pennsylvania	3,081.00	3,138.70	57.7	1.9	4
	San Antonio-New Braunfels, TX	Texas	1185.3	1208.4	23.1	1.9	4
	Pittsburgh, PA	Pennsylvania	1,197.40	1,218.90	21.5	1.8	6
	Salt Lake City-Murray, UT	Utah	828.8	843.6	14.8	1.8	6
	Phoenix-Mesa-Chandler, AZ	Arizona	2,410.70	2,446.60	35.9	1.5	8
	Columbus, OH	Ohio	1176.7	1193.9	17.2	1.5	8
	New York-Newark-Jersey City, NY-NJ	New York	9,939.70	10,075.70	136	1.4	10
Next Ten	Buffalo-Cheektowaga, NY	New York	551.3	559.2	7.9	1.4	10
	Raleigh-Cary, NC	North Carolina	752.00	761.50	9.5	1.3	12
	Orlando-Kissimmee-Sanford, FL	Florida	1495.8	1513.8	18	1.2	13
	Nashville-Davidson--Murfreesboro--Franklin, TN	Tennessee	1,187.20	1,201.20	14	1.2	13
	Oklahoma City, OK	Oklahoma	704.3	712.9	8.6	1.2	13
	Tulsa, OK	Oklahoma	476.60	482.30	5.7	1.2	13
	Indianapolis-Carmel-Greenwood, IN	Indiana	1185.3	1197.8	12.5	1.1	17
	Tucson, AZ	Arizona	388.00	392.30	4.3	1.1	17
	Louisville/Jefferson County, KY-IN	Kentucky	719.4	726.3	6.9	1	19
	Miami-Fort Lauderdale-West Palm Beach, FL	Florida	2,949.20	2,977.20	28	0.9	20

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Equity Markets and Employment Growth Tell Different Stories

Equity markets seem to have become disconnected with employment growth

	Current	As of	1Y Ch	1Y % Ch	Current	Hist. Avg	1Q Prior	2Q Prior	3Q Prior	4Q Prior
RATES, INFLATION AND UNEMPLOYMENT										
10y Constant Maturity Tsy Yield	4.15	09-22-2025	0.40	10.67	4.15	3.31	4.24	4.23	4.58	3.81
CoreCPI	2.94	08-01-2025	0.51	20.83	2.94	2.58	2.67	2.41	2.87	2.43
Unemployment Rate	4.30	08-01-2025	0.10	2.38	4.30	5.66	4.10	4.20	4.10	4.10
Initial Claims 4-week MA	240.00	09-13-2025	12.00	5.26	240.00	371.91	241.25	223.00	222.25	225.00
Nonfarm Payroll Change (Unrevised)	22.00	08-01-2025	-49.00	-0.91	22.00	140.22	-13.00	120.00	323.00	240.00
INDEXES AND INDICATORS										
Sahm Recession Indicator	0.13	08-01-2025	-0.44	-77.19	0.13	0.48	0.17	0.27	0.40	0.50
Michigan Consumer Sentiment	55.40	09-01-2025	-14.70	-0.21	55.40	82.35	60.70	57.00	71.80	70.10
Michigan Inflation Expectations	4.80	09-01-2025	2.10	0.78	4.80	3.14	5.00	5.00	2.80	2.70
MARKETS										
S&P 500	6656.92	09-23-2025	923.99	16.12	6656.92	-	6204.95	5611.85	5881.63	5762.48
NASDAQ	22573.47	09-23-2025	4498.95	24.89	22573.47	-	20369.73	17299.29	19310.79	18189.17
VIX	16.10	09-22-2025	0.21	1.32	16.10	19.85	16.73	22.28	17.35	16.73
ICE Corp BBB OAS	0.93	09-22-2025	-0.22	-19.13	0.93	1.99	1.08	1.20	1.02	1.16
ICE Corp HY OAS	2.69	09-22-2025	-0.45	-14.33	2.69	5.39	2.96	3.55	2.92	3.03

**Source: Federal Reserve, Yahoo Finance.*

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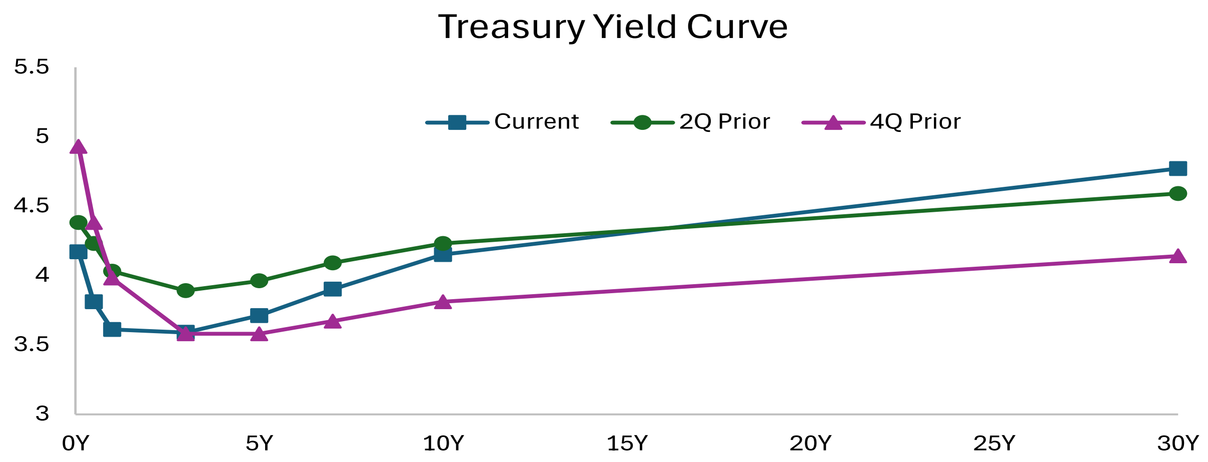
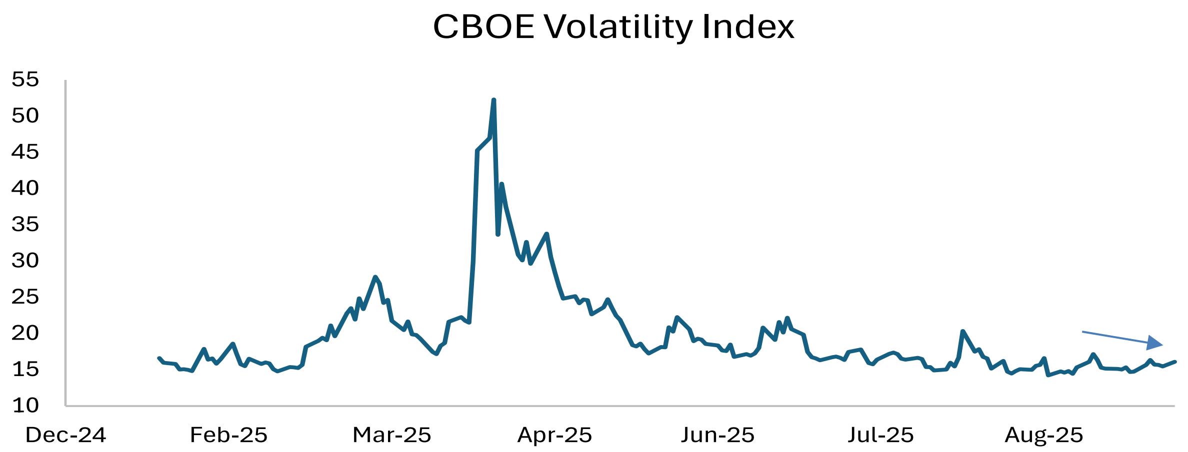
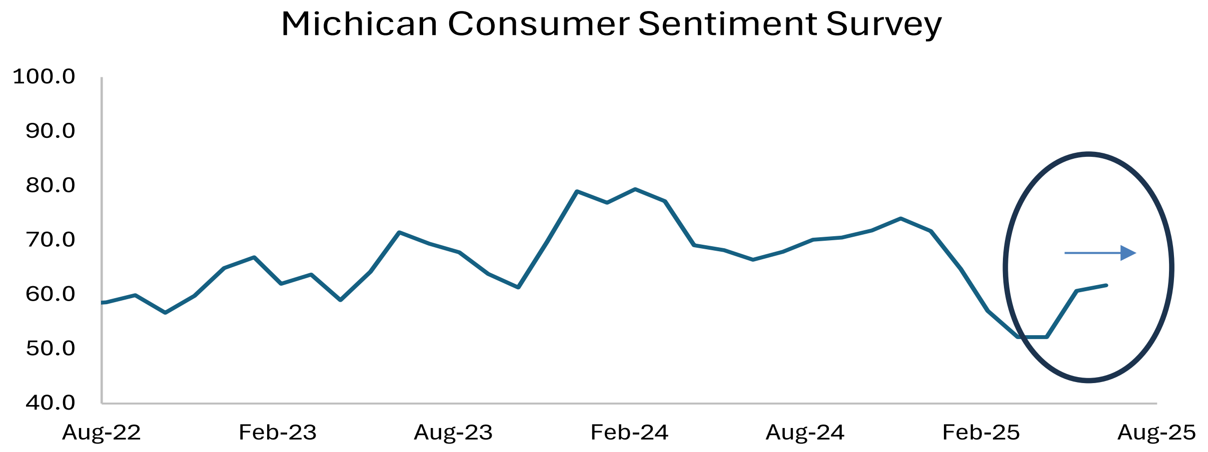
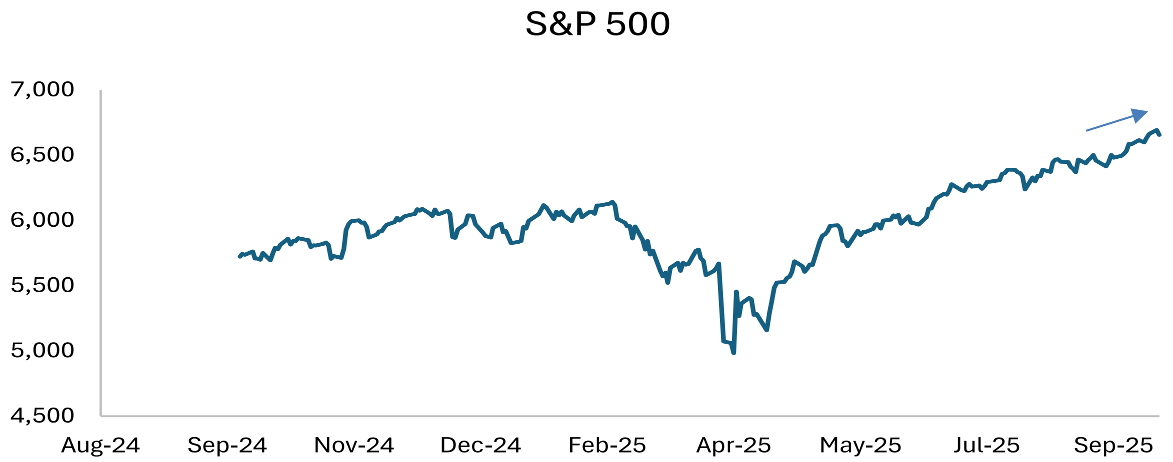
Macro Update – Slowing job growth and Inflationary concerns are holding back the recovery in consumer sentiment

Equity markets continue to rally, however inflationary concerns persist and job growth has slowed down





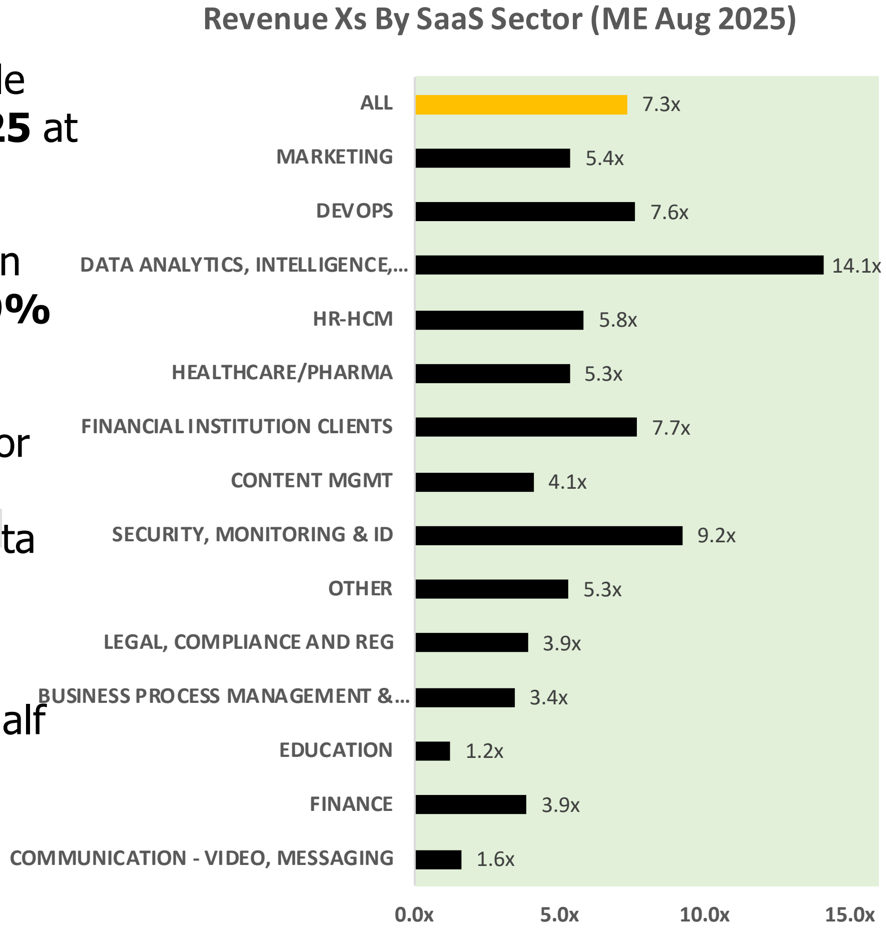


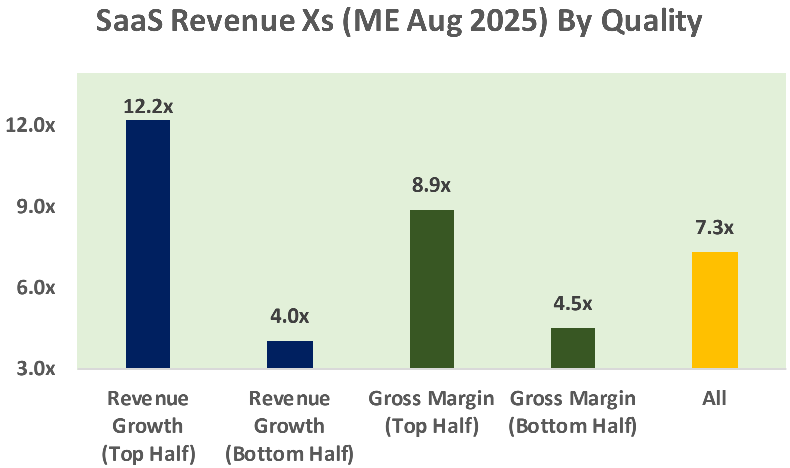


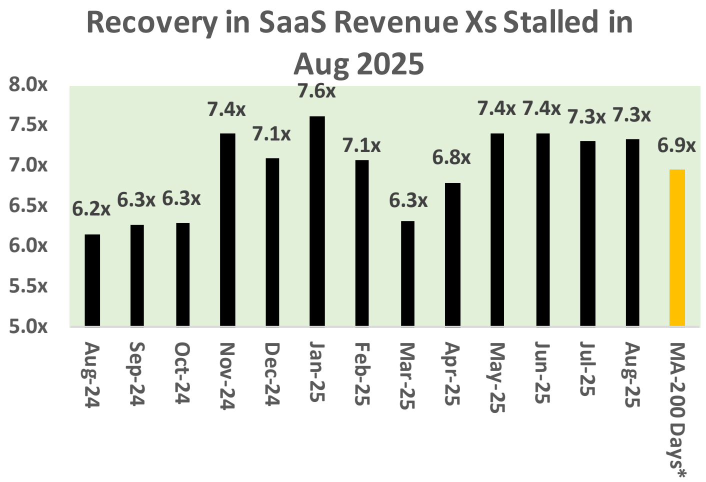
Source: Federal Reserve, Yahoo Finance.

Software SaaS Valuation – Public Market Multiples

- The aggregate SaaS TTM Revenue Multiple remained about the same in **August 2025** at **7.3x** compared with **July 2025**.
- The broad stock market index expanded in the third quarter. **S&P 500** increased **1.9%** in Aug & **4.1%** in the third quarter.
- **Sector Mattered:** Multiples contracted for Horizontals like Financial Institutions, Security, monitoring and expanded for Data Analytics, Marketing.
- **Quality Mattered:** The difference in multiples between Top Half and Bottom Half companies by Revenue growth and Gross Margin is at about **8.1x** and **4.4x** respectively.



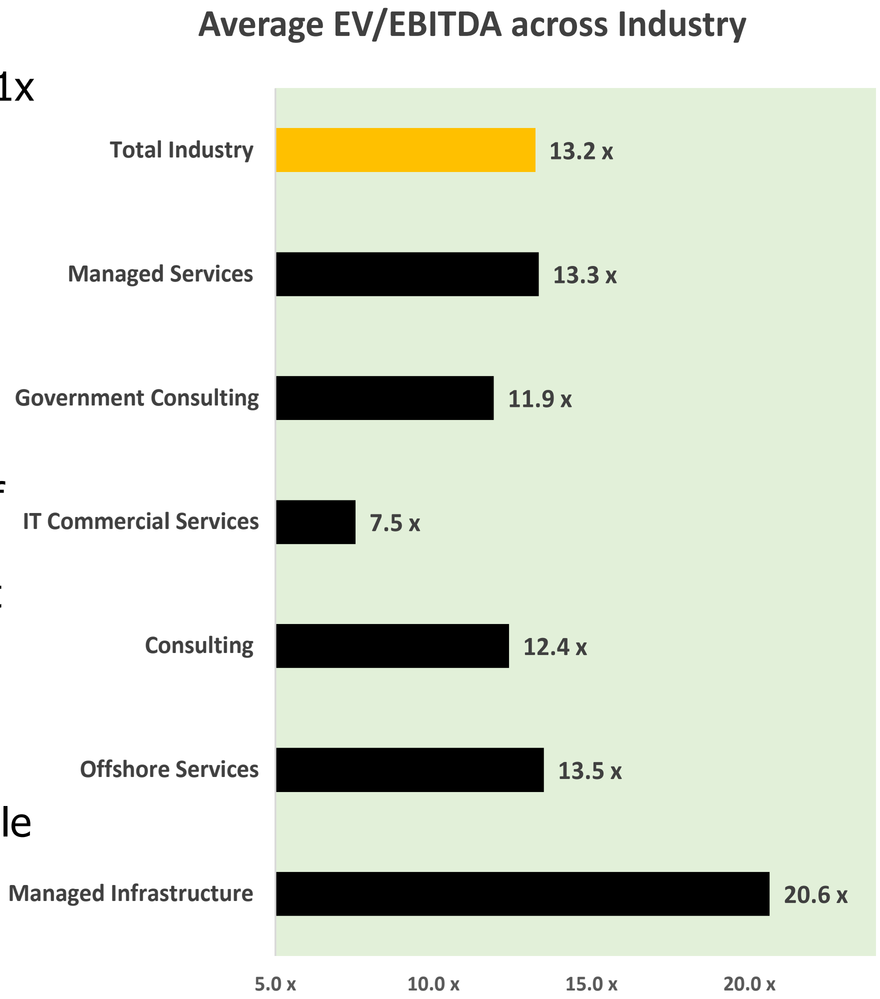


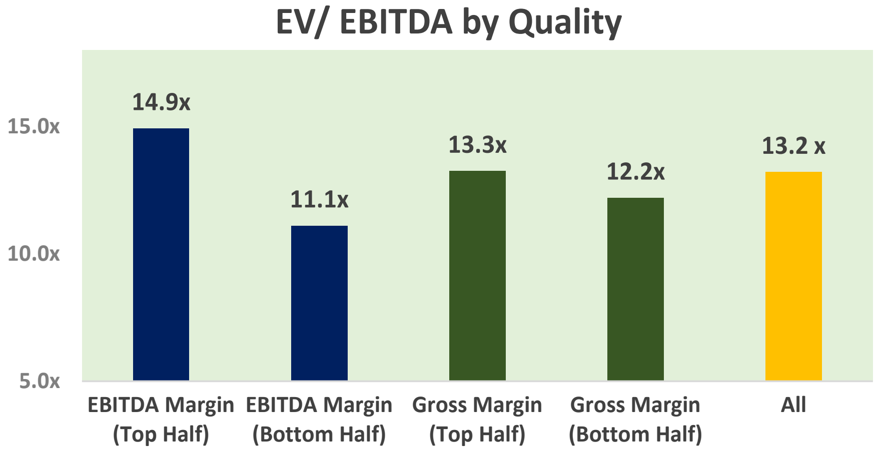


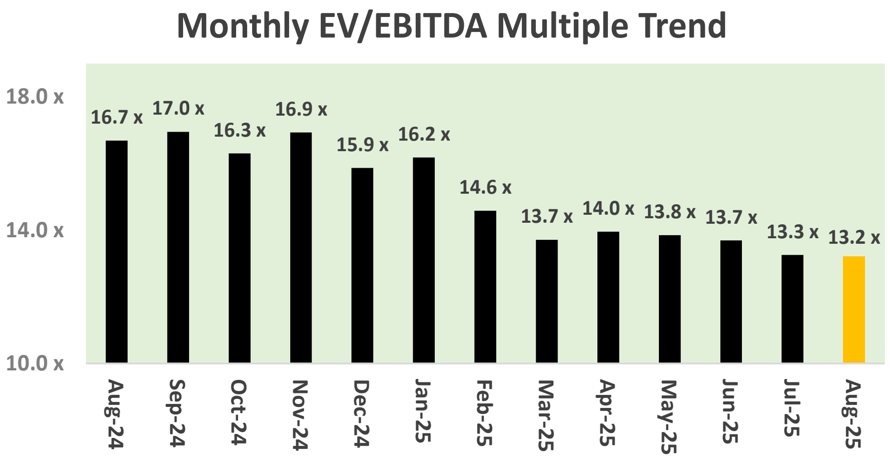
*Source: Yahoo Finance. As of 31st July.

IT Services
Valuation – Public Market Multiples

- The aggregate IT Services TTM EBITDA Multiple contracted about 0.1x pts in **Aug 2025** to **13.2x** from **13.3x** in **July 2025**.
- Multiples contracted by **2.7x** pts for Managed Infrastructure & expanded for Consulting, Managed Services, Consulting in August.
- The EV/ EBITDA Multiple for Top half of companies with above average EBITDA and Gross margins traded at higher multiples compared with the bottom half a theme we see for the SaaS sector as well.
- The 52-week high EV/EBITDA multiple trades at ~**28%** above the multiple for **August 2025**.







**Source: Yahoo Finance. As of 31st July.*

Private Market Multiples
Selected M&A Deals (TTM Aug 2025)

YTD Median EV/EBITDA and EV/Revenue multiples stand at 23.4x and 2.7x

YTD Median EV/EBITDA and EV/Revenue multiples for deals less than $200MN stand at 12.5x and 1.6x respectively.

Date	Target	Acquiror(s) / Investor(s)	Deal Size (US$mn)	EV/ EBITDA	EV/ Revenue	Sector	Target Business Description
Sep-24	CompoSecure, Inc.	Resolute Holdings I, LP	372	9.7x	3.5x	Technology Hardware, Storage and Peripherals	Target manufactures and designs metal, composite, and proprietary financial transaction cards in the United States and internationally.
Sep-24	Strong Global Entertainment, Inc.	Fundamental Global Inc. (NASDAQGM:FGF)	4	15.0x	0.5x	Electronic Equipment and Instruments	Target manufactures and distributes large format projection screens and custom screen support structures.
Oct-24	Altek Electronics, Inc.	Cyient DLM Inc.	29,200	NA	0.8x	Electronic Manufacturing Services	Target manufactures printed circuit board (PCB) assemblies and box builds.
Oct-24	Griid Infrastructure Inc.	CleanSpark, Inc. (NASDAQCM:CLSK)	162,506	NA	7.7x	Application Software	Target operates as a vertically integrated bitcoin mining company.
Oct-24	GSE Systems, Inc.	Pelican Energy Partners LP; Pelican Energy Partners III LP	16,879	NA	0.4x	Application Software	Target engages in the provision of professional and technical engineering services, staffing services, and simulation software to clients.
Oct-24	Infusion Software, Inc.	Thryv Holdings, Inc. (NASDAQCM:THRY)	80,000	NA	0.9x	Application Software	Target develops and operates email, sales, and marketing automation software.
Oct-24	PowerSchool Holdings, Inc.	Onex Corporation (TSX:ONEX); Vista Equity Partners Management, LLC; Bain Capital Private Equity, LP; Onex Partners Manager LP	5,403,378	37.7x	7.5x	Application Software	Target offers cloud-based software to the K-12 education market in the US.
Oct-24	Squarespace, Inc.	General Atlantic Service Company, L.P.; Accel Partners; Permira Advisers LLC; Accel Growth Fund, L.P.; Accel Growth Fund Strategic Partners L.P.; Accel Growth Fund Investors 2010 L.L.C.;	7,305,908	55.7x	6.6x	Internet Services and Infrastructure	Target operates platform for businesses and independent creators to build online presence.
Oct-24	T Stamp Inc.	DQI Holdings Inc.	300	NA	2.3x	Systems Software	Target develops and markets identity authentication software solutions for government and enterprise partners.
Oct-24	TheoremReach, Inc.	RIWI Corp. (TSXV:RIWI)	3,400	7.9x	0.9x	Application Software	Target operates in the digital market research space.
Nov-24	Instructure Holdings, Inc.	KKR & Co. Inc. (NYSE:KKR); Dragoneer Investment Group, LLC; KKR North America Fund XIII SCSp	4,604	22.9x	7.9x	Application Software	Target provides cloud-based learning, assessment, development, and engagement systems worldwide.

*Source: Federal Reserve, Yahoo Finance.

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Date	Target	Acquiror(s) / Investor(s)	Deal Size (US$mn)	EV/ EBITDA	EV/ Revenue	Sector	Target Business Description
Nov-24	Iteris, Inc.	Almaviva, S.p.A.	322	30.4x	1.8x	Electronic Equipment and Instruments	Target provides intelligent transportation systems technology solutions.
Dec-24	Fiery, LLC	Seiko Epson Corporation (TSE:6724)	569	NA	2.9x	Technology Hardware, Storage and Peripherals	Target develops digital printing solution and workflow software.
Dec-24	Ascent, LLC	WESCO International, Inc. (NYSE:WCC)	185	NA	1.6x	Internet Services and Infrastructure	Target provides solutions for the design, engineering, construction, and operation of data centers.
Dec-24	Micropac Industries, Inc.	Teledyne Technologies Incorporated (NYSE:TDY)	56	9.0x	1.5x	Electronic Components	Target designs, manufactures, and distributes various types of microelectronic circuits.
Jan-25	Intelliswift Software, Inc.	L&T Technology Services LLC	110	NA	1.1x	IT Consulting and Other Services	Target operates as an IT solutions and services provider
Jan-25	Cepton, Inc.	Koito Manufacturing Co., Ltd. (TSE:7276)	114	NA	11.3x	Electronic Equipment and Instruments	Target provides lidar-based solutions for automotive, smart cities, smart spaces
Jan-25	Smartsheet Inc.	Vista Equity Partners Management, LLC; Blackstone Inc. (NYSE:BX); Platinum Falcon B 2018 Rsc Ltd; Vista Equity Partners Fund VIII; Blackstone Capital Partners IX (Lux) SCSP; Blackstone	7,283	NA	7.4x	Application Software	Target provides enterprise platform to plan, capture, manage, automate, and report on work for teams and organizations
Jan-25	SmartCover Systems, Inc.	Badger Meter, Inc. (NYSE:BMI)	185	NA	5.3x	Electronic Equipment and Instruments	Target develops real-time remote monitoring system and data analysis systems for water and wastewater industries
Feb-25	SecureWorks Corp.	Sophos, Inc.	818	NA	2.4x	Systems Software	Target provides technology-driven information security solutions
Feb-25	Brightcove Inc.	Bending Spoons S.p.A.; Bending Spoons US Inc.	231	271.8x	1.2x	Internet Services and Infrastructure	Target provides cloud-based streaming services
Feb-25	Zuora, Inc.	GIC Special Investments Pte. Ltd.; Silver Lake Technology Manage	853	NA	2.7x	Application Software	Target provides a monetization suite for modern businesses to help companies launch and scale new services
Feb-25	HashiCorp, Inc.	International Business Machines Corporation (NYSE:IBM)	6,720	NA	11.6x	Application Software	Target engages in the provision of multi-cloud infrastructure automation solutions worldwide
Feb-25	Emcore Corporation	Aerosphere Power Inc.	43	NA	0.5x	Communications Equipment	Target designs and manufactures fiber optic gyro, ring laser gyro, and quartz micro-electromechanical system inertial sensors

**Source: Federal Reserve, Yahoo Finance.*

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Feb-25	Infinera Corporation	Nokia Oyj (HLSE:NOKIA)	2,321	40.9x	1.4x	Communications Equipment	Target manufactures and sells semiconductors, networking equipment, optical semiconductors, software, and services worldwide
Feb-25	Matterport, Inc.	CoStar Group, Inc. (NASDAQGS:CSGP)	1,787	NA	10.7x	Application Software	Target turns any space into an accurate, immersive digital twin for design, operations, and marketing
Mar-25	Aspen Technology, Inc.	Emerson Electric Co. (NYSE:EMR)	7,351	37.2x	15.0x	Application Software	Target provides industrial software that focuses on helping customers in asset-intensive industries
Mar-25	Stronghold Digital Mining, Inc.	Backbone Mining Solutions LLC	150	NA	2.5x	Application Software	Target is a a crypto asset mining company
Mar-25	Altair Engineering Inc.	Siemens Product Lifecycle Management Software Inc.	10,139	120.5x	15.8x	Application Software	Target develops and offers software and cloud solutions in the areas of simulation, high-performance computing, data analytics, and AI
Mar-25	Intevac, Inc.	Seagate Technology Holdings plc (NASDAQGS:STX)	64	NA	1.0x	Technology Hardware, Storage and Peripherals	Target engages in the designing, developing, and manufacturing thin-film processing systems
Apr-25	3D at Depth, Inc.	Kraken Robotics Inc. (TSXV:PNG)	17	NA	1.2x	Electronic Equipment and Instruments	Target operates as a provider of underwater data acquisition and mapping services, specializing in LiDAR technology
Apr-25	Logility Supply Chain Solutions, Inc.	Aptean, Inc. (:CDCS.Y)	404	39.0x	3.9x	Application Software	Target develops, markets, and supports a range of computer business application software products in the US
Apr-25	Rythmos Inc.	Coforge Inc.	49	NA	1.9x	IT Consulting and Other Services	Target offers information technology consulting services
Apr-25	Fortira Inc.	Canarys Automations Limited (NSEI:CANARYS)	3	NA	0.4x	IT Consulting and Other Services	Target is a leading IT Solutions Provider
Apr-25	SolarWinds Corporation	Turn/River Management, L.P.	4,419	15.3x	5.5x	Systems Software	Target provides monitoring and observability, database, incident response, and IT service management software
Apr-25	Enfusion, Inc.	Clearwater Analytics Holdings, Inc. (NYSE:CWAN)	1,434	72.3x	7.7x	Application Software	Target provides software-as-a-service solutions for investment management industry in the United States
Jun-25	Burroughs, Inc.	Loomis US Holding Inc	110	NA	1.0x	Electronic Equipment and Instruments	Target provides services on third-party ATM, teller cash automation, smart safes, branch automation, and self-service solutions throughout the U.S. and Puerto Rico

**Source: Federal Reserve, Yahoo Finance.*

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Date	Target	Acquiror(s) / Investor(s)	Deal Size (US$mn)	EV/ EBITDA	EV/ Revenue	Sector	Target Business Description
Jun-25	Techpoint, Inc.	ASMedia Technology Inc. (TWSE:5269)	323	15.9x	4.5x	Semiconductors	Target is a fabless semiconductor company, develops high-definition video connectivity technology targeting video surveillance systems and automotive infotainment systems
Jun-25	Brightflag Inc.	Wolters Kluwer N.V. (ENXTAM:WKL); Wolters Kluwer Legal & Regulatory U.S.	485	NA	20.9x	Application Software	Target develops and provides enterprise legal management software
Jun-25	Fictiv Inc.	MISUMI USA, Inc.	350	NA	NM	Application Software	Target develops and operates a manufacturing platform that enables users to design, develop, and deliver fabricated parts
Jun-25	Global Photonics, Inc.	Gooch & Housego PLC (AIM:GHH)	31	14.0x	2.3x	Electronic Components	Target develops, manufactures, and assembles optical, opto-mechanical, and optoelectronic products for industrial, military, and consumer markets
Jul-25	Juniper Networks, Inc.	Hewlett Packard Enterprise Company (NYSE:HPE)	13,982	17.5x	2.5x	Communications Equipment	Target designs, develops, and sells network products and services worldwide
Jul-25	ANSYS, Inc.	Synopsys, Inc. (NASDAQGS:SNPS)	33,963	42.6x	14.4x	Application Software	Target develops and markets engineering simulation software and services for engineers, designers, researchers, and students
Jul-25	SMC Squared LLC	Hexaware Technologies Limited (NSEI:HEXT)	120	NA	7.5x	IT Consulting and Other Services	Target engages in building and managing global capability centers for companies to expand technology, engineering, and business operations
Jul-25	FARO Technologies, Inc.	AMETEK, Inc. (NYSE:AME)	923	24.0x	2.7x	Electronic Equipment and Instruments	Target designs, develops, manufactures, markets and supports software-driven, three-dimensional (3-D) measurement, imaging, and realization solutions
Jul-25	SigmaTron International, Inc.	Transom Capital Group, LLC	80	11.0x	0.3x	Electronic Manufacturing Services	Target operates as an independent provider of electronic manufacturing services in the United States, Mexico, China, Vietnam, and Taiwan
Jul-25	AI Cyber Forge Inc	eMudhra Inc	5	NA	8.0x	IT Consulting and Other Services	Target offers IT consulting services
Aug-25	E2open Parent Holdings, Inc.	WiseTech Global Limited (ASX:WTC)	2,182	13.9x	3.7x	Application Software	Target provides cloud-based and end-to-end supply chain management
Aug-25	Jolt Software, Inc.	Digi Smartsense, LLC	146	NA	5.2x	Application Software	Target develops and provides operations execution software to help businesses achieve team accountability, and digital food safety
	25th Percentile			**14.3x**	**1.2x**		
	Median			**23.4x**	**2.7x**		
	75th Percentile			**40.4x**	**7.5x**		

**Source: Federal Reserve, Yahoo Finance.*

Notable Service Provider Deals in August

Acquiror – Evergreen | **Target – Next7 IT**

- Evergreen announced the acquisition of Next7 IT on Aug 21, 2025.
- CA based Evergreen Services Group with 11-50 employees acquires and supports IT services firms with long-term capital and operational expertise.
- Next7 IT, based in **Pittsburgh, PA** with 11–50 employees, is a managed IT services provider that delivers proactive IT support, security, planning, and consulting services for businesses.
- This acquisition enables Evergreen to expand its footprint in the U.S. MSP market, leveraging Next7 IT's local presence, customer relationships, operational maturity, and technical expertise.

Acquiror – Dexian | **Target – Conga Technologies**

- Dexian announced the acquisition of Conga Technologies on August 5, 2025.
- Dexian, Virginia based company with 10k+ employees is a global IT and consulting firm, provides talent, technology, and digital transformation solutions across 70+ locations.
- Santa Clara, CA based Conga Technologies, with about 1.8k employees, offers **AI-driven managed services in finance, analytics, and business operations.**
- This acquisition strengthens Dexian's **AI-driven managed services** portfolio, expanding its capabilities in intelligent automation, data analytics, and enterprise operations transformation while leveraging Conga's specialized domain expertise and delivery scale.

**Source: Crunchbase, Cap IQ.*

Notable Service Provider Deals in August

Acquiror – KeyData Cyber | **Target – BeyondID**

- KeyData Cyber announced its acquisition of BeyondID on August 12, 2025.
- KeyData Cyber, based in Canada, with 51-100 employees is a Recognized leader In Cybersecurity Advisory And Professional Services.
- BeyondID, based in San Fransisco, California with 51-100 employees offers consulting, implementation and managed services for deploying and managing identity management.
- This acquisition combines both firms' strengths to form a pure-play identity security powerhouse, expanding KeyData's delivery capacity, technology depth (IAM, CIAM, PAM, IGA, etc.), and global footprint with enhanced advisory, implementation, and managed identity services.

Acquiror – Gateway Telnet | **Target – HighComm**

- Gateway Telnet announced the acquisition of HighComm on August 28, 2025.
- Gateway Telnet, based in LA, with 11-50 employees is a managed technology service provider that offers cutting edge technology to meet the unique needs of each firm.
- HighComm, based in Lauderhill, Florida with 1–10 employees is a communication service provider specializing in phone systems and internet connectivity.
- This acquisition brings together Gateway Telnet's broader telecom/IT capabilities with HighComm's hosted-cloud communications strengths, enabling a more comprehensive offering to small- and mid-sized businesses.

**Source: Crunchbase, Cap IQ.*

Excendio Advisors

Our Recent and Past Transactions IT M&A

Our Latest Transactions

Acquiror – Focus Technology | **Target – Converged Technology Group**

- Focus Technology, LLC acquired Converged Technology Group, LLC. Excendio served as Converged Technology Group's exclusive financial advisor for this successful transaction.
- Converged Technology Group a New York-based IT services provider with deep expertise in Managed Services, Collaboration, Cloud, Enterprise Networking and Data Center Solutions.
- Focus Technology is a MA based AI-powered IT Infrastructure, Managed Services, Cybersecurity, and Cloud Innovation solutions provider.
- This acquisition will help Converged Technology Group in expanding their reach across the Tri-State area and beyond, while enhancing the depth and breadth of services they offer to clients.
- Founder's Statement

Acquiror – Cyberlink ASP | **Target – Consentus Tech Services**

- Cyberlink ASP acquired Consentus Tech Services, Inc. Excendio served as Consentus Tech Services's financial advisor for this successful transaction.
- CyberlinkASP delivers cloud hosting, virtual desktops, and managed IT solutions for secure business operations.
- Cosentus offers medical billing, coding, and practice management services - integrating EHR/software solutions to optimize healthcare revenue cycles.
- This acquisition will help Cyberlink ASP offer a broader range of services, including remote monitoring and management, endpoint security, network management, email management, and device lifecycle management.
- Founder's Statement

Our Latest Transactions

Acquiror – Cyber Advisors LLC | **Target – eDot LLC**

- Cyber Advisors, LLC acquired eDot, LLC. Excendio served as eDot's exclusive financial advisor for this successful transaction.
- eDot founded in Wheeling more than 20 years ago specializes in Managed Services, Cyber Security, Backup Systems, IT Consulting & Hardware/ Software sales and support.
- Cyber Advisors is a prominent provider of cyber security and technology solutions.
- This acquisition will help eDot LLC in offering products & services to their 150+ clients.
- "Melvin and I came to this process with very high expectations & the team at Excendio did not disappoint", commented Steve Jaffe.

Acquiror – Trafera | **Target – Now Micro, Inc**

- Trafera acquired Now Micro, Inc. Excendio served as Now Micro's exclusive financial advisor for this successful transaction.
- Now Micro founded more than 30 years ago delivers tailored, purpose-built technology solutions to SLED & commercial enterprises encompassing hardware, software & services.
- Trafera is a leading provider of educational technology to k-12 schools.
- This acquisition will help Now Micro in their growth and will enable them to offer a broader range of services & solutions to customers.
- "We are thankful to Excendio team for their relentless work, for guiding us through this process & finding the best partner. We would certainly want them on our side if we had to do it again." commented Pat & Bob.

MSP Transactions

Software Growth Partners acquired Netreo

Netreo's SaaS IT Management tool, OmniCenter™, provides enterprise-wide dashboard views of the entire IT footprint for large companies.

Accunet acquired Distributed Technology Group

Accunet provides life cycle solutions in network, security, storage, data centers. The acquisition strengthens DTG's storage practice and adds network and security services.

New Era Technology acquired Meyer Hill Lynch

New Era Technology's acquisition of Meyer Hill Lynch boosts expertise, expands its client base & supports its goal to serve 20,000+ customers with scalable IT solutions.

New Era Technology acquired Pangaia Partners

Pangaia Partners delivers IT services in network engineering, collaboration, and data centers, serving Fortune 500 and midmarket clients for 17+ years.

New Era Technology acquired Cameo Solutions

Cameo Solutions, a cloud contact center provider, was acquired by New Era Technology to expand its unified communications, collaboration, and managed IT services.

Corporate Technologies acquired CPR

Corporate Technologies provides IT solutions in network infrastructure, cybersecurity, cloud services, and data management.

Other Transactions

Norlight INC acquired Netcom Group

Hostway acquired IMS Soft & Services

IMS Soft & Services

TeleData acquired The Hogan Group INC

RiverStreet Networks acquired Gamewood

Valor Global acquired Extreme Integration

Vertical Trail Solutions acquired Edgilent

ConvergeOne acquired G3 Technology Partners

Core BTS Inc acquired Inacom Information Systems

Cisco acquired Aironet

Other Transactions

Carousel Industries acquired UTDI

Carousel Industries

UTDI

Infor acquired Brain International

infor

BRAIN INTERNATIONAL

IT Savvy acquired Infrastructure Works

IT savvy

infrastructureWORKS

Software Growth Partners acquired Appsian Security

SGP SOFTWARE GROWTH PARTNERS

APPSIAN SECURITY

Clarey Technology acquires Phoenix Computer Associates

Clarey Technology Group, LLC

Phoenix Computer Associates, Inc.

Blue Loop Capital acquired Yuxi Pacific

Blue Loop CAPITAL

YuxiPacific

CI&T acquired Comrade

CI&T

comrade

Cisco acquired Altiga Networks

CISCO

ALTIGA NETWORKS

AAV Holdings Corporation acquired Promedia

AAV Holding Corporation

PROMEDIA

Appendix - IT Services Comparable Company Analysis

Comparable Analysis
August 2025

Sector	Market Data	LTM Financials			Valuation Multiples		
	% 52 week high	Gross Margin (%)	EBITDA Margin (%)	Net Profit Margin (%)	EV/ LTM EBITDA	EV/ LTM Revenue	Price/ Earnings
Managed Infrastructure Mean	78%	55%	46%	17%	20.6 x	9.5 x	47.4 x
Managed Infrastructure Median	79%	55%	40%	15%	20.0 x	10.6 x	41.3 x
Offshore Services Mean	76%	31%	19%	12%	13.5 x	2.6 x	22.1 x
Offshore Services Median	78%	31%	20%	12%	14.5 x	2.6 x	22.2 x
Consulting Mean	73%	37%	11%	6%	12.4 x	1.3 x	22.4 x
Consulting Median	73%	38%	11%	7%	14.8 x	1.6 x	22.6 x
IT Commercial Services Mean	49%	28%	15%	8%	7.5 x	1.2 x	13.1 x
IT Commercial Services Median	61%	28%	16%	9%	8.0 x	1.1 x	14.3 x
Government Consulting Mean	72%	27%	11%	6%	11.9 x	1.3 x	17.4 x
Government Consulting Median	75%	24%	11%	6%	11.4 x	1.2 x	16.8 x
Managed Services Mean	71%	28%	16%	9%	13.3 x	1.9 x	20.9 x
Managed Services Median	73%	27%	17%	9%	12.0 x	1.7 x	19.9 x
Total Industry Mean	**70%**	**34%**	**20%**	**10%**	**13.2 x**	**3.0 x**	**23.9 x**
Total Industry Median	**74%**	**30%**	**17%**	**9%**	**13.2 x**	**1.7 x**	**21.0 x**

**Source: Yahoo Finance. As of 29th August.*

Comparable Analysis
August 2025

Company	Market Data					LTM Financials					Valuation Multiples		
	HQ Country	Stock Price	% 52 week high	Mcap ($ Mn)	Enterprise Value ($	LTM Revenue	LTM Net Income	Gross Margin (%)	EBITDA Margin (%)	Net Profit Margin (%)	EV/ LTM EBITDA	EV/ LTM Revenue	Price/ Earnings
Managed Infrastructure													
Equinix Inc	US	$786.19	79%	$76,940	$95,131	$8,943	$994	50%	40%	11%	26.3 x	10.6 x	77.4 x
Digital Realty Trust	US	$167.64	85%	$57,174	$73,664	$5,768	$1,383	55%	64%	24%	20.0 x	12.8 x	41.3 x
Digital Ocean Holdings	US	$32.62	69%	$2,970	$4,346	$833	$126	60%	33%	15%	15.6 x	5.2 x	23.5 x
Managed Infrastructure Mean			**78%**					**55%**	**46%**	**17%**	**20.6 x**	**9.5 x**	**47.4 x**
Managed Infrastructure Median			**79%**					**55%**	**40%**	**15%**	**20.0 x**	**10.6 x**	**41.3 x**
Offshore Services													
Tata Consultancy Services	IN	$35.22	69%	$127,418	$123,785	$29,243	$5,625	43%	28%	19%	15.0 x	4.2 x	22.7 x
Infosys Limited	IN	$16.78	73%	$69,549	$66,400	$19,504	$3,204	30%	23%	16%	14.7 x	3.4 x	21.7 x
HCL Technologies Limited	IN	$16.61	72%	$44,999	$44,971	$13,625	$1,938	27%	23%	14%	14.3 x	3.3 x	23.2 x
Cognizant Technology Solutions	US	$72.25	80%	$35,287	$34,656	$20,486	$2,436	34%	19%	12%	9.1 x	1.7 x	14.5 x
Wipro Limited	IN	$2.85	77%	$29,816	$25,561	$10,190	$1,537	30%	24%	15%	10.4 x	2.5 x	19.4 x
LTI Mindtree Limited	IN	$58.61	76%	$17,364	$16,488	$4,419	$539	28%	20%	12%	18.8 x	3.7 x	32.2 x
Tech Mahindra Limited	IN	$16.91	82%	$14,968	$14,357	$6,089	$518	27%	16%	9%	15.2 x	2.4 x	28.9 x
Genpact Limited	BM	$45.34	80%	$7,901	$8,765	$4,929	$538	36%	18%	11%	10.0 x	1.8 x	14.7 x
Globant S.A.	LU	$67.26	28%	$2,963	$3,325	$2,482	$110	36%	7%	4%	19.1 x	1.3 x	26.9 x
WNS Holdings Limited	IN	$75.45	99%	$3,241	$3,502	$1,346	$163	35%	21%	12%	12.6 x	2.6 x	19.9 x
Mphasis Limited	IN	$31.83	86%	$6,055	$5,871	$1,660	$199	31%	21%	12%	17.2 x	3.5 x	30.5 x
Sonda S.A.	CL	$0.37	85%	$321	$552	$1,596	$29	14%	6%	2%	5.5 x	0.3 x	10.9 x
Offshore Services Mean			**76%**					**31%**	**19%**	**12%**	**13.5 x**	**2.6 x**	**22.1 x**
Offshore Services Median			**78%**					**31%**	**20%**	**12%**	**14.5 x**	**2.6 x**	**22.2 x**

**Source: Yahoo Finance. As of 29th August.*

EXCENDIO ADVISORS
IT MERGERS & ACQUISITIONS

Comparable Analysis
August 2025

Company	HQ Country	Stock Price	% 52 week high	Mcap ($ Mn)	Enterprise Value ($	LTM Revenue	LTM Net Income	Gross Margin (%)	EBITDA Margin (%)	Net Profit Margin (%)	EV/ LTM EBITDA	EV/ LTM Revenue	Price/ Earnings
	Market Data					LTM Financials					Valuation Multiples		
Consulting													
FTI Consulting	US	$168.64	73%	$5,457	$6,027	$3,663	$250	32%	10%	7%	16.0 x	1.6 x	21.9 x
Huron Consulting Group	US	$136.96	88%	$2,370	$3,007	$1,593	$105	31%	13%	7%	14.8 x	1.9 x	22.6 x
Resources Connection	US	$5.11	51%	$170	$110	$826	$76	40%	12%	9%	1.1 x	0.1 x	2.3 x
The Hackett Group	US	$20.82	61%	$573	$588	$316	$17	38%	11%	5%	17.3 x	1.9 x	33.8 x
Information Services Group	US	$5.17	91%	$249	$286	$240	$8	42%	9%	3%	12.8 x	1.2 x	31.7 x
Consulting Mean			**73%**					**37%**	**11%**	**6%**	**12.4 x**	**1.3 x**	**22.4 x**
Consulting Median			**73%**					**38%**	**11%**	**7%**	**14.8 x**	**1.6 x**	**22.6 x**
IT Commercial Services													
Accenture plc	IE	$259.97	65%	$161,923	$160,451	$68,483	$7,949	32%	17%	12%	13.5 x	2.3 x	20.4 x
Capgemini SE	FR	$141.87	61%	$24,031	$28,659	$25,775	$1,822	27%	14%	7%	8.0 x	1.1 x	13.2 x
CGI Inc	CA	$96.99	76%	$19,281	$21,637	$11,316	$1,246	16%	19%	11%	10.2 x	1.9 x	15.5 x
Atos SE	FR	$51.03	0%	$989	$2,681	$10,085	$290	37%	16%	3%	1.6 x	0.3 x	3.4 x
Unisys Corporation	US	$3.91	44%	$279	$711	$1,958	($82)	28%	8%	-	4.3 x	0.4 x	-
IT Commercial Services Mean			**49%**					**28%**	**15%**	**8%**	**7.5 x**	**1.2 x**	**13.1 x**
IT Commercial Services Median			**61%**					**28%**	**16%**	**9%**	**8.0 x**	**1.1 x**	**14.3 x**
Government Consulting													
Booz Allen Hamilton Holding Corporati	US	$108.72	57%	$13,400	$16,874	$11,980	$1,041	54%	13%	9%	10.7 x	1.4 x	12.9 x
CACI International Inc	US	$479.72	82%	$10,551	$13,781	$8,628	$500	9%	11%	6%	14.4 x	1.6 x	21.1 x
Science Applications International Cor	US	$117.70	75%	$5,517	$7,911	$7,518	$269	11%	8%	4%	12.8 x	1.1 x	20.5 x
Maximus, Inc.	US	$87.92	94%	$4,954	$6,676	$5,429	$316	24%	12%	6%	10.3 x	1.2 x	15.7 x
ICF International, Inc.	US	$98.22	55%	$1,810	$2,450	$1,977	$108	37%	11%	5%	11.4 x	1.2 x	16.8 x
Government Consulting Mean			**72%**					**27%**	**11%**	**6%**	**11.9 x**	**1.3 x**	**17.4 x**
Government Consulting Median			**75%**					**24%**	**11%**	**6%**	**11.4 x**	**1.2 x**	**16.8 x**

**Source: Yahoo Finance. As of 29th August.*

EXCENDIO ADVISORS
IT MERGERS & ACQUISITIONS

Comparable Analysis
August 2025

Company	Market Data					LTM Financials					Valuation Multiples		
	HQ Country	Stock Price	% 52 week high	Mcap ($ Mn)	Enterprise Value ($	LTM Revenue	LTM Net Income	Gross Margin (%)	EBITDA Margin (%)	Net Profit Margin (%)	EV/ LTM EBITDA	EV/ LTM Revenue	Price/ Earnings
Managed Services													
Accenture plc	IE	$259.97	65%	$161,923	$160,451	$68,483	$7,949	32%	17%	12%	13.5 x	2.3 x	20.4 x
Tata Consultancy Services	IN	$35.22	69%	$127,418	$123,785	$29,243	$5,625	43%	28%	19%	15.0 x	4.2 x	22.7 x
International Business Machines Corp	US	$243.49	82%	$226,816	$279,088	$64,040	$5,833	58%	20%	9%	21.6 x	4.4 x	38.9 x
Infosys Limited	IN	$16.78	73%	$69,549	$66,400	$19,504	$3,204	30%	23%	16%	14.7 x	3.4 x	21.7 x
Capgemini SE	FR	$141.87	61%	$24,031	$28,659	$25,775	$1,822	27%	14%	7%	8.0 x	1.1 x	13.2 x
Cognizant Technology Solutions	US	$72.25	80%	$35,287	$34,656	$20,486	$2,436	34%	19%	12%	9.1 x	1.7 x	14.5 x
Wipro Limited	IN	$2.85	77%	$29,816	$25,561	$10,190	$1,537	30%	24%	15%	10.4 x	2.5 x	19.4 x
DXC Technology Company	US	$14.45	58%	$2,587	$5,594	$12,794	$379	25%	17%	3%	2.6 x	0.4 x	6.8 x
Rackspace Technology, Inc	US	$1.26	37%	$302	$3,505	$2,693	($369)	20%	4%	-	36.9 x	1.3 x	-
CGI Group	CA	$96.99	76%	$19,281	$21,637	$11,316	$1,246	16%	19%	11%	10.2 x	1.9 x	15.5 x
ePlus	US	$72.37	68%	$1,927	$1,576	$2,170	$118	27%	9%	5%	8.4 x	0.7 x	16.3 x
Insight Enterprises	US	$130.16	58%	$4,096	$5,333	$8,356	$150	21%	5%	2%	13.9 x	0.6 x	27.4 x
Leidos	US	$180.92	89%	$23,211	$27,982	$17,053	$1,402	18%	14%	8%	12.0 x	1.6 x	16.6 x
NTT Data	JP	$26.95	98%	$37,786	$53,283	$31,601	$970	28%	16%	3%	10.9 x	1.7 x	38.9 x
Science Applications Int.	US	$117.70	75%	$5,517	$7,911	$7,518	$269	11%	8%	4%	12.8 x	1.1 x	20.5 x
Managed Services Mean			**71%**					**28%**	**16%**	**9%**	**13.3 x**	**1.9 x**	**20.9 x**
Managed Services Median			**73%**					**27%**	**17%**	**9%**	**12.0 x**	**1.7 x**	**19.9 x**

*Source: Yahoo Finance. As of 29th August.

EXCENDIO ADVISORS
IT MERGERS & ACQUISITIONS

Discount Rates Implied From IT Public Market Valuations

Sector	Beta Levered	Beta Unlevered	Unlevered Discount Rate	Relevered Discount Rate [1]	Relevered Discount Rate [2]
Managed Infrastructure	0.66	0.34	6.3%	6.8%	7.9%
Offshore Services	1.05	0.97	10.1%	11.7%	14.8%
Consulting	0.65	0.48	7.1%	7.9%	9.5%
Government Consulting	0.71	0.39	6.6%	7.2%	8.4%
Managed Services	1.06	0.65	8.1%	9.2%	11.3%
Total Industry	0.83	0.57	7.6%	8.6%	10.4%

(1) D/E ratio of 0.33 is assumed to calculate Relevered Discount Rate.
(2) D/E ratio of 1 is assumed to calculate Relevered Discount Rate.

**Source: Yahoo Finance, Fred, Trading Economics.*

Madhur has over 20 years of experience in middle market IT and software Mergers & Acquisitions and Consulting.

Prior to joining Excendio, Madhur worked in various senior transaction advisory and middle market SME roles at firms such as Citibank, Barclays, Lehman Brothers, New York Life, KPMG, Moody’s and KBRA.

He has worked extensively with companies in the $10MN-$1BN revenue range across a range of strategic initiatives including exits and acquisitions, working capital optimization, IT implementation, financial planning, valuation and debt restructuring.

Middle market businesses are personal and can often be someone’s passion and life’s work. As such, Madhur focuses not just on the specifics of the transaction, but also on how it fits into the life goals of the owner and the importance of career transition for them.

Madhur will often connect founders looking to exit with the right industry participants to ensure founders can confidently exit knowing they’ve maximized their business’s value, gaining the clarity, confidence, and peace of mind they deserve.

Madhur has a PhD in Financial Economics from UC Berkeley, Haas School of Business. He lives with his wife and son in New Jersey. He loves tennis, wine, the outdoors and spending time with family and friends.

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