

# IT & Software Market Update

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*December 2025*

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## Macro Update

**0.7% / 17.3%**

S&P Return: Dec-25/LTM

**4.12%**

10 Year Treasury Yield



## MSP Outlook 2026

For well-run but subscale MSPs, partnered exits may offer the most realistic path to premium outcomes. Done right, partnership can convert scarcity into opportunity; done poorly, it simply adds complexity without value.



## Public Market Multiple

**13.3x**

Managed Services TTM EV/ EBITDA Multiple

**7.2x**

SaaS TTM Revenue Multiple



## Private Market Multiple

**14.0x**

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

**1.9x**

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



## Select MSP Transactions

Acquiror



Target



Acquiror



Target



## Podcast – M&A Insights

AI

Inside an AI-Enabled MSP – What's Working What's Not

I sit down with Ed Correia, CEO of Sagacent Technologies, to break down exactly how his MSP is harnessing AI to create value, boost margins, and protect his clients.

- 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.

**NY MSP:** Founder-owned \$10MN CT MSP looking to partner with regional MSPs in CT/NJ/NY/PA to exit as a platform.

**NJ MSP:** Founder-owned \$20MN+ NY MSP looking to partner with MSPs to exit as a national platform.

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

**PA MSP:** \$3MN MSP looking to partner with regional MSPs to exit as a regional platform.

**MI-backed \$8MN Data Analytics Consulting firm** looking to exit under a Buyer Assignment

- 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.

## The MetLife and US Chamber of Commerce Small Business Index – Q4 2025

### On The Economy

**38% of SMB owners believe the economy is in good or better than good health - down 6 points from Q4 2024 (32%).**

### On Inflation

**45% of SMBs cite inflation as a top concern - down 10 points from Q4 2024 (55%).**

### On Compliance

**91% SMBs say licensing, certification and permit requirements have grown or stayed the same - down 1 point from Q4 2024 (92%).**

### On Overall Health

**69% of SMBs say their business is in good health this quarter - up 2 points from Q4 2024 (67%).**

### On Revenues

**30% of SMBs cite revenues as a challenge - up 5 points from Q4 2024 (25%).**

### On Liquidity

**74% of SMBs say they are comfortable with their cash flow - down 3 points from Q4 2024 (71%).**

### On Hiring

**26% of SMBs say attracting or retaining talent was a concern - up 10 points since Q4 2024 (16%).**

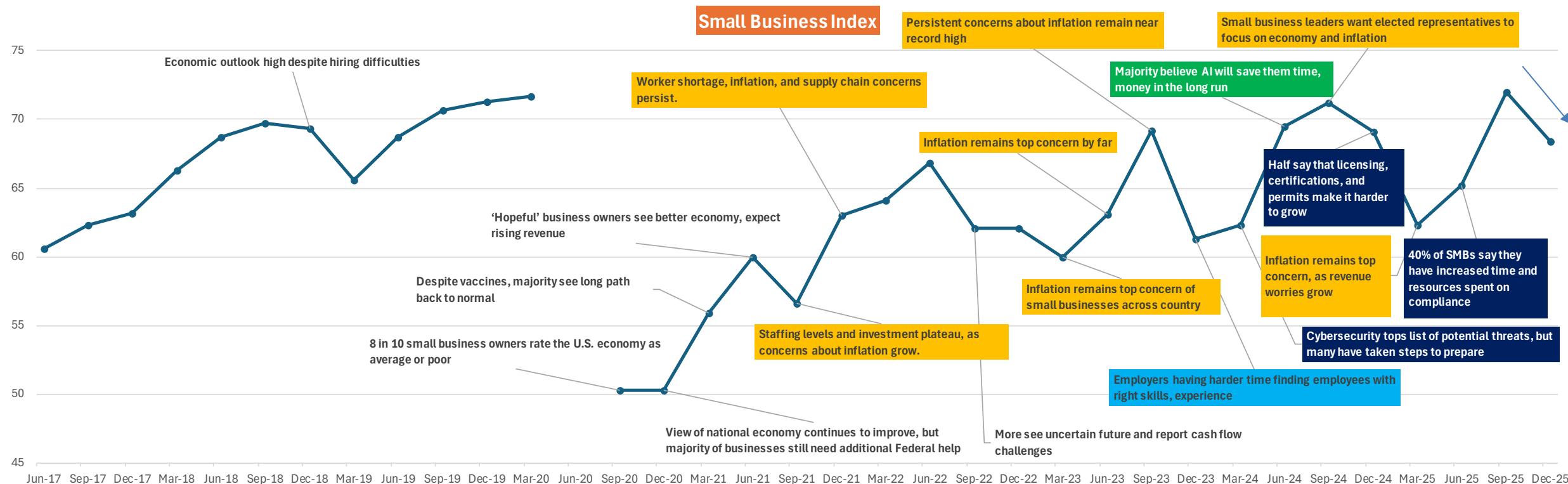
### On Growth

**65% of SMBs expect next year's revenues to increase - down 7 points from Q4 2024 (72%).**

**The MetLife and US Chamber of Commerce Small Business Index – Q3 2025**

Top Ten Questions	All SMBs	>20 Seat SMBs
	Level (YoY Change)	Level (QoQ Change)
% Who rate the overall health of <u>Their Business</u> as “Very Good”	34% (+3%)	50% (+5%)
% Who rate the overall health of the <u>US Economy</u> as “Very Good”	16% (+5%)	21% (+7%)
% Who rate the overall health of the <u>Local Economy</u> as “Very Good”	17% (+5%)	19% (+1%)
% Who see <u>More Competition</u> from small or local companies compared with six-months ago	34% (0%)	30% (0%)
% Who say they are “Very Comfortable” with their <u>Cash Flow</u> situation	24% (+1%)	38% (+4%)
% Who say they plan to “Increase” <u>Investment</u>	44% (-2%)	56% (+12%)
% Who say time spent completing <u>Licensing, Compliance and Government requirements</u> has “Increased”	37% (-2%)	45% (+9%)
% Who say they have “Increased” <u>Staff</u>	23% (+1%)	42% (+4%)
% Who say they plan to “Increase” <u>Staff Next Year</u>	42% (+1%)	50% (-4%)
% Who say they expect an “Increase” in <u>Next Year’s Revenue</u>	65% (-7%)	71% (-11%)

## SMB Outlook Around Growth and Hiring Worsened in 2025. Inflation remains a top concern



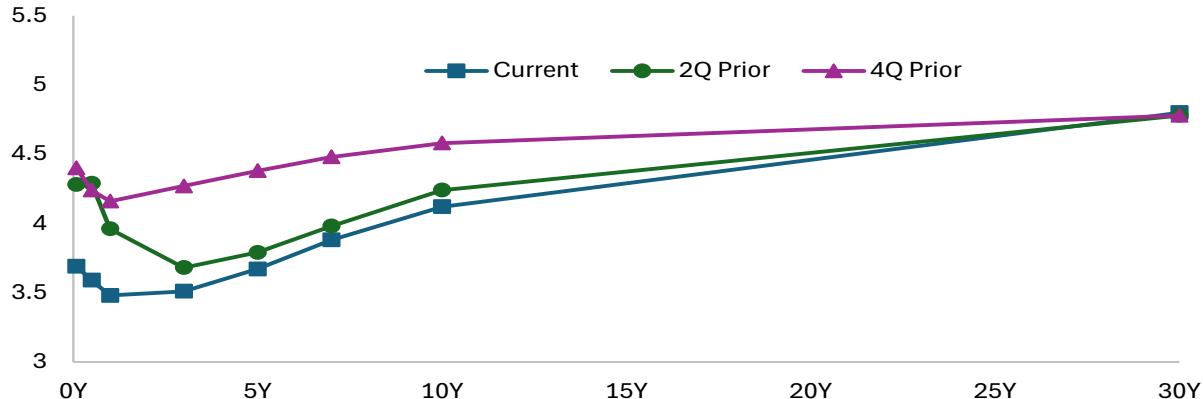
\* MetLife & U.S. Chamber of Commerce Small Business Index

**The AI-Story has surged equity markets but employment growth and consumer sentiment are subdued**

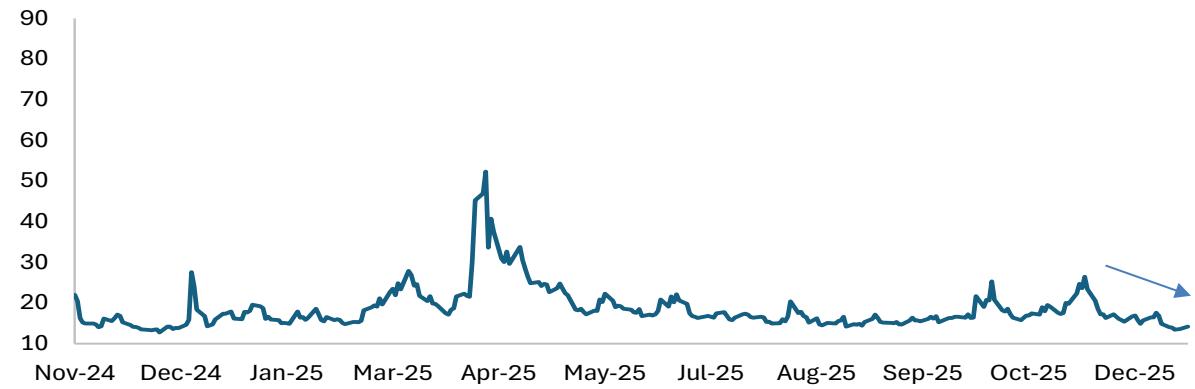
	Current	As of	1Y Ch	1Y % Ch	Current	Hist. Avg	1Q Prior	2Q Prior	3Q Prior	4Q Prior
<b>RATES, INFLATION AND UNEMPLOYMENT</b>										
10y Constant Maturity Tsy Yield	4.12	12-29-2025	-0.43	-9.45	4.12	3.32	4.16	4.24	4.23	4.58
CoreCPI	2.71	11-01-2025	-0.16	-5.58	2.71	2.58	3.02	2.67	2.41	2.87
Unemployment Rate	4.60	11-01-2025	0.40	9.52	4.60	5.65	4.40	4.10	4.20	4.10
Initial Claims 4-week MA	216.75	12-20-2025	-9.50	-4.20	216.75	370.40	234.75	241.25	223.00	222.25
Nonfarm Payroll Change (Unrevised)	64.00	12-16-2025	-259.00	-0.80	64.00	140.41	108.00	-13.00	120.00	323.00
<b>INDEXES AND INDICATORS</b>										
Sahm Recession Indicator	0.43	11-01-2025	0.00	0.00	0.43	0.48	0.23	0.17	0.27	0.40
Michigan Consumer Sentiment	52.90	12-19-2025	-21.10	-0.18	52.90	81.99	55.10	60.70	57.00	71.80
Michigan Inflation Expectations	4.20	12-19-2025	1.40	-0.02	4.20	3.16	4.70	5.00	5.00	2.80
<b>MARKETS</b>										
S&P 500	6896.24	12-30-2025	1014.61	17.25	6896.24	-	6688.46	6204.95	5611.85	5881.63
NASDAQ	23419.08	12-30-2025	4108.29	21.27	23419.08	-	22660.01	20369.73	17299.29	19310.79
VIX	14.20	12-29-2025	-3.20	-18.39	14.20	19.83	16.28	16.73	22.28	17.35
ICE Corp BBB OAS	1.00	12-29-2025	-0.02	-1.96	1.00	1.98	0.97	1.08	1.20	1.02
ICE Corp HY OAS	2.87	12-29-2025	-0.01	-0.35	2.87	5.36	2.80	2.96	3.55	2.92

**The AI-Story has surged Equity markets but employment growth and consumer sentiment are subdued**

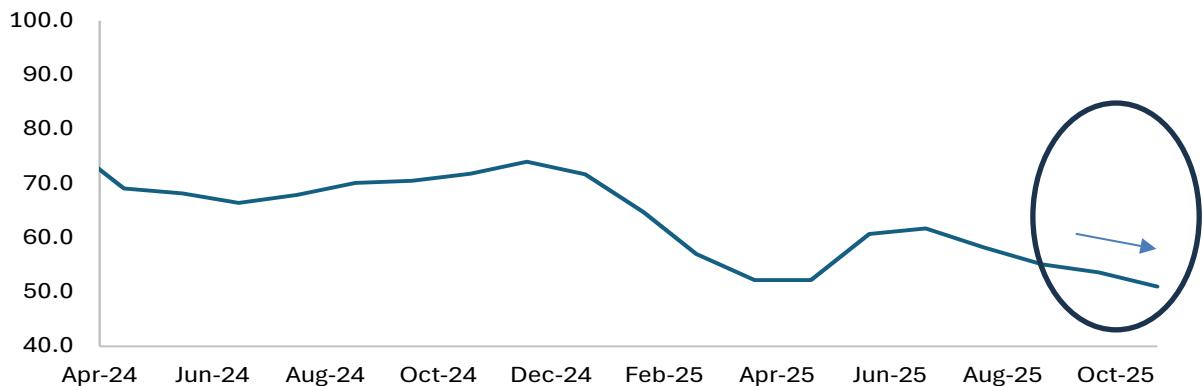
Treasury Yield Curve



CBOE Volatility Index



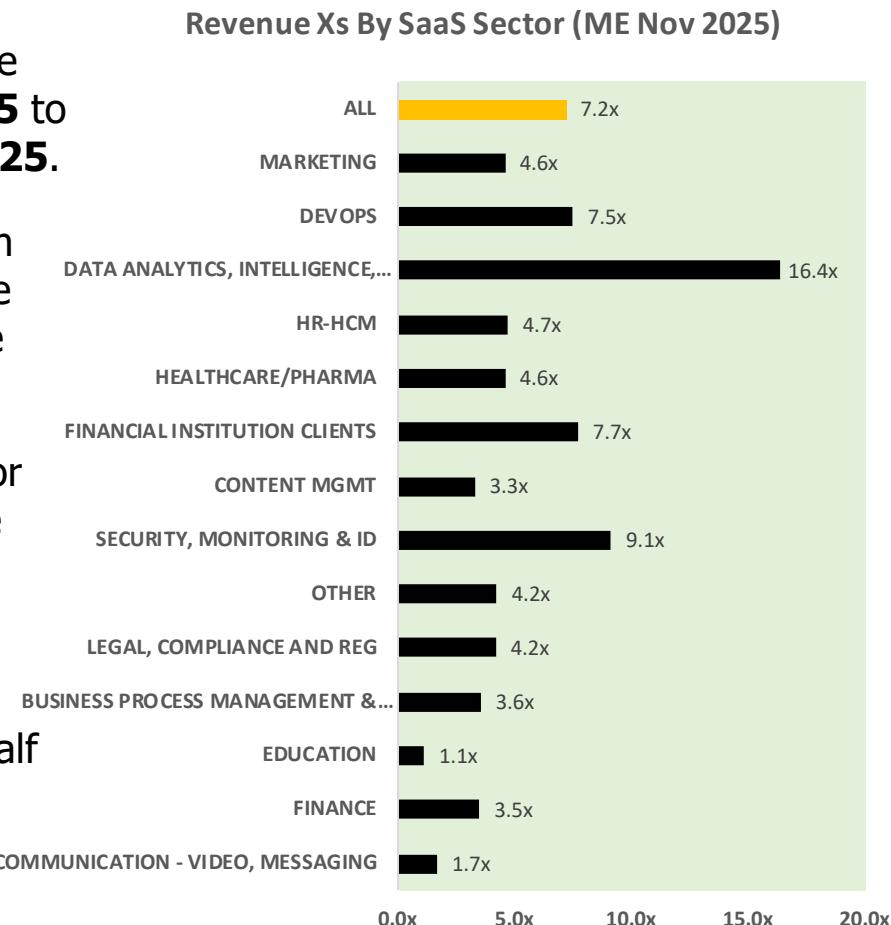
Michigan Consumer Sentiment Survey



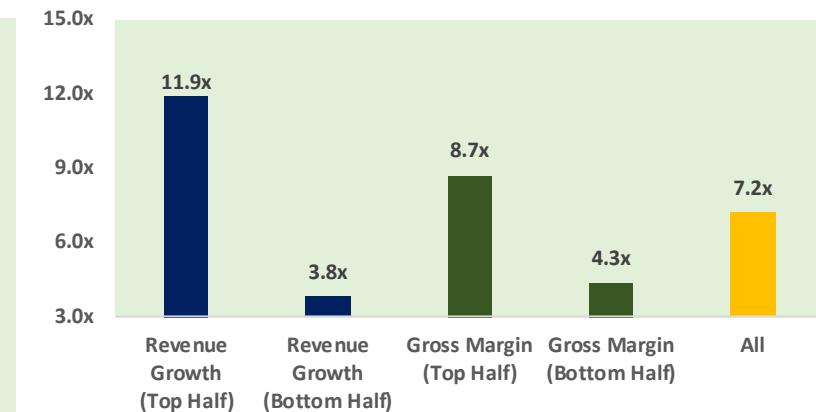
S&P 500



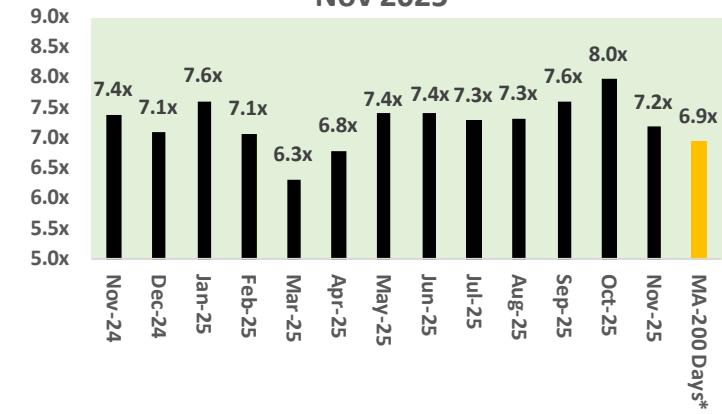
- The aggregate SaaS TTM Revenue Multiple decreased by **0.8 pts** in **November 2025** to **7.2x** compared with **8.0x** in **October 2025**.
- The broad stock market index expanded in the fourth quarter. **S&P 500** remained the same in October & increased **2.4%** in the Fourth quarter.
- Sector Mattered:** Multiples contracted for Horizontals like Data Analytics, Healthcare and expanded for Financial Institutions, Legal.
- 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.



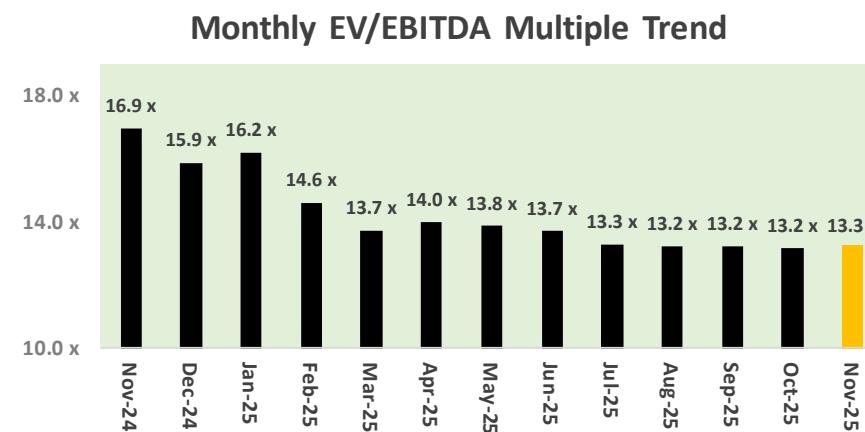
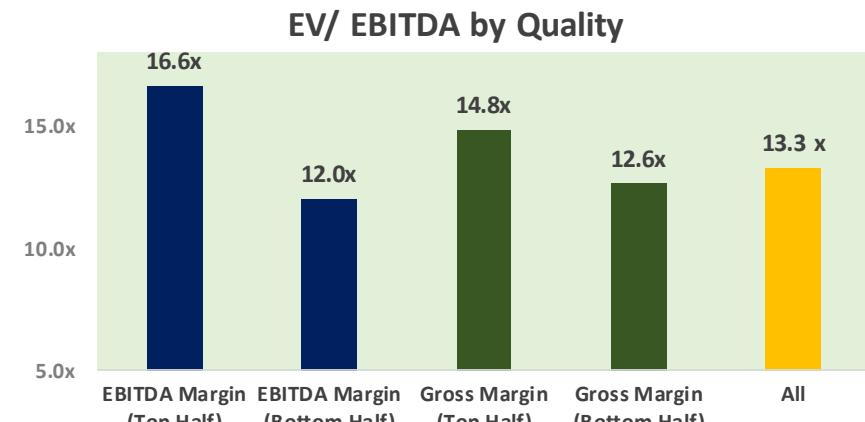
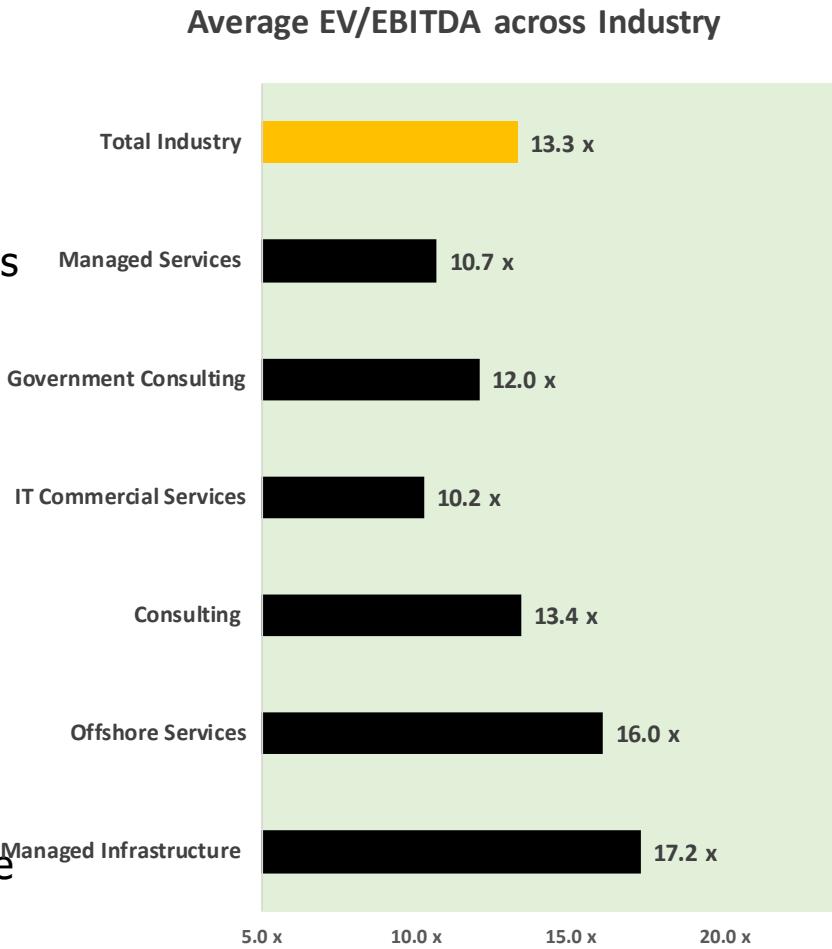
SaaS Revenue Xs (ME Nov 2025) By Quality



Recovery in SaaS Revenue Xs Stalled in Nov 2025



- The aggregate IT Services TTM EBITDA Multiple increased slightly about **0.1x** in **Nov 2025** to **13.3x** from **13.2x** in **Oct 2025**.
- Multiples contracted by **3.6x, 1.3x** pts for Managed Infra, Consulting & expanded for Offshore Services, IT Commercial Services by **2.8x, 2.3x** pts in November.
- 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 **November 2025**.



**YTD Median EV/EBITDA and EV/Revenue multiples stand at 24.0x and 3.0x**

**YTD Median EV/EBITDA and EV/Revenue multiples for deals less than \$200MN stand at 14.0x and 1.9x respectively.**

Date	Target	Acquiror(s) / Investor(s)	Deal Size (US\$mn)	EV/ EBITDA	EV/ Revenue	Sector	Target Business Description
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 VII; Blackstone Capital Partners IX (Lux) SCSP; Blackstone Badger Meter, Inc. (NYSE:BM)	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.		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 Manager	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

Date	Target	Acquiror(s) / Investor(s)	Deal Size (US\$mn)	EV/ EBITDA	EV/ Revenue	Sector	Target Business Description
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 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
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

Date	Target	Acquiror(s) / Investor(s)	Deal Size (US\$mn)	EV/ EBITDA	EV/ Revenue	Sector	Target Business Description
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
Sep-25	Olo Inc.	Thoma Bravo, L.P.	1,602	NA	5.1x	Application Software	Target operates an open SaaS platform for restaurants in the United States
Sep-25	Couchbase, Inc.	Haveli Investment Management LLC	1,528	NA	6.5x	Internet Services and Infrastructure	Target develops cloud database platform for enterprise applications

Date	Target	Acquiror(s) / Investor(s)	Deal Size (US\$mn)	EV/ EBITDA	EV/ Revenue	Sector	Target Business Description
Sep-25	Elo Touch Solutions, Inc.	Zebra Technologies Corporation (NASDAQGS:ZBRA)	1,300	NA	3.3x	Technology Hardware, Storage and Peripherals	Target designs and manufactures touchscreen components
Oct-25	Crisp Momentum Inc.	ALMAD Group Limited	3	NA	NM	Application Software	Target engages in the production and distribution of short-form content in the United States
Oct-25	ListEngage, LLC.	Tata Consultancy Services Limited (NSEI:TCS)	73	NA	3.0x	IT Consulting and Other Services	Target operates as a full-stack Salesforce partner that specializes in marketing cloud, CRM, data cloud, agent force, and AI advisory services for enterprises
Oct-25	Eventdex LLC	Nextech3D.AI Corporation (OTCQB:NEXC.F)	1	NA	0.9x	Application Software	Target provides cloud-based event management software and mobile applications for organizing and executing virtual, hybrid, and in-person events
Oct-25	MeridianLink, Inc.	Centerbridge Partners, L.P.	2,053	42.0x	6.7x	Application Software	Target is a software-as-a-service company that provides software solutions for banks, credit unions, mortgage lenders, specialty lending providers
Oct-25	CoreCard Corporation	Euronet Worldwide, Inc. (NASDAQGS:EEFT)	174	17.6x	3.9x	Application Software	Target provides technology solutions and processing services to the financial technology and services market
Nov-25	Sojern, Inc.	Rategain Technologies Limited	250	NA	1.5x	Application Software	Target designs and develops travel marketing platform
Nov-25	Drone Nerds, LLC	XTI Drones Holdings, LLC	36	NA	0.3x	Technology Distributors	Target distributes and services DJI drones for enterprise, private, and recreational needs
Nov-25	Informatica Inc.	Salesforce, Inc. (NYSE:CRM)	8,620	28.6x	5.3x	Application Software	Target develops an artificial intelligence-powered platform
Nov-25	Ampere Computing LLC	SoftBank Group Corp. (TSE:9984)	6,500	NA	NM	Semiconductors	Target designs and manufactures processors for cloud computing and data center environments
Nov-25	Verint Systems Inc.	Thoma Bravo, L.P.; Calabrio, Inc.	2,058	17.1x	2.3x	Application Software	Target provides customer engagement solutions worldwide
	<b>25th Percentile</b> <b>Median</b> <b>75th Percentile</b>			<b>15.6x</b> <b>24.0x</b> <b>41.5x</b>	<b>1.5x</b> <b>3.0x</b> <b>6.6x</b>		

## Notable Service Provider Deals in November



### Acquiror – The 20 MSP

- The 20 MSP announced the acquisitions of Red Level, iStreet Solutions, InData Consulting on Nov 4, 2025.
- The 20 MSP is a Texas-based managed IT services and MSP growth platform with approximately 150-250 employees that provides a member-driven model for scalable IT support, 24/7 help desk, and business growth resources for MSP partners.
- Red Level Group is a Michigan-based managed IT services firm with 11-50 employees providing cybersecurity, cloud, and IT support solutions to SMB and mid-market clients.
- iStreet Solutions is a California-based IT services provider with 11-50 employees delivering managed IT, network security, hosting, and infrastructure support for small and mid-sized businesses.
- InData Consulting is a California-based managed IT and cybersecurity services firm with 11-50 employees focused on proactive IT management, cloud solutions, and security services for growing businesses.
- These strategic deals bring The 20's total acquisition count to 44, further cementing the company's position as one of the fastest-growing and most active consolidators in the managed services space.



### Target - Red Level



### Target - iStreet Solutions



### Target - InData Consulting

## Notable Service Provider Deals in November



### Acquiror - Thrive

- Thrive announced its acquisition of Worksighted on Nov 11, 2025.
- Thrive NextGen is a Massachusetts-based managed IT and cybersecurity services provider with approximately 1,000-1,500 employees delivering NextGen managed services, cloud, and security solutions to mid-market and enterprise clients.
- Worksighted is a Michigan-based managed IT services and business transformation firm with approximately 51-100 employees providing strategic IT support, cybersecurity, cloud, and infrastructure solutions to small and mid-sized businesses.
- The company marks Thrive's fifth acquisition of the year and continued expansion into the Midwest following Safety Net and VitalCORE acquisitions.



### Target - Worksighted



### Acquiror - Omega Systems

- Omega Systems announced the acquisition of Peake Technology Partners on Nov 5, 2025.
- Omega Systems is a Pennsylvania-based managed IT and cybersecurity services provider with approximately 101-250 employees delivering 24/7 managed IT support, cybersecurity, compliance, and cloud solutions for regulated industries and businesses.
- Peak Technologies, Inc. a Maryland-based enterprise mobility firm with approximately 11-50 employees offering managed mobility, printing, supply chain solutions for performance-driven organizations.
- The acquisition strengthens Omega's position as a leading MSP and MSSP in healthcare by expanding its technical capabilities, regional footprint, and expertise in IT, AI, and regulatory compliance.



### Target - Peake Technology Partners

# **Excendio Advisors**

Our Recent and Past

Transactions

IT M&A

# Our Latest Services Transactions



- Announced in August 2025. Excendio served as Converged Technology Group's exclusive financial advisor.
- Target: 40+ people NY-based provider of Managed Services, Collaboration, Cloud, Enterprise Networking and Data Center Solutions.
- Acquirer: MA based AI-powered IT Infrastructure, Managed Services, Cybersecurity, and Cloud Innovation solutions provider.
- Transaction helped Focus expand presence geographically and build collaboration and data center capabilities.



- Announced in January 2025. Excendio served as Cosentus' exclusive financial advisor.
- Target: MT/MO based MSP division of Cosentus Holdings offering RMM, endpoint security, network, email and device cycle management.
- Acquirer: TX based MSP offering cloud hosting, virtual desktops, and managed IT solutions.
- Transaction helped Cyberlink expand presence geographically and Cosentus to focus on its healthcare RCM business.



- Announced in November 2024. Excendio served as Edot's exclusive financial advisor.
- Target: Schaumburg, Illinois-based MSP focused on SMB IT services, cybersecurity, backup, and more serving 150+ clients.
- Acquirer: MN-based cybersecurity provider.
- Transaction helped Acquirer to build presence in the Chicago market and Target founders to exit.
- Founder Steve Jaffe retired while Melvin Thoede continues to support the eDot business.



- Announced in October 2024. Excendio served as Nowmicro's exclusive financial advisor.
- Target: 25+ people MN-based MSP providing IT hardware, physical security and digital signage solutions to SLED enterprises.
- Acquirer: MN-based leading provider of educational technology to k-12 schools.
- Transaction helped Acquirer expand its solutions to include IT hardware, software, physical security and digital signage.
- Patrick Finn has since transitioned to pursue sales leadership roles at Pure Storage – an enterprise data storage company.

# Other Recent Select Transactions



# Appendix - IT Services Comparable Company Analysis

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	
<b>Managed Infrastructure Mean</b>	77%	49%	37%	14%	17.2 x	7.2 x	58.8 x	
<b>Managed Infrastructure Median</b>	78%	55%	39%	12%	19.2 x	6.6 x	39.2 x	
<b>Offshore Services Mean</b>	79%	33%	19%	12%	16.0 x	3.1 x	26.7 x	
<b>Offshore Services Median</b>	80%	31%	20%	12%	15.4 x	3.0 x	24.4 x	
<b>Consulting Mean</b>	72%	32%	13%	8%	13.1 x	1.7 x	23.0 x	
<b>Consulting Median</b>	72%	32%	13%	7%	12.9 x	1.6 x	20.7 x	
<b>IT Commercial Services Mean</b>	99%	18%	5%	3%	10.2 x	0.6 x	16.6 x	
<b>IT Commercial Services Median</b>	102%	20%	5%	3%	9.8 x	0.4 x	17.7 x	
<b>Government Consulting Mean</b>	81%	23%	11%	6%	12.0 x	1.4 x	17.6 x	
<b>Government Consulting Median</b>	93%	18%	11%	6%	10.3 x	1.1 x	14.7 x	
<b>Managed Services Mean</b>	64%	28%	17%	10%	10.7 x	1.8 x	17.7 x	
<b>Managed Services Median</b>	71%	28%	17%	10%	10.2 x	1.7 x	18.8 x	
<b>Total Industry Mean</b>	78%	31%	17%	9%	13.2 x	2.6 x	26.7 x	
<b>Total Industry Median</b>	79%	29%	15%	9%	11.6 x	1.7 x	19.8 x	

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
<b>Managed Infrastructure</b>													
Equinix Inc	US	\$753.31	78%	\$73,965	\$92,870	\$9,058	\$1,070	50%	41%	12%	25.0 x	10.3 x	69.1 x
Digital Realty Trust Inc	US	\$160.12	85%	\$55,001	\$71,485	\$5,914	\$1,403	55%	63%	24%	19.2 x	12.1 x	39.2 x
Digital Ocean Holdings Inc	US	\$44.52	85%	\$4,073	\$5,451	\$864	\$252	61%	39%	29%	16.0 x	6.3 x	16.2 x
Iron Mountain Incorporated	US	\$86.35	77%	\$25,524	\$44,132	\$6,640	\$165	56%	31%	2%	21.3 x	6.6 x	154.9 x
Kyndryl Holdings Inc	US	\$25.83	58%	\$5,904	\$8,599	\$15,008	\$407	21%	12%	3%	4.9 x	0.6 x	14.5 x
<b>Managed Infrastructure Mean</b>			<b>77%</b>					<b>49%</b>	<b>37%</b>	<b>14%</b>	<b>17.2 x</b>	<b>7.2 x</b>	<b>58.8 x</b>
<b>Managed Infrastructure Median</b>			<b>78%</b>					<b>55%</b>	<b>39%</b>	<b>12%</b>	<b>19.2 x</b>	<b>6.6 x</b>	<b>39.2 x</b>
<b>Offshore Services</b>													
Tata Consultancy Services	IN	\$35.11	73%	\$127,027	\$122,799	\$28,836	\$5,560	44%	28%	19%	15.1 x	4.3 x	22.8 x
Infosys Limited	IN	\$17.46	79%	\$70,626	\$66,607	\$19,687	\$3,269	31%	26%	17%	12.9 x	3.4 x	21.6 x
HCL Technologies Limited	IN	\$18.17	81%	\$49,172	\$49,897	\$13,700	\$1,900	40%	23%	14%	16.1 x	3.6 x	25.9 x
Cognizant Technology Solutions Corporation	US	\$77.71	86%	\$37,506	\$36,322	\$20,857	\$2,128	34%	19%	10%	9.2 x	1.7 x	17.6 x
Wipro Limited	IN	\$2.79	77%	\$29,250	\$25,338	\$10,032	\$1,517	30%	24%	15%	10.6 x	2.5 x	19.3 x
LTI Mindtree Limited	IN	\$68.22	96%	\$20,216	\$19,112	\$4,439	\$543	29%	20%	12%	21.6 x	4.3 x	37.2 x
Tech Mahindra Limited	IN	\$16.98	87%	\$15,034	\$14,439	\$6,044	\$499	28%	15%	8%	15.7 x	2.4 x	30.1 x
Genpact Limited	BM	\$44.06	78%	\$7,597	\$8,281	\$5,009	\$551	36%	18%	11%	9.3 x	1.7 x	13.8 x
Globant S.A.	LU	\$63.63	28%	\$2,803	\$3,110	\$2,485	\$100	35%	7%	4%	18.5 x	1.3 x	27.9 x
Mphasis Limited	IN	\$31.46	91%	\$5,986	\$5,914	\$1,668	\$200	31%	21%	12%	17.1 x	3.5 x	30.0 x
Persistent Systems Limited	IN	\$71.09	96%	\$11,069	\$10,923	\$1,479	\$186	30%	20%	13%	37.8 x	7.4 x	59.4 x
Capgemini S.E.	FR	\$1.51	72%	\$250	\$294	\$247	\$18	27%	14%	7%	8.6 x	1.2 x	14.3 x
<b>Offshore Services Mean</b>			<b>79%</b>					<b>33%</b>	<b>19%</b>	<b>12%</b>	<b>16.0 x</b>	<b>3.1 x</b>	<b>26.7 x</b>
<b>Offshore Services Median</b>			<b>80%</b>					<b>31%</b>	<b>20%</b>	<b>12%</b>	<b>15.4 x</b>	<b>3.0 x</b>	<b>24.4 x</b>

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
<b>Consulting</b>													
FTI Consulting	US	\$163.15	80%	\$5,037	\$5,661	\$3,693	\$266	32%	11%	7%	13.9 x	1.5 x	18.9 x
Huron Consulting Group	US	\$164.61	90%	\$2,838	\$3,469	\$1,656	\$108	32%	13%	7%	16.2 x	2.1 x	26.2 x
Resources Connection	US	\$4.84	52%	\$162	\$109	\$535	(\$188)	38%	2%	-	12.2 x	0.2 x	-
The Hackett Group	US	\$18.47	54%	\$464	\$496	\$309	\$11	38%	9%	4%	18.3 x	1.6 x	42.5 x
Accenture Plc	IE	\$250.00	63%	\$153,859	\$152,405	\$70,726	\$7,758	32%	17%	11%	12.8 x	2.2 x	19.8 x
Capgemini S.E.	FR	\$156.37	72%	\$25,899	\$30,494	\$25,595	\$1,815	27%	14%	7%	8.6 x	1.2 x	14.3 x
CGI Inc.	CA	\$88.74	71%	\$17,054	\$19,622	\$11,345	\$1,182	16%	18%	10%	9.6 x	1.7 x	14.4 x
Infosys Limited	IN	\$17.46	79%	\$70,626	\$66,607	\$19,687	\$3,269	31%	26%	17%	12.9 x	3.4 x	21.6 x
Information Services Group	US	\$5.38	83%	\$258	\$297	\$241	\$10	42%	9%	4%	13.1 x	1.2 x	26.4 x
<b>Consulting Mean</b>			<b>72%</b>					<b>32%</b>	<b>13%</b>	<b>8%</b>	<b>13.1 x</b>	<b>1.7 x</b>	<b>23.0 x</b>
<b>Consulting Median</b>			<b>72%</b>					<b>32%</b>	<b>13%</b>	<b>7%</b>	<b>12.9 x</b>	<b>1.6 x</b>	<b>20.7 x</b>
<b>IT Commercial Services</b>													
ePlus Inc	IR	\$89.60	95%	\$2,369	\$2,065	\$2,286	\$129	27%	9%	6%	9.8 x	0.9 x	18.3 x
ScanSource Inc	FR	\$41.12	68%	\$902	\$922	\$3,005	\$74	14%	4%	2%	6.8 x	0.3 x	12.1 x
Arrow Electronics Inc	FR	\$108.01	112%	\$5,564	\$8,480	\$29,389	\$476	11%	3%	2%	8.8 x	0.3 x	11.7 x
Avnet Inc	IN	\$47.51	116%	\$3,864	\$6,888	\$22,495	\$233	11%	3%	1%	11.2 x	0.3 x	16.6 x
PC Connection Inc	US	\$58.04	109%	\$1,465	\$1,068	\$2,879	\$84	19%	4%	3%	9.4 x	0.4 x	17.5 x
Wesco International Inc	US	\$267.41	134%	\$13,008	\$18,950	\$22,942	\$648	21%	6%	3%	13.5 x	0.8 x	20.1 x
CDW Corporation	US	\$144.22	91%	\$18,777	\$24,412	\$22,099	\$1,051	22%	9%	5%	12.7 x	1.1 x	17.9 x
Insight Enterprises Inc	US	\$86.57	67%	\$2,682	\$3,768	\$8,272	\$142	21%	5%	2%	9.8 x	0.5 x	18.8 x
<b>IT Commercial Services Mean</b>			<b>99%</b>					<b>18%</b>	<b>5%</b>	<b>3%</b>	<b>10.2 x</b>	<b>0.6 x</b>	<b>16.6 x</b>
<b>IT Commercial Services Median</b>			<b>102%</b>					<b>20%</b>	<b>5%</b>	<b>3%</b>	<b>9.8 x</b>	<b>0.4 x</b>	<b>17.7 x</b>
<b>Government Consulting</b>													
Booz Allen Hamilton Holding Corporation	US	\$83.46	57%	\$10,124	\$13,469	\$11,980	\$826	52%	11%	7%	10.3 x	1.1 x	12.3 x
CAI International Inc	US	\$617.10	98%	\$13,625	\$16,695	\$8,859	\$504	9%	11%	6%	16.5 x	1.9 x	27.0 x
Science Applications International Corporation	US	\$86.21	69%	\$3,890	\$6,491	\$7,350	\$371	12%	9%	5%	9.8 x	0.9 x	10.5 x
Maximus Inc	US	\$86.09	93%	\$4,689	\$5,912	\$5,431	\$319	25%	12%	6%	8.9 x	1.1 x	14.7 x
Leidos Holdings	US	\$191.10	93%	\$24,433	\$28,688	\$17,332	\$1,409	18%	14%	8%	12.2 x	1.7 x	17.3 x
CAI International Inc	US	\$617.10	98%	\$13,625	\$16,695	\$8,859	\$504	9%	11%	6%	16.5 x	1.9 x	27.0 x
ICF International Inc	US	\$78.04	58%	\$1,439	\$2,062	\$1,926	\$99	37%	11%	5%	9.9 x	1.1 x	14.6 x
<b>Government Consulting Mean</b>			<b>81%</b>					<b>23%</b>	<b>11%</b>	<b>6%</b>	<b>12.0 x</b>	<b>1.4 x</b>	<b>17.6 x</b>
<b>Government Consulting Median</b>			<b>93%</b>					<b>18%</b>	<b>11%</b>	<b>6%</b>	<b>10.3 x</b>	<b>1.1 x</b>	<b>14.7 x</b>

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
<b>Managed Services</b>													
Accenture plc	IE	\$250.00	63%	\$153,859	\$152,405	\$70,726	\$7,758	32%	17%	11%	12.8 x	2.2 x	19.8 x
Tata Consultancy Services	IN	\$35.11	73%	\$127,027	\$122,799	\$28,836	\$5,560	44%	28%	19%	15.1 x	4.3 x	22.8 x
Kyndryl	US	\$25.83	58%	\$5,904	\$8,599	\$15,008	\$407	21%	12%	3%	4.9 x	0.6 x	14.5 x
Infosys Limited	IN	\$17.46	79%	\$70,626	\$66,607	\$19,687	\$3,269	31%	26%	17%	12.9 x	3.4 x	21.6 x
Capgemini SE	FR	\$156.37	72%	\$25,899	\$30,494	\$25,595	\$1,815	27%	14%	7%	8.6 x	1.2 x	14.3 x
Cognizant Technology Solutions	US	\$77.71	86%	\$37,506	\$36,322	\$20,857	\$2,128	34%	19%	10%	9.2 x	1.7 x	17.6 x
Wipro Limited	IN	\$2.79	77%	\$29,250	\$25,338	\$10,032	\$1,517	30%	24%	15%	10.6 x	2.5 x	19.3 x
DXC Technology Company	US	\$13.20	56%	\$2,299	\$5,105	\$12,714	\$384	25%	17%	3%	2.4 x	0.4 x	6.0 x
Rackspace Technology, Inc	US	\$1.06	35%	\$258	\$3,429	\$2,689	(\$249)	19%	8%	-	16.1 x	1.3 x	-
CGI Group	CA	\$88.74	71%	\$17,054	\$19,622	\$11,345	\$1,182	16%	18%	10%	9.6 x	1.7 x	14.4 x
Insight Enterprises	US	\$86.57	48%	\$2,682	\$3,768	\$8,272	\$142	21%	5%	2%	9.8 x	0.5 x	18.8 x
HCL Technologies	IN	\$18.17	81%	\$49,172	\$49,897	\$13,700	\$1,900	40%	23%	14%	16.1 x	3.6 x	25.9 x
Unisys	US	\$2.68	36%	\$191	\$639	\$1,921	(\$329)	28%	-	-	-	0.3 x	-
<b>Managed Services Mean</b>			<b>64%</b>					<b>28%</b>	<b>17%</b>	<b>10%</b>	<b>10.7 x</b>	<b>1.8 x</b>	<b>17.7 x</b>
<b>Managed Services Median</b>			<b>71%</b>					<b>28%</b>	<b>17%</b>	<b>10%</b>	<b>10.2 x</b>	<b>1.7 x</b>	<b>18.8 x</b>
<b>Total Industry Mean</b>			<b>78%</b>					<b>31%</b>	<b>17%</b>	<b>9%</b>	<b>13.2 x</b>	<b>2.6 x</b>	<b>26.7 x</b>
<b>Total Industry Median</b>			<b>79%</b>					<b>29%</b>	<b>15%</b>	<b>9%</b>	<b>11.6 x</b>	<b>1.7 x</b>	<b>19.8 x</b>

Sector	Beta Levered	Beta Unlevered	Unlevered Discount Rate	Relevered Discount Rate <sup>(1)</sup>	Relevered Discount Rate <sup>(2)</sup>
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%

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

<sup>(2)</sup>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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