EXCENDIO ADVISORS
IT MERGERS & ACQUISITIONS

IT & Software Market Update

July 2026

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Summary

Macro Update

-1.1% / 19.97%
S&P Return: June-26/LTM

4.72%
10 Year Treasury Yield

Heard on the Street

"Higher interest rates in the post-Covid world have raised the cost of debt financing for MSP platform buyers who are now more focused on doing smaller tuck-ins than they have ever been before." – MSP Buyer

Public Market Multiple

7.5x
Managed Services TTM EV/ EBITDA Multiple

5.2x
SaaS TTM Revenue Multiple

Private Market Multiple

6x-8x
Median TTM EV/ EBITDA Multiple for MSP deals with $0.5M-$2M EBITDA

8x-12x
Median TTM EV/ EBITDA Multiple for MSP deals with $2M-$5M EBITDA

Select MSP Transactions

Acquiror	Target
THE 20 MSP	CTS Computer Technology Systems
THE 20 MSP	Northwest Computer Solutions Incorporated

Podcast – M&A Insights

Evergreen + Lyra

[Evergreen and Lyra – Lessons from 120+ MSPs]

What role does Lyra Technologies play in helping Evergreen MSPs post-exit? I explore this question with Greg Zolkos, Regional CEO at Lyra. Find out how Lyra gives MSPs access to things that are difficult to build efficiently on their own—recruiting, sales and GTM playbooks, back-office infrastructure, coaching and a large peer network.

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 fits these criteria.

TX MSP: Founder-owned ~$1.0MM EBITDA MSP looking to exit.

AZ MSP: Founder-owned ~$1.0MM Integrated EBITDA MSP looking to exit.

RI MSP: Founder-owner $2MM Revenue MSP looking to exit under a Buyer Assignment.

MI-backed $8MM Data Analytics Consulting firm looking to exit under a Buyer Assignment.

NY MSP: Strategic MSP out of Manhattan looking to buy $2-5MM MSPs in NY/NJ/CT

- 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.

EXECUTIVE SUMMARY - COMPELLING VALUE PROPOSITION

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$2.25 MM	$1.10 MM	49%	85%
Revenue LTM Q1 2026	Adj. EBITDA LTM Q1 2026	Adj. EBITDA Margin	Recurring Revenue Share

Company Snapshot

Founded:	2009
Presence:	TX (50% revenue); NC (29%); Other (21%)
Employees:	5-10
Customers:	35-40
Recurring Revenue:	85% (Managed Resale + Managed Revenue)
Monthly Recurring Revenue (MRR):	$4,000+ per Customer
Industries Served:	10+
Typical MSA:	1y+, Assignable, Auto-renewable, Termination Fees

Investment Highlights

01 Highly recurring Managed Services business model with revenue generated from Managed Resale and Managed Revenue, supporting strong revenue visibility and predictability

02 Diversified customer base across Professional Services, Logistics, Healthcare, Construction, Financial Services and Property Management sectors. Long-tenured customer base with meaningful recurring revenue and long-term contracts

03 Comprehensive managed IT services platform spanning cybersecurity, cloud infrastructure, network management, backup & disaster recovery, co-managed IT, and strategic consulting

Transaction Context

01 Significant runway for organic growth through cross-selling cybersecurity, cloud, Microsoft 365, backup & disaster recovery, and strategic IT services across the existing customer base

02 Strong regional presence in Texas and North Carolina with an experienced management team and scalable operating platform

EXECUTIVE SUMMARY - WHY THIS MSP DESERVES A PREMIUM VALUATION

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Eight structural characteristics that set this business apart from a typical MSP—not generic industry talking points

01 Scale – Over $1MM Adjusted EBITDA

Generates over $1 MM in adjusted EBITDA — a scale of profitability that few MSPs of this size ever reach.

02 Highly Recurring Revenue – 85%

The vast majority of revenue is generated through recurring managed services and contracted licensing, providing predictable cash flow and strong revenue visibility.

03 Deep-Rooted Client Relationships

Long-tenured client relationships built through a trusted advisor model, resulting in strong retention, recurring revenue, multi-year relationships with key clients and consistent organic account expansion. Top 3 clients have been with the business for 6-10+ years.

04 Lean, Efficient Operations

Generates over $2.2MM in annual revenue with 5-10 employees, demonstrating exceptional operational efficiency and scalability.

05 Best-in-Class EBITDA Margins – 49%

Adjusted EBITDA margin runs well above typical MSP benchmarks, reflecting disciplined cost management and strong client relationships.

06 Transferrable Contract Base

Long-term client agreements featuring assignability, automatic renewals, annual price adjustments, and termination provisions that enhance revenue durability and reduce transition risk.

07 Strong Texas Presence – 50% Revenues

Significant share of revenues derived from clients in Texas, in one of the fastest growing urban locations in the country.

08 Mature Operating Playbook

Mature service delivery processes, standardized technology stack, documented operating procedures, and an experienced leadership team enable efficient integration and continued growth after acquisition.

COMPANY OVERVIEW – 15+ YEAR TRACK RECORD OF PROFITABLE GROWTH

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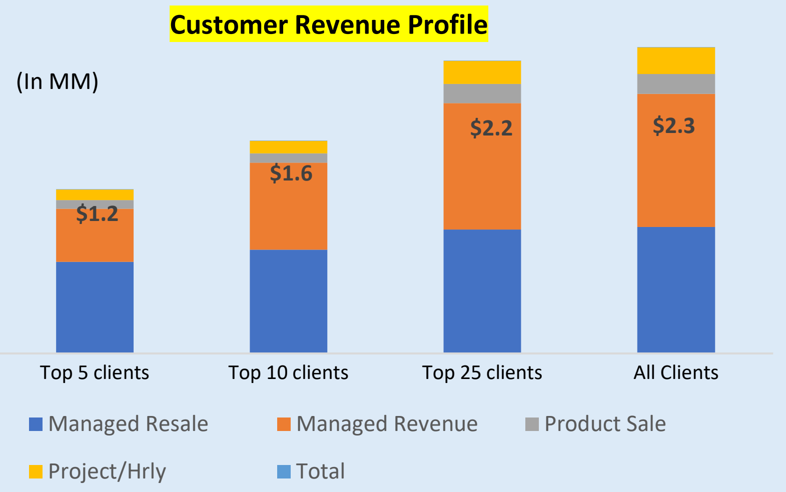
Texas-Based MSP
5-10 Employees
35-40 Clients

$2.25MM Rev
$1.10MM Adj. EBITDA

50% Rev TX Based

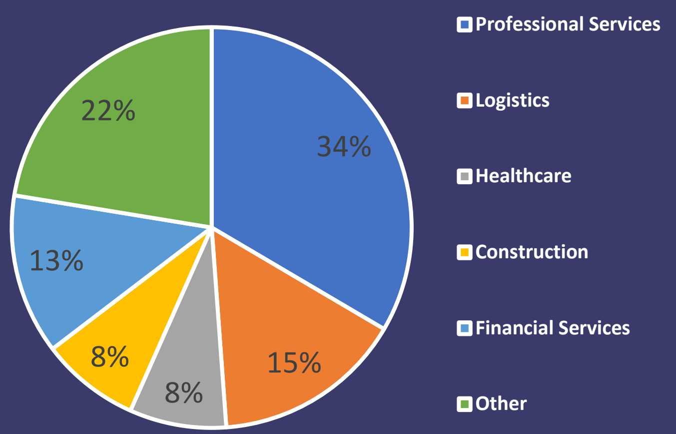
Recurring Revenue 85%



Key Financial Metric (LTM Q1 2026)	Value
Revenue	$2.25MM
Gross Profit Fully Loaded / Margin	$1.145MM / 51%
EBITDA / Margin	$0.92MM / 41%
Adj. EBITDA / Margin	$1.10MM / 49%
Recurring Revenue	$1.9MM
Recurring Revenue %	85%
Largest Customer Revenue %	29%
Monthly Recurring Revenue per Customer	$4,000+

Revenue	LTM Q1 '26 (Thousands)	Share
Managed Resale	$932	41%
Managed Revenue	$979	44%
Product Sales	$146	6%
Project/Hrly	$194	9%
Total Income	**$2,251**	**100%**

Customer Sector Mix



Key Founder Priorities

- Founder wishes to exit and focus on his consulting business
- Willing to stay from 12-18 months to help with transition
- Seeking a buyer that will purchase managed service contracts in an asset sale and integrate business into existing platform
- Preference for a transaction with a significant cash component at closing.

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How Are SMBs Thinking About The Economy? Inflation Concerns Grow Again Even Though Optimism Improves

The MetLife and US Chamber of Commerce Small Business Index – Q2 2026

On The Economy

31% of SMB owners believe the economy is in good or better than good health - up 3 points from Q1 2026 (28%).

On Inflation

57% of SMBs cite inflation as a top concern - up 4 points from Q1 2026 (53%).

On Compliance

92% SMBs say licensing, certification and permit requirements have grown or stayed the same - up 2 points from Q1 2026 (90%).

On Overall Health

70% of SMBs say their business is in good health this quarter – almost unchanged from Q1 2026 (69%).

On Revenues

66% of SMBs expect an increase in revenue next year - up 5 points from Q1 2026 (61%).

On Liquidity

70% of SMBs say they are comfortable with their cash flow - down 2 points from Q1 2026 (72%).

On Hiring

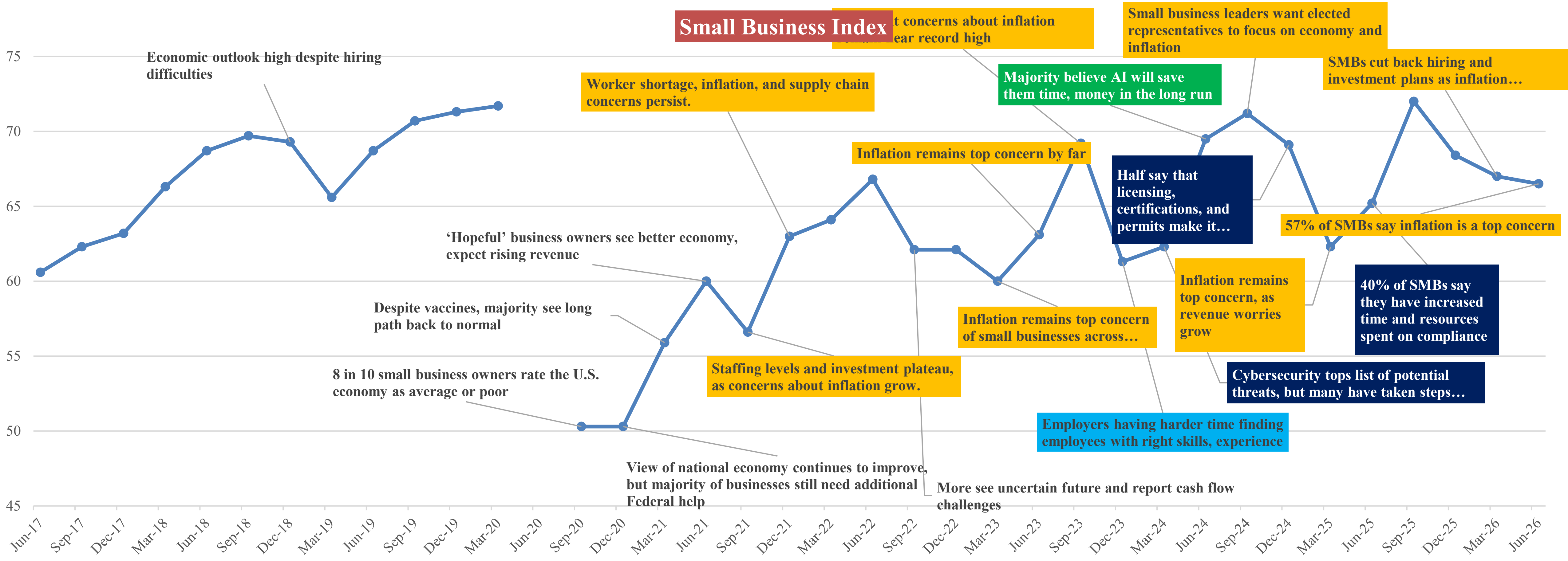
35% of SMBs anticipate increasing staff in the next year - up 5 points since Q1 2026 (30%).

On Investment

38% of SMBs expect to increase investment next year - up 1 point from Q1 2026 (37%).

Small Business Update –Inflation Concerns Rise

57% of SMBs say inflation is a top concern



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

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Key Takeaways from ITN Grow August 2026 at Denver

The ITN Grow Conference in Denver focused on "What Can MSPs Do To Exit Well"

The biggest regret founders have after selling?
Not building a leadership team. The more your business depends on you, the harder the exit

AI expertise is becoming a premium asset
If you're not passionate about AI, this would be the right time to exit

Run a process, not a negotiation
One buyer is a conversation. Several buyers create leverage

Your M&A Advisor is Your Quarterback
Choose him/her well because they can make or break your deal

Work yourself off the org chart
If you don't plan to run your company in a few years, you shouldn't be central to every decision today

Your exit doesn't end at closing
Founders who thrive after selling have a purpose, a schedule, and something meaningful to run toward—not just something they ran away from

Culture can make or break integration
Processes can be standardized, but people are harder to integrate

Leverage goes down after the LOI is signed.
If you're asking for M&A help after signing the LOI, you've already given up much of your leverage

Top Eight Things To Do and Not To Do on a Management Call

What To Do and Not To Do on a Management Call

Management calls are about Management

Buyers who get into the weeds on numbers are missing the point. The best ones know better

"What Valuation Are You Expecting?" is a Question You Don't Need to Answer

Your expectation should be simple: a well-run process that lets the market determine your value.

Record all your Calls

After the first few management calls it will all start sounding the same.

Record your takeaways while they're fresh.

After 10 management calls, you won't want to revisit 10 hours of recordings.

Meet your best buyers last

There is a learning curve - use your early calls to get your reps in

"I am exhausted" is not a great answer to "Why you are looking to exit?"

It tells buyers the business still depends on you

"How well do you know your clients?" – is a trick question

If you're truly out of the day-to-day, the answer shouldn't be "everything."

One question every founder should ask a buyer: "What was your organic growth last year?"

In the MSP business, organic growth is what can turn 1 + 1 into 5.

8 hard-won lessons on life after selling your MSP

> **You’re not selling to step away — you’re selling to focus.**
>
> GREG ZOLKOS — Regional CEO, Lyra Technologies (Evergreen) · Former Founder, Atlas Professional Services

60% vs 40%

The gap peer groups expose
The best peer groups require vulnerability — ask what a 60%-margin peer is doing that you’re not.

$20K/yr

Controlling the controllables
One MSP paid for daily dumpster pickup it barely used. Fixing the schedule saved about $20K a year.

01 Protect client relationships before chasing growth

02 Be coachable — and welcome accountability

03 Be willing to admit what you don’t know

04 Watch three numbers: growth, profitability, retention

05 Question every expense — even your garbage bill

06 Standardize your stack and your service delivery

07 Clean your data now if you expect AI to help later

08 Find peers who’ll show you their numbers — and show yours

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Topics from our Podcast - M&A Insights That Speak to Topics Discussed at Recent Conferences

Running an M&A Process is Table Stakes – Strong Advisors Have Networks They Can Leverage

What is a Best in Class MSP? With **Peter Kujawa** at Service Leadership

Access Podcast

Growth, Exit & Legacy With **Arlin Sorensen** at IT Nation

Access podcast

Preparing to Sell: Legal Strategies to Maximize Your MSPs Value With **Thomas Fafinski** at MSP Law

Access podcast

Why Your Finance Function is Worth 2x EBITDA? With **Brandi Bonds** at Next Level Now

Access Podcast

How to Make Your MSP Irresistible? With **Evergreen**

Access Podcast

Cash or King? With **The 20s**

Access podcast

Bolt-On Acquisitions With **IT Solutions**

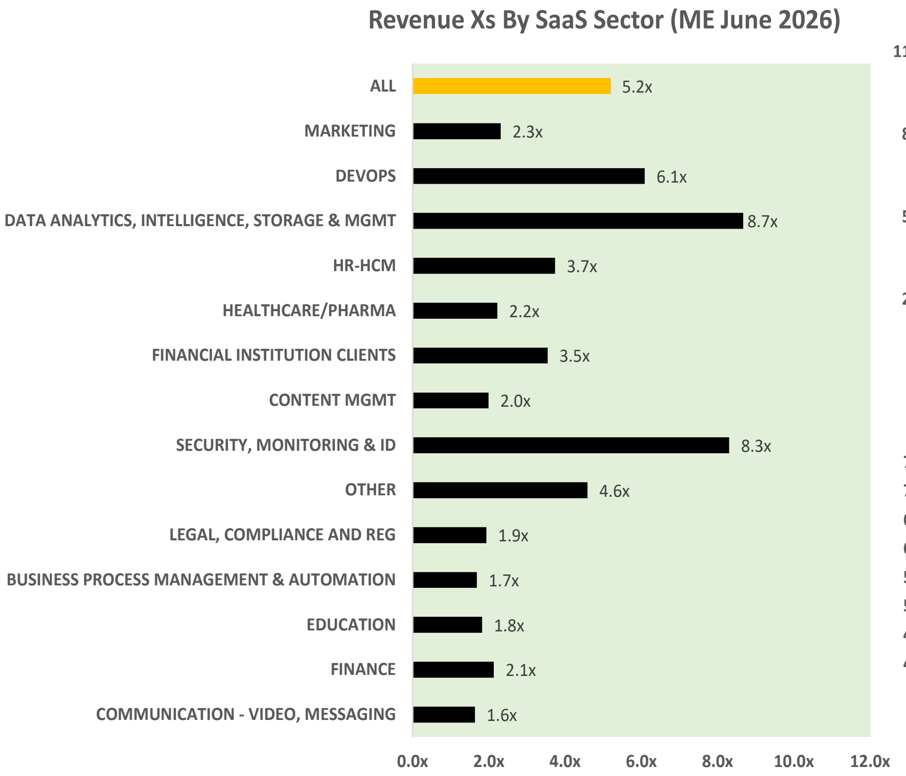
Access Podcast

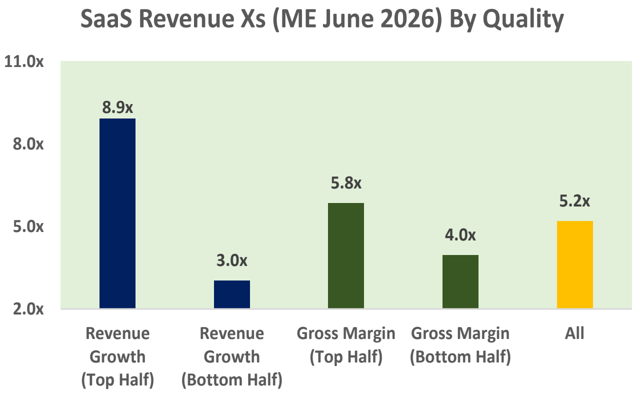
Getting Reverse Due-Diligence Right With **Ntiva**

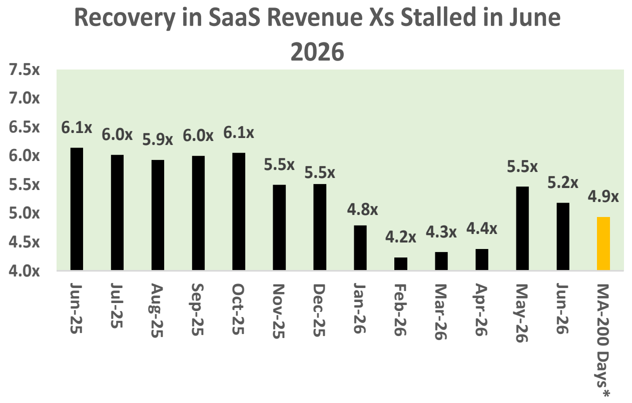
Podcast: Reverse Due Diligence

Software SaaS Valuation – Public Market Multiples

- The aggregate SaaS TTM Revenue Multiple decreased to **5.2x** in **June 2026** compared to **May 2026**. Multiple levels still remain compressed in the SaaS space
- The broader equity markets, with the **S&P 500** decreasing approximately **-1.1%** in **June 2026**.
- **Sector Mattered:** SaaS Multiples declined the most in Data Analytics and Marketing, while increasing in Security and Healthcare.
- **Quality Mattered:** Valuation dispersion remained significant, with top-half companies by Revenue Growth and Gross Margin trading at premiums of approximately **5.9x** and **1.9x** respectively.





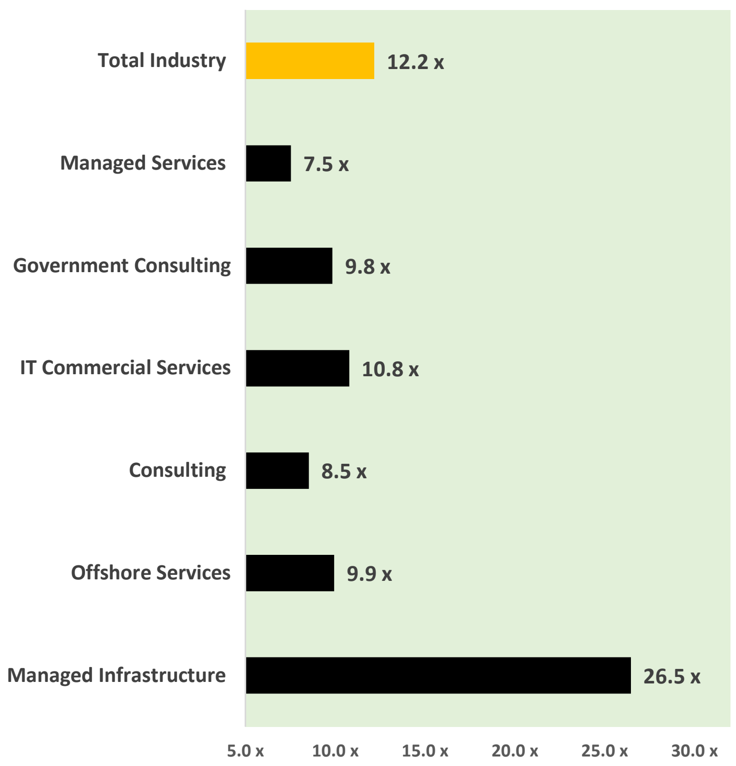


*Source: Yahoo Finance. As of 30th June.

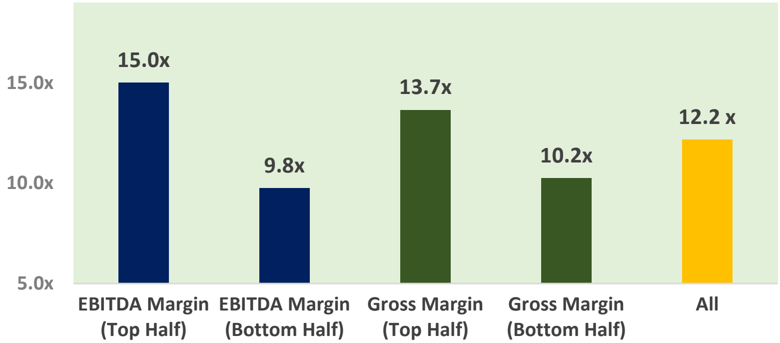
IT Services
Valuation – Public Market Multiples

- The aggregate IT Services TTM EV/EBITDA multiple saw a decrease to **12.2x** in **June 2026**, from **May 2026**
- Current multiples are **11.4%** off their 52-Week peak of 13.6x reached in Jan 2026
- Managed Service multiples have dropped from 11.0x in Dec-25 to 7.5x in June-26 as markets factor in project delays and AI-driven business model viability
- Top-half companies with above-average EBITDA and gross margins commanded higher EV/EBITDA multiples, a trend consistent with the SaaS sector.

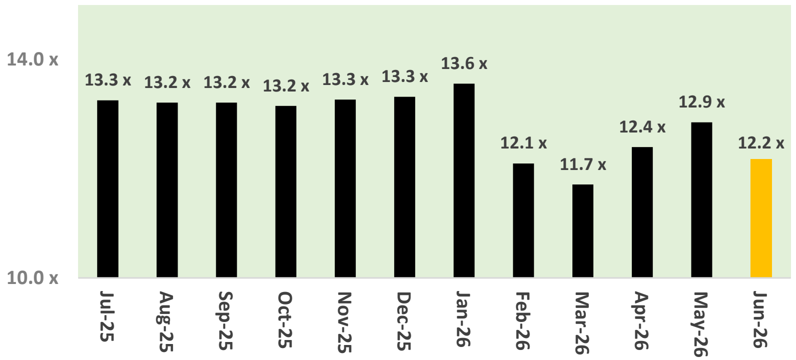
Average EV/EBITDA across Industry



EV/ EBITDA by Quality



Monthly EV/EBITDA Multiple Trend



Source: Yahoo Finance. As of 30th June.

Private Market Multiples
Selected M&A Deals (TTM June 2026)

YTD Median EV/EBITDA and EV/Revenue multiples stand at 17.6x and 3.4x respectively

YTD Median EV/EBITDA and EV/Revenue multiples for deals less than $200MN stand at 17.1x and 2.3x respectively.

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

**Source: Federal Reserve, Yahoo Finance.*

Private Market Multiples
Selected M&A Deals (TTM June 2026)

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 Unites 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

**Source: Federal Reserve, Yahoo Finance.*

Private Market Multiples
Selected M&A Deals (TTM June 2026)

Date	Target	Acquiror(s) / Investor(s)	Deal Size (US$mn)	EV/ EBITDA	EV/ Revenue	Sector	Target Business Description
Dec-25	Commotion, Inc.	Tata Communications (Netherlands) B.V.	16	NA	255.9x	Application Software	Target develops an AI-native enterprise SaaS platform enables enterprises to deliver personalized, real-time customer experiences
Dec-25	IMA Tech Inc.		1	115.2x	9.4x	Application Software	Target engages in developing digital avatars of consultants using human intelligence, artificial intelligence, and niche databases
Jan-26	SweetRush, Inc.	NIIT (USA), Inc.	26	NA	1.2x	IT Consulting and Other Services	Target provides learning and development services
Jan-26	Nozomi Networks Inc.	Mitsubishi Electric Corporation (TSE:6503)	883	NA	12.7x	Systems Software	Target provides cybersecurity solutions focused on operational technology (OT) and Internet of Things (IoT) environments
Jan-26	Jamf Holding Corp.	Francisco Partners Management, L.P.	1,946	45.4x	3.2x	Application Software	Target offers management and security solutions for Apple platforms
Feb-26	Synchronoss Technologies, Inc.	Lumine Group Inc. (TSXV:LMN)	262	7.8x	1.5x	Application Software	Target provides white label cloud software and services in North America, Europe, the Middle East, Africa, and the Asia Pacific
Mar-26	Estech Systems, LLC	Crexendo, Inc. (NASDAQCM:CXDO)	35	NA	1.3x	Communications Equipment	Target provides business phone systems and cloud services
Mar-26	Quinnox Inc.	Everforth, Inc. (NYSE:EFOR)	290	NA	2.9x	IT Consulting and Other Services	Target provides information technology lifecycle solutions for financial services, manufacturing and service, and retail and distribution industries
Mar-26	Confluent, Inc.	International Business Machines Corporation (NYSE:IBM)	10,698	NA	9.7x	Application Software	Target operates a data streaming platform in the United States and internationally
Apr-26	ON24, Inc.	Decision Street, LLC	196	NA	1.3x	Application Software	Target provides a cloud-based intelligent engagement platform
Apr-26	OneStream, Inc.	General Atlantic Service Company, L.P.; HgCapital LLP; Hg Saturn 1; Tidemark Capital, Inc.	5,804	NA	9.6x	Systems Software	Target designs and develops a unified, AI-enabled, and extensible cloud-based software platform

**Source: Federal Reserve, Yahoo Finance.*

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Private Market Multiples
Selected M&A Deals (TTM June 2026)

Date	Target	Acquiror(s) / Investor(s)	Deal Size (US$mn)	EV/ EBITDA	EV/ Revenue	Sector	Target Business Description
Apr-26	Kinetic Technologies, Inc.	Cyient Singapore Private Limited	85	NA	3.5x	Semiconductors	Target develops and manufactures analog and mixed-signal semiconductors
Apr-26	Encora Digital LLC	Coforge Limited (NSEI:COFORGE)	1,609	NA	4.6x	IT Consulting and Other Services	Target operates as a digital engineering company
Apr-26	Stratus Technology Services, LLC	Infosys Nova Holdings LLC	95	NA	2.2x	IT Consulting and Other Services	Target provides information technology services and solutions for insurance businesses
Apr-26	Dan Desmet & Associates, Inc.	Atomos Limited (ASX:AMS)	2	5.6x	0.3x	Communications Equipment	Target manufactures and sells broadcast and post-production monitors
Apr-26	Semrush Holdings, Inc.	Adobe Inc. (NASDAQGS:ADBE)	1,715	132.5x	4.0x	Application Software	Target provides an online visibility management and content marketing software-as-a-service platform
May-26	SessionM, Inc.	Capillary PTE. Ltd	20	17.1x	2.3x	Application Software	Target provides customer engagement solutions worldwide
May-26	Vertica Systems, Inc.	Rocket Software, Inc.	150	NA	1.9x	Application Software	Target provides HP Vertica Analytics Platform that enables organizations to manage and analyze massive volumes of data
Jun-26	IMA Tech Inc.		1	NA	9.5x	Application Software	Target provides in developing digital avatars of consultants using human intelligence, artificial intelligence, and niche databases
Jun-26	Ookla, LLC	Accenture plc	1,200	NA	5.2x	Internet Services and Infrastructure	Target provides a global internet performance measurement platform that develops digital tools and analytics for measuring network speed, reliability, performance, and coverage across fixed and mobile broadband networks
Jun-26	Board Shark LLC	NCAB Group AB	26	NA	1.5x	Electronic Manufacturing Services	Target provides PCB solutions and it serves aerospace, industrial and medical sectors
	25th Percentile			**15.5x**	**1.8x**		
	Median			**17.6x**	**3.4x**		
	75th Percentile			**42.3x**	**6.5x**		

**Source: Federal Reserve, Yahoo Finance.*

Notable Service Provider Deals in June

Acquiror – The 20 MSP | **Target – CTS Computers**

- **The 20 MSP** announced its acquisition of **CTS Computers** on **June 2, 2026**
- **The 20 MSP** is a Texas-based managed IT services provider delivering IT support, cybersecurity, cloud, compliance, and digital transformation solutions to SMB and mid-market organizations, with approximately **201–500 employees**
- **CTS Computers** is an Indiana-based managed IT services provider serving SMB clients with IT support, network infrastructure, cybersecurity, and technology consulting services, with approximately **11–50 employees**
- The acquisition strengthens **The 20 MSP's** Midwest presence, expands its managed IT capabilities, and enhances SMB customer support through **CTS Computers**' established client base and regional expertise

Acquiror – The 20 MSP | **Target – Northwest Computers**

- **The 20 MSP** announced its acquisition of **Northwest Computer Solutions** on **June 3, 2026**
- **The 20 MSP** is a Texas-based managed IT services provider offering IT support, cybersecurity, cloud, and compliance solutions to SMB and mid-market businesses, with approximately **201–500 employees**
- **Northwest Computer Solutions** is an Oregon-based managed IT services provider serving SMB clients with managed IT support, cloud, networking, and cybersecurity services, with approximately **2–10 employees**
- The acquisition expands **The 20 MSP's** presence in the Pacific Northwest, strengthens its managed IT capabilities, and broadens its SMB customer base through **Northwest Computer Solutions**' regional expertise

**Source: Crunchbase, Cap IQ.*

Excendio Advisors

Our Recent and Past Transactions IT M&A

Our Latest Services Transactions

OCEAN COMPUTER GROUP, INC.
Partnered
Lockstep TECHNOLOGY GROUP

- Announced in March 2026. Excendio Advisors served as Ocean Computer Group's exclusive financial advisor.
- Ocean Computer Group: New Jersey-based provider of managed IT services, cybersecurity, infrastructure, and cloud solutions.
- Lockstep Technology Group: Georgia-based technology solutions provider serving government, education, and healthcare markets.
- Transaction expands geographic reach and strengthens cybersecurity, infrastructure, and managed services capabilities.

FOCUS TECHNOLOGY
Acquired
CONVERGED TECHNOLOGY GROUP

- 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.

CyberlinkASP
Acquired
COSENTUS

- 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.

CA CyberAdvisors
Acquired
edot
Providing solutions. Managing your technology.

- 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.

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Other Recent Select Transactions

SGP Software Growth Partners Acquired Netreo	Cisco Acquired Altiga Networks	Corporate Technologies LLC Acquired CPR "Service First"	new era technology Acquired Pangaia Partners	RiverStreet Networks Acquired Gamewood Technology Group, Inc.
new era technology Acquired Cameo Solutions	new era technology Acquired Meyer Hill Lynch	Vertical Trail Solutions Acquired edgilent	Hostway Global Web Solutions Acquired IMS Soft & Services	core BTS Inc Acquired inacom Information Systems
Accunet Acquired DTG Distributed Technology Group	Blue Loop Capital Acquired YuxiPacific	Norlight Inc Acquired Netcom Group	ConvergeOne Acquired G3 Technology Partners	infor Acquired Brain International

Appendix - IT Services Comparable Company Analysis

Comparable Analysis
June 2026

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%	48%	35%	11%	26.5 x	10.5 x	68.8 x
Managed Infrastructure Median	86%	54%	37%	12%	25.6 x	12.5 x	78.5 x
Offshore Services Mean	59%	33%	19%	12%	9.9 x	1.9 x	16.2 x
Offshore Services Median	59%	31%	19%	12%	8.8 x	2.0 x	13.8 x
Consulting Mean	60%	33%	15%	9%	8.5 x	1.1 x	12.9 x
Consulting Median	58%	32%	13%	7%	8.5 x	1.2 x	12.6 x
IT Commercial Services Mean	111%	18%	6%	3%	10.8 x	0.6 x	17.9 x
IT Commercial Services Median	117%	20%	5%	3%	10.3 x	0.5 x	17.4 x
Government Consulting Mean	65%	23%	12%	6%	9.8 x	1.2 x	13.0 x
Government Consulting Median	68%	18%	12%	6%	9.6 x	1.0 x	11.5 x
Managed Services Mean	59%	29%	17%	9%	7.5 x	1.2 x	13.5 x
Managed Services Median	60%	28%	18%	11%	7.2 x	1.0 x	12.7 x
Total Industry Mean	**72%**	**31%**	**17%**	**8%**	**12.2 x**	**2.8 x**	**23.7 x**
Total Industry Median	**64%**	**29%**	**15%**	**9%**	**9.2 x**	**1.1 x**	**13.2 x**

**Source: Yahoo Finance. As of 30th June.*

EXCENDIO ADVISORS
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Comparable Analysis
June 2026

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	$1,042.39	92%	$102,854	$125,231	$9,805	$1,530	51%	45%	16%	28.1 x	12.8 x	67.2 x
Digital Realty Trust Inc	US	$179.58	86%	$66,451	$84,618	$6,771	$792	57%	49%	12%	25.6 x	12.5 x	83.9 x
Digital Ocean Holdings Inc	US	$157.03	84%	$18,464	$19,674	$1,011	$235	57%	37%	23%	52.0 x	19.5 x	78.5 x
Iron Mountain Incorporated	US	$126.31	94%	$37,603	$57,345	$7,562	$434	54%	33%	6%	22.8 x	7.6 x	86.6 x
Kyndryl Holdings Inc	US	$11.31	33%	$2,464	$5,290	$14,967	$88	22%	9%	1%	3.7 x	0.4 x	28.0 x
Managed Infrastructure Mean			**78%**					**48%**	**35%**	**11%**	**26.5 x**	**10.5 x**	**68.8 x**
Managed Infrastructure Median			**86%**					**54%**	**37%**	**12%**	**25.6 x**	**12.5 x**	**78.5 x**
Offshore Services													
Tata Consultancy Services	IN	$21.43	61%	$77,541	$73,983	$29,102	$5,281	45%	27%	18%	9.6 x	2.5 x	14.7 x
Infosys Limited	IN	$10.55	58%	$42,744	$40,543	$20,299	$3,327	30%	25%	16%	7.9 x	2.0 x	12.8 x
HCL Technologies Limited	IN	$11.31	60%	$30,594	$31,115	$14,176	$1,839	47%	21%	13%	10.5 x	2.2 x	16.6 x
Cognizant Technology Solutions Corporation	US	$38.73	45%	$17,446	$18,489	$21,642	$2,220	33%	19%	10%	4.5 x	0.9 x	7.9 x
Wipro Limited	IN	$1.80	62%	$17,782	$15,863	$10,019	$1,402	29%	22%	14%	7.1 x	1.6 x	12.7 x
LTI Mindtree Limited	IN	$37.32	55%	$11,065	$9,749	$4,650	$548	29%	19%	12%	11.1 x	2.1 x	20.2 x
Tech Mahindra Limited	IN	$14.82	76%	$13,127	$12,473	$6,243	$545	30%	16%	9%	12.8 x	2.0 x	24.1 x
Genpact Limited	BM	$27.50	57%	$4,621	$5,515	$5,250	$583	36%	17%	11%	6.1 x	1.1 x	7.9 x
Globant S.A.	LU	$28.94	36%	$1,250	$1,512	$2,451	$112	35%	8%	5%	8.0 x	0.6 x	11.1 x
Mphasis Limited	IN	$22.80	71%	$4,351	$4,292	$1,744	$202	31%	20%	12%	12.1 x	2.5 x	21.6 x
Persistent Systems Limited	IN	$45.64	66%	$7,131	$6,967	$1,658	$203	29%	19%	12%	22.1 x	4.2 x	35.1 x
Capgemini S.E.	FR	$0.93	57%	$154	$237	$237	$17	27%	14%	7%	7.3 x	1.0 x	9.1 x
Offshore Services Mean			**59%**					**33%**	**19%**	**12%**	**9.9 x**	**1.9 x**	**16.2 x**
Offshore Services Median			**59%**					**31%**	**19%**	**12%**	**8.8 x**	**2.0 x**	**13.8 x**

**Source: Yahoo Finance. As of 30th June.*

Comparable Analysis
June 2026

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	$149.01	79%	$4,114	$5,193	$3,924	$253	32%	11%	6%	11.9 x	1.3 x	16.3 x
Huron Consulting Group	US	$90.16	48%	$1,434	$2,268	$1,810	$116	32%	13%	6%	9.7 x	1.3 x	12.4 x
Resources Connection	US	$4.25	77%	$146	$87	$452	($41)	38%	-	-	-	0.2 x	-
The Hackett Group	US	$10.77	50%	$268	$337	$287	$17	41%	13%	6%	9.1 x	1.2 x	15.9 x
Accenture Plc	IE	$124.44	43%	$76,150	$74,367	$73,101	$7,939	32%	17%	11%	6.0 x	1.0 x	9.6 x
Capgemini S.E.	FR	$100.47	57%	$16,678	$25,709	$25,660	$1,836	27%	14%	7%	7.3 x	1.0 x	9.1 x
CGI Inc.	CA	$64.52	68%	$11,803	$14,500	$11,571	$1,220	16%	18%	11%	6.8 x	1.3 x	9.7 x
Infosys Limited	IN	$10.55	58%	$42,744	$40,543	$20,299	$3,327	30%	25%	16%	7.9 x	2.0 x	12.8 x
Information Services Group	US	$4.11	64%	$199	$243	$250	$12	45%	10%	5%	9.2 x	1.0 x	17.0 x
Consulting Mean			**60%**					**33%**	**15%**	**9%**	**8.5 x**	**1.1 x**	**12.9 x**
Consulting Median			**58%**					**32%**	**13%**	**7%**	**8.5 x**	**1.2 x**	**12.6 x**
IT Commercial Services													
ePlus Inc	IR	$83.23	85%	$2,172	$1,845	$2,449	$122	25%	8%	5%	9.4 x	0.8 x	17.7 x
ScanSource Inc	FR	$52.09	77%	$1,059	$1,051	$3,086	$73	14%	4%	2%	8.1 x	0.3 x	14.4 x
Arrow Electronics Inc	FR	$213.41	128%	$10,864	$12,790	$35,925	$812	11%	4%	2%	9.4 x	0.4 x	13.4 x
Avnet Inc	IN	$88.82	126%	$7,285	$10,606	$27,633	$334	10%	3%	1%	12.4 x	0.4 x	21.8 x
PC Connection Inc	US	$72.99	117%	$1,842	$1,509	$2,988	$96	19%	5%	3%	10.7 x	0.5 x	19.2 x
Wesco International Inc	US	$345.43	127%	$16,834	$22,731	$25,013	$713	21%	6%	3%	14.4 x	0.9 x	23.6 x
CDW Corporation	US	$140.64	116%	$17,582	$23,650	$23,500	$1,080	21%	8%	5%	12.0 x	1.0 x	16.3 x
Insight Enterprises Inc	US	$121.80	112%	$3,575	$4,953	$8,580	$210	22%	6%	2%	9.8 x	0.6 x	17.0 x
IT Commercial Services Mean			**111%**					**18%**	**6%**	**3%**	**10.8 x**	**0.6 x**	**17.9 x**
IT Commercial Services Median			**117%**					**20%**	**5%**	**3%**	**10.3 x**	**0.5 x**	**17.4 x**
Government Consulting													
Booz Allen Hamilton Holding Corporation	US	$60.67	54%	$7,298	$10,918	$11,980	$778	49%	11%	6%	8.5 x	0.9 x	9.4 x
CACI International Inc	US	$463.26	68%	$10,238	$15,429	$9,568	$536	10%	12%	6%	13.2 x	1.6 x	19.1 x
Science Applications International Corporation	US	$110.41	87%	$4,668	$7,234	$7,291	$405	13%	10%	6%	9.9 x	1.0 x	11.5 x
Maximus Inc	US	$53.76	54%	$2,815	$4,490	$5,248	$371	26%	14%	7%	6.3 x	0.9 x	7.6 x
Leidos Holdings	US	$102.97	50%	$12,922	$18,752	$17,634	$1,395	18%	13%	8%	8.1 x	1.1 x	9.3 x
CACI International Inc	US	$463.26	68%	$10,238	$15,429	$9,568	$536	10%	12%	6%	13.2 x	1.6 x	19.1 x
ICF International Inc	US	$72.86	72%	$1,319	$1,879	$1,821	$89	37%	11%	5%	9.6 x	1.0 x	14.9 x
Government Consulting Mean			**65%**					**23%**	**12%**	**6%**	**9.8 x**	**1.2 x**	**13.0 x**
Government Consulting Median			**68%**					**18%**	**12%**	**6%**	**9.6 x**	**1.0 x**	**11.5 x**

**Source: Yahoo Finance. As of 30th June.*

Comparable Analysis
June 2026

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		
Managed Services													
Accenture plc	IE	$124.44	43%	$76,150	$74,367	$73,101	$7,939	32%	17%	11%	6.0 x	1.0 x	9.6 x
Tata Consultancy Services	IN	$21.43	61%	$77,541	$73,983	$29,102	$5,281	45%	27%	18%	9.6 x	2.5 x	14.7 x
Kyndryl	US	$11.31	33%	$2,464	$5,290	$14,967	$88	22%	9%	1%	3.7 x	0.4 x	28.0 x
Infosys Limited	IN	$10.55	58%	$42,744	$40,543	$20,299	$3,327	30%	25%	16%	7.9 x	2.0 x	12.8 x
Capgemini SE	FR	$100.47	57%	$16,678	$25,709	$25,660	$1,836	27%	14%	7%	7.3 x	1.0 x	9.1 x
Cognizant Technology Solutions	US	$38.73	45%	$17,446	$18,489	$21,642	$2,220	33%	19%	10%	4.5 x	0.9 x	7.9 x
Wipro Limited	IN	$1.80	62%	$17,782	$15,863	$10,019	$1,402	29%	22%	14%	7.1 x	1.6 x	12.7 x
DXC Technology Company	US	$8.85	56%	$1,414	$3,631	$12,484	$136	23%	15%	1%	2.0 x	0.3 x	10.4 x
Rackspace Technology, Inc	US	$6.53	76%	$1,658	$4,792	$2,698	($146)	18%	12%	-	15.0 x	1.8 x	-
CGI Group	CA	$64.52	68%	$11,803	$14,500	$11,571	$1,220	16%	18%	11%	6.8 x	1.3 x	9.7 x
Insight Enterprises	US	$121.80	79%	$3,575	$4,953	$8,580	$210	22%	6%	2%	9.8 x	0.6 x	17.0 x
HCL Technologies	IN	$11.31	60%	$30,594	$31,115	$14,176	$1,839	47%	21%	13%	10.5 x	2.2 x	16.6 x
Unisys	US	$3.66	73%	$267	$701	$1,946	($422)	28%	-	-	-	0.4 x	-
Managed Services Mean			**59%**					**29%**	**17%**	**9%**	**7.5 x**	**1.2 x**	**13.5 x**
Managed Services Median			**60%**					**28%**	**18%**	**11%**	**7.2 x**	**1.0 x**	**12.7 x**
Total Industry Mean			**72%**					**31%**	**17%**	**8%**	**12.2 x**	**2.8 x**	**23.7 x**
Total Industry Median			**64%**					**29%**	**15%**	**9%**	**9.2 x**	**1.1 x**	**13.2 x**

**Source: Yahoo Finance. As of 30th June.*

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.*

Inflation back again on the rise

Inflationary expectations have begun to creep up again

	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	4.72	08/17/2026	0.38	8.76	4.72	3.35	4.44	4.30	4.18	4.16
CoreCPI	3.30	07/01/2026	0.28	9.31	3.30	2.60	3.46	3.29	2.65	3.02
Unemployment Rate	4.10	07/01/2026	-0.20	-4.65	4.10	5.61	4.20	4.30	4.40	4.40
Initial Claims 4-week MA	199.00	08/08/2026	-22.75	-10.26	199.00	366.62	222.50	208.00	219.25	234.00
Nonfarm Payroll Change (Unrevised)	57.00	07/02/2026	127.00	-181.43	57.00	140.83	20.00	214.00	-17.00	76.00
INDEXES AND INDICATORS										
Sahm Recession Indicator	-0.03	07/01/2026	-0.13	-130.00	-0.03	0.47	0.07	0.20	0.35	0.23
Michigan Consumer Sentiment	55.20	07/31/2026	-3.00	-5.15	55.20	81.33	49.50	53.30	52.90	55.10
Michigan Inflation Expectations	4.20	07/31/2026	-0.60	-12.50	4.20	3.19	4.60	3.80	4.20	4.70
MARKETS										
S&P 500	7691.76	08/18/2026	1280.39	19.97	7691.76	-	7499.36	6528.52	6845.50	6688.46
NASDAQ	26289.71	08/18/2026	4974.76	23.34	26289.71	-	26213.72	21590.63	23241.99	22660.01
VIX	15.19	08/17/2026	0.20	1.33	15.19	19.80	16.45	25.25	14.95	16.28
ICE Corp BBB OAS	0.99	08/17/2026	0.03	3.13	0.99	1.13	0.95	1.13	1.01	0.97
ICE Corp HY OAS	2.70	08/17/2026	-0.10	-3.57	2.70	3.15	2.75	3.28	2.81	2.80

**Source: Federal Reserve, Yahoo Finance.*

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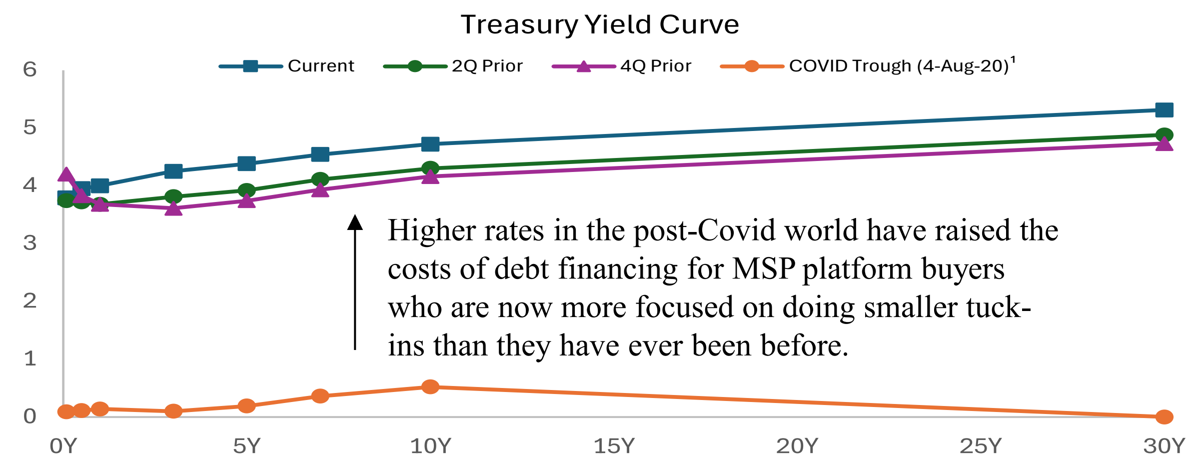
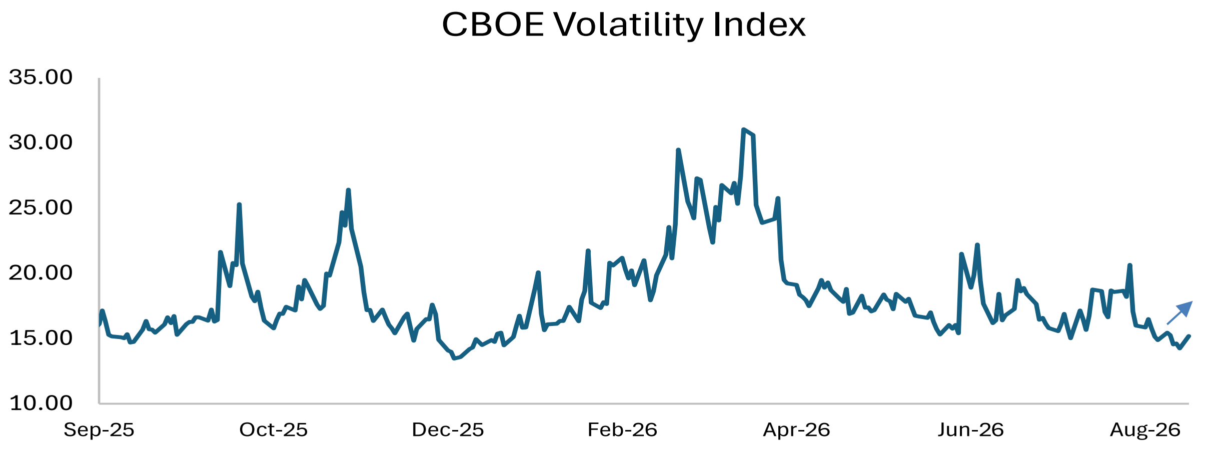
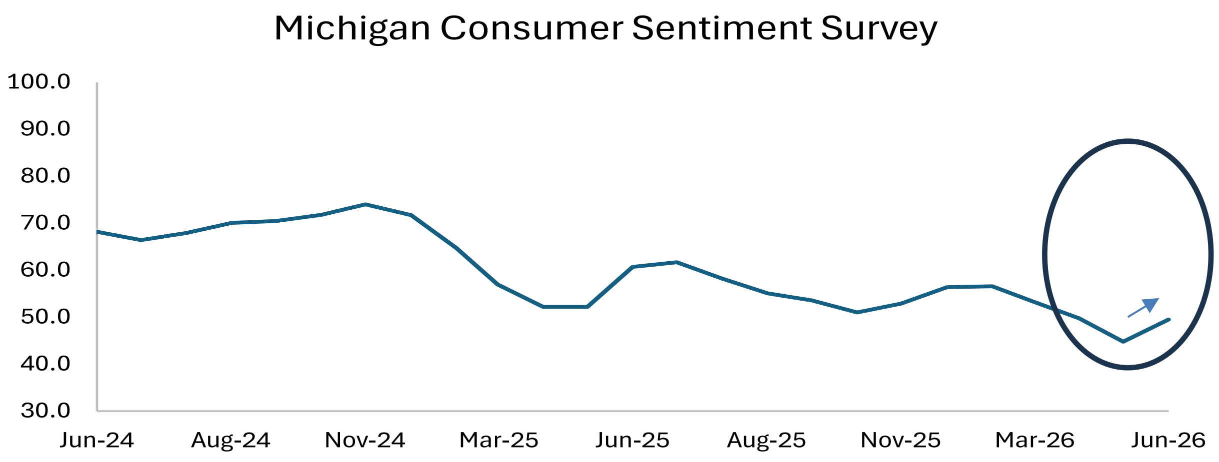
IT MERGERS & ACQUISITIONS

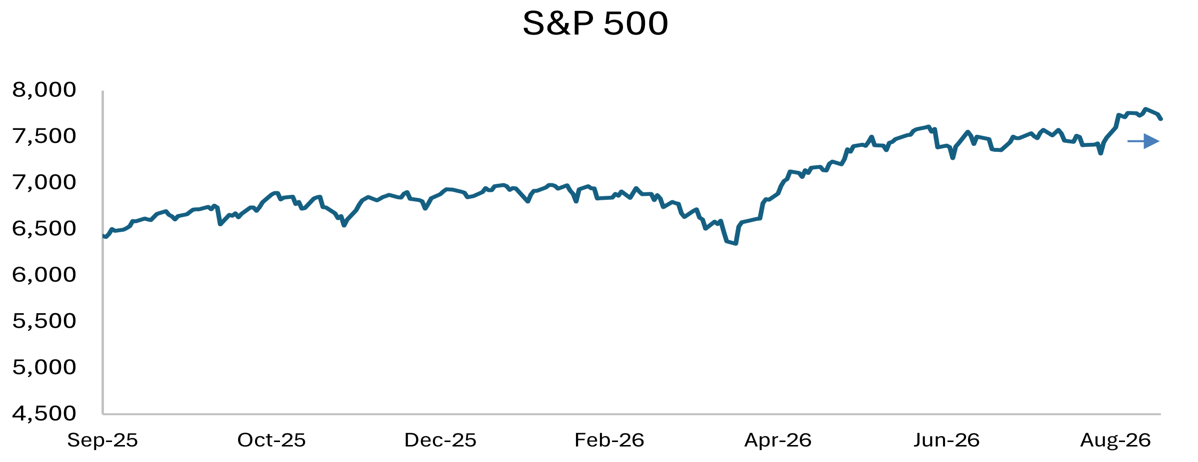
Macro Update –Inflationary concerns are holding back the recovery in consumer sentiment

Equity markets continue to rally, but inflationary concerns continued to weigh on consumer sentiment and yields have risen









(1) COVID trough (Aug-20) observed across the 3Y, 5Y, 7Y and 10Y Treasury yields
**Source: Federal Reserve, Yahoo Finance.*

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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