

# IT & Software Market Update

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*September 2026*

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## Macro Update

**2.62% / 15.35%**

S&P Return: August - 26/LTM

**5.17%**

10 Year Treasury Yield



## Heard on the Street

“MSPX allows you to list that entire book of business in one bundle on the marketplace so that it can be picked up by a larger growing MSP that would value those customers” **Matt Yesbeck, Founder and CEO of MSPX Store**



## Public Market Multiple

**8.7x**

Managed Services TTM EV/ EBITDA Multiple

**6.5x**

SaaS TTM Revenue Multiple



## MSP Private Market Multiple

**5x - 9x**

Median TTM EV/ EBITDA Multiple for deals with \$0.5MN - \$1MN EBITDA

**8x - 14x**

Median TTM EV/ EBITDA Multiple for deals with \$1MN - \$5MN EBITDA



## Select MSP Transactions

Acquiror



Acquiror



Target



Target



## Podcast – M&A Insights

MSP Contracts

[MSPX Store – Marketplace for MSP Contracts](#)

As more smaller MSPs come to market, I expect demand for individual contract transactions to grow. In my latest M&A Insights podcast, I spoke with Matt Yesbeck, Founder of MSPX Store, about the marketplace he is building for buying and selling managed service contracts.

- 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.

Canadian MSP: Founder-owned ~ CAD 5MN EBITDA MSP looking to exit.

TX MSP: Founder-owned ~\$1MN EBITDA MSP looking to exit.

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

RI MSP: Founder-owner \$2MN Revenue MSP looking to exit.

- 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.

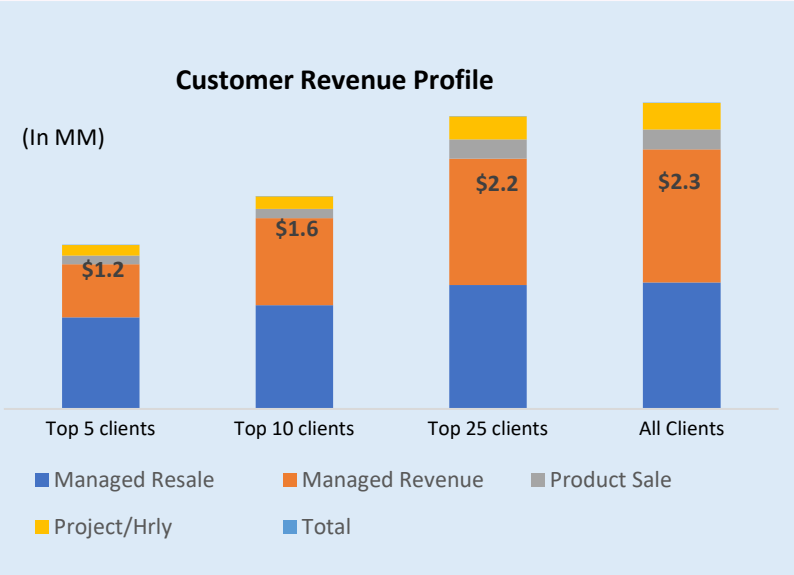
# COMPANY OVERVIEW – 15+ YEAR TRACK RECORD OF PROFITABLE GROWTH

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

**\$2.25MM**  
**Rev**  
**\$1.10MM**  
**Adj. EBITDA**

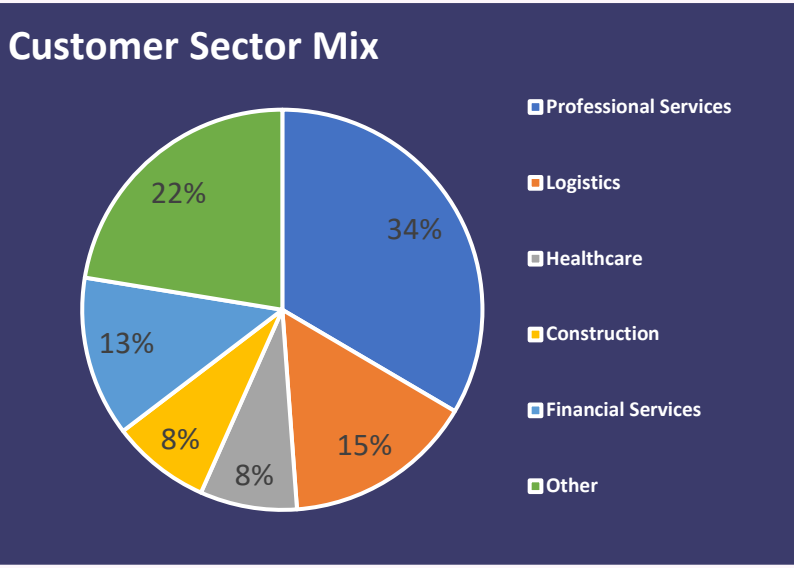
**50% Rev**  
**TX Based**

**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%  |



**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.

*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 Transferable 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.

# Managed Service Contracts Should Trade at Higher Revenue Multiples Than Whole MSPs



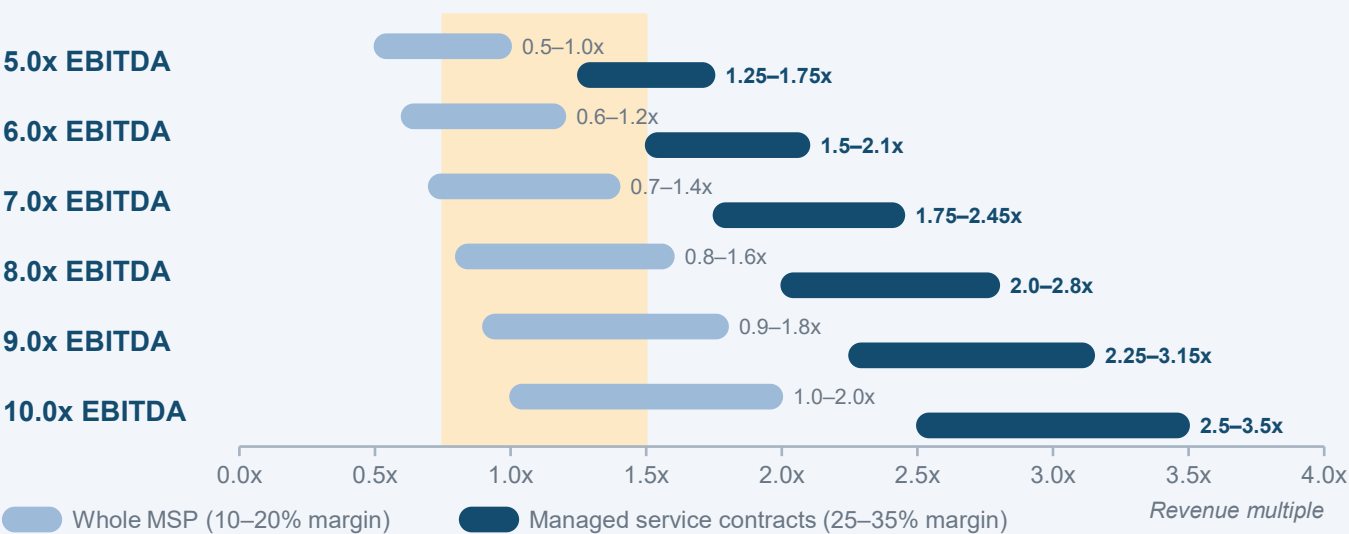
## THE CARVE-OUT TREND

### MSPs are carving out managed service contracts for sale

Contracts earn **25–35% EBITDA margins** vs. 10–20% for a whole MSP – so the same EBITDA multiple implies a much higher revenue multiple

## Implied revenue multiple at each EBITDA multiple

Traditional bid range: 0.75x–1.5x



## THE VALUATION GAP

Same EBITDA multiple. Much higher revenue multiple.

10–20%

Whole MSP EBITDA margin (a)

25–35%

Managed service contract margin (b)

1.75–2.5x

the revenue multiple of a whole MSP, at the same EBITDA multiple

## THE UNDERBID RISK

A traditional **0.75x–1.5x revenue bid** equals just **2.1x–6.0x EBITDA** on managed service contracts – well below the 5x–10x paid for whole MSPs



**Our recent listings bear this out:** investors anchored to a 0.75x–1.5x revenue multiple risk underbidding for managed service contracts in a competitive process

Revenue multiple = EBITDA multiple × EBITDA margin. Whole MSP assumes ~65% recurring revenue; managed service contracts ~90%. (a) Based on commonly observed EBITDA margins. (b) Assumes a gross margin of 50% and operating expenses of 15%–25% of revenue.

## CONCENTRATION RISK BY REVENUE SHARE

**0–10%**

LOW CONCERN

Typically no concentration-specific discount

**10–25%**

MANAGEABLE

Need to prove durability and transferability to avoid discount

**>25%**

STRUCTURE THE RISK

Isolate the contract and allocate risk

## MEASURE WHAT IS ACTUALLY AT RISK

**25%**

HIGH  
EXPOSURE

Revenue share

**15%**

MODERATE  
EXPOSURE

Gross profit share

**10%**

LOW  
EXPOSURE

EBITDA contribution

**Buyer risk should be measured by profit exposure—not revenue share alone.**

**SIX WAYS TO PROTECT VALUATION**

**01 STABILIZE THE CONTRACT**

3+ years remaining; meaningful termination protection;  
assignment AND change-of-control terms

**02 RENEW EARLY**

Renew before going to market—not when the contract is  
nearing expiry

**03 OWN THE RELATIONSHIP**

Account manager and management team own the client—  
not just founder or referral partner

**04 PROVE DURABILITY**

Show tenure, renewals, revenue growth, satisfaction and  
SLA history

**05 SHOW SPECIALIZATION**

Position the client as evidence of replicable vertical  
expertise

**06 SELECT BUYERS**

Strategic fit may turn perceived concentration into a  
competitive advantage

**TARGET OUTCOME | An all-cash valuation without a concentration-specific earnout**

ESTABLISH A DEFENSIBLE VALUE RANGE

MARKET REFERENCE / FLOOR

Speak to 2–3 credible buyers; test value of the MSP and, where feasible, the contract

STANDALONE / STRATEGIC CEILING

Value contract cash flows plus potential buyer-specific synergies

ILLUSTRATIVE REVENUE-BASED EARNOUT

**10–15%**

Client revenue paid annually

**3 years**

Revenue-sharing period

**0.75–1.25x**

Year-3 revenue terminal payment

NEGOTIATE THE ECONOMICS, NOT JUST THE HEADLINE MULTIPLE

Protect against buyer-controlled pricing, staffing, service and revenue-allocation changes. Consider a guaranteed minimum; negotiate value on the remaining clients if needed.

### THE UNEXPECTED EXIT PATH

**Large clients may be acquisitive themselves—and may see strategic value in owning their MSP or buying out the service contract.**

#### KNOW THE VALUE

Understand both contract economics and strategic value to the customer

#### WAIT FOR THE RIGHT OPENING

Avoid initiating discussions that put the relationship or sale process at risk

#### GET EXPERT SUPPORT

Use an M&A advisor and attorney to manage negotiations and conflicts

#### ASSESS THE AFTERMATH

Consider employees, remaining customers and the residual business

**THE PRINCIPLE | Client concentration is a risk-allocation problem—not automatically a valuation problem.**

12 takeaways on buying and selling MSP contracts without buying or selling the MSP

“

**One man's trash is another man's treasure.**

MATT YESBECK — Founder, MSPX Store · 30 years in the MSP channel

**6–8x MRR**

**What a contract is worth**

A standard 12-month contract billing \$1,000/month lists for ~\$6–8K. Longer-term MSAs can command more.

**7% fee**

**How the marketplace gets paid**

\$149 or \$599 a year to join, plus 7% of the sale, paid by the seller at escrow release. Buyers pay nothing extra.

**01**

**Sell contracts without selling the whole MSP**

**02**

**Too small for M&A? List your entire book as one bundle**

**03**

**Prune your C-clients without having to fire them**

**04**

**Unprofitable for you can be ideal for a smaller MSP**

**05**

**One big client blocking a deal? Sell that contract separately**

**06**

**Buyer won't take the VoIP contracts? List them, close the deal**

**07**

**Enter a new geography by acquiring contracts first**

**08**

**Client identity stays hidden until a bid is accepted**

**09**

**Escrow protects the buyer if the client churns**

**10**

**AI match score shows how well a contract fits you**

**11**

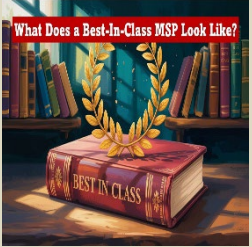
**Awareness, not competition, is the hurdle to 1,000 members**

**12**

**Contract-level deals: a real alternative to whole-company M&A**

## 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



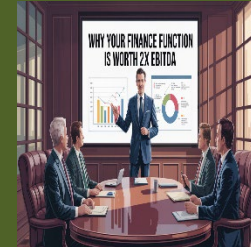
Access podcast

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**



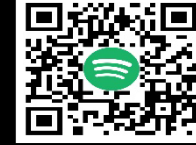
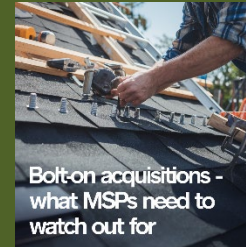
Access Podcast

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



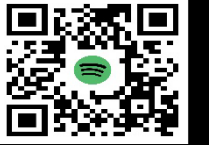
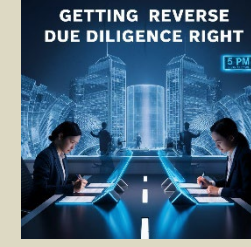
Access podcast

Bolt-On Acquisitions  
With **IT Solutions**



Access Podcast

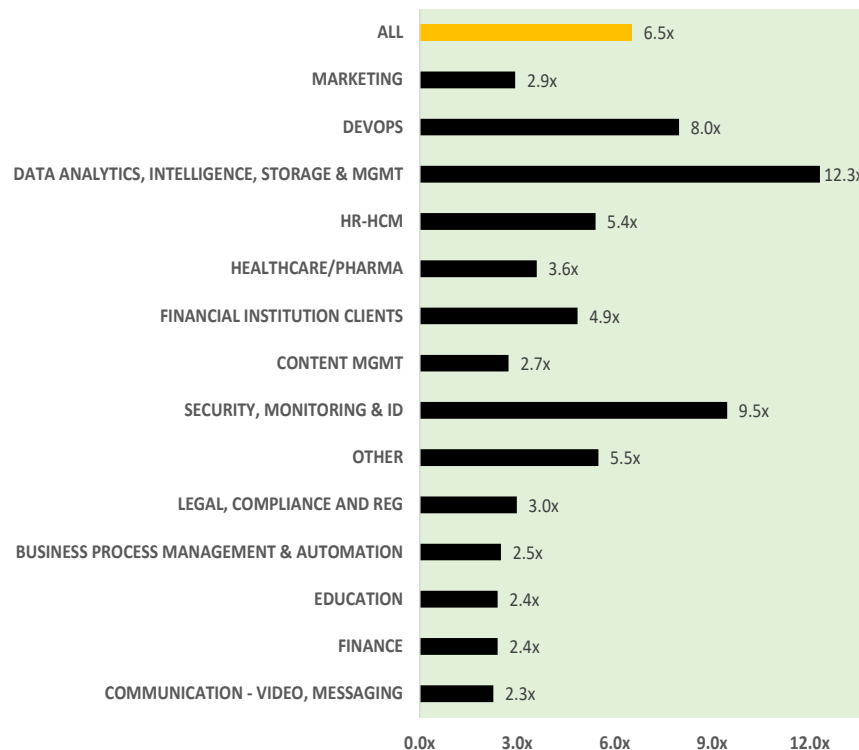
Getting Reverse Due-Diligence Right  
With **Ntiva**



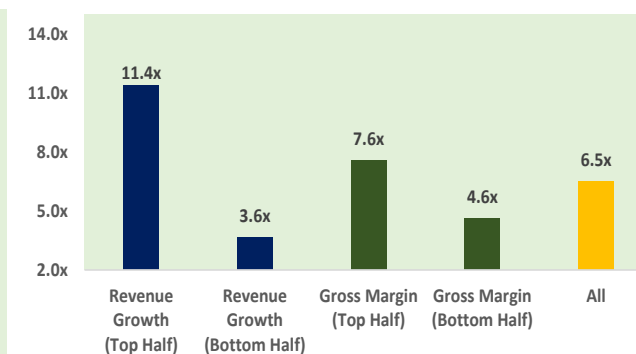
Podcast: Reverse Due Diligence

- The aggregate SaaS TTM Revenue Multiple increased to **6.5x** in **August 2026** compared to **July 2026**. Multiple levels still remain compressed in the SaaS space
- The broader equity markets, with the **S&P 500** increasing approximately **2.6%** in **August 2026**
- Sector Mattered:** SaaS Multiples declined the most in Finance, while increasing in Data Analytics, Devops, Security and Healthcare
- Quality Mattered:** Valuation dispersion remained significant, with top-half companies by Revenue Growth and Gross Margin trading at premiums of approximately **7.8x** and **3.0x** respectively

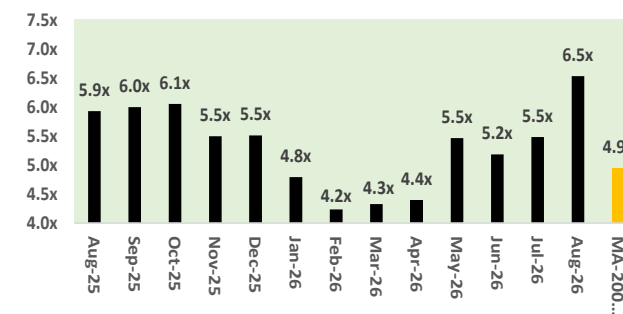
Revenue Xs By SaaS Sector (ME August 2026)



SaaS Revenue Xs (ME August 2026) By Quality

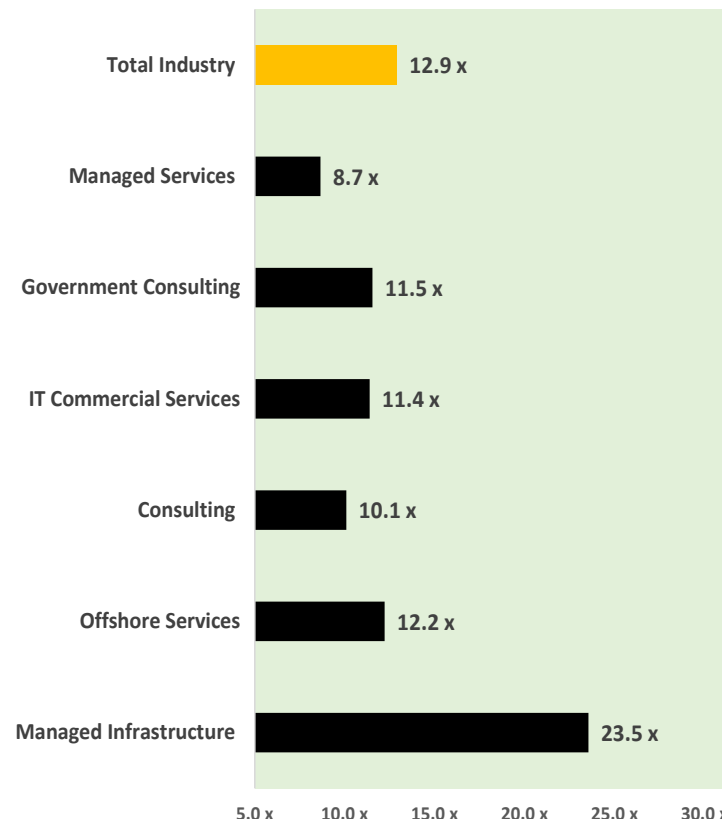


Recovery in SaaS Revenue Xs in August 2026

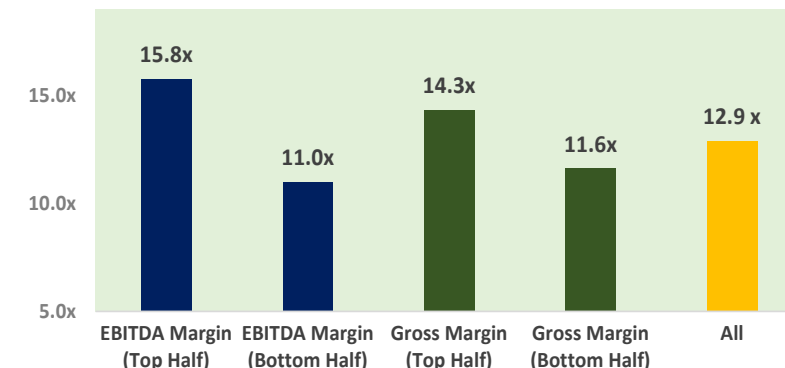


- The aggregate IT Services TTM EV/EBITDA multiple saw an increase to **12.9x** in **August 2026**, from **July 2026**
- Current multiples are **5%** off their 52-Week peak of 13.6x reached in Jan 2026
- Managed Service multiples have dropped from 11.0x in Dec-25 to 8.7x in August-26 as markets factor 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.

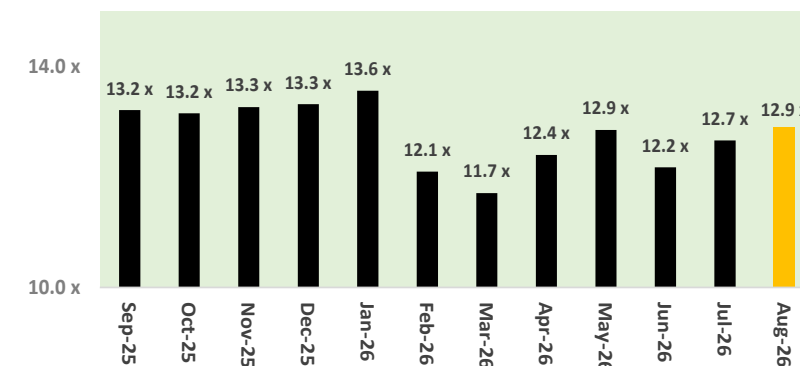
Average EV/EBITDA across Industry



EV/ EBITDA by Quality



Monthly EV/EBITDA Multiple Trend



**YTD Median EV/EBITDA and EV/Revenue multiples stand at 26.4x and 3.0x respectively**

**YTD Median EV/EBITDA and EV/Revenue multiples for deals less than \$200MN stand at 17.3x and 1.7x respectively**

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

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

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

| Date   | Target                                      | Acquiror(s) / Investor(s)         | Deal Size (US\$mn) | EV/ EBITDA   | EV/ Revenue | Sector                                       | Target Business Description                                                                                                                                                                                                 |
|--------|---------------------------------------------|-----------------------------------|--------------------|--------------|-------------|----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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                                                                                                                                       |
| Jul-26 | Heavy Construction Systems Specialists, LLC | Nemetschek SE                     | 2,285              | NA           | 10.9x       | Application Software                         | Target designs and develops a construction platform and multiple software for winning, planning, and managing construction projects                                                                                         |
| Jul-26 | Electro-Sensors, Inc.                       | steute Technologies GmbH & Co. KG | 19                 | NA           | 1.8x        | Electronic Equipment and Instruments         | Target manufactures and sells industrial production monitoring and process control systems                                                                                                                                  |
| Jul-26 | SkyWater Technology, Inc.                   | IonQ, Inc                         | 2,042              | 62.9x        | 4.5x        | Semiconductors                               | Target provides semiconductor manufacturing services in the United States                                                                                                                                                   |
| Aug-26 | Romeo Computer Company                      | Image Solutions LLC               | 2                  | NA           | 1.0x        | IT Consulting and Other Services             | Target provides IT support and cybersecurity solutions for small and mid-sized businesses                                                                                                                                   |
| Aug-26 | Noviant Inc                                 | Aether Compute                    | 4                  | NA           | 1.1x        | IT Consulting and Other Services             | Target provides managed IT services including IT consulting, cyber security, and cloud solutions in the United States                                                                                                       |
| Aug-26 | NYIAX, Inc.                                 | Datavault AI Inc.                 | 25                 | NA           | NA          | Application Software                         | Target designs and operates an upfront marketplace and advanced contract management exchange platform within the advertising industry                                                                                       |
| Aug-26 | Epitome Cloud Inc.                          | CapitalNumbers Infotech Limited   | 4                  | NA           | 1.6x        | IT Consulting and Other Services             | Target provides cloud solutions and expert consultancy services in the United States and India                                                                                                                              |
| Aug-26 | AstroNova                                   | Arcline Investment Management LP  | 275                | 24.2x        | 1.8x        | Technology Hardware, Storage and Peripherals | Target designs, develops, manufactures, and distributes specialty printers, and data acquisition and analysis systems in the United States, Europe, Canada, Asia, Central and South America, and internationally            |
|        | <b>25th Percentile</b>                      |                                   |                    | <b>17.1x</b> | <b>1.5x</b> |                                              |                                                                                                                                                                                                                             |
|        | <b>Median</b>                               |                                   |                    | <b>26.4x</b> | <b>3.0x</b> |                                              |                                                                                                                                                                                                                             |
|        | <b>75th Percentile</b>                      |                                   |                    | <b>49.8x</b> | <b>5.3x</b> |                                              |                                                                                                                                                                                                                             |

## Notable Service Provider Deals in August



### Acquiror – ScanSource

- ScanSource announced its acquisition of MicroAge on August 20, 2026
- ScanSource is a South Carolina-based technology distributor offering hardware, software, cloud, connectivity, and technology solutions, with approximately 1,001 - 5,000 employees
- MicroAge is a U.S.-based IT solutions provider offering managed IT, cybersecurity, cloud, data center, AI, and technology services, with approximately 201 - 500 employees
- The acquisition strengthens ScanSource's services capabilities, expands its presence across cloud, cybersecurity, AI, and managed services, and enhances its ability to support customers through MicroAge's established IT services platform



### Target – MicroAge



### Acquiror – Uprite Services

- Uprite Services announced its acquisition of Trif Technologies on August 27, 2026
- Uprite Services is a Texas-based managed IT and cybersecurity provider offering managed IT, cybersecurity, cloud, compliance, and technology solutions, with approximately 11 - 50 employees
- Trif Technologies is a U.S.-based managed IT and cybersecurity provider offering IT consulting, network services, cybersecurity, backup and disaster recovery, and IT support, with approximately 11 - 50 employees
- The acquisition expands Uprite's presence across the Dallas-Fort Worth market, adding Trif's established client base and engineering team while strengthening Uprite's managed IT and cybersecurity capabilities



### Target – Trif Technologies

# **Excendio Advisors**

Our Recent and Past  
Transactions  
IT M&A



**Partnered**



- 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.



**Acquired**



- 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.



**Acquired**



- 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.

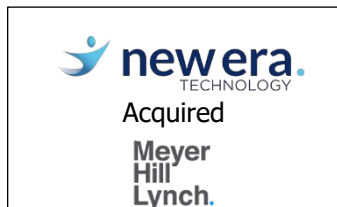
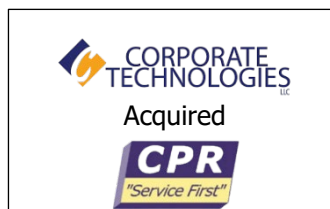


**Acquired**



- 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.

# Other Recent Select Transactions



# Appendix - IT Services Comparable Company Analysis

| Sector                               | Market Data    | LTM Financials   |                   |                       |
|--------------------------------------|----------------|------------------|-------------------|-----------------------|
|                                      | % 52 week high | Gross Margin (%) | EBITDA Margin (%) | Net Profit Margin (%) |
| <b>Managed Infrastructure Mean</b>   | 74%            | 48%              | 35%               | 11%                   |
| <b>Managed Infrastructure Median</b> | 86%            | 54%              | 37%               | 12%                   |
| <b>Offshore Services Mean</b>        | 74%            | 33%              | 19%               | 11%                   |
| <b>Offshore Services Median</b>      | 73%            | 31%              | 19%               | 12%                   |
| <b>Consulting Mean</b>               | 73%            | 33%              | 15%               | 8%                    |
| <b>Consulting Median</b>             | 78%            | 32%              | 14%               | 6%                    |
| <b>IT Commercial Services Mean</b>   | 113%           | 18%              | 6%                | 3%                    |
| <b>IT Commercial Services Median</b> | 121%           | 20%              | 5%                | 3%                    |
| <b>Government Consulting Mean</b>    | 80%            | 23%              | 12%               | 6%                    |
| <b>Government Consulting Median</b>  | 90%            | 18%              | 12%               | 6%                    |
| <b>Managed Services Mean</b>         | 67%            | 29%              | 17%               | 9%                    |
| <b>Managed Services Median</b>       | 70%            | 28%              | 18%               | 11%                   |
| <b>Total Industry Mean</b>           | <b>80%</b>     | <b>31%</b>       | <b>17%</b>        | <b>8%</b>             |
| <b>Total Industry Median</b>         | <b>82%</b>     | <b>29%</b>       | <b>16%</b>        | <b>8%</b>             |

| Valuation Multiples |                 |                 |
|---------------------|-----------------|-----------------|
| EV/ LTM EBITDA      | EV/ LTM Revenue | Price/ Earnings |
| 23.5 x              | 9.5 x           | 64.4 x          |
| 26.4 x              | 12.8 x          | 67.5 x          |
| 12.2 x              | 2.3 x           | 20.1 x          |
| 11.1 x              | 2.3 x           | 16.0 x          |
| 10.1 x              | 1.3 x           | 16.2 x          |
| 9.4 x               | 1.3 x           | 15.5 x          |
| 11.4 x              | 0.6 x           | 19.0 x          |
| 11.9 x              | 0.6 x           | 19.9 x          |
| 11.5 x              | 1.4 x           | 16.6 x          |
| 10.6 x              | 1.2 x           | 14.1 x          |
| 8.7 x               | 1.4 x           | 16.9 x          |
| 8.4 x               | 1.4 x           | 14.5 x          |
| <b>12.9 x</b>       | <b>2.8 x</b>    | <b>25.5 x</b>   |
| <b>10.9 x</b>       | <b>1.4 x</b>    | <b>15.8 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 Infrastructure</b>              |             |             |                |              |                       |                |                |                  |                   |                       |                     |                 |                 |
| Equinix Inc                                | US          | \$1,046.72  | 93%            | \$103,282    | \$125,659             | \$9,805        | \$1,530        | 51%              | 45%               | 16%                   | 28.2 x              | 12.8 x          | 67.5 x          |
| Digital Realty Trust Inc                   | US          | \$185.59    | 89%            | \$68,854     | \$87,021              | \$6,771        | \$792          | 57%              | 49%               | 12%                   | 26.4 x              | 12.9 x          | 86.9 x          |
| Digital Ocean Holdings Inc                 | US          | \$110.69    | 59%            | \$13,015     | \$14,226              | \$1,011        | \$235          | 57%              | 37%               | 23%                   | 37.6 x              | 14.1 x          | 55.3 x          |
| Iron Mountain Incorporated                 | US          | \$115.35    | 86%            | \$34,340     | \$54,082              | \$7,562        | \$434          | 54%              | 33%               | 6%                    | 21.5 x              | 7.2 x           | 79.0 x          |
| Kyndryl Holdings Inc                       | US          | \$13.45     | 43%            | \$2,930      | \$5,756               | \$14,967       | \$88           | 22%              | 9%                | 1%                    | 4.1 x               | 0.4 x           | 33.3 x          |
| <b>Managed Infrastructure Mean</b>         |             |             | <b>74%</b>     |              |                       |                |                | <b>48%</b>       | <b>35%</b>        | <b>11%</b>            | <b>23.5 x</b>       | <b>9.5 x</b>    | <b>64.4 x</b>   |
| <b>Managed Infrastructure Median</b>       |             |             | <b>86%</b>     |              |                       |                |                | <b>54%</b>       | <b>37%</b>        | <b>12%</b>            | <b>26.4 x</b>       | <b>12.8 x</b>   | <b>67.5 x</b>   |
| <b>Offshore Services</b>                   |             |             |                |              |                       |                |                |                  |                   |                       |                     |                 |                 |
| Tata Consultancy Services                  | IN          | \$25.16     | 72%            | \$91,013     | \$87,478              | \$28,922       | \$5,248        | 45%              | 27%               | 18%                   | 11.4 x              | 3.0 x           | 17.3 x          |
| Infosys Limited                            | IN          | \$11.89     | 66%            | \$48,147     | \$45,946              | \$20,299       | \$3,327        | 30%              | 25%               | 16%                   | 9.0 x               | 2.3 x           | 14.5 x          |
| HCL Technologies Limited                   | IN          | \$13.76     | 74%            | \$37,225     | \$37,746              | \$14,088       | \$1,828        | 47%              | 21%               | 13%                   | 12.8 x              | 2.7 x           | 20.4 x          |
| Cognizant Technology Solutions Corporation | US          | \$64.58     | 74%            | \$29,090     | \$30,133              | \$21,642       | \$2,220        | 33%              | 19%               | 10%                   | 7.3 x               | 1.4 x           | 13.1 x          |
| Wipro Limited                              | IN          | \$1.93      | 68%            | \$19,137     | \$17,230              | \$9,957        | \$1,393        | 29%              | 22%               | 14%                   | 7.7 x               | 1.7 x           | 13.7 x          |
| LTI Mindtree Limited                       | IN          | \$47.60     | 71%            | \$14,111     | \$12,803              | \$4,621        | \$545          | 29%              | 19%               | 12%                   | 14.7 x              | 2.8 x           | 25.9 x          |
| Tech Mahindra Limited                      | IN          | \$17.07     | 88%            | \$15,121     | \$14,471              | \$6,204        | \$541          | 30%              | 16%               | 9%                    | 14.9 x              | 2.3 x           | 27.9 x          |
| Genpact Limited                            | BM          | \$37.98     | 78%            | \$6,382      | \$7,276               | \$5,250        | \$583          | 36%              | 18%               | 11%                   | 7.8 x               | 1.4 x           | 11.0 x          |
| Globant S.A.                               | LU          | \$40.71     | 56%            | \$1,758      | \$2,107               | \$2,451        | \$120          | 35%              | 8%                | 5%                    | 10.8 x              | 0.9 x           | 14.7 x          |
| Mphasis Limited                            | IN          | \$25.45     | 82%            | \$4,856      | \$4,797               | \$1,733        | \$200          | 31%              | 20%               | 12%                   | 13.6 x              | 2.8 x           | 24.2 x          |
| Persistent Systems Limited                 | IN          | \$58.65     | 85%            | \$9,164      | \$9,020               | \$1,648        | \$202          | 29%              | 19%               | 12%                   | 28.8 x              | 5.5 x           | 45.4 x          |
| Capgemini S.E.                             | FR          | \$1.12      | 70%            | \$187        | \$270                 | \$246          | \$14           | 27%              | 14%               | 6%                    | 7.8 x               | 1.1 x           | 12.9 x          |
| <b>Offshore Services Mean</b>              |             |             | <b>74%</b>     |              |                       |                |                | <b>33%</b>       | <b>19%</b>        | <b>11%</b>            | <b>12.2 x</b>       | <b>2.3 x</b>    | <b>20.1 x</b>   |
| <b>Offshore Services Median</b>            |             |             | <b>73%</b>     |              |                       |                |                | <b>31%</b>       | <b>19%</b>        | <b>12%</b>            | <b>11.1 x</b>       | <b>2.3 x</b>    | <b>16.0 x</b>   |

\*Source: Yahoo Finance. As of 31<sup>st</sup> August.

| 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          | \$150.57    | 80%            | \$4,157      | \$5,236               | \$3,924        | \$253          | 32%              | 11%               | 6%                    | 12.0 x              | 1.3 x           | 16.4 x          |
| Huron Consulting Group                         | US          | \$159.89    | 86%            | \$2,544      | \$3,377               | \$1,810        | \$116          | 32%              | 13%               | 6%                    | 14.5 x              | 1.9 x           | 22.0 x          |
| Resources Connection                           | US          | \$4.19      | 78%            | \$144        | \$84                  | \$452          | (\$41)         | 38%              | -                 | -                     | -                   | 0.2 x           | -               |
| The Hackett Group                              | US          | \$11.21     | 54%            | \$279        | \$348                 | \$287          | \$17           | 41%              | 13%               | 6%                    | 9.4 x               | 1.2 x           | 16.6 x          |
| Accenture Plc                                  | IE          | \$189.76    | 65%            | \$116,122    | \$114,339             | \$73,101       | \$7,939        | 32%              | 17%               | 11%                   | 9.3 x               | 1.6 x           | 14.6 x          |
| Capgemini S.E.                                 | FR          | \$124.29    | 70%            | \$20,633     | \$29,796              | \$27,165       | \$1,600        | 27%              | 14%               | 6%                    | 7.8 x               | 1.1 x           | 12.9 x          |
| CGI Inc.                                       | CA          | \$75.08     | 79%            | \$13,737     | \$16,494              | \$11,829       | \$1,247        | 16%              | 18%               | 11%                   | 7.6 x               | 1.4 x           | 11.0 x          |
| Infosys Limited                                | IN          | \$11.89     | 66%            | \$48,147     | \$45,946              | \$20,299       | \$3,327        | 30%              | 25%               | 16%                   | 9.0 x               | 2.3 x           | 14.5 x          |
| Information Services Group                     | US          | \$5.12      | 79%            | \$248        | \$292                 | \$250          | \$12           | 45%              | 10%               | 5%                    | 11.1 x              | 1.2 x           | 21.2 x          |
| <b>Consulting Mean</b>                         |             |             | <b>73%</b>     |              |                       |                |                | <b>33%</b>       | <b>15%</b>        | <b>8%</b>             | <b>10.1 x</b>       | <b>1.3 x</b>    | <b>16.2 x</b>   |
| <b>Consulting Median</b>                       |             |             | <b>78%</b>     |              |                       |                |                | <b>32%</b>       | <b>14%</b>        | <b>6%</b>             | <b>9.4 x</b>        | <b>1.3 x</b>    | <b>15.5 x</b>   |
| <b>IT Commercial Services</b>                  |             |             |                |              |                       |                |                |                  |                   |                       |                     |                 |                 |
| ePlus Inc                                      | IR          | \$87.97     | 90%            | \$2,295      | \$1,969               | \$2,449        | \$122          | 25%              | 8%                | 5%                    | 10.1 x              | 0.8 x           | 18.8 x          |
| ScanSource Inc                                 | FR          | \$57.09     | 74%            | \$1,150      | \$1,172               | \$3,226        | \$79           | 14%              | 4%                | 2%                    | 8.8 x               | 0.4 x           | 14.6 x          |
| Arrow Electronics Inc                          | FR          | \$204.43    | 120%           | \$10,407     | \$12,333              | \$35,925       | \$812          | 11%              | 4%                | 2%                    | 9.0 x               | 0.3 x           | 12.8 x          |
| Avnet Inc                                      | IN          | \$89.56     | 119%           | \$7,350      | \$10,671              | \$27,633       | \$334          | 10%              | 3%                | 1%                    | 12.5 x              | 0.4 x           | 22.0 x          |
| PC Connection Inc                              | US          | \$79.87     | 123%           | \$2,016      | \$1,683               | \$2,988        | \$96           | 19%              | 5%                | 3%                    | 12.0 x              | 0.6 x           | 21.0 x          |
| Wesco International Inc                        | US          | \$340.40    | 123%           | \$16,589     | \$22,486              | \$25,013       | \$713          | 21%              | 6%                | 3%                    | 14.2 x              | 0.9 x           | 23.3 x          |
| CDW Corporation                                | US          | \$151.58    | 126%           | \$18,950     | \$25,018              | \$23,500       | \$1,080        | 21%              | 8%                | 5%                    | 12.7 x              | 1.1 x           | 17.5 x          |
| Insight Enterprises Inc                        | US          | \$157.02    | 130%           | \$4,608      | \$5,987               | \$8,580        | \$210          | 22%              | 6%                | 2%                    | 11.8 x              | 0.7 x           | 21.9 x          |
| <b>IT Commercial Services Mean</b>             |             |             | <b>113%</b>    |              |                       |                |                | <b>18%</b>       | <b>6%</b>         | <b>3%</b>             | <b>11.4 x</b>       | <b>0.6 x</b>    | <b>19.0 x</b>   |
| <b>IT Commercial Services Median</b>           |             |             | <b>121%</b>    |              |                       |                |                | <b>20%</b>       | <b>5%</b>         | <b>3%</b>             | <b>11.9 x</b>       | <b>0.6 x</b>    | <b>19.9 x</b>   |
| <b>Government Consulting</b>                   |             |             |                |              |                       |                |                |                  |                   |                       |                     |                 |                 |
| Booz Allen Hamilton Holding Corporation        | US          | \$75.65     | 69%            | \$9,100      | \$12,720              | \$11,980       | \$778          | 49%              | 11%               | 6%                    | 10.0 x              | 1.1 x           | 11.7 x          |
| CACI International Inc                         | US          | \$623.01    | 91%            | \$13,768     | \$18,960              | \$9,568        | \$536          | 10%              | 12%               | 6%                    | 16.3 x              | 2.0 x           | 25.7 x          |
| Science Applications International Corporation | US          | \$128.22    | 90%            | \$5,372      | \$7,951               | \$7,402        | \$380          | 13%              | 10%               | 5%                    | 10.6 x              | 1.1 x           | 14.1 x          |
| Maximus Inc                                    | US          | \$57.77     | 58%            | \$3,025      | \$4,700               | \$5,248        | \$371          | 26%              | 14%               | 7%                    | 6.6 x               | 0.9 x           | 8.2 x           |
| Leidos Holdings                                | US          | \$140.21    | 68%            | \$17,595     | \$23,425              | \$17,634       | \$1,395        | 18%              | 13%               | 8%                    | 10.1 x              | 1.3 x           | 12.6 x          |
| CACI International Inc                         | US          | \$623.01    | 91%            | \$13,768     | \$18,960              | \$9,568        | \$536          | 10%              | 12%               | 6%                    | 16.3 x              | 2.0 x           | 25.7 x          |
| ICF International Inc                          | US          | \$89.10     | 91%            | \$1,598      | \$2,158               | \$1,821        | \$89           | 37%              | 11%               | 5%                    | 11.0 x              | 1.2 x           | 18.0 x          |
| <b>Government Consulting Mean</b>              |             |             | <b>80%</b>     |              |                       |                |                | <b>23%</b>       | <b>12%</b>        | <b>6%</b>             | <b>11.5 x</b>       | <b>1.4 x</b>    | <b>16.6 x</b>   |
| <b>Government Consulting Median</b>            |             |             | <b>90%</b>     |              |                       |                |                | <b>18%</b>       | <b>12%</b>        | <b>6%</b>             | <b>10.6 x</b>       | <b>1.2 x</b>    | <b>14.1 x</b>   |

\*Source: Yahoo Finance. As of 31<sup>st</sup> August.

| Company                        | Market Data |             |                |               |                       | LTM Financials |                |                  |                   |                       | Valuation Multiples |                 |                 |
|--------------------------------|-------------|-------------|----------------|---------------|-----------------------|----------------|----------------|------------------|-------------------|-----------------------|---------------------|-----------------|-----------------|
|                                | HQ Country  | Stock Price | % 52 week high | Mcaps (\$ 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          | \$189.76    | 65%            | \$116,122     | \$114,339             | \$73,101       | \$7,939        | 32%              | 17%               | 11%                   | 9.3 x               | 1.6 x           | 14.6 x          |
| Tata Consultancy Services      | IN          | \$25.16     | 72%            | \$91,013      | \$87,478              | \$28,922       | \$5,248        | 45%              | 27%               | 18%                   | 11.4 x              | 3.0 x           | 17.3 x          |
| Kyndryl                        | US          | \$13.45     | 43%            | \$2,930       | \$5,756               | \$14,967       | \$88           | 22%              | 9%                | 1%                    | 4.1 x               | 0.4 x           | 33.3 x          |
| Infosys Limited                | IN          | \$11.89     | 66%            | \$48,147      | \$45,946              | \$20,299       | \$3,327        | 30%              | 25%               | 16%                   | 9.0 x               | 2.3 x           | 14.5 x          |
| Capgemini SE                   | FR          | \$124.29    | 70%            | \$20,633      | \$29,796              | \$27,165       | \$1,600        | 27%              | 14%               | 6%                    | 7.8 x               | 1.1 x           | 12.9 x          |
| Cognizant Technology Solutions | US          | \$64.58     | 74%            | \$29,090      | \$30,133              | \$21,642       | \$2,220        | 33%              | 19%               | 10%                   | 7.3 x               | 1.4 x           | 13.1 x          |
| Wipro Limited                  | IN          | \$1.93      | 68%            | \$19,137      | \$17,230              | \$9,957        | \$1,393        | 29%              | 22%               | 14%                   | 7.7 x               | 1.7 x           | 13.7 x          |
| DXC Technology Company         | US          | \$11.30     | 72%            | \$1,805       | \$4,022               | \$12,484       | \$136          | 23%              | 15%               | 1%                    | 2.2 x               | 0.3 x           | 13.3 x          |
| Rackspace Technology, Inc      | US          | \$3.13      | 36%            | \$798         | \$3,996               | \$2,702        | (\$159)        | 18%              | 12%               | -                     | 12.8 x              | 1.5 x           | -               |
| CGI Group                      | CA          | \$75.08     | 79%            | \$13,737      | \$16,494              | \$11,829       | \$1,247        | 16%              | 18%               | 11%                   | 7.6 x               | 1.4 x           | 11.0 x          |
| Insight Enterprises            | US          | \$157.02    | 93%            | \$4,608       | \$5,987               | \$8,580        | \$210          | 22%              | 6%                | 2%                    | 11.8 x              | 0.7 x           | 21.9 x          |
| HCL Technologies               | IN          | \$13.76     | 74%            | \$37,225      | \$37,746              | \$14,088       | \$1,828        | 47%              | 21%               | 13%                   | 12.8 x              | 2.7 x           | 20.4 x          |
| Unisys                         | US          | \$2.70      | 54%            | \$197         | \$631                 | \$1,946        | (\$422)        | 28%              | -                 | -                     | -                   | 0.3 x           | -               |
| <b>Managed Services Mean</b>   |             |             | <b>67%</b>     |               |                       |                |                | <b>29%</b>       | <b>17%</b>        | <b>9%</b>             | <b>8.7 x</b>        | <b>1.4 x</b>    | <b>16.9 x</b>   |
| <b>Managed Services Median</b> |             |             | <b>70%</b>     |               |                       |                |                | <b>28%</b>       | <b>18%</b>        | <b>11%</b>            | <b>8.4 x</b>        | <b>1.4 x</b>    | <b>14.5 x</b>   |
| <b>Total Industry Mean</b>     |             |             | <b>80%</b>     |               |                       |                |                | <b>31%</b>       | <b>17%</b>        | <b>8%</b>             | <b>12.9 x</b>       | <b>2.8 x</b>    | <b>25.5 x</b>   |
| <b>Total Industry Median</b>   |             |             | <b>82%</b>     |               |                       |                |                | <b>29%</b>       | <b>16%</b>        | <b>8%</b>             | <b>10.9 x</b>       | <b>1.4 x</b>    | <b>15.8 x</b>   |

\*Source: Yahoo Finance. As of 31<sup>st</sup> August.

| 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.

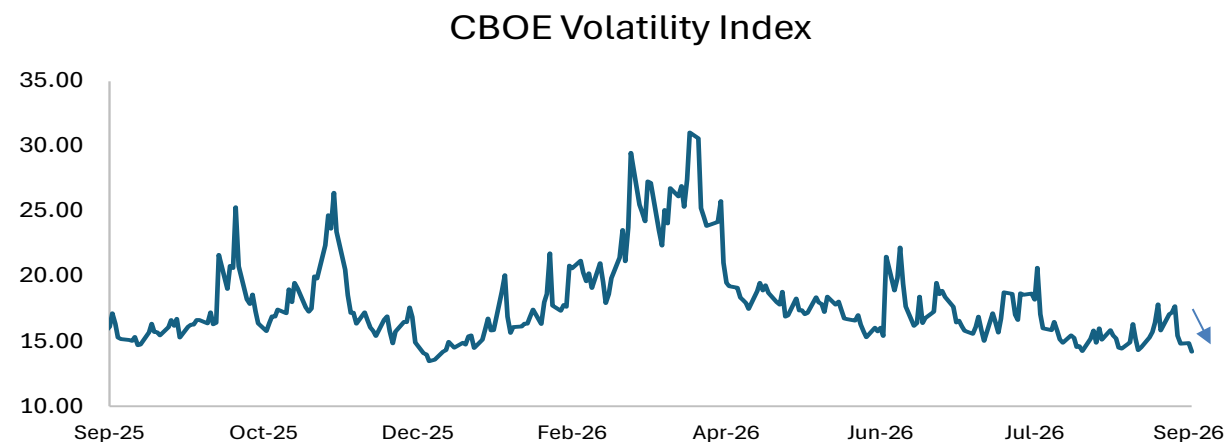
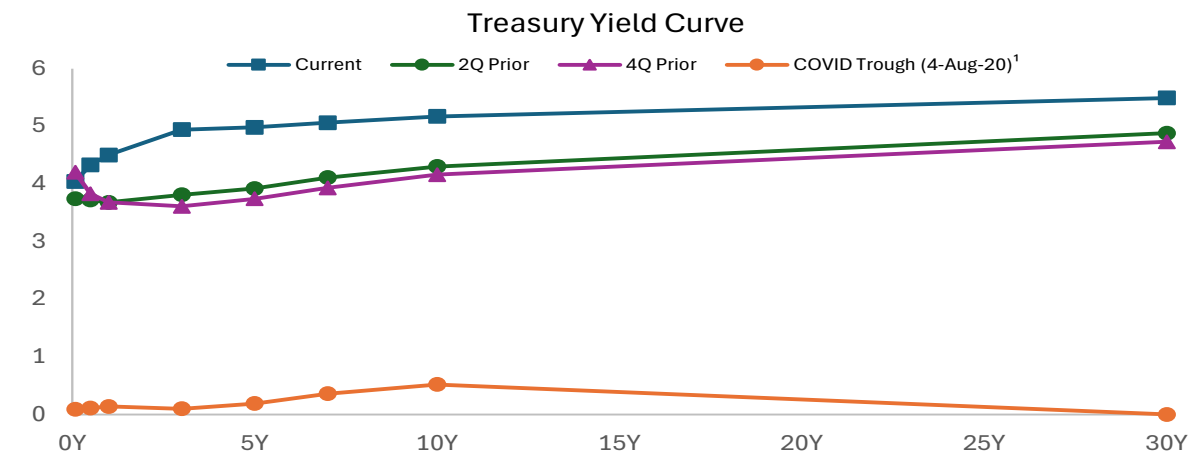
<sup>(2)</sup>D/E ratio of 1 is assumed to calculate Relevered Discount Rate.

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

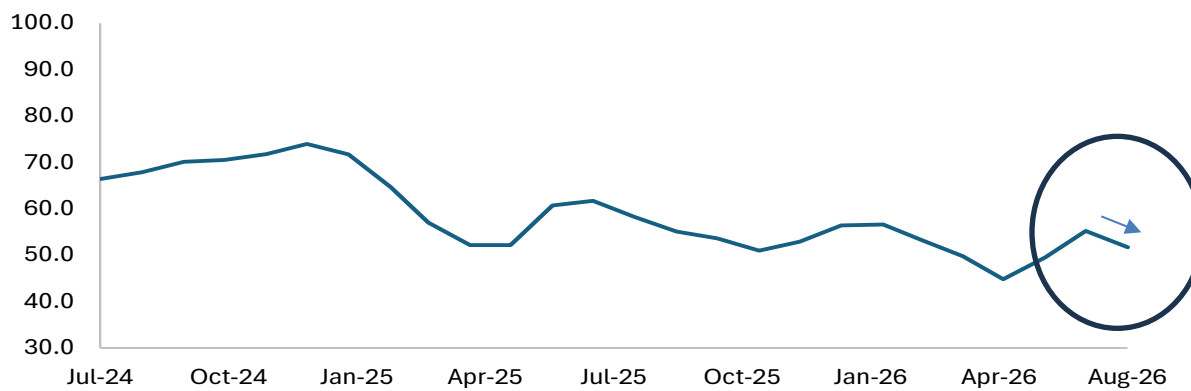
## Labor Market Resilience Meets Sticky Inflation: The Fed Faces a Difficult Balancing Act

|                                          | 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          | 5.17     | 09/25/2026 | 0.97    | 23.10   | 5.17     | 3.35      | 4.44     | 4.30     | 4.18     | 4.16     |
| CoreCPI                                  | 3.35     | 08/01/2026 | 0.33    | 10.93   | 3.35     | 2.60      | 3.46     | 3.29     | 2.65     | 3.02     |
| Unemployment Rate                        | 4.10     | 08/01/2026 | -0.20   | -4.65   | 4.10     | 5.61      | 4.20     | 4.30     | 4.40     | 4.40     |
| Initial Claims 4-week MA                 | 202.25   | 09/19/2026 | -34.50  | -14.57  | 202.25   | 365.92    | 222.50   | 208.00   | 219.25   | 234.00   |
| Nonfarm Payroll Change (Unrevised)       | 162.00   | 09/04/2026 | 86.00   | 113.16  | 162.00   | 140.88    | 31.00    | 214.00   | -17.00   | 76.00    |
| <b>INDEXES AND INDICATORS</b>            |          |            |         |         |          |           |          |          |          |          |
| Sahm Recession Indicator                 | -0.07    | 08/01/2026 | -0.20   | -153.85 | -0.07    | 0.47      | 0.07     | 0.20     | 0.35     | 0.23     |
| Michigan Consumer Sentiment              | 48.10    | 09/25/2026 | -7.00   | -12.70  | 48.10    | 81.15     | 49.50    | 53.30    | 52.90    | 55.10    |
| Michigan Inflation Expectations          | 4.60     | 09/25/2026 | -0.10   | -2.13   | 4.60     | 3.19      | 4.60     | 3.80     | 4.20     | 4.70     |
| <b>MARKETS</b>                           |          |            |         |         |          |           |          |          |          |          |
| S&P 500                                  | 7683.69  | 09/28/2026 | 1022.48 | 15.35   | 7683.69  | -         | 7499.36  | 6528.52  | 6845.50  | 6688.46  |
| NASDAQ                                   | 26820.38 | 09/28/2026 | 4336.31 | 19.29   | 26820.38 | -         | 26213.72 | 21590.63 | 23241.99 | 22660.01 |
| VIX                                      | 14.21    | 09/22/2026 | -2.43   | -14.60  | 14.21    | 19.79     | 16.45    | 25.25    | 14.95    | 16.28    |
| ICE Corp BBB OAS                         | 0.99     | 09/25/2026 | 0.03    | 3.13    | 0.99     | 1.11      | 0.95     | 1.13     | 1.01     | 0.97     |
| ICE Corp HY OAS                          | 2.93     | 09/25/2026 | 0.12    | 4.27    | 2.93     | 3.11      | 2.75     | 3.28     | 2.81     | 2.80     |

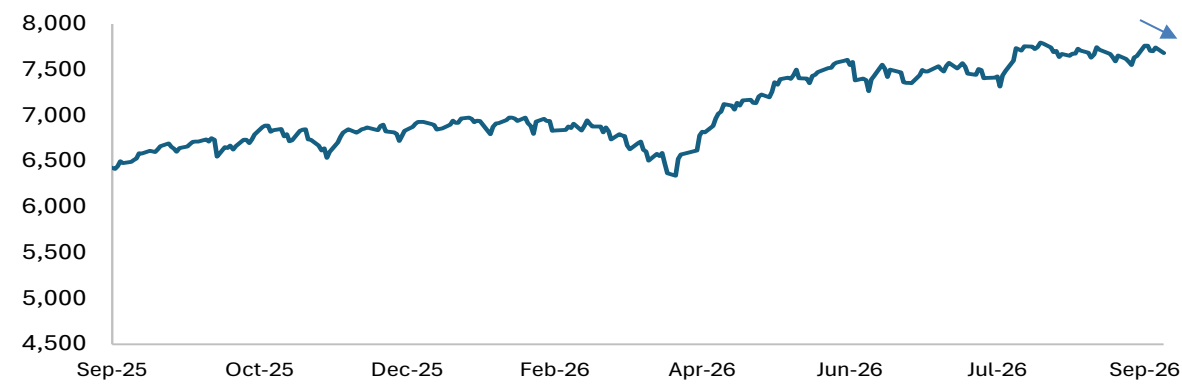
**Equity markets continue to rally, but inflationary concerns continued to weigh on consumer sentiment and yields have risen**



**Michigan Consumer Sentiment Survey**



**S&P 500**



<sup>(1)</sup>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.

Madhur Duggar

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Mergers and Acquisitions | Middle Market Mergers | Excendio Advisors

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