

- Although 2025 has not gotten off to the hot start M&A professionals expected, the market remains optimistic that more deals will come to market in the second quarter of this year
- Movement is likely to be seen first amongst smaller transactions and bolt-on acquisitions as buyers and investors test the waters before going all-in on mega deals
- Increases in public market valuations and the anticipation of more high-growth tech IPOs point toward a potential M&A upswing relative to 2024

## **S&S M&A Weather Report**



Partly Cloudy with Possible Clearing Ahead

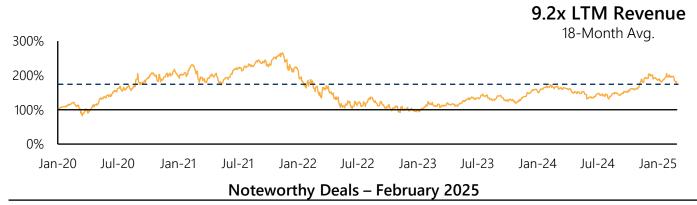
Despite the temporary slowdown in SaaS M&A, a near-term rebound remains just over the horizon as pure play Generative AI companies command premium multiples

## **Software Trends We Are Tracking / Market Snapshots**

### Software M&A Valuations (EV / LTM Revenue)



# Intrepid's Public Software Index



Acquirer	NORDIC CAPITAL	CoStar Group	Jiywire
Target	ANAQUA°	Matterport	Sertifi
Enterprise Value	\$2.5B	\$1.6B	\$330M
EV / LTM Rev	12.5x	9.4x	8.8x



## The Impact of Generative AI on M&A

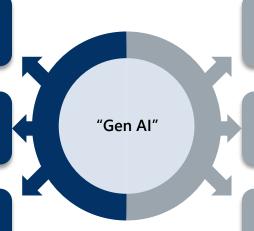
### AI in M&A Execution

### AI in M&A Valuation

Gen Al's "black box," or opaque decision making, limits its role to pre-deal research and screening

Understanding the misinformation risk of Gen Al producing costly misjudgments in target evaluation is crucial

Gen Al queries and subsequent sharing of proprietary data pose a cybersecurity threat as companies risk data leaks



Gen Al can drive increases to ARR through expedited lead generation and qualification, shortening SaaS sales cycles

Gen Al companies with vertical applications continue to command premium multiples

Inherent uncertainty remains in how to value Gen Al's benefits to software development, from writing to debugging code

Source: Bain; McKinsey

## Intrepid's Software & Services Coverage



Compliance Technology



Cybersecurity



Data & Analytics



**Human Capital Management** 



PropTech



SalesTech



**Tech-Enabled Services** 



Transportation & Logistics Technology



Vertical SaaS

# White Glove Touch of Boutique Investment Bank



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sector Experts

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