

- **Public software equities have seen outsized multiple expansion since March 2025**, following signs of a Fed pivot, outpacing other sectors as falling yields push investors back into growth based, long-duration software cash flows.
- **Approximately 24% of PE dry powder is over four years old, heightening pressure on GPs to deploy.** As capital becomes harder to allocate, mega-funds are moving 'down market' into middle-market software deals - intensifying competition.
- **The convergence of vertical SaaS and AI is reshaping enterprise software.** Workday's \$1.1B acquisition of Sana underscores how large strategics are willing to pay for embedded intelligence and vertical SaaS solutions.

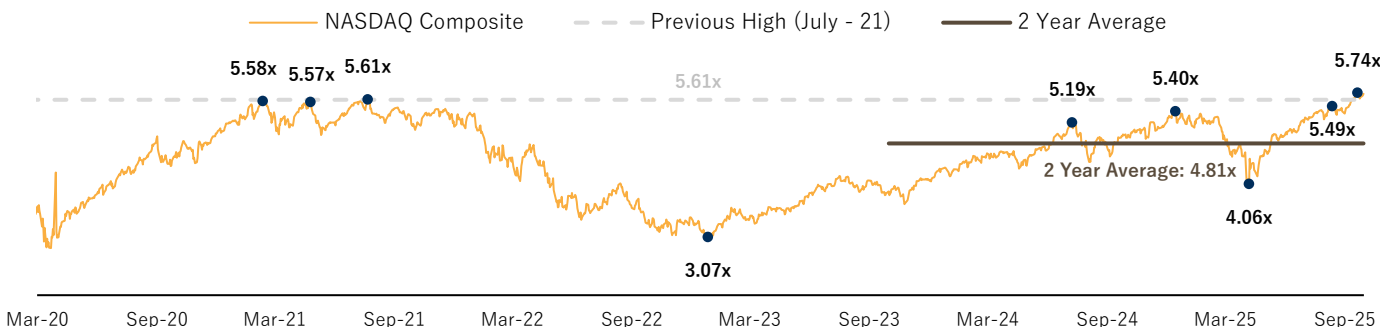
### S&S M&A Weather Report



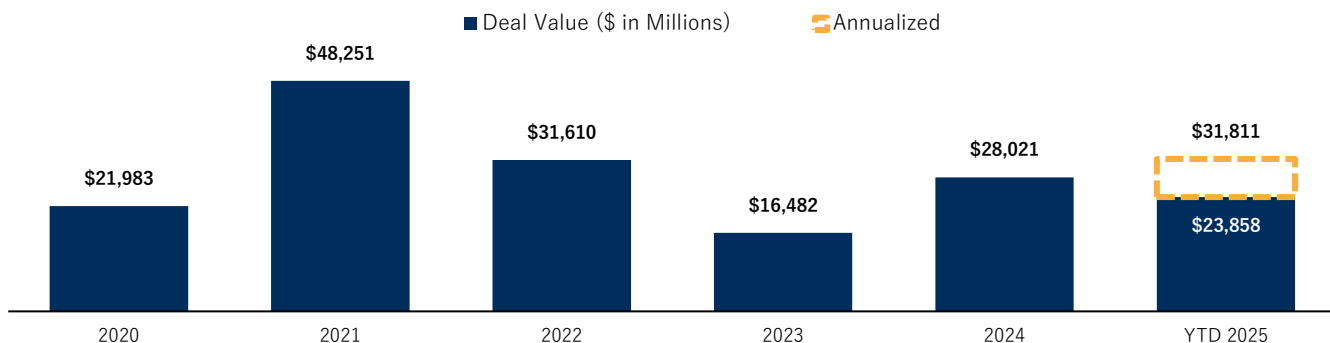
Public software valuations and middle-market investor confidence are rebounding together, supported by a ~29% TTM tech equity rally, anticipation of a Fed pivot, and a revived IPO market - even as lofty AI expectations risk outpacing actual earnings.

### Software Trends We Are Tracking / Market Snapshots

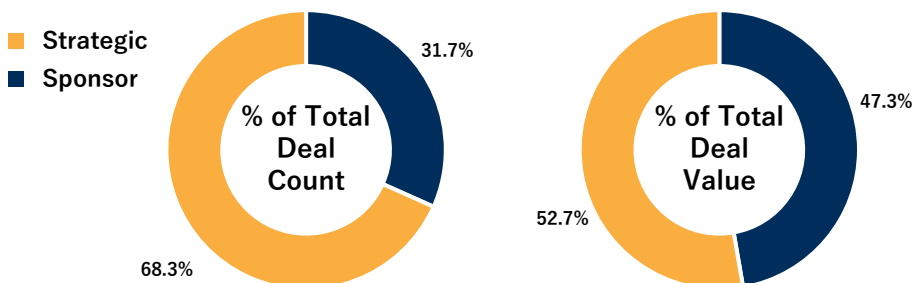
#### NASDAQ Multiples Hit New All-Time High, Surpassing COVID-Era Peak (TEV / Total Revenue)



#### Middle Market Momentum: Software M&A Deal Value on Pace to be Largest Year Since 2021<sup>1</sup>



#### 2025 YTD Software M&A Split: Strategics Drive Activity, Sponsors Drive Value



#### Sponsors Favor Tech

Strategic buyers lead deal activity through 3 quarters. However, financial sponsors captured a nearly equal share of total deal value despite fewer deals, reflecting their focus on mega deals.

## Recently Attended Conference – HR Tech 2025

Intrepid's Jeff Becker and Ryan Makis attended this year's HR Technology Conference in Las Vegas - a staple for us since the mid-2000s. The event was highly attended and charged with energy, as emerging vendors, strategics, and financial sponsors signaled rebounding markets, aiming for a strong finish to 2025 and an even more active 2026. Here are our takeaways:

### Market Drivers

- ✓ Active strategics are increasing optimism, with acquirors like SAP and Workday placing billion-dollar bets on the sector.
- ✓ Practical applications of agentic AI are prevalent, with solutions being applied to talent acquisition, talent analytics, learning, and beyond.
- ✓ Corporations continue to move toward skills-based frameworks and tech vendors are ready for them, allowing HR executives to execute on strategies across hiring, development, retention, etc., all powered by talent intelligence platforms.
- ✓ Tech stack integration is driving synergistic outcomes as systems connect, data becomes cleaner and more actionable, empowering HR professionals to deliver favorable outcomes and maximize the potential of their organizations.












### Key Conference Themes

- ✓ M&A market is re-opening
- ✓ AI has gone mainstream
- ✓ Skills are the common denominator
- ✓ Effective partnerships benefit all stakeholders

### Intrepid's Recent HCM Momentum



## Intrepid's Software & Services Coverage

-  Compliance Technology
-  Cybersecurity
-  Data & Analytics
-  Energy & Industrials Tech
-  GovTech
-  Healthcare IT
-  Human Capital Management
-  PropTech
-  SalesTech
-  Supply Chain & Logistics Technology
-  Tech-Enabled Services
-  Vertical Software

### White Glove Touch of Boutique Investment Bank



- + Mergers & Acquisitions
- + Capital Advisory

Client Focused  
Sector Experts  
Skillful Dealmakers

### Backed by a Top 10 Global Bank by Assets



- + Corporate Banking
- + Global Network & Resources

Dedicated Middle Market  
Technology Practice  
Largest Foreign Lender to  
U.S.-Based Tech  
Companies

**Christopher Park**

Managing Director  
Head of Software & Services  
[CPark@IntrepidIB.com](mailto:CPark@IntrepidIB.com)

**Jeff Becker**

Managing Director  
Software & Services  
[JBecker@IntrepidIB.com](mailto:JBecker@IntrepidIB.com)

**Josh Moses**

Managing Director  
Software & Services  
[JMoses@IntrepidIB.com](mailto:JMoses@IntrepidIB.com)

**Terry Jiang**

Managing Director  
Software & Services  
[TeJiang@IntrepidIB.com](mailto:TeJiang@IntrepidIB.com)

**Ryan Makis**

Director  
Software & Services  
[RMakis@IntrepidIB.com](mailto:RMakis@IntrepidIB.com)