Intrepid
Software & Services

Software & Services M&A Market Monthly
August 2026

- **Enterprise technology spending continues to accelerate**, with global IT expenditures projected to reach $6.3 trillion in 2026, up 13.5% year over year. Software is expected to be one of the fastest-growing categories, increasing 15.1% to more than $1.4 trillion as enterprises increasingly adopt platforms with embedded GenAI capabilities.[1]
- **Agentic AI is driving new software investment cycle:** worldwide spending is forecasted to hit $2.6 trillion in 2026, with purpose-built AI agent software the single fastest-growing segment – projected to reach $206.5 billion in 2026.[2]
- **Software M&A remains resilient and strategically driven.** Strategic acquirors accounted for 76% of all software transactions in early 2026, with deal volume tracking toward the second-highest annual total on record at 2,644 transactions.

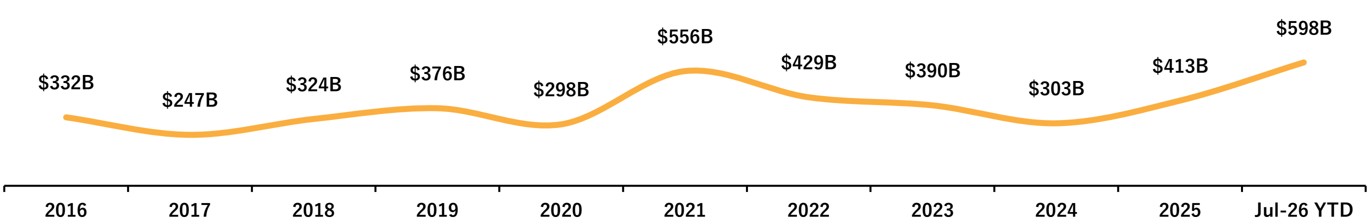
S&S M&A Weather Report

Partly Sunny

Software M&A was robust throughout Q2 2026, even as rate concerns pressured sponsor-driven activity. Despite a dynamic financing environment, persistent AI-demand and strategic buyer interest positions software M&A for a strong finish to 2026.[3]

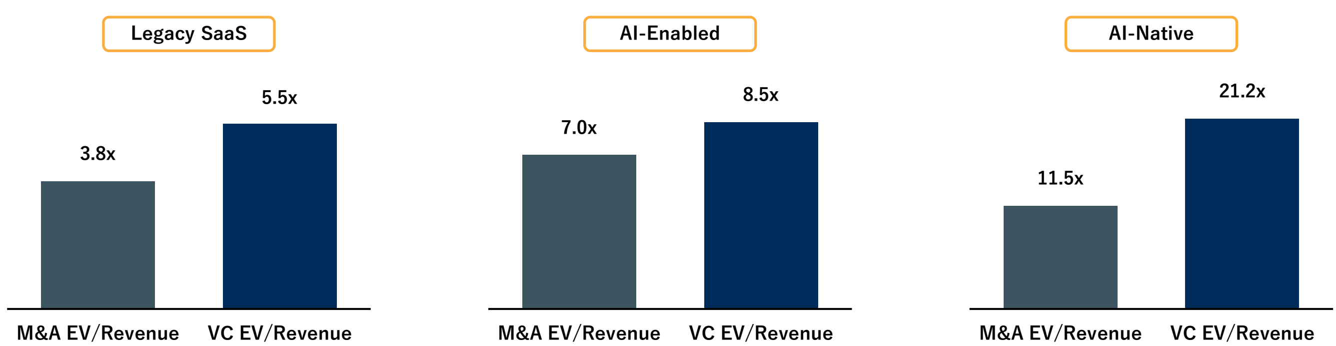
Software Trends We Are Tracking

AI-Focused Software Capital Investment Scales to Record Highs



Software Multiples Scale with AI Exposure

Median multiples for software M&A and VC activity increase for AI-enabled and AI-native SaaS platforms compared to legacy SaaS.



Notable Recent Transactions – July 2026

Acquirer	Anyscale	TRACSIS	Stakk	Progress
Target	NSCALE	Mistral Data	ParaScript	DOMO
Sector	Vertical Software + AI	Supply Chain & Logistics Tech	Compliance Technology	Data & Analytics
Enterprise Value	~$1.7B	~$64M	$63M	$400M
EV / LTM Rev	ND	3.7x	3.3x	1.3x

Source: (1) Gartner IT Spend, (2) Gartner AI Spend, (3) Deloitte, Pitchbook, S&P 451 Research, (4) % reflects share of total deal count in software, LTM. Pitchbook

A Shift in Software: Agentic AI Focus

The Evolution of AI in Enterprise Software [4]	The Evolution in Action: The Shift to Agents [5]	Implications for M&A Across Software [5]
System of Record Traditionally, enterprise software platforms function as aggregators and sources of company data.	salesforce: The new Headless360 platform exposes every CRM capability to be operated fully by agentic AI.	**Consolidation** Legacy software providers are investing in and integrating agentic-AI, providing clients value beyond traditional SaaS.
System of Intelligence AI integrations in recent years have focused on providing business insights rooted in data from a System of Record.	ORACLE, servicenow, SAP, Microsoft: Several major ERP providers are implementing AI agent-enabled workflows.	**SaaS Discipline** Re-framing middle-market SaaS investment decisions on agentic capability and product importance to client workflows.
System of Action Businesses are leveraging insights with AI agents to make enterprise-level decisions and improve core functions.	**Middle-Market Providers** Intrepid sees shifts across current and prospective software clients toward implementing agentic functions.	**A New Opportunity?** Mid-market SaaS providers improve agentic abilities, spurring a wave of enterprise transformation and M&A.

Source: (4) IBM Shift to Action, (5) PwC Mid-Year Software Outlook

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 + AI

White Glove Touch of a Boutique Investment Bank

Intrepid

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+ Capital Advisory

Client Focused
Sector Experts
Skillful Dealmakers

Backed by a Top 10 Global Bank by Assets

MUFG

+ Corporate Banking
+ Global Network & Resources

Dedicated Middle Market Technology Practice

Largest Foreign Lender to U.S.-Based Tech Companies

Christopher Park	Jeff Becker	Josh Moses	Terry Jiang	Ryan Makis
Managing Director	*Managing Director*	*Managing Director*	*Managing Director*	*Director*
Head of Software & Services	*Software & Services*	*Software & Services*	*Software & Services*	*Software & Services*
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