KROLL®

Global Software Sector Update

Industry Insights

Summer 2026

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Executive Summary
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- **Annualized Deal Volume on Track for the Second-Highest Year, While Value Falls to a Nine-Year Low**
- **Strategic Buyers Continued to Dominate Deal Activity in Q2 2026, with Private Equity Volume Well Below Its 2021 Peak**
- **Private M&A Multiples Climbed, with EV/LTM EBITDA Up 25% to 20.2x**

Key Market Updates

Software M&A activity remained resilient through H1 2026, with annualized deal volume on track to reach approximately 2,670 transactions, making 2026 the second-highest year on record by deal count. However, announced deal value remains subdued, with H1 annualized deal value of approximately $120 billion, reflecting the continued absence of mega-deals. Deal value rebounded sequentially in Q2, driven by a recovery in transactions valued between $1 billion and $10 billion.

Strategic acquirers continued to dominate software M&A activity in Q2 2026, accounting for 74% of all announced transactions, compared with an average of 69% during 2024 and 2025. Private equity activity remains well below the peak levels seen in 2021, reflecting a more selective investment environment. Strategic acquirers remain focused on acquiring AI-enabled capabilities, proprietary data assets and workflow-centric platforms that can strengthen long-term competitive positioning and accelerate AI adoption.

M&A activity remained concentrated in strategically important software categories, including industrial AI, customer experience, data management, infrastructure, construction technology and vertical market software. Notable transactions during the quarter included Long Lake's acquisition of Amex GBT, Salesforce's acquisition of Fin, Schneider Electric's acquisition of Cognite, Autodesk's acquisition of MaintainX and Publicis' acquisition of LiveRamp. Across these transactions, buyers consistently highlighted AI deployment, operational data access and workflow automation as primary acquisition drivers.

Valuations strengthened during Q2. Median strategic transaction multiples increased to 6.0x EV/LTM revenue, while revenue multiples also expanded across the sub-$25 million and $25 million - $ 100 million revenue cohorts. EBITDA-based valuations were particularly robust, with median EV/LTM EBITDA multiples increasing 25% to 20.2x. Public software markets also showed signs of stabilization, with media SaaS EV/NTM revenue multiples rising 6% quarter-over-quarter to 3.3x. While still below the long-term median of 5.4x, equity market performance improved across most software subsectors during Q2, suggesting investor confidence is gradually recovering.

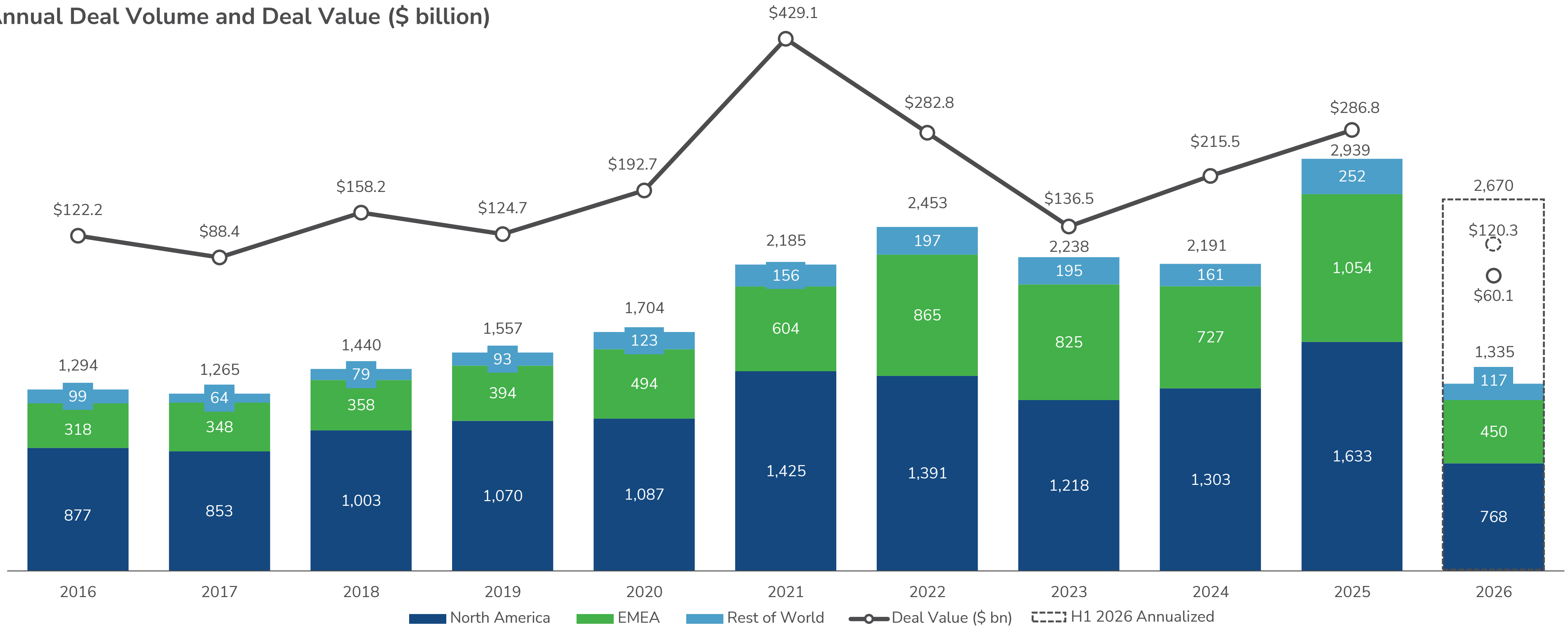
Looking ahead, companies demonstrating durable double-digit growth at scale, strong profitability and credible AI positioning continue to command a meaningful valuation premium in both public and private markets.

Source: Gartner, Pitchbook, 451 Research, Capital IQ as of June 30, 2026

Annualized Deal Volume on Track for the Second-Highest Year, While Value Falls to a Nine-Year Low

Robust Mid-Market and Small Cap M&A Activity Puts 2026 on Track for Second Highest Year by Deal Count

Annual Deal Volume and Deal Value ($ billion)



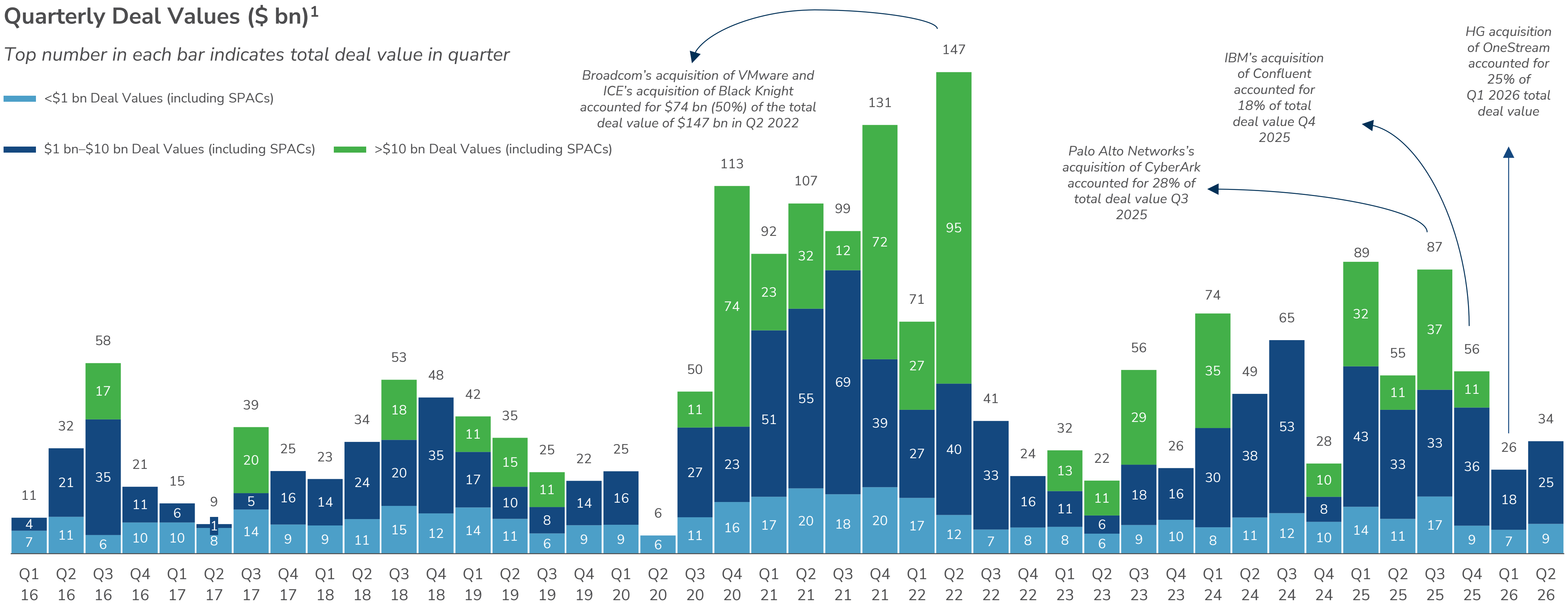
Source: 451 Research and Mergermarket as of June 30, 2026

Deal Value Rebounded vs Prior Quarter, Driven by a Recovery in $1–10bn Transactions, Though >$10bn Deals Remained Absent

Deal Value in the $1bn–$10bn Range Grew More Than 50% Quarter-over-Quarter

Quarterly Deal Values ($ bn)[1]

Top number in each bar indicates total deal value in quarter



[1]Between January 1, 2016, and June 30, 2026; SPAC = Special Purpose Acquisition Company
Source: 451 Research and Mergermarket as of June 30, 2026

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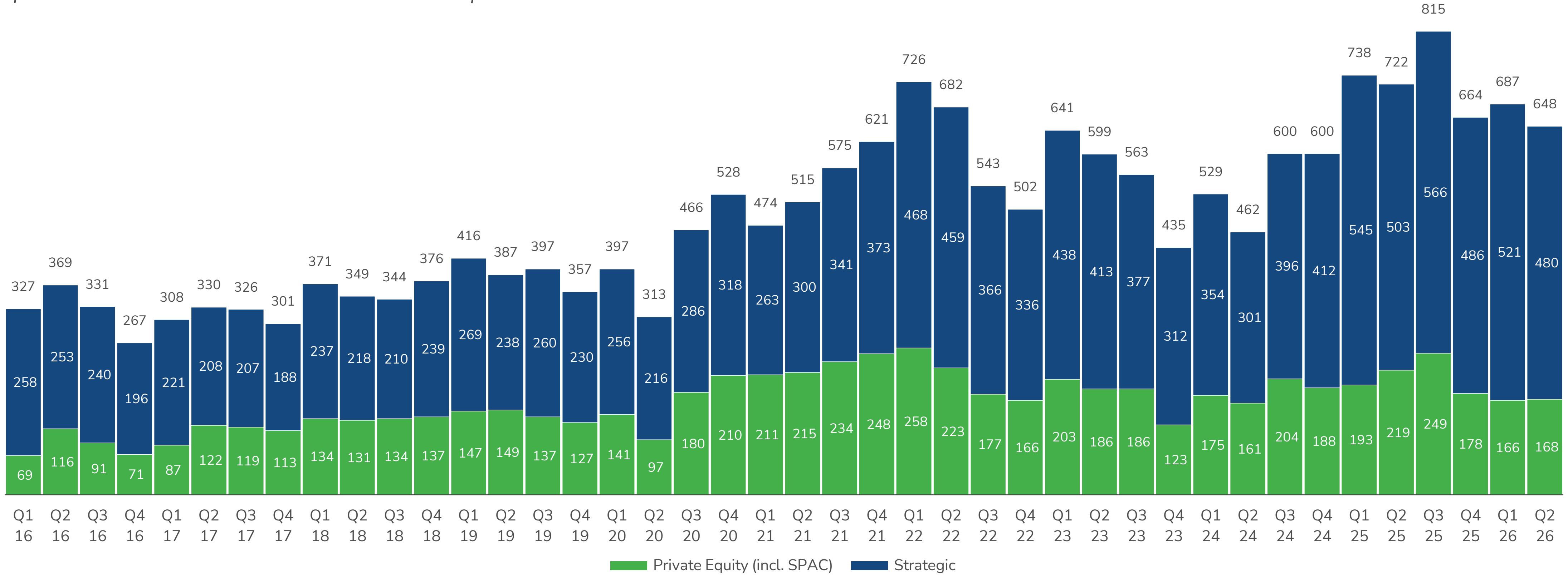
Strategic Buyers Continued to Dominate Deal Activity in Q2 2026, with Private Equity Volume Well Below Its 2021 Peak

Strategic Deals Accounted for 74% of Deals in Q2 2026 Compared to an Average of 69% During 2024 and 2025

Quarterly Deal Volume[1]

Top number in each bar indicates total deal volumes in quarter



[1]*Between January 1, 2016, and June 30, 2026; Private Equity includes acquisitions made by PE-backed platforms, whereby the PE holds a majority stake in the acquirer*
Source: 451 Research and Mergermarket as of June 30, 2026

Top Six Software Acquisitions over Q2 2026 by Enterprise Value

May 2026

GLOBAL BUSINESS TRAVEL acquired by LONG LAKE

$6.4 bn | 2.2x

American Express Global Business Travel (Amex GBT) provides corporate travel management software for businesses globally. The software provides features for bookings, meetings and expense management as well as centralized reporting, customer experience and automated reconciliation. It also provides meetings and events management services.

Amex GBT's acquisition by Long Lake is intended to fund continued investment in AI and human-agent capabilities for corporate travel, including booking, travel disruption resolution and travel administration. The rationale is that partnering with Long Lake supports development of these tools for Amex GBT's customers.

June 2026

COGNITE acquired by Schneider Electric

$3.1 bn | 18.2x

Cognite provides cloud-native industrial AI and DataOps software and low-code AI agents for upstream and downstream energy, process manufacturing, power generation and grid, and renewable energy sectors globally. Its software provides features for integrating, contextualizing and structuring industrial data into a unified data model, enabling data access, modeling, and analysis, and deployment of AI applications and workflows.

Cognite's acquisition strengthens AVEVA, Schneider Electric's wholly owned industrial software company, in higher-growth segments of the industrial software market, adding an industrial AI platform that processes operational data and positions Schneider Electric in the industrial AI space.

June 2026

Fin acquired by salesforce

$3.6 bn | 9.5x

Fin provides AI-powered customer experience management software for businesses globally. Its software provides features for handling customer service interactions across various channels, including live chat, email, WhatsApp, SMS, phone and Slack, while automating support workflows through a virtual assistant.

Fin's acquisition integrates its AI service-agent technology into Salesforce's Agentforce platform, adding customer-service agent capabilities and Fin's AI Team. Salesforce positioned the deal as part of its broader strategy to enable companies to deploy AI agents. Fin's stated rationale was to leverage Salesforce's scale and distribution capabilities to deploy its technology more widely and at a faster pace than it could independently.

April 2026

HCSS acquired by NEMETSCHEK GROUP

$2.4 bn | 11.2x

HCSS provides construction management software for energy, rail, airports, marine, heavy civil and infrastructure projects in the United States and Canada. Its software provides features for pre-construction estimation, job costing, digital planning, fuel management, asset tracking, cloud hosting, time tracking and reporting.

HCSS's acquisition expands the acquirer's position in the infrastructure and heavy civil construction sector, adding to its existing presence in the building sector. The stated rationale is that the deal increases the acquirer's total addressable market, expands its footprint in North America and complements its existing Build & Construct portfolio, enabling the application of AI capabilities across a broader base.

May 2026

MaintainX acquired by AUTODESK

$3.6 bn | 26.7x[1]

MaintainX provides AI-powered maintenance and asset management software for businesses globally. Its software provides features for reporting, vendor management, facility maintenance, order and inventory management, resource planning and checklists and inspection.

MaintainX's acquisition adds operational data and workflows to Autodesk's platform and applies AI across digital and physical asset management. Autodesk is expanding its focus from design and manufacturing into operations, aiming to connect data across the product and asset lifecycle. The company has an existing base of workflows and data across the architecture, engineering and construction (AEC) and design and manufacturing (D&M) industries.

May 2026

/LiveRamp acquired by PUBLICIS GROUPE

$2.2 bn | 2.7x

LiveRamp provides marketing data collaboration software for businesses globally. Its software provides features for data connectivity, customer analytics, identity resolution and translation, preference and consent management and advertising. LiveRamp was spun off from RapLeaf in 2012.

LiveRamp's acquisition adds its data capabilities to Publicis Groupe's existing portfolio, which includes Publicis Sapient, Epsilon and Marcel. The stated rationale is to enable Publicis to offer clients data co-creation services, generating proprietary data for use with AI agents built on large language models, while also deploying LiveRamp's capabilities across Publicis's global client base.

[1]Multiple reflects EV / ARR rather than EV / LTM Revenue
EV = enterprise value; LTM = last twelve months

Source: 451 Research, Mergermarket, Press Releases as of June 30, 2026

EV | EV/LTM Rev

Other Notable Software Deals during Q2 2026

Strategic Deals (Q2 2026)

Date	Target	Acquirer	Enterprise Value and Multiple[1]	Target Abstract
May-26	ami	Lattice Semiconductor	$1,650 mn N/A	BIOS firmware & storage software
Apr-26	Resulticks	diginex	$1,500 mn 10.0x	Customer engagement & intelligence software
Apr-26	Talon.One	adyen	$879 mn[3] 12.5x	Enterprise loyalty & incentives mngmt. software
May-26	Zonda	CoStar Group	$800 mn N/A	Housing market data insights software
May-26	PathAI	Roche	$750 mn N/A	Precision pathology software
Apr-26	TruBridge	IKS Health	$556 mn 1.6x	EHR & patient management software
May-26	alkira	Lumen	$475 mn N/A	Networking infrastructure software
May-26	sportsengine	PlayMetrics	$400 mn N/A	Sports team management software
May-26	Passport	Global-e	$350 mn N/A	E-commerce management software
Jun-26	orb.	adyen	$335 mn N/A	Billing & revenue intelligence software
Jun-26	Flyme AIOS	ecarx	$266 mn N/A	Vehicle cockpit operating systems & software

PE Deals[2] (Q2 2026)

Date	Target	Acquirer	Enterprise Value and Multiple[1]	Target Abstract
Jun-26	Kneat	Thoma Bravo	$436 mn 9.1x	Manufacturing process validation software
Jun-26	Simulations Plus	Altaris	$332 mn 4.1x	Life sciences modeling & simulation software
Jun-26	OpenLending	ANV (AmTrust Financial, Blackstone)	$302 mn 3.4x	Automated lending enablement software
Jun-26	scrunch	Sitecore (EQT)	$225 mn N/A	AI search optimization software
Jun-26	vitalware	MedMetrix (Harvest Partners)	$147 mn 4.0x	Healthcare revenue integrity & coding software
Jun-26	Formpipe	Valedo, Mission Trail Capital	$94 mn N/A	Compliance & document management software
May-26	Sedex	Apax	N/A N/A	Supply chain management software
Jun-26	Pinkfish	Genesys (H&F, Permira)	N/A N/A	Enterprise orchestration workflow software
Jun-26	obol	Priority (Blackstone)	N/A N/A	Cash flow management software
Jun-26	Stockfiller by FoodFlow	Bridgepoint	N/A N/A	Digital procurement & logistics software
Jun-26	efficient iP	Francisco Partners	N/A N/A	Network automation & DNS security software

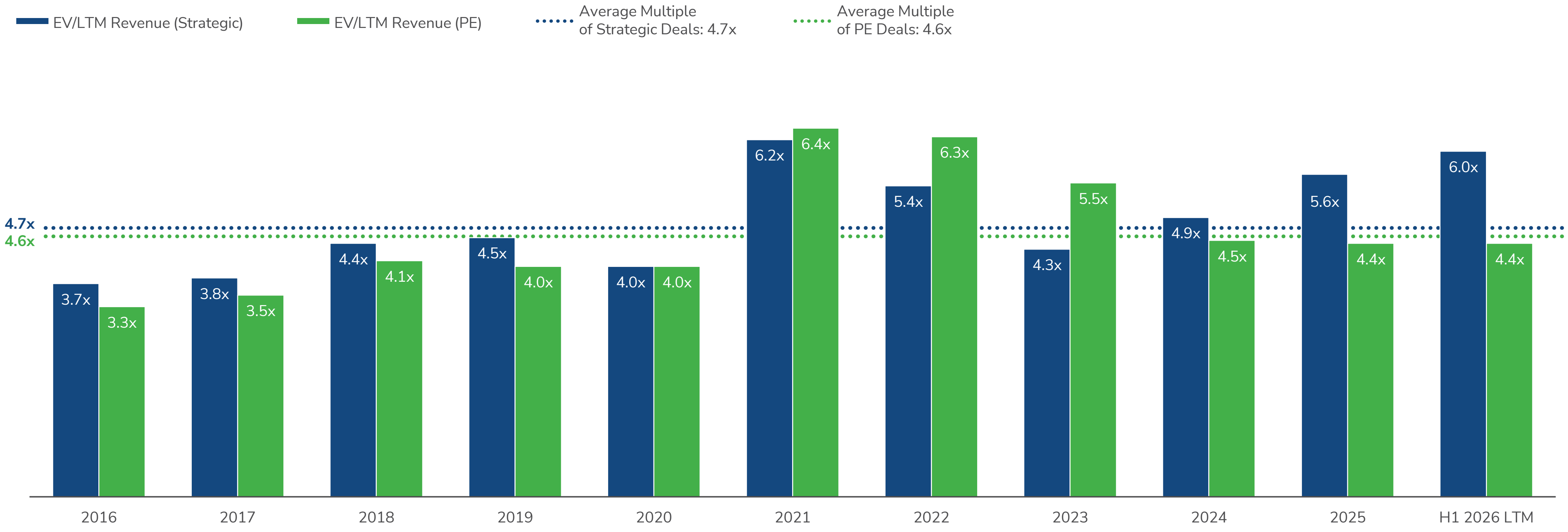
[1]*Deal Multiple = Enterprise Value/LTM Revenue, unless otherwise specified;* [2]*PE deals include acquisitions made by PE-backed strategics, whose owners are indicated below the gray line, and exclude deals involving SPAC vehicles; All trademarks, trade names or logos referenced herein are the property of their respective owners;* [3]*Multiple reflects EV / ARR rather than EV / LTM Revenue*

Source: 451 Research and Mergermarket as of June 30, 2026

Strategic Multiples Continue to Rise, While PE Multiples Have Held Steady Since 2024

Strategic Buyers Continue to Pay Above Long-Term Average for Strategic Assets, Especially for AI-Native Assets

Annual Median Deal Multiples

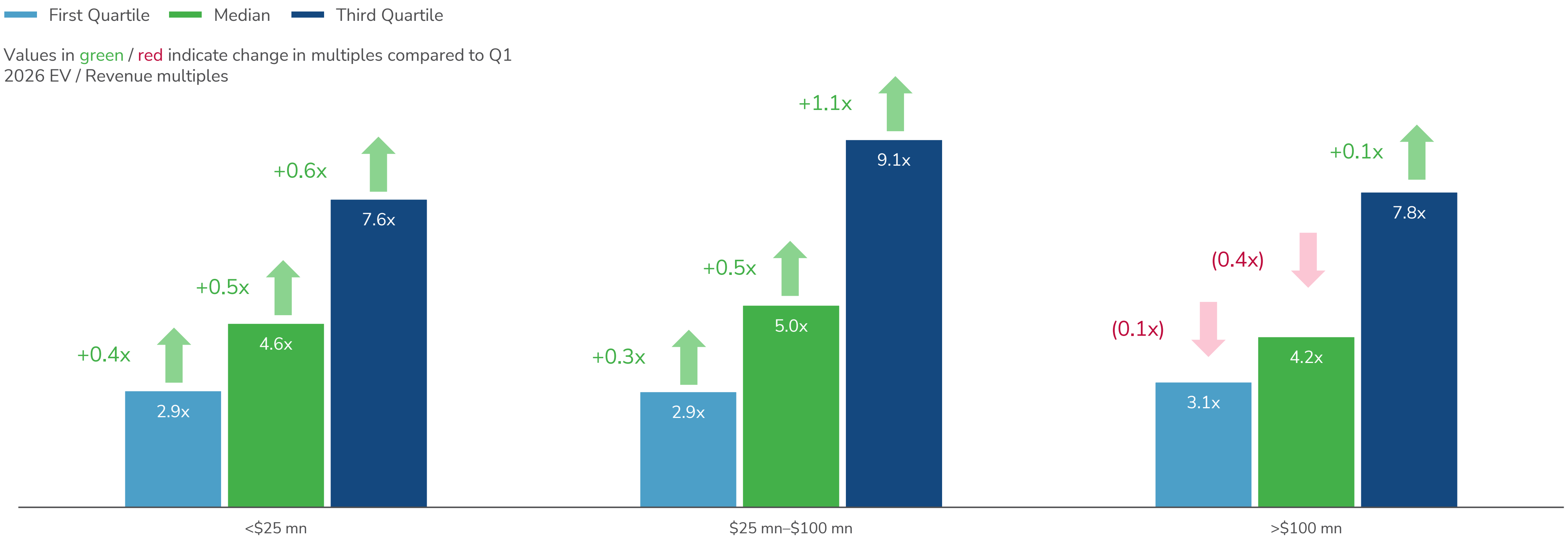


EV = Enterprise Value or Market Capitalization + Total Debt – Cash
PE deals include acquisitions made by PE-backed strategics
Source: 451 Research as of June 30, 2026

Precedent Transaction Multiples Rose Across Most Revenue Buckets

Higher Transaction Valuations Across Most Revenue Cohorts Driven by a Flight to Quality

Deal Multiples Quartiles by Last 12 Months Revenue

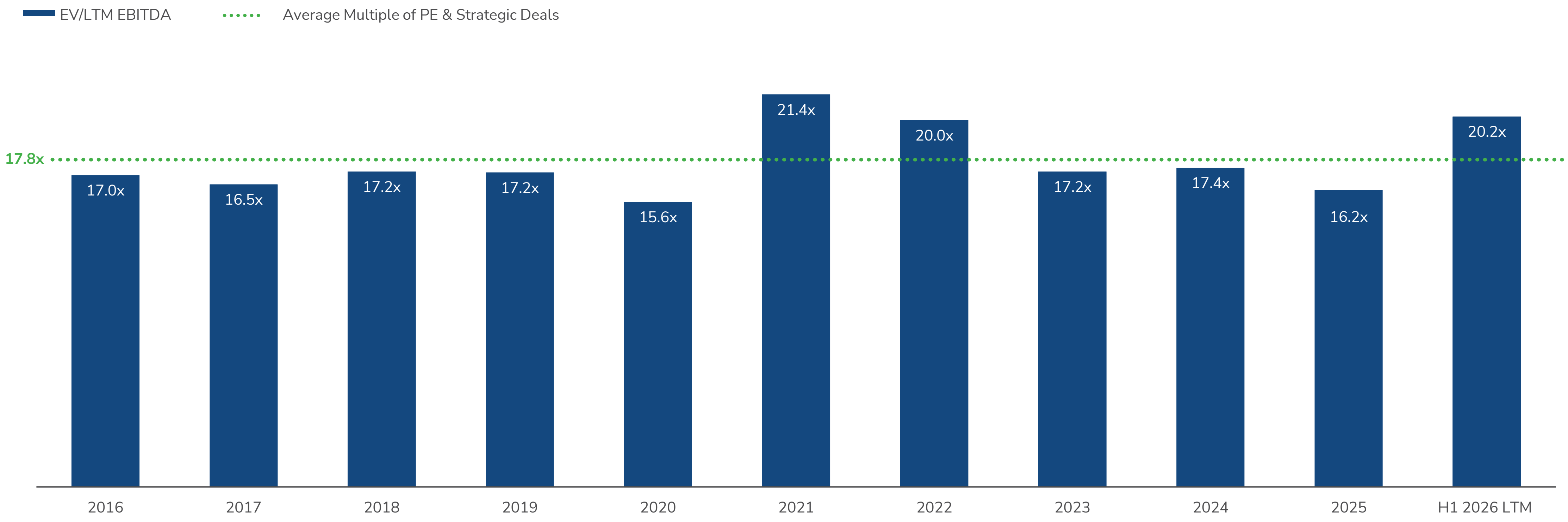


Transactions selected are based on the following parameters: (i) target company with SaaS business model; (ii) transaction announced between June 30, 2024, and June 30, 2026; (iii) disclosed EV/LTM revenue multiple; and (iv) excluding outliers and SPAC transactions
Source: 451 Research and Mergermarket as of June 30, 2026

EV/LTM EBITDA Multiples Expanded by 25% to 20.2x in LTM H1 2026

EBITDA-based Valuations Remain Structurally More Consistent Than Revenue Metrics

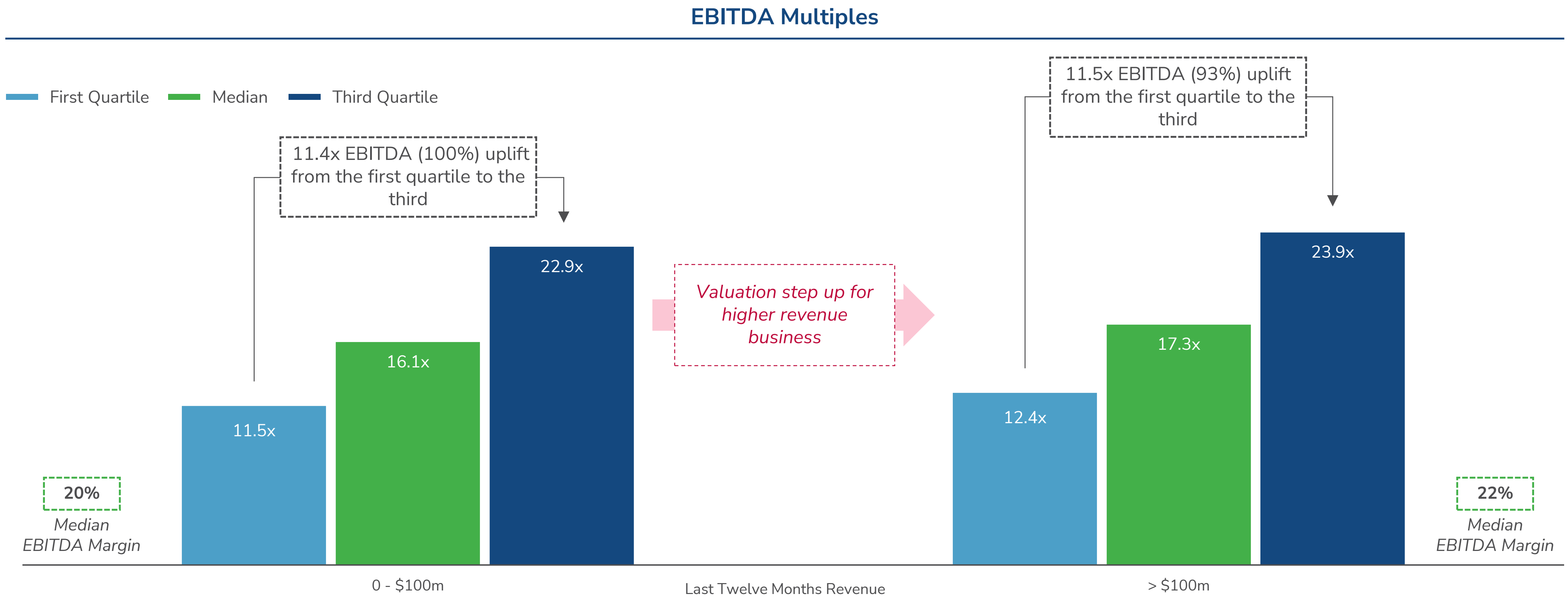
Annual Median Deal Multiples



EV = Enterprise Value or Market Capitalization + Total Debt – Cash
Source: 451 Research as of June 30, 2026

EBITDA Multiples Across All Buckets Higher For Companies with >$100m Revenue

Valuation Uplift of 100% From the 1st to the 3rd Quartile When Revenues <$100m



Transactions selected are based on the following parameters: (i) target company with SaaS business model; (ii) transaction announced between June 30, 2024, and June 30, 2026; (iii) disclosed EV/EBITDA multiple; and (iv) excluding outliers and SPAC transactions

Source: 451 Research and Mergermarket as of June 30, 2026

Kroll's Technology Investment Banking Practice Tracked Universe of Public Software Companies

Analytics & Data Management
AvePoint, C3.ai, coveo, Datadog, Domo, dynatrace, elastic, FICO, GBG, Mitek, opentext, PagerDuty, Palantir, teradata, Verisk, veritone

Collaboration & Productivity
asana, Atlassian, box, docusign, Dropbox, monday.com, Planisware, zoom

Customer Experience & Engagement
agora, Enghouse Systems, Five9, NICE, RingCentral, SoundHound, TeamViewer, text, twilio

Marketing
Adobe, Amplitude, AppLovin, braze, Commerce, dotdigital, DoubleVerify, freshworks, HubSpot, klaviyo, liftoff, Pega, salesforce, shopify, similarweb, sprinklr, sproutsocial, yext, zoominfo, Zeta

Cyber Security
Check Point, CrowdStrike, Extreme Networks, F5, Fortinet, F-Secure, Gen, netskope, okta, paloalto networks, Qualys, radware, Rapid7, rubrik, SailPoint, SentinelOne, tenable, Trend, Varonis, zscaler

Vertical Software
appfolio, agilysys, blackbaud, cBrain, CCC, cerillion, Constellation Software Inc., the craneware group, doximity, Dye & Durham, Evercommerce, GitLab, HealthStream, Intapp, mntn, Procore, ReposiTrak, samsara, ServiceTitan, Unity, Veeva, VTEX, Waystar, weave

Engineering
Autodesk, Bentley, cadence, CMG, Dassault Systèmes, Hexagon, Nemetschek Group, Octave, PDF/Solutions, ptc, Roper Technologies, Synopsys, Trimble

ERP & Supply Chain
Descartes, Kinaxis, Manhattan, Microsoft, Oracle, SAP, servicenow, SPS Commerce, technologyone, TOTVS, wisetech global

Financial & Accounting
bill, BlackLine, Expensify, Intuit, navan, Sage, Vertex, Wolters Kluwer, Workiva, xero

Banking & Insurance
Alfa, Alkami, Broadridge, FIS, FINEOS, Guidewire, i3 Verticals, iress, MSCI, nCino, Q2, SS&C, temenos

HCM
ADP, ATOSS, docebo, Paychex, paycom, Paycor, paylocity, workday

Infrastructure
74Software, Akamai, appian, Cisco, Cloudflare, Commvault, DigitalOcean, fastly, JFrog, MongoDB, N-able, NetApp, Netscout, Nutanix, OVHcloud, Progress, Pure Storage, snowflake, UiPath, VeriSign

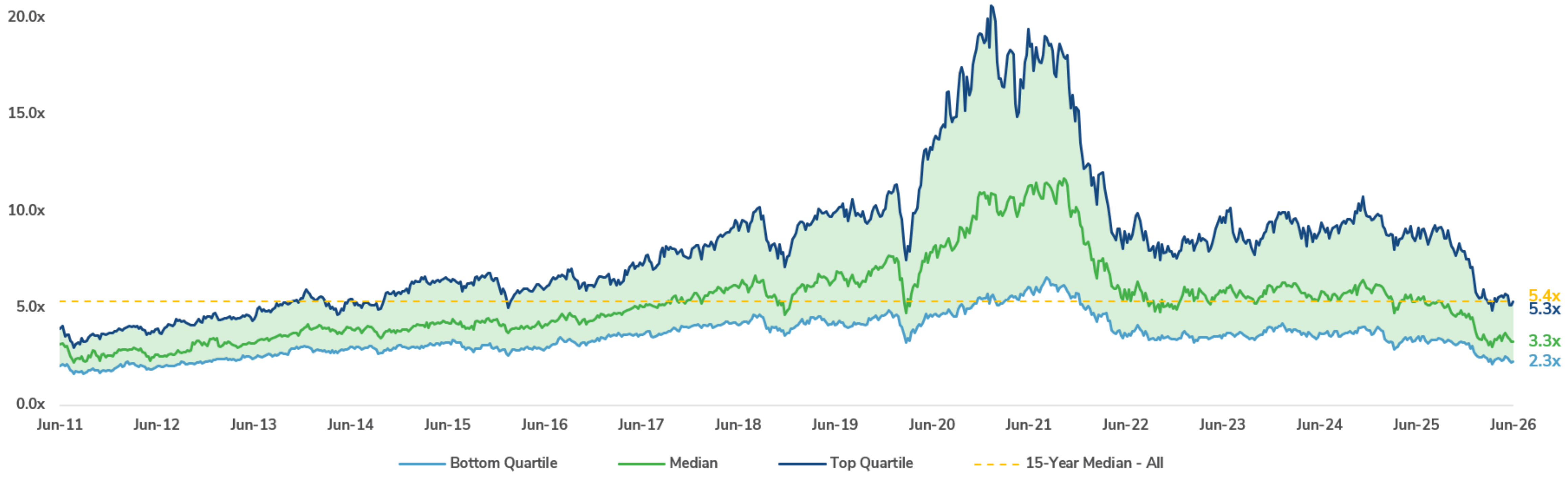
ERP = Enterprise Resource Planning; HCM = Human Capital Management
Source: S&P Global Market Intelligence as of June 30, 2026, including the most actively traded software companies for respective covered sectors and excluding most microcap companies

Public SaaS Companies' EV/NTM Revenue Multiples Trending Below the 15-Year Median

Median Multiple Trading at 3.3x EV/NTM Revenue Below Long-Term Average of 5.4x

Performance of Our Technology Investment Banking Practice SaaS Index over the Past 15 Years

EV/NTM Revenue



Our Technology Investment Banking Practice SaaS Index includes 170 companies that offer SaaS solutions; NTM = Next Twelve Months
Source: Capital IQ as of June 30, 2026

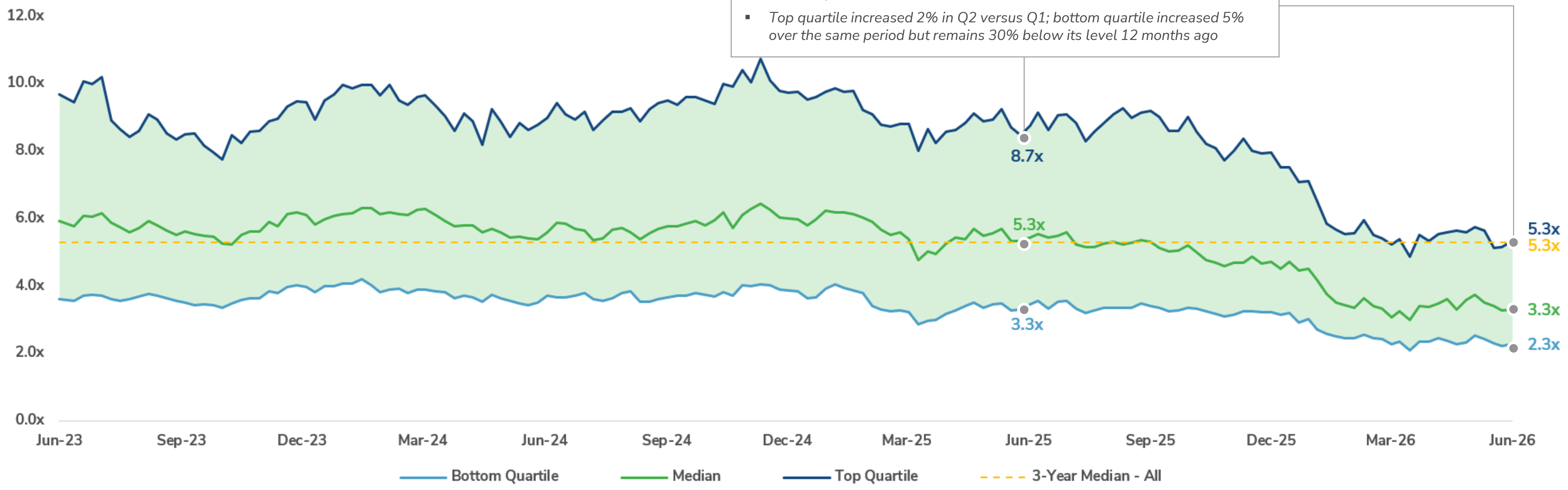
Revenue Multiples Increased Slightly Over the Last Quarter, with the Upper Quartile Now Trading at 3-Year Median

Median EV/NTM Revenue Multiple Increased 6% in Q2 2026, While the Top Quartile Rose 2%

Performance of Our Technology Investment Banking Practice SaaS Index over the Past Three Years

EV/NTM Revenue

- *Median increased 6% in Q2 to 3.3x EV/NTM revenue, moving slightly closer to the 3-year median of 5.3x*
- *Top quartile increased 2% in Q2 versus Q1; bottom quartile increased 5% over the same period but remains 30% below its level 12 months ago*

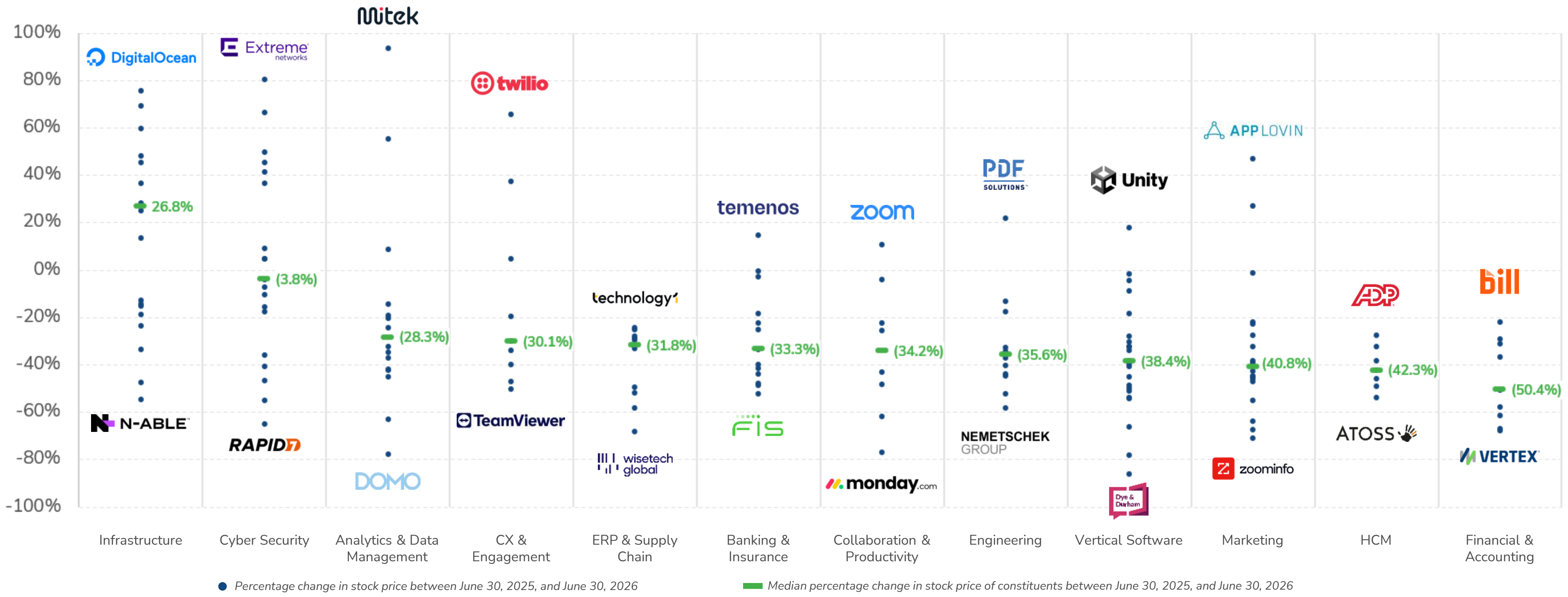


Our Technology Investment Banking Practice SaaS Index includes 170 companies that offer SaaS solutions; NTM = Next Twelve Months
Source: Capital IQ as of June 30, 2026

Last 12 Months Performance of Stock Prices

Negative Median Performance of Almost All Buckets, with Significant Differences between High and Low Performers

Performance of Our Technology Investment Banking Practice's Tracked Software Universe between June 30, 2025, and June 30, 2026

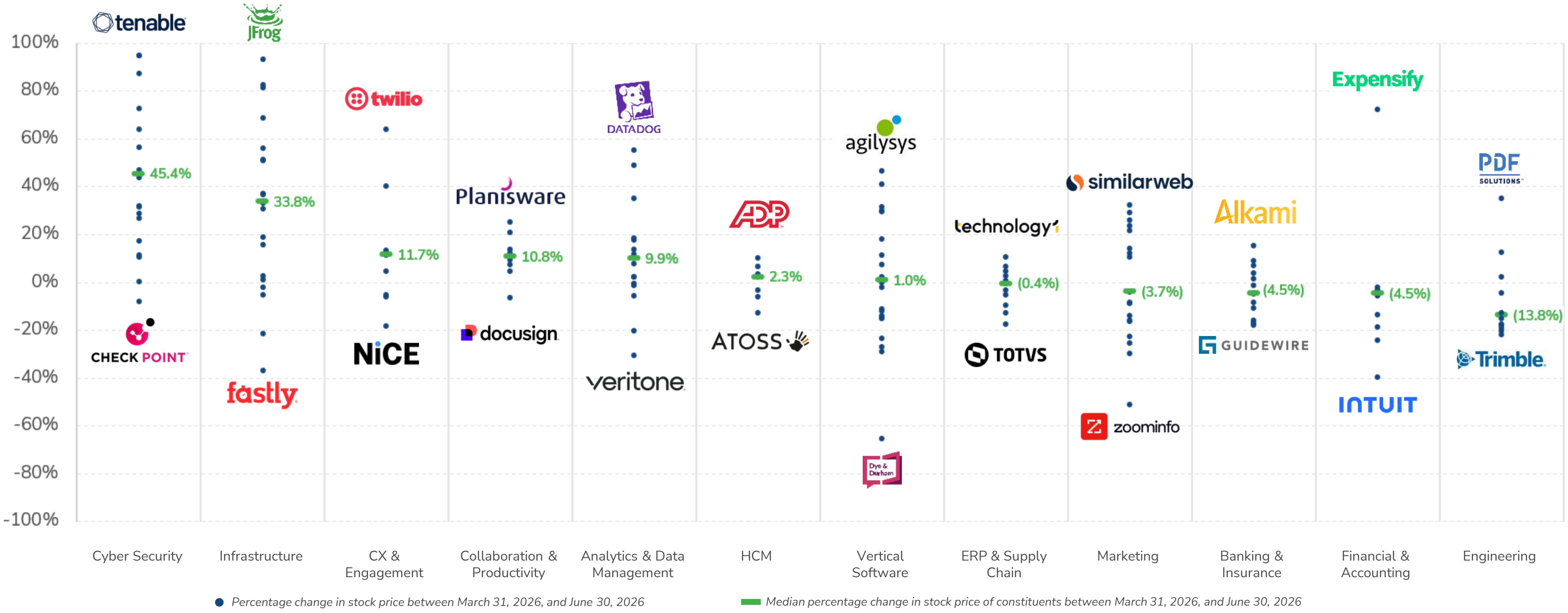


Does not include companies listed after June 30, 2025; Buckets ordered by median percentage change in stock price between June 30, 2025, and June 30, 2026; All trademarks, trade names, or logos referenced herein are the property of their respective owners
Source: Capital IQ as of June 30, 2026

Quarterly Performance of Stock Prices

Almost All Software Subsectors Have Risen During The Last Three Months, Highlighting Decreasing Investor Concerns' Around Software

Performance of Our Technology Investment Banking Practice's Tracked Software Universe between March 31, 2026, and June 30, 2026



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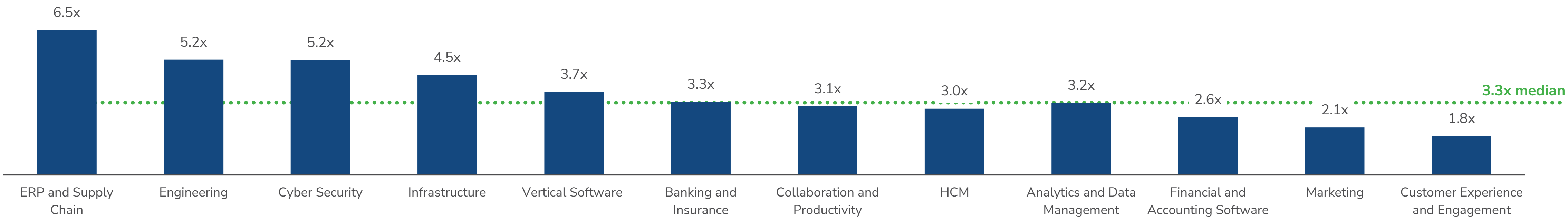
Source: Capital IQ as of June 30, 2026

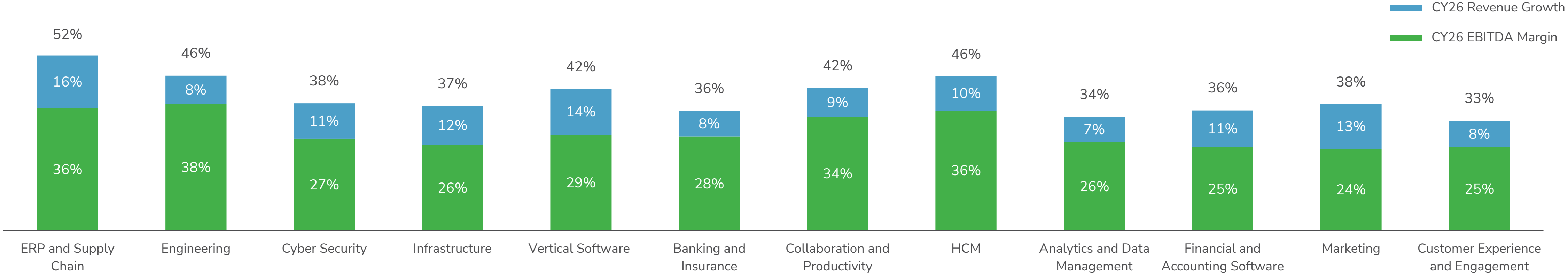
Significant Differences Exist in Multiples Between Software Subsectors

High Multiples for ERP and SCM and Engineering Subsectors Reflected in Strong Revenue Growth and EBITDA Margins

EV / CY26 Revenue Multiples



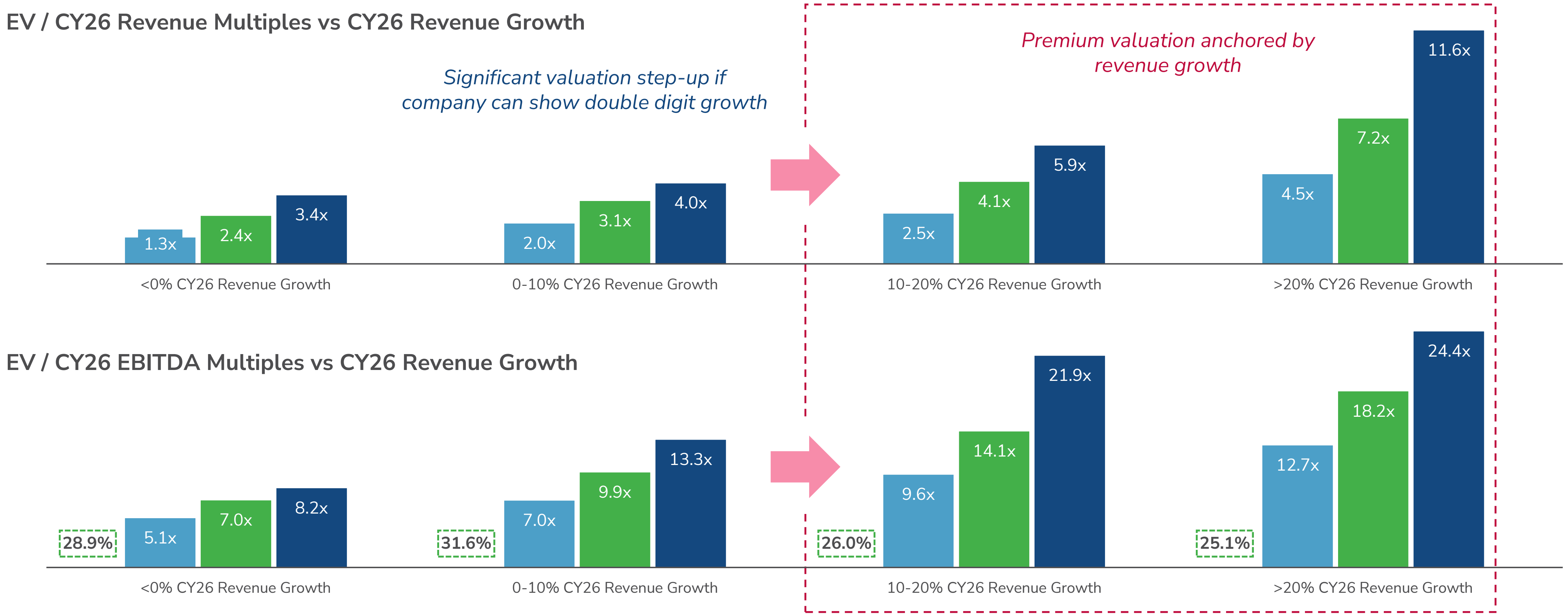
Revenue Growth & EBITDA Margins CY26



Buckets ordered by CY26 revenue multiples
Source: Capital IQ as of June 30, 2026

Public Markets Continue to Pay a Premium for Top Bracket Growth Rates

Significant Valuation Step-Up for Companies that Show Double Digit Growth



Source: Capital IQ as of June 30, 2026

First Quartile | Median | Third Quartile | Median EBITDA Margin

Kroll's Strong Track Record Closing Deals with Tech-Focused Investors and Acquirers

Select Private Equity Transactions

- INFINITYHR has received investment from PSG Providence Strategic Growth
- ucerna has received investment from THOMABRAVO
- insightsoftware has received investment from TA ASSOCIATES
- resonate has received investment from ZMC Zelnick Media Capital
- accruent has received investment from VISTA
- First BILLING has received investment from GTCR
- AIA Contract Documents has received investment from TRUE WIND
- avangate has received investment from FP Francisco Partners
- ZEST AI has received investment from INSIGHT Partners

Select Strategic Buyer Transactions

- Brightpearl has been acquired by Sage
- FLUIDMESH NETWORKS has been acquired by CISCO
- metaio has been acquired by Apple
- CAMILION SOLUTIONS has been acquired by SAP
- ADECN has been acquired by Microsoft
- EntropySoft has been acquired by salesforce
- TALARI Networks has been acquired by ORACLE
- DataMirror has been acquired by IBM
- sensity has been acquired by verizon

Kroll Technology & Business Services Investment Banking

Practice Overview

Significant Transaction Experience	Strong track record of execution, 500+ transactions completed
Unparalleled Access to Buyers	Deep reach into tech and business services focused financial sponsors and strategics
Deep Domain Expertise	Fluency in key trends in the tech & business services sectors
Unconflicted and Focused Approach	Singular focus on sector advisory services

Verticals & Thematic Areas of Focus

- Human Capital Management
- Governance, Regulatory & Compliance
- Office of the CFO
- Information Technology
- Retail & Commerce
- Supply Chain & Logistics
- Marketing & Media
- Financial Services
- Cyber Security
- Data & Analytics

Select Transaction Experience

Essensys Bidco has been acquired by essensys	Stonewall has been acquired by DataServ, a portfolio company of Renovus Capital	sendle has merged with ACI Logistix and first mile	BatchLeads BatchDialer has been acquired by PropStream, a portfolio company of stewart	SOJO has received investment from S2G	xFact has received investment from Renovus Capital
Blue Marble Geographics has received investment from Eterna	Avenza Systems Inc. has received investment from Eterna	Magzter has been acquired by Verse	screendragon has received investment from Kennet, Federated Hermes	geoblink has been acquired by mytraffic	eCard Systems has been acquired by Housatonic
LuxSci has received a majority investment from Main Capital Partners	lineup has been acquired by Chartbeat	Zest AI, a portfolio company of lightspeed, has received investment from Insight Partners	Card.com has been acquired by Echo	resonate has received a majority investment from ZMC Zelnick Media Capital	NXC Imaging has been acquired by Canon
TIGA has merged with Grindr	techex. has received investment from WestBridge	Maxima Tech has been acquired by Volaris, a portfolio company of Constellation Software Inc.	NGL Collective has been acquired by GoDigital Media Group	BCN Monetize has been acquired by entravision	SAP has acquired taulia

For more information, please contact:

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