



TECHNOLOGY

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Spotlight

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Application Software

Industry News

Cloud Software To Drive Enterprise Application Growth

IT Jungle [Full Article](#)

Even with 242,100 layoffs at the top 40 tech companies in 2022 and another 106,950 layoffs in January 2023 alone, according to experts, it is still very difficult to find talent to update and extend application software. And that is one reason why the market researchers at IDC (International Data Corporation) think that enterprise software sales will continue to grow in the coming years.

IDC calculates that worldwide revenue for enterprise applications accounted for \$279.6 billion in sales in 2022 and will grow at a compound annual growth rate of 8 percent between 2022 and 2026 to reach \$385.2 billion.

Microsoft unveils new Bing with ChatGPT powers

British Broadcasting Corporation [Full Article](#)

Microsoft has announced a new version of its search engine Bing, which incorporates the latest in artificial intelligence. The overhaul deploys OpenAI's ChatGPT technology, which has taken the world by storm since its launch in 2022. The move is by far the biggest threat Google has seen to its dominance in web search - and marks the beginning of an AI arms race between the companies.

Developed by Microsoft-backed OpenAI, ChatGPT uses deep learning techniques to generate human-like responses to search requests. "This technology will reshape pretty much every software category that we know," Microsoft boss Satya Nadella said.

Autonomous driving: New algorithm distributes risk fairly

Tech Xplore [Full Article](#)

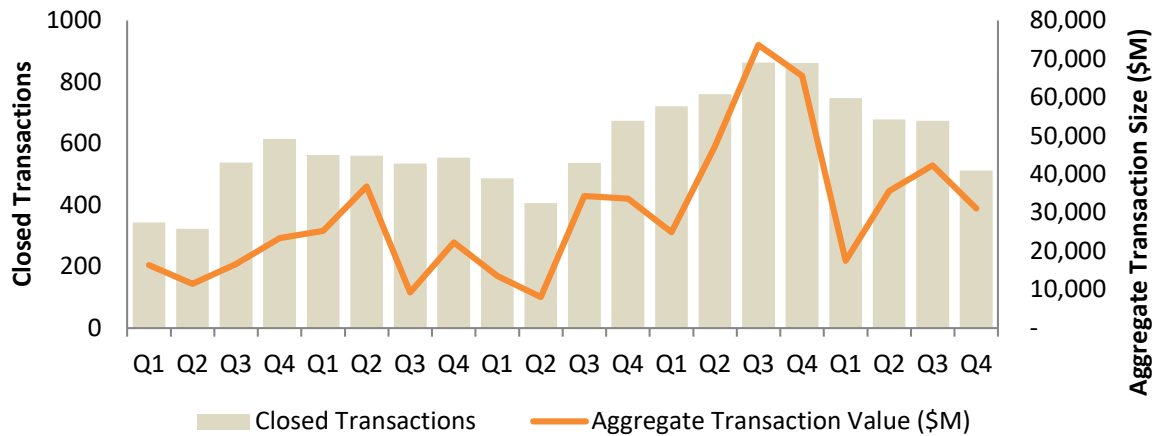
Researchers at the Technical University of Munich (TUM) have developed autonomous driving software which distributes risk on the street in a fair manner. The algorithm contained in the software is considered to be the first to incorporate the 20 ethics recommendations of the EU Commission expert group, thus making significantly more differentiated decisions than previous algorithms.

"Until now, often traditional ethical theories were contemplated to derive morally permissible decisions made by autonomous vehicles. This ultimately led to a dead end, since in many traffic situations there was no other alternative than to violate one ethical principle," says Franziska Poszler, scientist at the TUM Chair of Business Ethics.

Application Software

Application Software M&A Environment

Application Software M&A

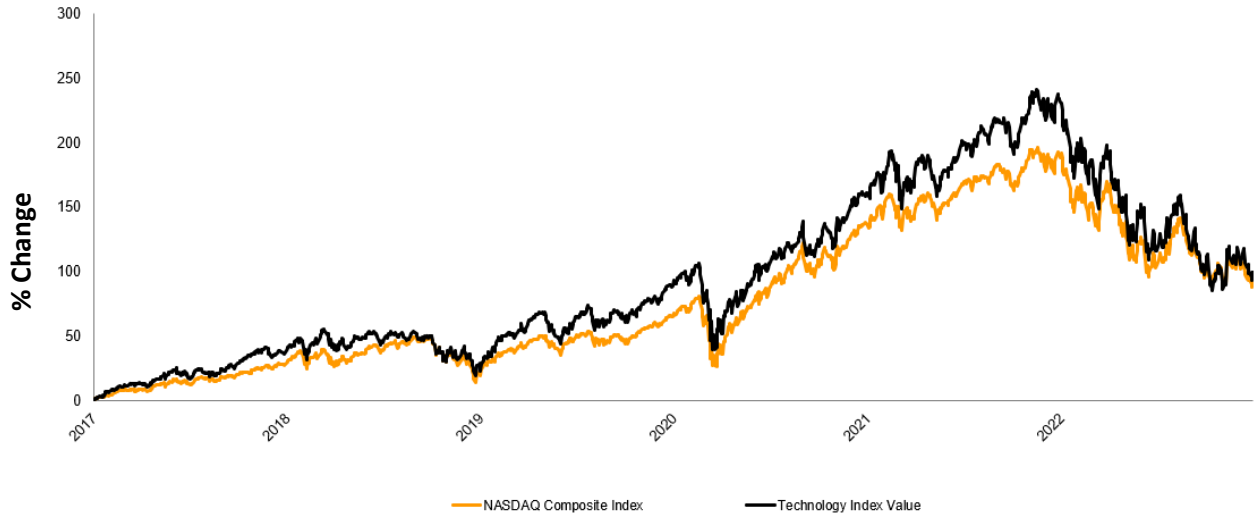


Selected Q4 2022 Application Software Transactions

Date Closed	Target	Buyers/Investors	Enterprise Value (\$M)	EV / LTM	
				Revenue	EBITDA
10/3/2022	Assets of Epicenter Experience, LLC	Stagwell Marketing Cloud LLC	14.7	-	-
10/3/2022	Pathee Inc.	Kakaku.com, Inc.	3.6	13.8x	-
10/4/2022	Frontline Technologies Group LLC	Roper Technologies, Inc. (NYSE:ROP)	3,738.0	-	-
10/10/2022	Beijing All Union Technology Corp.	Bairong Ruicheng Information Technology Co., Ltd.	24.2	1.9x	-
10/11/2022	Naiz Bespoke Techonologies S.L.	Roper Technologies, Inc. (NYSE:ROP)	3.7	14.9x	-
10/13/2022	Taleny Ltd.	Paycor HCM, Inc. (NasdaqGS:PYCR)	30.0	-	-
10/19/2022	Avalara, Inc.	Vista Equity Partners Management, LLC	9,831.4	10.6x	-
10/27/2022	Konan Technology Inc. (KOSDAQ:A402030)	SK Telecom Co.,Ltd (KOSE:A017670)	15.7	-	-
10/31/2022	MarkMonitor Inc.	Newfold Digital, Inc.	302.5	-	-
11/1/2022	Wovenware, Inc.	Maxar Technologies Inc. (NYSE:MAXR)	33.0	-	-
11/4/2022	Beanstalk Networks LLC	MeridianLink, Inc. (NYSE:MLNK)	65.0	-	-
11/7/2022	Blockchain Foundry Inc.	WonderFi Technologies Inc. (TSX:WNDR)	8.8	3.7x	-
11/9/2022	PayGroup Limited	Deel Inc.	81.6	3.5x	-
11/15/2022	House of Control Group AS	Visma Norge Holding AS	71.7	3.3x	-
11/15/2022	ChannelAdvisor Corporation	Commerce Technologies, LLC	732.7	3.8x	26.0x
11/22/2022	Zendesk, Inc.	Hellman & Friedman LLC	10,989.5	6.9x	-
11/30/2022	Drive Yello	Beat the Q Pty. Ltd.	34.0	-	-
11/30/2022	JUMP Technology	Clearwater Analytics Holdings, Inc. (NYSE:CWAN)	137.7	11.7x	-
12/6/2022	ATTRAQT Group plc	Crownpeak Holdings, LLC	71.3	2.6x	-
12/13/2022	Cloud Factory SL	Soluciones Cuatroochenta S.L. (BME:4805)	2.1	2.1x	-
12/15/2022	Nearmap Ltd	Thoma Bravo, L.P.	746.7	6.6x	-
12/22/2022	IPCOS NV	ATS Corporation (TSX:ATS)	17.8	-	-
12/26/2022	SokoPro Oy	iBinder AB	51.5	7.8x	-

Technology

The technology sector experienced a downturn in the fourth quarter of 2022, as the NASDAQ 100 Technology Index fell by 2.68% and the NASDAQ Composite Index fell by 3.23%. The Technology Sector Index bounced back slightly in July and into August, only to continue to fall to its lowest point since 2020 in October.



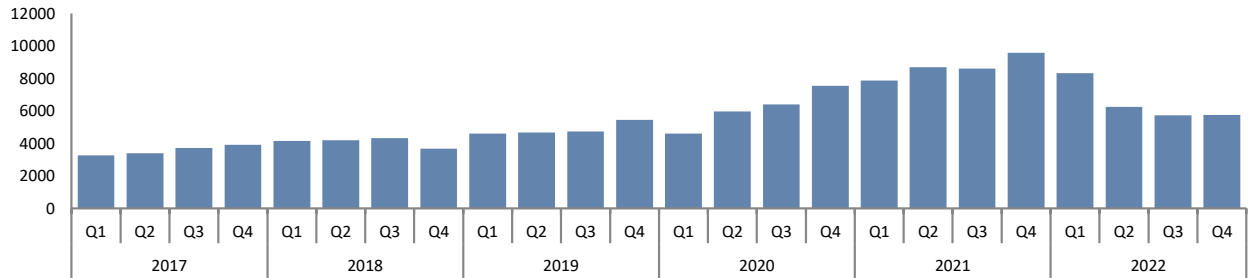
As of 12/31/2022		LTM Financials				Valuation Metrics			LTM Margins	
Company Name	Ticker	Enterprise Value	Revenue	Gross Profit	EBITDA	EV / Revenue	EV / Gross Profit	EV / EBITDA	Gross Margin	EBITDA Margin
Activision Blizzard, Inc.	NasdaqGS:ATVI	\$52,612	\$7,528	\$5,306	\$1,773	7.0x	9.9x	29.7x	70.5%	23.6%
Adobe Systems Incorporated	NasdaqGS:ADBE	\$154,990	\$17,606	\$15,441	\$6,716	8.8x	10.0x	23.1x	87.7%	38.1%
Amphenol Corporation	NYSE:APH	\$48,890	\$12,623	\$4,028	\$2,999	3.9x	12.1x	16.3x	31.9%	23.8%
Apple Inc.	NasdaqGS:AAPL	\$2,030,313	\$387,537	\$166,871	\$125,288	5.2x	12.2x	16.2x	43.1%	32.3%
Applied Materials, Inc.	NasdaqGS:AMAT	\$85,450	\$25,785	\$11,993	\$8,266	3.3x	7.1x	10.3x	46.5%	32.1%
Arrow Electronics, Inc.	NYSE:ARW	\$9,946	\$37,124	\$4,837	\$2,261	0.3x	2.1x	4.4x	13.0%	6.1%
Automatic Data Processing, Inc.	NasdaqGS:ADP	\$101,448	\$17,247	\$7,933	\$4,692	5.9x	12.8x	21.6x	46.0%	27.2%
Booz Allen Hamilton Holding Corporation	NYSE:BAH	\$16,164	\$9,064	\$2,102	\$846	1.8x	7.7x	19.1x	23.2%	9.3%
CDW Corporation	NasdaqGS:CDW	\$30,610	\$23,749	\$4,687	\$2,074	1.3x	6.5x	14.8x	19.7%	8.7%
Cisco Systems, Inc.	NasdaqGS:CSCO	\$185,828	\$52,289	\$32,541	\$15,862	3.6x	5.7x	11.7x	62.2%	30.3%
Cognizant Technology Solutions Corporation	NasdaqGS:CTSH	\$28,180	\$19,428	\$7,039	\$3,558	1.5x	4.0x	7.9x	36.2%	18.3%
Corning Incorporated	NYSE:GLW	\$33,127	\$14,189	\$4,843	\$3,357	2.3x	6.8x	9.9x	34.1%	23.7%
DXC Technology Company	NYSE:DXC	\$9,672	\$14,847	\$3,182	\$2,696	0.7x	3.0x	3.6x	21.4%	18.2%
eBay Inc.	NasdaqGS:EBAY	\$27,289	\$9,795	\$7,115	\$2,792	2.8x	3.8x	9.8x	72.6%	28.5%
Meta Platforms, Inc.	NasdaqGS:META	\$300,260	\$116,609	\$92,855	\$42,241	2.6x	3.2x	7.1x	79.6%	36.2%
Fidelity National Information Services, Inc.	NYSE:FIS	\$57,432	\$14,528	\$5,708	\$5,436	4.0x	10.1x	10.6x	39.3%	37.4%
Hewlett Packard Enterprise Company	NYSE:HPE	\$30,925	\$28,496	\$9,506	\$4,780	1.1x	3.3x	6.5x	33.4%	16.8%
HP Inc.	NYSE:HPQ	\$35,617	\$62,983	\$12,335	\$6,030	0.6x	2.9x	5.9x	19.6%	9.6%
Insight Enterprises, Inc.	NasdaqGS:INSIT	\$4,472	\$10,431	\$1,637	\$477	0.4x	2.7x	9.4x	15.7%	4.6%
Intel Corporation	NasdaqGS:INTC	\$124,856	\$63,054	\$26,866	\$15,371	2.0x	4.6x	8.1x	42.6%	24.4%
International Business Machines Corporation	NYSE:IBM	\$171,710	\$60,530	\$32,687	\$12,328	2.8x	5.3x	13.9x	54.0%	20.4%
Jabil Inc.	NYSE:JBL	\$11,365	\$34,546	\$2,700	\$2,406	0.3x	4.2x	4.7x	7.8%	7.0%
Lam Research Corporation	NasdaqGS:LRGX	\$57,947	\$19,048	\$8,630	\$6,383	3.0x	6.7x	9.1x	45.3%	33.5%
Leidos Holdings, Inc.	NYSE:LDO	\$19,217	\$14,396	\$2,084	\$1,466	1.3x	9.2x	13.1x	14.5%	10.2%
Mastercard Incorporated	NYSE:MA	\$340,518	\$22,237	\$22,237	\$13,374	15.3x	15.3x	25.5x	100.0%	60.1%
Micron Technology, Inc.	NasdaqGS:MU	\$53,481	\$27,156	\$11,226	\$14,205	2.0x	4.8x	3.8x	41.3%	52.3%
Microsoft Corporation	NasdaqGS:MSFT	\$1,758,110	\$204,094	\$139,110	\$97,945	8.6x	12.6x	17.9x	68.2%	48.0%
Motorola Solutions, Inc.	NYSE:MSI	\$48,674	\$9,112	\$4,394	\$2,504	5.3x	11.1x	19.4x	48.2%	27.5%
NCR Corporation	NYSE:NCR	\$9,121	\$7,844	\$1,858	\$1,091	1.2x	4.9x	8.4x	23.7%	13.9%
NetApp, Inc.	NasdaqGS:NTAP	\$12,602	\$6,549	\$4,295	\$1,382	1.9x	2.9x	9.1x	65.6%	21.1%
NVIDIA Corporation	NasdaqGS:NVDA	\$358,412	\$28,566	\$16,522	\$8,718	12.5x	21.7x	41.1x	57.8%	30.5%
Oracle Corporation	NYSE:ORCL	\$304,431	\$46,073	\$35,062	\$18,375	6.6x	8.7x	16.6x	76.1%	39.9%
PayPal Holdings, Inc.	NasdaqGS:PYPL	\$81,721	\$27,518	\$11,653	\$4,930	3.0x	7.0x	16.6x	42.3%	17.9%
QUALCOMM Incorporated	NasdaqGS:QCOM	\$133,020	\$42,958	\$24,582	\$16,295	3.1x	5.4x	8.2x	57.2%	37.9%
Salesforce.com, inc.	NYSE:CRM	\$134,123	\$30,294	\$22,020	\$2,561	4.4x	6.1x	52.4x	72.7%	8.5%
Sanmina Corporation	NasdaqGS:SANM	\$3,172	\$8,495	\$687	\$529	0.4x	4.6x	6.0x	8.1%	6.2%
SYNNEX Corporation	NYSE:SNX	\$12,827	\$62,344	\$3,996	\$1,833	0.2x	3.2x	7.0x	6.4%	2.9%
Texas Instruments Incorporated	NasdaqGS:TXN	\$148,796	\$20,028	\$13,771	\$11,020	7.4x	10.8x	13.5x	68.8%	55.0%
Visa Inc.	NYSE:V	\$435,018	\$30,187	\$29,456	\$21,157	14.4x	14.8x	20.6x	97.6%	70.1%
VMware, Inc.	NYSE:VMW	\$59,970	\$13,166	\$10,735	\$2,734	4.6x	5.6x	21.9x	81.5%	20.8%
Western Digital Corporation	NasdaqGS:WDC	\$15,349	\$15,752	\$4,135	\$1,739	1.0x	3.7x	8.8x	26.3%	11.0%
Xerox Corporation	Nasdaq:XRX	\$5,552	\$7,107	\$2,318	\$449	0.8x	2.4x	12.4x	32.6%	6.3%

Median	2.8x	5.9x	11.1x	42.8%	23.6%
Mean	3.8x	7.2x	14.2x	46.1%	25.0%

Technology

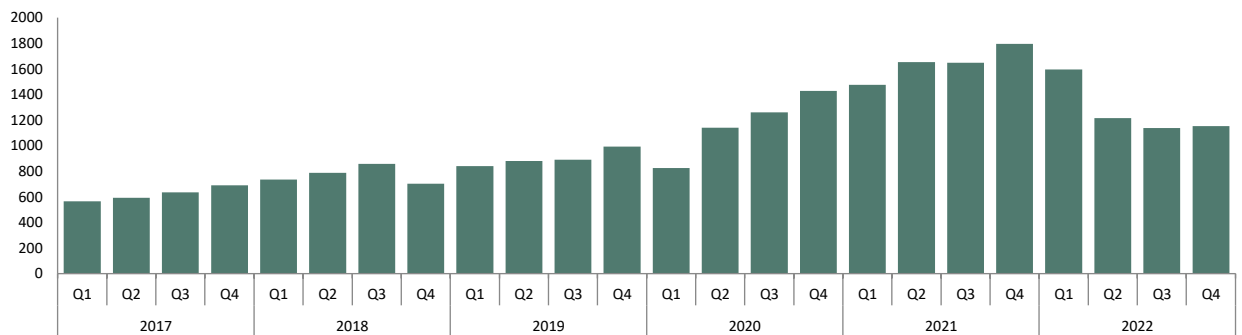
State of the Industry

NASDAQ 100 Technology Index



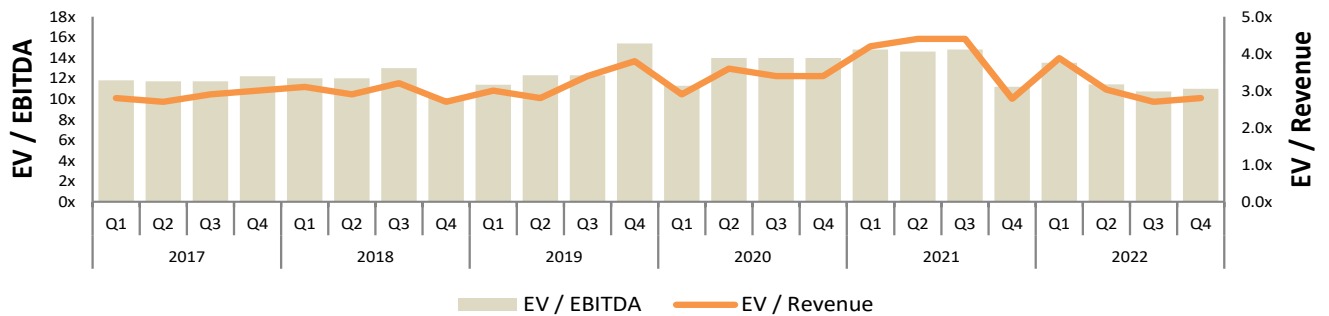
Source: Capital IQ

S&P North American Technology Sector Index



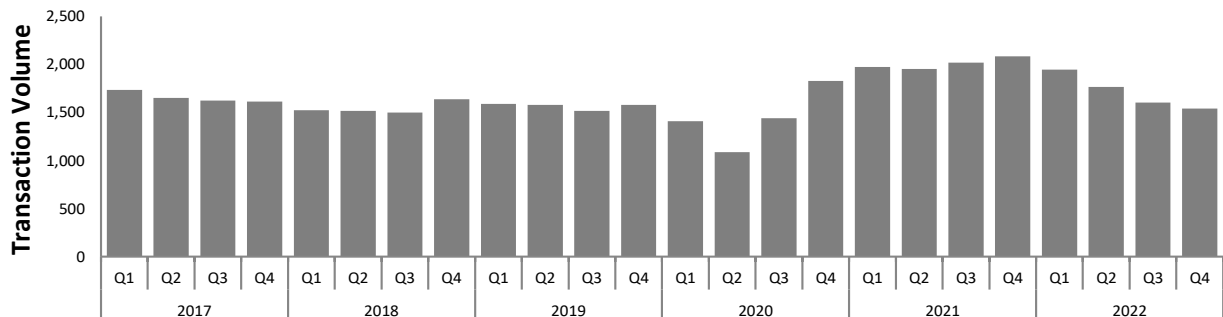
Source: Capital IQ

Technology Industry Valuations



Source: Capital IQ

Technology Transaction Volume



Source: Capital IQ



The Value of Accomplishment

The highest level of expertise and hard work is what accomplishment requires. It's what you deserve and what we do.

- We sweat the small stuff.
- Take a 3:00am call.
- Say yes.
- Say no.
- Dig deeper when things get tough.
- And celebrate with you when your efforts pay off and you can reflect on it all and say, "It's really remarkable what we've accomplished here."
- Then and only then, will we know that we've accomplished something meaningful, too.

About Mirus

Mirus has been an active technology deal maker for the last 30 years. Representing professional investors and boards, as well as bootstrapped closely held businesses, Mirus has closed over 100 transactions in industry sectors including: Manufacturing Automation, Software, Hardware and Peripherals, Internet and Digital Media, Telecom and Networking.

Partner Spotlight

As a Partner with Mirus Capital Advisors, Rudy Minar brings over 20 years of experience in investment banking and corporate finance. Prior to Mirus he was a partner at M&A tech boutique AGC Partners. He has completed over 75 financial and advisory transactions aggregating over \$8 billion. Trained as an electrical engineer, Rudy brings deep domain knowledge and extensive relationships within the software and communications and networking sectors. He earned his Masters in International Affairs from Columbia University and received his BSEE from Worcester Polytechnic Institute.



Rudy Minar
minar@merger.com
781-418-5965



Alan Fullerton
fullerton@merger.com
781-418-5954



Andrew Crain
crain@merger.com
781-418-5950




Brendan Kiernan
kiernan@merger.com
781-418-5926



Kate Soto
soto@merger.com
781-418-5934

"The Mirus team successfully guided us through every aspect of the transaction, from identifying prospective buyers through closing. They conducted a thorough process and we are delighted by the outcome."

Mirus Technology Spotlight

 **Family Law Software**

has been acquired by

 **Centerbase**

a portfolio company of

 *Mainsail Partners*

Centerbase, a legal practice management software company that provides mid-sized law firms with a cloud-based platform to streamline operations, has acquired Family Law Software, the leading workflow software for family law legal practices. Used by thousands of family law professionals, Family Law Software automates financial forms and calculations related to divorce proceedings. With this acquisition, Centerbase expands its already robust practice management, billing, and accounting product to better serve the complex workflow of family practice attorneys. With Family Law Software, Centerbase now serves over 5,000 law firms.

meetingplay 

has raised \$75 million from

 **SUNSTONE**
PARTNERS

MeetingPlay, a pioneer in hybrid event technology, has received a \$75 million investment from Sunstone Partners, a growth-oriented private equity firm focused on software and tech-enabled services companies. MeetingPlay offers a full suite of offerings for all types of conferences, events and meetings that allow for rich attendee experiences. The ultimate value that underpins the company's software platform is connecting attendees to each other in a way that creates a unique and differentiated event. "Even with unprecedented YOY growth, we're just getting started," said MeetingPlay Co-CEO Joe Schwinger.

 **LiveData**
UTILITIES

has been acquired by

ORACLE

LiveData Utility Solutions, Inc. provides a leading integration platform to the power generation, transmission, and distribution markets. The Company's RTI Server™ is real-time middleware that can be deployed on-premise or in the cloud and is designed for operational technology (OT) systems. The acquisition extends Oracle Utilities' Network Management System. LiveData Utility Solutions is headquartered in Cambridge, MA.

 **MAM**
SOFTWARE

has been acquired by

 **Kerridge**
Commercial Systems

a portfolio company of

AKKR
ACCEL-KKR

MAM Software is a leading global provider of cloud-based business and on-premise management solutions for the auto parts, tire and vertical distribution industries. The company provides a portfolio of innovative software (SaaS and packaged), data (DaaS), and integration (iPaaS) services that enable businesses to intelligently manage core business processes, control costs and generate new profit opportunities. MAM's integrated platforms provide a wealth of rich functionality including: point-of-sale, inventory, purchasing, reporting, data and e-commerce. Kerridge Commercial Systems (KCS) provides specialist software, services and support to deliver fully integrated trading and business management solutions to distributive trades customers, large and small.