



SUPPLY CHAIN & LOGISTICS (“SCL”) SOFTWARE MARKET REPORT

September 2025

NEW YORK | LONDON | LOS ANGELES | PARIS | MUNICH

SAN FRANCISCO | BERLIN | DUBAI



DRAKE STAR'S PROVEN TRACK RECORD IN SUPPLY CHAIN & LOGISTICS TECHNOLOGY

<p>FL/GHTKEYS</p> <p>STRATEGIC INVESTMENT FROM</p> <p>INSIGHT PARTNERS</p> <p>Aviation Software</p> 	<p>GAUGE CAPITAL</p> <p>STRATEGIC INVESTMENT IN</p> <p>AGT</p> <p>Robotics / Industrial Automation</p> 	<p>VISTA ⁽¹⁾</p> <p>ACQUISITION OF</p> <p>JAGGAER</p> <p>Procurement Software</p> 	<p>EPICOR ⁽¹⁾</p> <p>SENIOR SECURED CREDIT FACILITIES</p> <p>Industrial ERP Software</p> 	<p>ELSYCA</p> <p>MAJORITY RECAP BY</p> <p>strada</p> <p>AND RE-INVESTMENT BY MANAGEMENT</p> <p>Engineering Software</p> 	<p>ICL ⁽¹⁾</p> <p>SALE TO</p> <p>VALSOFT</p> <p>Supply Chain & Logistics SaaS</p> 	<p>Trimble</p> <p>ACQUISITION FINANCING</p> <p>TRANSPOREON</p> <p>TMS Software</p> 	<p>STYLE SAGE ⁽¹⁾</p> <p>SALE TO</p> <p>CentricSoftware DASSAULT SYSTEMES</p> <p>AI / ML & Retail Analytics</p> 
<p>NOVARC TECHNOLOGIES</p> <p>PRIVATE PLACEMENT</p> <p>EDC</p> <p>Robotics / Industrial Automation</p> 	<p>VEROS SYSTEMS ⁽¹⁾</p> <p>SALE TO</p> <p>Baker Hughes</p> <p>Industrial Asset Monitoring Solutions</p> 	<p>Calipsa</p> <p>SALE TO</p> <p>MOTOROLA SOLUTIONS</p> <p>AI / SaaS</p> 	<p>TYRATA ⁽¹⁾</p> <p>SALE TO</p> <p>BRIDGESTONE</p> <p>Preventative Maintenance Solutions for Fleets</p> 	<p>FLOW ⁽¹⁾</p> <p>SALE TO</p> <p>Global e</p> <p>Cross Border eCommerce Software</p> 	<p>samsara ⁽¹⁾</p> <p>INITIAL PUBLIC OFFERING</p> <p>IOT Software</p> 	<p>luzern ⁽¹⁾</p> <p>SALE TO</p> <p>CARDINAL CAPITAL</p> <p>E-commerce SaaS for Cross-Border Selling / Amazon Management</p> 	<p>Last Mile Solutions</p> <p>STRATEGIC INVESTMENT IN</p> <p>EUROWAG</p> <p>Commercial Transport Solutions</p> 
<p>Parcel2GO.com</p> <p>A portfolio company of</p> <p>MAYFAIR EQUITY PARTNERS</p> <p>MAJORITY SALE TO</p> <p>IEQT</p> <p>Logistics Tech</p> 	<p>SIGNAVIO ⁽¹⁾</p> <p>STRATEGIC INVESTMENT FROM</p> <p>Apax DIGITAL GROWTH SUMMIT PARTNERS</p> <p>AI / SaaS</p> 	<p>ProLeiT</p> <p>SALE TO</p> <p>Schneider Electric</p> <p>Industrial Automation Software</p> 	<p>CATHAYCAPITAL 凯辉基金</p> <p>STRATEGIC INVESTMENT IN</p> <p>FutuMaster</p> <p>Supply Chain & Logistics SaaS</p> 	<p>Omni-ID</p> <p>DIVESTITURE OF SOFTWARE DIVISION TO</p> <p>Panasonic</p> <p>Industrial Technology</p> 	<p>INITIAL STATE ⁽¹⁾</p> <p>SALE TO</p> <p>FORTIVE</p> <p>IoT Analytics / Visualization</p> 	<p>Retrotech INCORPORATED</p> <p>SALE TO</p> <p>KION GROUP</p> <p>Warehouse Automation</p> 	<p>TROPIS networks ⁽¹⁾</p> <p>SALE TO</p> <p>ABB</p> <p>Wireless Networking for Industrial & Transportation</p> 

DRAKE STAR'S SUPPLY CHAIN & LOGISTICS SOFTWARE COVERAGE TEAM

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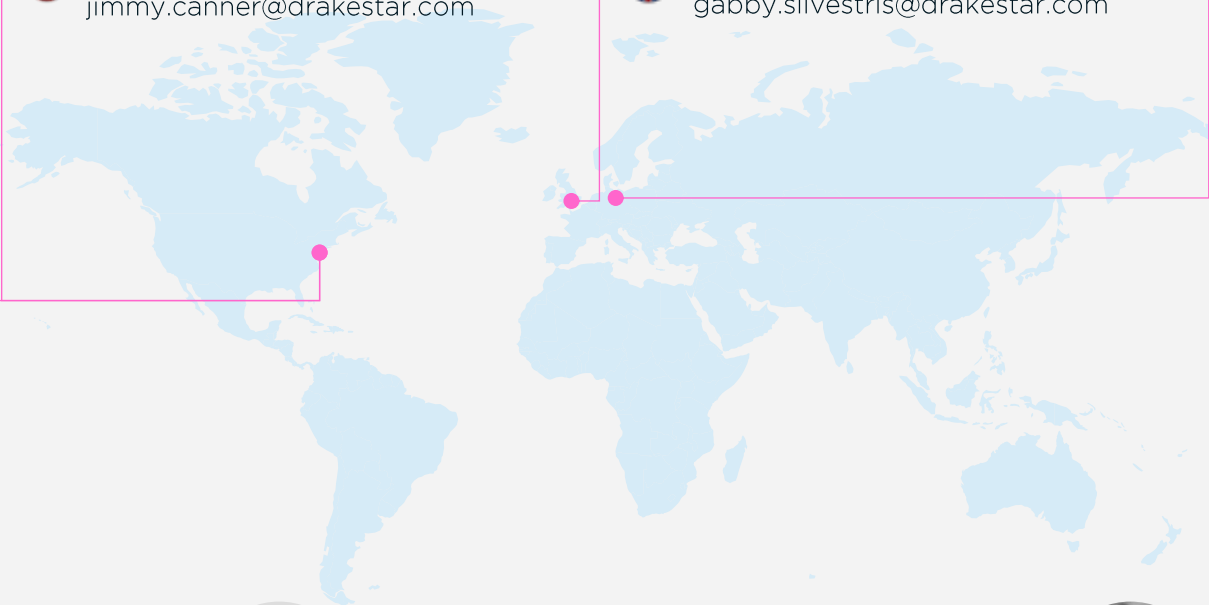
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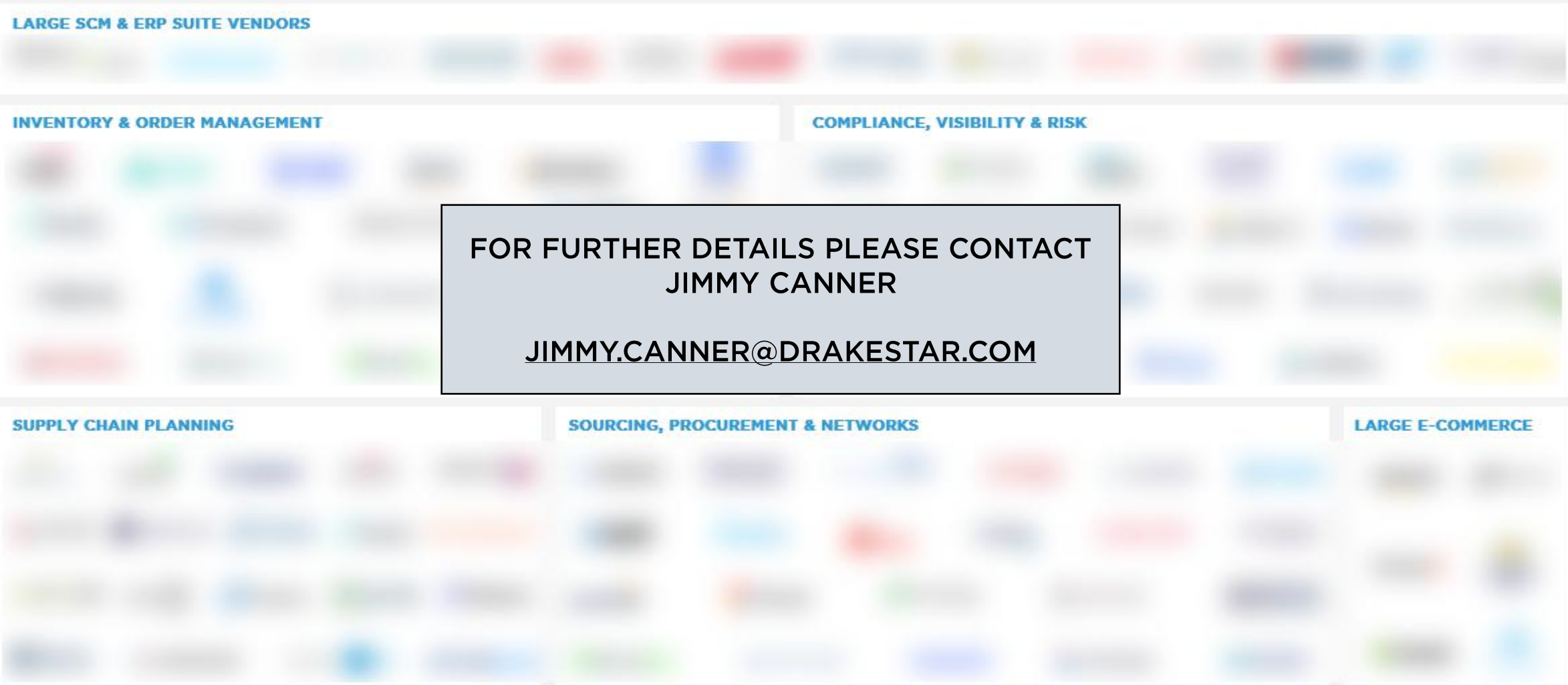


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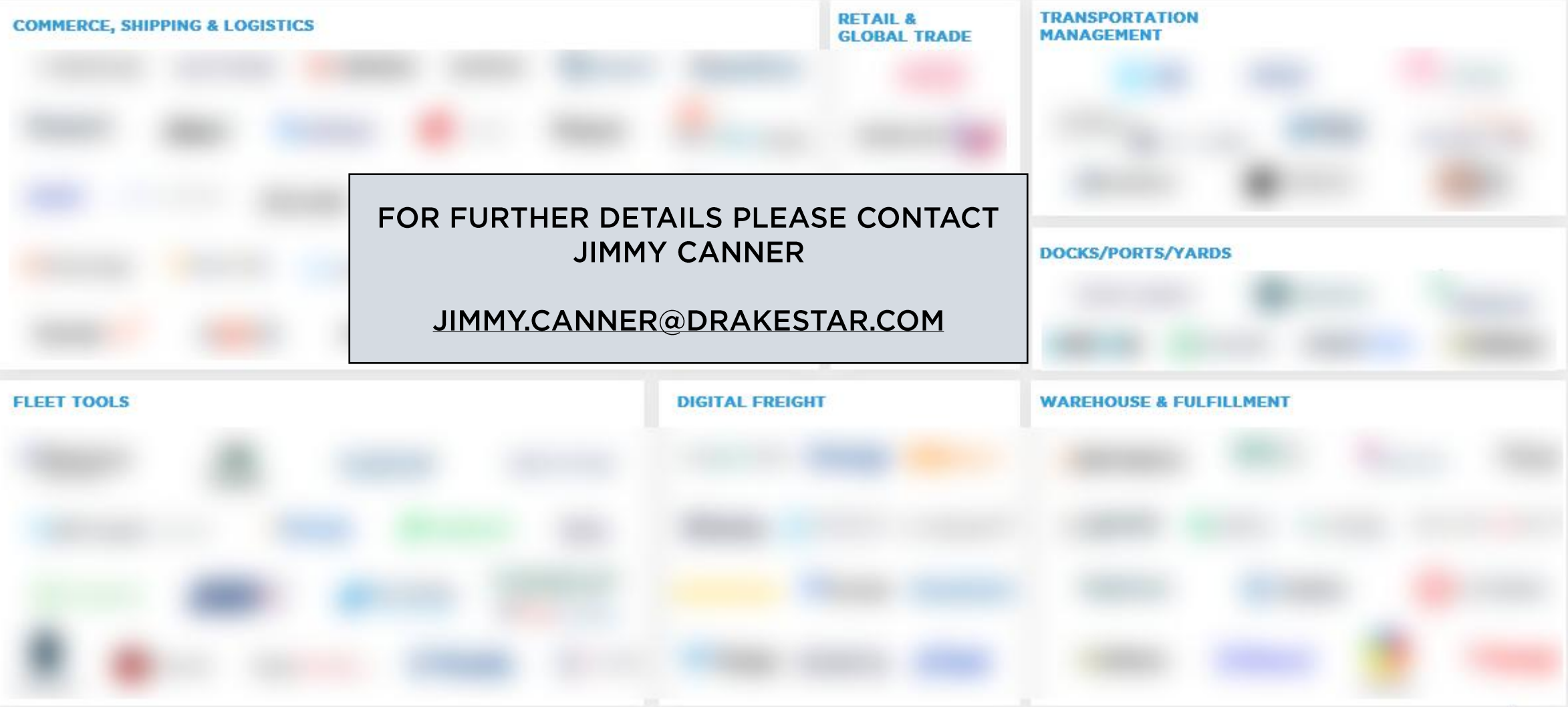


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THE SUPPLY CHAIN & LOGISTICS SOFTWARE LANDSCAPE



THE SUPPLY CHAIN & LOGISTICS SOFTWARE LANDSCAPE



SUPPLY CHAIN MANAGEMENT (“SCM”) SOFTWARE MARKET UPDATE

CONTINUED MARKET MOMENTUM DESPITE ECONOMIC UNCERTAINTY

700+ ⁽¹⁾

SCM Software transactions
in 2024

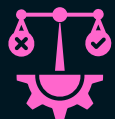
\$39B

Global SCM Software Spend in
2025E

~16.3%

Projected market CAGR
through 2028

Supply Chain Software Continues to Drive Critical Advancements & Improvements Amidst Geopolitical and Macroeconomic Volatility



Data-Driven Strategic
Decision-Making and End-
to-End Visibility



Enhanced Real-Time
Responsiveness to
Disruptions and
Contingency Planning



Improved Customer
Satisfaction and
Enhanced Operational
Efficiency

DRAKE STAR'S KEY SCL MARKET TAKEAWAYS



The global supply chain software market is expected to grow ~16% annually and reach \$62 billion by 2028, driven by increasing global disruptions and complexities



SCL software M&A and private placement activity showed positive momentum in 2Q25, supported by constructive investor and buyer posturing toward completing transactions



Scarcity value continues to drive higher-than-expected premiums, with investors and buyers adopting increasingly aggressive tactics to secure assets

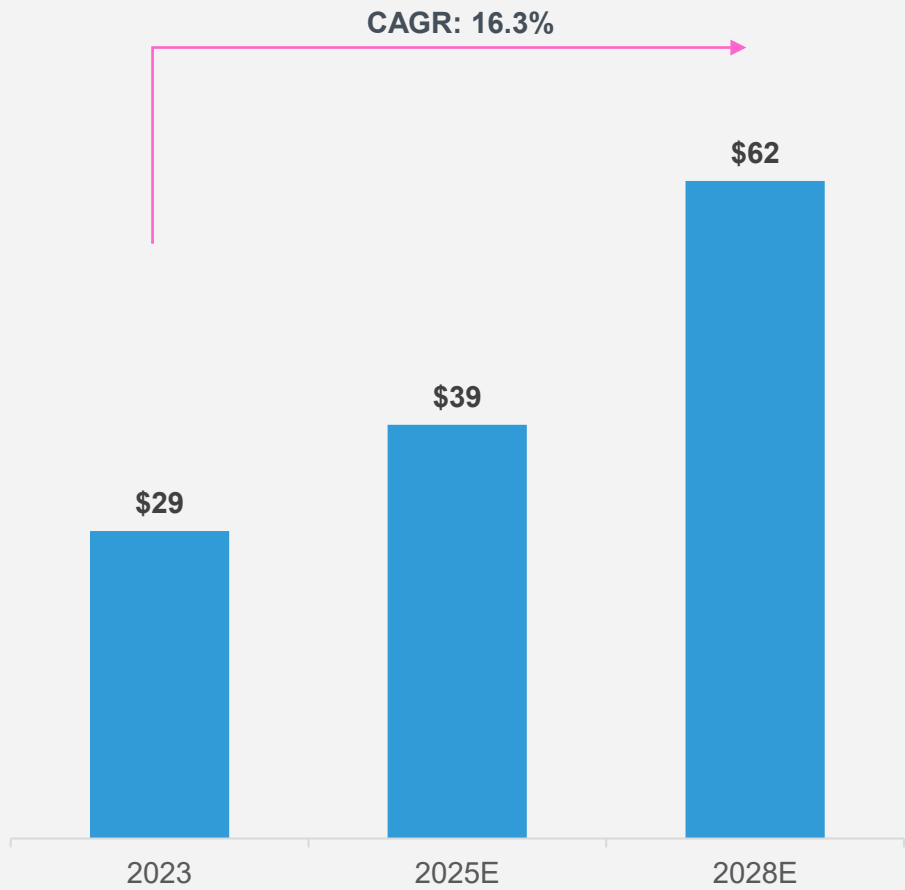


Recent geopolitical and macroeconomic volatility underscores the critical need for SCL technology – we are seeing this drive a notable increase in M&A and private placement activity in the sector, which is expected to remain highly active through 2026

DIGITAL TRANSFORMATION & GLOBALIZATION CONTINUE TO DRIVE SIGNIFICANT SUPPLY CHAIN SOFTWARE SPEND

SUPPLY CHAIN MANAGEMENT SOFTWARE MARKET SIZE

(\$ in B)

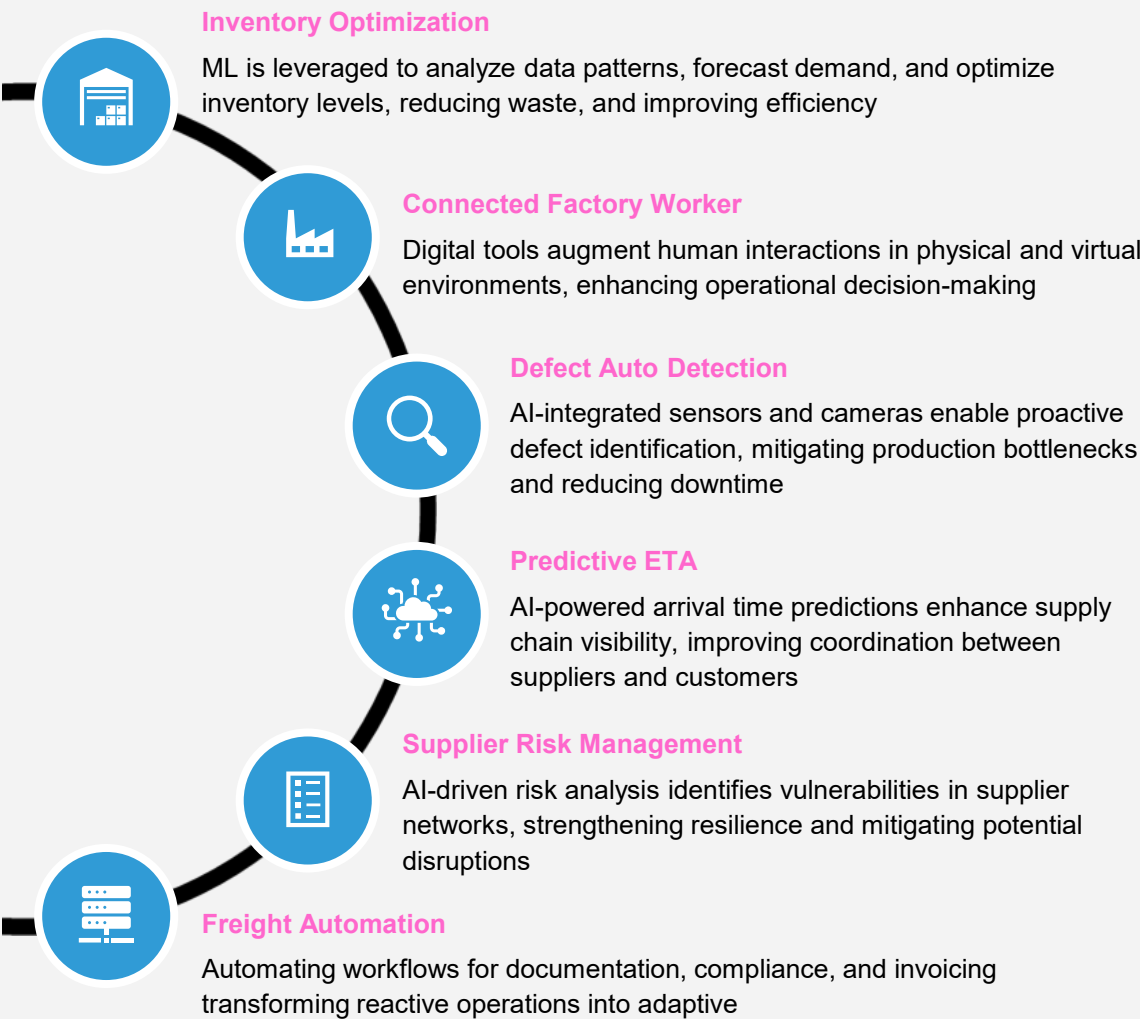


COMMENTARY


- Amidst escalating macro instability, rising costs and growing challenges facing the global commerce ecosystem, demand for supply chain and logistics software solutions remains higher than ever - driving expected **market growth of ~16% annually to ~\$62B by 2028**
- **65%** of executives **prioritizing supply chain costs** as the **main mechanism** by which to **drive bottom-line growth**
- Committed spend on **multiyear SCM modernization programs** will account for slightly more than **50% of the forecasted growth, or ~\$17B by 2028**
- The annual **renewal price range** for SCM software market leaders will nearly **double**, from the current 3%-5% to **7%-10%, beyond 2025**
- **Discretionary spend on new end-to-end SCM capabilities** and orchestration platforms expected to account for **~30% of the forecast growth**

INCREASING ADOPTION AND UTILIZATION OF AI ACROSS THE SCL ECOSYSTEM


AI IMPLEMENTATIONS ACROSS SUPPLY CHAIN & LOGISTICS



AI USE CASES IN SUPPLY CHAIN & LOGISTICS



PCS Software's Cortex is an AI engine fully embedded in PCS TMS, which applies AI across four key areas: Optimization, Workflow, Communication and Insights




SourceDay Intelligence automates the entire purchase order (PO) lifecycle eliminating 80% of manual tasks, predicting risks before they impact production while helping ensure 100% PO data accuracy

BY THE NUMBERS...

~98% companies using AI in supply chains feel ready for geopolitical risks

AI is being adopted in procurement by ~77% of firms to boost visibility - Despite rising costs, ~73% still see AI investment as essential, and ~59% continue to prioritize innovation



Gartner reports a **strong interest in AI** across supply chain space but notes that only **23%** of organizations have a clear strategy in place

Gartner emphasizes that the most resilient organizations are those that adapt their strategies without abandoning innovation, **using AI to strengthen competitiveness & manage risks proactively**

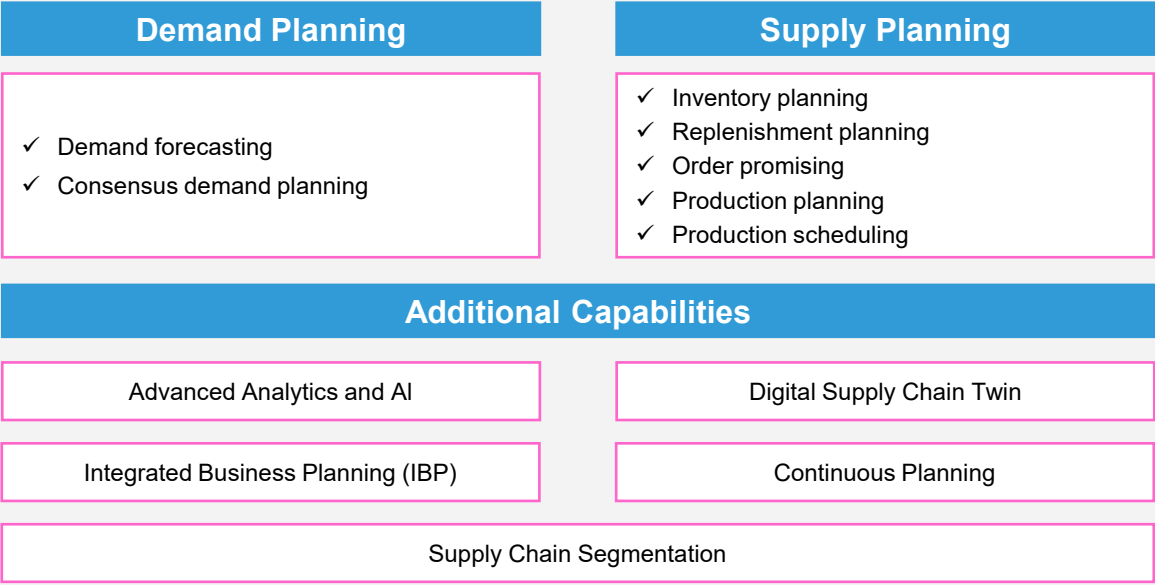
Gartner.

ACCELERATED EVOLUTION OF SUPPLY CHAIN PLANNING (“SCP”) SOFTWARE DRIVING DOUBLE-DIGIT MARKET GROWTH

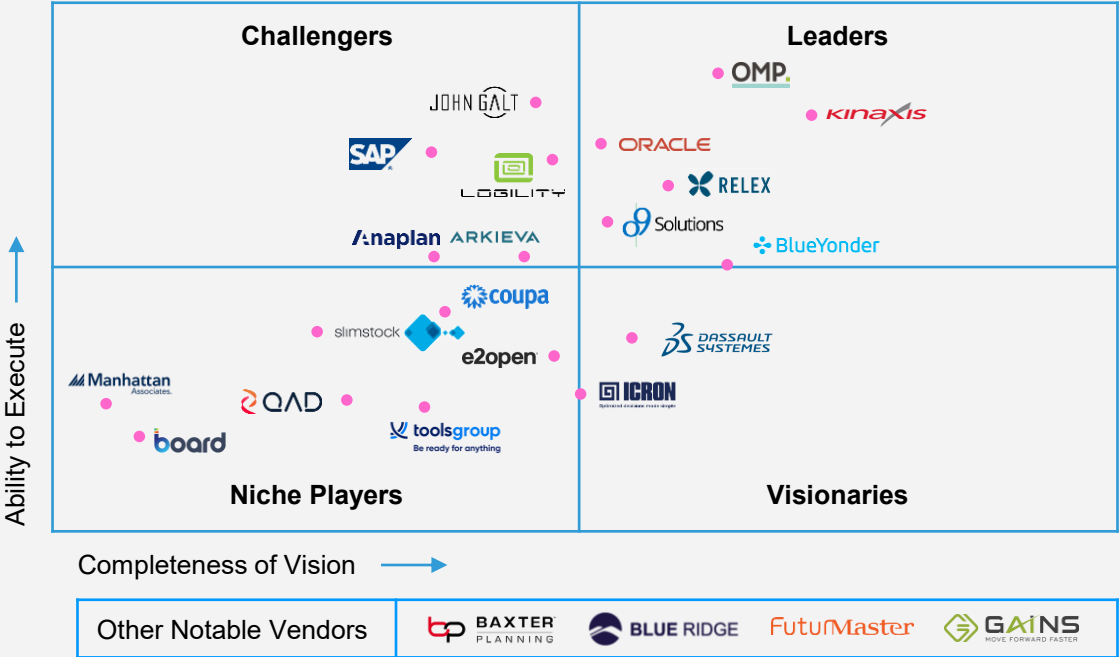
COMMENTARY

- SCP software market projected to grow from \$13B in 2024 to \$30B by 2033 at a CAGR of 12.5% reflecting strong, sustained demand
- SCP tools evolving into adaptive, AI-powered platforms focused on real-time sensing, agile response and continuous optimization
- Modern SCP AI-infused software synchronizing demand, supply, inventory, and financial views in near real time
- Cloud-native SCP platforms enable scalability, rapid deployment, and seamless integration – accelerated by the pandemic-driven shift from on-premise to cloud-first strategies, with a strong focus on resilience, agility, and business continuity
- New entrants from AI, Big Data, and cloud-native ecosystems are reshaping responsive planning, offering composable, use-case-specific modules

SOLUTION CAPABILITIES

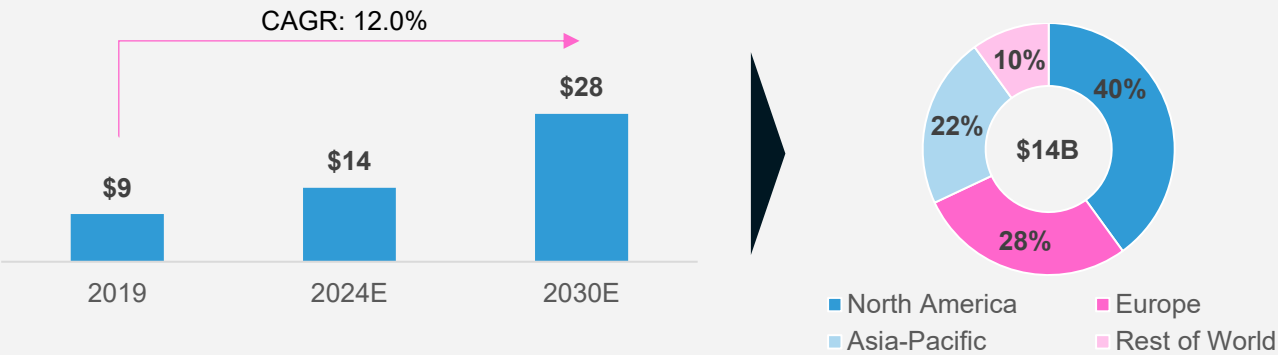


MAGIC QUADRANT FOR SUPPLY CHAIN PLANNING SOLUTIONS

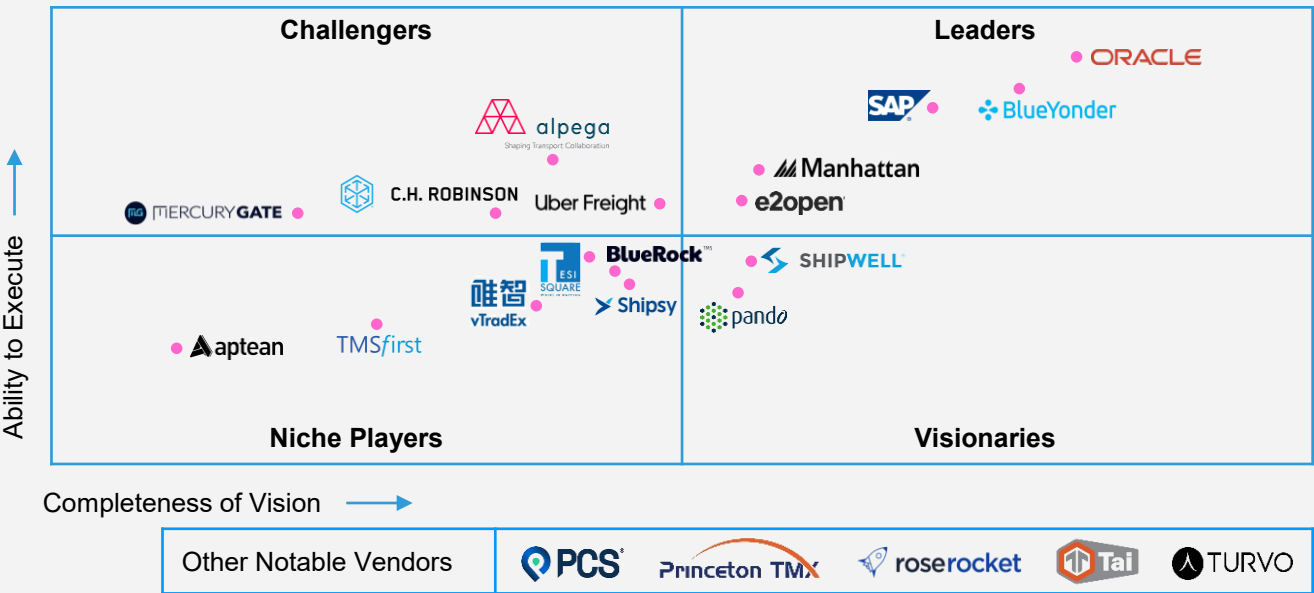


AI-DRIVEN GROWTH AND STRATEGIC SHIFTS IN THE GLOBAL TMS MARKET

TMS MARKET SIZE (in \$B)



GARTNER'S TMS MAGIC QUADRANT



KEY AI DRIVERS + TRENDS



AI-Embedded TMS Platforms: Transportation Management Systems are evolving into intelligent platforms with embedded AI agents that optimize routing, automate workflows, and manage exceptions in real time



Generative AI for Predictive Insights: Large language models are being used to power tools like “Insights AI” offering real-time recommendations to reduce delays, cut costs, and improve service levels



























Strategic Automation at Scale: Companies like PCS Software are deploying AI-driven logistics networks with autonomous agents managing procurement, execution, and payments – enabling faster, more adaptive operations



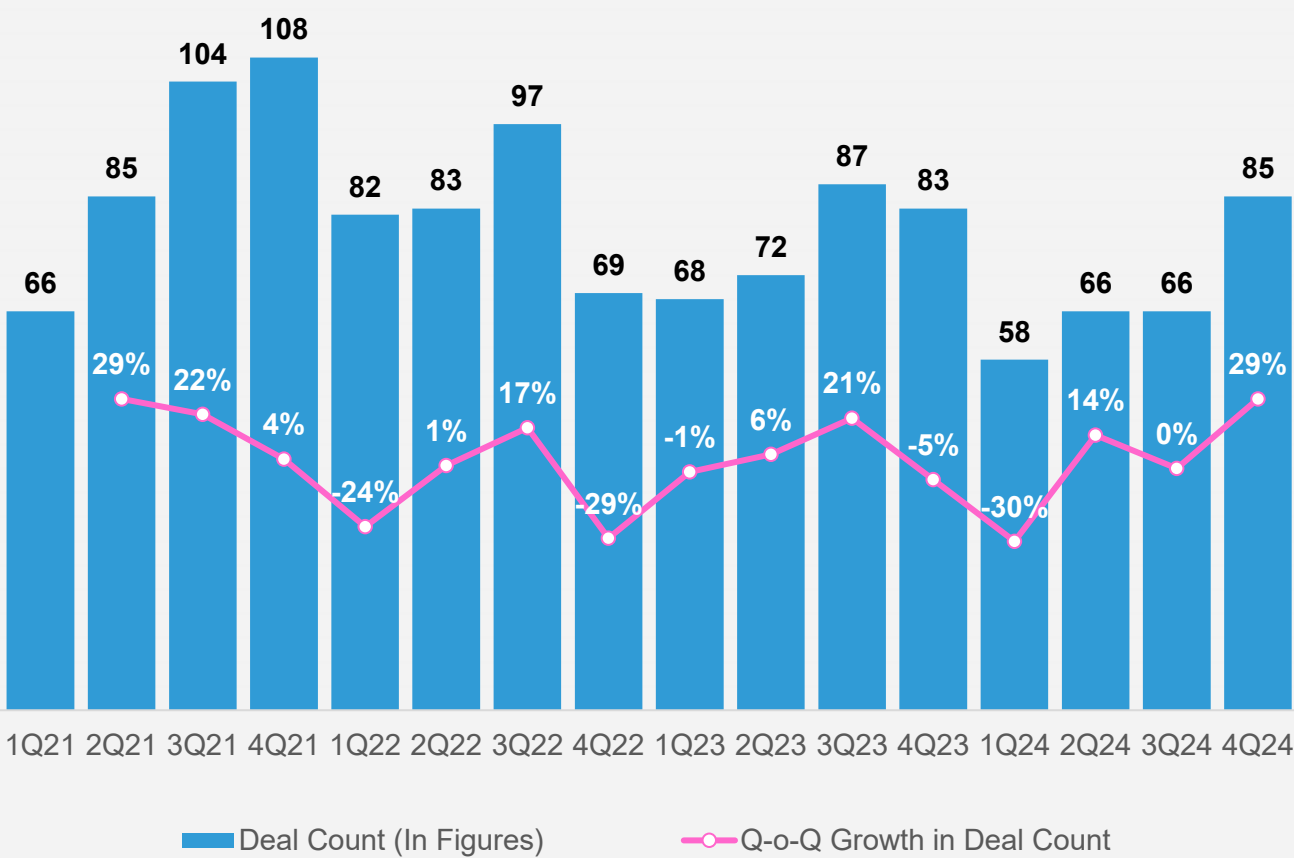
AI as a Competitive Differentiator: AI is moving from pilot to enterprise scale, delivering tangible benefits such as reduced costs, improved safety, and enhanced asset utilization across major logistics operations

NOTABLE SCL SOFTWARE M&A DEAL ACTIVITY YTD

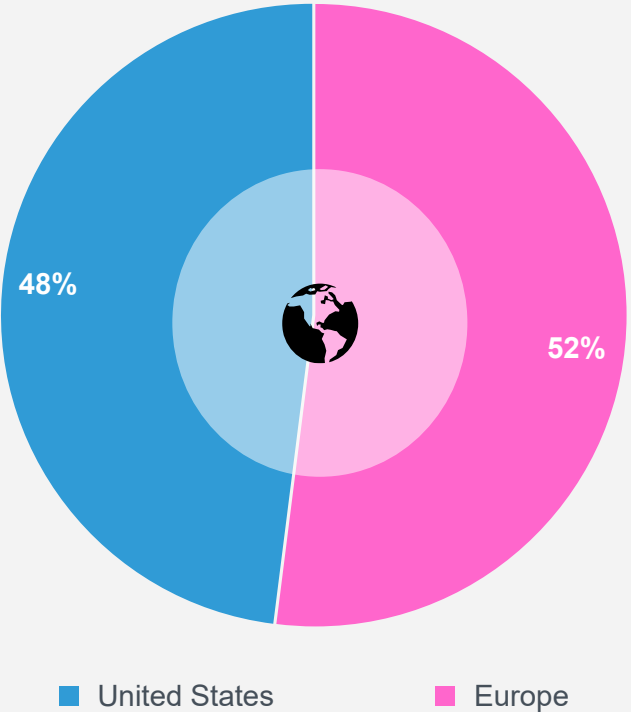
<div><div></div><div>ACQUISITION BY</div><div></div></div> <div><ul style="list-style-type: none">• Optoro is a specialized returns management system for retailers and 3PLs• Addresses one of the most significant pain points for retailers and 3PLs today, and potentially provides Blue Yonder with a key differentiator vs. the other large SCM platforms (Manhattan, Kinaxis, etc.)</div> <div>Aug 2025</div>	<div><div></div><div>\$250M</div><div>ACQUISITION BY</div><div></div></div> <div><ul style="list-style-type: none">• Less than 2 years after Flexport acquired Convoy's tech stack out of the now-defunct digital brokerage for ~\$16M, it sold it to DAT• Significantly broadens DAT's value proposition in the freight market, with powerful automation capabilities including seamless freight-matching</div> <div>Jul 2025</div>	<div><div></div><div>\$2.1B</div><div>ACQUISITION BY</div><div></div></div> <div><ul style="list-style-type: none">• e2open is a connected supply chain SaaS platform supporting logistics, trade, and planning across a global multi-enterprise network• WiseTech's acquisition creates a powerful end-to-end logistics platform, combining e2open's planning and visibility tools with WiseTech's execution capabilities</div> <div>May 2025</div>
<div><div></div><div>\$140M</div><div>ACQUISITION BY</div><div></div></div> <div><ul style="list-style-type: none">• Greenscreens.ai offers dynamic pricing and rate intelligence tools for freight brokers, using machine learning and real-time data• Triumph's acquisition enhances its transportation intelligence offerings, enabling smarter, data-driven freight pricing and expanding its logistics tech footprint</div> <div>May 2025</div>	<div><div></div><div>ACQUISITION BY</div><div></div></div> <div><ul style="list-style-type: none">• Auto Integrate is a maintenance authorization platform utilized across the life cycle of a fleet vehicle• Creates a unified, end-to-end maintenance platform that eliminates communication barriers between fleet operators and repair facilities</div> <div>Mar 2025</div>	<div><div></div><div>\$113M</div><div>ACQUISITION BY</div><div></div></div> <div><ul style="list-style-type: none">• 3GTMS provides cloud-based TMS software for shippers and 3PLs, supporting planning, rating, and routing across multiple freight modes• Expand Descartes's North American TMS capabilities and enhances its ability to deliver flexible, scalable transportation solutions</div> <div>Mar 2025</div>

EXPECT SCL SOFTWARE M&A ACTIVITY UPTICK IN 2026...

2021-24 M&A DEALS

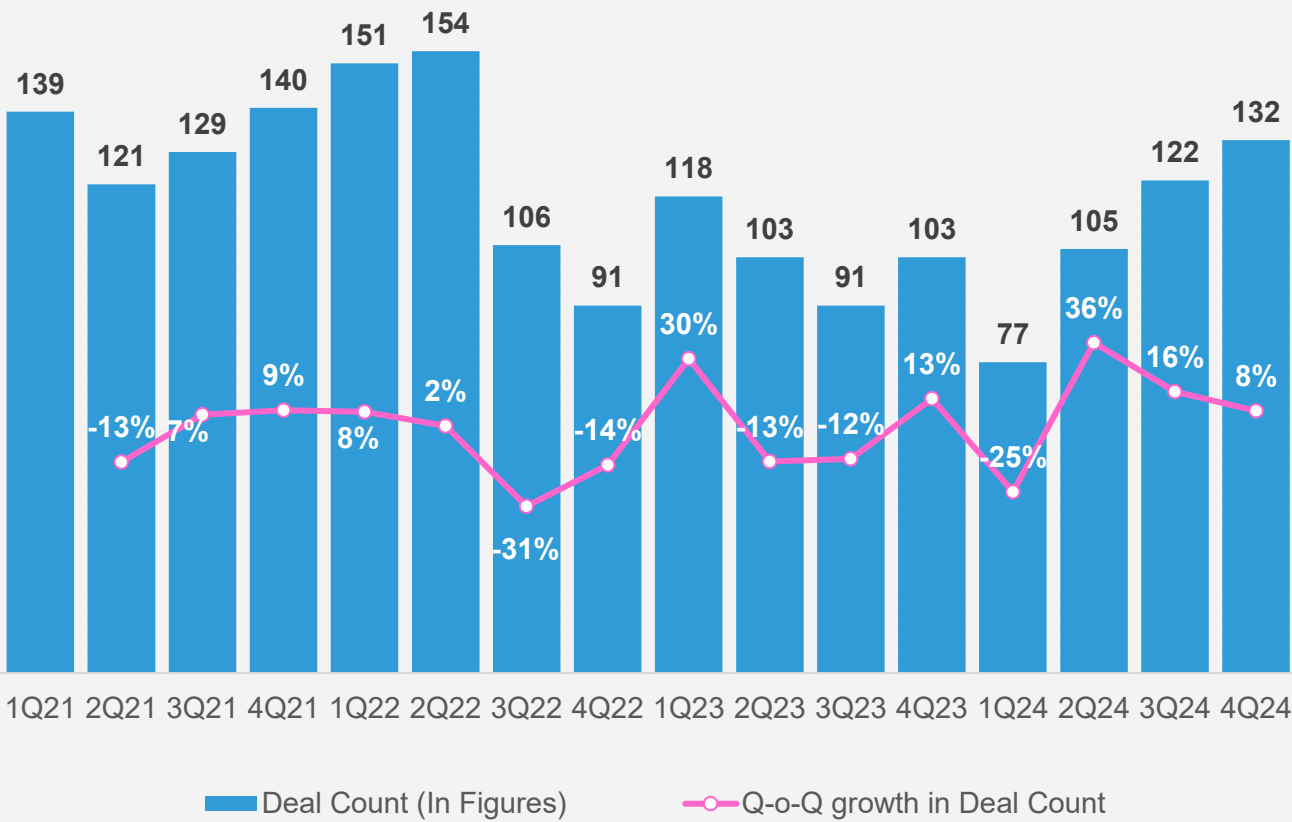


2024 DEAL COUNT (BY GEOGRAPHY)

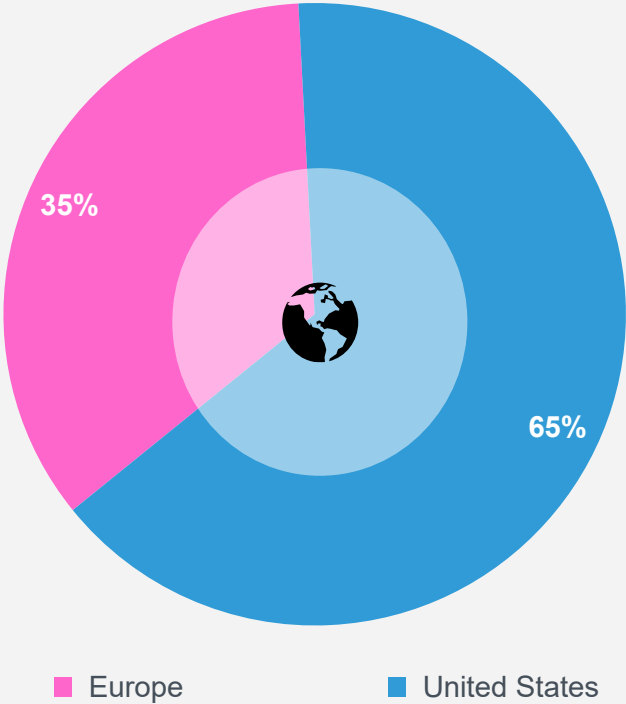


...COMBINED WITH A SIMILARLY HEALTHY PRIVATE CAPITAL ENVIRONMENT

2023-24 PRIVATE PLACEMENT DEALS



2024 DEAL COUNT (BY GEOGRAPHY)



SCL SOFTWARE BENCHMARKING SUMMARY

Supply Chain and Logistics



DESCARTES™













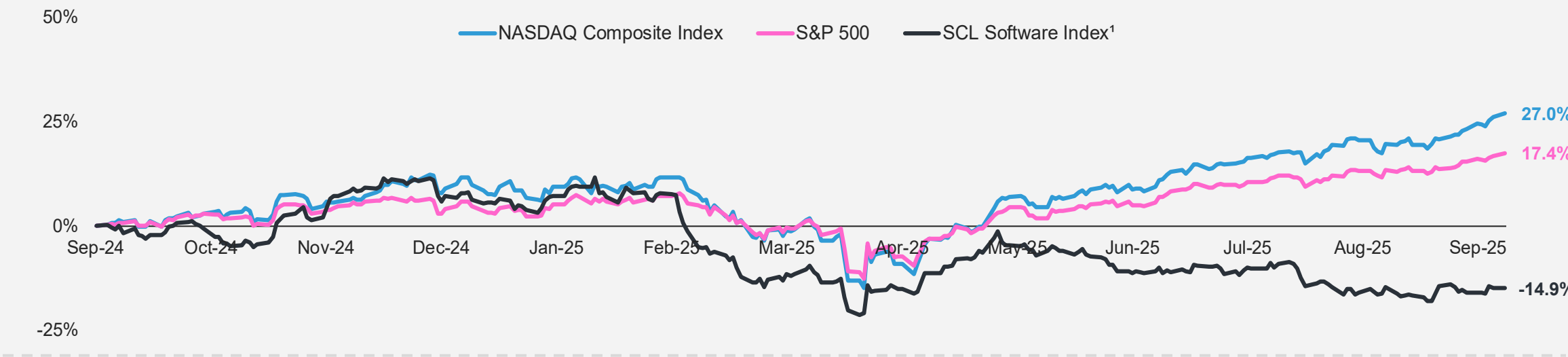




		EV / 2025E Revenue	EV / 2025E EBITDA	24A-25E Rev Growth	2025E EBTIDA Margin
Supply Chain and Logistics	25th Percentile	5.7x	25.6x	13.1%	21.2%
	Mean	9.6x	29.3x	19.4%	29.3%
	Median	9.1x	31.0x	15.9%	32.1%
	75th Percentile	12.0x	33.6x	24.1%	36.2%

STABILIZING MACRO + GROWTH TO SUPPORT IMPROVING PUBLIC MARKET PERFORMANCE

LTM INDUSTRY AND SECTOR TRADING PERFORMANCE

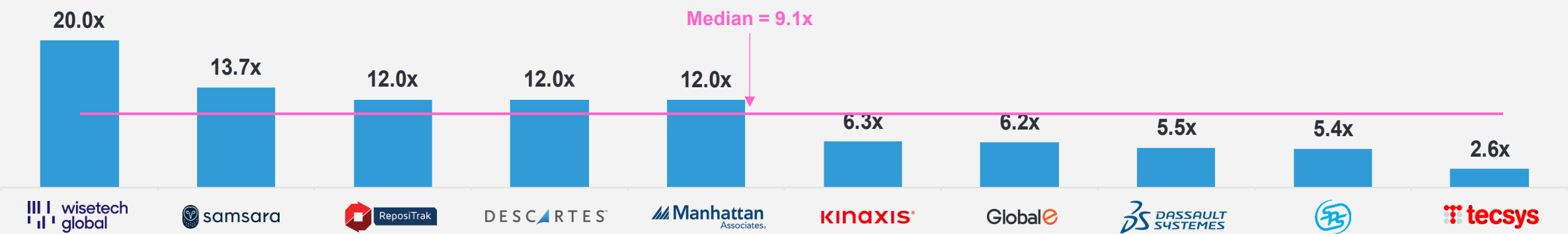


COMMENTARY

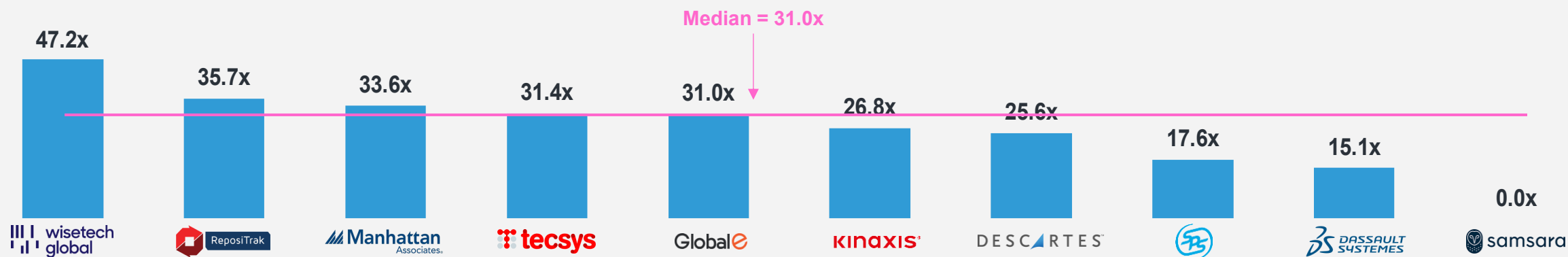
- SCM software vendors saw substantial investor interest in 2023 and 2024 in part due to the sector's growing mission-criticality for operational stability and substantial greenfield/upside opportunity more broadly
- Following sharp 1H25 declines amid geopolitical volatility, publicly-traded SCL software vendors have stabilized and are now positioned for strong price performance, underpinned by improving growth trajectories and a progressively steadier macroeconomic backdrop
- Overall pipeline momentum and sales activity improving while AI adoption is accelerating faster than anticipated, with notable traction across freight forwarding, brokerage, supply chain visibility, and logistics optimization

SCL SOFTWARE - VALUATION BENCHMARKING

EV / 2025E REVENUE MULTIPLE

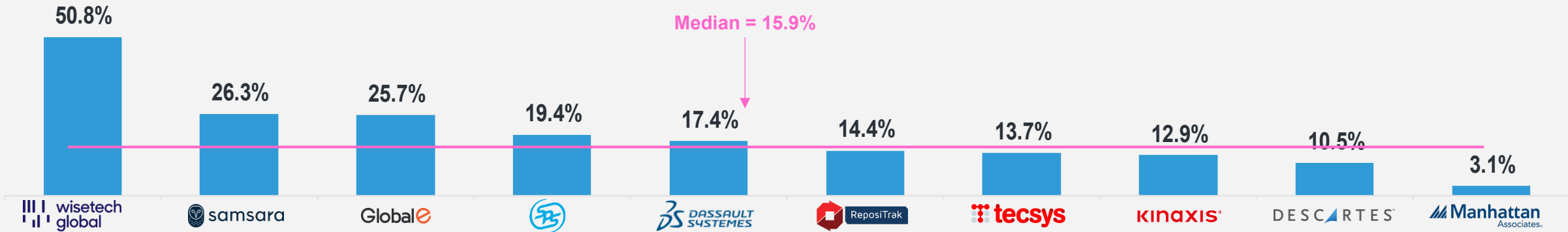


EV / 2025E EBITDA MULTIPLE

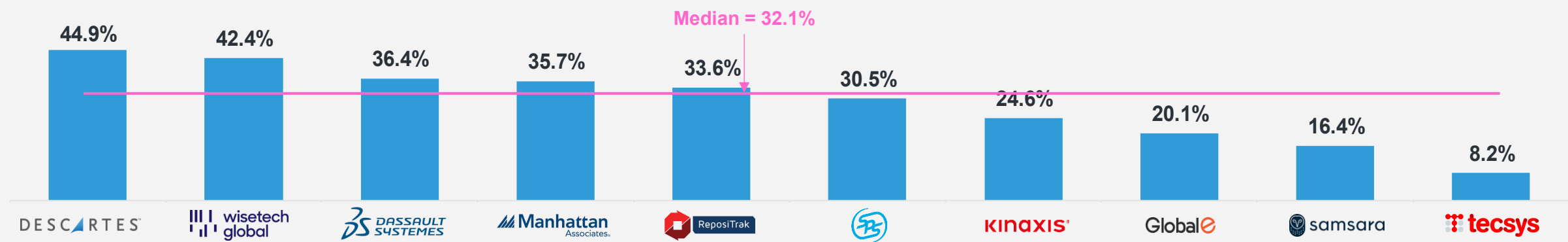


SCL SOFTWARE - OPERATING METRIC BENCHMARKING

2025E REVENUE GROWTH

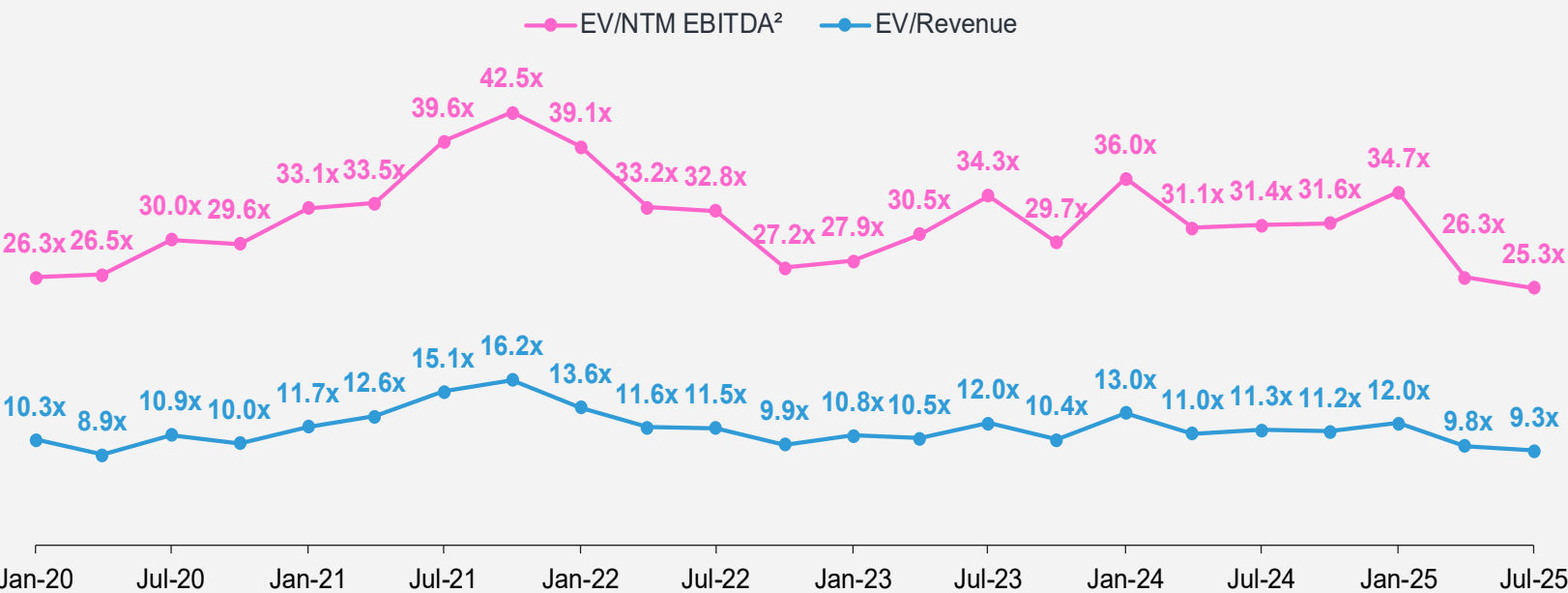


2025E EBITDA MARGIN



SCL SOFTWARE - HISTORICAL BENCHMARKING OVERVIEW

INDUSTRY AND SECTOR TRADING PERFORMANCE



KEY METRICS OVER TIME¹

Metric	2022	2023	2024
Revenue Growth	24.5%	21.0%	15.2%
Gross Margin	66.3%	66.4%	67.6%
S&M as % of Revenue	26.0%	24.1%	22.7%
G&A as % of Revenue	15.0%	13.1%	13.4%
R&D as % of Revenue	17.9%	16.3%	15.8%
EBITDA Margin	13.1%	17.2%	18.8%

COMMENTARY

- Valuations for SCL software vendors peaked in 2021, driven by favorable growth-centric market dynamics
 - Following the broader equity market reset in 1H22, multiples adjusted to more normalized levels
- 1H25 saw notable multiple compression in response to uncertainty surrounding the ongoing trade/tariff war
- Margin profiles improved steadily in 2024 and into 1H25, though SCL software vendors shifting focus back to improving growth in 2H25 and into 2026

WHAT WE'RE READING

RECENT NOTABLE INDUSTRY PUBLICATIONS

Are Your Supply Chains Deal Ready?



M&A Alerts

June 2025

Read

Why Shippers Are Insourcing Transportation Management?



July 2025

Read

How Traditional M&A & ESOPs Are Reshaping The Manufacturing & Supply Chain Industry



July 2025

Read

What Will the Warehouse of Tomorrow Really Look Like?



SupplyChain247

August 2025

Read

Freight Fraud Is Booming. So Is the Market to Stop It



August 2025

Read

Freight Market Improvement Expected in Months Ahead, Surveys Find



SupplyChain247

August 2025

Read

SCL SOFTWARE - PUBLIC COMPANY STATISTICS

Company Name	Price	MCap	EV	Revenue	EBITDA	EV/Revenue		EV/EBITDA		Revenue Growth		EBITDA Margin %
				LTM	LTM	LTM	NTM	LTM	NTM	LTM	NTM	LTM
Dassault Systèmes SE	\$32.94	\$43,326.1	\$41,567.5	\$7,413.6	\$1,778.2	5.6x	5.3x	23.4x	14.6x	14.1%	6.5%	24.0%
WiseTech Global Limited	\$63.77	\$21,156.1	\$21,099.0	\$778.7	\$367.3	27.1x	14.8x	57.4x	35.8x	12.0%	58.7%	47.2%
Samsara Inc	\$39.31	\$22,549.6	\$21,538.7	\$1,426.6	(\$89.7)	15.1x	12.5x	N/M	73.0x	30.3%	25.8%	N/M
Manhattan Associates, Inc.	\$215.80	\$13,049.1	\$12,867.1	\$1,057.7	\$292.0	12.2x	11.7x	44.1x	33.5x	6.1%	1.4%	27.6%
The Descartes Systems Group Inc.	\$103.33	\$8,880.1	\$8,647.0	\$684.8	\$286.0	12.6x	11.4x	30.2x	25.1x	12.7%	11.3%	41.8%
Global-E Online Ltd.	\$37.65	\$6,390.2	\$5,899.4	\$843.6	\$126.2	7.0x	5.7x	46.7x	27.5x	33.3%	26.3%	15.0%
SPS Commerce, Inc.	\$110.27	\$4,180.2	\$4,083.4	\$703.5	\$162.1	5.8x	5.1x	25.2x	16.3x	20.5%	17.4%	23.0%
Kinaxis Inc.	\$131.54	\$3,705.3	\$3,430.4	\$514.7	\$54.6	6.7x	5.9x	62.8x	23.4x	12.4%	10.7%	10.6%
Tecsys Inc.	\$25.22	\$373.6	\$351.6	\$130.2	\$6.9	2.7x	2.5x	50.7x	27.8x	4.8%	1.7%	5.3%
ReposiTrak, Inc.	\$17.45	\$318.9	\$291.6	\$22.0	\$6.9	13.2x	11.7x	42.5x	35.0x	7.7%	11.5%	31.1%
				Average								
				10.8x								
				8.7x								
				42.6x								
				31.2x								
				15.4%								
				17.1%								
				25.1%								
				Median								
				9.6x								
				8.7x								
				44.1x								
				27.6x								
				12.6%								
				11.4%								
				24.0%								

GLOBAL REACH COMBINED WITH LOCAL PRESENCE

ONE OF THE LARGEST TECH TEAMS ACROSS NORTH AMERICA, EUROPE AND ASIA



5
countries



8
offices



500+
transactions



+40
Deal of the Year
Awards



+70%
cross-border
transactions



+30
Partners &
Senior Advisors



M&A AND CORPORATE FINANCE ADVISORY FOR THE WORLD'S LEADING TECH COMPANIES

WHY OUR CLIENTS CHOOSE US



100% TECH-FOCUSED

Deep sector expertise in
8 core tech verticals



LEADER IN MID-MARKET TECH INVESTMENT BANKING

Top Global Boutique
Investment Bank



INDEPENDENT AND PARTNER-LED

Partner-owned investment
bank with an
entrepreneurial team



EXTENSIVE M&A AND CORPORATE FINANCE EXECUTION SKILLS

Executing wide range of
transactions including
Strategic M&A, PE Buyouts,
Private Placements, Buy
Side, and Carve Outs deals



GLOBAL REACH COMBINED WITH LOCAL PRESENCE

One of the largest tech
teams with senior
professionals in the US,
Europe and Middle East



STRONG TRANSACTION TRACK RECORD

Over 500 transactions
completed incl. numerous
tech landmark deals



RECOGNISED BY THE INDUSTRY

9x investment bank of the
year,
+40x deal of the year,
6x leadership awards

STRONG TRANSACTION TRACK RECORD

OVER 500 TRANSACTIONS COMPLETED





SCL

2025 MARKET UPDATE

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