

# Supply Chain Management software Sector update

February 2025

# ICON perspectives on the SCM market

1 Overcoming supply chain challenges drives massive demand for SCM software: market set to double to \$62bn by 2028



2 Warehouse automation, delivery optimisation, compliance and risk management are key investment areas



3 A strong European SCM technology ecosystem is emerging, now comprising over 1,800 companies



4 The SCM software sector has outperformed the NASDAQ by 67% over the last 5 years



5 Highly active M&A environment: 141 SCM software M&A deals completed in 2024

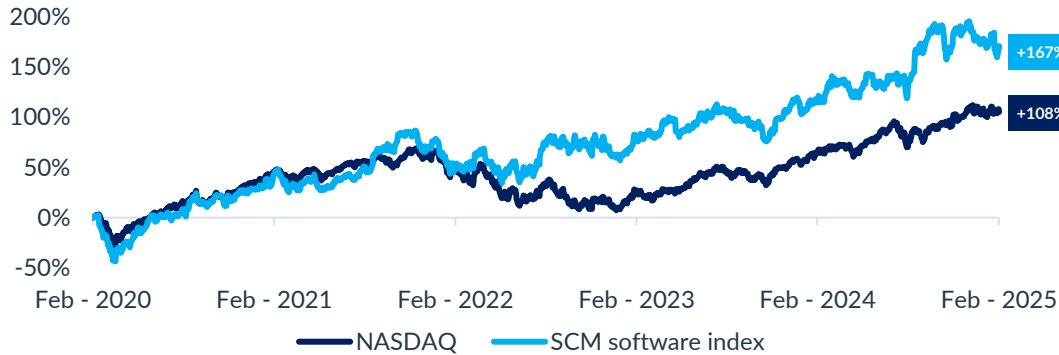


6 M&A activity set to remain buoyant given the number and range of PE-backed SCM software platforms

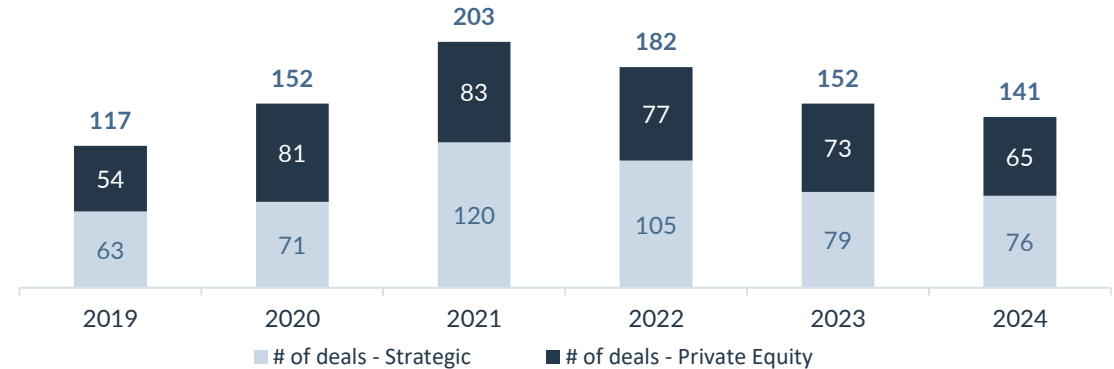


# Supply Chain Management (SCM) software sector dashboard

**Publicly listed SCM software companies continue to outperform the broader NASDAQ**  
(5-year SCM Software Index performance vs NASDAQ)



**SCM software M&A activity continues at solid pace**  
(Number of M&A transactions in each period)

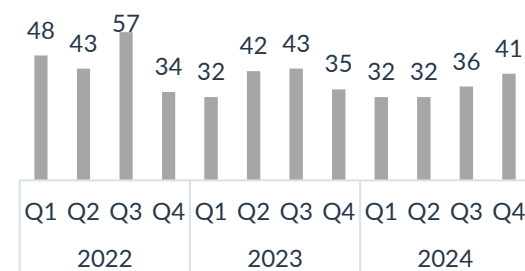


**+167%**

5-year SCM software index performance vs +108% of the NASDAQ

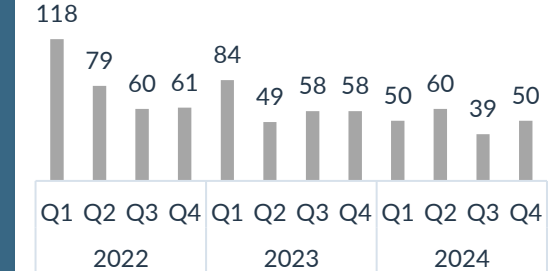
**11.2x** 2025F rev  
SCM software peer group valuation

**SCM M&A quarterly activity (# deals)**



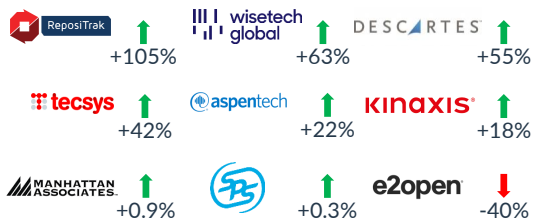
Date	Target	Acquirer	Amount
Feb.24	flexis	BlueYonder	ND
July.24	Avetta	IEQT	\$3bn
Aug.24	JAGGAER	VISTA	\$3bn
Aug.24	one One Network Enterprises	BlueYonder	\$839m
Oct.24	MERCURY GATE	KÖRBER	ND

**SCM financing activity (# announced deals)**



Date	Target	Amount
Feb.24	nulogy	\$80m
April.24	BUYERS EDGE PLATFORM	\$425m
May.24	OneStock	\$86m
Jun.24	Prewave	\$68m
Oct.24	ZIP	\$190m

**ICON SCM Index constituents**  
(1<sup>st</sup> Jan 2024 to 31<sup>st</sup> Jan 2025 performance)



**12.0%**

Avg. SCM software peer group revenue growth 23A-25F

**32.7%**

Avg. SCM software peer group EBITDA margin 24A-25F

An aerial, top-down view of a busy port at night. A large cargo ship is docked on the left, with its deck and cranes illuminated by warm yellow lights. The ship is surrounded by a vast area of stacked shipping containers in various colors, including blue, red, green, and yellow. The containers are arranged in neat rows, creating a grid-like pattern. The water to the left of the ship is dark blue with some white foam from the ship's wake. The overall scene is illuminated by the port's lights, creating a high-contrast, industrial atmosphere.

# Sector outlook and growth opportunities

# Overcoming supply chain disruptions is a major industry concern

A perfect storm continues to unsettle global supply chains:

- US-trade tensions and a renewed shift toward sustained protectionist trade policies
- Geopolitical instability
- Adverse weather, climate change and natural disasters affecting shipping
- Aging and outdated transport infrastructure
- Skill shortages and wage inflation across the logistics value chain
- Escalating freight costs
- Strikes and blockades at container ports

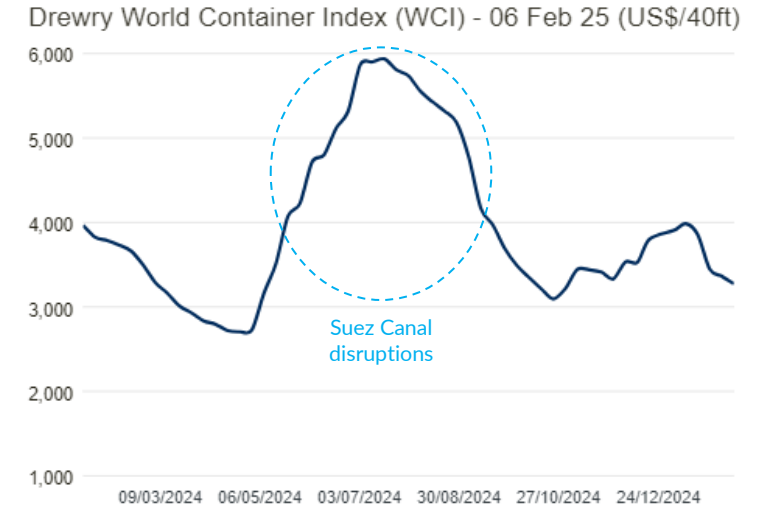
Recent disruptions to deeply integrated SCM systems, caused by both external shocks and underlying structural weaknesses, have highlighted the vulnerability of global trade networks.

The COVID-19 pandemic was the first major shock to these systems, drastically exposing their fragility. Further challenged by current geopolitical and economic instability and protectionist trade barriers, supply chain networks continue to be put under extraordinary strain, revealing the limitations of a system optimised primarily for cost efficiency, lean inventories and just-in-time (JIT) delivery.

Existing structural economic weaknesses, compounded by an ageing and under-resourced transport infrastructure, are placing unprecedented pressure on these modern, synchronised SCM operations, leaving little room for flexibility in the face of unforeseen disruptions.

In addition, decarbonisation has emerged as a key priority for global industry, particularly in shipping and logistics, which are significant contributors to global emissions. Recent estimates suggest that over 50% of global CO2 emissions are generated by the supply chains of just eight major industries.

In the face of these challenges, organisations have made it a strategic priority to reassess, adapt and renew their supply chain strategies to become more resilient, collaborative, predictable and sustainable. This includes facilitating better integration of both physical and digital infrastructure across upstream and downstream supply chain nodes, breaking down silos that inhibit efficiency, and improving production and procurement processes for cost effectiveness.



“Supply chain was and still is the silent enabler behind great companies, world economies, and successful communities.” *Lora Cecere, Supply Chain Insights*

“We are at the beginning of an era where digitalisation will transform every aspect of the value chain in the transport and logistics industry.” *Søren Skou, CEO of A.P. Moller - Maersk AS*

“At the start of the COVID-19 outbreak, 44% of companies did not have a have a plan in place to address supply disruption from China. [...] Retailers and manufacturers experienced significant supply shortages, longer lead times with average lead times more than doubled since the end of 2019” *COVID-19 supply chain effects survey from the Institute for Supply Management (ISM)*

# Rising supply chain challenges are driving demand for smarter, more resilient SCM software solutions

Businesses are investing in technology to enhance and automate their SCM, driven by the need to achieve greater flexibility, predictability, efficiency, resilience, and reduced emissions throughout the process.

The trend is towards creating unified product platforms with an end-to-end SCM offering that put the customer at the centre of the experience. This can be achieved organically or via capability-led M&A.

To overcome vulnerabilities from external shocks and improve resilience, companies are investing unprecedented amounts in supply chain management technology to become more resilient, collaborative and networked with customers, suppliers and other stakeholders.

This digital transformation of the supply chain is driving the intelligent automation of processes, enabling the development of integrated and synchronised data platforms to collaborate and connect with all stakeholders. The aim is to support data-driven decision making to respond and adapt to changing network conditions in real time.

By implementing effective supply chain management systems, companies can decrease costs, lower inefficient use of resources and save time throughout the production and delivery cycle.

AI optimisation can be applied throughout the supply chain, from the factory floor to the doorstep.

## Main market growth drivers



Demand for greater visibility and transparency across the supply chain



Shift towards leaner and more agile supply chain operations



Investment in resilient operations that can sustain macroeconomic shocks

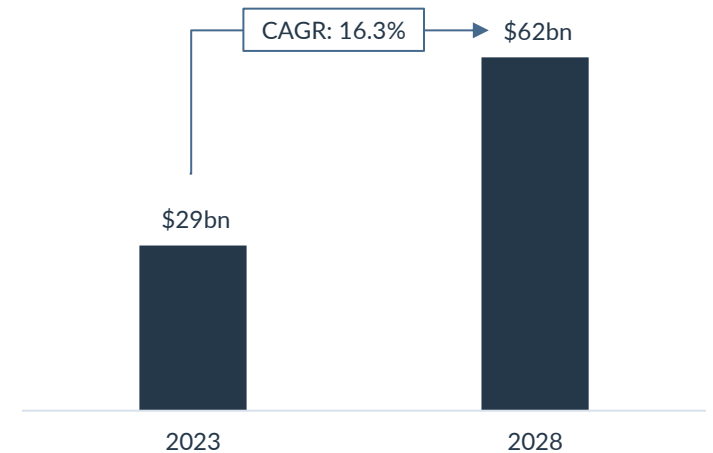


Need for real-time end-to-end connectivity across the entire extended supply chain



Adoption of new technology (AI, ML) and Cloud software, replacing legacy tech

## Gartner predicts the SCM market to double from \$29bn to \$62bn by 2028



“In today’s disruptive environment, the supply chain is critical for businesses to meet their performance targets. Without the use of modern tools, supply chains simply cannot compete at the levels necessary for competitive differentiation. SCM investments are both a competitive necessity and key to driving a differentiating edge over peers” *Simon Ellis, group VP, Manufacturing Insights and Worldwide Supply Chain Strategies, IDC*

“SCM is the fastest growing market in the Gartner enterprise application software segment. Over half of businesses have adopted logistics and SCM software in the past two years to remain competitive in the rapidly changing landscape.” *Gartner*

# Optimising delivery management: the mission-critical role of TMS software

Companies are using Transport Management Systems (TMS) solutions to optimise their delivery operations, reduce costs, improve the efficiency of product distribution and streamline the processes of moving goods through the supply chain.

Visibility into the achievement of sustainability goals and a reduced carbon footprint throughout the fulfilment process is becoming an increasingly important issue.

Businesses are faced with the increasing complexity of deliveries across multiple transportation modes and geographies, while having to optimise for cost, speed of delivery and ESG objectives (e.g. carbon footprint reduction).

Streamlining fulfilment, managing processes and operations across all supply chain nodes, while being prepared to address potential disruptions in real time, are all key components of a modern supply chain management workflow.

TMS software solutions include real-time shipment tracking and visibility, route planning and vehicle optimisation, automated load matching to available trucks, and required document management.

Advanced analytics and reporting capabilities allow companies to gain valuable insight into their operations, enabling them to reduce downtime, maximise vehicle utilisation and minimise empty runs, while actively reducing their CO2 emissions.

The market for TMS software remains largely localised due to cultural and operational differences between European countries and fragmented carrier networks.

## Market trends & drivers



The omni-channel delivery model requires fast and more flexible distribution options, with a particular focus on optimising the last mile



Integration with other systems provides for better coordination between warehouse management, order processing, and transport operations



Compliance with increasing regulations and legal document management, automating essential paperwork, such as invoices and customs documentation



Crowded and complex vendor landscape with a wide range of solutions from local vendors to global enterprise software providers

## TMS market stats<sup>(1)</sup>

€2.1bn

Forecasted European TMS market size by 2028

+12.1%

European TMS market CAGR

€2.3bn

Forecasted US TMS market size by 2028

+11.7%

US TMS market CAGR

## Key players

Global	BlueYonder	e2open	MANHATTAN ASSOCIATES
	DESCARTES	KINAXIS	Trimble
	MASTERY	McLeod SOFTWARE	3G
EU & UK	KÖRBER	SAP	alpega
	AEB	Sinari	UMOVITY
			US nShift
			BlueRock

## Notable transaction activity

Date	Target	Geo	Acquirer
Nov.23	3T Logistics	UK	aptean
Feb.24	flexis	DE	BlueYonder
May.24	BlueRock	BE	FORTINO CAPITAL
Aug.24	MERCURY GATE	US	KÖRBER KKR

# Streamlining warehouse operations: The growing importance of WMS software

Businesses are seeking to improve visibility in supply chain operations, manage inventory across distribution centres, store shelves and end-customer distributions, and streamline order processing.

Warehouse Management Systems (WMS) software helps to reduce lead times, increase product delivery speed, and minimises distribution costs across various industries.

Warehouse Management Systems software has become an indispensable tool in modern supply chain and logistics operations. With the rise of e-commerce, omnichannel retailing, and consumer expectations for faster delivery, warehouses are under constant pressure to optimise their operations, reduce errors, and enhance efficiency to meet increasing customer demand.




Linear networks have transformed into distributed multi-way and multi-modal operations with warehouses and flexible fulfilment centres moving closer to end-customers.

WMS software enables real-time tracking of inventory, orders, and shipments. By automating routine tasks such as inventory counting, order picking, and stock replenishment, it minimises manual errors and ensures that operations flow seamlessly, whilst maintaining inventory accuracy.

WMS applications range from the optimisation of sophisticated, but resource constrained single warehouse system to the management of complex and highly diversified multisite multi-site, end-to-end supply chain operations. WMS software can be a standalone module app or part of a supply chain execution suite.

Strong M&A activity is expected to continue as sector leaders push for consolidation and optimisation of platform offerings that leverage scale benefits across networks

## Market trends & drivers









-  Integration of ERP, Sales & Operations Planning, third-party systems
-  Automation/robotics support
-  Incorporation of IoT, connected devices, and sensors

Source: Gartner, Precedence Research

## Selected WMS companies

Global WMS	ERP with WMS
      	   
Specialised European WMS champions	
     	
Emerging European autonomous systems/robotics providers	
     	

## Notable recent transaction activity

Date	Target	Geo	Acquirer
Aug.24		FI	
July.24		IRE	
May.24		NL	
Nov.24		UK	



# From compliance to competitive edge: navigating a new wave of regulatory complexity in SCM

Governments and international bodies are implementing stricter ESG regulations, including carbon reporting, labour standards and ethical sourcing, imposing complex reporting and compliance requirements.

By embedding ESG capability and compliance into supply chain software, companies can not only meet regulatory and market demands, but also create resilient, transparent and ethical supply chains that align with the priorities of today's stakeholders.

## Compliance, risk mitigation, transparency & traceability are becoming important criteria when investing in an SCM suite

The integration of Environmental, Social, and Governance (ESG) principles and related solution capabilities has become increasingly important for businesses aiming to meet stakeholder expectations, enhance operational efficiency, and achieve long-term sustainability goals. It also helps them to avoid hefty penalties.

Governments and international bodies are implementing stricter ESG regulations, including carbon reporting, labour standards, and ethical sourcing. Examples include:

- **EU Corporate Sustainability Due Diligence Directive (CS3D):** Introduces comprehensive rules for fostering sustainable and responsible corporate behaviour across global value chains
- **EU Deforestation Regulation (EUDR) (effective 2025):** Imposes strict reporting requirements on companies trading commodities linked to deforestation, emphasising the need for accurate traceability and data tracking
- **Conflict Minerals Provision (US) under the Dodd-Frank Act:** Requires companies to disclose the use of conflict minerals
- **Loi de Vigilance (France):** Mandates large companies to publish vigilance plans to identify and mitigate risks in their supply chains
- **Lieferkettengesetz (Germany):** Demands compliance with human rights and environmental standards in supply chains
- **VSoTr (Switzerland):** Strengthens corporate obligations regarding environmental and human rights diligence

Features such as blockchain-based traceability, supplier performance dashboards, and automated compliance audits can provide end-to-end visibility into sourcing, production, and distribution across global value chains

## Exemplary key features

- **Supplier evaluation:** Monitor adherence to labour, environmental, and governance standards
- **Automated regulatory updates:** Keep up with evolving regulations like EUDR and CS3D
- **Carbon footprint tracking:** Tools to measure and reduce emissions across operations
- **Integrated reporting modules:** Simplify compliance with frameworks such as Global Reporting Initiative (GRI) or Sustainability Accounting Standards Board (SASB)

## Key players



## Notable recent transaction activity

Date	Target	Geo	Acquirer
May.23	Greenstone	UK	cority
Jan.24	SUPPLYSHIFT	US	sphera
Apr.24	Avetta	US	IEQT
Sep.24	GoSupply	ESP	Achilles

# SCM software ecosystem (focus on Europe)

## Global diversified SCM platforms



## ERP



## Planning



## Visibility



## ESG, risk & compliance management



## SCM execution software

### Sourcing & storing

#### Procurement & contract mgmt



#### Warehouse, inventory & yard mgmt



### Transport & delivery

#### Order mgmt & fulfilment



#### Shipping & freight forwarding



#### TMS, route optimisation & delivery mgmt





# Public market environment

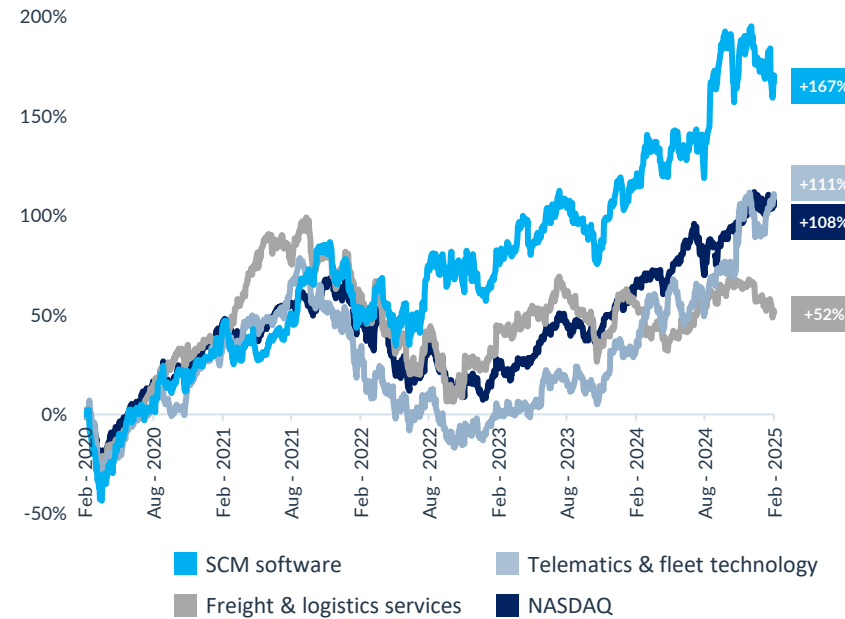
# SCM software companies are outperforming the broader tech market and trading at a premium

SCM software providers with cash generative, IP-rich and mission-critical offerings are highly sought after and command a significant valuation premium

The strong market demand combined with persistent strong macro tailwinds will continue to boost M&A and financing activity



## SCM index has outperformed the broader tech market over the last 5 years



## SCM index holds steady at a +10x EV/revenue valuation



Source: ICON, CapitalIQ; Notes: \*SCM index valuation excludes outlier WiseTech

## Index components

SCM software	
Telematics & fleet tech	
Freight & logistics services	

## Positive market momentum set to continue driving equity valuations

- As recession fears recede and AI optimism abounds, equities have hit new highs and company valuation metrics have stabilised: Markets have shrugged off volatility and returned to a 'new normal'
- SCM software companies are part of a strong performing sector and continue to trade at a significant premium to the broader technology market
- US exceptionalism, a new global trade regime, and a more benign interest rate environment will inject new momentum into the SCM sector and propel valuations
- M&A and financing activity in the SCM sector will continue to benefit from a stabilised and strong valuation environment

# SCM stock performance

Overall, SCM Index stocks have performed well, seeing significant growth in 2024, defined by strong demand for cloud-based, AI-driven, and automation-enhanced SCM solutions

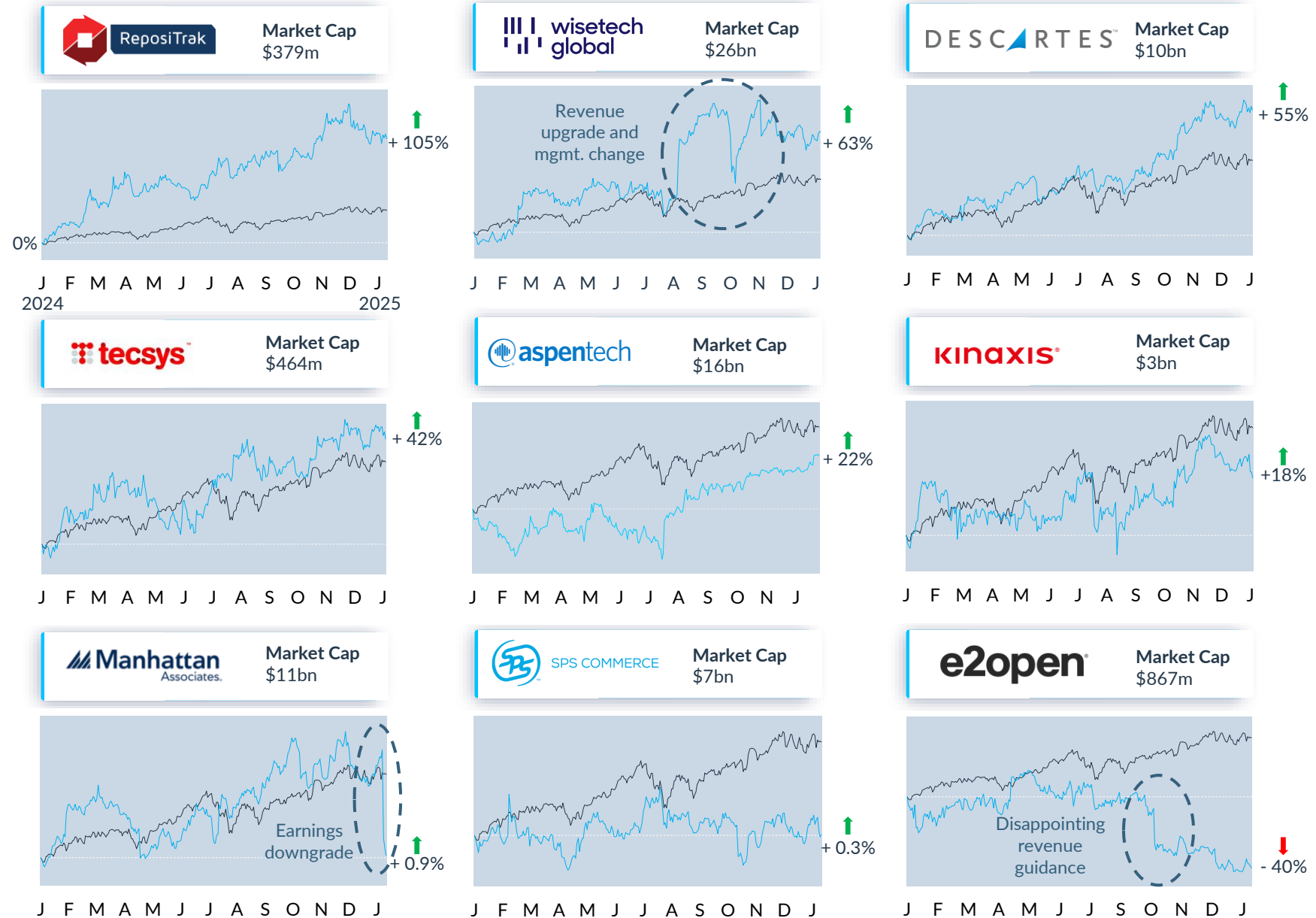
## Point of note:

On 20<sup>th</sup> August 2024, **WiseTech's** stock surged 18%, driven by the news of a 33% increase in platform revenue, fuelled by new customer acquisitions

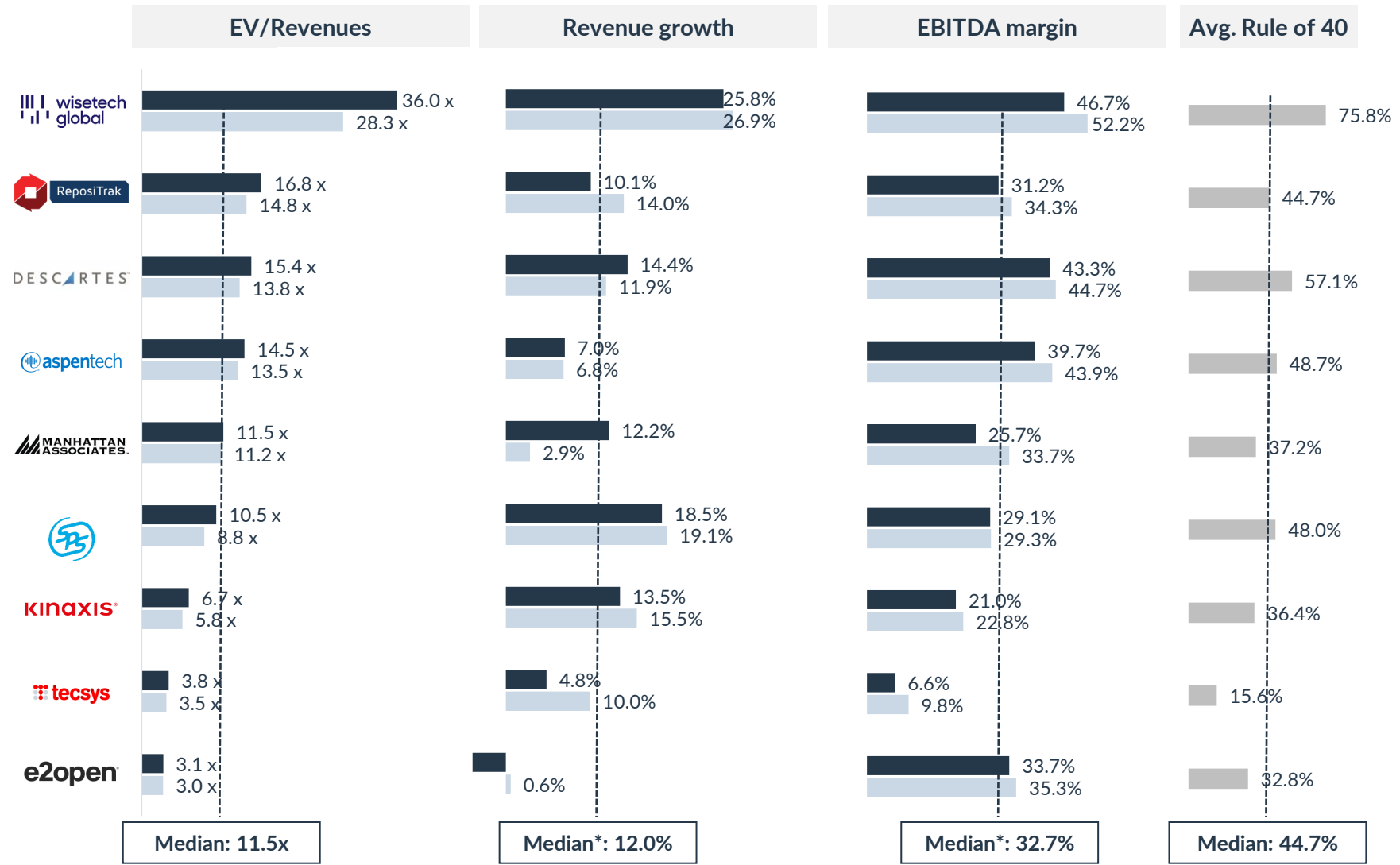
After hitting an all-time high in December 2024, **Manhattan Associates'** shares plunged over 20% in January 2025, wiping out the 2024 gains on a 4-6% downward revision to 2025 earnings per share guidance

Despite launching a strategic review at the start of 2024, **e2Open's** revenue guidance at the end of the second quarter disappointed and missed estimates, sending the shares down 24%

## ICON's SCM Index Stock performance per company from 1<sup>st</sup> Jan 2024 to 31<sup>st</sup> Jan 2025



# Public market valuation benchmarks



Source: S

■ EV / Revenue 2024F  
 ■ EV / Revenue 2025F

■ Revenue growth 23A-24A  
 ■ Revenue growth 24A-25F

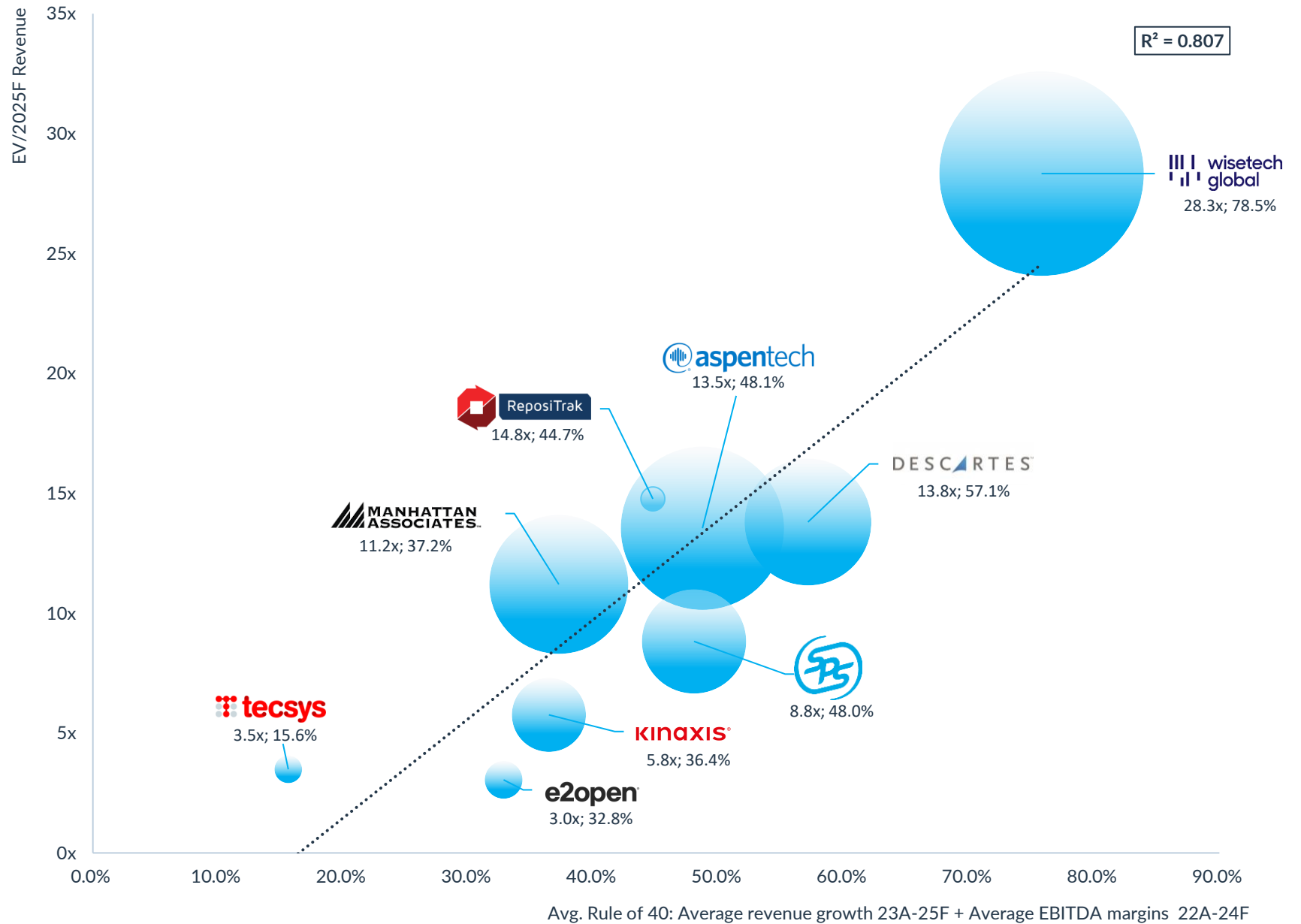
■ EBITDA margins (2024A)  
 ■ EBITDA margins (2025F)

■ Rule of 40

Source: S&P Capital IQ as of 05 Feb 2025; \*Note: Median across the average % rates for each company

Strong, profitable revenue growth is the main valuation driver

EV/Revenue valuations are strongly correlated to the Rule of 40



Source: Capital IQ; Note: Size of the bubbles indicates market cap

# Publicly listed comparables

Trading metrics summary

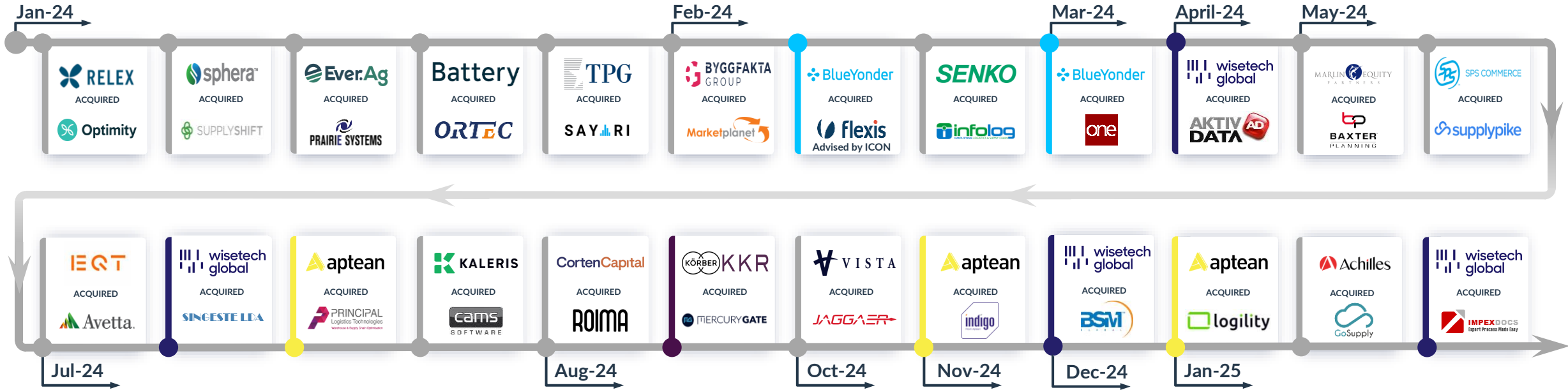
Company	USD millions					Enterprise Value Multiples						Operating Statistics				
	Price	% of 52	Market	Net	Enterprise	Revenue			EBITDA			Revenue Growth		EBITDA Margin		
	(05-Feb-25)	Week High	Cap	Debt	Value	FY 2024A	FY 2025F	FY 2026F	FY 2024A	FY 2025F	FY 2026F	2024-25F	2025-26F	FY 2024A	FY 2025F	FY 2026F
<b>SCM and logistics software</b>						∇										
WiseTech	79.78	89.5%	26,461	(12)	26,449	36.0 x	28.3 x	22.3 x	77.07 x	54.3 x	40.8 x	26.9%	27.2%	46.7%	52.2%	54.7%
ReposiTrak	21.44	85.7%	392	(25)	366	16.8 x	14.8 x	27.6 x	54.01 x	43.1 x	78.4 x	14.0%	(46.5%)	31.2%	34.3%	35.2%
Aspen Technology	265.25	100.0%	16,872	(67)	16,805	14.5 x	13.5 x	12.5 x	36.4 x	30.9 x	28.9 x	6.8%	8.1%	39.7%	43.9%	43.3%
Descartes Systems	117.63	96.5%	10,170	(174)	9,995	15.4 x	13.8 x	12.3 x	35.7 x	30.9 x	26.9 x	11.9%	12.5%	43.3%	44.7%	45.7%
Manhattan Associates	200.72	64.2%	12,228	(218)	12,010	11.5 x	11.2 x	10.3 x	44.83 x	33.3 x	29.4 x	2.9%	8.7%	25.7%	33.7%	35.1%
SPS Commerce	182.16	83.3%	6,879	(193)	6,686	10.5 x	8.8 x	7.6 x	36.08 x	30.1 x	25.1 x	19.1%	15.4%	29.1%	29.3%	30.5%
Kinaxis	121.58	91.3%	3,469	(244)	3,225	6.7 x	5.8 x	5.0 x	31.6 x	25.3 x	21.2 x	15.5%	14.1%	21.0%	22.8%	23.8%
Tecsys	32.19	96.8%	483	(19)	464	3.8 x	3.5 x	3.2 x	58.1 x	35.5 x	25.1 x	10.0%	10.5%	6.6%	9.8%	12.5%
E2open	2.92	57.5%	903	974	1,877	3.1 x	3.0 x	3.0 x	9.1 x	8.6 x	8.4 x	0.6%	2.9%	33.7%	35.3%	35.2%
<b>Median</b>						<b>11.5 x</b>	<b>11.2 x</b>	<b>10.3 x</b>	<b>36.4 x</b>	<b>30.9 x</b>	<b>26.9 x</b>	<b>11.9%</b>	<b>10.5%</b>	<b>31.2%</b>	<b>34.3%</b>	<b>35.2%</b>
<b>Mean</b>						<b>13.1 x</b>	<b>11.4 x</b>	<b>11.5 x</b>	<b>42.6 x</b>	<b>32.4 x</b>	<b>31.6 x</b>	<b>12.0%</b>	<b>5.9%</b>	<b>30.8%</b>	<b>34.0%</b>	<b>35.1%</b>
<b>Telematics &amp; fleet technology</b>						∇										
Samsara	54.00	93.9%	30,305	(586)	29,719	25.0 x	20.1 x	16.2 x	n.m.	n.m.	n.m.	24.6%	23.7%	4.4%	10.1%	12.5%
Garmin	218.85	98.2%	42,025	(2,281)	39,744	6.4 x	5.9 x	5.4 x	23.64 x	21.2 x	19.7 x	8.9%	8.7%	27.3%	27.9%	27.7%
Trimble	75.07	96.5%	18,452	875	19,327	5.3 x	5.6 x	5.2 x	19.55 x	20.2 x	18.2 x	(5.6%)	7.8%	27.1%	27.8%	28.7%
Vontier	38.88	85.2%	5,840	1,930	7,770	2.6 x	2.5 x	2.4 x	11.5 x	10.7 x	9.7 x	3.2%	6.0%	22.7%	23.7%	24.5%
PowerFleet	5.99	81.2%	792	131	922	3.1 x	2.2 x	2.0 x	19.45 x	8.8 x	6.9 x	39.4%	12.8%	15.9%	25.3%	28.3%
TomTom	4.20	51.7%	516	(229)	287	0.5 x	0.5 x	0.5 x	46.94 x	n.a.	6.1 x	(3.4%)	7.6%	1.0%	0.0%	7.5%
<b>Median</b>						<b>4.2 x</b>	<b>4.1 x</b>	<b>3.8 x</b>	<b>19.5 x</b>	<b>15.4 x</b>	<b>9.7 x</b>	<b>6.0%</b>	<b>8.2%</b>	<b>19.3%</b>	<b>24.5%</b>	<b>26.1%</b>
<b>Mean</b>						<b>7.2 x</b>	<b>6.1 x</b>	<b>5.3 x</b>	<b>24.2 x</b>	<b>15.2 x</b>	<b>12.1 x</b>	<b>11.2%</b>	<b>11.1%</b>	<b>16.4%</b>	<b>19.1%</b>	<b>21.5%</b>
<b>Freight &amp; logistics service providers</b>						∇										
C.H. Robinson	97.25	84.7%	11,495	1,595	13,091	0.7 x	0.7 x	0.7 x	16.12 x	14.4 x	12.8 x	0.8%	4.6%	4.6%	5.1%	5.5%
XPO	136.31	84.7%	15,867	3,821	19,688	2.4 x	2.4 x	2.2 x	15.93 x	14.5 x	12.6 x	2.9%	6.3%	15.3%	16.3%	17.6%
GXO Logistics	44.12	69.7%	5,272	5,014	10,286	0.9 x	0.8 x	0.7 x	12.6 x	11.5 x	10.4 x	9.6%	7.3%	7.0%	7.0%	7.2%
DSV	198.05	90.7%	46,675	(61)	46,614	2.0 x	1.4 x	1.1 x	19.53 x	11.8 x	8.7 x	42.6%	31.4%	10.2%	11.8%	12.3%
Kuehne + Nagel	224.23	67.5%	26,530	1,533	28,063	1.0 x	1.0 x	1.0 x	10.2 x	10.0 x	9.5 x	1.7%	2.5%	10.3%	10.3%	10.6%
Radiant Logistics	7.08	91.0%	327	46	373	0.4 x	0.4 x	0.8 x	11.5 x	8.8 x	15.8 x	8.0%	(47.8%)	3.9%	4.7%	5.1%
Hub Group	43.79	82.3%	2,687	339	3,026	0.8 x	0.7 x	0.7 x	9.3 x	8.2 x	7.4 x	4.6%	6.3%	8.2%	8.8%	9.2%
<b>Median</b>						<b>0.9 x</b>	<b>0.8 x</b>	<b>0.8 x</b>	<b>12.6 x</b>	<b>11.5 x</b>	<b>10.4 x</b>	<b>4.6%</b>	<b>6.3%</b>	<b>8.2%</b>	<b>8.8%</b>	<b>9.2%</b>
<b>Mean</b>						<b>1.2 x</b>	<b>1.1 x</b>	<b>1.0 x</b>	<b>13.6 x</b>	<b>11.3 x</b>	<b>11.0 x</b>	<b>10.0%</b>	<b>1.5%</b>	<b>8.5%</b>	<b>9.2%</b>	<b>9.6%</b>





# M&A insights

# Active SCM software M&A market over last 12 months



## Perspectives:

### BlueYonder

Blue Yonder's acquisition of Duddle (first and last mile logistics software) kicked-off its first deal since BlueYonder was acquired by Panasonic in September 2021. Over the period BlueYonder completed two other significant deals, the acquisition of flexis (next generation supply chain planning and execution) and the ~\$800M deal of One Network enterprise (supply chain visibility)

### wisetech global

Wisetech continues its inorganic growth strategy to help enhance its global customs compliance footprint with the acquisitions of Aktiv Data (Finland) and Singeste (Portugal), while strengthening its trade management capabilities in its home market with BSM Global and ImpexDocs

### aptean

Similarly, Aptean continues to be a consistent acquirer adding WMS capability with their acquisition of Ireland-based Principal Logistics and most recently adding significant scale with the \$400m (EV) acquisition of Nasdaq listed logility (formerly American Software)

### KÖRBER KKR

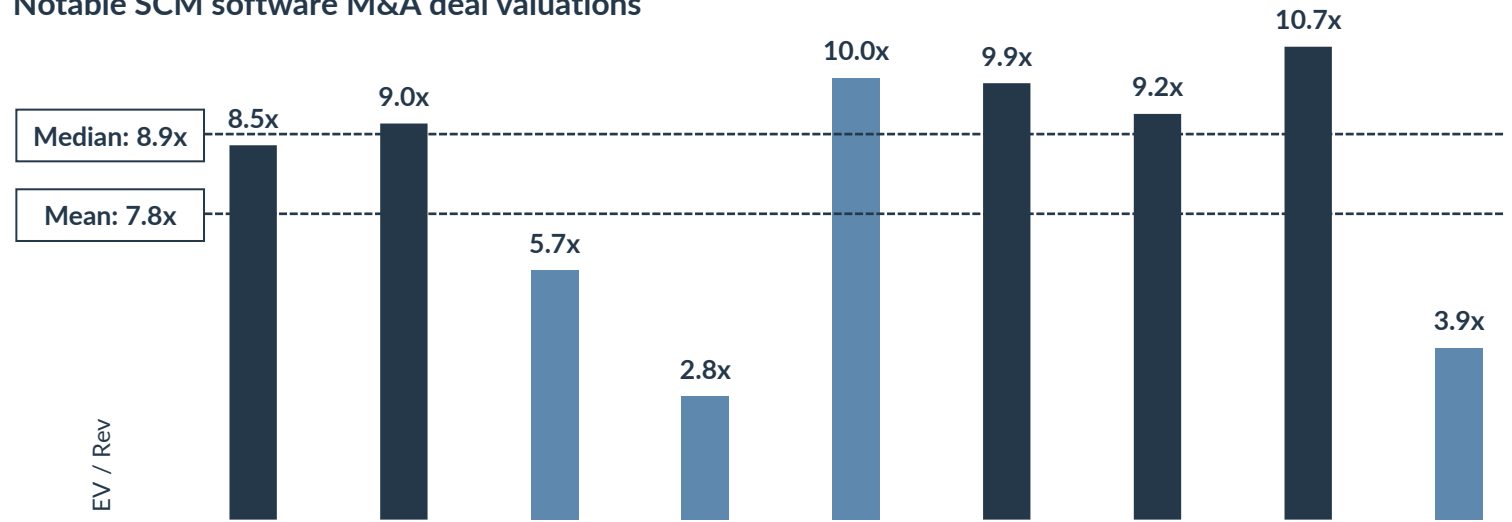
The JV between KKR and Korber's supply chain software, now branded "Infios", has made its first major acquisition, buying US based MercuryGate (TMS) from Summit Partners

### VISTA

Following VISTA's impressive exit of Aptean, VISTA have now jumped back into the SCM software with the acquisition of Jaggaer (procurement and supply collaboration)

# Strong valuations driving a buoyant M&A market

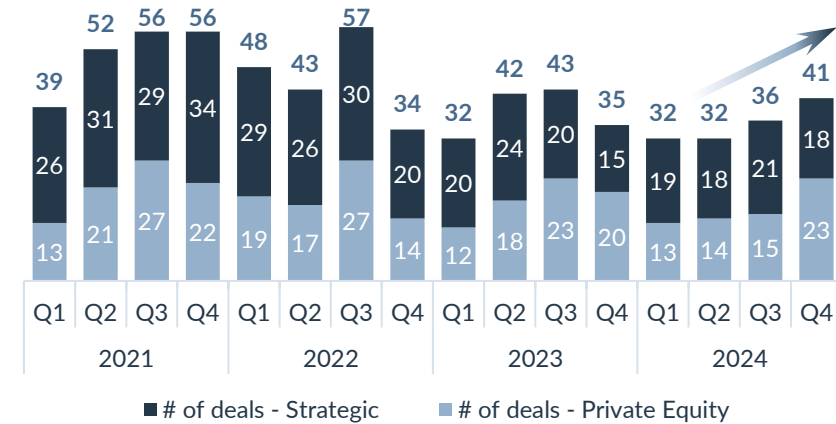
Notable SCM software M&A deal valuations



Target	Acquirer	Date	EV (\$M)
BlueYonder	Panasonic	23 Apr '21	8,597.6
BLU JAY SOLUTIONS	e2open	27 May '21	1,688.5
QAD	THOMABRAVO	28 Jun '21	1,789.5
generix	MONTEFIORE INVESTMENT	23 May '22	252.9
coupa	THOMABRAVO ADIA	12 Dec '22	8,193.6
TRANSPORECON	Trimble	12 Dec '22	1,979.2
BLUME global	wisetechnology global	16 Feb '23	414.0
supplypike	SPS COMMERCE	01 Aug '24	205.8
logility	aptean	24 Jan '25	398.6

■ Indicates public-to-private transaction

Steady volume of M&A transactions



## ICON perspectives

- M&A activity is picking up pace again and momentum with strategic and private equity acquirers continues to strengthen in light of strong SCM software fundamentals
- Public-to-private transaction remains a theme for undervalued assets recently evidenced by Aptean's take-private of logility
- Private equity is a strong contributor to transaction activity (46% of all deals in 2024 were PE-sponsored)
- Despite persistent macroeconomic pressures, 2024 showed an upward trend in deal volume suggesting a continuation of this trend, particularly focusing on sub-segments such as:
  1. AI & robotic process automation capabilities
  2. Warehouse & fulfilment technology
  3. Platformisation with end-to-end SaaS-based offerings

# Logistics & SCM software is highly sought after by private equity

Mission critical enterprise applications combined with strong market fundamentals continues to attract private capital.

Multiple PE-backed platforms and listed entities are focused on consolidating the SCM market and adding differentiated capability to their existing technology stacks. It is a sub-sector that has remained buoyant despite valuation challenges in the wider tech M&A market



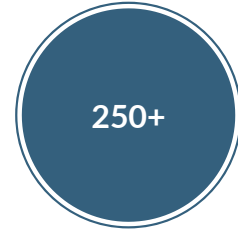


# About ICON

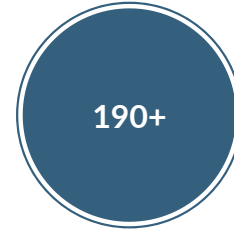
# ICON at a glance

Specialist independent M&A and fundraising adviser to fast-growing technology businesses

## Leader in technology deals



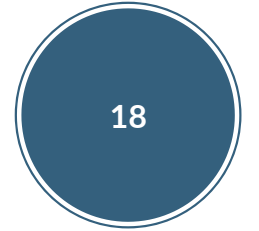
Deals



Combined years of deal making



8 of last 10 deals were cross border



Investment Bankers

### Independent



Independently owned and 100% committed. Fully aligned with clients through results-based fees

### Trusted



Consistent track record over 20 years. Built significant intellectual capital. Partner led teams

### Global



Local advice but extensive global reach. Superb record of cross-border deals

### Tech Focus



Deep understanding of disruptive Tech business models and the entrepreneurial journey

## Strong sub-sector expertise



Enterprise Software



Supply Chain Management



Cybersecurity



Cloud Solutions

# Our global transaction track record

Selected B2B tech deals advised by ICON



# SCM software expertise

## Select SCM software deals advised by ICON



Sold to



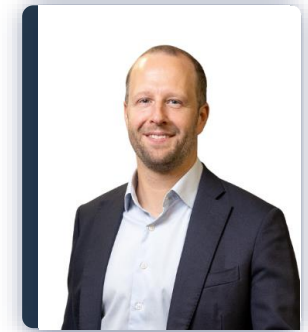
Sold to



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