



Enterprise Automation market update



Winter 2025

For Institutional Use Only

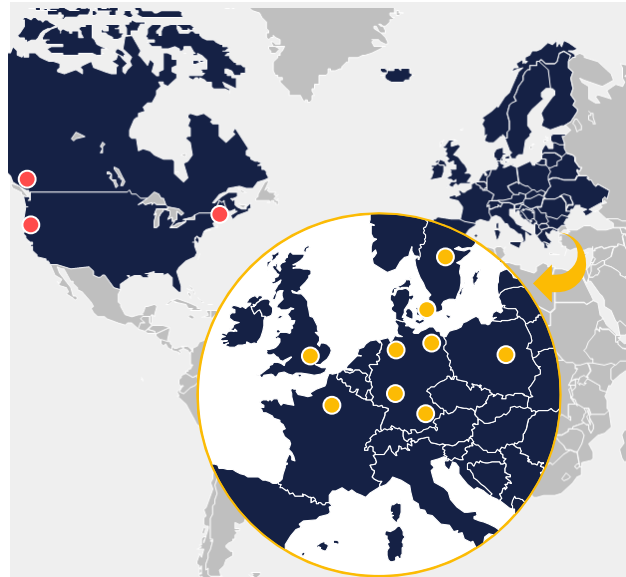
- 1 **Introduction to Carlsquare**
- 2 Market Overview & Dynamics
- 3 Public market update



Carlsquare is a leading global independent M&A advisory firm

Investment Banking for Global Minds

We advise on the whole company lifecycle, from growth equity and M&A to debt advisory and ECM



- Berlin
- Boston**
- Copenhagen
- Frankfurt
- Hamburg
- London
- Munich
- Paris
- San Francisco**
- Stockholm
- Vancouver**
- Warsaw



Track Record

200+ transactions since 2021
650+ transactions since 2000



Focus Areas

M&A
Recapitalizations
Capital raises



Reach

12 cities
8 countries
2 continents



Clients

Entrepreneurs
Financial sponsors
Public companies



Team

190+ employees
25+ nationalities
20+ partners

Carlsquare is one of the most active middle-market advisors and M&A is our core business

Global team

We assist entrepreneurs, management teams and owners on executing M&A transactions and securing equity and debt financing.

\$100B+

Total transaction value

>60%

Cross-border transactions

60%

Of deals involve a private equity fund

North America team

\$50-750M

Sweet spot EV

400+

Career deals completed across team

Sector focus areas within software



Significant Enterprise Automation fundraising advisory track record

Deep domain expertise in Enterprise Automation

acquired by

Network Automation

acquired by

TA ASSOCIATES

Data Classification

FP FRANCISCO PARTNERS TPG

has acquired

TIGERGLOBAL

Low code cloud iPaaS

received equity investment from

\$80M

CEM automation

acquired by

Manufacturing automation

acquired by

Process mining engineering platform

acquired by

BPM/ ECM

received equity investment from

RPA/ IA

Case study: Boomi's acquisition of Rivery

The graphic features a white box on the left containing the Boomi logo, 'A PORTFOLIO COMPANY OF FP SAN FRANCISCO PARTNERS TPG', 'HAS ACQUIRED Rivery', 'A PORTFOLIO COMPANY OF TIGERGLOBAL'. To the right, the text reads: 'Description iPaaS and data integration', 'Date December 2024', a quote from Steve Lucas: 'This acquisition marks an important milestone for Boomi as we expand our platform to address the evolving data management needs of businesses in the age of data-driven decision-making and AI. Carlsquare's expertise and dedication through the entire process was a critical success element. Their deep understanding of the automation and data sectors enabled them to be true champions of our success.', and his title: 'Steve Lucas Chairman and CEO of Boomi'.

Carlsquare's role

Carlsquare served as the buy-side advisor to Boomi's leadership team, (reporting to the President), FP & TPG. We made the M&A scorecard, identified and evaluated the target, structured and completed the transaction

Successful outcome

Carlsquare's efforts led to the successful acquisition of Rivery, enhancing Boomi's competitive position in the cloud-native data integration, ETL, and orchestration market

Company background

Boomi is a leading provider of cloud-native integration platform-as-a-service (iPaaS) solutions, enabling enterprises to connect applications, data, and people across diverse environments for seamless business operations

Transaction rationale

The acquisition of Rivery strengthens Boomi's product portfolio by enhancing its data integration and orchestration capabilities and aligning with its mission to deliver a unified platform for intelligent integration and automation, API management, and data management

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Emerging trends in Enterprise Automation

An overview of key market trends



Technological transformation

A new era of intelligent automation demands scalable, integrated, and AI-driven solutions that enhance human capabilities. The market now demands hyperautomation platforms that embed AI and ML to enable real-time, predictive decision-making, unifying processes for unmatched scalability and operational efficiency



Market size and expansion

The broader hyperautomation market is poised for growth as subsectors serve as leading indicators. The global hyperautomation market is expected to reach \$61B¹ by 2030, a CAGR of 20%. Meanwhile, the low-code development market is growing at a CAGR of 32%²



AI-powered automation and collaboration dynamics

Generative AI, cloud-AI integration, and collaborative solutions drive automation by enhancing productivity, scalability, and security. Companies are leveraging these advancements to streamline operations, improve decision-making, and deliver end-to-end solutions, while risk management automation minimizes errors and ensures compliance across key industries

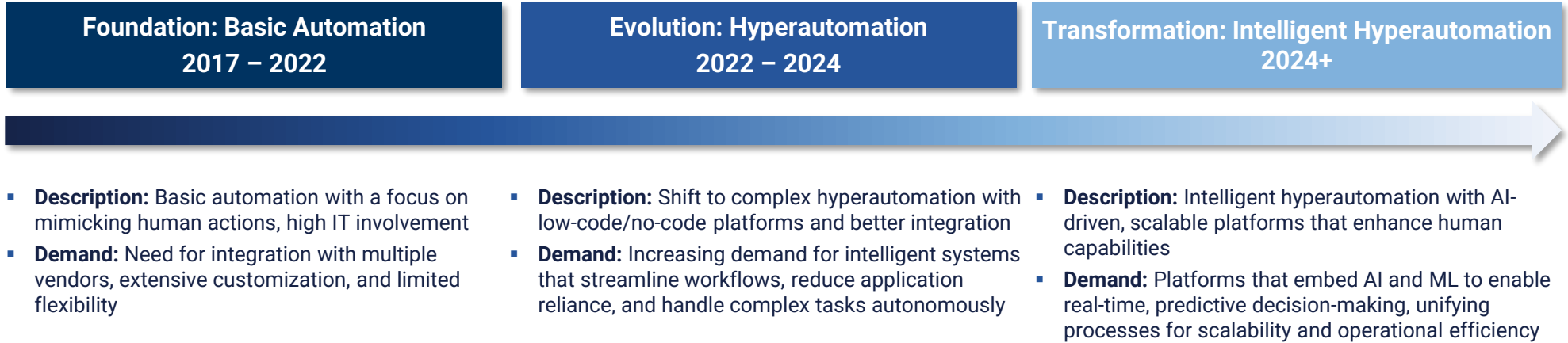


AI as a focused investment for consolidation

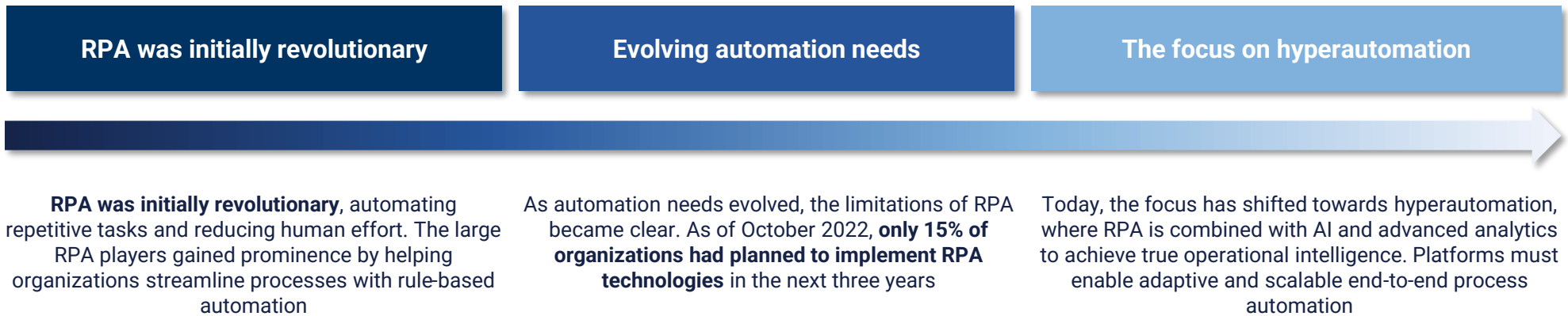
There is a strong focus on investment in differentiated AI/ML solutions across the automation market, as strategic players look to strengthen their suite of solutions by building a unique end-to-end tech stack that disrupts the market

The market has evolved from basic task automation to intelligent process hyperautomation

A new era of intelligent automation demands scalable, integrated, and AI-driven solutions that enhance human capabilities



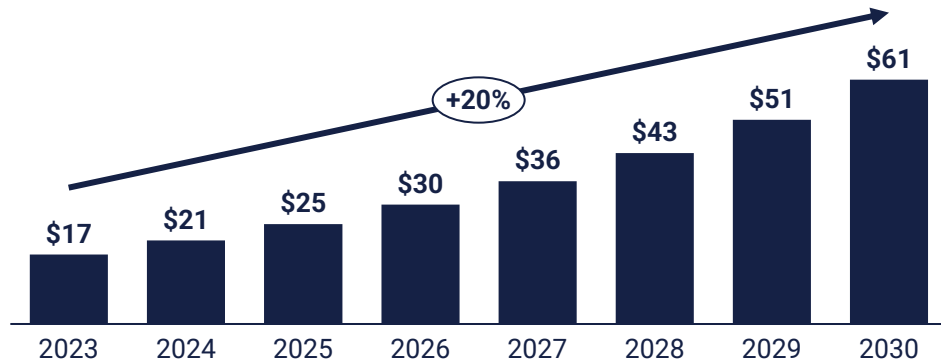
RPA has become a foundational technology, and is now a baseline capability within the broad automation market



The strong growth in both the low-code and hyperautomation markets signifies rising enterprise adoption of intelligent automation solutions

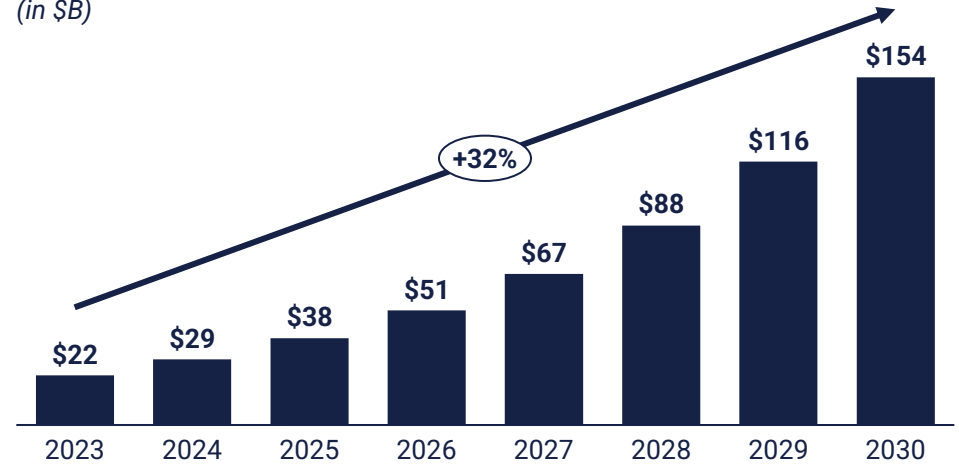
Global hyperautomation market¹

(in \$B)




Global low-code development market²

(in \$B)




Key industry trends driving adoption of generative AI and hyperautomation³




65%

of organizations were regularly using **generative AI** in 2023




93%

of organizations want to implement **process mining** into their business




73%

of organizations expect revenue growth from implementing **intelligent automation**



32%

Average cost reduction for businesses that moved beyond piloting intelligent automation



5x

Improvement in processing times through automation

Dynamics and developments in the automation market (I/II)

1 Investment and adoption of generative AI



- Generative AI drives innovation in process software by seamlessly integrating with automation tools, creating synergies across a company's entire technology ecosystem
- This enhances productivity, streamlines workflows, and improves integration across the entire technology stack



- The advantages of AI integration include automating repetitive tasks, predictive analysis, enhancing customer experience, achieving cost-effectiveness, and fortifying decision-making capabilities

2 Integration and collaboration between systems



- The automation market has witnessed increased integration between software providers and larger IT service and consulting providers
- These partnerships enable software providers to deliver comprehensive solutions tailored to efficiently meet evolving customer demands



- This collaboration addresses customer demand for unified, end-to-end solutions delivered through a single, integrated platform



Management outlook:
 "AI-driven transformation is changing work, work artifacts, and workflow across every role, function, and business process"
 - Satya Nadella, Chairman & CEO (Oct-24)



Management outlook:
 "We expect to see the customer impact of AI tools grow meaningfully as we expand them – within our enterprise plan"
 - Mark Mader, President & CEO (Sep-24)



Management outlook:
 "Our sweet spot is when an agent will have to interact with multiple systems. And this is where actually our robotic automation [is] shining. We are known to automate moderate to complex processes that span multiple systems, modern and legacy"
 - Daniel Dines, Co-Founder & CEO (Dec-24)

Dynamics and developments in the automation market (II/II)

3 Development of interconnection between cloud and AI



- The automation market is increasingly engaging in various strategic initiatives to offer cloud-based business process management solutions



- The interconnection between cloud and AI allows automation customers to leverage technology for better scalability and growth, without increasing their footprint
- Furthermore, hybrid cloud enables companies to harness the power of AI while ensuring the security and privacy of their data



Management outlook:

"We continue to reposition our portfolio towards a higher growth, higher margin business that is well positioned to address client needs around hybrid cloud and artificial intelligence"

- Arvind Krishna, CEO & Chairman (Oct-24)

4 AI automation in financial risk management



- In industries such as banking and insurance, AI has assisted in minimizing errors when dealing with large data, reducing operational costs, and allowing people in the industry to better handle repetitive tasks



- Through AI and ML, enterprises have been able to streamline credit risk assessments, create sustainable growth plans for their businesses, and navigate through industry-specific regulations


















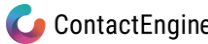







Management outlook:























"The investments we have been making are starting to come together to reduce risk, improve controls and... the tech investments we have made are making a difference. We have reduced the time it takes to book loans, automated controls for our traders to reduce error, move risk analytics to a cloud-based infrastructure and increase the resiliency of our platforms"

- Jane Fraser, CEO (Jul-24)

Market consolidation within automation (I/II)

Company	Description	Backed by	Relevant transactions
	Integrated automation platform providing tools for companies to design, automate, and optimize complex business operations	Publicly listed (NAS: APPN)	 <p>Aug-21 Process mining platform</p>  <p>Jan-20 Robotic process automation</p>
	Automation success platform designed to augment the human workforce by automating repetitive business processes	  (Among other VCs) Since Feb-19	 <p>Dec-21 Cognitive automation platform</p>  <p>Aug-19 Automation solutions</p>
	Provider of cloud-native iPaaS solutions, enabling enterprises to connect applications, data, and people	  Since May-21	 <p>Dec-24 Data integration platform</p>  <p>May-24 API control plane</p>  <p>Jan-20 Cloud-based DaaS platform</p>
	Data analytics-based solutions via cloud platform and on-premises infrastructure	Publicly listed (TAE: NICE)	 <p>Dec-23 CCaaS platform for enterprise deployment</p>  <p>Nov-22 Chatbots designed for business assistance</p>  <p>Jul-21 Proactive conversational AI</p>
	Integrated workflow automation software intended to serve financial services, energy and life sciences industries	 Since Oct-21	 <p>Dec-23 Cloud application development platform</p>  <p>Feb-22 Robotic process automation platform</p>  <p>Jun-21 Document management & storage</p>

Market consolidation within automation (II/II)

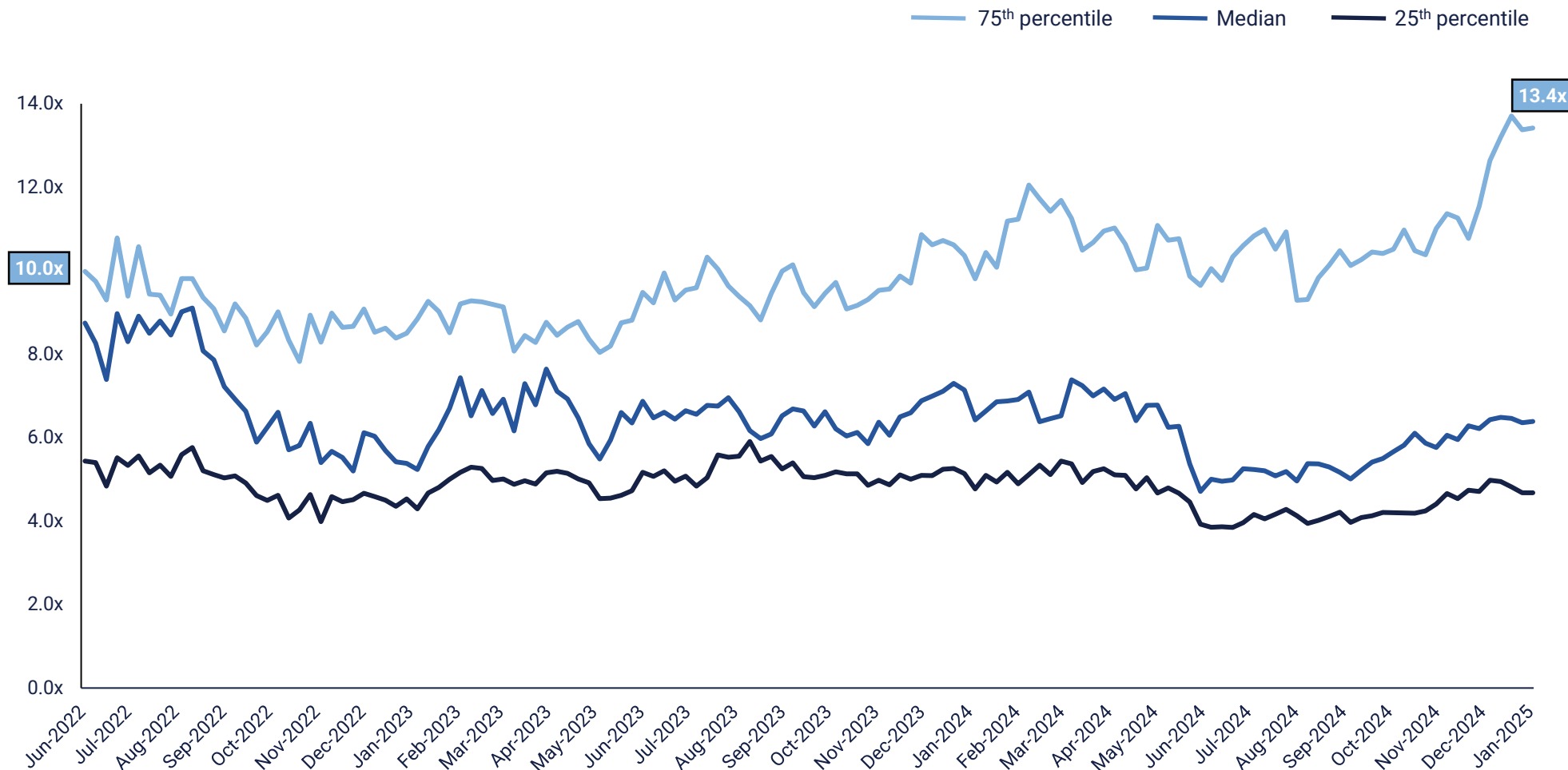
Company	Description	Backed by	Relevant transactions		
	Solutions for customer engagement and business process management	Publicly listed (NAS: PEGA)	 <p>Aug-24 AI-powered automation platform</p>	 <p>May-22 Process mining and machine learning platform</p>	 <p>Jan-21 Real-time Voice AI assistant</p>
	Software solutions to structure and automate various business processes via a SaaS delivery model	Publicly listed (NYS: NOW)	 <p>Jun-24 Open-source AI model developer</p>	 <p>Mar-24 Connected work platform</p>	 <p>Feb-24 Automated network management operations</p>
	Software-enabled services for financial services and healthcare companies	Publicly listed (NAS: SSNC)	 <p>Aug-22 Robotic process automation</p>	 <p>Mar-20 Document management & storage</p>	 <p>Apr-18 Process mapping software</p>
	Automation software platform that offers business intelligence, process management, data integration, and other solutions	  <p>Since Jul-22</p>	 <p>Aug-22 Document management & storage</p>	 <p>Jun-21 Workflow management software</p>	 <p>Jul-13 Robotic process automation</p>
	End-to-end platform that provides automation with user emulation at its core	Publicly listed (NYS: PATH)	 <p>May-24 Multimodal-to-action AI developer</p>	 <p>Mar-23 Business process realisation</p>	 <p>Aug-22 Communications intelligence platform</p>

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The top performing automation companies have diverged from the pack

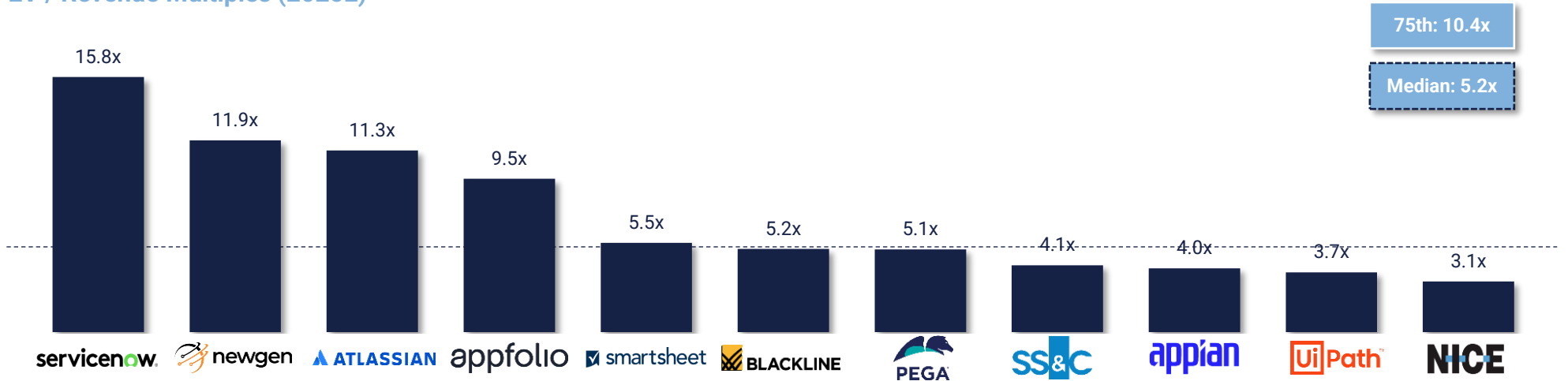
CSQ Enterprise Automation comparables index¹ - EV/Revenue trend analysis



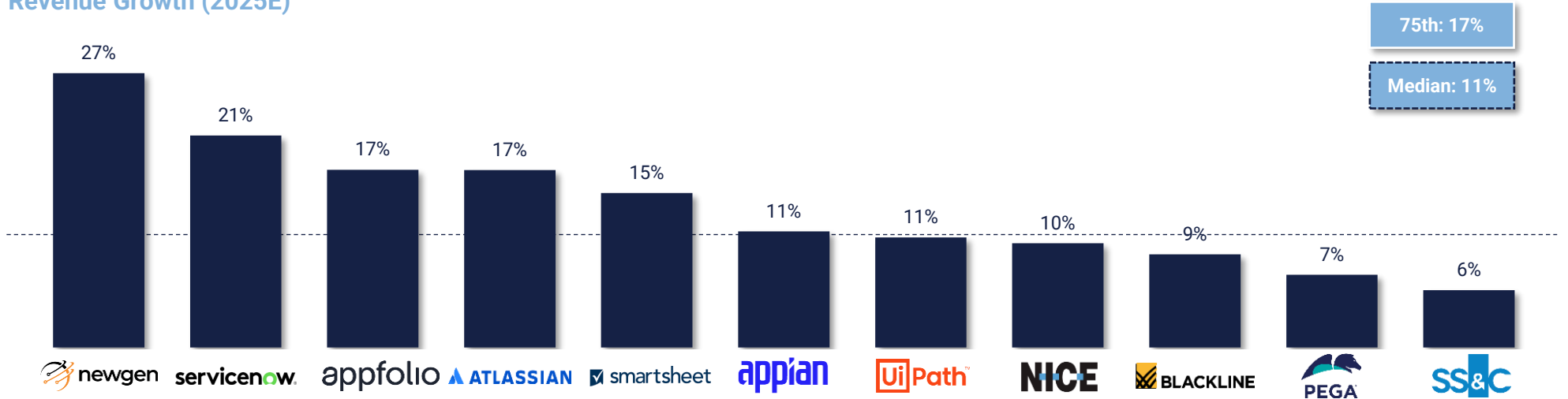
Note(s): 1) Refer to Enterprise Automation comps slide
 Source(s): CapitalIQ as of 01.09.2025

Enterprise Automation public company benchmarking

EV / Revenue Multiples (2025E)



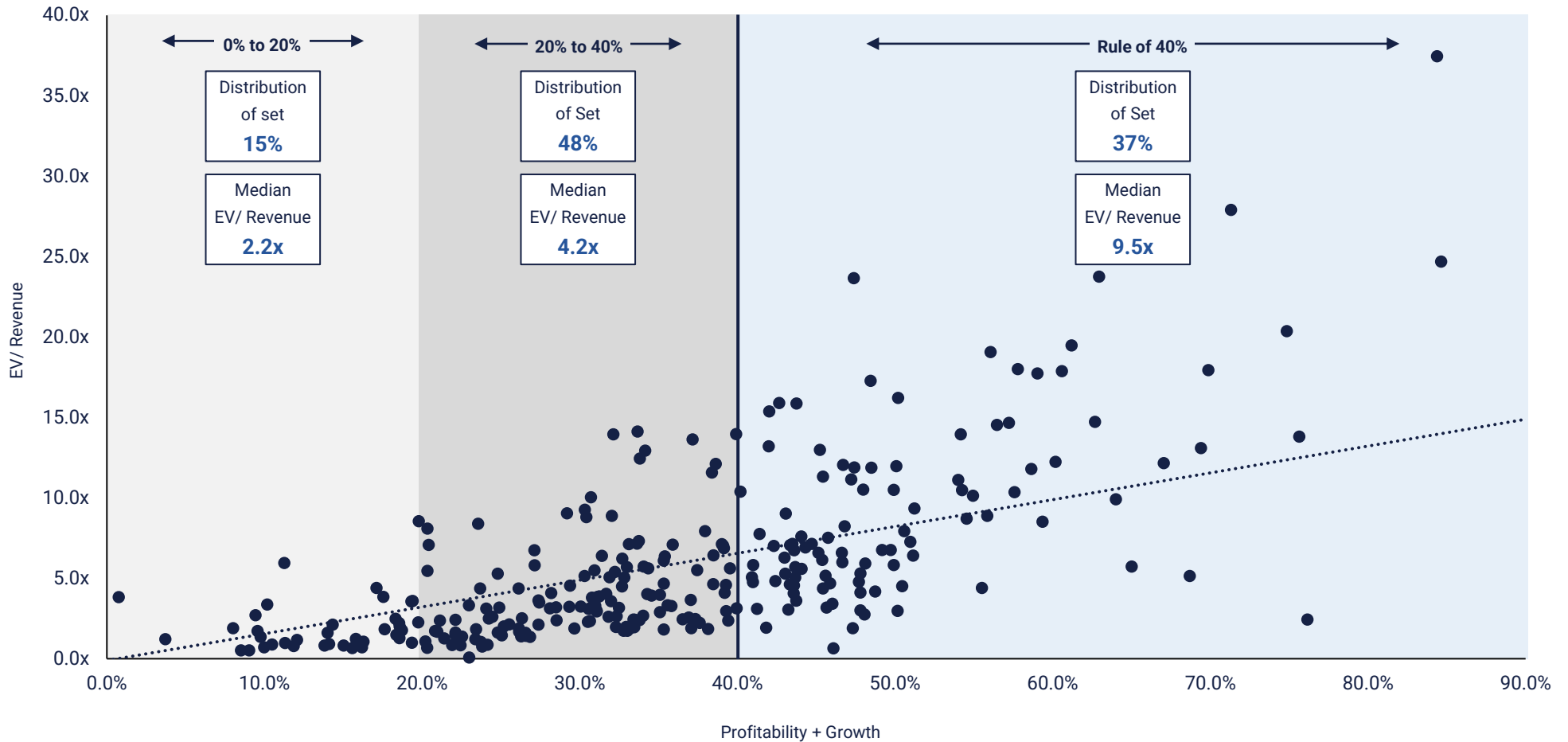
Revenue Growth (2025E)



Source(s): S&P CapitalIQ, PitchBook, Company Data

The combination of growth and profitability continue to be the strongest predictor of a high multiple for listed software companies

Rule of 40 to EV/Revenue¹

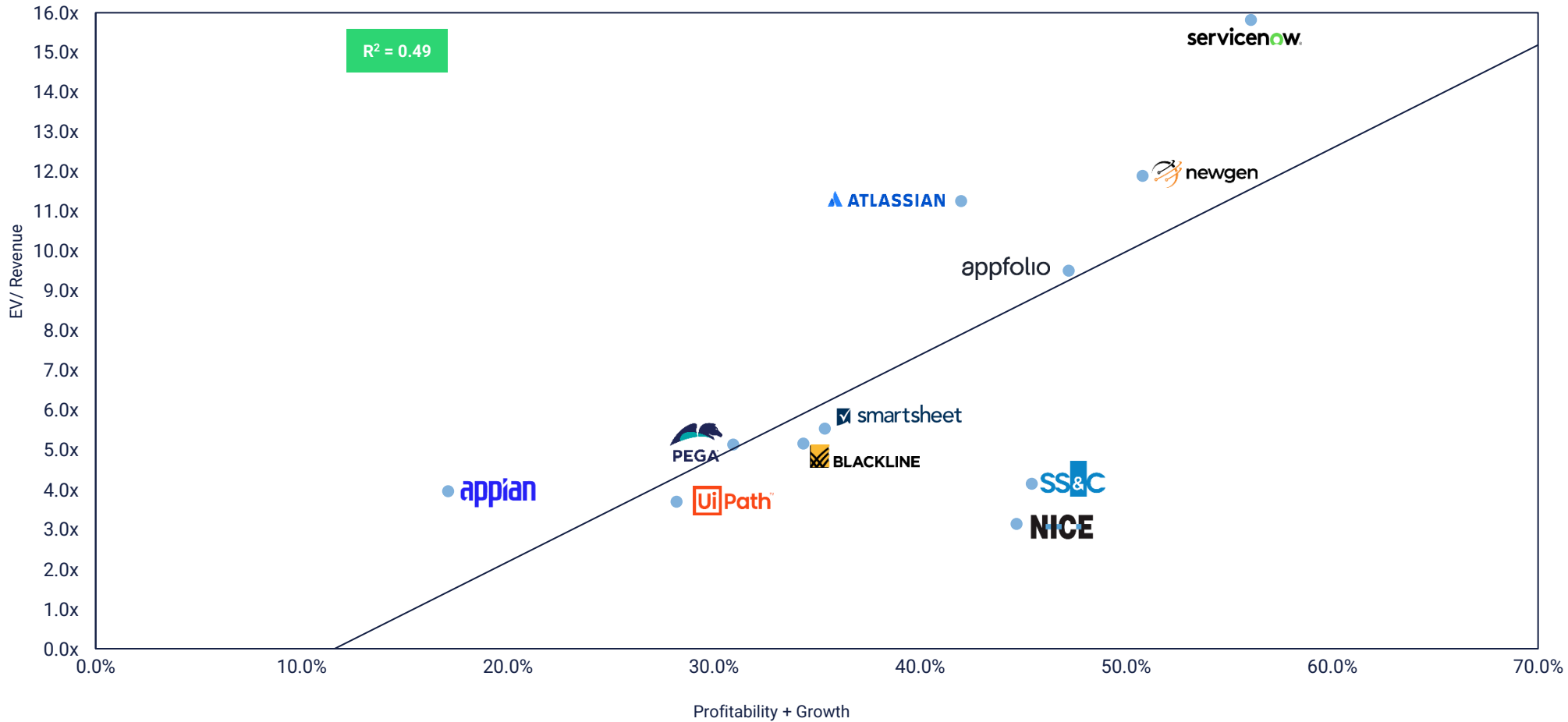


Note(s):1) Selection of 298 SaaS companies; 13 companies with a negative rule of 40 have been removed from the analysis;
 R² = 0.314; Profitability is defined as the LTM EBITDA margin of a company; Growth is defined as LTM YoY growth. Data as of 01.09.2025
 Source(s): S&P Capital IQ, Carlsquare analysis

“Rule of” correlates strongly to EV/Revenue multiples for automation companies

Regression analysis valuation of CSQ Enterprise Automation comparables

EV/Revenue as function of “rule of”




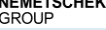




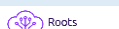








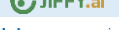













Public comparables – Enterprise Automation

Figures are in \$m except for per share and ratio related items

	Trading Metrics			Operating Metrics								Valuation Metrics			
	% 52 Week High	Market Cap	EV	Revenue Growth		Gross Margin		EBITDA Margin		Rule of 40		EV/Revenue		EV/EBITDA	
				CY25E	CY26E	CY25E	CY26E	CY25E	CY26E	CY25E	CY26E	CY25E	CY26E	CY25E	CY26E
ServiceNow	91%	\$216,443	\$209,564	21%	20%	82%	82%	35%	37%	56%	58%	15.8x	13.2x	44.6x	35.3x
Atlassian	85%	\$63,673	\$62,701	17%	18%	83%	83%	25%	26%	42%	44%	11.3x	9.5x	45.5x	37.1x
SS&C	98%	\$18,826	\$25,562	6%	5%	60%	60%	40%	41%	45%	45%	4.1x	4.0x	10.4x	9.8x
NICE	61%	\$10,386	\$9,424	10%	9%	71%	72%	35%	35%	45%	44%	3.1x	2.9x	9.1x	8.2x
AppFolio	92%	\$9,108	\$8,818	17%	17%	66%	66%	30%	32%	47%	50%	9.5x	8.1x	31.8x	25.0x
Pegasystems	98%	\$8,240	\$8,120	7%	7%	76%	77%	24%	27%	31%	34%	5.1x	4.8x	21.5x	17.8x
Smartsheet	99%	\$7,868	\$7,147	15%	17%	84%	84%	20%	20%	35%	37%	5.5x	4.7x	27.2x	23.5x
UiPath	48%	\$7,381	\$5,859	11%	10%	85%	85%	18%	19%	28%	29%	3.7x	3.4x	21.1x	17.8x
BlackLine	82%	\$3,567	\$3,668	9%	10%	80%	81%	25%	27%	34%	37%	5.2x	4.7x	20.4x	17.4x
Appian	80%	\$2,528	\$2,707	11%	12%	77%	78%	6%	10%	17%	21%	4.0x	3.5x	68.0x	36.4x
Newgen	92%	\$2,617	\$2,537	27%	23%	50%	50%	24%	24%	51%	47%	11.9x	9.7x	49.3x	39.9x
75th Percentile	95%	\$14,606	\$17,493	17%	18%	83%	82%	32%	34%	46%	46%	10.4x	8.8x	45.1x	35.8x
Mean	84%	\$31,876	\$31,464	14%	13%	74%	74%	26%	27%	39%	41%	7.2x	6.2x	31.7x	24.4x
Median	91%	\$8,240	\$8,120	11%	12%	77%	78%	25%	27%	42%	44%	5.2x	4.7x	27.2x	23.5x
25th Percentile	81%	\$5,474	\$4,764	10%	10%	69%	69%	22%	22%	33%	36%	4.1x	3.8x	20.8x	17.6x

Relevant deal activity¹ – Enterprise Automation

Date	Target	Profile	Acquirer	EV (\$M)	EV/Revenue
Dec-2024	 Rivery	Data integration provider offering CDC	 boom	<i>Confidential</i>	
Jun-2024	 gocanvas	Automation platform for operations and inspections	 NEMETSCHKE GROUP	\$770	9.6x
Apr-2024	 enovation ^{care to connect}	Healthcare RPA	 legrand	\$538	8.3x
Feb-2024	 Atrinet <small>Digital Network Control</small>	Automated network management operations	 servicenow	<i>Confidential</i>	
May-2023	 SISUA DIGITAL	RPA technology	Undisclosed	\$12	11.2x
Nov-2022	 Roots Automation	Cognitive process automation	 ctv	\$22	8.4x
Nov-2022	 atlasRTX	Automated AI text and communication solution	 NICE	\$50	10.0x
Oct-2022	 Shadowbox	Healthcare automation platform	 BARON CAPITAL	NA	10.6x
Sep-2022	 Eleviant <small>ELUVATE & SCALE</small>	Transformation company focused on RPA and AI	 CTG	\$23	1.9x
Jul-2022	 Simplifai	AI process automation software	 MONIN	\$14	3.8x
Mar-2022	 JIFFY.ai	Business optimization through automation and RPA	 8 th EIGHT ROADS	\$202	17.6x
Mar-2022	 blueprism	Enterprise RPA provider	 ss&c	\$1,390	6.9x
Feb-2022	 KRYON	RPA platform	 nintex	\$100	4.3x
Jan-2022	 Solstice Innovations	RPA platform	Undisclosed	\$49	4.7x
Jan-2022	 EMAILTREE.AI	Hyperautomation and for email	Undisclosed	\$20	5.0x
Jan-2022	 Appway	Process automation solutions	 FNZ	\$326	21.5x
75th percentile				\$326	10.2x
Median				\$50	8.4x
25th percentile				\$22	4.6x

Note(s): 1) Reflects transactions with valuation informing data
Source(s): S&P CapitalIQ, PitchBook



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