

Houlihan Lokey

Circular Tech
Market Insights

Q4 2024

About Our Firm

Houlihan Lokey, Inc. (NYSE:HLI) is a leading global investment bank with expertise in mergers and acquisitions, capital markets, financial restructuring, and financial and valuation advisory.

Our firm is the trusted advisor to more top decision-makers than any other independent global investment bank.

CORPORATE FINANCE

2024 M&A Advisory Rankings
All Global Transactions

	Advisor	Deals
1	**Houlihan Lokey**	**415**
2	Rothschild & Co	406
3	Goldman Sachs & Co	371
4	JP Morgan	342
5	Morgan Stanley	309

Source: LSEG (formerly Refinitiv).
Excludes accounting firms and brokers.

No. 1
Global M&A Advisor

Leading
Capital Markets Advisor

FINANCIAL RESTRUCTURING

2024 Global Distressed Debt &
Bankruptcy Restructuring Rankings

	Advisor	Deals
1	**Houlihan Lokey**	**88**
2	PJT Partners Inc	59
3	Rothschild & Co	48
4	Lazard	44
5	Perella Weinberg Partners LP	40

Source: LSEG (formerly Refinitiv).

No. 1
Global Restructuring Advisor

1,800+
Transactions Completed Valued at More Than $3.8 Trillion Collectively

FINANCIAL AND VALUATION ADVISORY

2000–2024 Global M&A
Fairness Advisory Rankings

	Advisor	Deals
1	**Houlihan Lokey**	**1,243**
2	Duff & Phelps, A Kroll Business	1,045
3	JP Morgan	1,020
4	UBS	792
5	Morgan Stanley	698

Source: LSEG (formerly Refinitiv).
Announced or completed transactions.

No. 1
Global M&A Fairness Opinion Advisor Over the Past 25 Years

2,000+
Annual Valuation Engagements



Learn more about how our advisors can serve your needs:

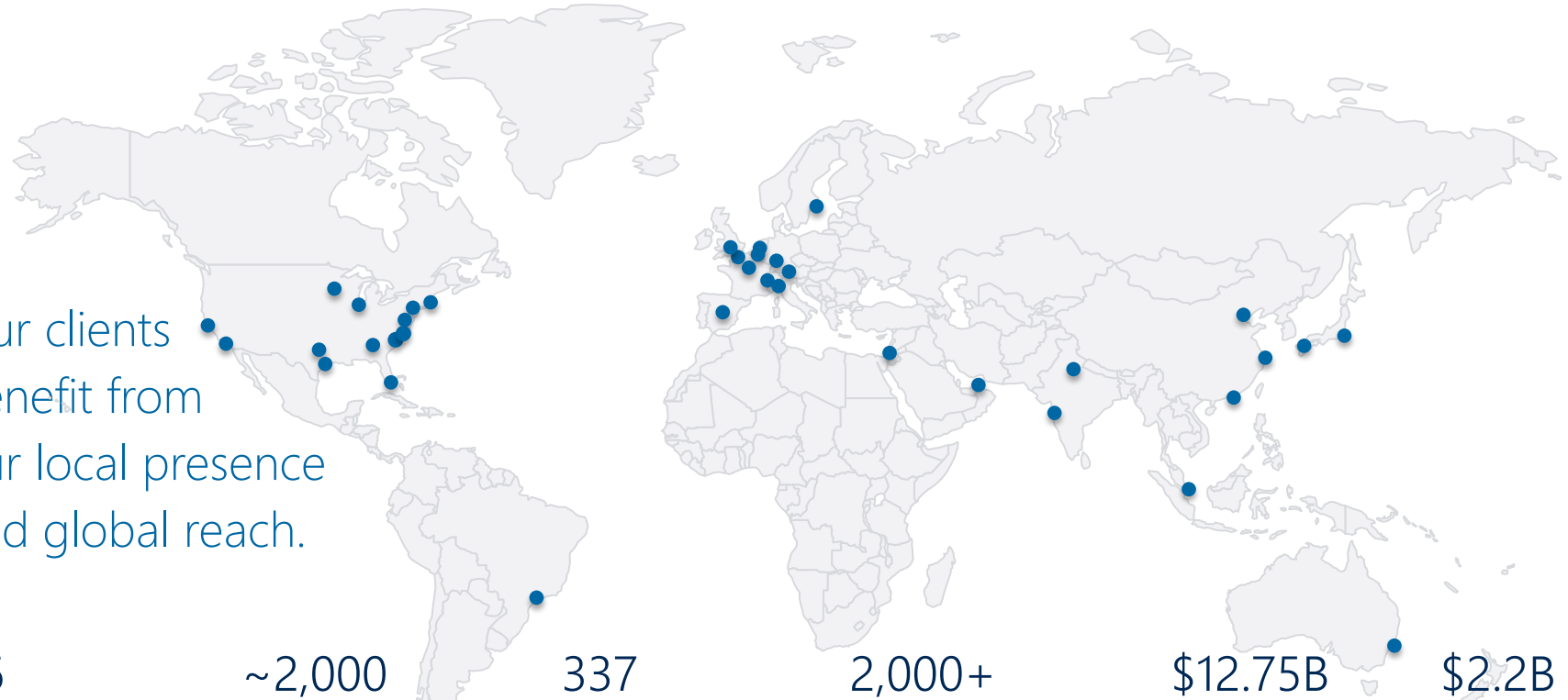
Corporate Finance →

Financial Restructuring →

Financial and Valuation Advisory →

Our Industry Coverage →

Our clients benefit from our local presence and global reach.



36
Locations Worldwide

~2,000
Total Financial Professionals

337
Managing Directors[1]

2,000+
Clients Served Annually

$12.75B
Market Cap[2]

$2.2B
Annual Revenue[3]

AMERICAS	Atlanta	Los Angeles	**EUROPE AND MIDDLE EAST**	Amsterdam	Milan	**ASIA-PACIFIC**	Beijing	Shanghai
	Baltimore	Miami		Antwerp	Munich		Fukuoka	Singapore
	Boston	Minneapolis		Dubai	Paris		Gurugram	Sydney
	Charlotte	New York		Frankfurt	Stockholm		Hong Kong SAR	Tokyo
	Chicago	San Francisco		London	Tel Aviv		Mumbai	
	Dallas	São Paulo		Madrid	Zurich			
	Houston	Washington, D.C.		Manchester				

Fully Integrated Financial Sponsor Coverage

29
Senior officers dedicated to the sponsor community in the Americas and Europe.

1,300+
Sponsors covered, providing market insights and knowledge of buyer behavior.

800+
Companies sold to financial sponsors over the past five years.

HLI LISTED NYSE

(1) As of December 31, 2024.
(2) As of January 31, 2025.
(3) LTM ended December 31, 2024.

About **Our Circular Tech Team**

The circular tech team, situated within Houlihan Lokey's Corporate Finance business, is a dedicated and highly skilled group of professionals committed to delivering exceptional services in the realms of M&A and capital raising. The focus extends specifically to companies operating within the circular economy, showcasing distinctive expertise in navigating the intricacies of this sustainable business model.

This specialized team brings unparalleled experience to the table, particularly in collaborating with recommerce platforms, product-as-a-service ventures, value recovery enterprises, and other circular enablers. Its extensive track record demonstrates a consistent ability to generate outstanding returns for investors while simultaneously fostering positive impacts for both people and the planet.

By aligning its efforts with businesses entrenched in the circular economy, the circular tech team positions itself at the forefront of financial innovation, recognizing the importance of sustainable practices in today's dynamic market.

Featured Transactions

TKD has received a majority investment from Deutsche Private Equity — Sellside Advisor	Ambienta has acquired the rent company — Buyside & Financing Advisor	TXO a portfolio company of Towerbrook has acquired TEQPORT — Buyside Advisor	Kimberer Computer a portfolio company of Trill Impact has acquired renewtech — Buyside Advisor	Ökamac has been acquired by Meridiam for people and the planet — Sellside Advisor	Foxway a portfolio company of Norvestor and majority owned by management and founders has entered into a partnership with Nordic Capital — Sellside Advisor	TXO has been acquired by Towerbrook — Sellside Advisor	Trill Impact has acquired Kimberer Computer — Buyside Advisor	Global Resale a portfolio company of Brightstar has been acquired by Foxway — Sellside Advisor
Flexit Distribution has acquired MKCL — Buyside Advisor	Foxway has acquired dcc — Buyside Advisor	Foxway has acquired greentech — Buyside Advisor*	Foxway has acquired Flip 4 — Buyside Advisor*	xllnc at work has acquired Replace — Buyside Advisor*	xllnc at work has acquired lin — Buyside Advisor*	xllnc at work has been sold to Norvestor — Sellside Advisor*	xllnc at work has acquired supplies team — Buyside Advisor*	Infotheek has been acquired by Altor — Sellside Advisor*

Tombstones included herein represent transactions closed from 2016 forward.
**Selected transactions were executed by Houlihan Lokey professionals while at other firms acquired by Houlihan Lokey or by professionals from a Houlihan Lokey joint venture company.*

Leadership



Sigurd Solheim
Sigurd.Solheim@HL.com
+41 (0) 79 309 40 74



Tripp Davis
Tripp.Davis@HL.com
+1 704.303.8117



John Klim
John.Klim@HL.com
+1 703.832.9261



Dr. Jules Wurlod
Jules.Wurlod@HL.com
+41 (0) 79 448 02 36



Steven van Reeth
Steven.vanReeth@HL.com
+41 (0) 79 601 86 74



Sydney Scadden
Sydney.Scadden@HL.com
+1 704.247.1673

Contact Us

Please reach out to us to schedule a call to discuss this quarter's market update or to explore how we can serve your business needs.

Request a Meeting

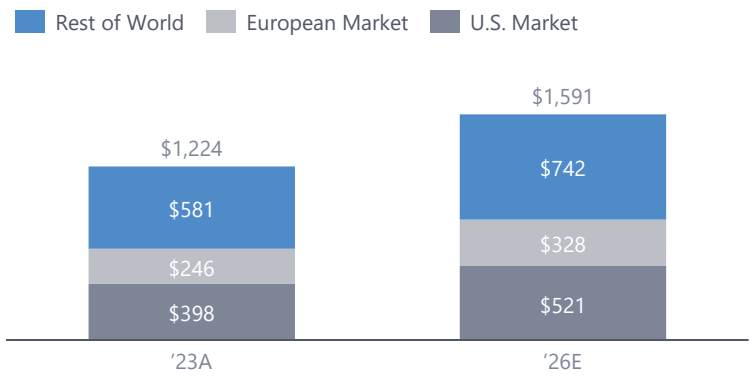
Request Annual Circular Tech Insight Report

Executive Summary

The circular tech sector experienced a challenging market environment in the final quarter of 2024. However, M&A activity remained high, driven by increasing regulatory emphasis on sustainability and circular economy principles. As we look ahead, the industry stands at the forefront of transformative trends, including the rapid adoption of DaaS models, advancements in AI, and an intensifying global commitment to circular economic practices. These forces are setting the stage for substantial growth opportunities.

Global Circular Tech Market[(1)]

$ in Billions



Sources: Boston Consulting Group, Gartner, Mergermarket, company websites, press releases.
(1) Includes ITAM, ITAD, and recommerce.

Sector Trends

- Device-as-a-service (DaaS) is growing as businesses adopt subscription-based models for IT hardware, software, and lifecycle management. Bechtle highlights DaaS as a solution to streamline operations, reduce costs, and enhance sustainability. The transition from VAR to MSP reflects the increasing demand for service-driven IT solutions.
- Leasing providers like 3StepIT and CHG-Meridian are expanding into DaaS and rental models to address the growing need for flexible circular IT solutions.
- The new ISO 59020:2024 standard introduces a framework for measuring and assessing circularity performance, using standardized indicators to ensure consistency and verifiability. It supports transparency, strategic decision-making, and alignment with global sustainability goals.
- According to Gartner, worldwide IT spending is projected to have reached $5.5 trillion in 2024 (+8.0% YoY) and surpass $8.7 trillion by 2030, with IT services becoming the second largest segment after communication services. This creates tailwinds for circular IT solutions and investor interest in high-quality assets.
- EU and country-level regulations are pressuring OEMs to include refurbished devices in RFPs. Many OEMs are leveraging leasing models like DaaS to retain control over devices while partnering with ITAD providers.
- U.S. players view Europe's advanced circular tech market as a target for investment, while private equity interest drives further consolidation across the sector.

General Public Market Sentiment

- The IT and technology services sector has been balancing cautious customer spending, leadership changes, and market shifts while seeking growth through cloud adoption and international expansion.
- Companies are prioritizing cloud solutions, with the segment expected to drive an increasing share of revenues in the coming years.
- Many players are diversifying geographically, focusing on APAC regions while addressing challenges in established markets like North America.
- Economic uncertainty and cautious enterprise spending are weighing on performance, resulting in revenue declines or lowered earnings guidance.
- High-interest debt and vendor policy changes are creating challenges, but strategic acquisitions and market positioning signal optimism for future growth.
- The Houlihan Lokey Circular Tech Index underperformed the S&P 500 by 36.7% year over year and 20.9% in Q4, , with Dustin (-48.8%) and Insight Enterprises (-28.0%) among the steepest decliners throughout Q4.
- Austria-based Kontron (+21.9%) and Norway-based Atea (+6.2%) were the best performing companies in the index, reporting positive Q4 returns.
- Both IT distribution (-6.4%) and ITAM/ITAD (-19.6%) peer groups showed notable declines over the LTM, but favorable tailwinds may narrow the gap in future performance.

M&A Highlights

- On October 23, Mobile Club acquired Cleaq, a specialist in IT equipment lifecycle management, to expand its B2B offerings. The acquisition positions Mobile Club as a leader in IT and phone rentals in France while supporting the circular economy.
- On October 22, Genstar Capital acquired a majority stake in Likewize, a global leader in tech protection and support, increasing its investment from its initial stake in 2023. Brightstar Capital Partners remains a minority investor.
- On October 21, Sage Sustainable Electronics, backed by Closed Loop Partners, acquired Relectro, an electronics repair and refurbishment provider. The acquisition expands Sage's ITAD and depot repair services for enterprise clients.
- On October 18, EyeTi acquired IT Recycling, a specialist in sustainable IT equipment disposal. IT Recycling becomes the sixth company to join the EyeTi group, strengthening its capabilities in sustainable services.
- On October 2, AO World plc, the U.K.-based e-commerce retailer, acquired musicMagpie plc, a local recommerce company in the circular economy of consumer technology, for a deal value of £9.2 million (c. $12 million). The transaction provides an exit for Mercia Asset Management and was completed on December 12.

Voices of the Market

Leading the Circular Economy: Insights From Simon Davey, CEO of Agilico

About Simon Davey



- **CEO of Agilico since 2018.**
- **26 years experience in financial services, including sales and strategy leadership.**
- **Passionate about ESG and circularity, which drives him to transform the industry one machine at a time.**

About Agilico

Agilico is a leading technology workspace provider in the U.K., delivering managed print services (MPS) with a circular-first approach and prioritizing sustainability and cost efficiency through its Agilico Zero refurbishment program. In addition to MPS, Agilico offers proprietary SaaS-based solutions for invoice processing (Verify), document management (Invu), and cloud-based VoIP communication services (Connect).

With a workforce of c. 450 employees, the company operates nine logistics hubs and refurbishment facilities strategically located across the U.K. Agilico supports more than 37,000 machines in-field and generates c. £65 million in annual revenue, underpinned by its extensive service offerings and strong market presence.

Interview

Q: *How do you evaluate the impact of sustainability on the evolution of the MPS market, and what changes do you foresee it bringing to the industry?*
A: The MPS market is changing in many ways, not least the increasing demand for circular tech products. We anticipate that old habits of shipping used products to overseas markets will change such that more devices will remain onshore to be refurbished, and the technical lifetime utilized.

Q: *What other key trends do you observe in the MPS market, and how do you anticipate the market and its players evolving in the coming years?*
A: High-quality MPS businesses have a wonderful opportunity to provide additional services to their customers, be that a broader set of managed services such as IT, telephony, and, in our case, proprietary software.

Q: *What motivates customers to choose circular devices instead of new ones? Are there any potential downsides to selecting new devices over circular solutions?*
A: Motivations currently differ by company size. SMEs are usually motivated by price; large corporates are usually motivated by a broader responsibility to follow their ESG policies. As for downsides, as long as the engineering quality remains robust, the product performs at the same level as a new device. The quality of products and standard of refurbishment are therefore critical to building a successful circular business.

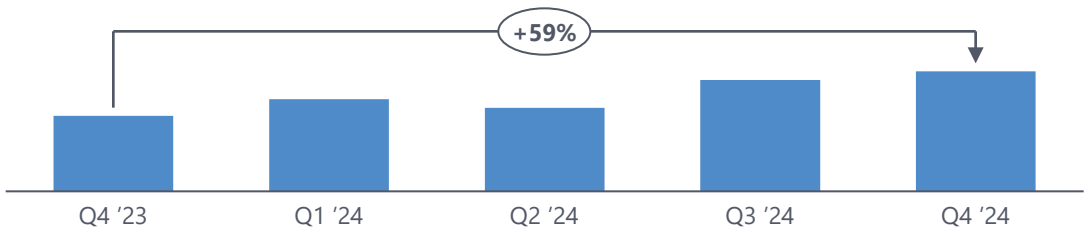
Q: *Over the next five years, how do you see Agilico adapting to the growing demand for DaaS, and how will you be able to leverage Agilico's leading market position to outpace other players in the market?*
A: Agilico has a very strong reputation in the U.K., which is why leading OEMs such as Ricoh, Konica Minolta, and Canon have signed supply agreements for good-quality used products. This robust supply chain is the first stage in building a strong DaaS model. However, this has to be accompanied by a strong proposition, and over the last few years, we have invested heavily in the Agilico Zero proposition—our circular product and a brand that has real traction in the market.

Q: *Agilico is at the forefront of circular print. What lessons have you learned to successfully build out the circular business, and what advice would you give other leaders to embrace circularity in their industries?*
A: Firstly, go educate yourself and the team. There is so much information out there, some useful and some not! Speak to people who are genuine experts and listen intently. I recently attended a really good course on leadership in sustainability at The London Business School to aid my learning (and this was helpful), but sharing this knowledge with the entire company has proved invaluable. Colleagues must understand the "why."

97.5%
CO_2 Savings

For choosing a refurbished device over a new machine.

Agilico's Circular Unit Devices Sales



Why Are We So Excited About Circular Tech?

A Circular Economy Eliminates Waste Through Circularity Products, With Circular Tech Being a Cornerstone

Circular Tech

One of the key pillars to enable a circular economy and reduce e-waste.

Rapid Adoption

Rising practice and increasing adoption over the past four to five years.

Large and Growing Market

Sizable market supported by strong underlying ITAM/ ITAD/recommerce trends.



Untapped Opportunities

Numerous (consolidation) opportunities at hand, yet to be properly assessed.

Regulatory Tailwind

More stringent regulations were and are being introduced to drive circular tech.

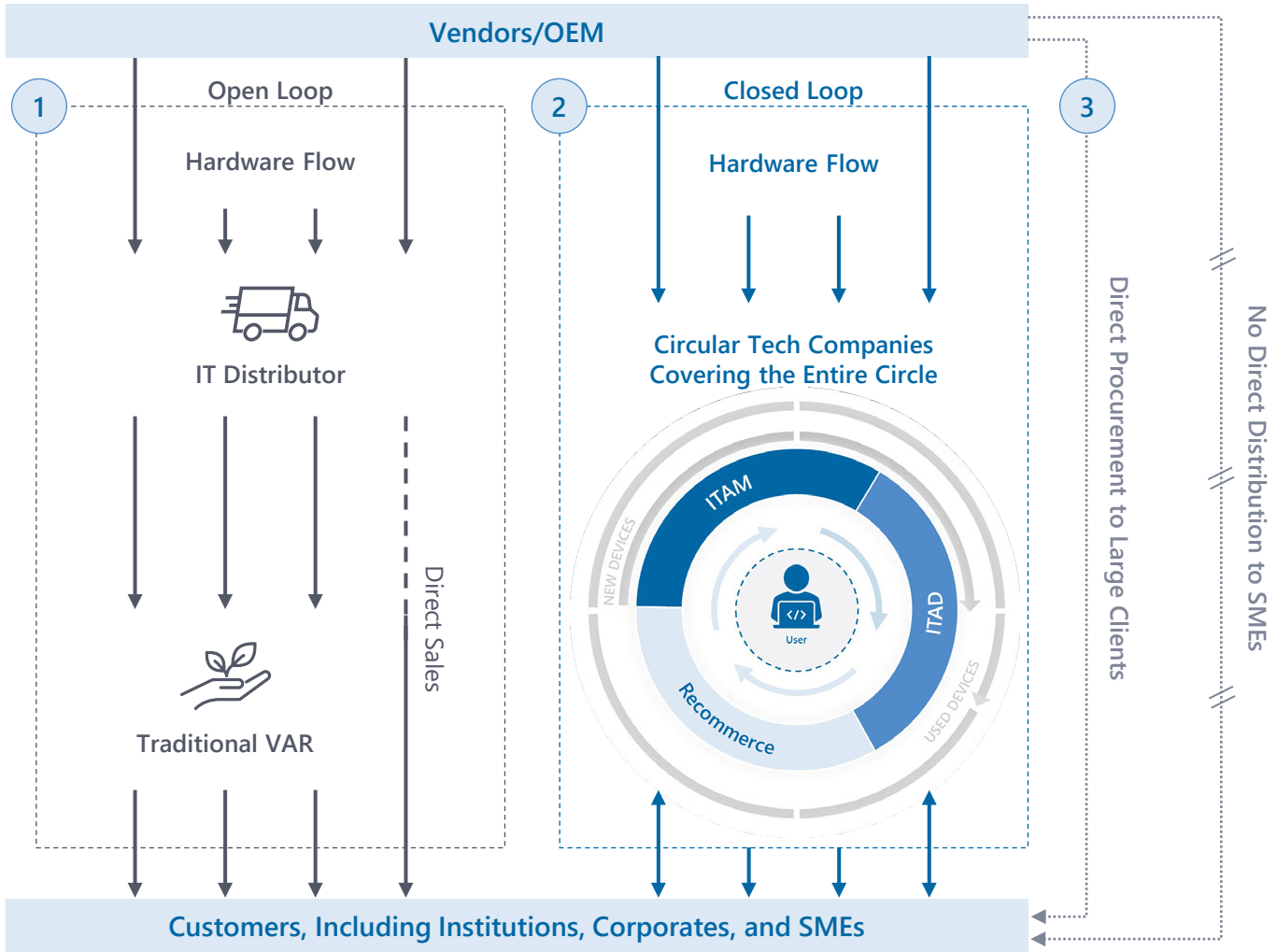
Increasing Awareness

Corporates have realized the importance of a sustainable IT lifecycle and are implementing strategies.

Circular tech encompasses a comprehensive range of services that approach IT lifecycle management holistically, integrating circular thinking. It includes all aspects of the IT journey, starting from procurement and encompassing services related to IT assets, all the way through responsible disposal to companies (ITADs) within the circular tech space that provide secure data wiping and value recovery of utilized devices, which are ultimately resold into the markets in their second and third lives before secure and responsible recycling.

Circular Tech Is a Cornerstone of the Circular Economy Model

The Circular Tech Offering Covers ITAM, ITAD, and Recommerce



1 Distributors

- Distributors work with high volumes from vendors/OEMs and usually have large warehouses to store assets.
- They are selling either directly to end customers or through VARs and are frequently educating resellers about new products.

2 Circular Tech Companies

- Offer full lifecycle from procurement to disposal and remarketing/refurbishing of IT devices.
- Enable circularity and sustainability with complete end-of-life solutions.

3 VAR

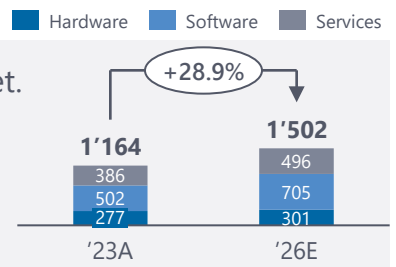
- VARs resell software, hardware, and networking products to end clients along with added services, including consulting, design, implementation, and training.
- VARs source directly from distributors and, in some rare cases, IT vendors.

The "Specialist" Circular Tech Market Is Highly Fragmented

It Is a Market With Players Focused on Single Services and an Opportunity to Build Circular Tech Platforms

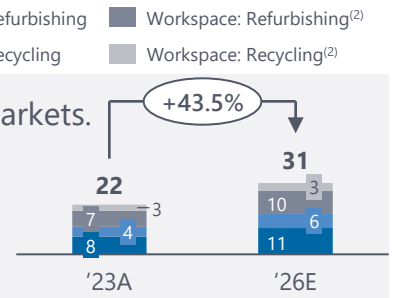
ITAM Strongly Driven by Device-as-Service Trend

- Numerous assets are available in almost every market.
- Critical to pick the right asset and make the right combinations.



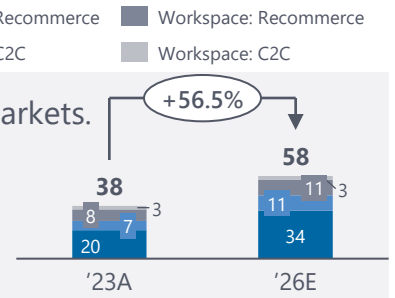
ITAD[1] Driven by Regulations and Sustainability

- Only a few sizable assets are available in a few key markets.
- Critical to evaluate the supply side.



Recommerce Entails Purchasing, Inspecting, and Repricing

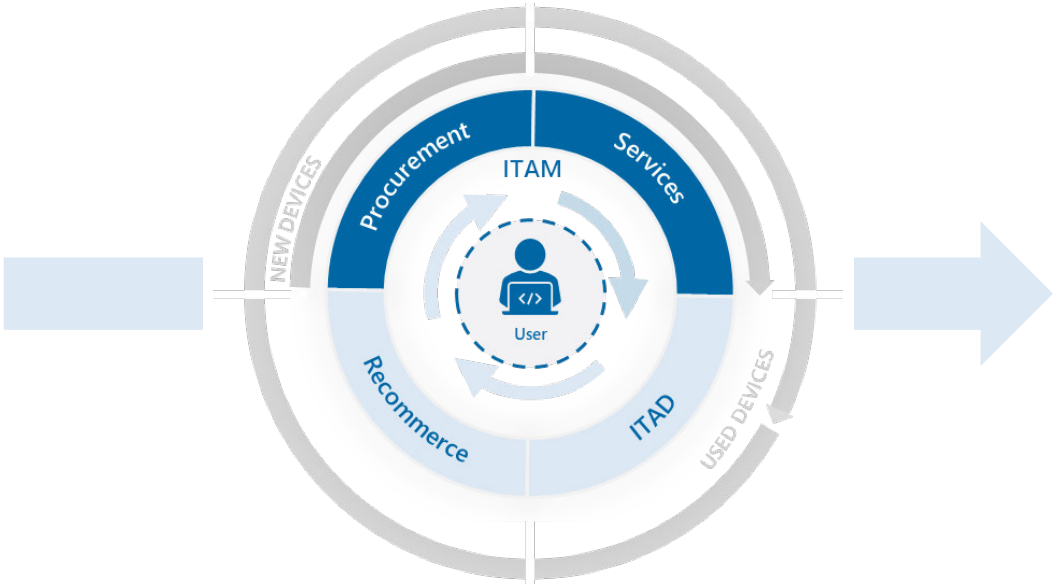
- Only a few sizable assets are available in a few key markets.
- Critical to evaluate the supply and demand side.



Source: Boston Consulting Group. Estimates based on source material.
Note: Global market figures in USD billions.
(1) ITAD market figures, excluding server, storage, and network. (2) Workspace refers to computers and laptops.

Full Circular Tech Platforms

- Critical to work on positioning to secure a premium valuation.
- Very scarce assets, trading at a significantly higher valuation than players focused on single services.



- Positioning around sustainability implies several conditions:
  - Proper reporting of internal ESG KPIs.
  - Quantification of external impact of stakeholders (e.g., clients).
  - Implementation of ESG programs (e.g., a carbon-neutral program).

Featured Sector News

Date	Company	Region	Description	Article Link
December 2024	aws	North America	Amazon is driving sustainability in AWS data centers through a three-pillar circular strategy: designing better, operating longer, and recovering more. More than 99% of decommissioned hardware is diverted from landfills via innovative reuse and recycling programs, including re:Cycle Reverse Logistics hubs, which reduce CO_2 emissions and extend server lifespans. This approach underscores AWS' commitment to minimizing environmental impact while enhancing operational efficiency.	Read More
December 2024		North America	Apple has canceled plans for an iPhone subscription service that would have allowed customers to get new devices through monthly payments. The initiative, delayed by software issues and regulatory challenges, has now likely been shelved. Apple continues to offer financing options like the iPhone Upgrade Program but has shut down its Pay Later offering earlier this year (see next page for a deep dive).	Read More
December 2024	ebay	U.K.	Amazon and eBay will be required to pay for e-waste recycling under new U.K. government reforms, ensuring international retailers contribute to the costs. The changes also introduce a specific category for vape e-waste, aiming to reduce discarded devices. Both companies support sustainability efforts, while the reforms are designed to create a fairer system and fund recycling services.	Read More
October 2024	ALCHEMY	Europe	Alchemy, a leader in circular technology, reported a record $711 million in revenue for FY24, a 60% increase (fiscal year ending March 31, 2024). The company traded more than 2.4 million devices globally, avoiding 148 million kg of CO_2 emissions. Alchemy expanded with new U.S. facilities and saw a YoY 97% revenue increase in JAPAC, while also launching Callisto, a wholesale tech marketplace.	Read More
October 2024		North America	Microsoft encourages users to upgrade to Windows 11 before Windows 10's support ends in October 2025. Windows 11 offers improved security, performance, and multitasking, with features like TPM 2.0 and AI-powered tools. Microsoft provides resources for checking upgrade eligibility and purchasing new devices or extended security updates.	Read More
October 2024		North America	With over 300 million iPhones due for upgrades after four-plus years, Apple expects a multi-year, AI-driven supercycle, projecting sales of more than 240 million devices. This could position Apple to become the first U.S. company to reach a $4 trillion market cap.	Read More

Sources: Company websites and press releases.

Beyond the Headlines

A Deep Dive Into Apple's Shift Back to Third-Party Financial Services Providers

Apple's Journey of In-Housing Financial Services

- Apple launched a strategy in 2022 to bring more financial services under its direct control, fostering a fully integrated ecosystem. This resulted in the introduction of Pay Later in 2023 and the development of iPhone hardware subscriptions.
- The company sought to:
  - decrease reliance on third parties;
  - enhance customer loyalty and retention;
  - further integrate clients into the Apple ecosystem; and
  - generate additional recurring revenues.
- After just one year, Apple has decided to shut down its Pay Later service, facing engineering challenges and increased regulatory scrutiny. The company has since reintroduced third-party buy now, pay later (BNPL) providers like Klarna and Affirm while halting the development of its hardware subscription services.



Regulatory Scrutiny

BNPL and leasing services are subject to regulations, requiring compliance with strict standards similar to those governing credit cards.

Given that this would represent only a small portion of Apple's business, the extensive regulatory requirements and mandatory disclosures are deemed not worthwhile, making a third-party specialist provider a more suitable option.

Engineering Challenges

Apple found that the development of in-house technology and payment infrastructure for handling interest calculations, rewards, credit checks, approvals, and transaction histories turned out to be far more challenging and resource-intensive than originally anticipated.

As a result, product launches faced considerable delays with ongoing maintenance costs for the platforms expected to rise. Therefore, the financing program was abandoned by Apple.

Mixed Impact for Circular Tech

- Apple's shift back to third-party BNPL financial services signals a strategic retreat from direct financial offerings, focusing instead on leveraging established BNPL providers.
- For circular tech players, BNPL integration into Apple Pay could enhance accessibility to refurbished Apple devices, but Apple's reduced control over lifecycle management might limit direct investments in certified pre-owned programs.
- DaaS players may benefit from the mainstreaming of flexible financing, but as Apple's direct financial support diminishes, they will need to align with third-party providers to maintain competitive leasing and subscription models.
- Regulatory and operational challenges in financial services likely influenced Apple's decision, reinforcing the trend of tech giants outsourcing financial functions rather than building in-house lending and payment infrastructures.

Sources: Bloomberg

Subject Matter Deep Dive: Circular Print

Circular Print as the New Standard for Transforming a Legacy Industry

Trends

Increasing Demand for Sustainable Solutions for Device and Cartridge Reuse

As more businesses prioritize sustainability, there is a growing demand for circular print solutions that focus on reducing environmental impact. By refurbishing and reusing print devices and cartridges, companies can meet sustainability goals while also lowering their carbon footprint.

Inflationary Pressure Resulting in More Cost-Conscious Decision-Making

As inflation rises, businesses are more focused on optimizing costs, making refurbished print devices an attractive option. Circular print allows companies to reduce capital expenditures by purchasing high-quality refurbished devices instead of investing in new, more expensive models.

Governmental Regulations and Incentives

Governments are increasingly introducing regulations and incentives for businesses to adopt circular economy practices, including refurbishing and recycling print devices. These policies drive the shift toward circular print by making sustainable practices more cost-effective and legally attractive.

Growth for Subscription-Based Models

DaaS models encourage device reuse, maintenance, and upgrades, reducing the need for new devices and supporting a circular lifecycle. In the circular print context, this means less frequent disposal of devices, as they are continually maintained and upgraded, keeping them in productive use for longer.

Life Extension

Refurbishment can extend a machine's technical life by up to 14 years, with processes repeatable up to three times.

Raw Material Savings

Reduces raw material usage, emissions from production logistics, and e-waste.

Emissions Savings

Cuts CO_2 emissions by up to 97.5% for a refurbished MFD compared to a new device.(1)

Reuse of Spare Parts

Recovers otherwise discarded parts and minimizes the need for newly manufactured components.

Control of the Value Chain

Ensures proper disposal of end-of-life devices, avoiding unnecessary logistics and uncontrolled value chains in regions like Asia and Africa.

Becoming Circular

Enables OEMs to achieve a more circular footprint by managing used devices, typically beyond their core business operations.

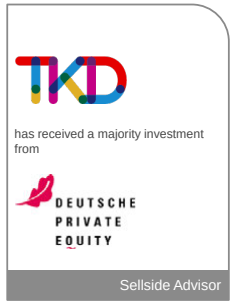
European Commission

- Voluntary initiatives, such as the Voluntary Agreement and the EU GPP criteria for imaging equipment, are no longer considered sufficient or do not promote sustainability well enough.
- The European Commission is advocating for a more sustainable MPS(2) industry and has launched the initiative for further regulation to tackle short device replacement cycles, reduce machine energy consumption, and increase the ease and repairability of devices.
- Furthermore, cartridges are under scrutiny as their reuse rates are very low due to technical barriers with a high level of inefficiencies. The European Commission Joint Research Center (JDC) is therefore endorsing design changes to improve the (re)manufacturability of cartridges, increase yield, and lower failure rates to avoid paper and ink wastage.

(1) Based on a screening LCA performed by Anthesis in October 2024, analyzing average printers using primary and secondary data. Currently ignores use phase and end-of-life data.
(2) Managed print services.

Featured Transactions
Executed by Houlihan Lokey's Circular Tech Team

TKD



- Headquartered in Germany, TKD is a leading player within the circular tech industry in Germany. The company was founded in 2014, employs more than 100 people, and offers an easy-to-use, fully integrated, and sustainability-promoting full-service device lifecycle management platform to corporate customers.
- TKD provides comprehensive solutions in contract and hardware management, including device rental, provision, registration, repair, maintenance, and customer support throughout the entire device lifecycle. This helps companies reduce the workload for their IT and administrative departments and ensures that circular economy and device longevity remain at the core. By using their own software-as-a-service platform, TKD.360, customers' employees can order end devices themselves and can also manage and flexibly replace them with the latest models after a fixed term.
- The successful expansion of TKD's business in recent years has led to the acquisition of major customers in Germany and internationally. TKD manages over 60,000 devices in its fleet and serves more than 400 customers across various industries. With DPE as a strong partner, TKD will benefit from its recognition and appreciation of the potential to collaborate with key players in the DaaS market. DPE will significantly contribute to TKD's technological development, driving the expansion of its platform.
- Houlihan Lokey served as the exclusive financial sellside advisor to the management and shareholders of TKD, supporting all aspects of the transaction, including preparing the marketing materials, structuring and managing a competitive deal process, coordinating due diligence, and negotiating key deal terms. In addition, Houlihan Lokey played a crucial role in aligning the interests of all parties involved and finding a strong partner that would make a significant contribution to promoting TKD's technological development and thus drive the expansion of the platform.

Ambienta



- Based in the Netherlands, The Rent Company is a fast-growing European company with operational footprints extending to Belgium and the United Kingdom. Its mission revolves around providing DaaS solutions that specifically target the education market, enabling schools to enhance accessibility to digital education for every student.
- Currently, The Rent Company serves an impressive installed base of approximately 325,000 devices distributed across approximately 700 partner schools throughout Europe. In 2024 alone, the company plans to deliver approximately 127,000 new devices to students. The comprehensive service proposition, which encompasses insurance, maintenance, repair, and customer support, ensures a seamless and hassle-free digital education solution for parents, students, and schools alike.
- Supported by Ambienta, The Rent Company will aim to capitalize on the surging demand for sustainability and digitalization within the education sector. It is strategically positioned to leverage the growing economies of scale, driving both expansion and a sustained positive impact. Recent high-profile customer partnerships, coupled with the strategic acquisition and market entry in the U.K., underscore Ambienta's confidence in The Rent Company's robust business model and long-term strategy.
- Houlihan Lokey served as the exclusive buyside and financing advisor to Ambienta on its acquisition of The Rent Company and assisted in structuring and negotiating the transaction, as well as providing debt advisory services that allowed Ambienta to raise the desired debt capital structure. The close collaboration between the Corporate Finance and Capital Markets teams facilitated a strong outcome for both Ambienta and The Rent Company.

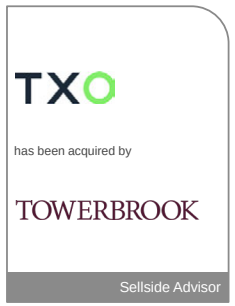
Featured Transactions (cont.)
Executed by Houlihan Lokey's Circular Tech Team

Foxway



- Foxway is a fast-growing European company based in Sweden, with offices in Europe, Asia, and the U.S. By providing circular IT services in more than 100 countries, Foxway has supported its customers to make sustainability an integral part of its businesses. Foxway helps its customers increase efficiency and business success and reduce their tech footprints by recovering and remarketing IT devices and providing the infrastructure necessary to ensure a sustainable lifecycle. With circularity inherent to the business model, Foxway sources, finances, and refurbishes more than 1.5 million devices annually in the circular flow, avoiding 120,948 tons of CO_2 emissions in 2022.
- Foxway is uniquely positioned to benefit from secular tailwinds of increasing sustainability demands from customers, digitalization trends, and the increasing economies of scale to drive growth and make a lasting positive impact. Several recent high-profile customer partnerships, together with acquisitions completed in Spain, Germany, and the U.K., reinforce Nordic Capital's belief in Foxway's business model and long-term strategy.
- Houlihan Lokey previously advised the founders of Foxway on the partnership with Norvestor and played a major role in initiating the buy-and-build strategy. This transaction marks the 10th deal the Houlihan Lokey circular tech team has advised Foxway or its shareholders on since 2018.
- Houlihan Lokey served as the exclusive sellside advisor and assisted in marketing, structuring, and negotiating the transaction as well as performing lender education on behalf of the shareholders. The close collaboration with the Capital Markets team facilitated strong and comprehensive nonbinding offers and provided prospective buyers with an indication of the financing options early in the process.

TXO



- Headquartered in the U.K., TXO has a physical presence in Continental Europe, North America, South America, and Australia and is able to service customers globally. The company operates four primary lines of business: (i) telecom hardware sourcing, recovery, and resale; (ii) support solutions and services for telecom operators and critical communications clients, including testing, repair, infrastructure decommissioning, warehousing and inventory management, and logistics; (iii) recycling telecom equipment and precious metal recovery; and (iv) distributing complementary multi-vendor compatible accessories. TXO is differentiated through its ability to address customers' pain points on the back of its capacity to aggregate market supply and offer a large and diverse breadth of inventory.
- TowerBrook has been actively pursuing a thesis in the circular economy. The team has been seeking to build a leader in the ITAD and asset management (practice-built around reusing, recycling, repurposing, repairing, or disposing of unwanted equipment in a safe and environmentally responsible way) or recommerce spaces with the ambition to reduce the carbon footprint of the IT and telecommunications industry and support its commitment to a more circular model. The acquisition of TXO represents TowerBrook's first investment from the impact-focused TowerBrook Delta fund.
- As part of the growth and value creation plan, TowerBrook further intends to support TXO's ambitious business model transformation into a more sustainable and recurring-revenue-driven product-as-a-service provider, assist with the operational improvement of the business, and accelerate TXO's international expansion
- Houlihan Lokey served as the exclusive M&A and capital markets advisor to the TXO shareholders.

Peer Companies Overview and Rationale

Peer Groups Comprise ITAM/ITAD and IT Distribution Companies

Overall Considerations

The circular tech peer group universe is divided into two main peer groups. This is simply because there are currently no publicly traded and purely focused circular tech players. We consider the selected peer groups as the best proxies for a still-nascent industry. The relatively large valuation gap between these peer groups arises from the fact that ITAM/ITAD players offer comprehensive and value-added services to customers, whereas IT distributors mainly provide substitutable/less value-added services.

Public Companies Peer Groups

ITAM/ITAD	IT Distribution
ATEA, BECHTLE, CANCOM, CDW, Dustin, Computacenter, econocom, Insight, kontron	AB PL Digital World, ALSO, Arrow, ASBIS, AVNET, INGRAM MICRO, TD SYNNEX

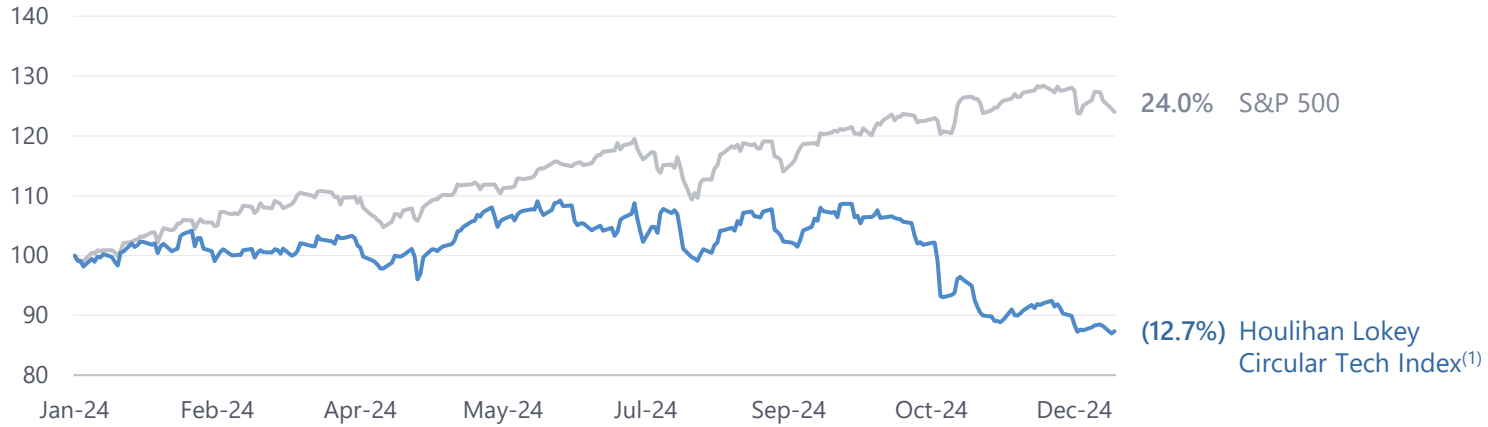
Rationale

- Involves strategic management of IT assets, including hardware and software.
- Aims to optimize asset lifecycle, reduce costs, and ensure regulatory compliance.
- Includes responsible disposal practices to minimize environmental impact and data risks.

- Facilitates the distribution of IT hardware and software devices.
- Acts as a crucial link between manufacturers and end users, streamlining the supply chain.
- Offers a wide range of products, services, and support to meet diverse technological needs.

Equity Market Index Performance
Circular Tech

LTM December 2024 Performance



October–December 2024 Performance



Source: S&P Capital IQ.
Notes: Data as of December 31, 2024. All share prices rebased to 100.
(1) The Houlihan Lokey Circular Tech Index consists of a diversified set of companies across the circular tech sector. See pages 19 and 20 for a complete list.

Key Takeaways

- Throughout 2024, the Houlihan Lokey Circular Tech Index significantly underperformed the S&P 500, finishing the LTM with a 36.7% lower performance and a 20.9% lag in the most recent quarter.
- In the last quarter, all companies in the index underperformed the S&P 500, with the highest performers (Austria-based Kontron and Norway-based Atea) reporting positive three-month gains of +21.9% and +6.2%, respectively.
- Dustin continued its downward trend (-56.8% LTM), posting a sharp (-48.8%) decline in Q4. Insight Enterprises, another ITAM/ITAD company, also fell significantly (-28.0%).
- The Q4 underperformance of the Houlihan Lokey Circular Tech Index was primarily driven by steep declines from Dustin (-48.8%), Insight Enterprises (-28.0%), Bechtle (-21.9%), Ingram Micro (-21.2%), CDW Corp. (-20.1%), Cancom (-16.6%), ALSO Holding (-16.3%), Arrow Electronics (-14.2%), and Computacenter (-14.1%). Other peers recorded performances ranging from +0.6% to -8.1%.

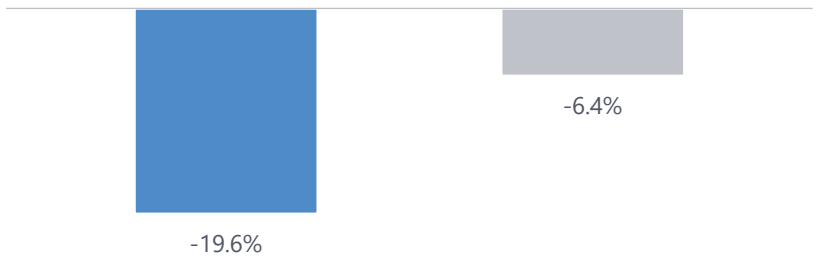
Equity Market Index Performance

Circular Tech: ITAM/ITAD and IT Distribution Companies

LTM December 2024 Performance by Subsector



LTM Performance



Three-Year Performance



Source: S&P Capital IQ.
Notes: Data as of December 31, 2024. All share prices rebased to 100.

Key Takeaways

- During the LTM, the IT distribution and ITAM/ITAD peer groups exhibited a notable decline of -6.4% and -19.6%, respectively. Over a three-year span, the ITAM/ITAD peer group recorded a significant slowdown, with returns standing at -18.0% and IT distribution providing a return of -12.7%.
- Neither peer group outperformed the market. However, the gap may narrow in the future, particularly for the ITAM/ITAD peer group, as the market benefits from favorable tailwinds such as the following:
  - Asset lifecycle management focus.
  - Sustainable practices and environmental responsibility.
  - Risk mitigation and compliance.
  - Revenue diversification.
  - Long-term cost savings for clients.
  - Adaptation to technology trends.
  - Recurring revenue potential.

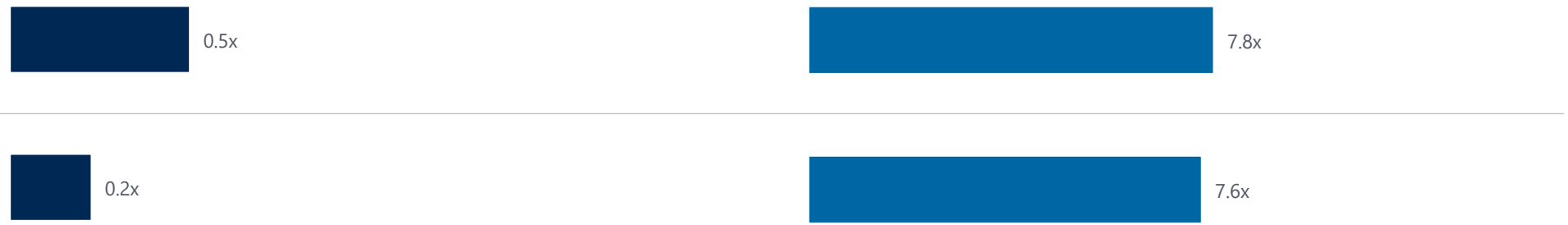
Public Company Valuations

Circular Tech: ITAM/ITAD and IT Distribution Companies

LTM December 2024 Valuations



2024E Valuations



Source: S&P Capital IQ.
Notes: Data as of December 31, 2024. Values shown reflect the medians of the respective peer groups.
Trading multiples are based on share price, other market data, and broker consensus future revenue and earnings estimates from S&P Capital IQ as of December 31, 2024.

Public Company Valuations Comparables (LTM December 2024)
Circular Tech: ITAM/ITAD and IT Distribution Companies

($ in Millions, Except Per-Share Prices)

	As of 12/31/24	Market Cap USDm	EV USDm	Net Debt USDm	Net Debt/LTM EBITDA	LTM Revenue USDm	LTM EBITDA USDm	LTM EBITDA Margin	LTM EPS	Forward P/E	EV/ LTM EBITDA	EV/ LTM Revenue
ITAM/ITAD	CDW Corporation	$23,193.3	$28,581.3	$5,229.3	2.5x	$20,831.2	$2,058.3	9.9%	$8.2	17.8x	13.9x	1.4x
	Insight Enterprises	4,831.0	5,835.5	1,004.6	1.8x	8,865.0	562.2	6.3%	7.9	15.5x	10.4x	0.7x
	Bechtle	4,056.9	4,272.1	226.5	0.4x	7,120.9	537.4	7.5%	2.2	15.3x	7.9x	0.6x
	Computacenter	2,788.6	2,435.7	(363.7)	N/M	8,141.0	374.0	4.6%	1.9	12.1x	6.5x	0.3x
	Kontron	1,239.0	1,569.3	335.4	2.1x	1,823.8	156.6	8.6%	1.5	10.7x	10.0x	0.9x
	Atea	1,391.9	1,542.1	162.1	0.9x	3,168.7	174.8	5.5%	0.7	15.2x	8.8x	0.5x
	Cancom	758.3	964.6	221.9	1.9x	1,918.7	119.5	6.2%	1.3	16.9x	8.1x	0.5x
	Econocom Group	331.0	648.7	257.0	1.8x	2,914.3	144.3	5.0%	0.3	4.5x	4.5x	0.2x
	Dustin Group	172.9	472.4	323.1	4.4x	2,093.5	73.2	3.5%	0.0	8.3x	6.5x	0.2x
Median				$257.0	1.8x	$3,168.7	$174.8	6.2%	$1.5	15.2x	8.1x	0.5x
Mean				$821.8	2.0x	$6,319.7	$466.7	6.3%	$2.7	12.9x	8.5x	0.6x
IT Distribution	TD SYNNEX Corporation	$9,979.1	$13,175.4	$3,196.3	1.8x	$57,015.2	$1,816.3	3.2%	$7.7	9.5x	7.3x	0.2x
	Arrow Electronics	5,949.0	9,047.1	3,025.1	2.3x	28,489.6	1,307.1	4.6%	9.0	10.6x	6.9x	0.3x
	Ingram Micro Holding Corporation	4,553.3	8,005.6	2,988.8	2.3x	47,658.5	1,294.5	2.7%	1.4	6.3x	6.2x	0.2x
	Avnet	4,548.8	7,466.9	2,687.3	2.7x	23,025.6	1,002.1	4.4%	3.8	12.0x	7.5x	0.3x
	ALSO Holding AG	3,028.6	2,602.8	(430.8)	N/M	10,082.3	255.0	2.5%	9.9	17.8x	10.2x	0.3x
	AB	373.8	413.4	26.4	0.3x	3,815.6	80.3	2.1%	0.0	9.1x	5.1x	0.1x
	ASBISc Enterprises	248.0	379.4	141.2	1.4x	2,974.9	98.7	3.3%	0.6	4.7x	3.8x	0.1x
Median				$2,687.3	2.0x	$23,025.6	$1,002.1	3.2%	$3.8	9.5x	6.9x	0.2x
Mean				$1,662.0	1.8x	$24,723.1	$836.3	3.3%	$4.6	10.0x	6.7x	0.2x
Overall Median				$290.1	1.8x	$7,630.9	$314.5	4.6%	$1.7	11.4x	7.4x	0.3x
Overall Mean				$1,189.4	1.9x	$14,371.2	$628.4	5.0%	$3.5	11.6x	7.7x	0.4x

Source: S&P Capital IQ.
Note: Data as of December 31, 2024.
Trading multiples are based on share price, other market data, and broker consensus future revenue and earnings estimates from S&P Capital IQ as of December 31, 2024.

Public Company Valuations Comparables (2024E)
Circular Tech: ITAM/ITAD and IT Distribution Companies

($ in Millions, Except Per-Share Prices)		Net Debt/	EV/Revenue		EV/EBITDA		P/E		2022–2024E CAGR		EBITDA Margin		Forward P/E	
As of 12/31/24		2023 EBITDA	2023	2024E	2023	2024E	2023	2024E	Revenue	EBITDA	2023	2024E	2023	2024E
ITAM/ITAD	CDW Corporation	2.6x	1.3x	1.4x	13.7x	13.7x	21.5x	18.5x	(6.3%)	(1.1%)	9.8%	10.0%	16.7x	17.8x
	Insight Enterprises	1.9x	0.6x	0.7x	11.2x	10.8x	20.1x	16.0x	(8.2%)	3.9%	5.7%	6.1%	14.1x	15.5x
	Bechtle	0.4x	0.6x	0.6x	7.8x	8.5x	13.8x	15.9x	1.4%	1.8%	7.7%	7.6%	13.7x	15.3x
	Computacenter	N/M	0.3x	0.3x	5.7x	5.9x	12.1x	12.6x	2.7%	0.6%	4.8%	5.1%	11.7x	12.1x
	Kontron	3.0x	1.1x	0.8x	14.1x	7.7x	15.8x	13.2x	26.3%	79.1%	8.0%	11.0%	13.8x	10.7x
	Atea	0.9x	0.5x	0.5x	8.5x	8.6x	17.7x	17.7x	(4.1%)	1.2%	5.3%	5.9%	14.3x	15.2x
	Cancom	2.2x	0.6x	0.5x	9.5x	7.8x	21.1x	18.3x	12.7%	22.7%	6.0%	7.0%	16.0x	16.9x
	Econocom Group	1.7x	0.2x	0.2x	4.3x	4.3x	5.2x	4.5x	1.7%	5.8%	5.1%	5.3%	3.6x	4.5x
	Dustin Group	3.7x	0.2x	0.2x	5.5x	6.7x	3.2x	15.7x	(7.8%)	(14.2%)	4.0%	3.6%	1.0x	8.3x
Median		2.1x	0.6x	0.5x	8.5x	7.8x	15.8x	15.9x	1.4%	1.8%	5.7%	6.1%	13.8x	15.2x
Mean		2.1x	0.6x	0.6x	8.9x	8.2x	14.5x	14.7x	2.0%	11.1%	6.3%	6.9%	11.7x	12.9x
IT Distribution	TD SYNNEX Corporation	1.7x	0.2x	0.2x	7.1x	7.6x	17.5x	10.1x	(3.7%)	(5.6%)	3.2%	3.0%	10.5x	9.5x
	Arrow Electronics	1.6x	0.3x	0.3x	4.9x	8.0x	7.1x	11.1x	(13.7%)	(30.8%)	5.6%	4.1%	8.3x	10.6x
	Ingram Micro Holding Corporation	2.6x	0.2x	0.2x	6.1x	6.2x	12.2x	7.0x	(3.0%)	(2.0%)	2.8%	2.7%	N/A	6.3x
	Avnet	2.3x	0.3x	0.3x	5.9x	9.1x	7.2x	12.7x	(7.8%)	(23.0%)	5.0%	3.7%	9.2x	12.0x
	ALSO Holding AG	N/M	0.2x	0.2x	9.2x	9.4x	22.2x	20.9x	(8.0%)	(1.1%)	2.6%	2.6%	17.2x	17.8x
	AB	0.4x	0.1x	0.1x	5.6x	5.5x	9.7x	8.9x	1.9%	9.3%	1.9%	2.1%	N/A	9.1x
	ASBISc Enterprises	1.2x	0.1x	0.1x	3.2x	3.7x	4.7x	4.9x	5.9%	(6.2%)	3.9%	3.4%	2.8x	4.7x
Median		1.7x	0.2x	0.2x	5.9x	7.6x	9.7x	10.1x	(3.7%)	(5.6%)	3.2%	3.0%	9.2x	9.5x
Mean		1.6x	0.2x	0.2x	6.0x	7.1x	11.5x	10.8x	(4.0%)	(8.5%)	3.6%	3.1%	9.6x	10.0x
Overall Median		1.8x	0.3x	0.3x	6.6x	7.8x	13.0x	13.0x	(3.3%)	(0.3%)	5.0%	4.6%	12.7x	11.4x
Overall Mean		1.9x	0.4x	0.4x	7.6x	7.7x	13.2x	13.0x	(0.6%)	2.5%	5.1%	5.2%	10.9x	11.6x

Source: S&P Capital IQ.
Note: Data as of December 31, 2024.
Trading multiples are based on share price, other market data, and broker consensus future revenue and earnings estimates from S&P Capital IQ as of December 31, 2024.

Latest Business Performance and Market Updates

VARs Navigate Market Challenges and Strategic Growth Amid Economic Uncertainty

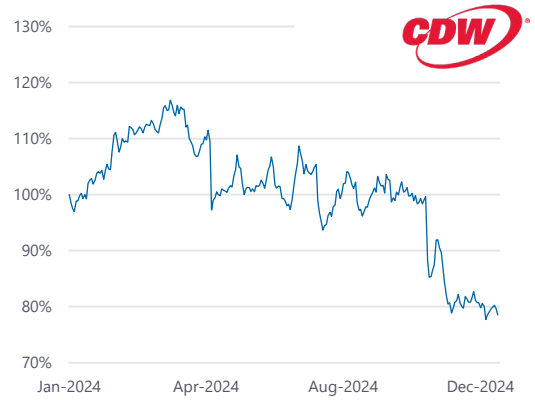
- Atea is well positioned to leverage the expanding European online retail market by providing reliable IT solutions.
- The company's wide solution and service portfolio helps mitigate any risks associated with dependence on a select customer base.
- Agreements with the Swedish Transport Administration bolster Atea's revenue streams and market presence in the new year as well.

December 2024



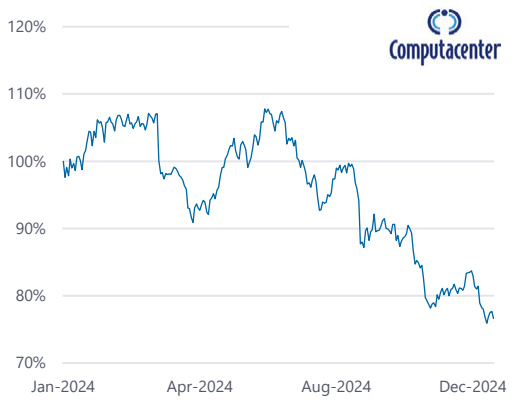
- CDW is expected to report revenues of $4.9 billion for the fourth quarter, reflecting a 2.6% year-over-year decline.
- Cautious customer spending, due to economic uncertainty, continues to pressure overall performance.
- In December, CDW acquired Mission Cloud Services Inc. to enhance its Digital Velocity division.

December 2024



- The unexpected departure of Christian Jehle as CFO of Computacenter has raised short-term investor concerns.
- Despite the leadership change, Computacenter's diversified vendor offerings position it to benefit from digitalization trends and growing cloud-based software.
- Computacenter's track record of organic growth and strategic expansion into regions like the U.S. support its outlook for the future.

December 2024



- Bechtle is projected to achieve flat sales growth in Q4 2024 (€1.9 billion), with a slight decline in EBT margin.
- Its FY25 EPS has been reduced by 7%, causing it to fall 5% below the consensus estimates.
- Starting in January 2025, Microsoft will substantially reduce EA commission payments to resellers like Bechtle, affecting around 90% of its current contracts.

November 2024



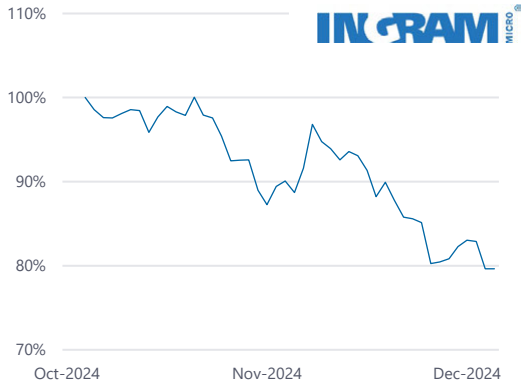
Sources: S&P Capital IQ, investment research reports.
Notes: Share prices from January 1, 2024, to December 31, 2024.

Latest Business Performance and Market Updates

IT Distributors to Capitalize on Opportunities Through Market Shifts and Managing Financial Challenges

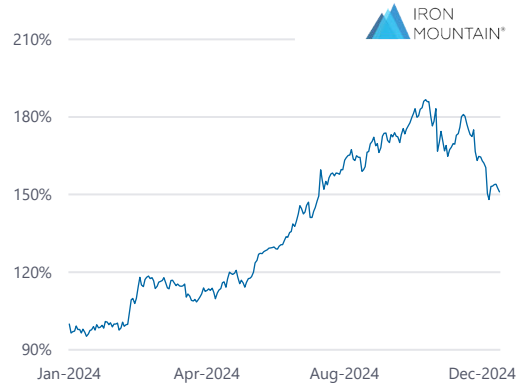
- Client and endpoint solutions segment is declining as a portion of total revenue due to a shift toward higher-margin software and services.
- Cloud segment is expected to represent around 10% of gross profit dollars in FY24, with growth expected to overtake 11% by FY25.
- Ingram Micro Inc. announced a multi-year strategic collaboration agreement with AWS aimed at helping drive business for AWS partners.

November 2024



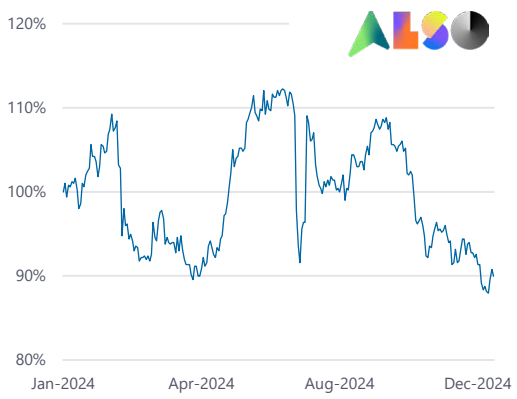
- Iron Mountain is expected to achieve high-single-digit organic growth in FY24 due to expansion into adjacent markets, increasing its total addressable market.
- The company is trading at a 30x forward P/FFO multiple for 2025, which is above historic averages, suggesting that upside potential may already be priced into the stock.
- Its significant debt maturities in the coming years and its high-interest debt may pose risks, especially in an uncertain interest rate environment.

December 2024



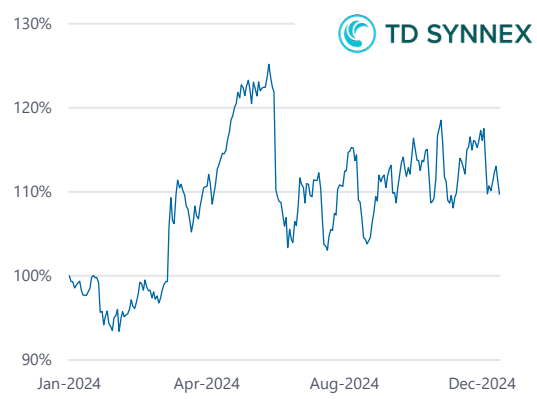
- ALSO's EBITDA guidance for 2024 is expected to be around €265 million.
- ALSO confirmed that it does not work with MS Enterprise Agreements, avoiding negative impacts from incentive reductions, and could benefit as a CSP from EA-to-CSP transitions.
- Successfully entered the U.S. with ACMP[(1)] securing Fiverr as a client.
- Its management sees strong future growth drivers, including its expansion into Asia with a new office in Dubai.

November 2024



- TD SYNNEX demonstrates strong cash flow and financial strength, supported by a robust shareholder return policy.
- Non-GAAP EPS is projected to grow at a CAGR of 8.2% from 2024 to 2026.
- The company recently completed the acquisition of Ipsense's cloud migration business.
- TD SYNNEX benefits from new business wins but faces challenges such as economic slowdown, macro pressures, geopolitical tensions, and high debt levels.

December 2024



Sources: S&P Capital IQ, investment research reports.
Notes: Share prices from January 1, 2024, to December 31, 2024. Ingram share prices from October 24, 2024, to December 31, 2024.
(1) ALSO Cloud Marketplace.

Key Transaction Multiples
Circular Tech: ITAM/ITAD

ITAM/ITAD

Date	Oct-24	Oct-24	Oct-24	Oct-24	Oct-24	Sep-24	Jun-24	Apr-24	Jan-24	Jan-24
EV (USDm)	9	n/a	n/a	n/a	34	n/a	n/d	56	n/d	n/d
EBITDA (USDm)	n/a	n/a	n/a	n/a	5	n/a	n/d	9	n/d	n/d
EBITDA Margin (%)	n/a	n/a	n/a	n/a	3%	n/a	n/d	n/a	n/d	n/d
EV/EBITDA										
EV/EBITDA Median: 10.4x										
	n/a	n/a	n/a	n/a	7.4x	n/a	n/d	6.2x	n/d	n/d
Target	Cleaq	likewize.	RELECTRO	it-recycling.nl	musicMagpie	Wisetek	TKD	NCS GLOBAL	TEQPORT	the rent company
Target Country										
Target Description	Local company specializing in computer rental for businesses.	Leading global provider of tech protection and support.	Provider of electronics repair, reverse logistics, and device lifecycle.	Recycles old hardware, offers secure data destruction, and buyout of hardware.	Engaged with recommerce and in the circular economy of consumer technology.	Provider of data disposition services.	Provider of rental services for mobile devices.	Provider of IT/tech lifecycle management solutions and services.	Provider of specialized asset recovery services.	Provider of educational technology devices through DaaS offering.
Acquirer	mobile.club	GENSTAR	sage	eyeti.	go	IRON MOUNTAIN	DEUTSCHE PRIVATE EQUITY	Celestica	TXO	AMBIENTA
Acquirer Country										
Houlihan Lokey Transactions										

Sources: S&P Capital IQ, Mergermarket, and PitchBook. Data as of December 31, 2024. All EV and EBITDA values were sourced in local currency where applicable and for presentation purposes converted to USD using the historical FX rate.
Note: Confidential Houlihan Lokey transactions are not disclosed (n/d) but are included in the median calculations and feature transactions executed by Houlihan Lokey professionals while at other firms acquired by Houlihan Lokey or by professionals from a Houlihan Lokey joint venture company.

Key Transaction Multiples (cont.)
Circular Tech: ITAM/ITAD

ITAM/ITAD

Date	Nov-23	Nov-23	Sep-23	Jun-23	Apr-23	Feb-23	Dec-22	Nov-22	Feb-22	Dec-21
EV (USDm)	n/d	205	n/d	n/d	n/d	n/a	n/d	n/d	1,029	912
EBITDA (USDm)	n/d	27	n/d	n/d	n/d	n/a	n/d	n/d	51	76
EBITDA Margin (%)	n/d	27%	n/d	n/d	n/d	n/a	n/d	n/d	n/a	n/a
EV/EBITDA	n/d	7.6x	n/d	n/d	n/d	n/a	n/d	n/d	20.2x	12.0x
Target	renew tech.	regency technologies	Ökamac	Foxway	TXO	teqcycle	Kimberer Computer	G	TES	ITRENEW
Target Country										
Target Description	Provider of IT/tech lifecycle management solutions and services.	Provider of IT/tech recycling services.	Refurbisher and online marketer of Apple products.	Full circular tech provider of sourcing, financing, and refurbishment solutions.	Provider of telecom asset management and asset disposal services.	Provider of IT/tech products trade-in services.	Supplier of refurbished and used IT/tech hardware intended for data centers.	Provider of IT/tech lifecycle management solutions.	Provider of IT/tech lifecycle management solutions.	Provider of IT/tech lifecycle management solutions.
Acquirer	Kimberer Computer	Iron Mountain	Meridiam for people and the planet	Nordic Capital	Towerbrook	Foxway	Trill Impact	Foxway	SK ecoplant	Iron Mountain
Acquirer Country										
Houlihan Lokey Transactions										

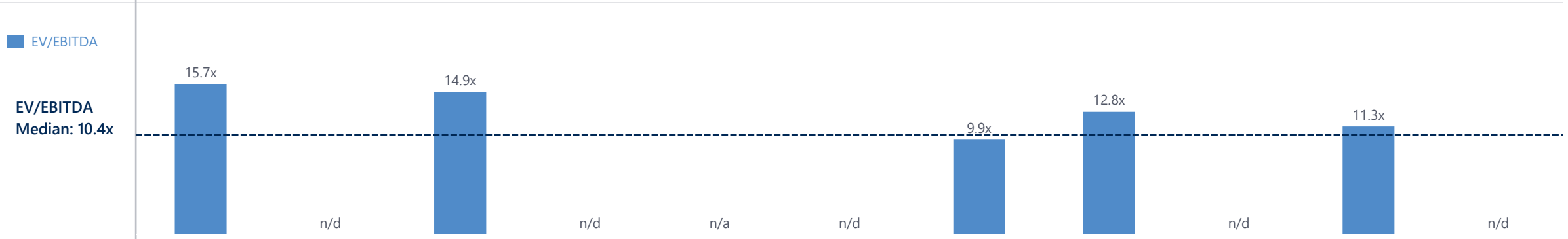
EV/EBITDA Median: 10.4x

Sources: S&P Capital IQ, Mergermarket, and PitchBook. Data as of December 31, 2024. All EV and EBITDA values were sourced in local currency where applicable and for presentation purposes converted to USD using the historical FX rate.
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Key Transaction Multiples (cont.)
Circular Tech: ITAM/ITAD

ITAM/ITAD

Date	Jul-21	Jun-21	Apr-21	Apr-21	Oct-20	Oct-19	Aug-19	Jul-19	May-19	Sep-18	Jun-18
EV (USDm)	472	n/d	506	n/d	n/a	n/d	535	449	n/d	79	n/d
EBITDA (USDm)	30	n/d	34	n/d	n/a	n/d	54	35	n/d	7	n/d
EBITDA Margin (%)	16%	n/d	4%	n/d	n/a	n/d	3%	16%	n/d	30%	n/d



Target	CANCOM	greentech	centralpoint	FLIP 4 NEW	Redeem Holding	Replace	PCM	evernex	lin	equigroup	suppliesteam
Target Country	UK	Norway	Netherlands	Germany	Spain	Estonia	USA	France	Sweden	Australia	Sweden
Target Description	Offering services in IT, InfoSec, and multi-cloud solutions.	Provider of IT asset refurbishment and replacement services.	Online retailer of technology products.	Operator of an online marketplace.	Provider of recycling and recommerce solutions for hardware.	Provider of refurbished mobile and IT equipment.	Marketer and supplier of technology products for businesses.	Provider of maintenance services for computer equipment.	Provider of IT hardware and digital services.	Provider of technology financing services.	Provider of IT service and lifecycle management services.
Acquirer	Telefónica	Foxway	Dustin	Foxway	xllnc	xllnc	Insight	3i	xllnc	CHG	xllnc
Acquirer Country	Spain	Sweden	Sweden	Sweden	Sweden	Sweden	USA	UK	Sweden	Germany	Sweden
Houlihan Lokey Transactions		●		●		●			●		●

Sources: S&P Capital IQ, Mergermarket, and PitchBook. Data as of December 31, 2024. All EV and EBITDA values were sourced in local currency where applicable and for presentation purposes converted to USD using the historical FX rate.
Note: Confidential Houlihan Lokey transactions are not disclosed (n/d) but are included in the median calculations and feature transactions executed by Houlihan Lokey professionals while at other firms acquired by Houlihan Lokey or by professionals from a Houlihan Lokey joint venture company.

Key Transaction Multiples
Circular Tech: IT Distribution

IT Distribution

Date	Jul-24	Apr-22	Feb-22	Dec-20	Nov-19	Dec-18	Jul-18
EV (USDm)	n/a	229	n/d	6,683	5,081	66	n/d
EBITDA (USDm)	n/a	34	n/d	928	593	14	n/d
EBITDA Margin (%)	n/a	2%	n/d	2%	2%	1%	n/d
EV/EBITDA	n/a	6.5x	n/d	7.2x	8.6x	4.6x	n/d
Target	WESTCOAST (1)	Excelpoint®	dcc	INGRAM MICRO	TechData	Vicis New Investments (Formerly ABC Data)	timetech
Target Country							
Target Description	Distributor of IT and mobile products to resellers, retailers, and office product dealers.	Electronic components distributor and provider of engineering design services and supply chain management.	Distributor of surplus products for laptops, desktops, servers, storage, and spare parts.	Company engaged in distribution of IT products.	Distributor of IT software and hardware products and provider of logistics management.	Distributor of IT hardware, software, and consumer electronics.	Distributor of a broad range of information and communication technology equipment.
Acquirer	ALSO THE TECHNOLOGY PROVIDER	WT MICROELECTRONICS	Foxway	Platinum Equity	APOLLO	ALSO THE TECHNOLOGY PROVIDER	xllnc
Acquirer Country							
Houlihan Lokey Transactions							

EV/EBITDA Median: 6.5x

Sources: S&P Capital IQ, Mergermarket, and PitchBook. Data as of December 31, 2024. All EV and EBITDA values were sourced in local currency where applicable and for presentation purposes converted to USD using the historical FX rate.
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(1) Partnership includes operations in Great Britain, Ireland, and France.

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