Aventis *Advisors*

Navigating SaaS exits in the AI era

Webinar materials

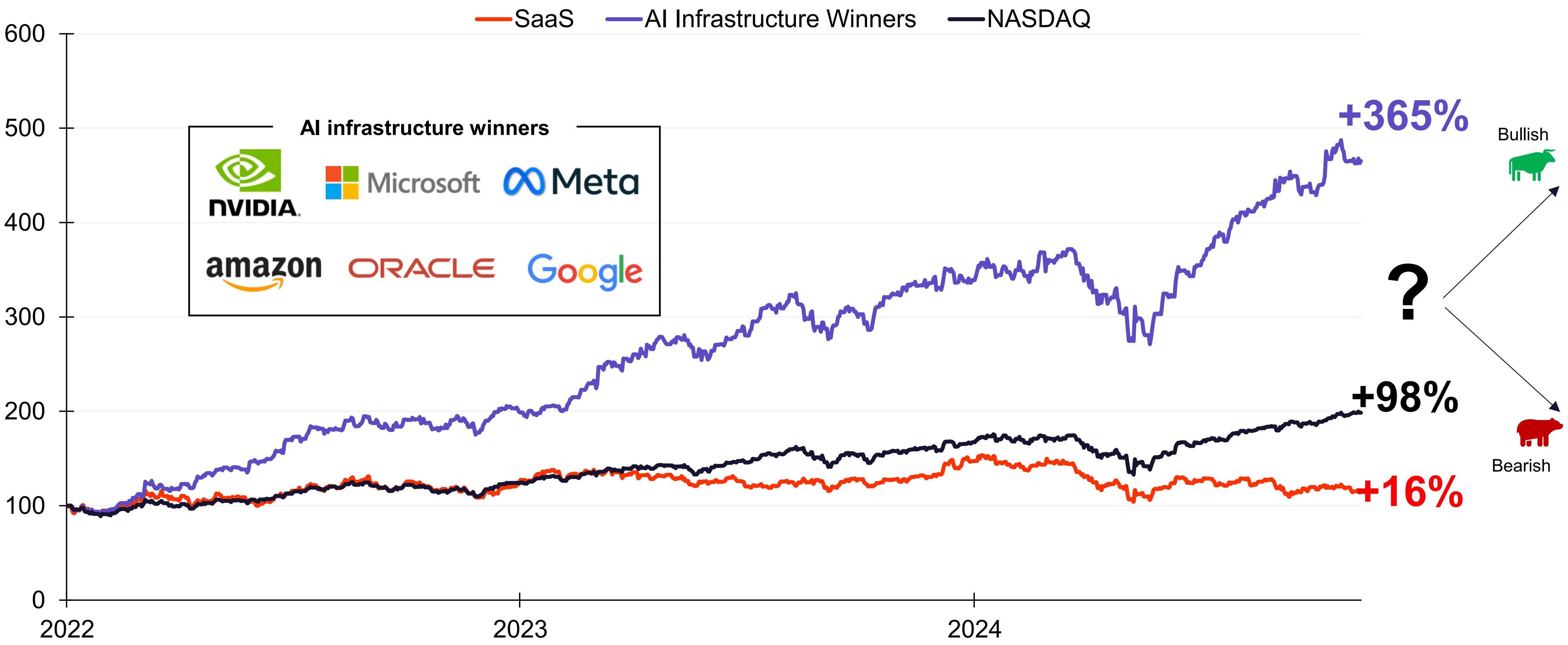
Agenda

1. How AI is reshaping SaaS valuations
2. SaaS segments most at risk of AI disruption
3. How SaaS founders can use AI internally
4. Positioning your SaaS business as "AI-ready"
5. The mindset of SaaS acquirers in the AI-era

SaaS is lagging, AI is running the show!

Investors are betting on the picks and shovels of the AI gold rush as AI infrastructure giants are leaving SaaS behind

Performance of Aventis SaaS Index and AI infrastructure companies since the launch of ChatGPT, 01.12.2022 = 100



Source: Capital IQ

Here's how we think about the AI vs SaaS debate

"Software is eating the world"

Marc Andreessen, 2011

"AI is going to eat software"

Jensen Huang, 2017

BUT not all software is on the menu!

Competitive moats

Sticky customers

Mission critical & technically complex

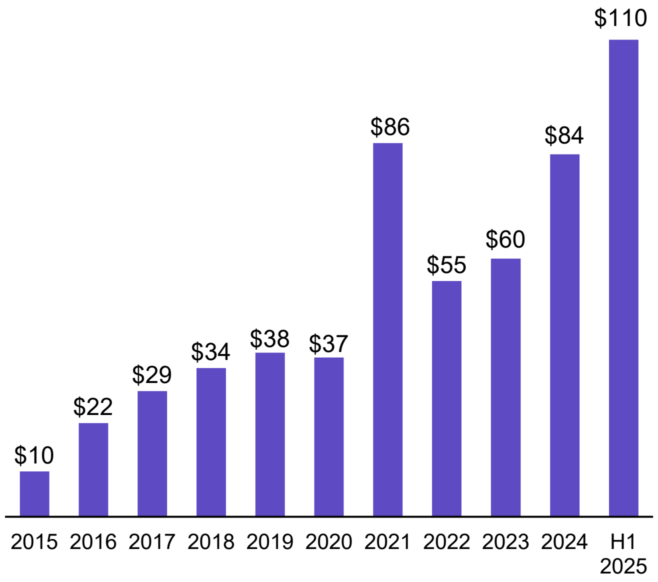
Making sense of AI's threat to SaaS

We view AI's rise as a structural realignment changing the trend from SaaS dominance to AI-led consolidation having direct implications for M&A

Phase 1 – sentiment shift → **Phase 2 – replacement** → **Phase 3 – consolidation**

1. Capital and budget rush to AI

Total value of capital raised by AI companies, $B



2. SaaS replaced with AI agents

Buy-now, pay-later firm Klarna announced that it is cutting over 1,200 external SaaS providers in favor of an internally-built, unified AI tech stack

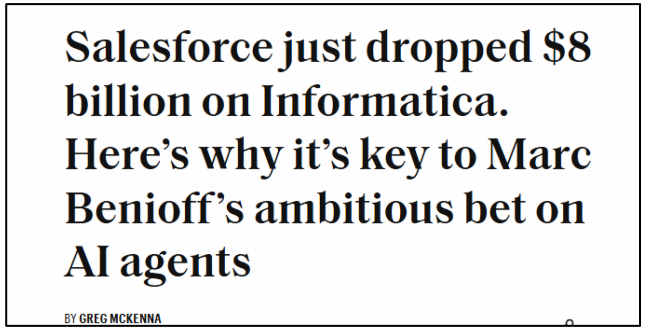
Klarna Plans to 'Shut Down SaaS Providers' and Replace Them With Internally Built AI. The Tech World Is Pretty Skeptical The buy-now-pay-later giant is leaning into automation and slashing its partnerships with Salesforce and Workday.

BY SAM BLUM, SENIOR WRITER @SAMMBLUM

SEP 12, 2024

3. Consolidation wave

SaaS incumbents acquire, merge or reposition around AI capabilities, leading to large transformational M&A deals



Salesforce just dropped $8 billion on Informatica. Here's why it's key to Marc Benioff's ambitious bet on AI agents

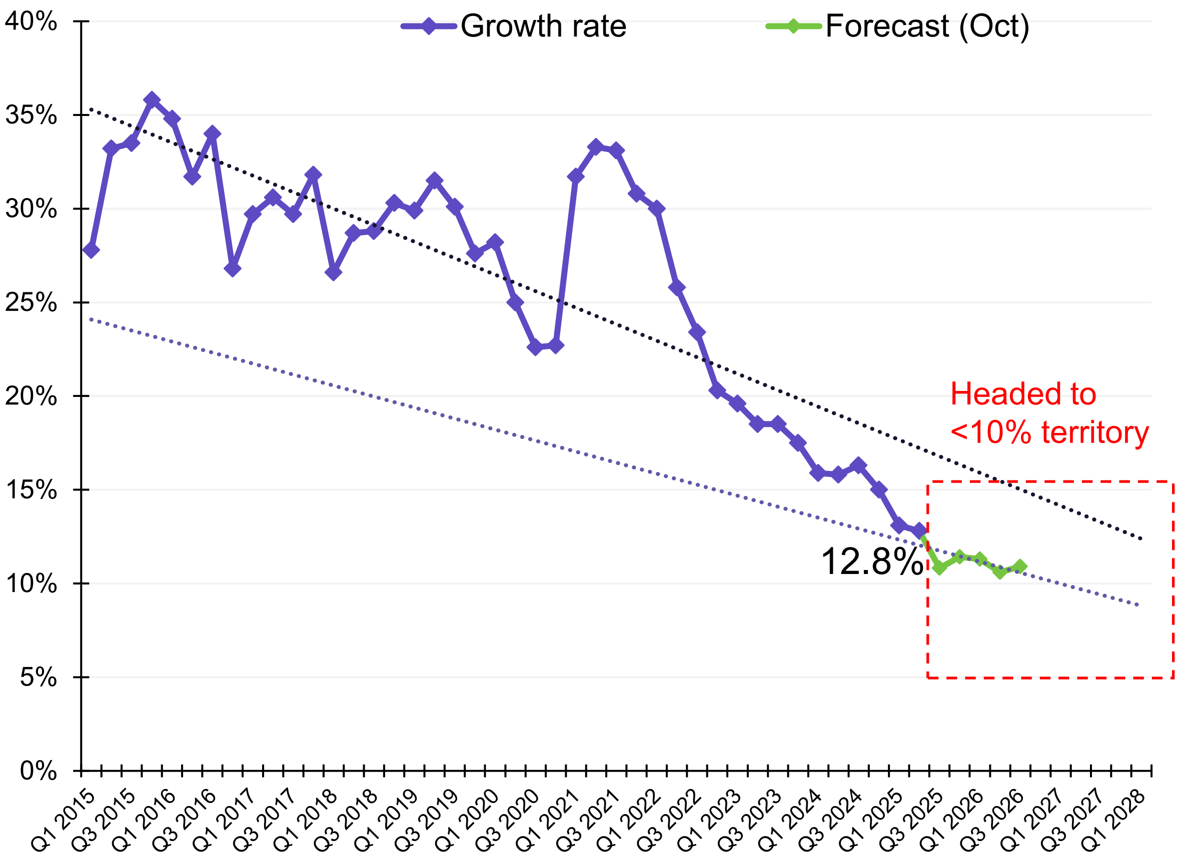
BY GREG MCKENNA

Source: Aventis Advisors analysis

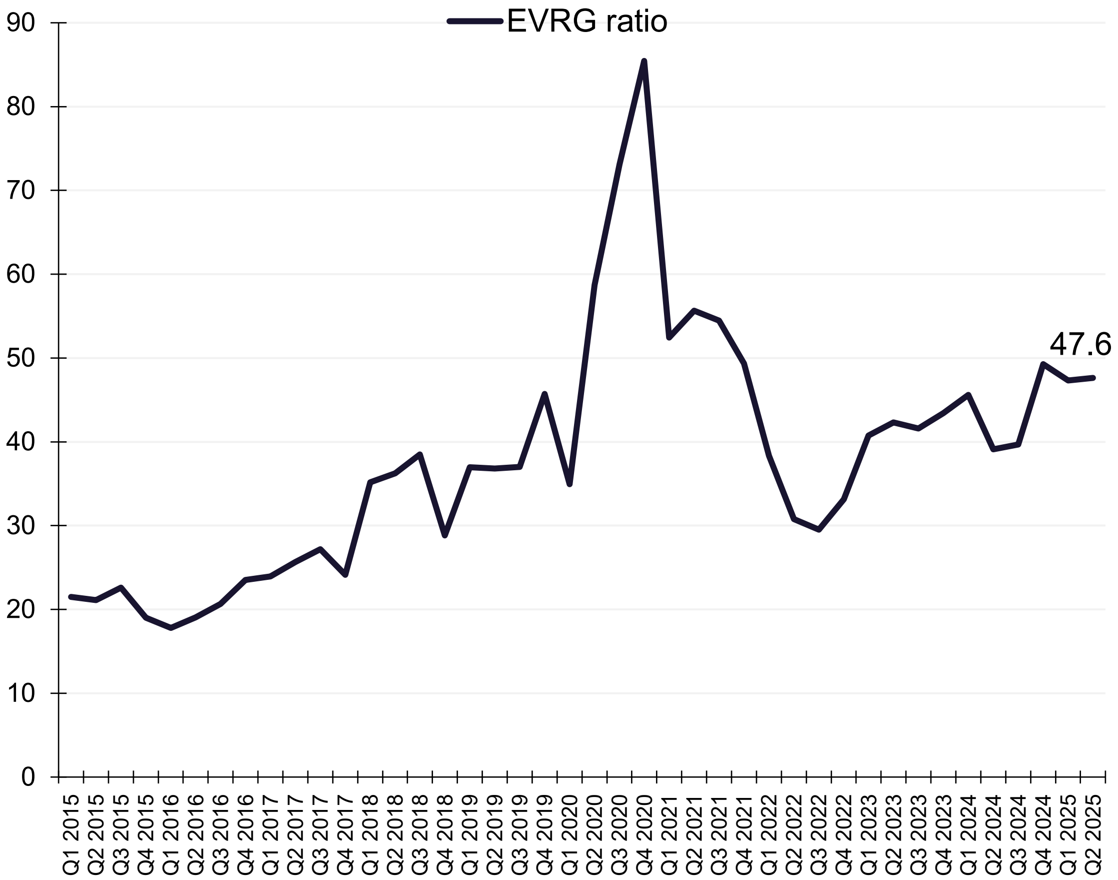
SaaS growth rates have continued to deteriorate since our last webinar

A continued decline of SaaS growth rate in Q2 2025, still expensive on EVRG basis

Median YoY quarterly revenue growth, %



Enterprise value (EV) to Revenue growth (EVRG) ratio

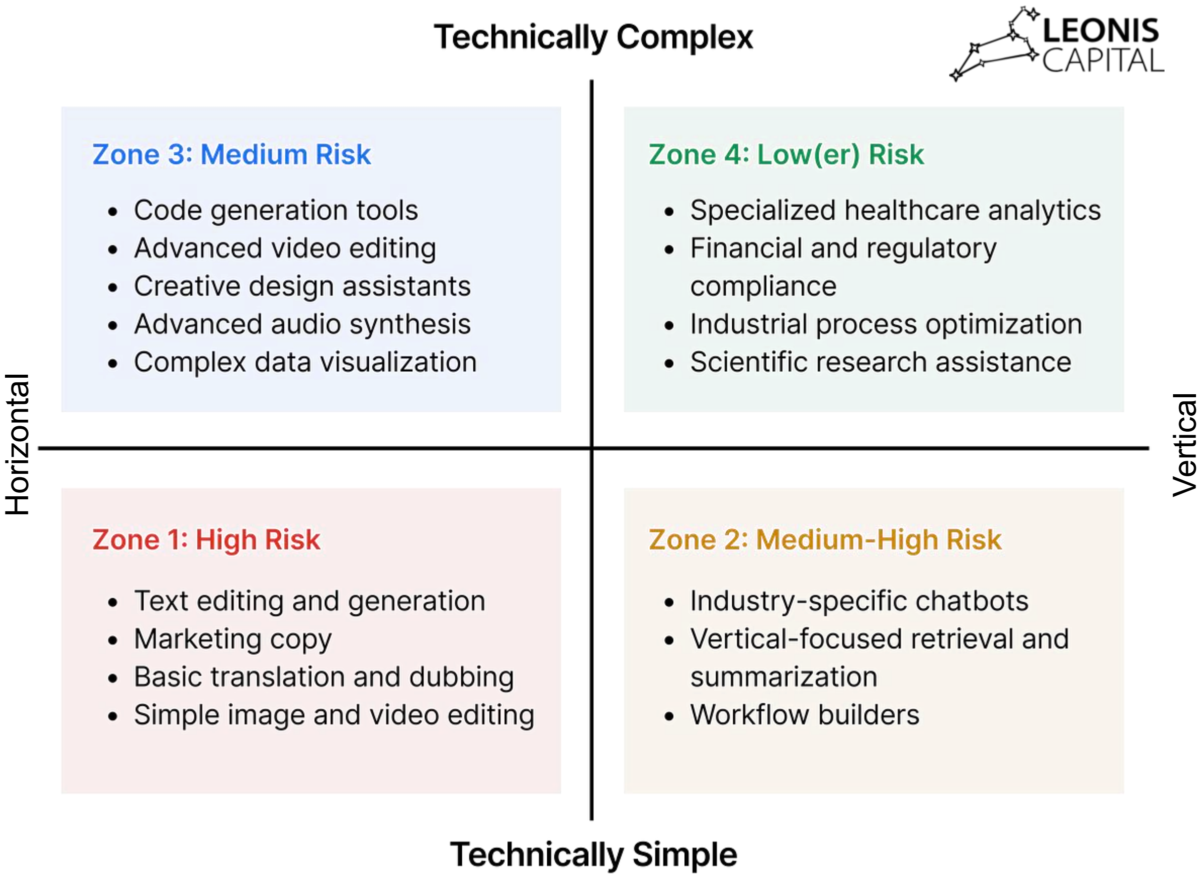


Source: S&P Capital IQ

Many SaaS segments are exposed to AI-disruption

Because of switching costs, long-term subscriptions, embedded in the processes - the change is not as abrupt as for AI-native startups

A 2x2 map of the absorption risk of different AI applications



How we think this applies to SaaS

The main question:
Does a process need to be 100% correct?

High risk SaaS segments

- Marketing
- Sales
- Customer service

Low risk SaaS segments

- Financial reporting
- Payroll
- Safety
- Critical infrastructure software (energy, transportation, etc.)
- Healthcare

Source: Leonis Capital, Aventis Advisors analysis

How SaaS founders can use AI internally

Founders who adopt AI internally move faster, cheaper, and smarter. Some of our practical ideas to embed AI into core SaaS functions.

Business areas up for AI adoption	Example AI tool stack	Comment
Product development	Cursor, GitHub Copilot, Lovable, replit	• Speed up development with AI-assisted coding • Automated QA and test generation
Ops & finance	Pigment, n8n	• Automate reporting and forecasting • AI-driven dashboards for natural language queries
Sales & marketing	clay, Seamless.AI	• Auto-score and segment leads • AI-driven personalized outbound campaigns at scale
People & culture	hume ai	• Build an internal knowledge hub • Use AI assistants to onboard new hires faster
Founder productivity	ChatGPT, perplexity, Read AI	• Summarize meetings, draft strategy docs, brainstorm ideas and conduct quick market research.

Source: Aventis Advisors analysis

Positioning your SaaS business as "AI-ready"

Founders should play offense by creating growth opportunities and defense by ensuring the company doesn't get displaced by AI-native peers

Offensive moves: create new value with AI and grow faster

- Build **AI-native product extensions** and launch new features
- Invest heavily in **training and upskilling** the employees
- Create **proprietary data** advantages
- Leverage **AI in GTM** and Sales
- Accelerate **innovation** cycles, use AI in product ideation, and execute faster dev sprints

Defensive moves: protect position from AI-native competitors

- Ensure product **visibility in LLMs** for customer acquisition
- **Data moats**; protect and enrich your business data
- Ensure basic level of organizational **AI literacy**

The mindset of SaaS acquirers in the AI era

Valuation logic in M&A deals is shifting – some of the old SaaS rules are getting extra nuance

Factor	Regular mindset	Mindset in the AI era
Business model	• Subscription-first product business • Predictable recurring revenue stream	• Can the business scale pricing with value delivered, not just users sold? Outcome-based / usage-based pricing, closer to LLM API pricing
Business size	• Larger ARR (>$5M) = more attractive • Revenue per FTE and employee count used as proxies for operational maturity and scalability	• Can a smaller AI-native competitor scale rapidly to millions in revenue with minimal headcount (eg: Loveable, Midjourney, Runway)?
Moat	• Product stickiness and integration depth; switching costs; feature differentiation	• Can AI replicate the feature and software at a fraction of a cost? Are the workflows defensible against AI-native competitors?
Churn / Retention	• Churn, logo retention, and NRR as key metrics • Churn is predictable, stable	• How will churn change once AI solves the business problem your SaaS is targeting?
CAC	• Predictable CAC through well-established channels (e.g., paid ads, inbound, outbound sales), rules of thumb are applied (3:1 LTV/CAC)	• Are your customer acquisition channels ready for “AI overviews”, LLM-supported product selection, mass AI-assisted outbound?

Aventis SaaS Exit Readiness Dashboard: For a successful exit in the AI era

Your exit preparation should be divided into manageable categories, so you don't overlook crucial elements that could make or break your sale

Key exit preparation topics

Area of business	Example topic to prepare for
Financial	Have you prepared 3-year financial projections with growth scenarios?
Product & Tech	You have a 1–3-year product roadmap
Sales & Marketing	You listed the company on software directories (G2, Capterra)
Customer Success	You have a dedicated customer support/success team
Operations & HR	You maintain an employee roster with staff positions, salaries, locations, etc.
Legal & Compliance	Your company brand name and product name are a registered trademarks
Exit Preparation	You have clearly decided on the sale
Inbound Interest	Are you receiving any inbound offers already?
AI readiness (2025 update!)	You have a clear AI product roadmap aligned with the business goals

Get a copy of the dashboard

Comments

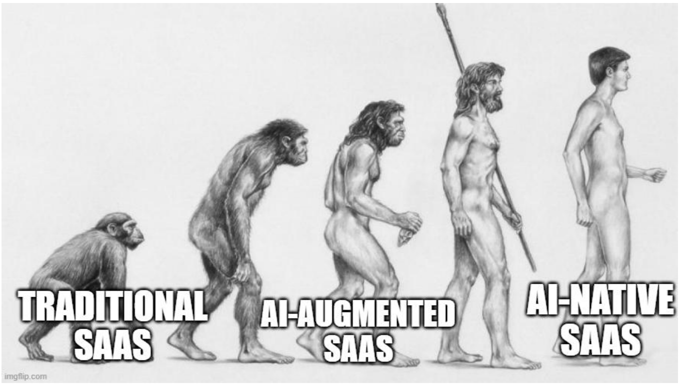
- We have built an easy-to-use dashboard for SaaS founders who are planning to exit their business
- You need to fill in a checklist of questions from eight different areas of your business as shown in the left table
- The dashboard will give you an ***"exit readiness score***" from 1-100 that tells you how prepared you are for an exit
- Try it now – Download the Exit Readiness Dashboard

Source: Aventis Advisors analysis

Summary

1. AI is overshadowing SaaS

Whether it is stock market performance, valuation multiples, or investor appetite, AI companies are running the show while SaaS is lagging.



2. SaaS founders must position as AI-ready

AI-native competitors are emerging fast. SaaS founders must adapt to this new reality.

3. SaaS acquirers focus increasingly on AI risks

Acquirers are no longer just buying SaaS, they're underwriting AI defensibility

Contact

Marcin Majewski

Managing Director

marcin.majewski@aventis-advisors.com

Filip Drazdou

M&A Director

filip.drazdou@aventis-advisors.com

Shaheer Ansari

Analyst

shaheer.ansari@aventis-advisors.com