



**CONFIDENTIAL INFORMATION
MEMORANDUM**

Table of Contents

Section 1: Executive Summary	1
1.1 Overview	1
1.2 Benefits	1
1.3 Investment Highlights	2
1.4 Transaction Rationale	2
1.5 Contact Information	2
Section 2: Industry Landscape & Strategic Imperative	3
2.1 Legacy SaaS Has Peaked	3
2.2 Fitness Technology Portfolios Are Ground Zero	3
2.3 AI Has Made the Status Quo Economically Unsustainable	3
2.4 CMS Landscape & Market Intelligence	4
Section 3: Company Overview	6
3.1 Origin: A Solution Born from Strategic Foresight	6
3.2 What Apex SaaS Bridge Is	6
3.3 Development Timeline: Methodical, Multi-Phase Execution	8
3.4 Strategic Integrations: Proof Over Promise	10
Section 4: Product & Technology	11
4.1 Architected for Survival. Designed for Scale.	11
4.2 Backend: Unified Data Warehouse	12
4.3 Logic Layer: Context-Aware AI Middleware Engine	12
4.4 Front End: Configurable, Brandable Interface	13
4.5 AI-Ready by Design	14
4.6 AI Assistant & Chatbots: Unlocking Conversational Workflows	15
4.7 Security, Scalability, and Deployment	15
4.8 IP Ownership and Extensibility	15
Section 5: Business Model & Value Proposition	16
5.1 Apex Is the Business Model Multiplier	16
5.2 Lifecycle Extension: The Hidden Revenue Engine	16
5.3 Multi-Modal Revenue Enablement	16
5.4 Example: From Dysfunction to Enablement	17
5.5 Why This Can't Be Rebuilt	17
5.6 Optional Monetization Paths	17
Section 6: The Real TAM: Share of Stack Not Market	18
6.1 The Illusion of AI Adoption	18
6.2 Apex Reframes TAM Around Strategic Control	18
6.3 Quantifying the Opportunity	19
6.4 Apex as the TAM Amplifier	19
6.5 TAM as Strategic Justification for All 9 Drivers	19
Section 7: Nine Value Drivers	20
Section 8: Competition & Market Sentiment	21
Section 9: A Valuation Framework Grounded in Enablement, Not Revenue	22
Section 10: One Opportunity. One Buyer.	23
Section 11: Value Driver Calculations & Evidence.	23
11.1 Reference Metrics from the Market	24
11.2 Calculations by Driver	25

Section 1

Executive Summary

1.1 The End of SaaS. The Rise of the Bridge

❖ **SaaS didn't fail.**

It just stopped evolving.

What was once a breakthrough has become a bottleneck—stitched-together stacks, bolt-on AI, and logic that no longer fits the world it's trying to serve.

Apex SaaS Bridge doesn't replace what SaaS built. It completes it.

Apex provides legacy SaaS ecosystems the infrastructure that turns fractured platforms into intelligent systems—activating what's already there, aligning what's been disconnected, and giving SaaS a second, far more valuable life.

Over the last decade, businesses have adopted dozens of cloud applications for scheduling, billing, CRM and analytics. These tools create fragmented data and inconsistent information, making it impossible to derive consistent insights or leverage generative AI effectively. A unified data architecture is essential to provide a single source of truth and ensure AI models are trained with appropriate business context

The SaaS Bridge

Apex SaaS Bridge is a post SaaS infrastructure platform that connects to any CMS, POS, CRM or bespoke system, ingests all operational data and normalizes it into a unified, optimized schema. This process eliminates conflicting naming conventions and multiple “sources of truth”. On top of the data layer sits a context aware AI middleware engine and a configurable front end, allowing organizations to build analytics, automations and conversational assistants without rewriting their existing systems.



1.2 Benefits

Adopting the Apex SaaS Bridge technology delivers immediate advantages:

- **Consolidation:** Collapse disparate systems into a single, unified platform, reducing redundancy and complexity.
- **Real Time Visibility:** Gain comprehensive insight and control across scheduling, billing, CRM and analytics without manual reconciliation.
- **AI Ready Data:** Provide clean, contextual data that enables AI models to generate accurate insights, proactive recommendations and automated workflows.
- **Operational Efficiency:** Eliminate repetitive manual tasks and accelerate decision making, improving customer experience and business performance.
- **Validation:** Two of the largest club management platforms in North America already operate on the SaaS Bridge backbone, processing millions of transactions and supporting tens of thousands of customers. In the fitness and wellness vertical alone, platforms like Mindbody serve more than 61,000 gyms and millions of users—these are the data pools the Bridge unifies.
- **Opportunity:** As AI adoption accelerates, owning the unified data layer becomes the only sustainable way to deploy AI at scale. Early adopters of the SaaS Bridge can modernize their existing portfolios, unlock new revenue streams from analytics and AI services and secure a leadership position in an AI driven future. This memorandum invites you to explore how the Apex SaaS Bridge can help your organization harness the power of unified data and context aware automation.



1.3 Investment Highlights

- **First Mover Infrastructure:** Apex is the only commercially available, production grade platform capable of transforming fragmented software stacks into cohesive, AI operable environments.
- **Embedded Strategic Integrations:** Integrations with four of the largest club management systems enable rapid deployment of business intelligence (BI) and AI monetization features at scale.
- **AI Enablement Without Rebuilds:** By harmonizing data and embedding logic, Apex eliminates the need for costly AI retrofitting; it feeds clean, context rich data directly into analytics engines and AI agents.
- **Immediate Monetization Vector:** The Fitness One module delivers dashboards, automations and revenue optimization tools within 60-90 days, providing clear ROI and a Trojan horse entry into adjacent customer bases.
- **Buy Vs Build Advantage:** Replicating Apex internally would require a cross disciplinary team, multi year schema access and more than \$25 million in R&D expenditures. Apex is enterprise ready now, and the AI opportunity window is closing.
- **Complete IP Transfer:** The sale includes the entire Apex SaaS Bridge technology stack, SMARTech Convergence and INNOV8 IP, Fitness One, and rights to extend into other verticals.
- **Structured Sale Process:** Apex is offered through a limited reverse RFP process to a curated list of qualified Club Management Systems and their PE sponsors, creating competitive tension and accelerating time to close.
- **Enterprise Value Uplift Potential:** Based on current integrations, monetization readiness and nine distinct value drivers, Apex is modeled to unlock more than \$200 million in revenue uplift and \$500 million in enterprise value for a qualified acquirer over a three year horizon.



1.4 Transaction Rationale

Apex SaaS Bridge is the only platform capable of rapidly transforming fragmented fitness club software stacks into AI-operable systems. It delivers the backend unification and embedded logic layer required to monetize AI, drive retention, enable intelligent automation, and protect software platform valuations.

For private equity sponsors and Club Management System operators, Apex SaaS Bridge functions as:

- **An accelerant** to value creation—enabling new SaaS, payments, BI, and AI monetization within 90 days.
- **A safeguard** against obsolescence—extending the useful life of aging software portfolios under pressure from AI-native entrants.
- **A control asset** in a finite market—fully integrated and ready to deploy across four of the most widely adopted Club Management System platforms in North America.

The buyer of Apex SaaS Bridge doesn't just acquire infrastructure—they secure the foundation required to lead the post-SaaS era of fitness technology.

1.5 Contact Information

Investment inquiries and banker access to the data room may be coordinated directly through:

Eric D. Coonrod
Managing Partner
Integral Capital Advisors, LLC
Eric@integralcapitaladvisors.com
(310) 995-8579

Section 2

Executive Summary

2.1 Legacy SaaS Has Peaked

In late 2024, Microsoft CEO Satya Nadella issued a stark warning:


SaaS as we know it is dead

This was not a prediction—it was a structural diagnosis.

After a decade of explosive growth, the traditional SaaS model has run its course.

Vertically focused SaaS companies now face saturated markets, eroding margins and mounting technical debt. Most are attempting to bolt generative AI onto monolithic architectures without the unified data required to train models or deliver actionable insight.

As InformationWeek notes, a unified data architecture is essential for AI success; it “creates a single source of truth for decision making” and ensures AI models are trained with appropriate business context.

Without it, AI becomes a marketing slogan rather than a performance driver.

Most vertical SaaS platforms—especially those in fitness—were not built for this new standard. They were designed for transactional workflows, not for intelligence. As a result, they are now defined by:

- Disjointed data models
- Inconsistent business logic
- Decentralized infrastructure
- Human-led decision loops

This architecture cannot support AI agent training, real-time automation, or adaptive workflows. What was once a manageable operational limitation is now a structural threat to enterprise viability.

2.2 Fitness Technology Portfolios Are Ground Zero

The \$13 billion health and fitness software market is one of the first dominos to be affected in the larger SaaS ecosystem—predominantly because many of the biggest systems are built on legacy technology which limits its relevancy in the future and the ability for it to connect to the AI ready/native systems of the future.

CMS providers like Mindbody and Daxko own fragmented, aging platforms that struggle to integrate scheduling, billing, CRM and analytics.

Customers are frustrated with redundant data entry, inconsistent reporting and vendors that promise AI but deliver only basic chatbots.

The Apex SaaS Bridge’s early integrations major Club Management platforms demonstrate that a single backend and middleware layer can unify these functions, dramatically reduce operator friction and pave the way for true AI automation.

Less than 10% of fitness software platforms have a unified backend capable of supporting real-time AI orchestration. This makes the category structurally vulnerable to AI-native challengers and vertically integrated disruptors.

2.3 AI Has Made the Status Quo Economically Unsustainable

Generative AI is not simply a feature—it is a paradigm shift that requires clean, governed and context rich data.

Incumbent SaaS vendors cannot transform because their data is siloed across dozens of databases and their codebases are brittle.

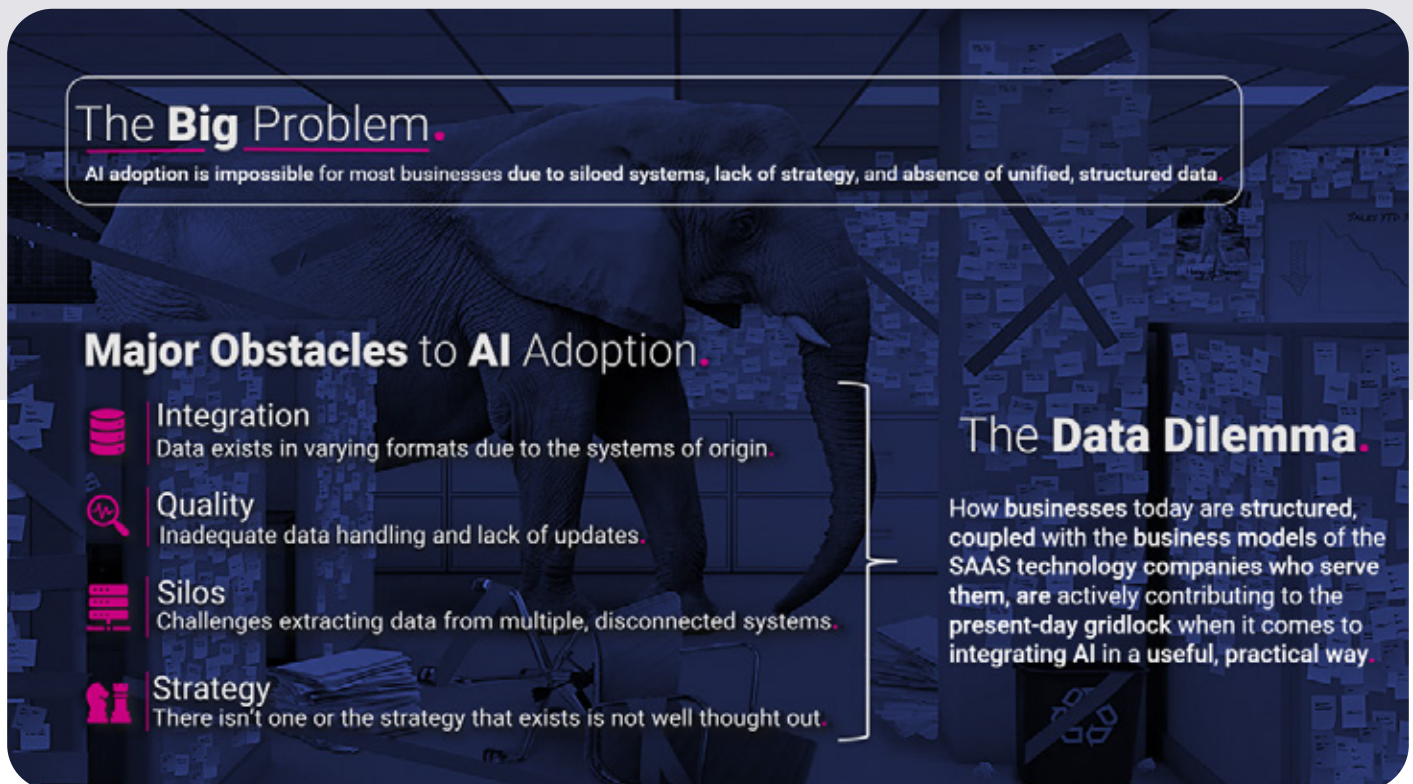
2.3 AI Has Made the Status Quo Economically Unsustainable

Generative AI is not simply a feature—it is a paradigm shift that requires clean, governed and context rich data.

Incumbent SaaS vendors cannot transform because their data is siloed across dozens of databases and their codebases are brittle.

Buyers that control a unified data layer will capture outsized economics from AI while competitors scramble.

Investors understand that the value of software assets is increasingly tied to their ability to serve as a foundation for AI; this is the strategic gap Apex fills.



2.4 CMS Landscape & Market Intelligence

Although the health and fitness software market is fragmented, a handful of club management systems (CMSs) own the bulk of customer relationships.

Understanding their scale highlights the scope of the opportunity for Apex. The visual below illustrates the consolidation of Private Equity investment amongst a handful of the largest Club Management System portfolios in the Fitness space.

The “value” of these systems are not just within the revenue they generate—

the exponential value of these legacy investments (to the Private Equity Firms that own them) resides in the data they command within those systems themselves.

The single most valuable commodity of the new economy we are entering is “data” itself. The consolidation of Fitness Club Management technology companies like the ones shown below (and others like them) underscores just how concentrated and large the data pools can become once a single platform captures a vertical.

One Strategy, Two North Stars

Private Equity Sponsored & Underwritten Acquisitions.

Apex makes it easy for the investors in SaaS companies to do the right thing for their portfolio.



The fact that none of these platforms have a mechanism to command the data they already own represents both the existential risk they face and the massive strategic advantage that comes with owning the only viable control layer for CMS data currently available to the Fitness industry provides.

This is no longer just a technology problem. It is a financial risk embedded in the capital structures of PE-backed software platforms.

Valuations across the category are underwritten on the promise of growth, integration, and long-term defensibility. But if Club Management Systems cannot become AI-operable in the near-term, sponsors and lenders are exposed on multiple fronts:

- **Churn increases** as operators adopt smarter, more cohesive alternatives
- **Revenue per location stagnates** as upsell velocity declines
- **Customer acquisition costs rise** due to operational friction
- **Debt covenants tighten** as projected growth stalls or misses

Having already integrated with two of the largest platforms (ABC Fitness and Daxko) and with the ability to connect to any other CMS ecosystem within the Fitness Industry, Apex is well positioned as the control layer of choice for underpinning the ecosystem of the company who will conquer the Fitness Industry SaaS market.

Section 3

Company Overview

3.1 Origin: A Solution Born from Strategic Foresight

Apex SaaS Bridge was not created to capitalize on the hype cycle around AI. It was born from a strategic diagnosis made nearly a decade ago: Legacy software portfolios are structurally incapable of modernization without a unifying infrastructure.

The original insight came during a consulting engagement in 2017, when Boston-based transformation firm Conduit Innovation was advising a regional fitness operator using ABC Financial (now ABC Fitness). While helping the operator interpret its business performance data, it became clear that the real barrier to insight wasn't access to data—it was the absence of shared logic, clean structure, and intelligent workflows across systems.

What began as a scoped BI deployment quickly escalated into a larger thesis:

The core issue plaguing fitness software platforms—and by extension, the investors who own them—is not feature parity. It's the absence of infrastructure that can support intelligence.

From that realization came the multi-year buildout of Apex SaaS Bridge, a system-level enablement platform designed not to replace legacy Club Management Systems but to unify and amplify them.
now a structural threat to enterprise viability.

3.2 What Apex SaaS Bridge Is

Apex SaaS Bridge is a production-ready, vertically integrated platform that enables fractured fitness software portfolios to behave as intelligent, AI-operable systems—without the need for re-platforming or custom rebuilds.

Its architecture is built on three layers:

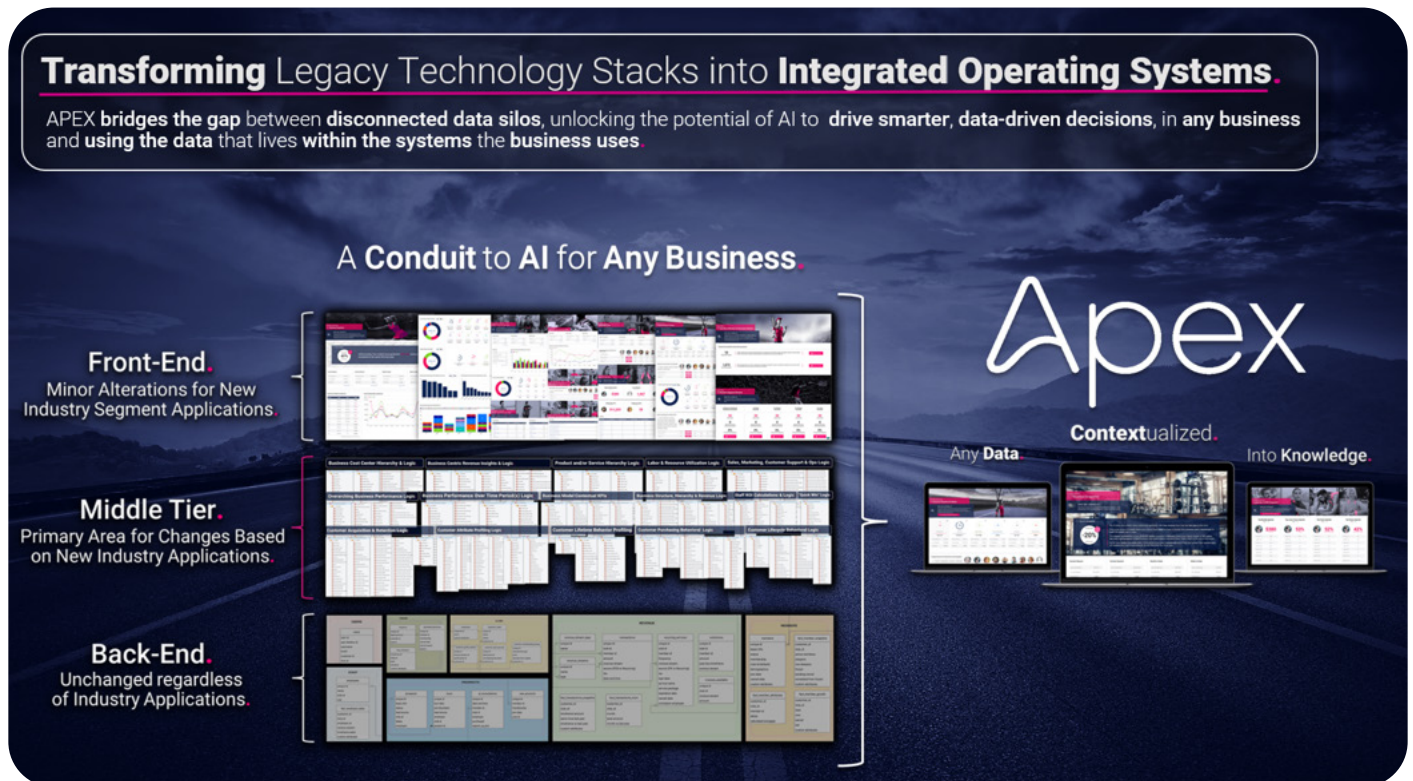
1. Apex's Backend SaaS Bridge: Harmonizes fragmented data from disparate platforms into a clean, queryable schema. This layer creates a unified data model capable of powering real-time analytics, automation, and machine-learning workflows across multiple systems.
2. Apex's Foundational AI Middleware: A logic-rich interpretation engine that embeds business rules, operational context, and predictive algorithms directly into the data layer. This is powered by Apex's proprietary SMARTech Convergence framework and INNOV8 onboarding engine—technology that standardizes and encodes the decision logic behind critical thinking.
3. Apex's Front End User Interface: A customizable, scalable, brandable-for-white-label deployment interface (currently branded as Fitness One). This interface allows users to experience Apex's outputs through a unified portal that centralizes dashboards, workflows, and AI-powered insights across legacy tools.

This isn't a wrapper. It's a second foundation.

Apex SaaS Bridge isn't a dashboard, a toolkit, or a bolt-on analytics product.

It's the reinvented middleware layer – the connective infrastructure your SaaS stack was always missing.

Apex provides the architecture AI has been waiting for without requiring legacy systems to be rebuilt.

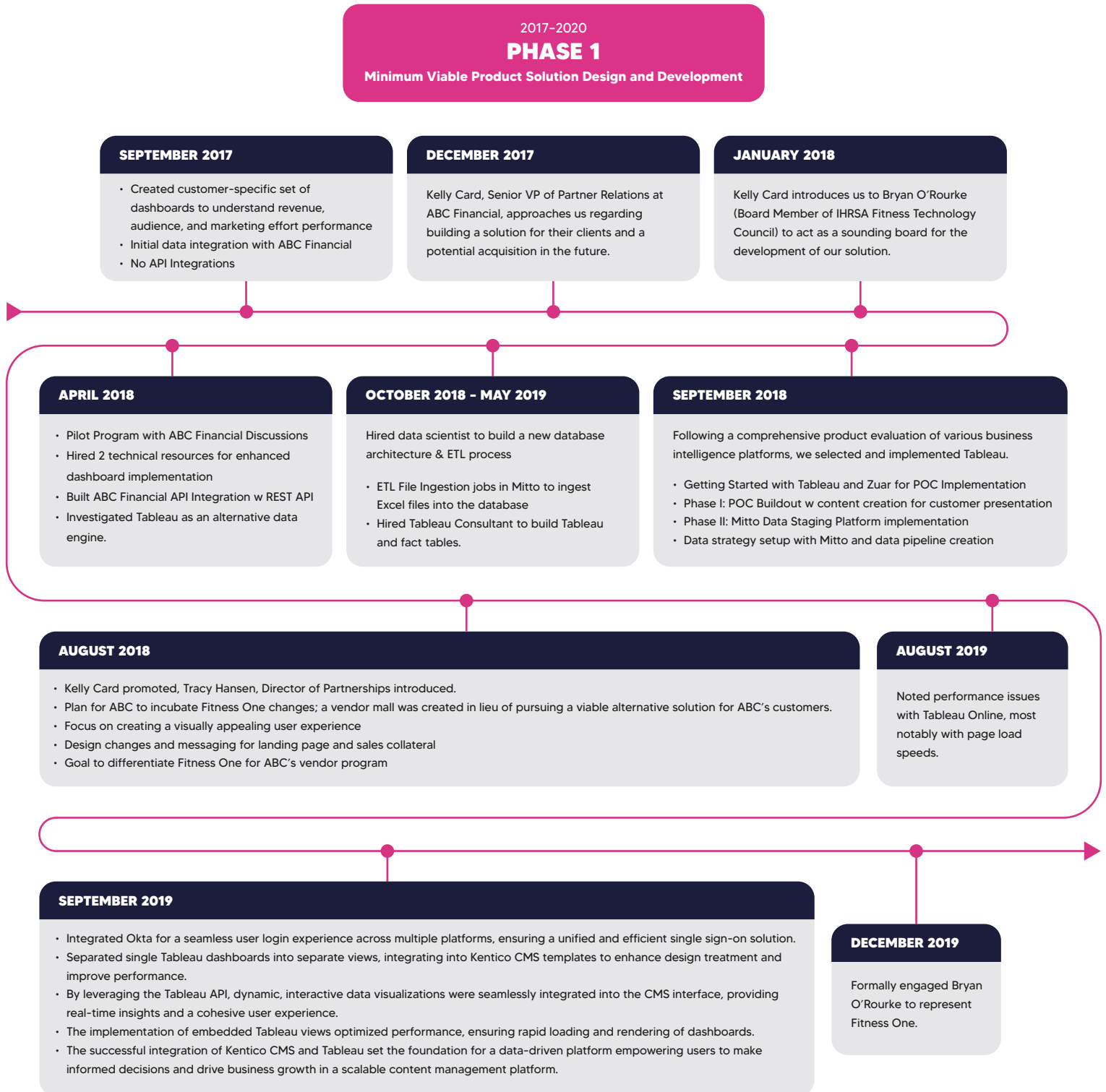


This full-stack configuration allows Apex SaaS Bridge to serve as both a structural solution and a monetizable product. It supports direct deployment, OEM licensing, or as a foundational layer upon which AI copilots, BI tools, and automation engines can be rapidly built and scaled.



3.3 Development Timeline: Methodical, Multi-Phase Execution

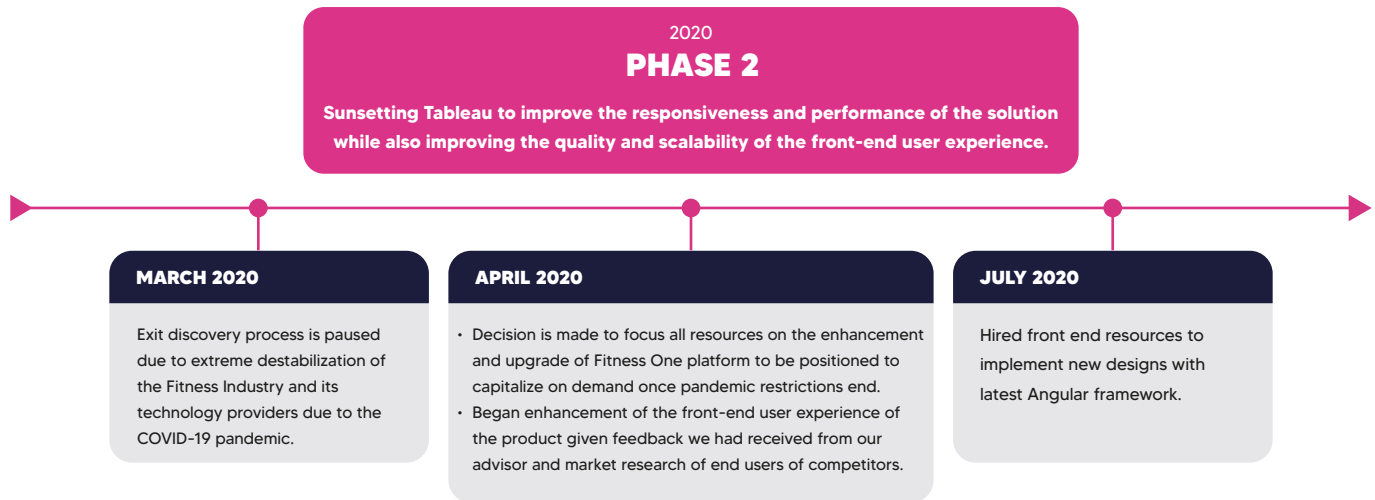
Apex has evolved over a 7-year period, through deliberate architectural Phase 1 (2018–2020): foundational schema design, multi tenant database architecture and early logic engine development; prototypes deployed in test environments using ABC Fitness data.



The three-layer Apex SBT architecture turns legacy SaaS into an AI-operable system without re-platforming

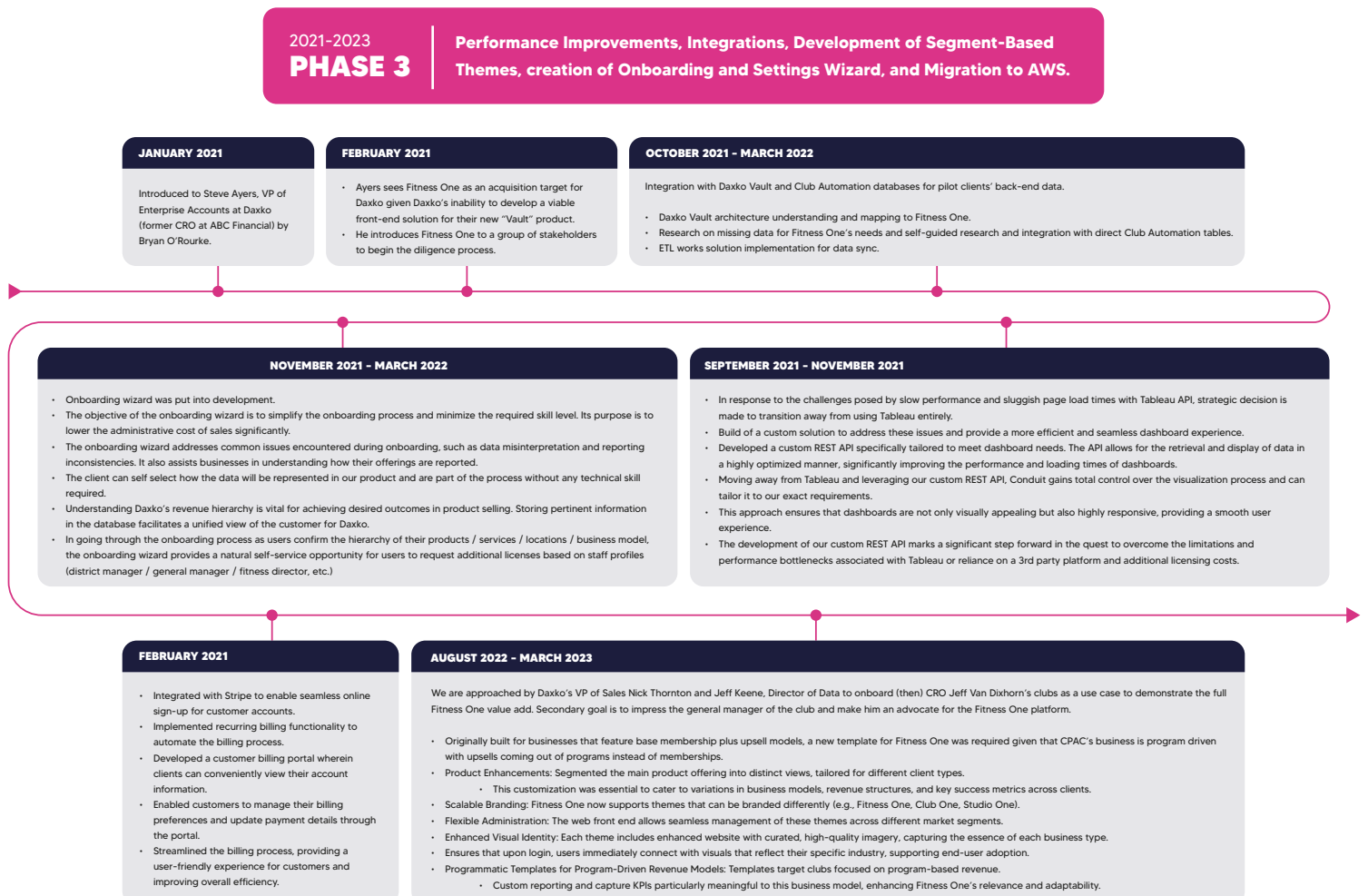
Phase 2 (2020-2022)

Introduction of the INNOV8 middleware layer; integration with Club Automation and Daxko; establishment of the Kentico based front end framework; completion of onboarding wizards and operator facing UI.



Phase 3 (2023-2025)

Hardening of the AI enablement layer for LLM compatibility; activation of the Fitness One BI layer for immediate monetization; confirmation of cross platform compatibility via ABC, Club OS and Daxko API integrations; strategic exit planning and reverse RFP buyer framework finalized.



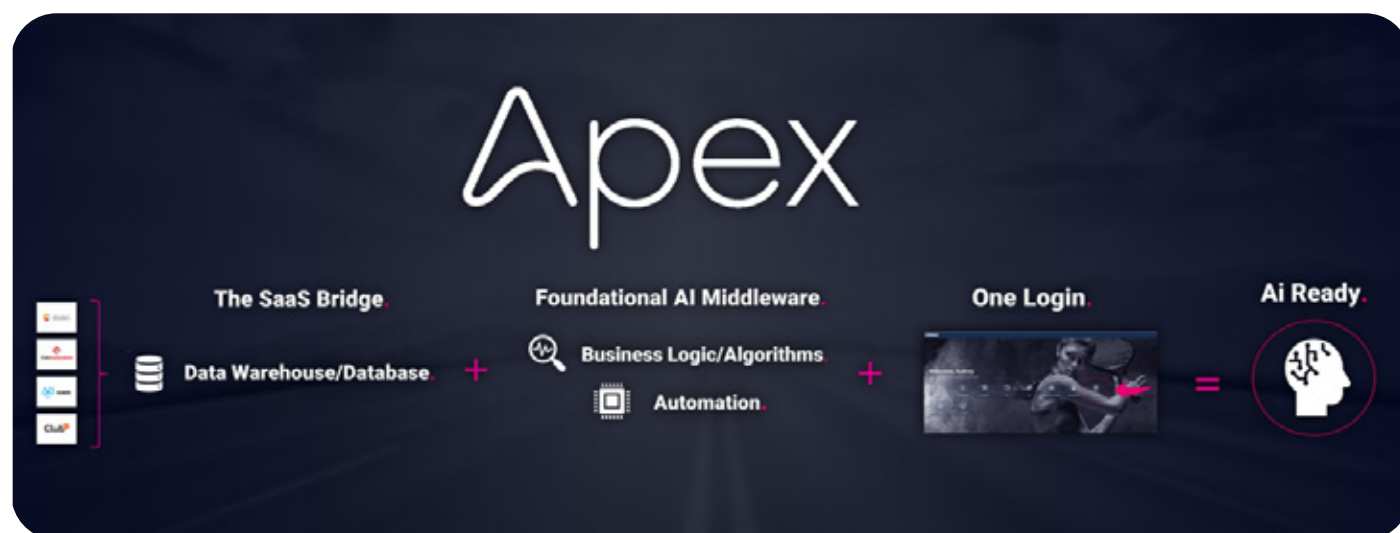
3.4 Strategic Integrations: Proof Over Promise

The platform is already integrated into two of the three largest CMS systems in North America, covering thousands of locations, billions of dollars of transactions and demonstrating that the SaaS Bridge technology can serve as the control layer for a multi-billion dollar stack.

These integrations also provide immediate monetization readiness- allowing the buyer to:

- Deploy the Fitness One BI module as a revenue-generating product within 60-90 days
- Begin backend unification without vendor displacement
- Leverage Apex as a Trojan Horse for customer conquest and retention

This is not theoretical. Apex SaaS Bridge is functional, connected, and operationally proven inside the same systems that target buyers already own or compete against.



Section 4

Product & Technology

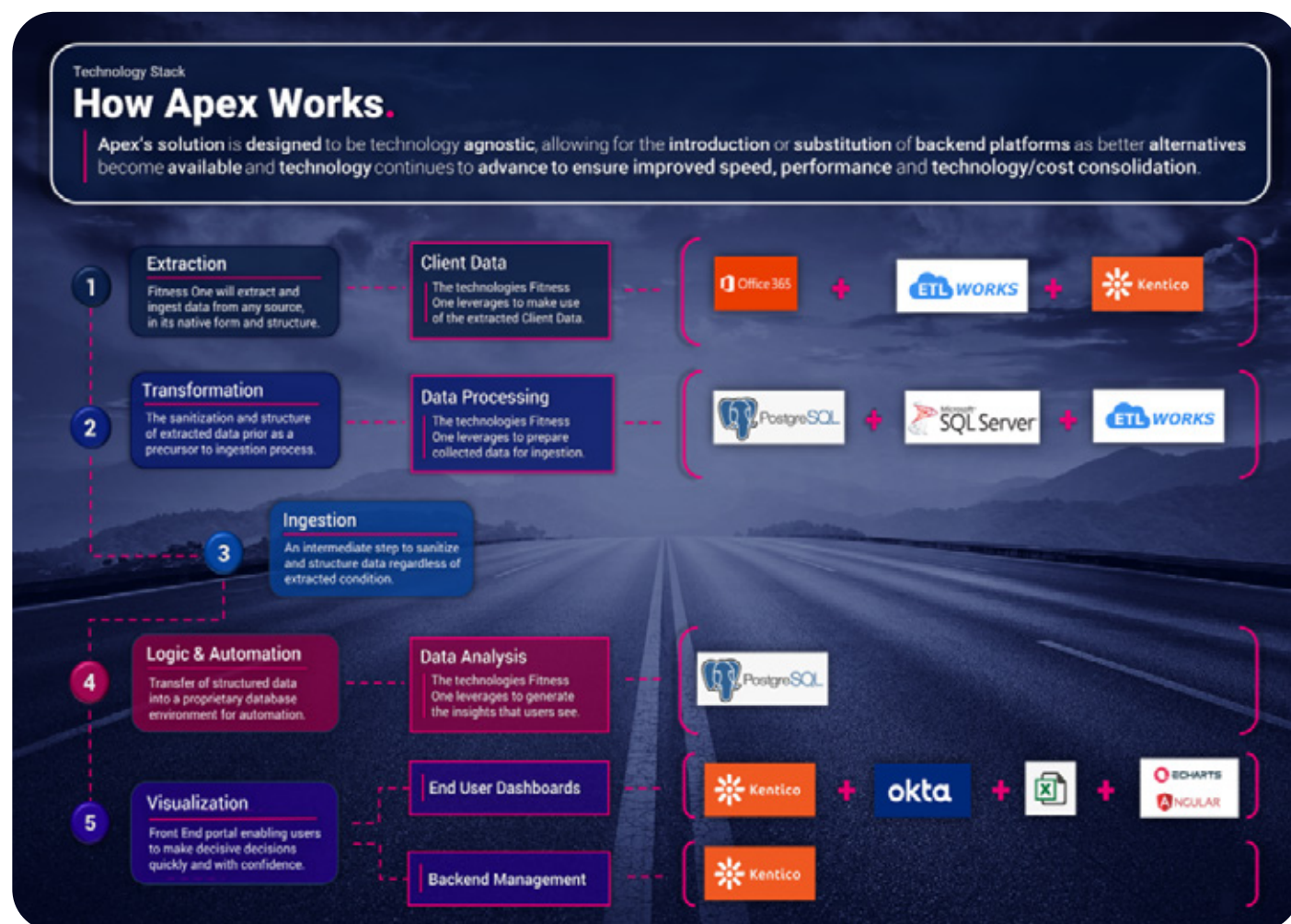
4.1 Architected for Survival. Designed for Scale.

The SaaS Bridge architecture consists of three distinct layers:

1. A unified data warehouse built on PostgreSQL
2. A context aware AI middleware engine
3. A customizable, configurable front end.

Each layer can scale independently and integrates with existing SaaS systems without requiring code changes from vendors.

This design allows the platform to survive the churn of SaaS vendors while expanding across verticals.



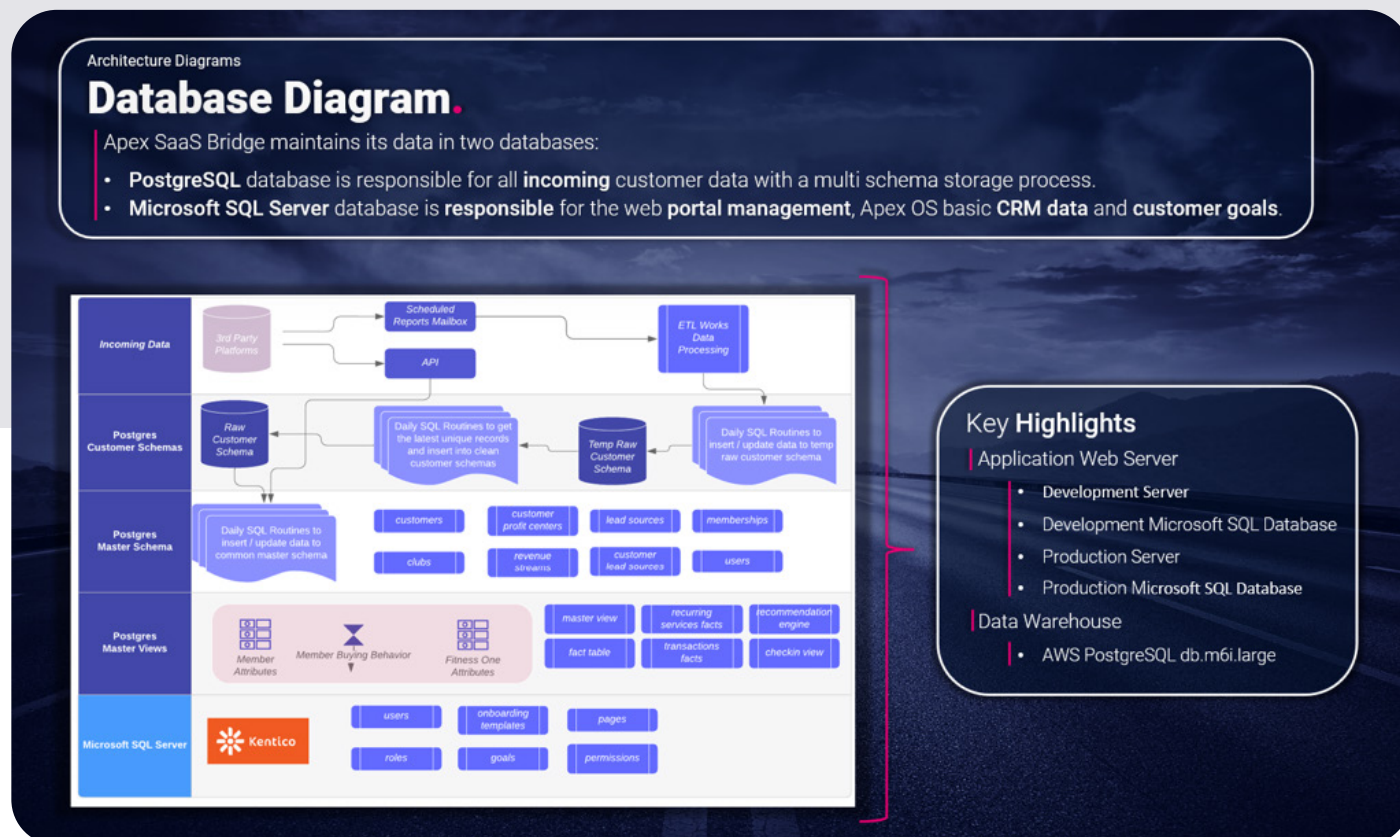
4.2 Backend: Unified Data Warehouse

Every client's data—whether from scheduling, billing, CRM or custom systems, is ingested, transformed and normalized into an optimized schema with defined fact and dimension tables.

This process eliminates conflicting naming conventions, inconsistent

reporting structures and multiple “sources of truth,” creating a reliable foundation for analytics and AI.

Operator level configuration logic ensures that outputs reflect the nuances of each buyer's business without fragmenting the underlying model.



4.3 Logic Layer: Context-Aware AI Middleware Engine

The middleware engine sits atop the unified data warehouse and houses all the logic required to generate insights, automate workflows and power AI copilots.

It includes:

- A proprietary rules engine
- A vector database to store semantic relationships
- Connectors to third party large language models (LLMs).

This design allows Apex to harness the latest AI advancements without rewriting core code and lets acquirers inject their own proprietary models or prompts.

The result is an AI ready platform that can deliver contextually relevant actions—recommendations, automated tasks and predictive alerts—within existing workflows.



4.4 Front End: Configurable, Brandable Interface

The front end is a lightweight presentation layer that can be branded and configured to fit any vertical.

Built using modern web components, it adapts seamlessly across devices and supports role based views.

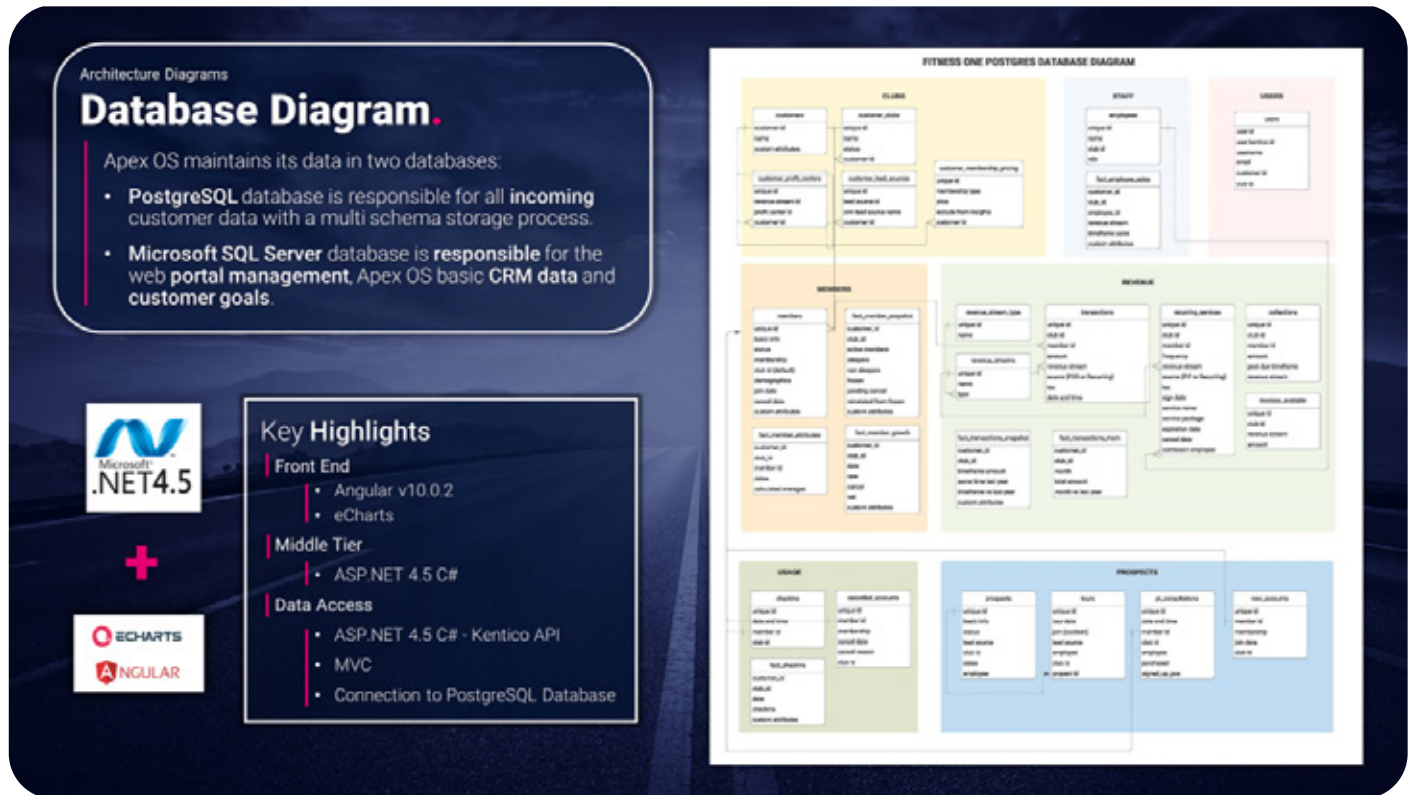
Given that all business logic lives in the middleware, updates to the UI do not disrupt data integrity or process flows. This separation accelerates time to value: new modules or white label deployments can be launched in weeks rather than months.



4.5 AI-Ready by Design

Unlike legacy SaaS vendors scrambling to bolt on AI, Apex was conceived as an AI platform.

Its unified data architecture provides the clean, governed and contextual data necessary for effective AI.



This means Apex doesn't just prepare data for reporting. It pre-trains your architecture for real-time, logic-aware AI execution across:

- Customer engagement
- Churn mitigation
- Predictive cohort modeling
- Revenue forecasting

Apex structures your legacy SaaS technology ecosystem stack so AI can actually do something.

Native copilots leverage the context aware middleware to deliver proactive suggestions and automate routine tasks; upcoming releases in the AI Assistant roadmap include multi modal interfaces (voice and chat), generative content creation and autonomous workflow orchestration.

By owning the data and logic layers, buyers can continue to build proprietary AI capabilities while benefiting from Apex's head start.

4.6 AI Assistant & Chatbots: Unlocking Conversational Workflows

Apex's AI middleware and unified data store make it uniquely suited to power intelligent chatbots and virtual assistants.

Because all operational data is normalized into a fact dimension schema and enriched with semantic relationships in the vector database, natural language queries can be answered accurately and securely without replication or complex join logic.

A chatbot built on this foundation could:

- Answer operational questions (e.g., "How many memberships expire next month?" or "What was our revenue per class last quarter?") by querying the unified schema.
- Perform actions such as booking a class, updating a member's profile or initiating a billing reconciliation using the platform's automation hooks.
- Generate insights by summarizing trends or forecasting churn based on

- historical data and AI models.
- Escalate to human operators or integrate with external messaging apps via published APIs.

Given that Apex's core architecture already stores context in a vector database and exposes connectors to large language models, adding a chatbot layer requires primarily orchestrating the prompt logic and user interface.

In the near term, we recommend deploying a text based assistant within the configurable frontend; in subsequent phases, voice support and autonomous task chains can be layered on.

By integrating the assistant tightly with the unified data layer, buyers can avoid the hallucinations and data leakage risks that plague generic AI chatbots.

4.7 Security, Scalability, and Deployment

The platform meets enterprise grade security standards, including SOC 2 Type II compliance and full encryption in transit and at rest.

It is cloud agnostic and can be deployed on the acquirer's infrastructure or managed by Apex.

Horizontal scalability can be achieved through micro services and Kubernetes orchestration, allowing the system to handle billions of transactions without performance degradation.

4.8 IP Ownership and Extensibility

Apex owns 100% of the platform's source code, data models and deployment scripts.

The architecture is extensible through published APIs and SDKs, enabling acquirers to build new modules, integrate additional data sources or resell white labeled versions in adjacent verticals.

The code certification and validation report (May 2025) confirms the absence of third party license encumbrances or security vulnerabilities.



Section 5

Business Model & Value Proposition

5.1 Apex Is the Business Model Multiplier

Apex sits atop existing SaaS applications, effectively transforming them into data pipelines feeding the AI middleware.

This positioning allows an acquirer to monetize the data and logic layers regardless of which front end vendors the end customers choose.

Licensing can be structured per tenant, per API call or via revenue sharing arrangements with SaaS partners.

Because the platform reduces R&D requirements and time to value for new features, it acts as a force multiplier for any portfolio company.

5.2 Lifecycle Extension: The Hidden Revenue Engine

By owning the unified data layer, the acquirer gains visibility across the entire customer lifecycle.

They can launch new analytics products (e.g. Fitness One or under any brand name the buyer may choose), cross sell adjacent services and even capture transaction fees from integrated payment gateways.

As customers embed more of their operations into the platform, switching costs increase and lifetime value expands.

This dynamic extends far beyond the current health and fitness vertical and applies to any industry with fragmented SaaS ecosystems.

5.3 Multi-Modal Revenue Enablement

The platform enables multiple revenue streams, including:

- Software licensing: recurring revenue from platform subscriptions and BI modules.
- AI services: usage based fees for copilots, automation and predictive analytics.
- Data monetization: anonymized benchmarking, benchmarking APIs and strategic insights sold to partners.
- OEM/resale: white label deployment through existing CMS or POS vendors (Driver 9).

These modes can be combined or sequenced depending on the acquirer's strategy.

5.4 SaaS Was Never Designed To Support AI. Apex Is

What Apex does isn't new. What's new is that it finally works.

Fragmented, slow, risky —————→ **Unified, fast, monetizable**

Without Apex:	With Apex:
• A CMS Ecosystem consists of loosely integrated systems acquired from three separate acquisitions • Customer data is spread across four different APIs, two recurring CSV file drops, and a legacy dashboard that lacks real-time insight • Sales teams operate without visibility into churn risk, upsell timing, or customer segmentation • AI features, when attempted, fail due to poor data structure, fragmentation, and lack of context	• All platforms are unified under a single backend schema with embedded logic • Data flows through a standardized pipeline, with consistent naming conventions and logic-driven normalization • Middleware provides pre-configured triggers for churn detection, upsell alerts, and real-time engagement actions • AI agents and automation workflows are deployed in 60 to 90 days—without re-platforming or vendor migration

5.5 Why This Can't Be Rebuilt

Recreating the SaaS Bridge would take years of architectural work and access to proprietary data models built from dozens of integrations.

Entrenched SaaS vendors would need to rewrite their codebases and renegotiate data rights with their customers—an existential risk.

New entrants would have to build relationships with each CMS and POS provider while simultaneously developing an AI ready data infrastructure. Apex has already crossed these hurdles.

5.6 Optional Monetization Paths

Depending on the buyer's portfolio, the platform can be monetized through:

- OEM licensing to existing SaaS vendors seeking AI capabilities.
- Direct subscription to enterprise customers requiring unified analytics.
- Vertical replication into adjacent industries (e.g., sports leagues, wellness, professional services).
- Strategic control by private equity groups who use Apex as a consolidation tool, enabling roll ups without technical debt.

Section 6

The Real TAM: Share of Stack Not Market

The true addressable market for Apex SaaS Bridge isn't defined by the number of clubs in operation—it's defined by how much of the Club Management System technology stack can be captured, defended, or monetized once the architecture is in place to support it.

Apex reframes TAM through the lens of structural control. It enables the acquirer to claim not just logos but ownership of the data, logic, and user experience that define long-term customer value and competitive advantage.

The Apex SaaS Bridge technology enables the monetization of everything software touches.

6.1 The Illusion of AI Adoption

Most Club Management Systems today are attempting to "add AI" by daisy-chaining 10 to 15 point solutions from third-party vendors. These include chatbots, schedule optimizers, upsell nudges, and basic automation layers—all bolted onto the perimeter of brittle, legacy software.

To the operator, these point tools feel like progress. To the vendor, they offer temporary optics. But structurally, they're a trap.

There's no shared data model. No logic awareness. No real-time orchestration.

No actual control over the AI being embedded.

And every time a CMS platform integrates a third-party AI tool, it teaches that tool the internal logic of the fitness industry—without retaining the equity in that intelligence.

These AI vendors are not harmless plugins. They are unlicensed competitors, extracting context from the operator's data and improving their own models in the process.

6.2 Apex Reframes TAM Around Strategic Control

By capturing the data layer, Apex SaaS Bridge lays claim to revenue streams far beyond its own subscription fees.

When an acquirer deploys the platform, they gain visibility and influence over every downstream application and transaction. This strategic control allows

them to redirect spend, integrate acquisitions faster, and launch monetizable AI services.

Thus, the TAM is not the size of a single vertical—it is the share of multiple software budgets that can be consolidated and enabled by the platform.

6.3 Quantifying the Opportunity

Assuming an acquirer with \$500 million in portfolio software revenue deploys the SaaS Bridge across all holdings, even a 10% uplift in cross-sell, reduced churn, and AI upsell yields \$50 million in incremental annual revenue.

Over three years, compounded improvements and new product launches modeled against the nine drivers can unlock over \$200 million in revenue uplift and more than \$500 million in enterprise value—far outstripping the purchase price.

Detailed assumptions and comparable benchmarks are provided in the Valuation Document.

6.4 Apex as the TAM Amplifier

Because the platform eliminates integration bottlenecks and accelerates time-to-market, it amplifies the acquirer's ability to pursue additional TAM through roll-ups and vertical expansion.

Each new acquisition can be onboarded quickly and begins contributing to the unified dataset, creating a flywheel of data network effects and AI improvement.

6.5 Apex as the TAM Amplifier

In fitness technology, subscription fees are often a rounding error. The real profit engine is payment processing—where CMS platforms earn a percentage of every transaction processed on behalf of their customers.

Margins on payment processing typically range from 2.5% to 3.5% of total volume processed, which can represent more than 50% of total revenue for leading platforms.

Apex helps SaaS platforms increase those transactions. By driving operator profitability—through better retention, upsell targeting, and AI-enabled decision support—Apex makes the underlying business more valuable to the end user. And when those businesses grow, they process more payments.

This creates a double flywheel:

Operators make more money using Apex-enabled insights and workflows.

SaaS platforms make more money as payment volume—and therefore processing revenue—increases.

And because Apex is already integrated with the leading CMS platforms, it gives the buyer an unparalleled mechanism to conquest competitors' customers. Once deployed, the buyer captures not only subscription revenue, but the ongoing payment processing streams that follow.

In this way, Apex doesn't just grow TAM. It shifts the gravity of the stack entirely.



Section 7

Nine Value Drivers

The valuation model is anchored on nine distinct drivers, each tied to measurable operational levers and supported by market comps. Together they demonstrate how the platform delivers outsized returns compared with legacy SaaS multiples.

A summary of each driver follows; detailed financial assumptions are contained in the Valuation Document.

1. Strategic precedent – Major platform deals show that buyers pay up for control layers that simplify ecosystems.

Recent examples include:

- Autodesk's \$875 million acquisition of PlanGrid, which brought a unified construction data layer into its portfolio
- Salesforce's \$6.5 billion purchase of Mulesoft to access data across enterprise applications and accelerate its AI and microservices strategy;
- Twilio's \$3.2 billion acquisition of Segment to break down customer data silos and unify data across applications.

Apex fits this precedent as the control layer for multiple verticals.

2. R&D replacement – By adopting Apex, buyers eliminate years of internal development and maintenance on integration, data warehousing and AI infrastructure- freeing budget for growth.

3. PE playbook enablement – Private equity roll ups depend on quickly integrating acquisitions; Apex compresses integration timelines from years to weeks and reduces technical debt.

4. BI monetization (Fitness One) – The pre built analytics module delivers immediate insight and can be sold as a standalone product or bundled, generating high margin recurring revenue.

5. AI enablement – Native copilots and automation capabilities create new revenue streams and differentiate portfolio companies, increasing their valuation multiples.

6. Time to value – Fast deployment reduces payback periods, accelerates portfolio improvements and lowers customer churn.

7. Strategic control – Owning the stack means owning the logic and the output; the acquirer can dictate data flows, capture platform economics and deter competitors.

8. Conquest engine – Trojan horse deployment across rivals: by providing white labeled solutions to competitors, the buyer gains visibility into their data and can orchestrate roll ups.

9. Optionality for OEM, resale and vertical replication – The platform can be packaged and sold to other software providers or deployed in adjacent industries, multiplying its addressable market.

Section 8

Competition & Market Sentiment



The competitive landscape can be divided into three categories:

1. Legacy SaaS vendors racing to add AI features
2. Middleware Integration Tools that lack AI context
3. Pure AI startups that lack access to real operational data.

None of the players within any of these three categories currently combine:

- Unified Data Warehousing,
- Context Aware Logic
- Configurable Front Ends

Market sentiment is that AI is essential, but many buyers are skeptical of vaporware.

Apex differentiates by offering a production ready platform with proven deployments and code certification. Conversations with industry leaders indicate that acquirers are looking for AI assets that deliver immediate value without causing vendor lock out or customer churn.

Section 9

A Valuation Framework Grounded in Enablement, Not Revenue

Traditional SaaS valuations rely on revenue multiples. Apex's valuation is grounded in enablement: the platform's ability to unlock revenue uplift and cost savings across an acquirer's entire portfolio.

The valuation model applies the nine drivers to conservative case, base case and upside scenarios, which also factors in risk mitigants such as integration timelines, adoption curves and market competition.

These nine drivers are:

1. Strategic Precedent Value
2. R&D Replacement Cost
3. PE Playbook Acceleration
4. Immediate BI Monetization
5. AI Enablement Infrastructure
6. Time-to-Value Compression
7. Strategic Control / Denial Premium

8. BI Conquest Engine

9. Optionality for Future Expansion

Each has been independently benchmarked and layered into a multi-scenario valuation model.

The enablement lens is particularly compelling given the concentrated nature of the CMS ecosystem described in Section 2.4. Capturing the unified data layer that sits beneath tens of thousands of businesses and millions of end users dramatically expands the buyer's share of stack and unlocks recurring AI and analytics revenue across that installed base.

Because Apex is pre revenue, the valuation focuses on the value of the control layer and the magnitude of the underlying spend rather than top line run rate. This perspective aligns with the precedent integration deals in Section 11.1, where acquirers paid high premiums for pre revenue control platforms whose strategic value far exceeded their immediate earnings.

Section 10

One Opportunity. One Buyer

The SaaS Bridge is a singular opportunity: there is only one asset that unifies data, logic and AI across vertical SaaS ecosystems. Given the rapid consolidation of fitness and wellness software and the impending AI arms race, the buyer who controls this platform will define the next decade of software economics.

The exit window is narrow—competitors are beginning to sense the strategic importance of unified data and may attempt to build or buy their own control layers. For a qualified acquirer, Apex offers an unmatched combination of proven technology, revenue acceleration and strategic control. This memorandum invites you to claim that advantage before the window closes.

Section 11

Value Driver Calculations & Evidence

Section 7 introduced nine value drivers that underpin the valuation framework. This section lays out the quantitative assumptions behind each driver and cites the precedent metrics that make those assumptions defensible.

The calculations below use conservative portfolio scenarios (e.g., a buyer with \$500 million of annual software revenue) and publicly available data to demonstrate how the platform delivers outsized returns.

11.1 Reference Metrics from the Market

Metric / Precedent	Value	Source
PlanGrid: Acquisition	\$875 million	Autodesk acquired PlanGrid for \$875 million to strengthen its construction software platform
Mulesoft: Acquisition	\$6.5 billion	Salesforce purchased Mulesoft for \$6.5 billion to access data across enterprise applications and enable its AI and microservices strategy
Segment: Acquisition	\$3.2 billion	Twilio paid \$3.2 billion for Segment to break down customer data silos and unify data across applications
Data Warehouse Build	\$0.2 - \$2 million	Implementing a modern cloud data warehouse can cost between \$200,000 and \$2 million depending on complexity
Legacy Warehouse Costs and Timeline	Up to \$200 million/year; years to complete	A decade ago, building data warehouses from scratch required on prem hardware and years of work, leading organizations to spend millions with high failure rates
Typical Data Integratio Project Duration	≈3 months	A conservative estimate for building a data integration is three months
Integration timelines from scratch	Protracted	Even well planned integration projects take months to years when teams build everything from scratch
Agile integration timeline	8 - 12 weeks	Large businesses implementing a non plug and play data integration should expect an 8-12-week timeline
Analytics ROI	\$13.01 per \$1 invested	Nucleus Research found that analytics projects return \$13.01 for every dollar spent
Generative AI ROI	\$3.70-\$10 per \$1 invested	An IDC study commissioned by Microsoft reported that generative AI deployments deliver \$3.70 of value for every dollar invested, with top tier users achieving returns as high as \$10 per dollar

11.2 Calculations by Driver

1 – Strategic Precedent: The valuations of PlanGrid (\$875 M), Mulesoft (\$6.5 B) and Segment (\$3.2 B) demonstrate that buyers pay billions for integration assets with little standalone revenue. These deals traded at revenue multiples well above typical SaaS valuations because the acquirers valued the unified data and control layer. Apex plays the same role across vertical SaaS markets, supporting a nine figure exit in line with these precedents.

2 – R&D Replacement: Implementing a cloud data warehouse costs up to \$2 million and used to cost tens or hundreds of millions when built from scratch. Building custom integrations also takes about 3 months per source or “many months” when teams build everything themselves. To replicate Apex’s unified data layer across 10 business units would therefore require at least \$20 million in direct costs and 30 months of project time—without factoring in AI readiness. Acquiring Apex avoids these costs entirely.

3 – PE Playbook Enablement: Private equity roll ups depend on rapid integration to realize synergy. Because typical integration projects take 8–12 weeks and building from scratch takes months, an acquirer rolling up six companies per year spends the equivalent of 48–72 weeks on integration. Deploying Apex compresses integration to weeks (based on actual deployments) and frees up nearly a year of operational time. If each acquired company generates \$20 million of revenue and 5 % synergy is achieved sooner, the time savings alone can unlock \$6 million in incremental revenue in year one.

4 – BI Monetization (Fitness One): The analytics module is not just a feature; it delivers proven returns. Nucleus Research found that analytics projects return \$13.01 for every dollar invested. If an acquirer invests \$1 million to deploy Fitness One across its portfolio, the expected value created is over \$13 million. Across 50 portfolio companies, that translates to more than \$650 million in cumulative ROI.

5 – AI Enablement: Generative AI deployments deliver \$3.70 of value for every dollar invested, with top tier users achieving up to \$10 per dollar. Because Apex’s unified data layer provides the clean, contextual data required for effective AI, these ROI figures are directly applicable. For example, a \$2 million

investment in AI copilots built on Apex could conservatively generate \$7.4 million in value, with upside to \$20 million in top tier scenarios.

6 – Time to Value: Traditional integration projects take 8–12 weeks and often much longer, delaying revenue recognition and increasing churn risk. Apex’s modular architecture allows new modules to be launched in weeks and existing systems to be integrated in a fraction of the time. Accelerated deployment means the acquirer realizes the benefits of Drivers 4 and 5 sooner and can recognize revenue uplift within the first quarter after acquisition.

7 – Strategic Control: Owning the unified data and logic layer eliminates the chaos of multiple naming conventions and “sources of truth,” creating a single source of truth for AI and analytics. This control makes it possible to redirect spend across the stack, impose pricing discipline and capture network effects as each new acquisition feeds more data into the model.

8 – Conquest Engine: By offering white labeled solutions to competitors, the buyer gains visibility into their data and can orchestrate roll ups. While difficult to quantify, the value of this driver is reflected in the precedent deals above: acquirers were willing to pay billions for control of the data layer because it opens the door to future acquisitions and ecosystem dominance.

9 – Optionality for OEM, Resale and Vertical Replication: The ability to package and sell the platform to other vendors or deploy it in adjacent industries expands TAM beyond the initial fitness vertical. This optionality is a call option on future growth rather than a core component of the base valuation; it underscores why a strategic buyer should be willing to pay a premium.

In aggregate, the conservative calculations above show that the nine value drivers can realistically unlock more than \$200 million in revenue uplift and \$500 million in enterprise value over a three year horizon (see Section 6.3) while saving tens of millions in R&D and integration costs. These numbers—combined with precedent valuations from comparable integration deals—provide a defensible foundation for a nine figure exit without relying on speculative “AI hype.”



Eric D. Coonrod
Managing Partner
Integral Capital Advisors, LLC
Eric@integralcapitaladvisors.com
(310) 995-8579