



SEG Snapshot: 3Q20 SaaS Public Market Update



Disclaimer:

The information contained in this Report is obtained from sources that SEG Capital Advisors LLC (“SEG”) believes to be reliable. However, SEG makes no representations or warranties, express or implied, about the accuracy, completeness or fairness of such information, or the opinions expressed herein. Nothing in this Report is intended to be a recommendation of a specific security or company or intended to constitute an offer to buy or sell, or the solicitation of an offer to buy or sell, any security. Any person or entity reviewing this report (a) should conduct its own diligence and reach its own conclusions regarding its business transactions, (b) should not rely upon any conclusions reached by SEG, and (c) should consult its own advisors regarding its tax, accounting, financial, and/or business decisions. SEG or its affiliates may have an interest in one or more of the securities or companies discussed herein. Financial data was provided by 451 M&A KnowledgeBase and Ycharts.

This Report may not be reproduced in whole or in part without the expressed prior written authorization of SEG or one of its affiliates.

Table of Contents

4	Report Definitions
5	Brief SEG Overview
10	SaaS Public Market Update
26	Appendix

Report Definitions

Software Industry	Includes SaaS, on-premise license model software, internet, and mobile M&A transactions
SaaS	Primarily offers solutions via the cloud and through a subscription or transaction-based pricing model
EV	Enterprise Value
TTM	Trailing Twelve Months
YOY	Year-Over-Year
QOQ	Quarter-Over-Quarter



Brief SEG Overview

3Q20 Software Industry Report

Software Equity Group Overview

Unmatched Expertise | Extraordinary Results

25+

Years of Experience

Billions

in Aggregate Transaction Value

1,000s

of Buyer Relationships

- **Software Equity Group (SEG)** provides unparalleled M&A advisory services for **emerging and established** B2B software companies
- Exclusive focus on sell-side advisory services for 25+ years
- Services include:
 - Strategic M&A
 - Majority Recapitalizations
 - Divestitures
 - Board Advisory

BROAD NETWORK OF SOFTWARE INDUSTRY BUYERS & INVESTORS



SEG Closes Five Transactions During 3Q20



has been acquired by



SEG served as exclusive advisor to Blue Mountain Quality Resources



has been acquired by



SEG served as exclusive advisor to PC Synergy



has been acquired by



SEG served as exclusive advisor to RentPayment



has been acquired by



SEG served as exclusive advisor to Brandfolder



has received an investment from



SEG served as exclusive advisor to Buildout

Highly Active Sell-Side Advisor to B2B Software / SaaS Providers

Outperforming direct competitors and larger firms.



SEG M&A Stories

Our business is built on excellent outcomes and enthusiastic client references. SEG M&A Stories are a unique way to gain insight into the M&A process from former SEG clients themselves.



York Baur, CEO,
MoxiWorks



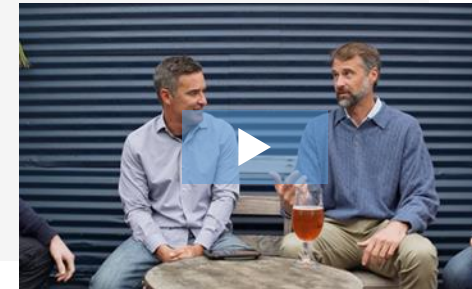
Chris Atkinson, CEO,
Investor Management Services



Dana Zeff & Steven Ozbun,
LeaseLabs



David Durik, CEO,
Indatus



Alex Gile, Co-Founder &
President, Nexternal



Paul Lachance, Co-Founder,
Bigfoot



SaaS Public Market Update

3Q20 Software Industry Report

3Q20 SEG SaaS Index Summary

Brief overview of key SEG SaaS Index trends from 3Q20.

- Public SaaS companies led major indices in terms of YTD stock price performance, reaching 25.9% by the end of 3Q20.
- The SEG SaaS Index led an impressive rebound in valuation, surpassing previous records and sustaining a new high in 3Q20. The quarter's median 11.2x EV/Revenue multiple was 31.7% above the 3-year Index median of 8.5x, and 13% greater than 3Q19's previous record of 9.9x.
- Investors continue to favor high quality SaaS companies in times of uncertainty, as companies with high gross profit margins and revenue growth posted the highest valuations.
- Development Operations & IT Management (20.7x) and Communications & Collaboration (19.9x) posted the highest valuation multiples out of other cohorts due to increased demand from COVID-19 work from home mandates.

Please reach out with any questions or to discuss our relevant market insights.

SEG SaaS Index Updates

ADDITIONS

Includes companies that have been added to the Index due to IPO or transitioned from a license-based model to SaaS



UPCOMING INDEX ADDITIONS

Includes companies that have recently IPO'd but are excluded from the Index this quarter due to lack of publicly available financial data



REMOVALS

Includes companies that have been removed from the Index due to acquisition



SEG SaaS Index Overview

The SEG SaaS Index is comprised of 93 publicly traded companies that primarily offer solutions via the cloud and/or through a subscription or transaction-based model.

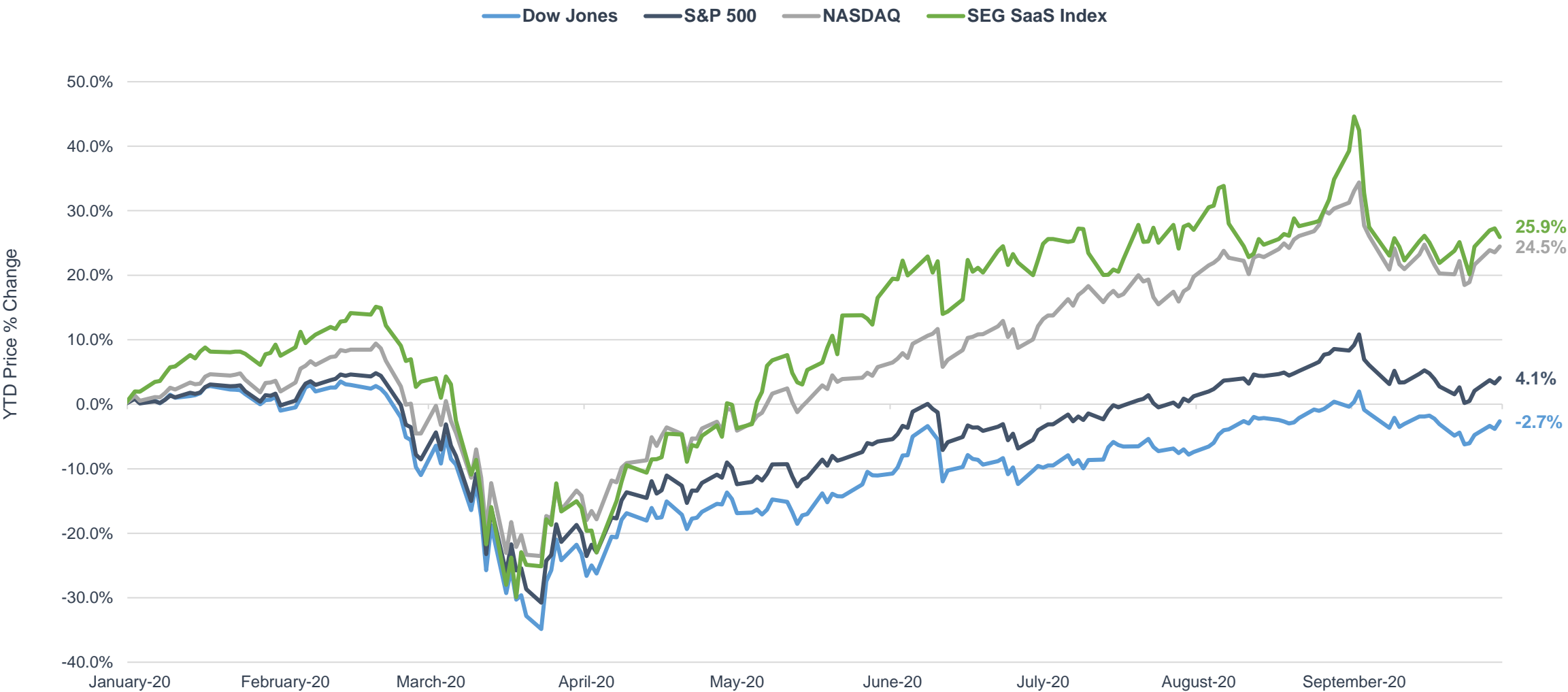
SEG SaaS Index Median Metrics

Measure	3Q19	4Q19	1Q120	2Q20	3Q20
EV/TTM Revenue	9.9x	9.2x	9.0x	9.2x	11.2x
EV/NTM Revenue	9.1x	8.9x	7.3x	8.8x	10.7x
EV/EBITDA	58.5x	50.4x	53.3x	55.1x	57.0x
EV/TTM CFO	41.7x	32.2x	34.1x	29.0x	36.4x
Gross Profit Margin	70.6%	71.0%	71.6%	71.9%	71.9%
EBITDA Margin	-3.8%	-4.3%	-2.0%	-2.1%	-0.8%
Net Income Margin	-10.1%	-11.5%	-12.0%	-11.5%	-11.1%
TTM Revenue Growth	26.1%	24.8%	27.0%	25.4%	23.0%
TTM Total Revenue (M)	\$391.6	\$418.7	\$458.0	\$502.3	\$522.1
TTM EBITDA Growth	22.5%	23.8%	25.1%	20.5%	18.8%
TTM Total EBITDA (M)	-\$13.0	-\$13.4	-\$7.7	-\$5.8	-\$4.1
Cash & Eq (M)	\$194.1	\$215.2	\$196.9	\$233.0	\$297.9
FCF Margin	10.7%	10.5%	9.2%	11.0%	11.0%



YTD Stock Market Performance

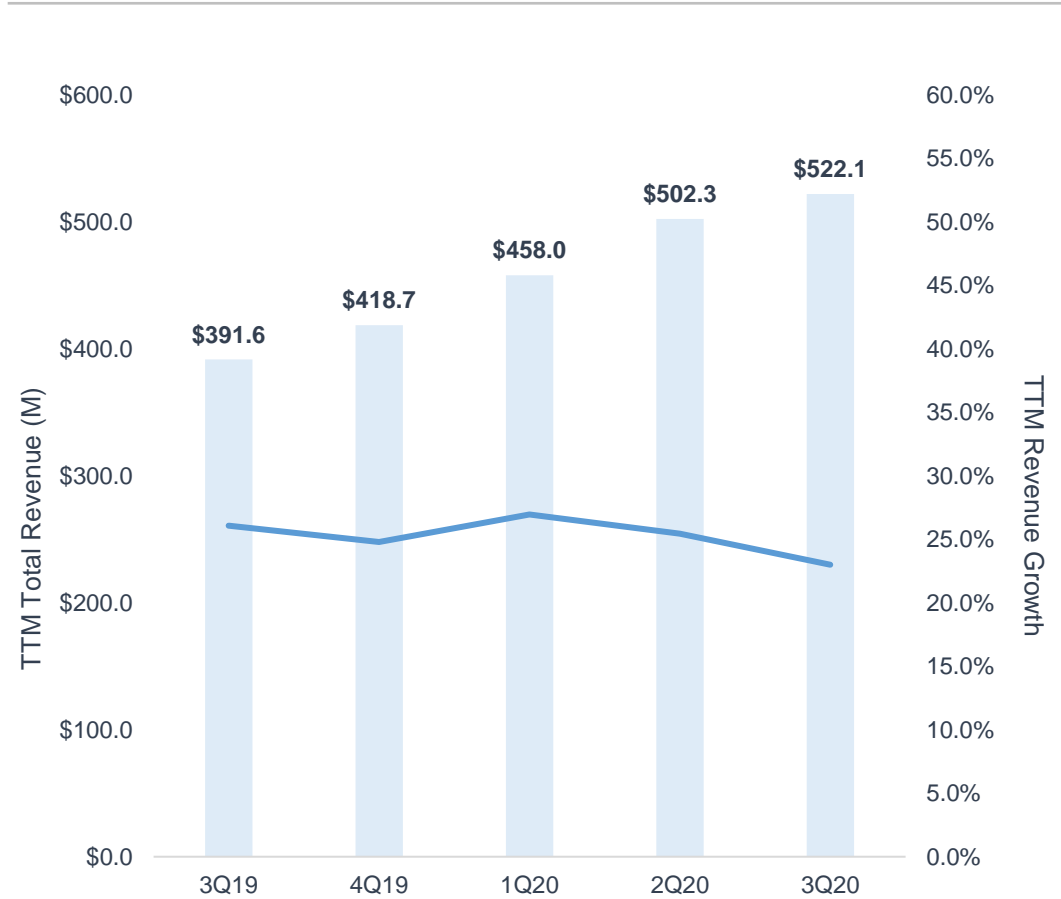
YTD, the SEG SaaS Index is up 25.9% and leads all major indices. Clearly, investors have identified SaaS as a preferred asset class in 2020.



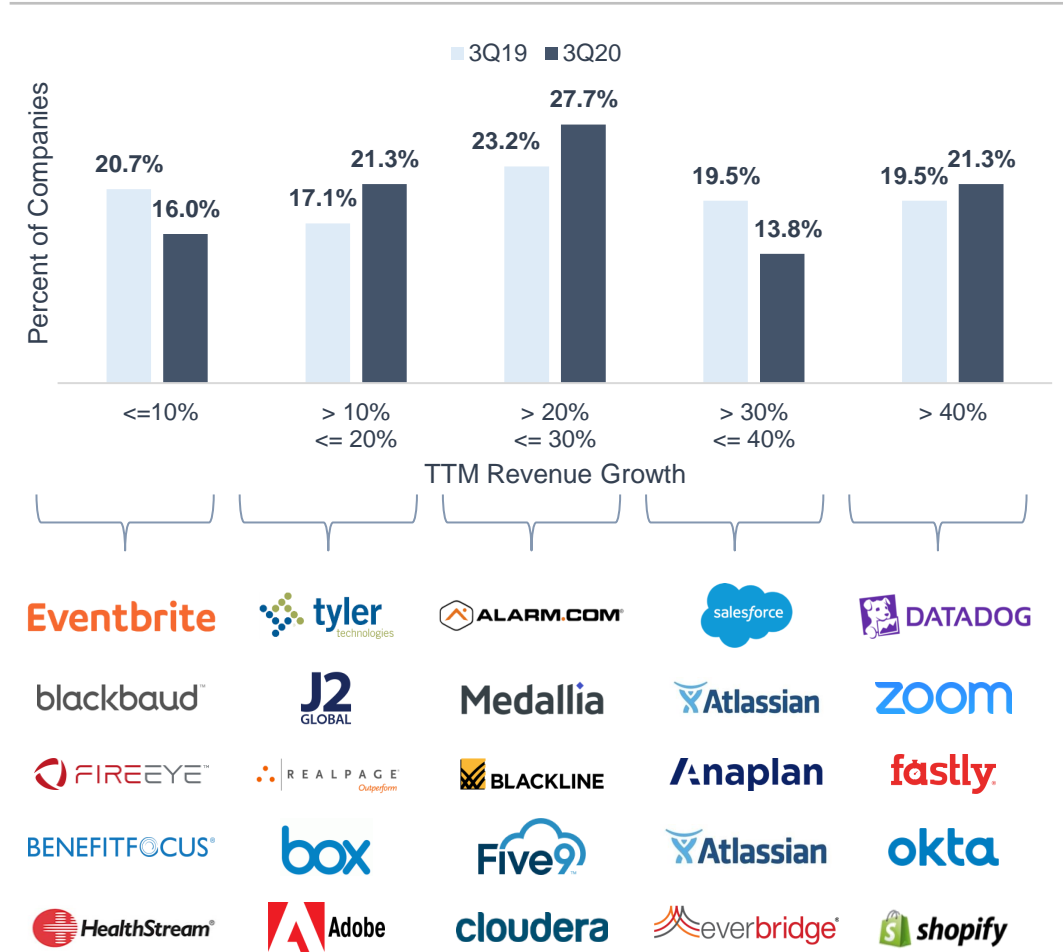
SEG SaaS Index: Revenue Performance

Median TTM revenue of the 93 companies comprising the Index grew to \$522.1M in 3Q20, a 33% YOY increase. However, 3Q20's median revenue growth rate of 23% was roughly 300 basis points lower than 3Q19.

Median Revenue Performance - Quarterly



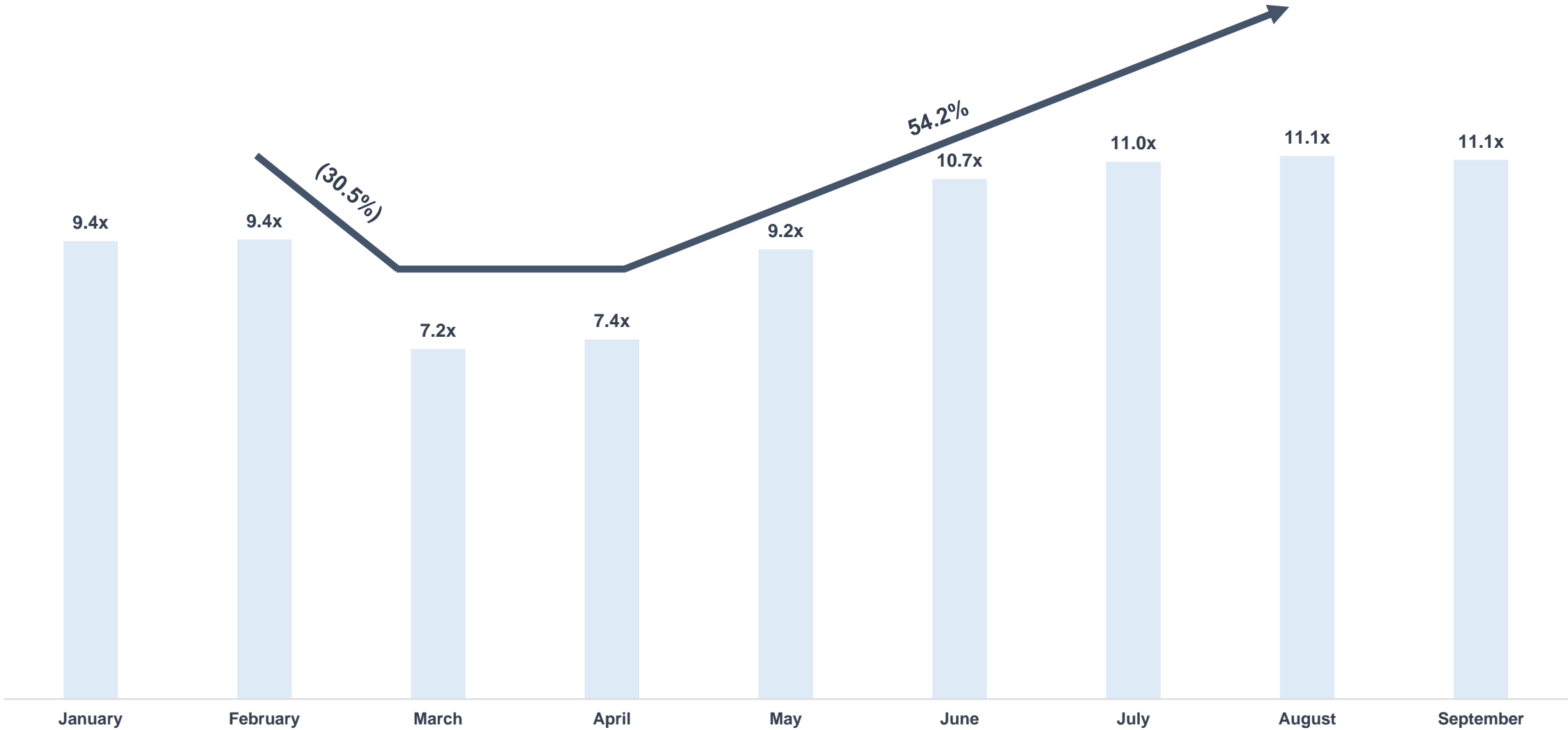
TTM Revenue Growth Rate Distribution⁽¹⁾



(1) Logos correspond to 3Q20 data.

SEG SaaS Index: Public Market Multiples – Monthly⁽¹⁾

Public SaaS companies led an impressive rebound and have sustained record median EV/Revenue multiples from June through September.

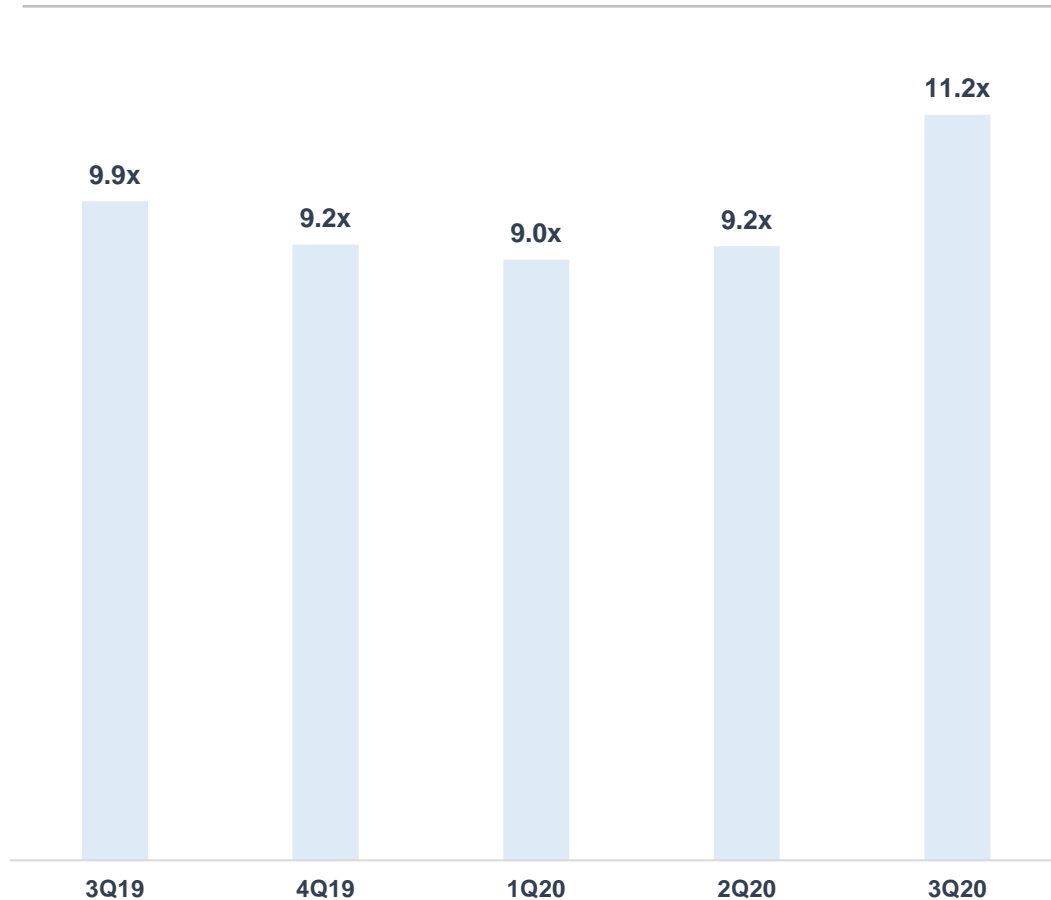


(1) Monthly median EV/TTM Revenue multiples derived by finding the median Enterprise Value over the entire month, divided by the last available TTM Revenue figure.

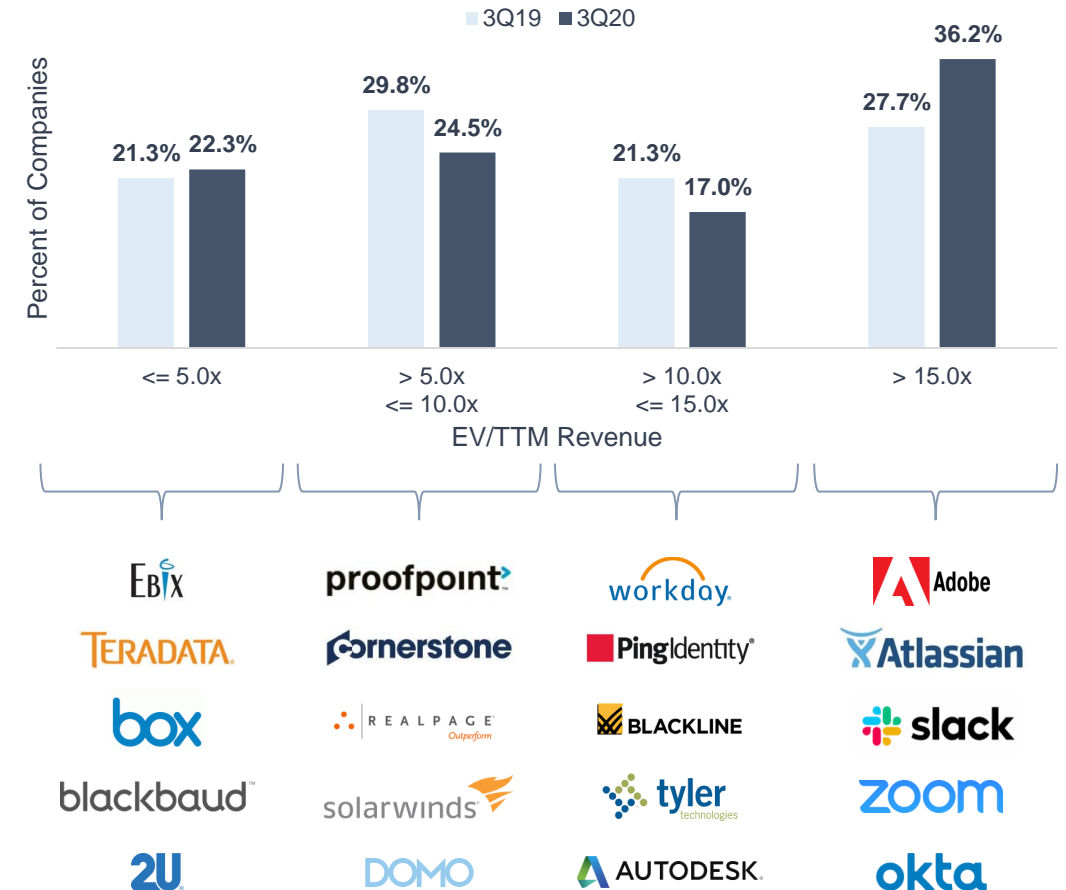
SEG SaaS Index: Public Market Multiples

The SEG SaaS Index reached a record median EV/Revenue multiple of 11.2x in 3Q20, 13% greater than the previous high of 9.9x in 3Q19.

EV/TTM Revenue Multiple – Quarterly⁽¹⁾



EV/Revenue Multiple Distribution

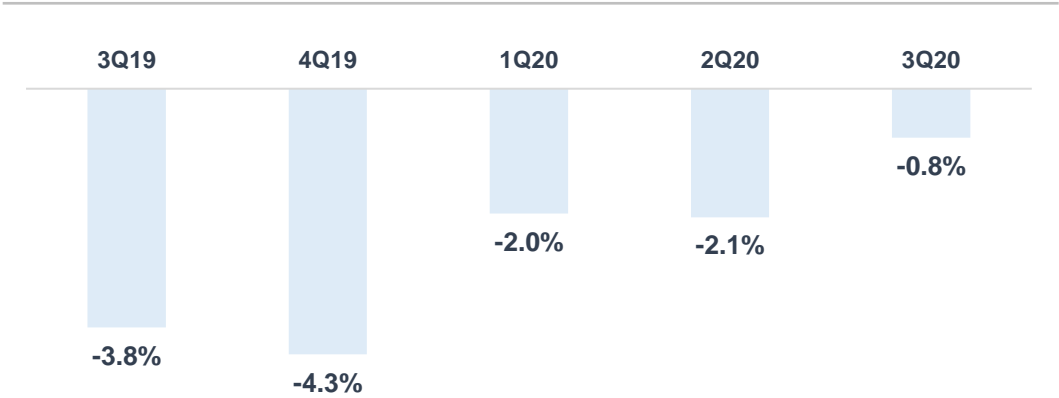


(1) Quarterly EV/Revenue multiples are derived by finding the median Enterprise Value over the entire quarter, divided by the last available TTM Revenue figure. TTM Revenue is based on the last available financial statement and may be one quarter in arrears.

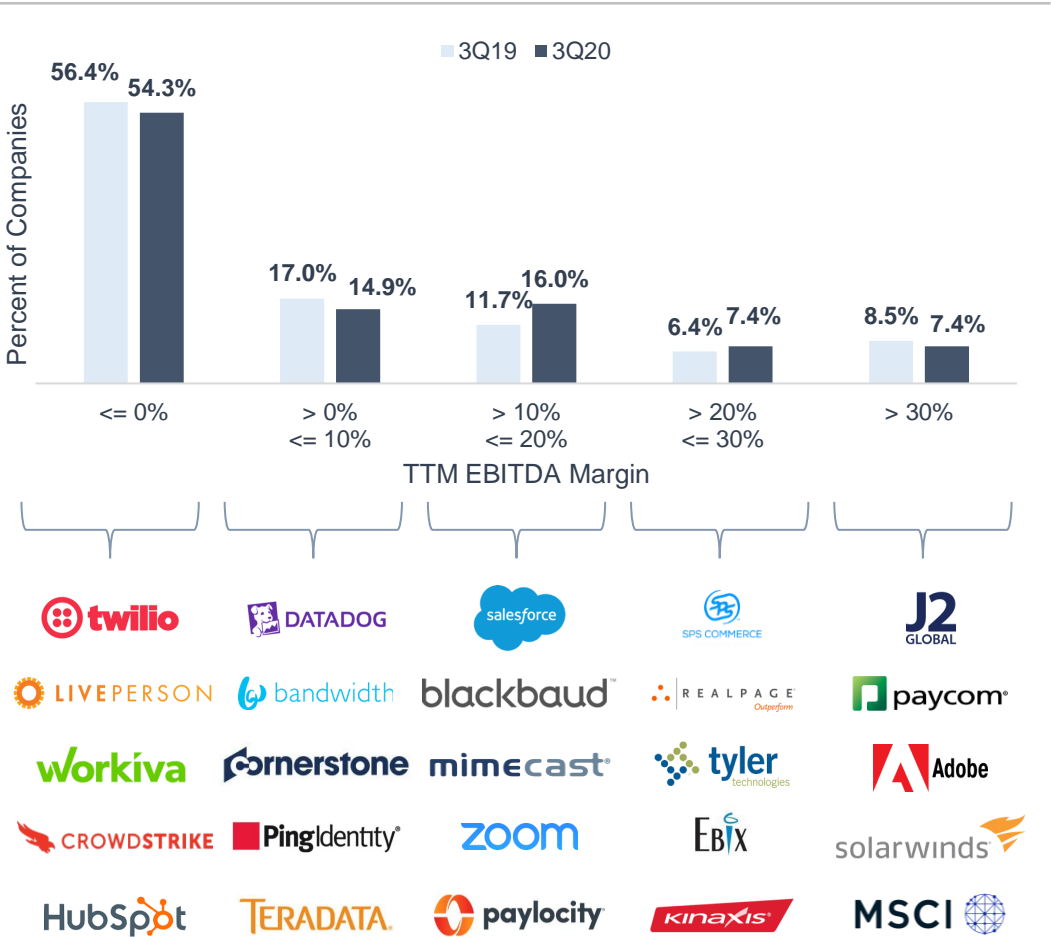
SEG SaaS Index: EBITDA

The majority of SaaS companies remain unprofitable due to GAAP revenue recognition. In addition, the SEG SaaS Index median EBITDA margin improved to -0.8% in 3Q20.

Median EBITDA Margin - Quarterly



TTM EBITDA Margin Distribution⁽¹⁾

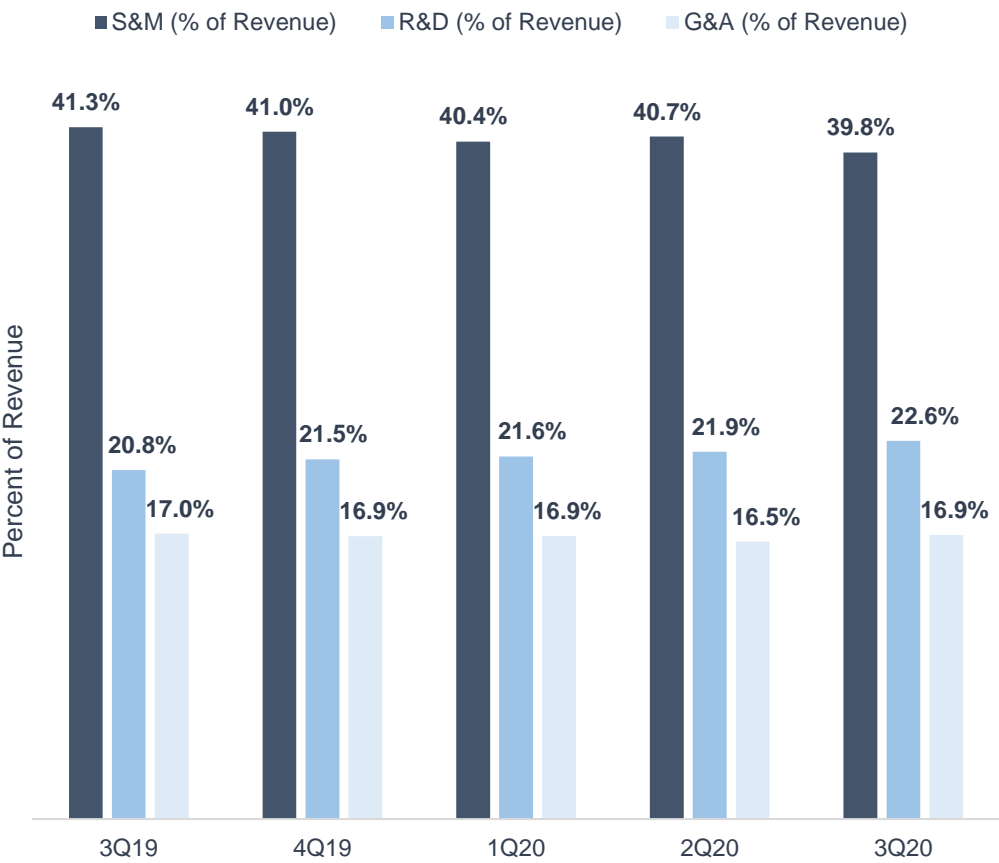


(1) Logos correspond to 3Q20 data.

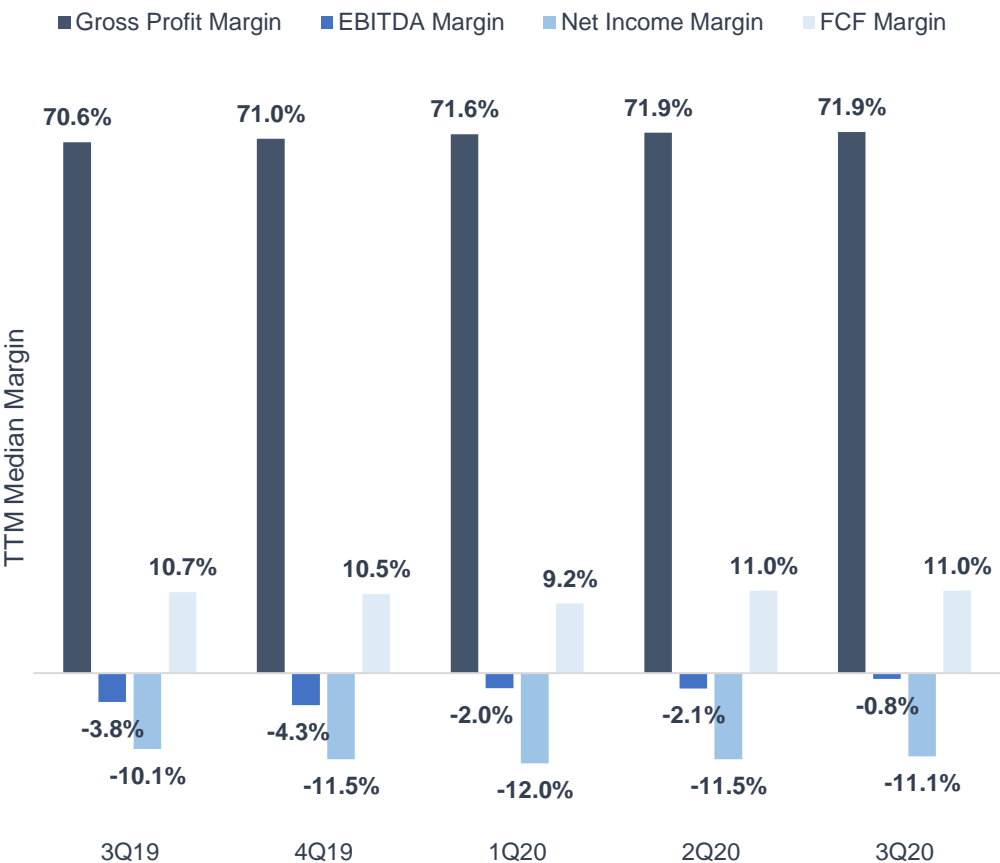
SEG SaaS Index: Financial Performance

Despite being EBITDA negative, SaaS companies are generating cash, as evidenced by the positive median free cash flow margin of 11.0% in 3Q20. In addition, median operating ratios are relatively consistent over the past year.

Median Operating Ratios⁽¹⁾ - Quarterly



Median Margin Performance - Quarterly

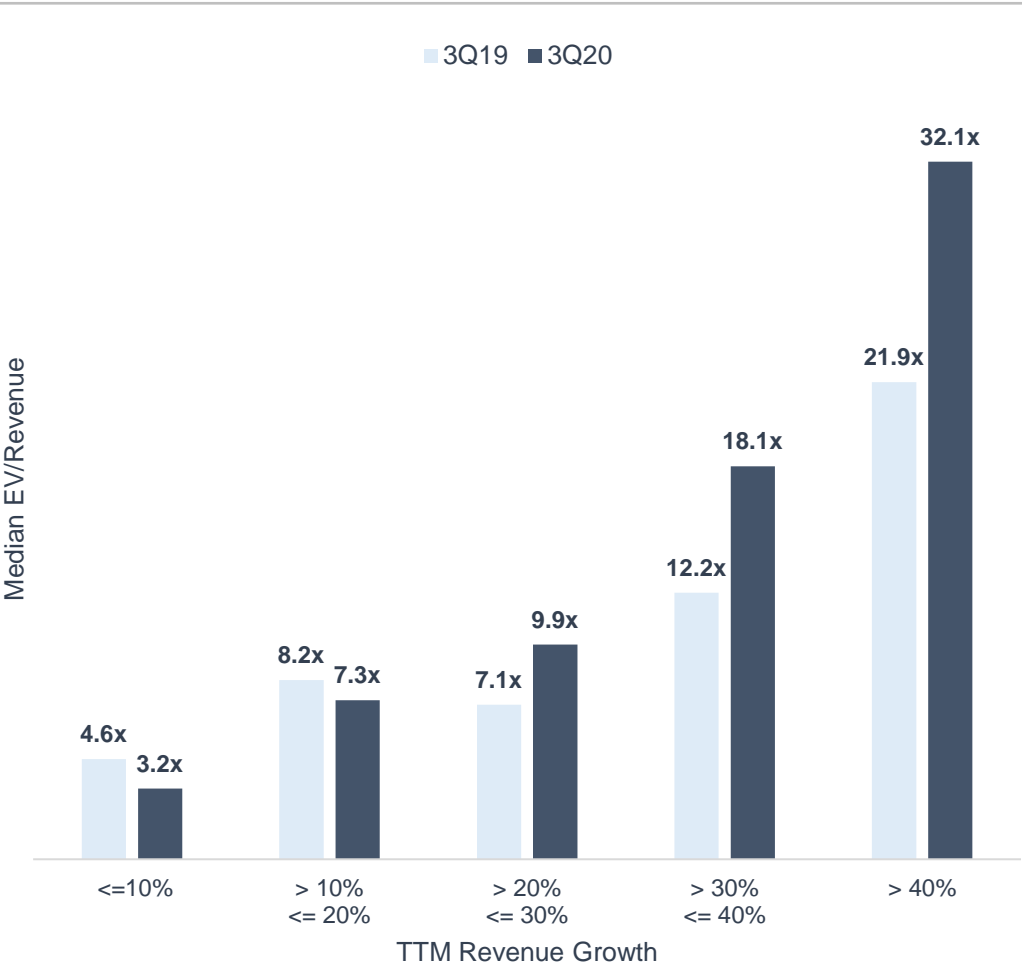


(1) S&M, R&D, and G&A represent Sales & Marketing, Research & Development, and General & Administrative expenses as a percent of revenue.

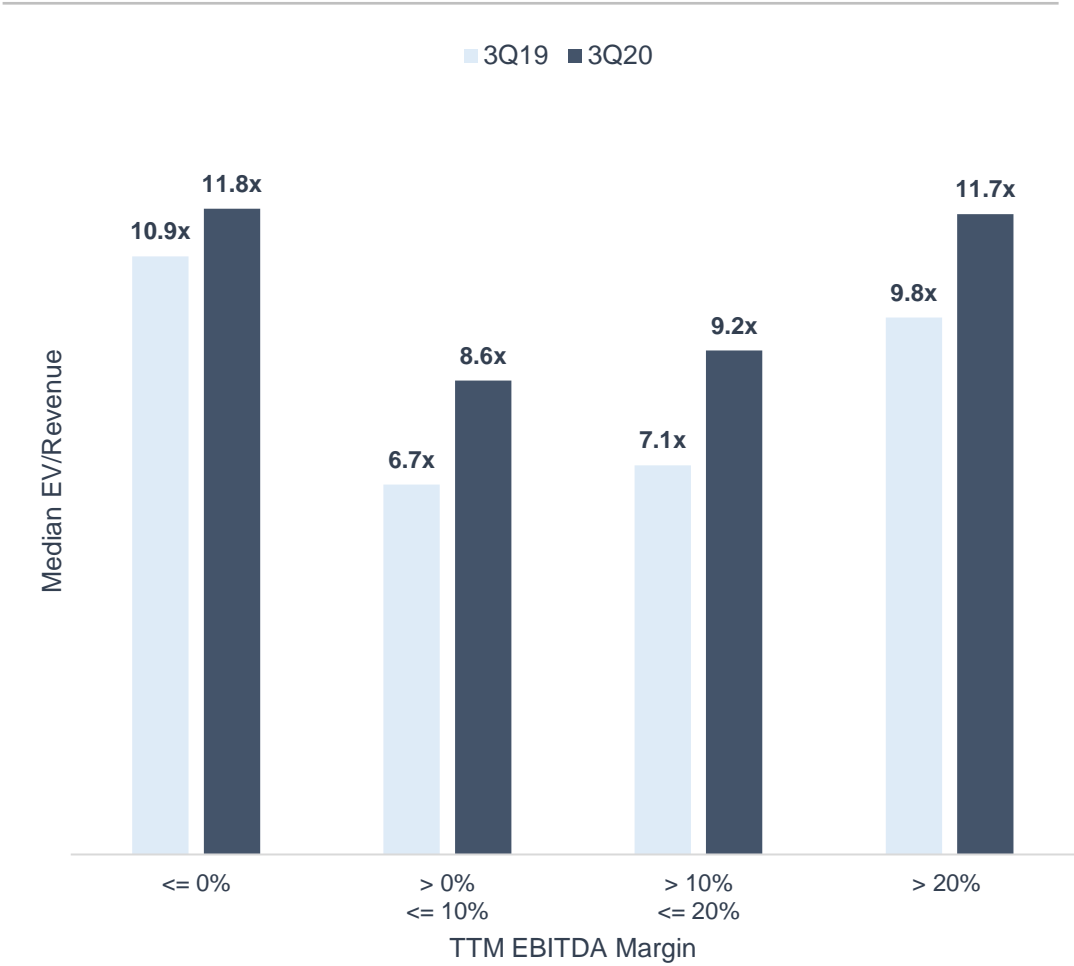
SEG SaaS Index: Public Market Multiples

Investors favored highly profitable (>20% EBITDA margin) or high growth (>40% revenue growth) companies in 3Q20. Companies generating revenue growth of 40% or greater posted the highest median multiple of 32.1x EV/Revenue, a premium of 186% above the Index median (11.2x).

EV/Revenue vs. Revenue Growth (TTM)



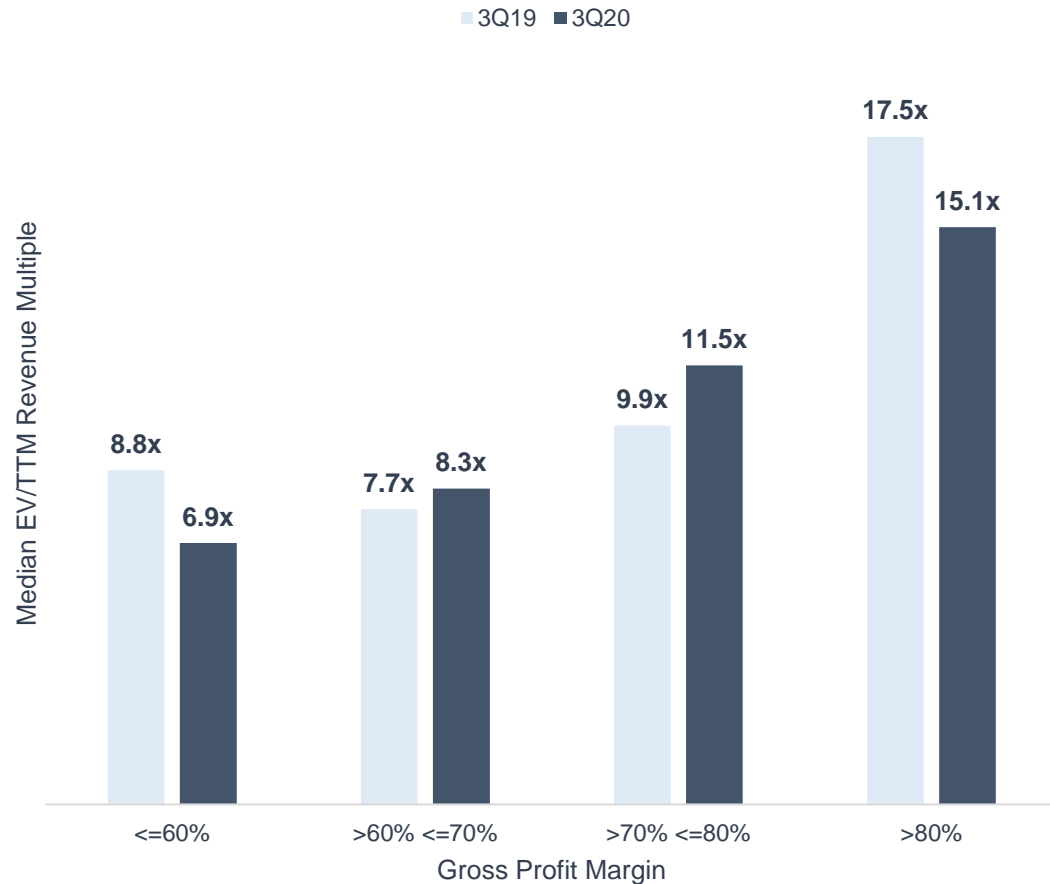
EV/Revenue vs. EBITDA Margin (TTM)



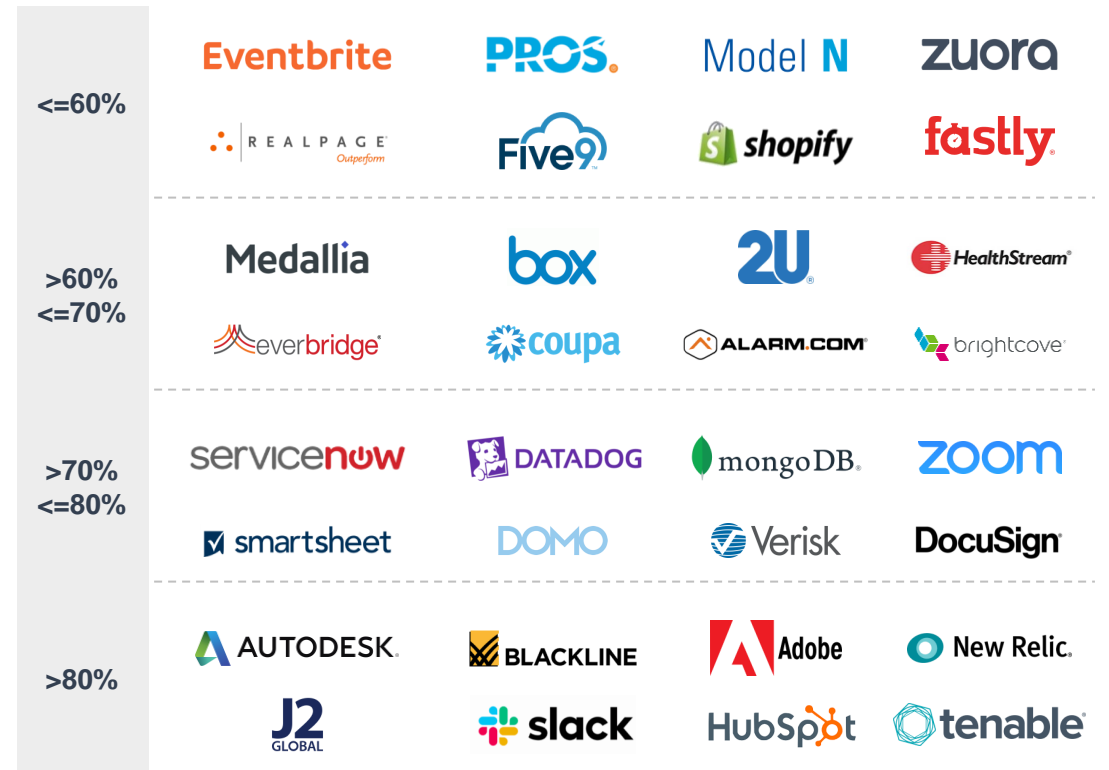
SEG SaaS Index: EV/Revenue by Gross Profit Margin (GPM)

Generally, companies with higher gross profit margins (GPM) are rewarded with higher valuations. Companies generating GPM greater than 80% were valued at 15.1x during 3Q20. Conversely, those generating less than 60% GPM were valued at 6.9x EV/Revenue.

EV/Revenue vs. Gross Profit Margin



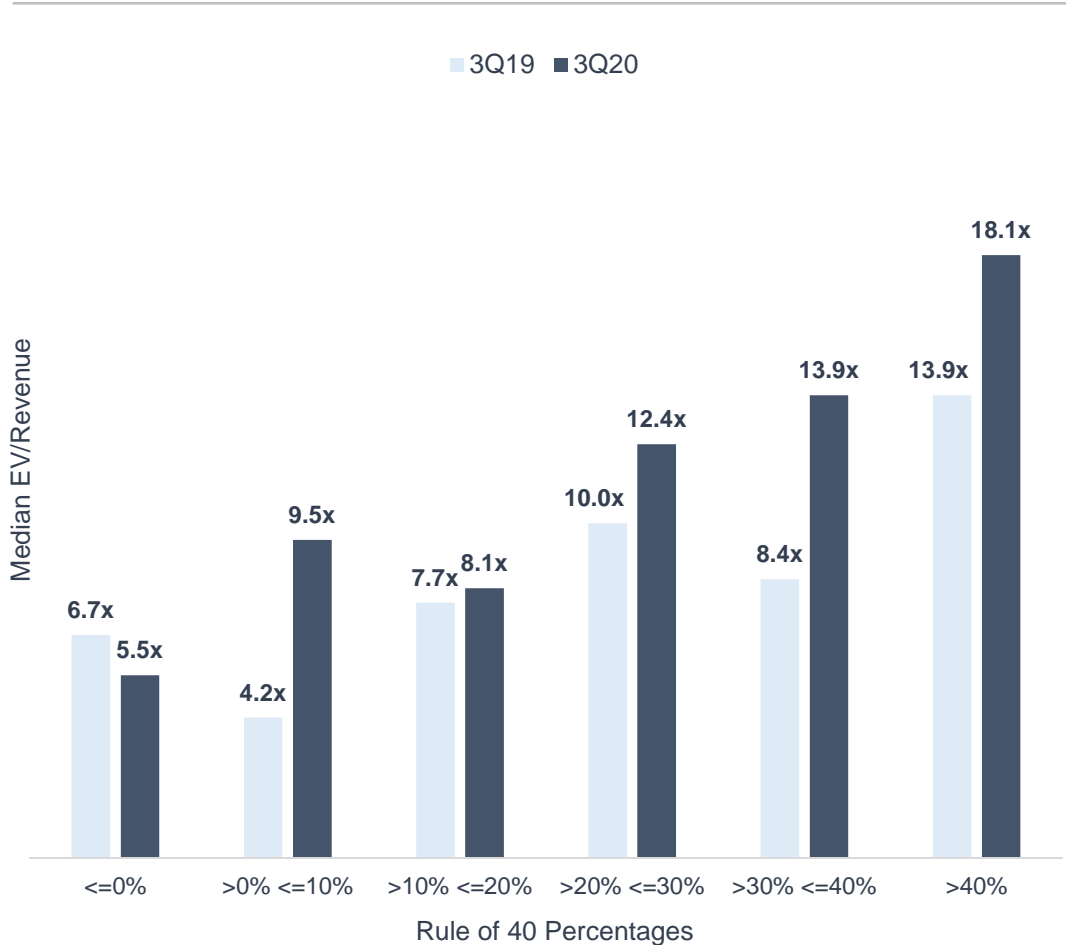
Select Companies by Gross Profit Margin



SEG SaaS Index: The Rule of 40%

EV/Revenue multiples continue to show a strong correlation to the rule of 40%. 3Q20 was no different as companies with 40% or greater posted a median EV/Revenue multiple of 18.1x.

EV/Revenue vs. Rule of 40 Percentages



Select Companies by Rule of 40%

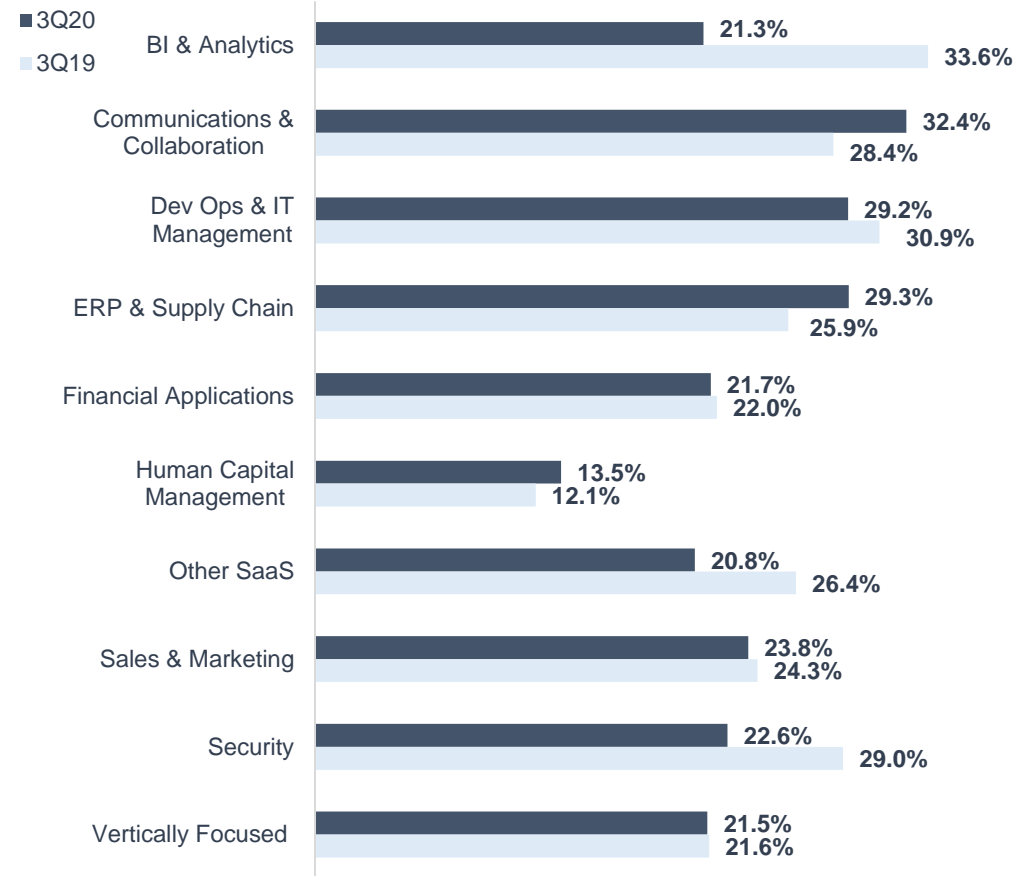


(1) The rule of 40% assesses the health of SaaS companies by considering revenue growth and profitability. To calculate, add revenue growth rate to EBITDA margin.

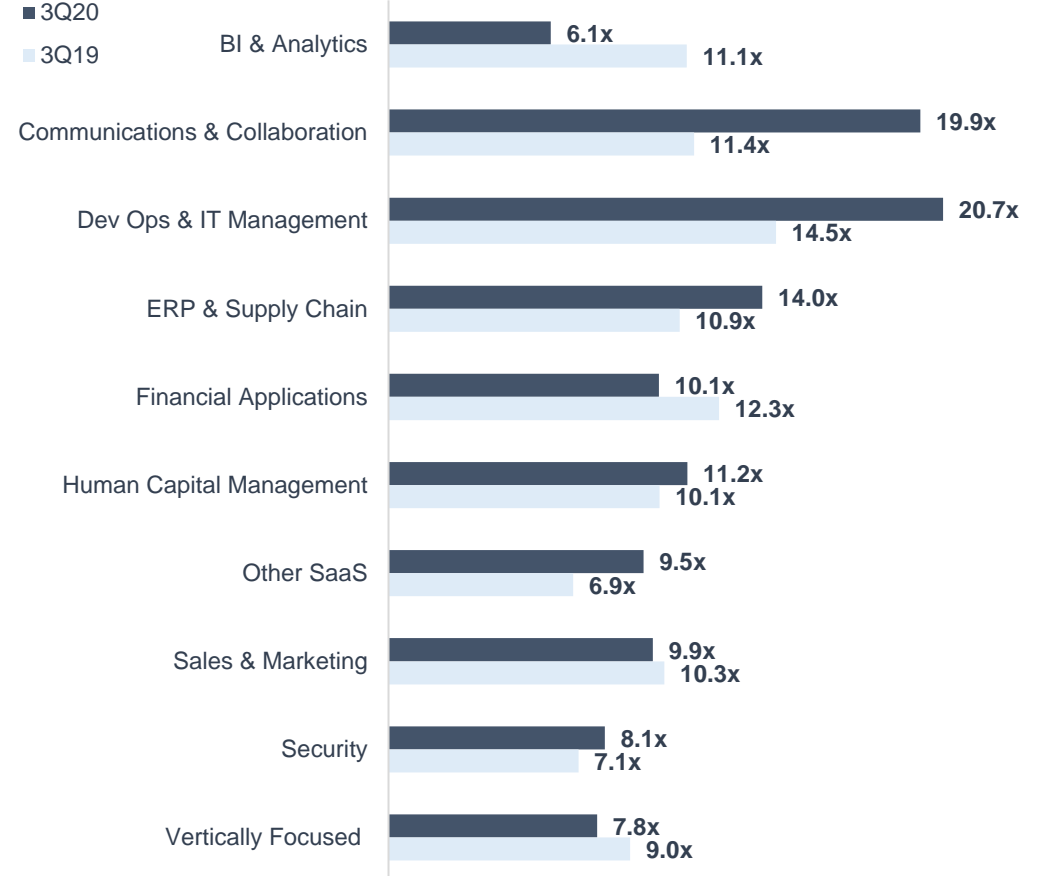
SEG SaaS Index: Product Category Financial Performance

As a result of increased demand for software supporting work from home mandates, Dev Ops & IT Management (20.7x) and Communications & Collaboration (19.9x) had the highest median EV/Revenue multiples in 3Q20.

Median TTM Revenue Growth



Median EV/Revenue Multiple



SEG SaaS Index: Top 25% By EV/Revenue

The top 25% posted a median multiple of 28.2x, 152% above the Index median of 11.2x. Zoom (56.6x), Shopify (55.8x), Datadog (53.1x), and Coupa (43.4x) lead the group.

Company	Ticker	Median EV (M)	TTM Revenue (M)	TTM Revenue Growth	EV/Revenue	EBITDA (M)	EBITDA Margin	EV/EBITDA
Zoom	ZM	\$56.6	\$1,346.5	190.4%	56.6x	\$241.5	17.9%	315.6x
Shopify	SHOP	\$55.8	\$2,080.1	60.5%	55.8x	-\$82.9	-4.0%	-
Datadog	DDOG	\$53.1	\$480.8	80.8%	53.1x	\$17.4	3.6%	1465.8x
Coupa	COUP	\$43.4	\$458.4	43.8%	43.4x	-\$15.2	-3.3%	-
Zscaler	ZS	\$38.5	\$431.3	42.4%	38.5x	-\$86.6	-20.1%	-
Okta	OKTA	\$36.5	\$703.7	44.6%	36.5x	-\$162.6	-23.1%	-
CrowdStrike	CRWD	\$36.3	\$654.3	86.4%	36.3x	-\$79.3	-12.1%	-
Fastly	FSLY	\$34.5	\$246.3	45.5%	34.5x	-\$31.5	-12.8%	-
Docusign	DOCU	\$32.5	\$1,163.6	40.6%	32.5x	-\$115.6	-9.9%	-
Cloudflare	NET	\$31.7	\$348.8	48.6%	31.7x	-\$85.7	-24.6%	-
The Trade Desk	TTD	\$30.9	\$680.2	21.4%	30.9x	\$93.7	13.8%	224.4x
Veeva Systems	VEEV	\$29.9	\$1,283.2	32.5%	29.9x	\$342.9	26.7%	111.7x
Atlassian	TEAM	\$26.5	\$1,614.2	33.4%	26.5x	-\$199.2	-12.3%	-
MongoDB	MDB	\$25.2	\$501.6	45.0%	25.2x	-\$159.1	-31.7%	-
RingCentral	RNG	\$24.4	\$1,031.7	32.4%	24.4x	-\$11.8	-1.1%	-
Twilio Inc	TWLO	\$24.2	\$1,392.0	57.9%	24.2x	-\$227.9	-16.4%	-
Avalara	AVLR	\$22.7	\$434.1	34.3%	22.7x	-\$35.9	-8.3%	-
Paycom Software	PAYC	\$21.2	\$792.4	21.4%	21.2x	\$274.9	34.7%	61.2x
ServiceNow	NOW	\$21.0	\$3,954.8	31.3%	21.0x	\$531.8	13.4%	156.3x
Five9	FIVN	\$21.0	\$370.9	28.1%	21.0x	\$18.6	5.0%	417.0x
Slack	WORK	\$20.4	\$768.1	51.4%	20.4x	-\$291.2	-37.9%	-
DynaTrace	DT	\$20.4	\$578.8	27.1%	20.4x	-\$52.3	-9.0%	-
MSCI	MSCI	\$19.9	\$1,627.3	10.2%	19.9x	\$870.2	53.5%	37.3x
Everbridge	EVBG	\$19.9	\$233.9	36.0%	19.9x	-\$30.8	-13.2%	-
	Average	\$31.1	\$965.7	47.7%	31.1x	\$30.1	-3.0%	348.7x
	Median	\$28.2	\$691.9	41.5%	28.2x	-\$33.7	-8.7%	190.4x

SEG SaaS Index: Bottom 25% By EV/Revenue

The bottom 25% posted a median multiple of 3.3x, 70.5% below the Index median. These companies are typically low growth (11.3% median TTM revenue growth) and are not highly profitable (5.8% median EBITDA margin).

Company	Ticker	Median EV (M)	TTM Revenue (M)	TTM Revenue Growth	EV/Revenue	EBITDA (M)	EBITDA Margin	EV/EBITDA
Teradata Corporation	TDC	\$1.3	\$1,844.0	-10.5%	1.3x	\$162.0	8.8%	15.0x
Benefitfocus	BNFT	\$1.5	\$287.1	5.3%	1.5x	\$7.8	2.7%	57.0x
Brightcove	BCOV	\$2.0	\$189.6	10.6%	2.0x	\$3.1	1.6%	125.1x
HealthStream	HSTM	\$2.2	\$247.3	-0.6%	2.2x	\$47.6	19.3%	11.3x
Eventbrite	EB	\$2.4	\$222.2	-28.7%	2.4x	-\$201.2	-90.5%	-
Ebix	EBIX	\$2.4	\$542.6	-1.7%	2.4x	\$149.2	27.5%	8.9x
Zix	ZIXI	\$2.6	\$204.0	82.9%	2.6x	\$30.0	14.7%	17.5x
Verint Systems	VRNT	\$2.7	\$1,260.5	-1.0%	2.7x	\$191.1	15.2%	17.5x
J2 Global	JCOM	\$2.9	\$1,413.1	12.1%	2.9x	\$524.4	37.1%	7.9x
ChannelAdvisors	ECOM	\$2.9	\$135.9	4.1%	2.9x	\$23.0	16.9%	17.3x
ACI Worldwide	ACIW	\$3.2	\$1,346.2	25.9%	3.2x	\$335.8	24.9%	13.0x
Nutanix	NTNX	\$3.2	\$1,307.7	5.8%	3.2x	-\$735.1	-56.2%	-
FireEye	FEYE	\$3.3	\$915.6	6.8%	3.3x	-\$73.9	-8.1%	-
Box	BOX	\$3.5	\$736.6	12.4%	3.5x	-\$28.1	-3.8%	-
Blackbaud	BLKB	\$3.6	\$914.6	4.9%	3.6x	\$131.5	14.4%	25.3x
Cloudera	CLDR	\$3.7	\$834.8	28.9%	3.7x	-\$137.5	-16.5%	-
2U	TWOU	\$3.8	\$675.1	40.7%	3.8x	-\$197.7	-29.3%	-
Dropbox	DBX	\$4.1	\$1,796.6	17.9%	4.1x	\$175.6	9.8%	41.7x
Zuora	ZUO	\$4.1	\$291.1	12.6%	4.1x	-\$68.5	-23.5%	-
Talend	TLND	\$4.5	\$265.3	16.8%	4.5x	-\$51.1	-19.2%	-
Bottomline Technologies	EPAY	\$4.6	\$442.2	4.8%	4.6x	\$44.1	10.0%	46.4x
Alarm.com	ALRM	\$5.1	\$561.9	22.9%	5.1x	\$92.3	16.4%	30.8x
New Relic	NEWR	\$5.2	\$621.1	21.3%	5.2x	-\$0.4	-0.1%	-
Yext	YEXT	\$5.3	\$331.2	25.7%	5.3x	-\$103.2	-31.2%	-
	Average	\$3.3	\$724.4	13.3%	3.3x	\$13.4	-2.5%	31.0x
	Median	\$3.3	\$591.5	11.3%	3.3x	\$15.4	5.8%	17.5x



Appendix

3Q20 Software Industry Report

SEG SaaS Index

Company	EV/Revenue					EV/EBITDA					TTM Revenue Growth					EBITDA Margin				
	3Q19	4Q19	1Q20	2Q20	3Q20	3Q19	4Q19	1Q20	2Q20	3Q20	3Q19	4Q19	1Q20	2Q20	3Q20	3Q19	4Q19	1Q20	2Q20	3Q20
2U	2.4x	2.8x	2.7x	3.5x	3.8x	-	-	-	-	-	38.4%	37.4%	39.6%	42.2%	40.7%	-6.1%	-26.6%	-29.9%	-30.5%	-29.3%
ACI Worldwide	4.6x	4.4x	4.2x	3.2x	3.2x	21.4x	19.3x	19.0x	14.7x	13.0x	7.3%	16.0%	24.6%	33.5%	25.9%	21.5%	22.9%	21.8%	21.8%	24.9%
Adobe	13.2x	12.8x	14.3x	14.8x	17.8x	37.3x	34.9x	38.7x	38.8x	46.1x	24.2%	23.7%	22.1%	19.3%	16.8%	35.4%	36.7%	37.0%	38.1%	38.6%
Alarm.com	5.0x	4.4x	4.2x	4.3x	5.1x	55.8x	25.3x	23.9x	25.7x	30.8x	21.6%	18.9%	19.5%	23.2%	22.9%	8.9%	17.3%	17.7%	16.7%	16.4%
Alteryx	24.1x	18.4x	20.5x	18.9x	17.1x	241.2x	602.5x	234.6x	506.9x	684.0x	77.5%	72.7%	64.8%	61.4%	50.1%	10.0%	3.1%	8.7%	3.7%	2.5%
Anaplan	23.8x	19.4x	20.8x	14.9x	16.1x	-	-	-	-	-	45.9%	46.5%	44.6%	41.9%	36.5%	-49.6%	-39.2%	-36.8%	-34.0%	-30.9%
AppFolio	15.2x	14.6x	16.2x	16.1x	18.1x	111.0x	109.4x	126.3x	117.4x	122.3x	33.8%	34.6%	34.7%	32.5%	30.6%	13.7%	13.4%	12.9%	13.7%	14.8%
Appian	12.9x	10.5x	11.7x	12.0x	12.4x	-	-	-	-	-	16.4%	17.5%	14.4%	18.1%	16.1%	-21.0%	-18.4%	-16.6%	-14.1%	-14.5%
Atlassian	26.6x	22.0x	24.0x	27.3x	26.5x	-	-	-	-	-	37.4%	37.1%	36.5%	35.3%	33.4%	-40.9%	-13.1%	-3.4%	-0.2%	-12.3%
Autodesk	11.7x	11.4x	13.0x	12.1x	14.8x	117.2x	92.7x	89.5x	73.4x	84.6x	30.8%	30.4%	27.4%	24.7%	20.8%	10.0%	12.3%	14.5%	16.5%	17.4%
Avalara	17.8x	14.6x	15.8x	17.9x	22.7x	-	-	-	-	-	35.4%	38.9%	40.5%	38.3%	34.3%	-16.0%	-11.2%	-9.2%	-9.7%	-8.3%
Bandwidth	7.7x	5.1x	6.2x	9.5x	12.4x	-	-	-	5855.6x	633.6x	15.0%	14.8%	14.0%	21.2%	25.8%	-1.6%	-4.1%	-1.7%	0.2%	2.0%
Benefitfocus	3.3x	2.8x	2.1x	1.5x	1.5x	-	-	1603.2x	105.6x	57.0x	10.4%	12.5%	14.3%	10.9%	5.3%	-6.1%	-4.7%	0.1%	1.4%	2.7%
Blackbaud	5.7x	5.2x	4.7x	3.6x	3.6x	37.4x	36.0x	36.4x	26.2x	25.3x	5.1%	4.6%	6.1%	5.6%	4.9%	15.1%	14.4%	13.0%	13.7%	14.4%
BlackLine	10.22x	9.5x	11.0x	11.1x	14.4x	-	-	-	1635.2x	1105.9x	26.0%	25.8%	26.9%	27.8%	26.0%	-1.3%	-1.8%	-0.2%	0.7%	1.3%
Bottomline Technologies	4.2x	4.9x	5.0x	4.5x	4.6x	32.5x	37.4x	40.9x	37.1x	46.4x	7.1%	5.5%	4.7%	4.7%	4.8%	13.0%	13.0%	12.1%	12.1%	10.0%
Box	3.5x	3.4x	3.1x	3.4x	3.5x	-	-	-	-	-	18.1%	16.3%	14.4%	13.6%	12.4%	-12.5%	-11.4%	-11.7%	-8.9%	-3.8%
Brightcove	2.5x	1.9x	1.7x	1.5x	2.0x	-	-	-	-	125.1x	5.5%	8.3%	11.9%	14.4%	10.6%	-2.3%	-0.1%	-0.6%	-0.1%	1.6%
Ceridian Holding	10.1x	10.5x	13.0x	11.6x	14.2x	57.7x	66.2x	86.2x	82.0x	115.7x	7.5%	8.6%	11.3%	11.6%	8.6%	17.5%	15.8%	15.0%	14.1%	12.3%
ChannelAdvisors	1.60x	1.6x	1.6x	2.4x	2.9x	222.3x	41.0x	21.0x	21.3x	17.3x	1.8%	-0.4%	-1.0%	-0.7%	4.1%	0.7%	3.9%	7.8%	11.1%	16.9%
Cloudera	2.25x	2.9x	3.5x	2.6x	3.7x	-	-	-	-	-	54.5%	63.8%	65.5%	44.9%	28.9%	-38.1%	-34.3%	-29.8%	-23.2%	-16.5%
Cloudflare	23.4x	17.3x	17.3x	25.1x	31.7x	-	-	-	-	-	-	-	-	-	48.6%	-27.8%	-25.5%	-25.8%	-27.2%	-24.6%
Cornerstone OnDemand	5.8x	6.1x	6.0x	3.6x	5.4x	70.7x	70.4x	55.9x	41.0x	63.4x	6.7%	6.3%	7.2%	7.6%	13.5%	8.3%	8.6%	10.7%	8.9%	8.6%
Coupa	26.7x	25.7x	26.4x	32.8x	43.4x	-	-	-	-	-	45.5%	47.6%	49.7%	49.8%	43.8%	-13.1%	-11.5%	-9.1%	-3.4%	-3.3%
Crowdstrike	50.1x	24.4x	23.6x	27.7x	36.3x	-	-	-	-	-	-	-	92.7%	88.7%	86.4%	-37.1%	-29.6%	-24.1%	-18.7%	-12.1%
Datadog	38.0x	31.5x	31.9x	45.5x	53.1x	-	-	-	2550.1x	1465.8x	-	-	-	-	80.8%	-6.1%	-4.4%	-2.1%	1.8%	3.6%
DocuSign	10.6x	13.2x	14.7x	21.1x	32.5x	-	-	-	-	-	37.4%	38.3%	38.9%	39.2%	40.6%	-19.8%	-16.1%	-13.0%	-11.9%	-9.9%
Domo	4.2x	2.7x	3.7x	3.6x	5.7x	-	-	-	-	-	27.4%	25.2%	21.7%	19.7%	20.1%	-70.1%	-65.1%	-62.5%	-53.9%	-44.9%
Dropbox	4.9x	4.3x	3.9x	4.5x	4.1x	70.7x	74.3x	69.5x	57.8x	41.7x	22.1%	20.4%	19.4%	18.5%	17.9%	7.0%	5.8%	5.6%	7.8%	9.8%
DynaTrace	16.0x	13.1x	16.1x	17.8x	20.4x	-	-	-	-	-	-	-	-	26.6%	27.1%	-2.1%	-29.1%	-26.0%	-19.6%	-9.0%
Ebix	3.7x	3.1x	3.0x	2.3x	2.4x	11.6x	10.6x	10.9x	8.4x	8.9x	28.3%	22.4%	16.6%	8.1%	-1.7%	31.9%	29.2%	27.1%	27.5%	27.5%
Elastic	21.1x	16.5x	13.5x	13.2x	17.1x	-	-	-	-	-	64.8%	61.8%	59.8%	57.4%	53.2%	-39.3%	-42.1%	-41.3%	-37.0%	-30.5%
Eventbrite	3.2x	3.5x	4.2x	1.4x	2.4x	-	-	-	-	-	22.0%	15.0%	12.1%	-1.3%	-28.7%	-11.8%	-11.0%	-13.3%	-61.4%	-90.5%
Everbridge	15.6x	13.9x	15.3x	20.9x	19.9x	-	-	-	-	-	40.0%	38.1%	36.6%	36.1%	36.0%	-12.8%	-13.3%	-12.3%	-13.7%	-13.2%
Fastly	10.9x	9.6x	9.7x	16.8x	34.5x	-	-	-	-	-	-	-	38.7%	38.2%	45.5%	-12.3%	-13.0%	-14.6%	-14.1%	-12.8%

(1) Source: Financial data provided by YCharts (missing values represent data not applicable or publicly available).

SEG SaaS Index

Company	EV/Revenue					EV/EBITDA					TTM Revenue Growth					EBITDA Margin				
	3Q19	4Q19	1Q20	2Q20	3Q20	3Q19	4Q19	1Q20	2Q20	3Q20	3Q19	4Q19	1Q20	2Q20	3Q20	3Q19	4Q19	1Q20	2Q20	3Q20
FireEye	3.5x	4.1x	3.7x	2.9x	3.3x	-	-	-	-	-	6.5%	6.4%	7.0%	7.2%	6.8%	-9.9%	-10.8%	-9.7%	-9.7%	-8.1%
Five9	11.4x	12.2x	13.3x	18.0x	21.0x	122.9x	131.7x	152.8x	248.1x	417.0x	28.4%	28.0%	27.3%	27.5%	28.1%	9.3%	9.3%	8.7%	7.3%	5.0%
Guidewire Software	10.6x	12.0x	12.1x	10.3x	11.6x	109.3x	181.9x	255.6x	667.8x	237.9x	10.0%	-4.2%	-4.1%	-6.0%	3.2%	9.7%	6.6%	4.7%	1.5%	4.9%
Health Catalyst	10.1x	7.0x	6.2x	5.4x	6.9x	-	-	-	-	-	-	-	37.6%	29.6%	21.5%	-29.5%	-30.4%	-28.7%	-29.5%	-36.3%
HealthStream	2.8x	2.9x	2.6x	2.4x	2.2x	17.2x	17.6x	15.4x	13.0x	11.3x	12.1%	10.7%	9.7%	3.5%	-0.6%	16.4%	16.3%	16.8%	18.1%	19.3%
HubSpot	11.8x	9.4x	10.5x	10.5x	15.5x	-	-	8459.0x	-	-	33.9%	33.1%	31.6%	31.2%	29.0%	-1.2%	-0.3%	0.1%	-0.5%	-0.3%
J2 Global	4.1x	4.3x	4.0x	3.2x	2.9x	11.4x	11.5x	10.4x	8.8x	7.9x	8.9%	11.5%	13.6%	14.5%	12.1%	36.2%	37.4%	38.1%	36.0%	37.1%
Kinaxis	8.6x	10.3x	10.3x	15.3x	16.8x	42.0x	50.4x	44.3x	71.1x	67.9x	18.3%	22.2%	30.1%	26.0%	35.4%	20.4%	20.4%	23.2%	21.5%	24.7%
LivePerson	8.79x	8.9x	7.3x	7.5x	10.2x	-	-	-	-	-	14.3%	15.2%	16.7%	17.6%	21.2%	-11.5%	-17.1%	-22.8%	-26.8%	-22.7%
Medallia	12.0x	9.1x	8.5x	7.3x	9.3x	-	-	-	-	-	-	-	28.3%	25.2%	23.7%	-14.8%	-20.4%	-24.7%	-30.3%	-27.4%
Mimecast	7.1x	6.7x	6.9x	5.7x	6.3x	66.4x	54.1x	50.5x	35.4x	36.4x	28.0%	26.9%	25.9%	25.4%	22.6%	10.7%	12.3%	13.7%	16.1%	17.3%
Model N	6.0x	6.9x	7.1x	6.9x	7.8x	-	-	-	-	-	-7.9%	-8.7%	-4.0%	2.3%	10.5%	-4.4%	-6.0%	-5.5%	-4.9%	-3.7%
MongoDB	22.7x	18.8x	20.0x	24.2x	25.2x	-	-	-	-	-	66.5%	61.2%	57.9%	51.1%	45.0%	-26.2%	-27.5%	-32.1%	-31.3%	-31.7%
MSCI	14.5x	15.1x	16.3x	18.3x	19.9x	25.1x	26.0x	30.1x	33.3x	37.3x	7.7%	7.5%	8.6%	10.3%	10.2%	57.9%	58.0%	54.0%	55.1%	53.5%
New Relic	6.5x	6.5x	5.7x	5.6x	5.2x	114.1x	126.6x	195.4x	384.0x	-	33.6%	31.3%	28.4%	25.1%	21.3%	5.7%	5.1%	2.9%	1.4%	-0.1%
Nutanix	3.3x	4.2x	4.8x	3.1x	3.2x	-	-	-	-	-	7.0%	3.7%	0.6%	3.2%	5.8%	-42.1%	-51.7%	-58.1%	-58.5%	-56.2%
Okta	30.3x	25.4x	25.7x	33.9x	36.5x	-	-	-	-	-	51.1%	48.0%	46.8%	46.0%	44.6%	-26.2%	-28.9%	-28.2%	-25.1%	-23.1%
Pagerduty	17.5x	9.9x	7.9x	8.9x	9.9x	-	-	-	-	-	-	-	41.2%	37.4%	32.5%	-30.3%	-28.4%	-27.2%	-24.9%	-23.6%
Palo Alto Networks	6.6x	6.9x	7.0x	6.4x	6.9x	117.3x	123.6x	176.2x	203.9x	211.7x	27.5%	24.2%	20.3%	18.6%	17.5%	5.6%	5.6%	4.0%	3.1%	3.2%
Paycom Software	21.0x	19.1x	22.7x	20.2x	21.2x	59.2x	53.5x	62.1x	53.0x	61.2x	31.1%	31.0%	30.3%	27.4%	21.4%	35.4%	35.7%	36.5%	38.2%	34.7%
Paylocity Holding	11.4x	11.6x	13.6x	11.3x	13.0x	58.5x	61.1x	75.4x	58.4x	70.0x	23.9%	24.5%	24.2%	24.2%	20.0%	19.4%	19.0%	18.0%	19.3%	18.5%
Pegasystems	6.3x	6.6x	7.5x	7.4x	9.5x	-	-	-	-	-	0.0%	0.2%	2.2%	11.0%	12.4%	-7.4%	-7.6%	-9.3%	-10.0%	-7.5%
Ping Identity	7.3x	6.0x	7.9x	8.0x	10.4x	40.0x	33.6x	53.3x	61.3x	111.3x	-	-	-	-	16.5%	18.3%	17.9%	14.9%	13.1%	9.4%
Pluralsight	9.0x	8.6x	8.4x	7.7x	8.0x	-	-	-	-	-	41.5%	39.2%	36.6%	34.9%	30.8%	-43.1%	-41.2%	-38.7%	-38.1%	-35.5%
Proofpoint	8.5x	7.5x	7.6x	6.8x	6.3x	-	-	-	-	-	29.9%	26.7%	23.9%	23.4%	22.4%	-3.3%	-2.5%	-2.0%	-2.4%	-0.2%
PROS Holdings	11.8x	10.0x	8.0x	5.0x	6.1x	-	-	-	-	-	20.7%	24.1%	27.1%	26.9%	17.4%	-14.4%	-14.3%	-15.9%	-18.4%	-19.2%
Q2 Holdings	13.1x	11.9x	13.8x	13.3x	14.1x	-	-	-	-	-	28.6%	31.1%	30.9%	30.7%	28.9%	-9.8%	-10.4%	-11.0%	-11.2%	-13.8%
Qualys	9.9x	9.6x	9.4x	11.4x	11.2x	29.9x	28.4x	27.1x	32.1x	30.5x	17.5%	16.3%	15.3%	14.9%	14.1%	33.0%	33.7%	34.6%	35.3%	36.8%
RealPage	6.8x	5.8x	6.5x	7.0x	6.4x	32.6x	26.7x	28.7x	32.5x	29.9x	20.1%	15.7%	13.6%	14.2%	15.3%	20.8%	21.6%	22.7%	21.5%	21.5%
RingCentral	13.7x	16.8x	19.8x	23.8x	24.4x	738.2x	934.9x	12421.3x	-	-	33.7%	33.9%	34.0%	33.7%	32.4%	1.9%	1.8%	0.2%	-4.0%	-1.1%
Salesforce.com	8.4x	8.6x	9.1x	8.1x	9.2x	58.9x	56.8x	60.0x	59.9x	68.2x	24.3%	26.4%	28.7%	30.1%	31.6%	14.2%	15.2%	15.2%	13.5%	13.5%
Service-now.com	16.2x	15.4x	16.8x	18.9x	21.0x	231.3x	171.8x	166.3x	163.2x	156.3x	33.1%	32.0%	32.6%	32.4%	31.3%	7.0%	8.9%	10.1%	11.6%	13.4%
Shopify	27.4x	24.6x	32.3x	49.6x	55.8x	-	-	-	-	-	51.9%	48.8%	47.0%	46.5%	60.5%	-6.9%	-6.5%	-6.7%	-7.8%	-4.0%
Slack	31.3x	19.9x	19.4x	23.7x	20.4x	-	-	-	-	-	-	-	57.4%	53.4%	51.4%	-91.2%	-88.3%	-87.3%	-84.6%	-37.9%
Smartsheet	23.7x	17.3x	17.9x	18.9x	16.0x	-	-	-	-	-	55.9%	54.2%	52.4%	51.9%	48.6%	-27.5%	-28.1%	-32.6%	-31.8%	-30.8%

(1) Source: Financial data provided by YCharts (missing values represent data not applicable or publicly available).

SEG SaaS Index

Company	EV/Revenue					EV/EBITDA					TTM Revenue Growth					EBITDA Margin				
	3Q19	4Q19	1Q20	2Q20	3Q20	3Q19	4Q19	1Q20	2Q20	3Q20	3Q19	4Q19	1Q20	2Q20	3Q20	3Q19	4Q19	1Q20	2Q20	3Q20
SolarWinds	8.3x	8.3x	8.0x	7.3x	7.8x	19.6x	20.2x	18.6x	17.8x	18.8x	11.8%	11.8%	11.9%	13.1%	11.6%	42.1%	41.0%	42.8%	41.3%	41.5%
SPS Commerce	6.1x	6.3x	6.2x	6.5x	8.3x	33.7x	33.2x	31.8x	31.4x	39.3x	12.5%	12.6%	12.4%	11.8%	11.3%	18.0%	18.8%	19.6%	20.8%	21.1%
SurveyMonkey	8.6x	8.5x	8.4x	8.3x	9.5x	-	-	-	-	-	18.6%	19.6%	20.9%	23.7%	23.8%	-36.0%	-6.6%	-5.7%	-6.7%	-7.6%
Talend	4.9x	4.6x	4.4x	3.4x	4.5x	-	-	-	-	-	28.7%	25.0%	20.2%	19.0%	16.8%	-22.1%	-22.2%	-20.5%	-19.3%	-19.2%
Tenable	6.4x	6.3x	6.6x	7.1x	8.1x	-	-	-	-	-	37.4%	35.1%	32.6%	30.6%	28.5%	-25.6%	-23.0%	-23.7%	-21.7%	-17.3%
Teradata Corporation	1.8x	1.5x	1.3x	1.3x	1.3x	18.7x	15.1x	15.0x	14.5x	15.0x	-6.4%	-9.5%	-12.2%	-12.3%	-10.5%	9.5%	9.9%	8.9%	9.0%	8.8%
The Trade Desk	19.1x	16.5x	18.8x	19.3x	30.9x	86.7x	79.1x	93.7x	96.9x	224.4x	47.4%	44.4%	38.5%	36.7%	21.4%	22.1%	20.8%	20.0%	19.9%	13.8%
Twilio Inc	18.6x	12.3x	12.7x	19.8x	24.2x	-	-	-	-	-	78.9%	79.6%	74.5%	67.9%	57.9%	-19.9%	-21.4%	-20.8%	-17.9%	-16.4%
Tyler Technologies	9.7x	10.3x	11.0x	11.6x	12.1x	45.0x	48.1x	51.4x	55.1x	56.1x	12.4%	14.1%	16.2%	16.1%	11.2%	21.6%	21.4%	21.5%	21.1%	21.6%
Upland Software	6.9x	5.8x	6.0x	5.0x	5.5x	108.2x	129.0x	281.6x	-	-	51.3%	52.2%	48.5%	45.2%	41.7%	6.4%	4.5%	2.1%	-1.8%	-0.4%
Varonis Systems	7.1x	7.9x	9.5x	8.8x	13.3x	-	-	-	-	-	11.8%	5.2%	-6.0%	-7.7%	-4.3%	-14.8%	-16.5%	-23.9%	-27.8%	-25.4%
Veeva Systems	23.1x	19.7x	18.5x	23.4x	29.9x	78.3x	66.0x	67.6x	86.7x	111.7x	26.1%	25.6%	28.1%	31.3%	32.5%	29.5%	29.8%	27.4%	27.0%	26.7%
Verint Systems	3.1x	2.7x	3.2x	2.5x	2.7x	19.8x	17.8x	22.7x	18.4x	17.5x	6.6%	6.3%	6.0%	1.6%	-1.0%	15.7%	15.4%	14.2%	13.8%	15.2%
Verisk Analytics	11.1x	10.5x	11.2x	10.7x	12.2x	23.8x	26.2x	28.6x	26.6x	29.2x	8.2%	8.2%	8.9%	9.6%	8.3%	46.8%	39.9%	39.1%	40.2%	41.6%
Wix	9.9x	8.1x	8.9x	11.9x	17.4x	-	-	-	-	-	32.3%	29.1%	26.1%	25.4%	25.6%	-5.1%	-7.0%	-8.3%	-9.1%	-13.2%
Workday	13.2x	10.8x	11.1x	9.6x	11.2x	-	-	-	-	-	33.6%	31.5%	28.5%	26.1%	23.1%	-6.3%	-4.2%	-4.1%	-4.5%	-1.6%
Workiva	8.2x	6.2x	6.3x	5.5x	7.5x	-	-	-	-	-	19.1%	20.3%	21.9%	23.3%	20.6%	-10.6%	-11.4%	-12.6%	-11.8%	-13.9%
Yext	7.2x	5.3x	5.0x	4.5x	5.3x	-	-	-	-	-	32.9%	32.3%	30.9%	28.2%	25.7%	-28.1%	-32.0%	-33.8%	-34.6%	-31.2%
Zendesk	12.7x	11.0x	11.3x	10.2x	11.8x	-	-	-	-	-	39.0%	38.4%	36.4%	34.1%	31.5%	-15.8%	-14.2%	-12.6%	-11.1%	-11.2%
Zix	5.5x	3.9x	3.3x	2.7x	2.6x	64.6x	42.4x	37.0x	18.9x	17.5x	65.1%	105.6%	146.1%	136.5%	82.9%	8.4%	9.2%	8.9%	14.0%	14.7%
Zoom	52.5x	33.3x	40.6x	55.3x	56.6x	1227.8x	676.9x	866.5x	865.1x	315.6x	-	-	88.4%	111.2%	190.4%	4.3%	4.9%	4.7%	6.4%	17.9%
Zscaler	31.6x	16.7x	19.2x	24.2x	38.5x	-	-	-	-	-	59.2%	56.0%	48.2%	43.5%	42.4%	-5.5%	-6.5%	-13.1%	-13.2%	-20.1%
Zuora	6.0x	5.5x	5.5x	4.0x	4.1x	-	-	-	-	-	23.3%	19.7%	17.5%	15.9%	12.6%	-27.1%	-26.1%	-26.7%	-24.3%	-23.5%

(1) Source: Financial data provided by YCharts (missing values represent data not applicable or publicly available).

SEG SaaS Index by Product Category

BI & Analytics	3Q19	4Q19	1Q19	2Q20	3Q20
EV/TTM Revenue	11.1x	10.0x	8.0x	5.6x	6.1x
EV/NTM Revenue	8.1x	7.7x	6.2x	5.0x	5.8x
EV/TTM EBITDA	68.9x	76.4x	112.0x	205.3x	29.2x
EV/TTM CFO	27.3x	29.6x	20.0x	21.1x	12.2x
Gross Profit Margin	70.8%	70.2%	70.7%	71.3%	71.9%
EBITDA Margin	-14.4%	-14.3%	-15.9%	-18.4%	-16.5%
Net Income Margin	-28.4%	-27.3%	-27.6%	-28.8%	-28.6%
TTM Revenue Growth	33.6%	31.3%	28.4%	26.9%	21.3%
TTM EBITDA Growth	1018.2%	-9.3%	-8.3%	-29.0%	-17.3%
TTM Earnings Growth	-8.6%	12.5%	7.5%	19.7%	-9.3%
Cash as Percent of Market Cap	4.9%	6.2%	5.0%	6.3%	4.5%
Enterprise Value Growth	26.5%	35.8%	-9.9%	-12.4%	6.2%

alteryx

DOMO

PROS

Anaplan

elastic

TERADATA

cloudera

New Relic

Verisk

Communications & Collaboration	3Q19	4Q19	1Q19	2Q20	3Q20
EV/TTM Revenue	11.4x	12.3x	13.3x	18.9x	19.9x
EV/NTM Revenue	11.9x	11.7x	11.4x	16.4x	17.5x
EV/TTM EBITDA	122.9x	131.7x	152.8x	248.1x	315.6x
EV/TTM CFO	70.1x	38.8x	57.4x	95.2x	125.3x
Gross Profit Margin	74.5%	74.6%	74.4%	73.8%	73.2%
EBITDA Margin	-10.6%	-11.4%	-11.7%	-8.9%	-3.8%
Net Income Margin	-12.8%	-14.0%	-16.2%	-16.3%	-14.2%
TTM Revenue Growth	28.4%	28.0%	34.0%	33.7%	32.4%
TTM EBITDA Growth	54.8%	43.5%	47.1%	23.3%	107.5%
TTM Earnings Growth	-11.5%	-9.4%	70.0%	28.8%	59.0%
Cash as Percent of Market Cap	4.0%	4.1%	7.2%	7.0%	7.9%
Enterprise Value Growth	55.0%	61.1%	33.2%	53.3%	72.8%

bandwidth

Five9

twilio

box

J2
GLOBAL

workiva

DocuSign

RingCentral

zoom

Dropbox

slack

everbridge

smartsheet

SEG SaaS Index by Product Category

Dev Ops & IT Management	3Q19	4Q19	1Q19	2Q20	3Q20
EV/TTM Revenue	14.5x	11.8x	13.9x	17.3x	20.7x
EV/NTM Revenue	11.8x	13.1x	13.0x	15.7x	20.5x
EV/TTM EBITDA	32.5x	33.2x	36.3x	35.2x	46.4x
EV/TTM CFO	46.2x	-54.5x	-49.7x	-35.6x	-38.4x
Gross Profit Margin	75.1%	74.9%	75.4%	76.9%	77.7%
EBITDA Margin	-16.7%	-15.7%	-15.6%	-14.1%	-12.6%
Net Income Margin	-24.6%	-23.4%	-22.2%	-20.5%	-21.4%
TTM Revenue Growth	30.9%	28.2%	28.4%	25.9%	29.2%
TTM EBITDA Growth	14.2%	12.3%	14.4%	20.9%	30.4%
TTM Earnings Growth	61.0%	48.8%	57.5%	52.0%	34.3%
Cash as Percent of Market Cap	2.7%	4.1%	3.4%	3.7%	3.5%
Enterprise Value Growth	48.9%	36.5%	22.5%	42.7%	46.6%

Appian

dynatrace

NUTANIX

Atlassian

fastly

servicenow

CLOUDFLARE

mongoDB

solarwinds

DATADOG

New Relic

talend

ERP & Supply Chain	3Q19	4Q19	1Q19	2Q20	3Q20
EV/TTM Revenue	10.9x	10.5x	10.7x	12.5x	14.0x
EV/NTM Revenue	6.7x	7.8x	7.1x	7.5x	9.2x
EV/TTM EBITDA	-	-	-	-	-
EV/TTM CFO	52.9x	43.9x	48.7x	43.9x	50.5x
Gross Profit Margin	68.4%	68.7%	68.8%	68.8%	69.5%
EBITDA Margin	5.9%	7.3%	7.8%	8.7%	9.7%
Net Income Margin	-2.5%	-1.4%	-0.6%	-1.3%	0.9%
TTM Revenue Growth	25.9%	26.9%	29.3%	26.1%	29.3%
TTM EBITDA Growth	40.0%	37.8%	45.2%	32.8%	46.9%
TTM Earnings Growth	41.4%	44.1%	52.4%	32.1%	44.2%
Cash as Percent of Market Cap	7.7%	7.1%	5.4%	4.2%	4.7%
Enterprise Value Growth	30.0%	35.2%	26.6%	67.3%	92.9%

coupa

SPS COMMERCE

kinaxis

workday

SEG SaaS Index by Product Category

Financial Applications	3Q19	4Q19	1Q19	2Q20	3Q20
EV/TTM Revenue	12.3x	11.0x	10.9x	9.2x	10.1x
EV/NTM Revenue	9.9x	9.3x	8.1x	7.5x	9.4x
EV/TTM EBITDA	25.1x	26.0x	30.1x	33.3x	41.8x
EV/TTM CFO	105.7x	121.0x	85.8x	31.1x	29.4x
Gross Profit Margin	59.6%	59.4%	58.8%	58.0%	57.6%
EBITDA Margin	-7.4%	-5.6%	-5.8%	-6.2%	-3.5%
Net Income Margin	-18.3%	-13.3%	-12.9%	-13.1%	-11.6%
TTM Revenue Growth	22.0%	21.9%	25.8%	27.2%	21.7%
TTM EBITDA Growth	12.8%	12.3%	-0.8%	3.9%	24.0%
TTM Earnings Growth	35.1%	13.3%	2.4%	-0.1%	-2.3%
Cash as Percent of Market Cap	4.6%	4.1%	3.5%	4.8%	8.1%
Enterprise Value Growth	29.6%	48.4%	35.1%	17.2%	26.6%



zuora



Human Capital Management	3Q19	4Q19	1Q19	2Q20	3Q20
EV/TTM Revenue	10.1x	10.5x	11.1x	9.6x	11.2x
EV/NTM Revenue	9.6x	10.1x	10.9x	11.1x	11.8x
EV/TTM EBITDA	58.5x	61.1x	68.8x	55.7x	62.3x
EV/TTM CFO	41.9x	43.5x	48.8x	37.2x	42.9x
Gross Profit Margin	67.1%	67.5%	67.7%	68.0%	67.6%
EBITDA Margin	16.4%	15.8%	15.0%	14.1%	12.3%
Net Income Margin	4.3%	5.4%	5.6%	6.6%	7.1%
TTM Revenue Growth	12.1%	12.5%	14.3%	11.6%	13.5%
TTM EBITDA Growth	31.6%	28.1%	44.0%	26.3%	17.2%
TTM Earnings Growth	7.9%	13.4%	7.1%	13.6%	12.7%
Cash as Percent of Market Cap	3.2%	3.4%	2.7%	3.2%	4.6%
Enterprise Value Growth	46.1%	27.1%	8.8%	-14.7%	5.5%



SEG SaaS Index by Product Category

Other SaaS	3Q19	4Q19	1Q19	2Q20	3Q20
EV/TTM Revenue	6.9x	6.6x	7.5x	7.4x	9.5x
EV/NTM Revenue	6.0x	6.4x	6.2x	6.7x	8.8x
EV/TTM EBITDA	108.2x	92.7x	89.5x	-	84.6x
EV/TTM CFO	49.2x	38.4x	39.7x	27.1x	37.3x
Gross Profit Margin	65.4%	65.2%	66.0%	67.3%	67.9%
EBITDA Margin	-5.1%	-6.5%	-6.7%	-7.8%	-4.0%
Net Income Margin	-8.5%	-9.8%	-11.4%	-11.8%	-9.9%
TTM Revenue Growth	26.4%	22.1%	26.1%	24.7%	20.8%
TTM EBITDA Growth	4.8%	-2.3%	-9.2%	94.2%	111.6%
TTM Earnings Growth	25.0%	39.3%	23.6%	81.5%	44.7%
Cash as Percent of Market Cap	4.9%	6.3%	6.8%	7.5%	6.8%
Enterprise Value Growth	32.9%	41.3%	29.1%	-13.3%	12.2%

Sales & Marketing	3Q19	4Q19	1Q19	2Q20	3Q20
EV/TTM Revenue	10.3x	9.0x	8.8x	8.2x	9.9x
EV/NTM Revenue	9.3x	8.6x	7.3x	7.3x	9.0x
EV/TTM EBITDA	72.8x	48.9x	60.0x	49.4x	57.1x
EV/TTM CFO	37.5x	33.6x	35.8x	38.2x	43.2x
Gross Profit Margin	74.8%	74.7%	75.2%	75.4%	74.8%
EBITDA Margin	-6.4%	-3.4%	-2.8%	-3.6%	-4.0%
Net Income Margin	-14.4%	-15.3%	-14.4%	-13.8%	-14.4%
TTM Revenue Growth	24.3%	26.4%	28.5%	26.7%	23.8%
TTM EBITDA Growth	29.1%	36.8%	55.4%	29.3%	26.3%
TTM Earnings Growth	19.0%	24.8%	21.7%	25.7%	31.3%
Cash as Percent of Market Cap	4.9%	4.2%	4.4%	4.6%	5.2%
Enterprise Value Growth	15.4%	30.5%	29.6%	24.4%	43.0%



SEG SaaS Index by Product Category

Security	3Q19	4Q19	1Q19	2Q20	3Q20
EV/TTM Revenue	7.1x	7.5x	7.6x	7.1x	8.1x
EV/NTM Revenue	7.5x	7.2x	6.6x	6.3x	7.5x
EV/TTM EBITDA	65.5x	48.3x	43.7x	33.8x	33.4x
EV/TTM CFO	49.5x	31.4x	31.2x	22.1x	27.7x
Gross Profit Margin	72.9%	73.2%	73.4%	73.3%	73.7%
EBITDA Margin	-5.5%	-6.5%	-9.9%	-10.8%	-8.1%
Net Income Margin	-14.3%	-14.6%	-17.7%	-18.8%	-17.4%
TTM Revenue Growth	29.0%	26.8%	25.9%	25.4%	22.6%
TTM EBITDA Growth	126.7%	104.2%	19.2%	75.5%	63.0%
TTM Earnings Growth	6.6%	25.2%	25.6%	27.2%	26.0%
Cash as Percent of Market Cap	3.3%	6.9%	3.3%	4.6%	4.3%
Enterprise Value Growth	6.2%	31.1%	9.6%	6.2%	30.0%



Vertically Focused	3Q19	4Q19	1Q19	2Q20	3Q20
EV/TTM Revenue	9.0x	7.0x	7.1x	7.0x	7.8x
EV/NTM Revenue	7.9x	6.7x	6.7x	6.6x	7.5x
EV/TTM EBITDA	50.4x	42.1x	43.9x	43.8x	43.4x
EV/TTM CFO	37.3x	40.2x	28.5x	30.0x	18.8x
Gross Profit Margin	60.0%	60.2%	60.3%	60.8%	60.4%
EBITDA Margin	9.7%	13.4%	12.9%	13.7%	14.4%
Net Income Margin	3.0%	2.3%	1.3%	1.9%	2.4%
TTM Revenue Growth	21.6%	18.9%	19.5%	23.2%	21.5%
TTM EBITDA Growth	10.1%	5.3%	2.5%	12.5%	15.0%
TTM Earnings Growth	-15.5%	8.1%	11.5%	12.5%	14.1%
Cash as Percent of Market Cap	3.5%	5.0%	3.6%	3.8%	5.4%
Enterprise Value Growth	8.0%	18.2%	9.8%	7.8%	24.7%





Contact Information:

(858) 509-2800

www.softwareequity.com

Kris Beible

Vice President

kbeible@softwareequity.com

Molly Soltesz

Marketing Director

msoltesz@softwareequity.com

Unmatched Expertise | Extraordinary Results

About Our Firm:

SEG provides unparalleled M&A advisory services for emerging and established software companies. By focusing exclusively on this underserved market segment for over 25 years, we have the knowledge and experience to quickly determine clients' business value drivers, position them well among our deep network of industry buyers and investors, and aggressively negotiate top-tier valuations. These skills together with our commitment to excellence results in exceptional outcomes for our clients' shareholders, employees, and customers.

Services:

Strategic M&A: Sell-side representation of emerging and established software companies.

Majority Recapitalizations: Majority investments from software-focused private equity investors that look to provide shareholder liquidity and growth capital to established software companies.

Divestitures: Sell-side representation of divisions of public and large private software companies.

Board Advisory: Strategic guidance and advice to business owners preparing for a future liquidity event, whether that be months or years down the road.

Disclaimer

The information contained in this Report is obtained from sources that SEG Capital Advisors LLC ("SEG") believes to be reliable. However, SEG makes no representations or warranties, express or implied, about the accuracy, completeness or fairness of such information, or the opinions expressed herein. Nothing in this Report is intended to be a recommendation of a specific security or company or intended to constitute an offer to buy or sell, or the solicitation of an offer to buy or sell, any security. Any person or entity reviewing this report (a) should conduct its own diligence and reach its own conclusions regarding its business transactions, (b) should not rely upon any conclusions reached by SEG, and (c) should consult its own advisors regarding its tax, accounting, financial, and/or business decisions. SEG or its affiliates may have an interest in one or more of the securities or companies discussed herein. Financial data was provided by 451 M&A KnowledgeBase and Ycharts.

This Report may not be reproduced in whole or in part without the expressed prior written authorization of SEG or one of its affiliates.