

SEG

Software Equity Group

SEG SaaS Index Update

MONTHLY UPDATE: August 2022



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Data in this report is updated as of August 31, 2022.

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SEG provides insight on how to make your company more attractive to buyers long before you're ready to sell. Then we'll bring the best parties to the table, handle negotiations, and manage due diligence so you achieve the best possible outcome.

We strive to create the competition necessary to obtain a higher price and better deal terms.

Our team advises bootstrapped & financially backed software entrepreneurs who want to sell all, or a majority interest, to a strategic buyer or private equity investor. Our high-touch process supports you at every stage in the M&A process.

Our Services Include:

- Strategic M&A
- Majority Capitalizations
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30+
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Billions
IN AGGREGATE
TRANSACTION VALUE

Thousands
OF BUYER RELATIONSHIPS



Our M&A Success Stories

Software Equity Group is built on excellent outcomes and enthusiastic client references. Our 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
IMS

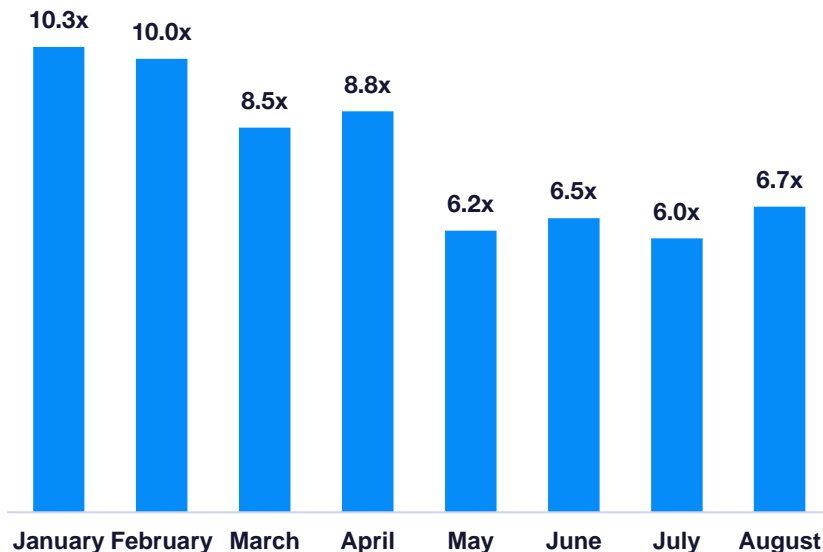


Dana Zeff, Founder & CEO,
Steven Ozburn, President
LeaseLabs

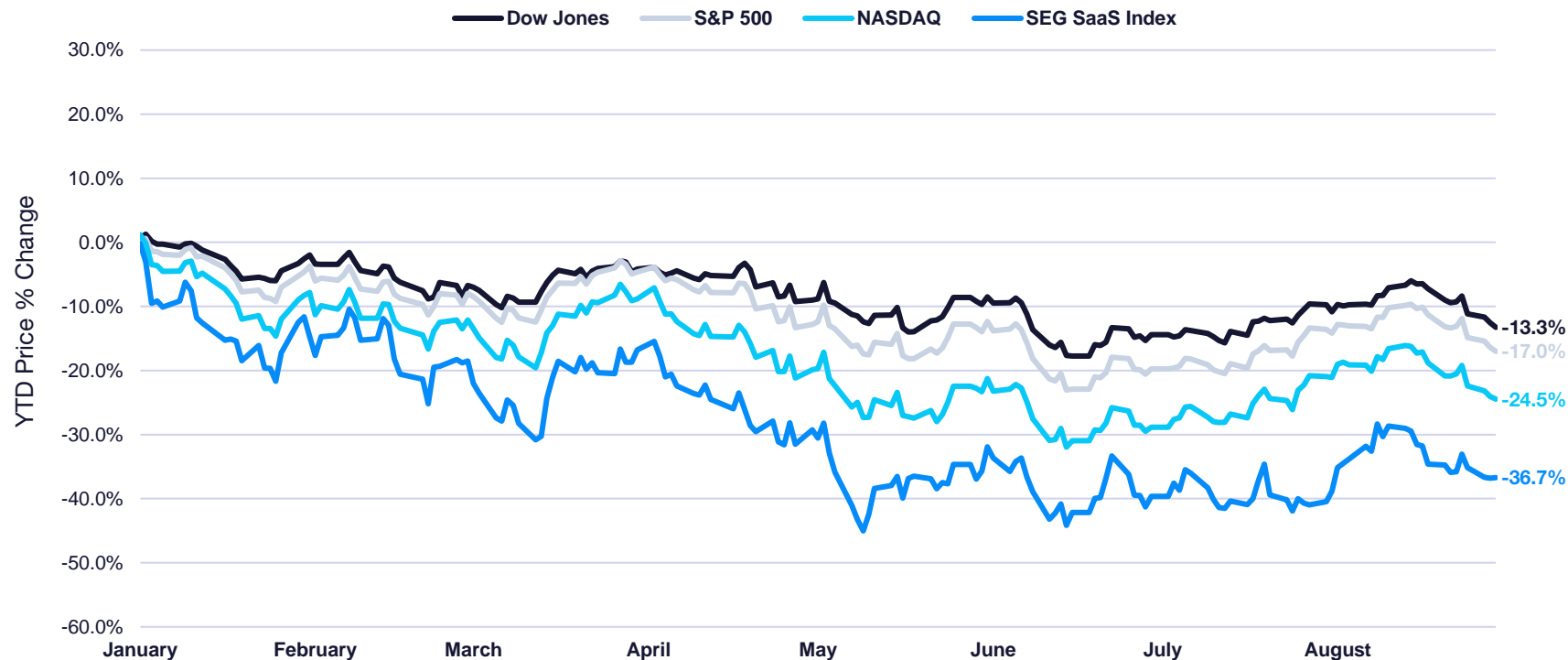
SEG SaaS Index Overview

Our SEG SaaS Index comprises 109 publicly traded companies that primarily offer solutions via the cloud (may have a subscription or transaction-based pricing model). The Index is updated on a monthly basis depending on mergers and acquisitions, IPOs, readily available financial data, and changes in business model.

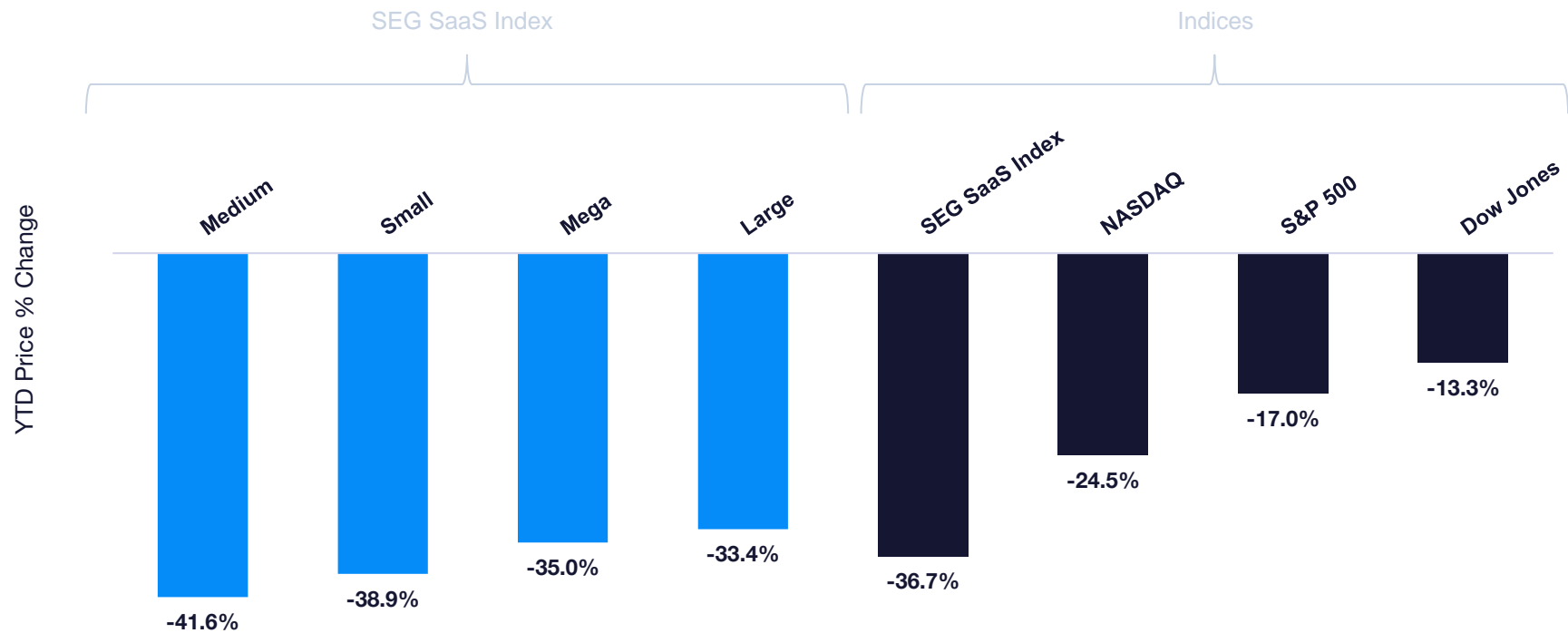
Median EV/TTM Revenue



SEG SaaS Index: YTD Stock Market Performance

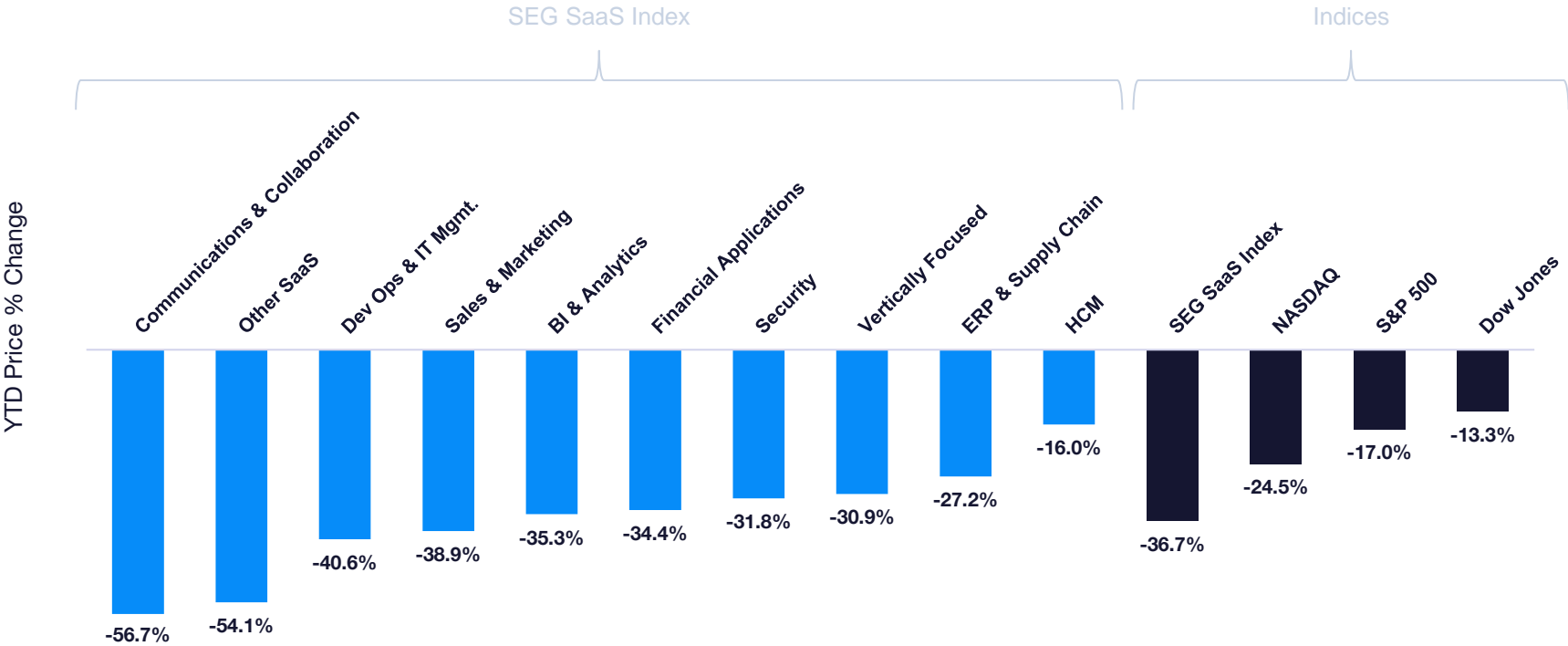


SEG SaaS Index: YTD Stock Performance by Company Size



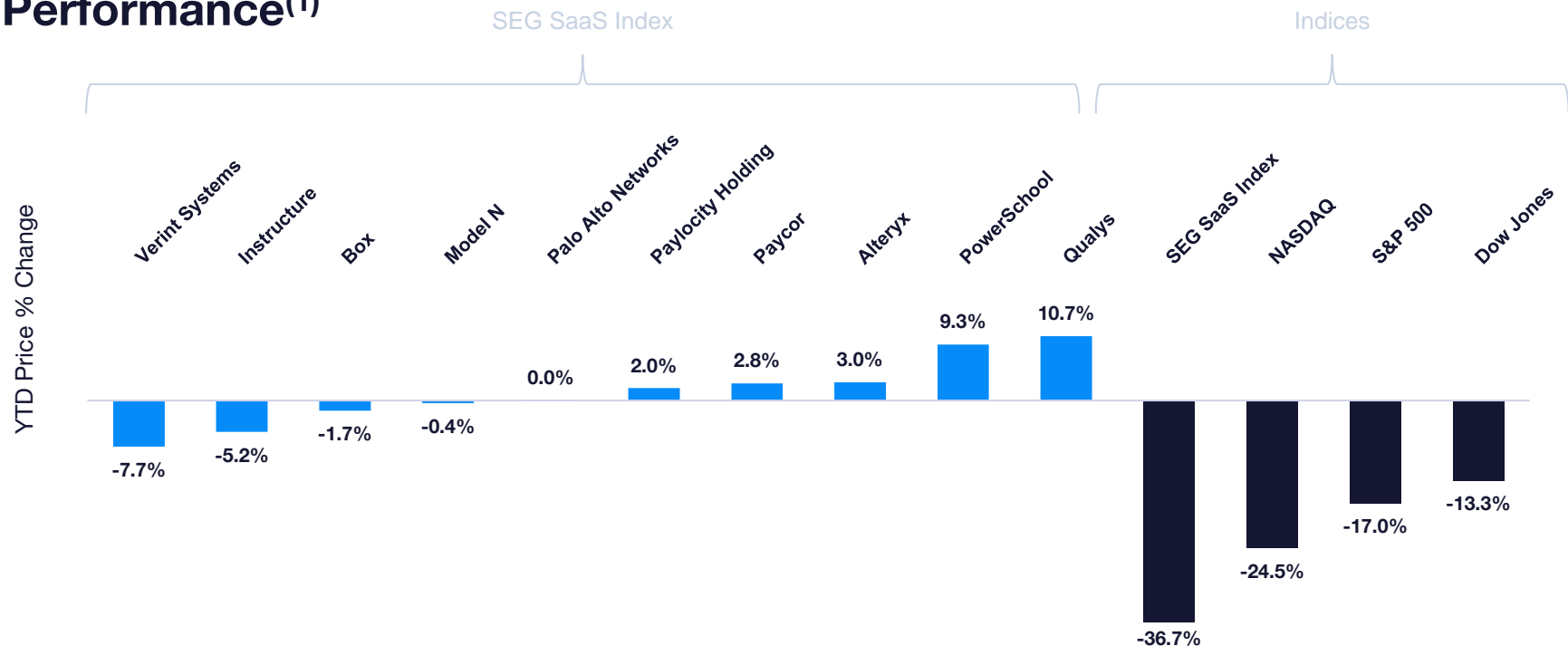
(1) Small, Medium, Large, and Mega Companies from the SEG SaaS Index are those with TTM Revenue between \$0M-\$250M, \$250M – \$500M, \$500M - \$1B, and \$1B+, respectively.

SEG SaaS Index: YTD Stock Performance by Category⁽¹⁾



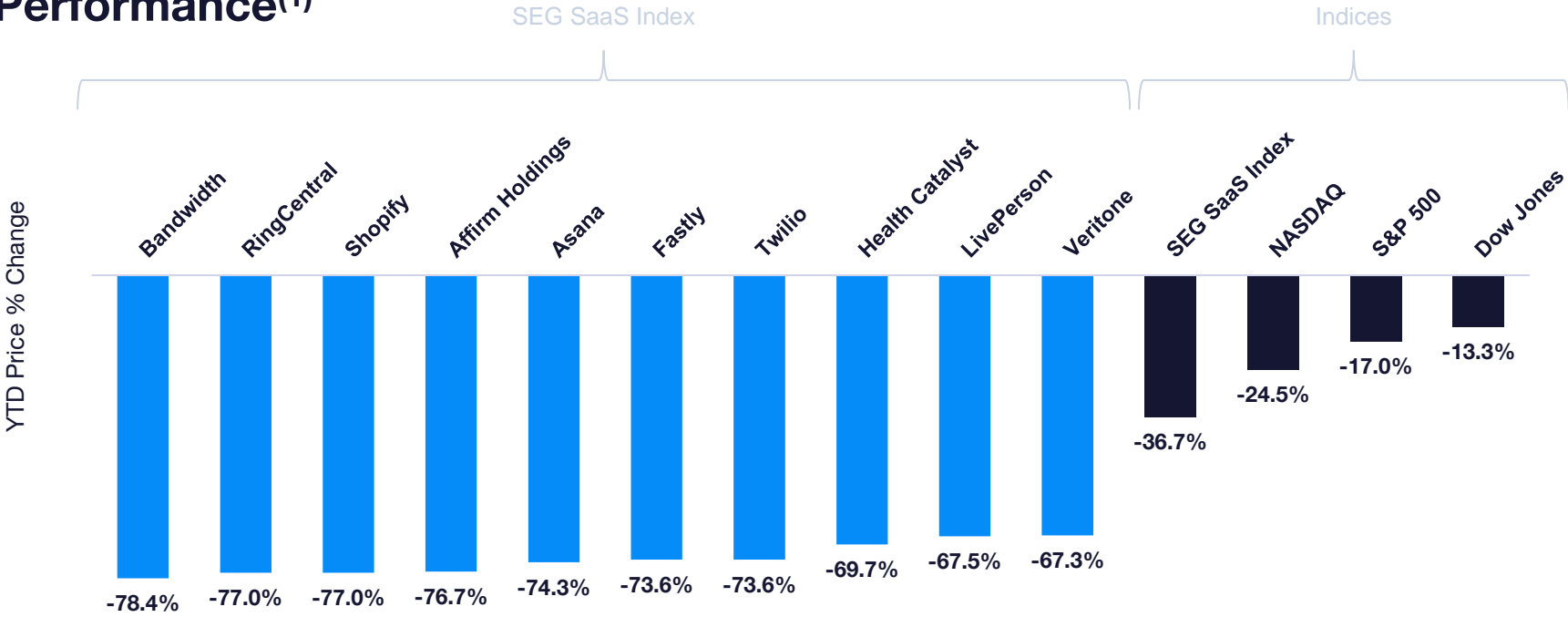
(1) See slide 12 for a more comprehensive data set.

SEG SaaS Index: Highest Performing Companies by YTD Stock Performance⁽¹⁾



(1) See slide 13 for a more comprehensive data set.

SEG SaaS Index: Lowest Performing Companies by YTD Stock Performance⁽¹⁾



(1) See slide 14 for a more comprehensive data set.

SEG SaaS Index: YTD Stock Performance by Category

Category	Market Cap (M)	EV (M)	TTM Revenue (M)	Forward Revenue (M)	TTM Gross Margin	TTM EBITDA Margin	Revenue Growth	EV/Revenue	EV/EBITDA	Forward EV/Revenue	Forward EV/EBITDA	YTD Price % Change
SEG SaaS Index	\$3,897.1	\$3,925.8	\$609.8	\$778.8	71.2%	-4.7%	26.3%	6.7x	47.7x	6.2x	40.1x	-36.7%
HCM	\$9,924.2	\$10,776.0	\$852.7	\$1,157.5	65.4%	3.7%	21.7%	9.5x	78.5x	9.5x	41.0x	-16.0%
ERP & Supply Chain	\$4,952.0	\$5,516.1	\$584.9	\$840.3	65.8%	8.4%	24.7%	9.6x	79.8x	7.9x	47.2x	-27.2%
Vertically Focused	\$3,288.0	\$3,537.2	\$801.7	\$886.1	56.7%	-2.3%	20.2%	4.6x	41.4x	4.9x	23.1x	-30.9%
Security	\$10,915.5	\$10,559.3	\$790.7	\$1,073.1	75.5%	-17.0%	29.5%	10.1x	433.6x	8.1x	66.5x	-31.8%
Financial Applications	\$2,552.1	\$2,820.1	\$456.6	\$481.8	60.5%	-4.7%	17.7%	6.4x	31.1x	6.1x	33.2x	-34.4%
BI & Analytics	\$3,620.6	\$3,572.6	\$635.9	\$775.6	68.2%	-21.0%	20.2%	4.6x	15.9x	4.3x	48.8x	-35.3%
Sales & Marketing	\$3,100.4	\$3,173.1	\$526.4	\$862.2	76.1%	-1.6%	24.6%	6.2x	67.2x	6.4x	34.4x	-38.9%
Dev Ops & IT Mgmt.	\$4,340.9	\$4,339.7	\$766.8	\$820.7	76.3%	-28.1%	33.3%	9.0x	110.0x	8.0x	108.4x	-40.6%
Other SaaS	\$2,781.0	\$2,853.4	\$601.1	\$942.3	66.7%	-10.9%	23.6%	4.7x	33.9x	4.7x	20.4x	-54.1%
Communications & Collaboration	\$4,517.3	\$4,754.6	\$821.0	\$888.2	75.6%	-4.3%	30.2%	5.5x	28.4x	5.1x	24.5x	-56.7%

SEG SaaS Index: Highest Performing Companies by YTD Stock Performance

Symbol	Name	Category	Market Cap (M)	EV (M)	TTM Revenue (M)	Forward Revenue (M)	TTM Gross Margin	TTM EBITDA Margin	Revenue Growth	EV/ Revenue	EV/ EBITDA	Forward EV/ Revenue	Forward EV/ EBITDA	YTD Price % Change
QLYS	Qualys	Security	\$5,827.4	\$5,408.3	\$448.0	\$488.9	78.7%	36.3%	16.6%	12.1x	33.2x	11.1x	25.3x	10.7%
PWSC	PowerSchool	Vertically Focused	\$2,777.6	\$4,059.8	\$602.2	\$632.9	56.0%	13.8%	21.6%	6.7x	48.8x	6.4x	21.3x	9.3%
AYX	Alteryx	BI & Analytics	\$4,345.0	\$4,811.9	\$635.9	\$775.6	86.5%	-39.9%	20.2%	7.6x	-	6.2x	552.2x	3.0%
PYCR	Paycor	HCM	\$5,423.9	\$5,290.9	\$427.0	\$513.8	60.6%	-1.8%	21.7%	12.4x	-	10.3x	41.8x	2.8%
PCTY	Paylocity Holding	HCM	\$13,812.8	\$13,673.0	\$852.7	\$1,088.1	66.3%	15.8%	34.1%	16.0x	101.4x	12.6x	43.3x	2.0%
PANW	Palo Alto Networks	Security	\$51,993.7	\$52,036.0	\$5,501.5	\$6,871.5	68.8%	1.1%	29.3%	9.5x	833.9x	7.6x	32.9x	0.0%
MODN	Model N	Vertically Focused	\$1,107.5	\$1,055.5	\$212.5	\$217.4	55.7%	-0.6%	15.8%	5.0x	-	4.9x	32.6x	-0.4%
BOX	Box	Communications & Collaboration	\$4,316.0	\$4,779.7	\$941.9	\$994.4	72.9%	7.2%	16.0%	5.1x	70.3x	4.8x	16.2x	-1.7%
INST	Instructure	Vertically Focused	\$3,467.0	\$3,876.2	\$445.9	\$467.3	62.6%	20.4%	24.9%	8.7x	42.6x	8.3x	22.7x	-5.2%
VRNT	Verint Systems	Other SaaS	\$3,164.0	\$3,724.6	\$891.5	\$942.3	66.0%	13.5%	5.5%	4.2x	30.9x	4.0x	15.2x	-7.7%

SEG SaaS Index: Lowest Performing Companies by YTD Stock Performance

Symbol	Name	Category	Market Cap (M)	EV (M)	TTM Revenue (M)	Forward Revenue (M)	TTM Gross Margin	TTM EBITDA Margin	Revenue Growth	EV/ Revenue	EV/ EBITDA	Forward EV/ Revenue	Forward EV/ EBITDA	YTD Price % Change
VERI	Veritone	BI & Analytics	\$267.0	\$242.3	\$146.4	\$153.3	82.4%	-21.0%	109.1%	1.7x	-	1.6x	-	-67.3%
LPSN	LivePerson	Sales & Marketing	\$1,000.7	\$1,310.3	\$504.9	\$515.8	64.8%	-32.3%	19.0%	2.6x	-	2.5x	391.4x	-67.5%
HCAT	Health Catalyst	Vertically Focused	\$674.2	\$496.6	\$265.2	\$273.8	48.9%	-36.9%	22.8%	1.9x	-	1.8x	-	-69.7%
TWLO	Twilio	Communications & Collaboration	\$14,904.6	\$11,498.9	\$3,401.6	\$3,865.5	48.0%	-22.6%	50.9%	3.4x	-	3.0x	57.9x	-73.6%
FSLY	Fastly	Dev Ops & IT Mgmt.	\$1,374.9	\$1,595.9	\$389.4	\$419.7	48.7%	-26.5%	20.5%	4.1x	-	3.8x	-	-73.6%
ASAN	Asana	Communications & Collaboration	\$4,402.6	\$4,154.7	\$422.4	\$535.2	89.7%	-71.9%	65.0%	9.8x	-	7.8x	-	-74.3%
AFRM	Affirm Holdings	Other SaaS	\$9,164.1	\$10,391.7	\$1,349.3	\$1,715.0	57.3%	-55.1%	55.0%	7.7x	-	6.1x	-	-76.7%
SHOP	Shopify	Other SaaS	\$46,752.6	\$40,710.0	\$5,002.5	\$5,489.1	51.9%	-38.6%	29.8%	8.1x	-	7.4x	-	-77.0%
RNG	RingCentral	Communications & Collaboration	\$4,554.3	\$6,083.5	\$1,817.7	\$2,003.8	69.2%	-18.7%	32.7%	3.3x	-	3.0x	21.0x	-77.0%
BAND	Bandwidth	Communications & Collaboration	\$434.2	\$767.8	\$524.6	\$553.6	42.4%	5.3%	21.5%	1.5x	27.4x	1.4x	30.5x	-78.4%

SEG SaaS Index: Top 25% by EV/Revenue

Symbol	Name	Size	Market Cap (M)	EV (M)	TTM Revenue (M)	Forward Revenue (M)	TTM Gross Margin	TTM EBITDA Margin	Revenue Growth	EV/Revenue	EV/EBITDA	Forward EV/Revenue	Forward EV/EBITDA	YTD Price % Change
SNOW	Snowflake	Mega	\$52,655.1	\$48,702.0	\$1,637.8	\$2,039.5	64.8%	-40.8%	92.4%	29.7x	-	23.9x	522.7x	-46.6%
NET	Cloudflare	Large	\$22,345.9	\$22,137.9	\$812.6	\$970.8	77.5%	-19.7%	53.2%	27.2x	-	22.8x	208.3x	-52.4%
CRWD	CrowdStrike	Mega	\$44,858.3	\$43,459.9	\$1,636.6	\$2,230.0	73.6%	-3.3%	63.8%	26.6x	-	19.5x	105.7x	-10.8%
DDOG	Datadog	Mega	\$34,733.1	\$33,766.7	\$1,365.9	\$1,632.3	79.0%	4.6%	78.7%	24.7x	531.8x	20.7x	111.4x	-41.1%
BILL	Bill.com	Large	\$16,527.0	\$15,595.1	\$640.0	\$968.0	77.3%	-36.8%	168.6%	24.4x	-	16.1x	341.0x	-35.0%
TEAM	Atlassian	Mega	\$67,898.6	\$67,439.5	\$2,802.9	\$3,600.8	83.4%	-15.9%	34.2%	24.1x	-	18.7x	105.4x	-35.0%
MDB	MongoDB	Large	\$24,080.7	\$23,389.4	\$977.6	\$1,191.9	71.0%	-28.4%	52.3%	23.9x	-	19.6x	1409.9x	-39.0%
ZS	Zscaler	Large	\$23,457.0	\$22,753.7	\$970.0	\$1,469.9	77.4%	-27.8%	61.1%	23.5x	-	15.5x	98.9x	-50.4%
ZI	ZoomInfo	Large	\$19,256.3	\$20,125.0	\$928.7	\$1,086.8	81.8%	25.0%	57.3%	21.7x	86.7x	18.5x	44.6x	-29.3%
TTD	The Trade Desk	Mega	\$30,960.3	\$29,747.1	\$1,389.0	\$1,588.6	81.9%	6.2%	34.1%	21.4x	347.5x	18.7x	47.4x	-31.6%
MSCI	MSCI	Mega	\$39,843.3	\$43,512.9	\$2,178.7	\$2,260.1	82.1%	57.5%	18.0%	20.0x	34.8x	19.3x	33.2x	-26.7%
PAYC	Paycom Software	Mega	\$22,210.3	\$21,960.3	\$1,211.6	\$1,355.1	84.5%	32.6%	30.0%	18.1x	55.6x	16.2x	40.1x	-15.4%
VEEV	Veeva Systems	Mega	\$34,730.6	\$31,892.1	\$1,922.3	\$2,164.4	72.6%	27.7%	23.1%	16.6x	59.9x	14.7x	-	-22.0%
PCTY	Paylocity Holding	Large	\$13,812.8	\$13,673.0	\$852.7	\$1,088.1	66.3%	15.8%	34.1%	16.0x	101.4x	12.6x	43.3x	2.0%
CFLT	Confluent	Medium	\$8,497.9	\$7,623.0	\$488.0	\$570.1	63.4%	-88.5%	64.2%	15.6x	-	13.4x	-	-64.1%
SPT	Sprout Social	Small	\$3,346.9	\$3,173.1	\$221.2	\$254.0	75.2%	-16.3%	41.3%	14.3x	-	12.5x	-	-33.8%
NOW	ServiceNow	Mega	\$96,204.5	\$93,855.5	\$6,600.0	\$7,304.7	77.5%	10.6%	27.6%	14.2x	134.7x	12.8x	41.0x	-33.0%
PYCR	Paycor	Medium	\$5,423.9	\$5,290.9	\$427.0	\$513.8	60.6%	-1.8%	21.7%	12.4x	-	10.3x	41.8x	2.8%
PCOR	Procore	Large	\$8,051.2	\$7,488.0	\$609.8	\$693.0	79.9%	-35.4%	36.1%	12.3x	-	10.8x	-	-31.7%
QLYS	Qualys	Medium	\$5,827.4	\$5,408.3	\$448.0	\$488.9	78.7%	36.3%	16.6%	12.1x	33.2x	11.1x	25.3x	10.7%
NCNO	Ncino	Medium	\$3,761.1	\$3,685.8	\$305.7	\$402.1	59.0%	-22.8%	37.8%	12.1x	-	9.2x	-	-42.5%
ADBE	Adobe	Mega	\$198,925.7	\$197,752.7	\$16,693.0	\$17,692.4	87.9%	41.1%	16.0%	11.8x	28.8x	11.2x	22.5x	-34.1%
FIVN	Five9	Large	\$7,824.9	\$8,063.2	\$700.1	\$781.9	53.7%	-4.3%	34.2%	11.5x	-	10.3x	58.9x	-28.6%
MNDY	Monday.com	Medium	\$5,564.0	\$4,729.4	\$410.8	\$501.4	87.0%	-41.6%	84.8%	11.5x	-	9.4x	-	-63.2%
DT	DynaTrace	Large	\$11,617.1	\$11,290.2	\$987.0	\$1,144.2	81.2%	13.4%	30.3%	11.4x	85.3x	9.9x	42.2x	-36.7%
VRSK	Verisk Analytics	Mega	\$31,137.7	\$34,141.6	\$3,046.8	\$3,040.4	65.3%	58.1%	5.4%	11.2x	19.3x	11.2x	22.8x	-18.2%
OKTA	Okta	Mega	\$16,003.5	\$15,710.3	\$1,464.1	\$1,818.9	68.5%	-53.6%	62.0%	10.7x	-	8.6x	-	-59.2%

SEG SaaS Index: Bottom 25% by EV/Revenue

Symbol	Name	Size	Market Cap (M)	EV (M)	TTM Revenue (M)	Forward Revenue (M)	TTM Gross Margin	TTM EBITDA Margin	Revenue Growth	EV/Revenue	EV/EBITDA	Forward EV/Revenue	Forward EV/EBITDA	YTD Price % Change
INTA	Intapp	Medium	\$955.7	\$913.0	\$257.8	-	64.2%	-28.1%	28.3%	3.5x	-	-	-	-42.4%
ZD	Ziff Davis	Mega	\$3,897.1	\$4,278.4	\$1,241.9	\$1,420.1	87.2%	45.3%	8.1%	3.4x	7.6x	3.0x	8.4x	-30.3%
TWLO	Twilio	Mega	\$14,904.6	\$11,498.9	\$3,401.6	\$3,865.5	48.0%	-22.6%	50.9%	3.4x	-	3.0x	57.9x	-73.6%
RNG	RingCentral	Mega	\$4,554.3	\$6,083.5	\$1,817.7	\$2,003.8	69.2%	-18.7%	32.7%	3.3x	-	3.0x	21.0x	-77.0%
WKME	WalkMe	Small	\$993.0	\$688.7	\$207.5	\$247.7	76.1%	-43.0%	32.4%	3.3x	-	2.8x	-	-40.1%
PEGA	Pegasystems	Mega	\$3,199.4	\$3,494.7	\$1,223.1	\$1,300.6	71.2%	-17.3%	5.1%	2.9x	-	2.7x	50.8x	-67.3%
WIX	Wix	Mega	\$3,951.7	\$3,713.2	\$1,336.0	\$1,384.9	61.0%	-4.5%	16.3%	2.8x	-	2.7x	88.9x	-59.9%
ACIW	ACI Worldwide	Mega	\$2,942.4	\$3,910.3	\$1,447.2	\$1,429.7	54.0%	27.6%	12.2%	2.7x	9.8x	2.7x	9.7x	-31.7%
HSTM	HealthStream	Medium	\$723.6	\$684.4	\$259.4	-	65.4%	17.6%	3.4%	2.6x	15.0x	-	-	-16.0%
LPSN	LivePerson	Large	\$1,000.7	\$1,310.3	\$504.9	\$515.8	64.8%	-32.3%	19.0%	2.6x	-	2.5x	391.4x	-67.5%
SUMO	Sumo Logic	Medium	\$1,000.5	\$683.0	\$271.0	\$291.8	65.6%	-42.2%	23.7%	2.5x	-	2.3x	-	-35.3%
NTNX	Nutanix	Mega	\$3,985.7	\$3,976.4	\$1,586.0	\$1,637.5	79.8%	-52.2%	19.1%	2.5x	-	2.4x	140.3x	-45.7%
ZUO	Zuora	Medium	\$1,162.8	\$920.6	\$371.9	\$396.4	60.7%	-23.5%	15.0%	2.5x	-	2.3x	-	-58.9%
COUR	Coursera	Medium	\$1,894.9	\$1,111.8	\$470.0	-	62.8%	-31.3%	31.9%	2.4x	-	-	-	-52.9%
UPLD	Upland Software	Medium	\$353.7	\$732.1	\$310.7	\$316.0	67.4%	7.4%	2.7%	2.4x	31.7x	2.3x	7.5x	-41.6%
ECOM	ChannelAdvisor	Small	\$441.6	\$357.3	\$172.1	\$177.6	76.1%	12.7%	10.1%	2.1x	16.3x	2.0x	9.5x	-38.9%
TDC	Teradata	Mega	\$3,620.6	\$3,572.6	\$1,861.0	\$1,793.7	60.6%	15.3%	-3.4%	1.9x	12.5x	2.0x	8.4x	-22.5%
EB	Eventbrite	Small	\$765.9	\$449.7	\$234.9	-	65.3%	-18.6%	91.5%	1.9x	-	-	-	-59.2%
HCAT	Health Catalyst	Medium	\$674.2	\$496.6	\$265.2	\$273.8	48.9%	-36.9%	22.8%	1.9x	-	1.8x	-	-69.7%
RSKD	Riskified	Small	\$885.8	\$402.3	\$241.1	\$255.6	50.6%	-46.8%	17.3%	1.7x	-	1.6x	-	-35.6%
VERI	Veritone	Small	\$267.0	\$242.3	\$146.4	\$153.3	82.4%	-21.0%	109.1%	1.7x	-	1.6x	-	-67.3%
BNFT	Benefitfocus	Medium	\$259.9	\$407.5	\$254.9	\$254.5	50.9%	3.4%	-4.1%	1.6x	47.7x	1.6x	8.8x	-30.5%
BAND	Bandwidth	Large	\$434.2	\$767.8	\$524.6	\$553.6	42.4%	5.3%	21.5%	1.5x	27.4x	1.4x	30.5x	-78.4%
TWOU	2U	Large	\$657.1	\$1,364.0	\$970.8	\$962.4	71.6%	-13.6%	9.6%	1.4x	-	1.4x	12.5x	-64.5%
EBIX	Ebix	Large	\$746.1	\$1,342.3	\$995.6	\$974.8	31.0%	14.6%	9.1%	1.3x	9.3x	1.4x	8.1x	-14.4%
BCOV	Brightcove	Small	\$279.5	\$251.7	\$212.6	\$213.0	65.0%	3.3%	1.7%	1.2x	36.0x	1.2x	12.7x	-35.0%
YEXT	Yext	Medium	\$573.4	\$325.7	\$397.4	-	74.5%	-18.3%	10.0%	0.8x	-	-	-	-55.1%
ONTF	ON24	Small	\$479.1	\$134.2	\$198.1	\$192.5	74.2%	-23.0%	0.0%	0.7x	-	0.7x	-	-48.4%

Our team of experienced M&A advisors understand value drivers.

We provide insight on how to make your company more attractive to buyers long before you're ready to sell. Then we'll bring the best parties to the table, handle the negotiations, and manage due diligence so you achieve the best possible outcome.

**Learn more about our M&A services
and see successful deals we've done.**

Contact us

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