

FOUNDERS ADVISORS

Marketing Technology

Market Update | July 2023



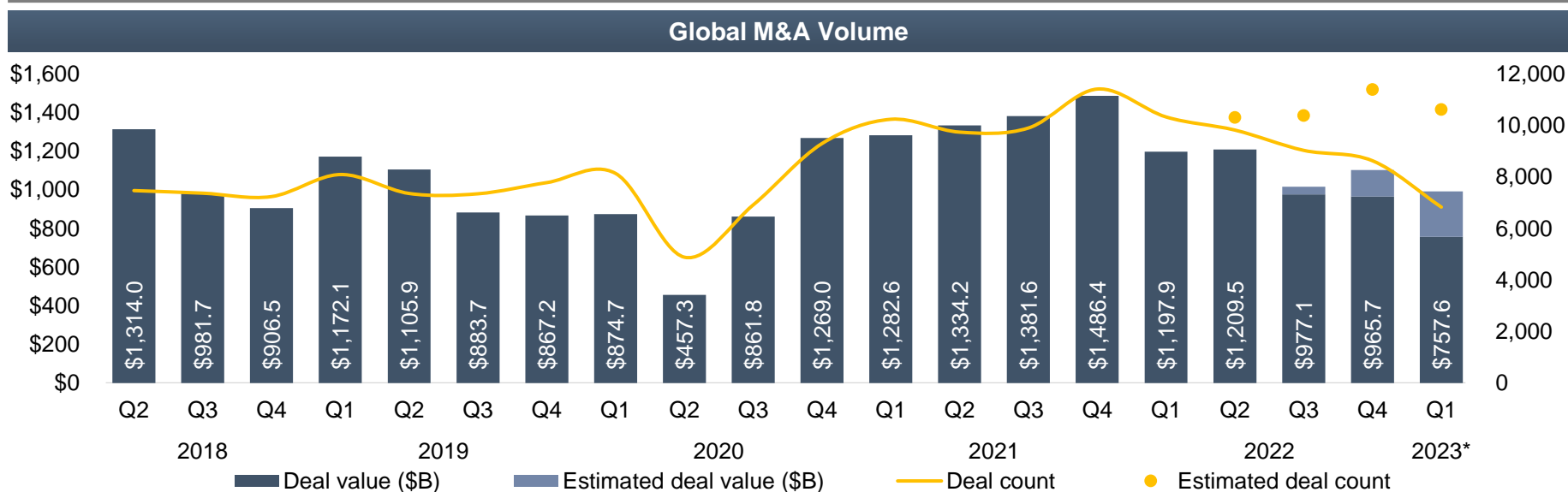
I. Market Snapshot | *M&A Activity, Public Market Trends, and Active Market Participants*

II. Entrepreneurs' Corner | *Curated Content and Valuation Scorecard*

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2023 M&A Outlook

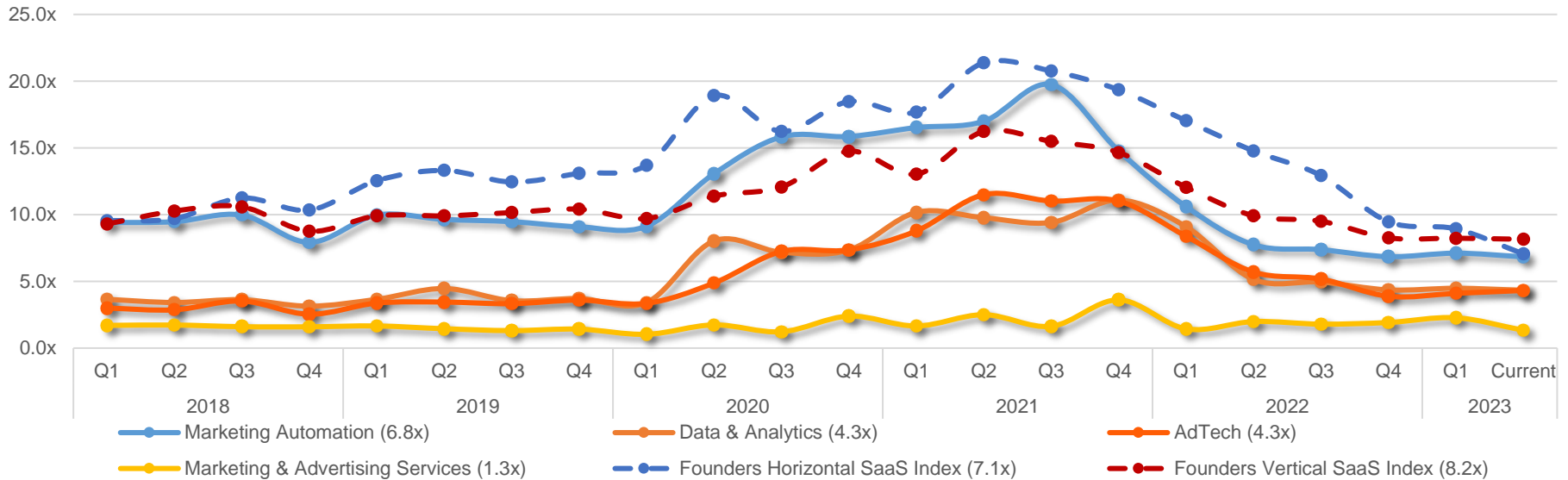
- Despite macroeconomic challenges, the 2023 M&A market remains active. Valuations moderated in Q1 and Q2 but are expected to increase in H2 2023. Sellers adjusting expectations, well-capitalized companies making strategic acquisitions, and increased private equity fundraising are driving this momentum.
- In H2 2023, we expect a more stable financing landscape and increased bandwidth in leveraged finance markets. As a result, the need for more extensive equity checks in private equity deals is expected to decrease, ultimately leading to an improvement in the market. This is particularly relevant given that deals have become progressively smaller over the past year and easier to finance.
- The volatility in the VC markets has caused a notable decrease in new funds and increased reluctance to fund later-stage companies. Furthermore, due to the current inaccessibility of the IPO market and liquidity requirements, M&A activity is expected to rise for this market segment later in the year.

The State of MarTech M&A

- Even with reduced funding compared to previous years, the MarTech industry remains active with new product launches and feature updates.
- Q1 included 40 acquisitions, indicating an increase compared to Q4 2022. Private equity groups are prioritizing investments in personalized engagement, experience capabilities, and zero / first-party data initiatives.
- While we expect steady improvement across the industry and M&A market as the broader macro climate stabilizes, only adaptable companies with true differentiation will thrive, as commoditized products face challenges and fewer exit opportunities.
- AI companies across MarTech remain a leading focus for VC funding as it is beginning to give teams more efficient and oftentimes more effective tools. Private equity and strategic buyers also actively investigating this platform shift and exploring ways to bolster their own platforms and build new ones.

MarTech Index | Valuation Trends and Market Insights

Sector Valuation Trends | Quarterly Enterprise Value / Revenue Multiples



Market Insights | What We're Reading

MarTech Trends Many trends in MarTech are centered around [improving the customer experience journey](#). There is also a lot of conversation around budgets and the [impact to various marketing channels](#). Two other interesting reports that we'd recommend are [Insight Partners' 2023 Sales KPI Report](#) and [SaaS Capital's 2023 Benchmarking Metrics for Bootstrapped SaaS Companies](#) – these offer great data to consider and compare against your own internal metrics.
















AI In Marketing The demand for marketing software capable of creating personalized customer experiences in real-time is on the rise, and AI and machine learning are heeding the call. AI and ML can [provide many benefits to MarTech](#), and we expect to see more providers in the space focusing on developing their AI capabilities and integrations in the near future to meet the [changing needs and demands of their end-user base in marketing](#).

Market Insights | Select Founders' Publications

Capital Markets In "[Strategic Combinations: A Hybrid Deal Structure](#)", Billy Pritchard helps business owners gain a clearer understanding of alternative exit opportunities. Strategic combinations provide traditional buyout advantages with the adaptability and shared objectives of private equity recaps, offering the benefits of both while maintaining flexibility and alignment of interests.

SaaS Insights We recently published our latest [SaaS Market Update](#). We share more on what to expect in the tech ecosystem in 2023 based on the conversations we're having with strategic buyers and private equity firms. The newsletter includes market multiples, key operating metrics, a net working capital crash course for sellers, and some information on our upcoming tech event in October – [Silicon Y'all](#).

M&A Activity | Notable Recent Transactions

Marketing Technology Transactions (\$ in Millions)				
Date	Target	Acquirer	Deal Size	Commentary
15-Jun-23			\$4,600	<i>Cvent, a cloud-based platform of enterprise event marketing and management and hospitality solutions, was acquired by Blackstone, Abu Dhabi Investment Authority, and Vista Equity Partners through a \$4.6 billion public-to-private LBO on June 15, 2023.</i>
01-Jun-23			\$45	<i>YouAppi, a developer of a fully managed programmatic application designed to provide retargeting service designed for marketers, app developers, and agencies, was acquired by Affle. Affle sees a lot of synergies to strengthen YouAppi as a Consumer Platform business in the gaming vertical.</i>
31-May-23			\$1,300	<i>Momentive, a provider of survey software products and purpose-built solutions that enable organizations to engage with their key constituents, including their customers, employees, and the markets they serve, was acquired by TSTG Partners through a \$1.5 billion public-to-private LBO.</i>
09-May-23			\$800	<i>Propel Media, a diversified online advertising company that offers advertising via its real-time, bid-based, online advertising platform called Propel Media Platform, was acquired by IQVIA (NYS: IQV), a subsidiary of Healthcare Technology Intermediate Holdings, for \$800 million.</i>
12-Mar-23			\$11,650	<i>Qualtrics (NAS: XM), a developer of software for organizations with its XM Platform purpose-built to help organizations collect feedback and data across the four vital signs of a business: Customers, Employees, Brand, and Product, is set to be acquired by Silver Lake and CPP Investments through an estimated \$12 billion public-to-private LBO.</i>
23-Feb-23			\$377	<i>Equativ, a developer of direct and programmatic advertising software designed to optimize the value of each advertisement impression, was acquired by Bridgepoint Advisers, Capital Croissance, Adelle, and its management through a \$377 million LBO.</i>
07-Feb-23			N/A	<i>Searchmetrics, a developer of a software-based search and content performance platform designed to maximize online performance through product innovation, was acquired by Conductor, via its financial sponsor Bregal Sagemount, through an LBO.</i>
18-Jan-23			\$547	<i>Meltware (OSL: MWTR), a provider of social and media intelligence, entered into a definitive agreement to be acquired by Altor Equity Partners and Marlin Equity Partners through a NOK 5.8 billion public-to-private LBO.</i>

Market Participants | Active MarTech Buyers and Investors

Below are some of the more active private equity firms and strategic buyers within the marketing technology space. Potential buyer deal experience and the recency of that M&A are key factors our team considers ahead of a transaction process – a partner with a well-oiled M&A engine generally leads to a more efficient diligence and negotiation process.

Private Equity Firms



Strategic and PE-Backed Acquirers



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How Should I Handle Non-Stop Inbound Emails and Calls from Private Equity Firms?

Over the last decade, it's become commonplace for entrepreneurs to receive nearly daily inquiries from private equity groups (PEGs). While this is flattering, it is important to first understand a few basics of how PEGs operate, and second, determine the best course of action when you receive these outreaches.

PEGs are in the business of putting money to work by investing in healthy, growing companies to generate a return over a period of several years. These investment teams support existing teams by accelerating sales and marketing efforts, recruiting new team members, adding product and service offerings, and even expanding geographically. Similarly, private equity-backed operating companies often leverage M&A as a growth lever by pursuing complementary businesses to quickly add scale, eliminate competition, and expand addressable market.

Generally, PEGs invest in a “platform company”, which is a business whose management team is sophisticated, looking to continue running daily operations, and has achieved meaningful scale. For companies in the martech space, the typical threshold for being viewed as a platform company is greater than \$10 million in annual recurring revenue (ARR) for a SaaS business, or greater than \$5 million in trailing twelve-month EBITDA for a tech-enabled services business.

Once the initial investment is made, many PE firms put meaningful effort into acquiring smaller add-on companies that check strategic boxes. Adjacent offerings, expertise in a different product and service ecosystem, penetration into new end-markets, strong financial performance, acqui-hires and many other factors are reasons why you may find yourself being pursued as either a platform investment or as an add-on to an existing platform.

As a part of an M&A growth strategy, PEGs oftentimes employ junior-level teammates whose sole focus is to identify and engage acquisition targets for existing portfolio companies. The goal is to initiate a conversation, build a relationship, collect data, sell you on the benefits of joining their platform, and ideally close a deal where they're the only group you are engaged with. The simplest analogy is that the PEG is a home buyer who is putting notes in every mailbox in your neighborhood, hoping that they'll get a few call backs and can negotiate with you directly rather than have your house hit the market.

This is not to suggest that their intentions aren't good. In some instances, they may be willing to pay a fulsome price, with market or even seller-friendly terms across the 40 items we like to see within a letter of intent. However, most often the goal is to avoid a competitive process and ideally close the deal at a lower valuation (and/or with the other deal terms being on their side of “fair”). We always recommend utilizing an experienced M&A advisor who can help you position your business most favorably and solicit competitive bids before bringing on an investor or being acquired.

With that in mind, let's re-visit the topic at hand – what should you do with all those inbound solicitations? Read on for some points to consider and questions to ask as you navigate interest from private equity firms.

Managing Inbound Interest | Steps to Take



Define Your Goals

- Before responding to any inquiries, research the private equity group to ensure they have a reputable track record in the martech sector and align with your goals and company values. More specifically, I'd recommend you look into the firm's general investment parameters and previous investments, chat with industry peers, review publicly available news and press releases, and check out their leadership team. An investment banker with coverage in the martech sector can also be a great resource for this type of information.
- If you receive an outreach from someone who holds a more senior position at the private equity firm and their firm has experience investing in the marketing space, it may be worth a 30-minute conversation to pick their brain and gather market intelligence based on their current or prior investments in the ecosystem. A little upfront research will ensure you don't waste time with the wrong audience – i.e., firms that don't have direct martech experience or a more junior-level individual that is simply cold calling to collect data.



Do Your Research

- Consider your personal goals as well as those for the company to determine what type of exit or future transition makes sense. Do you want to sell your company and move on to something new, or are you looking for additional resources to help your company grow? There are a variety of benefits that can come with becoming a platform company or being an add-on acquisition for a PE-backed operating company. Investors will sell you on the benefits of joining a platform which can include offloading back-office tasks, a deeper sales and marketing bench, cross-selling opportunities for products and services you offer that they may not, and the ability to both take some chips off the table while also rolling equity into a larger, ideally more stable platform. If you qualify as a platform, there will be investors interested in taking minority and majority/control positions in your company. In addition to your goals, it's helpful to consider when you'd like to achieve these goals so you can begin planning well in advance for a potential transaction. Defining your goals doesn't mean you should share this information with private equity firms, but it will help you craft a thoughtful message as you interact with buyers and investors.



Catalogue and Respond

- Whether you decide to run a formal process or not, we always recommend business owners catalogue these inbound emails and calls from potential buyers. As your goals evolve over time, it can be incredibly helpful to have these firms, contacts, and any conversations captured for future reference. In terms of response, this really depends on your goals. For entrepreneurs that are not interested in a conversation at the moment, we suggest keeping it simple by having a standard response to thank these individuals for their interest and to suggest a conversation in the future when you are closer to considering a potential partner. At minimum, file these inquirers away.
- If you're open to a conversation, I'd recommend relaying that you'd like to learn more about their experience, approach to partnership, perspective on the space, and current valuation trends. It's helpful to have a clear response when asked about your goals and expectations. Don't feel compelled to overshare – the goal is simply to build positive rapport with these firms in advance of a transaction.



Develop a Conversation Cadence

- A best practice that we share with entrepreneurs is to take one to two private equity calls a quarter. I'd encourage you to identify the three to five groups who have the most experience in your space, which an investment banker can provide, and consider one to two calls with each group over the course of a year. This type of ongoing cadence can yield invaluable insights, given these investors can be a great source of wisdom and can also act as a sounding board as you're thinking through strategic decisions for the business.
- Developing this business "muscle" will also give you the opportunity to work on communicating your elevator pitch, why your company exists, the value and ROI it provides to customers, and what differentiates the company from competitors. We work with our clients to craft a story based on data given this is the language of private equity. Entrepreneurs who have developed this conversation cadence are generally more prepared for a process due to their perspective on the market, insight on value drivers, and ability to communicate a compelling pitch.



Seek Advisory Support at the Right Time

- Consider seeking advice from an investment banker that focuses on the martech sector who can provide guidance and help you navigate a transaction. This process might be managing inbound inquiries, facilitating early conversations with potential suitors, negotiating with a smaller number of buyers, or quarterbacking a full sell-side process. We oftentimes get pulled in when a martech company has a Letter of Intent (LOI) or Term Sheet in hand, and the shareholders are trying to determine if it is fair and reasonable. There is information asymmetry between the seller (you), who may go through a few transactions in their lifetime, and the buyer (PEG or PE-backed company) who is perpetually hunting for and doing deals. Good advisors will level the playing field, help drive a competitive market process, and ultimately ensure that you're getting maximum value and the optimal structure whenever the time is right to achieve the goals you've established.

Ultimately, it's up to you to determine whether an acquisition or investment is the right move for your martech company. By performing some upfront due diligence and seeking professional advice, you can make an informed decision that aligns with your corporate values and accomplishes your personal goals. As a firm whose purpose is to be Servant Leaders who value relationships and results, we love building relationships with entrepreneurs, many times years in advance of a transaction, and helping owners/operators understand their options and make informed decisions about how best to steward the business they've built.

By: Brad Johnson, Founders Advisors

MarTech Scorecard | Factors Driving Valuations

Founders' Valuation Scorecard isolates the most important quantitative and qualitative factors that impact valuation multiples for software and tech-enabled service businesses in the marketing technology sector.

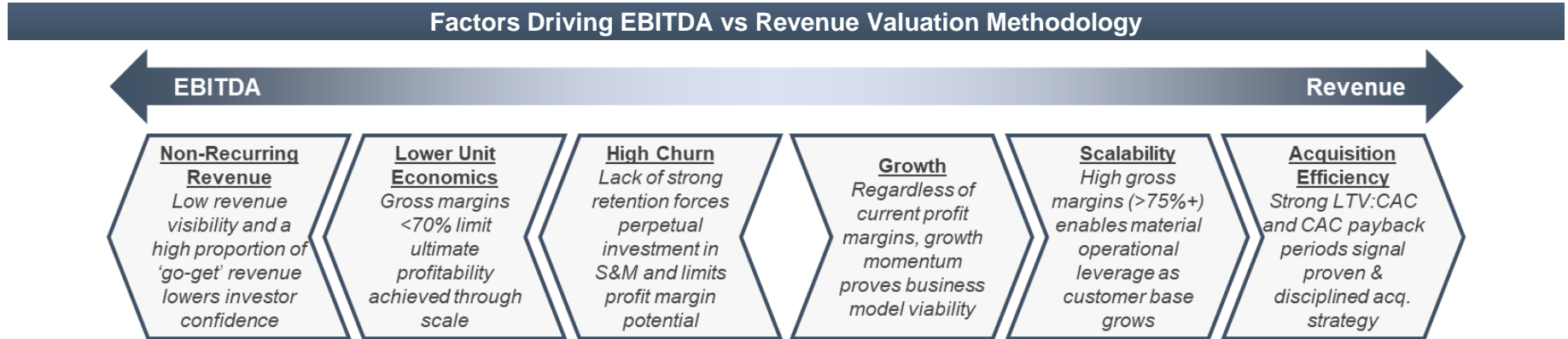
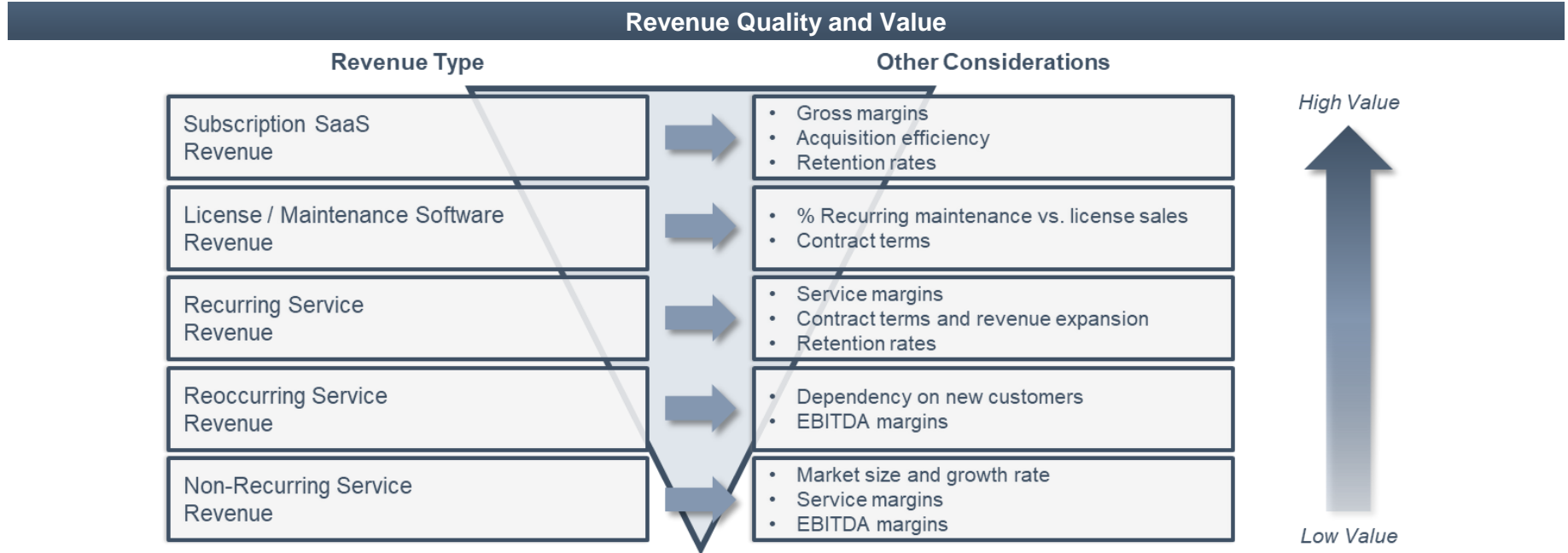
		Enterprise Value / Revenue										
		1.0x	2.0x	3.0x	4.0x	5.0x	Factors Influencing Valuation Multiple	6.0x	7.0x	8.0x	9.0x	10.0x+
% of Recurring Revenue	< 75%						Mix of subscription/recurring vs. reoccurring vs. project				> 85%	
ARR	< \$5 million						Customer profile, vertical/horizontal, ACV, sales cycle				> \$10 million	
YOY Growth Rate	< 20%						Historical trends, rule of 40, growth compared to peers				> 40%	
Total Addressable Market	< \$1 billion						End market dynamics, competition, switching costs				> \$ 1 billion	
Net Revenue Retention	< 85%						Public benchmarks, pricing vs. product, cohort analysis				> 100%	
Gross Margin	< 70%						Fully burdened, end market dependent, scalability				> 85%	
CAC Payback Period	> 12 months						Impact of dialing spend up/down, channel analysis				< 12 months	
LTV:CAC Ratio	< 3:1						Balancing S&M spend but demonstrating return is key				> 3:1	
Avg. Contract Length	< 12 months						Predictability of revenues and stickiness of customers				> 12 months	

Qualitative Factors

Management Team	Must understand your gaps and have clear delineation of responsibilities → self-assess strengths/weaknesses to highlight areas for investment
Product Adoption/Usage	Track/present usage stats; understand use cases and patterns across modules/cohorts → usage equates to stickiness in the minds of investors
Payments Opportunity	Opportunity to integrate payments into a proprietary, sticky solution → significantly increases scalability, retention, and expansion levers
Competitive Position	Understand the landscape, why you win/lose, differentiation, blue ocean vs. red ocean → consider roll-up opportunity to scale
IP/Technology Debt	Contracted development is accepted; understand short cuts taken and potential deficiencies → assess third-party dependencies, risks, & “what ifs”
Process/Procedure Documentation	Be able to communicate & <u>show</u> methodologies, onboarding processes (employees and customers), retention strategies, etc.
Talent Retention	Maintain a ranking of all employees and understand where each shines → consider warrants, profits interest, M&A and stay bonuses

MarTech Scorecard | Revenue Mix Considerations

Revenue composition remains a critical driver of valuation for marketing technology and services companies; the below visual displays how the investor community views varying streams of revenue and the considerations influencing valuation models.



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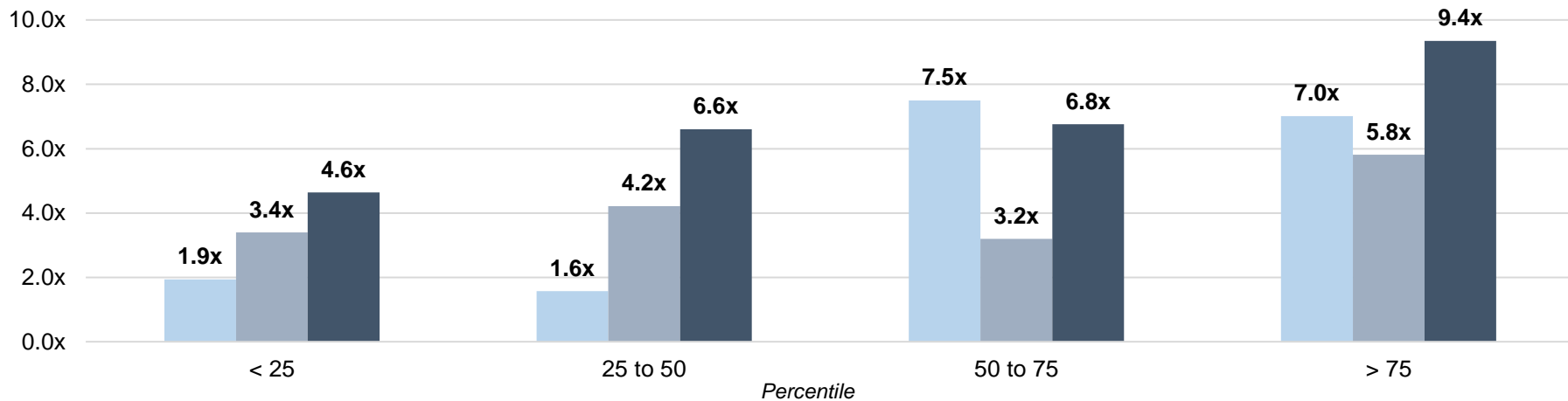
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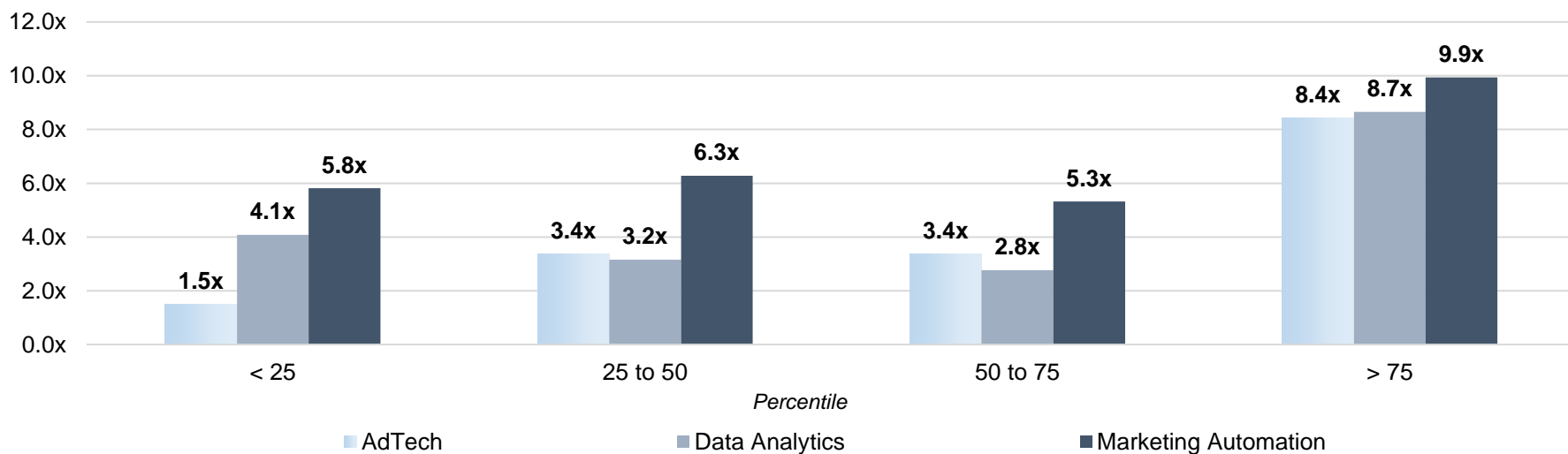
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Enterprise Value Metrics

Revenue Growth Percentile vs. EV/LTM Revenue



Gross Margin Percentile vs. EV/LTM Revenue



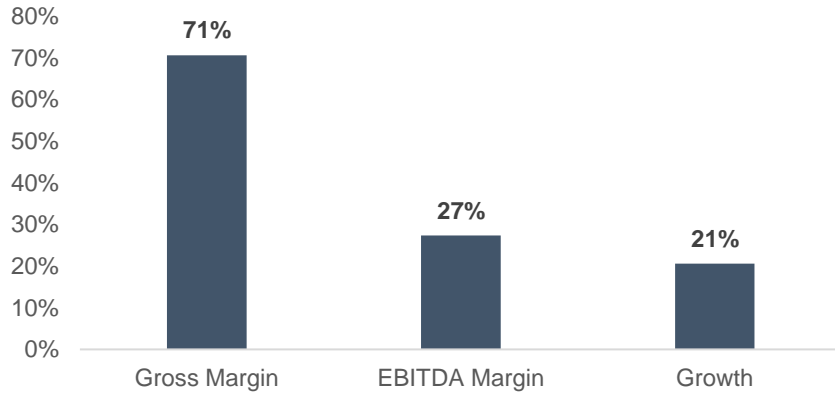
AdTech

Data Analytics

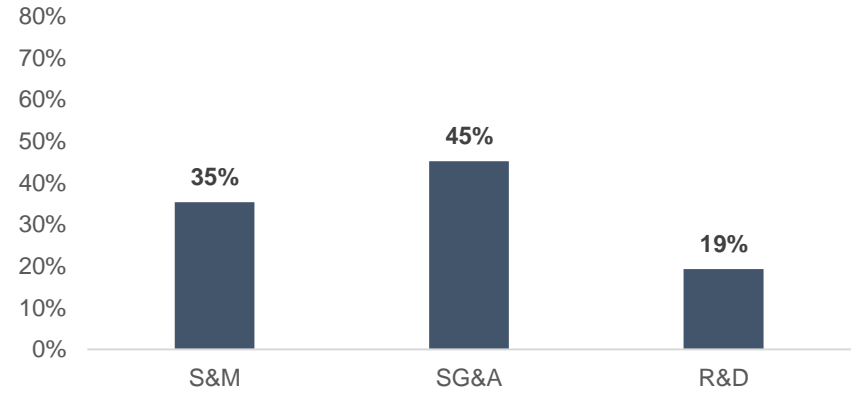
Marketing Automation

Public Equities Index | Marketing Automation

Growth & Margins (Median)



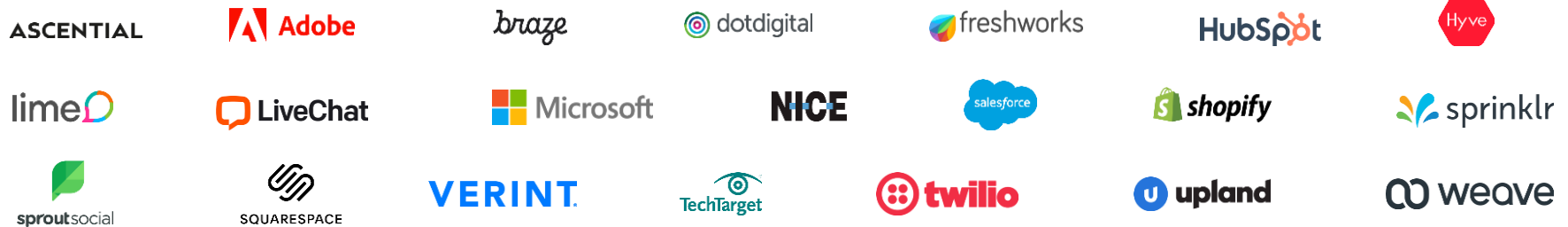
Operating Metrics (Median)*



EV/Revenue (Mean)



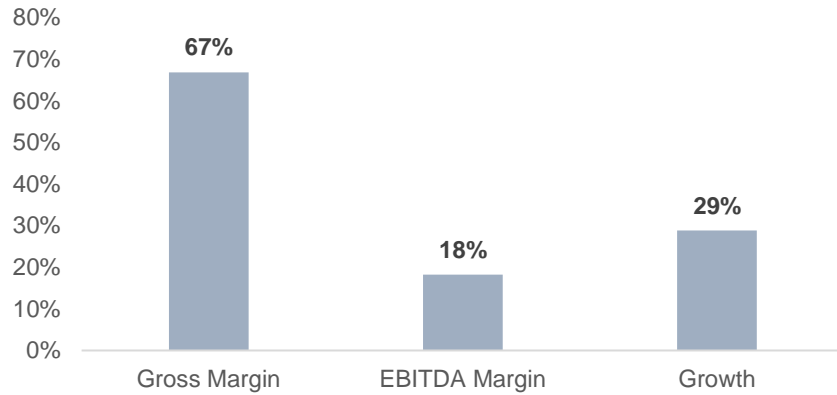
Select Industry Participants



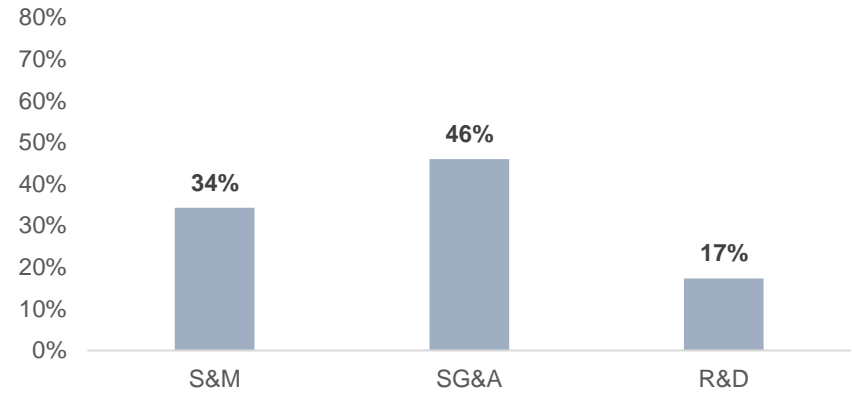
*Shown as a percentage of revenue

Public Equities Index | Data & Analytics

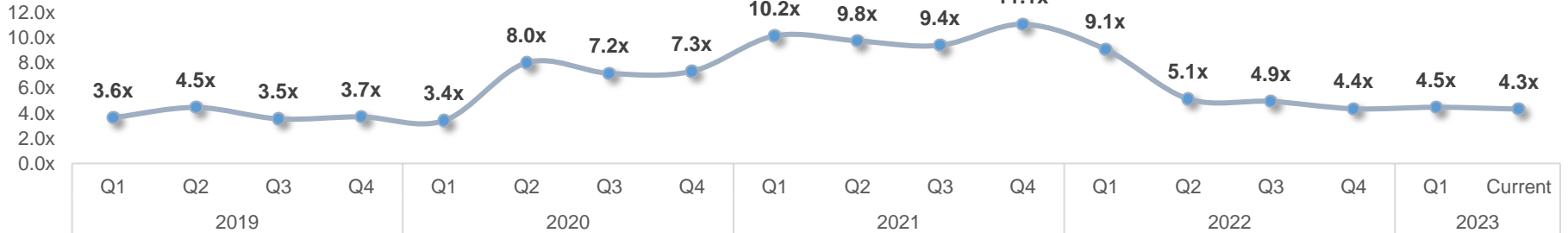
Growth & Margins (Median)



Operating Metrics (Median)*



EV/Revenue (Mean)



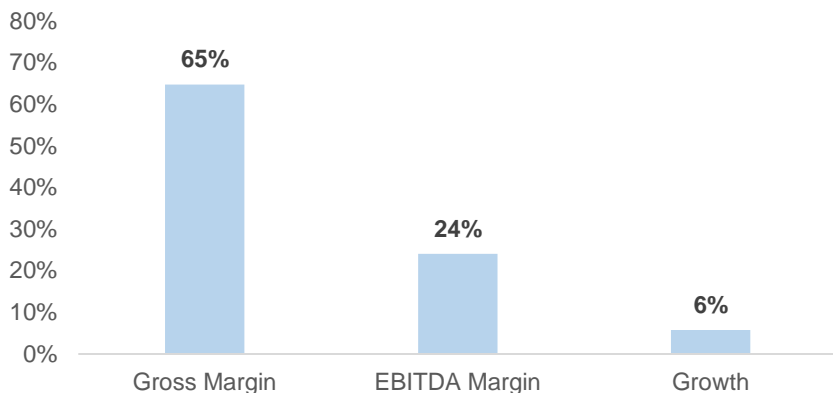
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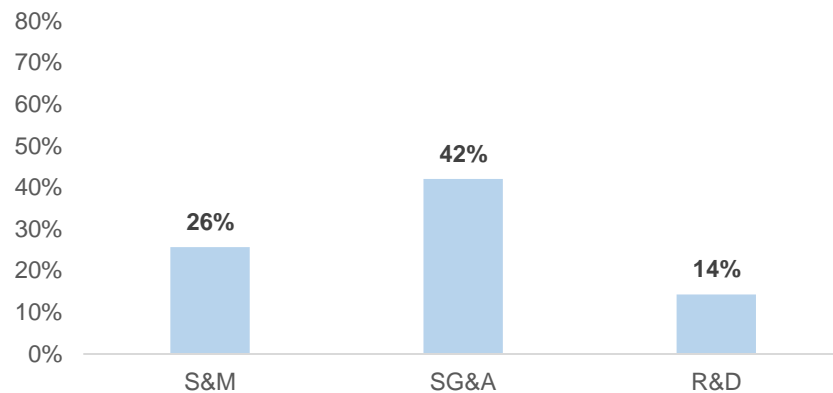
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Public Equities Index | AdTech

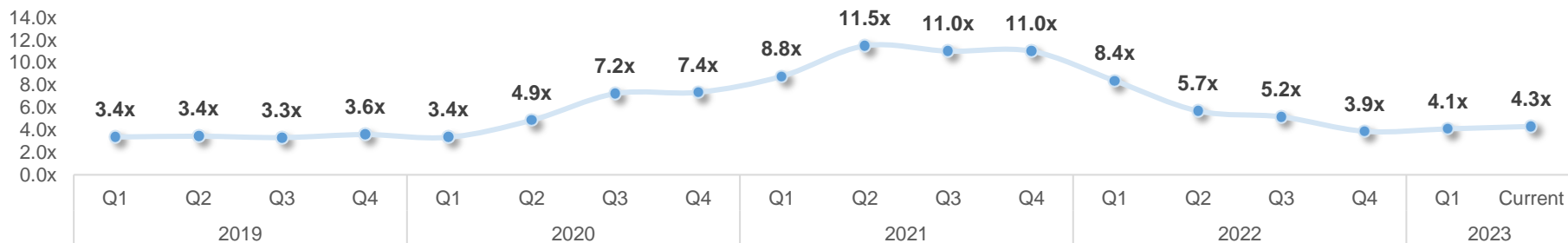
Growth & Margins (Median)



Operating Metrics (Median)*



EV/Revenue (Mean)



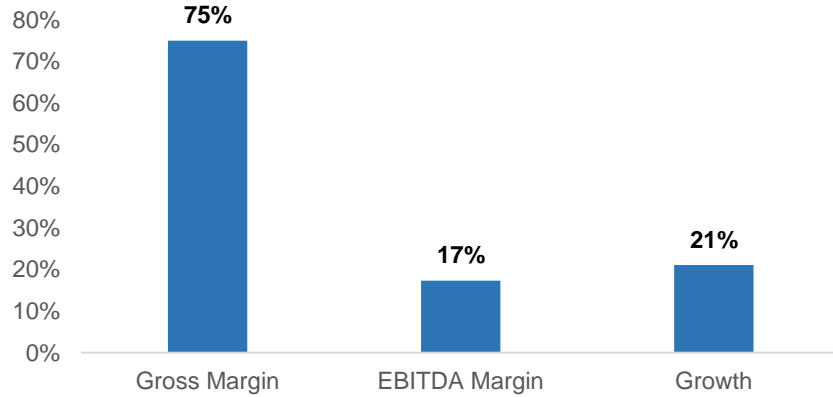
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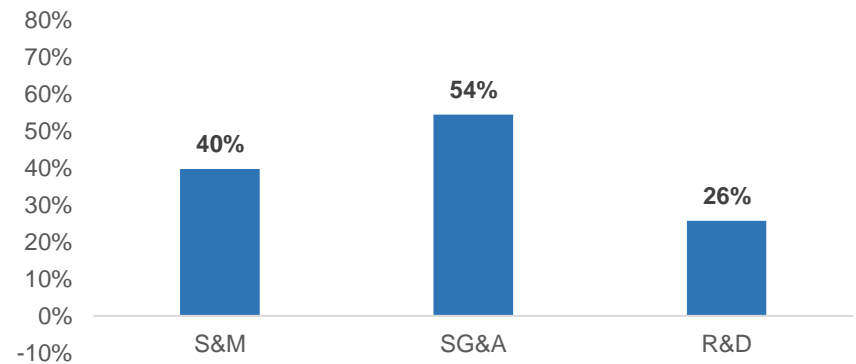
*Shown as a percentage of revenue

Public Equities Index | Horizontal SaaS

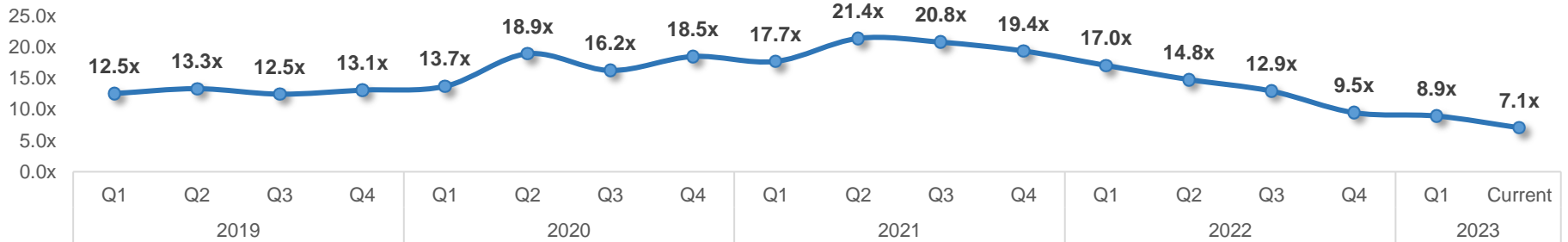
Growth & Margins (Median)



Operating Metrics (Median)*



EV/Revenue (Mean)



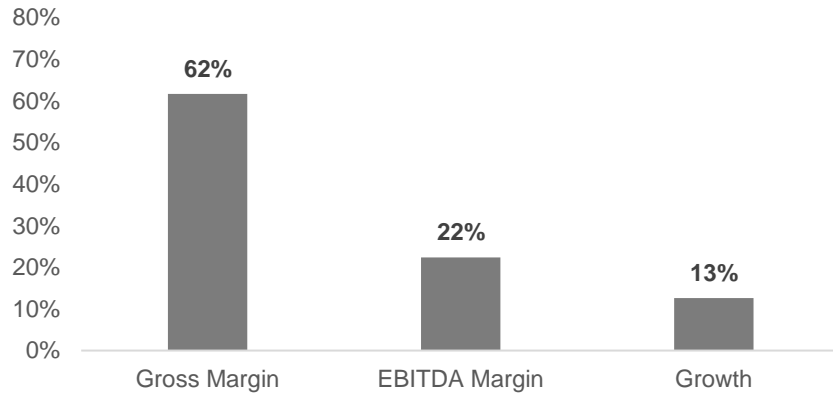
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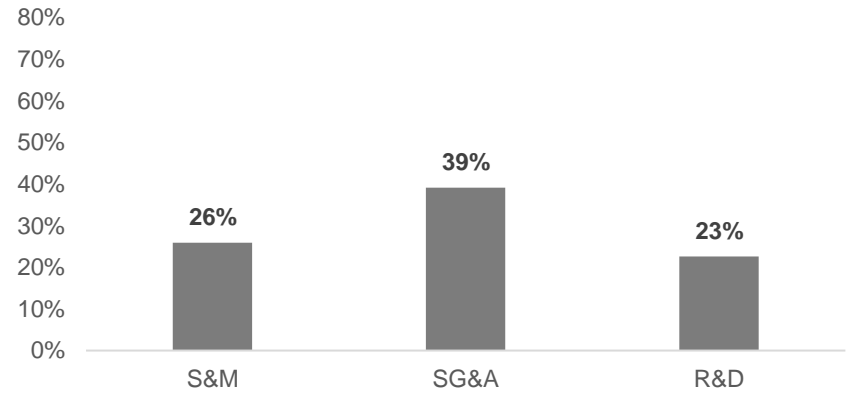
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Public Equities Index | Vertical SaaS

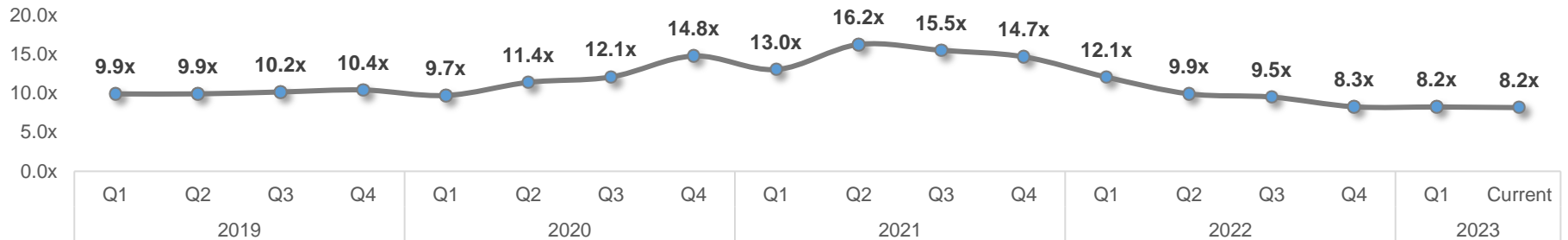
Growth & Margins (Median)



Operating Metrics (Median)*



EV/Revenue (Mean)



Select Industry Participants



*Shown as a percentage of revenue

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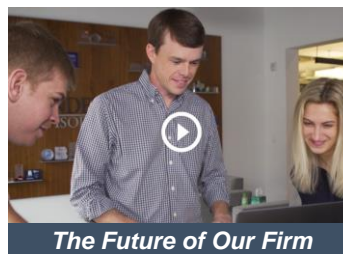
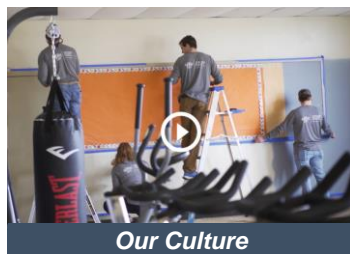
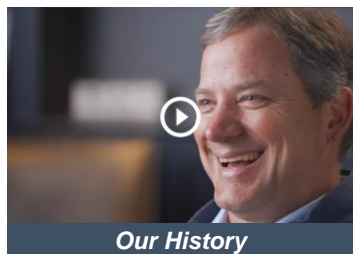
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Founders Advisors Overview

FIRM OVERVIEW

Founders is a mergers, acquisitions, and strategic advisory services firm that has served middle-market companies since 2003. With a nationwide footprint, we pride ourselves in employing a values based and highly personalized relational approach through our five industry-focused advisory teams. Today, Founders employs over 45 professionals and has offices in Birmingham, AL (headquarters) and Dallas, TX.



OUR WHEELHOUSE

The majority of our clients are founder-owned and operated companies across five industry groups that collaborate together. We listen to our clients and take the time to truly understand each client's unique situation and desired outcomes. Founders has been a trusted advisor to hundreds of middle market business owners, supporting their growth through tailored financing structures and ownership transition transactions

Select Recent Transactions



PURPOSE

Be Servant Leaders who value relationships and results

FIRM VALUES

ORDER

Maintain focus on doing the right things at the right time

SERVICE

Go the extra mile for our clients, co-workers, & community

GROWTH

Reflect, evaluate, and plan for improvement

EXCELLENCE

All we do, we do well

HEALTH

Be and stay healthy, personally, and as a team

COMMUNITY

Be team-focused; we're better together

We Focus Exclusively on Technology

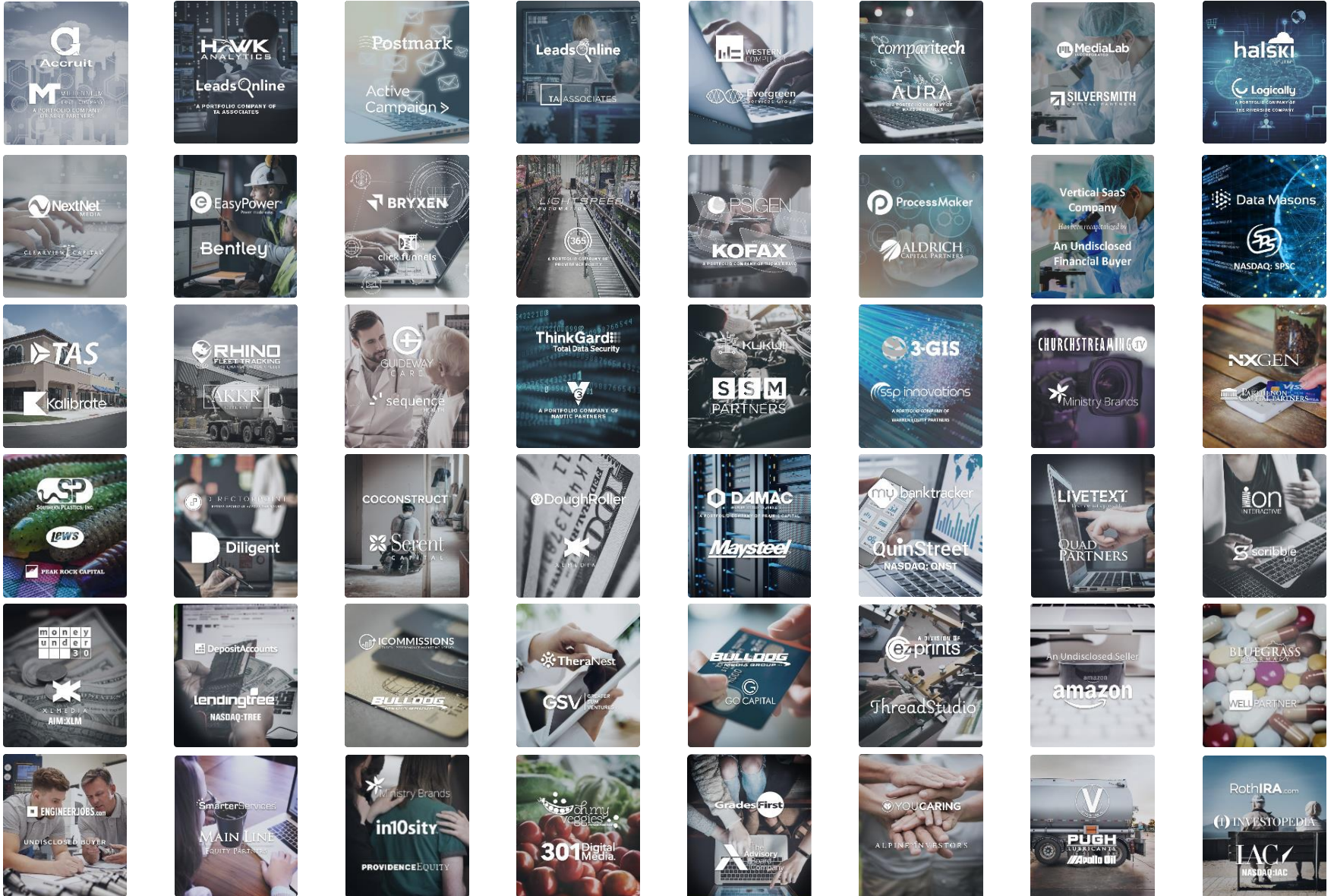


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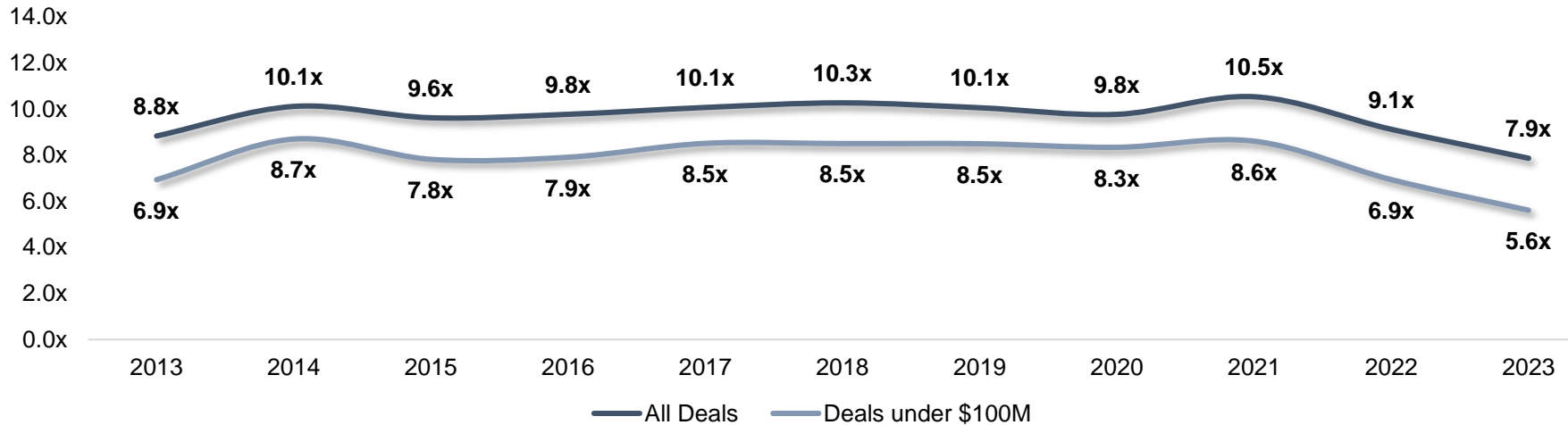
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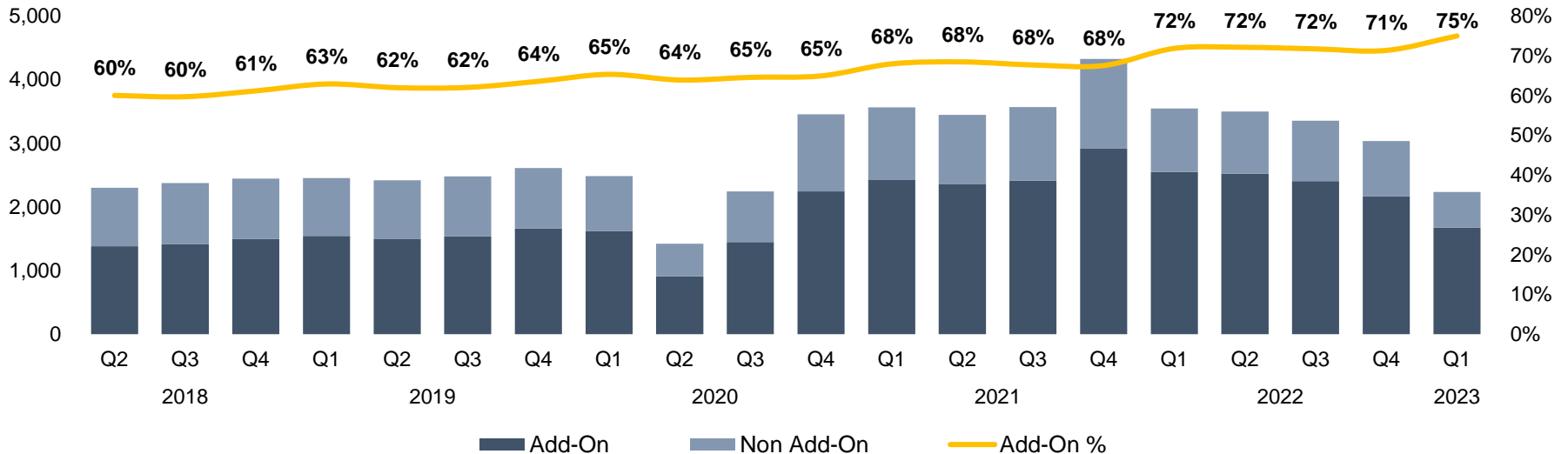
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M&A Snapshot | All Sectors

EV / EBITDA Multiples (North America & Europe)



Add-on Activity



Public Equities Index | Marketing Automation

Name	% of 52 Week High	Enterprise Value	LTM Financials					Enterprise Value Multiples		Operating Stats		
			Revenue	EBITDA	Revenue Growth	Gross Margin	EBITDA Margin	EV / LTM Revenue	EV / LTM EBITDA	S&M as % of Rev.	R&D as % of Rev.	SG&A as % of Rev.
Ascential Group	74%	1,544	646	231	50%	60%	36%	2.4x	6.7x	40%	N/A	43%
Adobe	94%	218,698	18,429	7,137	10%	88%	39%	11.9x	30.6x	28%	18%	36%
Braze	82%	3,622	380	(51)	42%	68%	-13%	9.5x	N/A	56%	28%	80%
DotDigital Group	75%	249	81	462	8%	80%	571%	3.1x	0.5x	N/A	N/A	50%
Freshworks	90%	3,628	521	(9)	29%	81%	-2%	7.0x	N/A	69%	26%	100%
HubSpot	96%	24,770	1,837	258	30%	82%	14%	13.5x	96.2x	51%	26%	63%
Lime Technologies	78%	351	48	15	21%	64%	31%	7.2x	23.3x	N/A	N/A	14%
LiveChat	93%	854	70	44	42%	85%	63%	12.2x	19.3x	19%	N/A	27%
Microsoft	96%	2,463,498	207,591	99,549	8%	68%	48%	11.9x	24.7x	11%	13%	14%
NICE (Israel)	83%	11,646	2,226	739	12%	68%	33%	5.2x	15.8x	27%	14%	39%
Salesforce	93%	203,237	32,188	10,248	15%	74%	32%	6.3x	19.8x	41%	15%	49%
Shopify	92%	75,409	5,904	(19)	22%	48%	0%	12.8x	N/A	21%	28%	33%
Sprinklr	90%	3,007	647	52	23%	75%	8%	4.7x	57.7x	52%	12%	67%
Sprout Social	64%	2,474	272	4	33%	77%	1%	9.1x	697.6x	50%	24%	72%
Squarespace	90%	4,584	896	76	10%	82%	8%	5.1x	60.2x	35%	25%	51%
TechTarget	42%	993	286	117	3%	73%	41%	3.5x	8.5x	35%	4%	47%
Twilio	63%	8,591	3,958	165	27%	47%	4%	2.2x	52.0x	31%	27%	44%
Upland Software	30%	516	316	81	3%	67%	26%	1.6x	6.4x	18%	15%	40%
Verint Systems	67%	2,835	901	261	1%	68%	29%	3.1x	10.9x	N/A	15%	43%
Weave	91%	667	148	(6)	20%	65%	-4%	4.5x	N/A	45%	21%	74%
Min		249	48	(51)	1%	47%	-13%	1.6x	0.5x	11%	4%	14%
Median		3,314	646	99	21%	71%	27%	5.8x	21.6x	35%	19%	45%
Mean		151,559	13,867	5,968	20%	71%	48%	6.8x	70.6x	37%	20%	49%
Max		2,463,498	207,591	99,549	50%	88%	571%	13.5x	697.6x	69%	28%	100%

Public Equities Index | Data & Analytics

Name	% of 52 Week High	Enterprise Value	LTM Financials					Enterprise Value Multiples		Operating Stats		
			Revenue	EBITDA	Revenue Growth	Gross Margin	EBITDA Margin	EV / LTM Revenue	EV / LTM EBITDA	S&M as % of Rev.	R&D as % of Rev.	SG&A as % of Rev.
Appier	73%	1,105	153	10	47%	51%	7%	7.2x	109.3x	33%	12%	41%
Brand24	89%	18	5	N/A	37%	61%	N/A	3.5x	N/A	24%	N/A	44%
Cint Group	10%	227	299	395	62%	67%	132%	0.8x	0.6x	N/A	N/A	59%
Dun & Bradstreet	70%	8,542	2,229	887	1%	67%	40%	3.8x	9.6x	N/A	N/A	33%
Forrester Research	56%	510	526	89	4%	58%	17%	1.0x	5.7x	34%	N/A	48%
Oracle	90%	391,858	49,954	22,682	18%	73%	45%	7.8x	17.3x	18%	17%	21%
Pegasystems	93%	4,693	1,267	57	-1%	70%	4%	3.7x	82.7x	48%	24%	57%
Qualtrics	100%	N/A	1,533	(116)	31%	70%	-8%	N/A	N/A	60%	28%	108%
Teradata	99%	5,476	1,775	347	-8%	61%	20%	3.1x	15.8x	N/A	17%	36%
Zeta Global	72%	1,800	622	(201)	29%	63%	-32%	2.9x	N/A	49%	11%	83%
ZoomInfo Technologies	49%	10,962	1,157	563	38%	84%	49%	9.5x	19.5x	34%	17%	46%
Min		18	5	(201)	-8%	51%	-32%	0.8x	0.6x	18%	11%	21%
Median		3,246	1,157	218	29%	67%	18%	3.6x	16.5x	34%	17%	46%
Mean		42,519	5,411	2,471	24%	66%	27%	4.3x	32.6x	38%	18%	52%
Max		391,858	49,954	22,682	62%	84%	132%	9.5x	109.3x	60%	28%	108%

Public Equities Index | AdTech

Name	% of 52 Week High	Enterprise Value	LTM Financials					Enterprise Value Multiples		Operating Stats		
			Revenue	EBITDA	Revenue Growth	Gross Margin	EBITDA Margin	EV / LTM Revenue	EV / LTM EBITDA	S&M as % of Rev.	R&D as % of Rev.	SG&A as % of Rev.
Affle	74%	1,618	179	47	33%	38%	26%	9.1x	34.6x	N/A	N/A	13%
AppLovin	64%	11,070	2,907	938	3%	57%	32%	3.8x	11.8x	29%	18%	35%
Catena Media	53%	171	104	56	1%	89%	54%	1.6x	3.0x	N/A	N/A	32%
Criteo	91%	1,693	1,951	250	-12%	41%	13%	0.9x	6.8x	20%	11%	31%
Digital Garage	76%	801	196	32	-63%	66%	16%	3.6x	24.9x	N/A	N/A	61%
Digital Turbine	37%	1,268	666	161	-11%	48%	24%	1.9x	7.9x	10%	8%	33%
DoubleVerify	96%	6,192	478	114	32%	82%	24%	12.9x	54.4x	22%	21%	39%
Tremor International	64%	454	326	132	-7%	81%	41%	1.4x	3.4x	30%	12%	47%
Integral Ad Science	86%	2,772	425	92	23%	81%	22%	6.5x	30.2x	26%	18%	45%
LiveRamp Holdings	93%	1,360	597	72	13%	71%	12%	2.3x	18.9x	34%	32%	55%
Magnite	94%	2,327	589	174	12%	37%	30%	3.9x	13.4x	34%	16%	49%
Mobvista	64%	692	906	N/A	N/A	20%	N/A	0.8x	21.2x	6%	11%	12%
Perion Network	77%	1,118	660	141	28%	37%	21%	1.7x	7.9x	9%	5%	12%
PubMatic	73%	748	257	87	8%	66%	34%	2.9x	8.6x	29%	9%	47%
QuinStreet	48%	410	591	20	2%	8%	3%	0.7x	20.7x	2%	5%	7%
SEMrush	65%	1,168	268	(21)	31%	81%	-8%	4.4x	N/A	51%	18%	76%
The Trade Desk	95%	35,978	1,645	655	27%	82%	40%	21.9x	54.9x	22%	21%	54%
Thryv Holdings	86%	1,283	1,140	328	0%	65%	29%	1.1x	3.9x	30%	N/A	49%
ValueCommerce	39%	147	250	58	-3%	35%	23%	0.6x	2.5x	N/A	N/A	N/A
Min		147	104	(21)	-63%	8%	-8%	0.6x	2.5x	2%	5%	7%
Median		1,268	589	103	6%	65%	24%	2.3x	12.6x	26%	14%	42%
Mean		3,751	744	185	6%	57%	24%	4.3x	18.3x	24%	15%	39%
Max		35,978	2,907	938	33%	89%	54%	21.9x	54.9x	51%	32%	76%

Public Equities Index | Marketing & Advertising Services

Name	% of 52 Week High	Enterprise Value	LTM Financials					Enterprise Value Multiples		Operating Stats		
			Revenue	EBITDA	Revenue Growth	Gross Margin	EBITDA Margin	EV / LTM Revenue	EV / LTM EBITDA	S&M as % of Rev.	R&D as % of Rev.	SG&A as % of Rev.
Aidma Holdings	47%	247	58	16	61%	73%	28%	4.3x	15.2x	N/A	N/A	N/A
Comscore	32%	292	374	34	1%	45%	9%	0.8x	8.6x	2%	10%	33%
Concentrix (US)	55%	6,293	6,432	1,071	12%	36%	17%	1.0x	5.9x	N/A	N/A	26%
Digital Media Solutions	9%	217	372	52	-15%	25%	14%	0.6x	4.2x	N/A	N/A	25%
Omnicom Group	96%	22,598	14,322	2,406	0%	19%	17%	1.6x	9.4x	N/A	N/A	3%
The Interpublic Group	93%	17,543	10,880	1,694	3%	16%	16%	1.6x	10.4x	N/A	N/A	1%
Dentsu Group	86%	9,640	9,318	1,870	12%	89%	20%	1.0x	5.2x	N/A	N/A	78%
Next Fifteen Comm.	60%	852	881	198	53%	78%	22%	1.0x	4.3x	N/A	N/A	54%
Publicis Groupe	90%	20,534	13,218	3,093	20%	N/A	23%	1.4x	6.6x	N/A	N/A	65%
S4 Capital	49%	1,062	1,318	136	56%	83%	10%	0.8x	7.8x	1%	N/A	69%
TTEC Holdings	42%	2,444	2,488	324	7%	24%	13%	1.0x	7.5x	N/A	N/A	12%
WPP	80%	17,294	17,783	2,830	13%	18%	16%	1.0x	6.1x	N/A	N/A	8%
Min		217	58	16	-15%	16%	9%	0.6x	4.2x	1%	10%	1%
Median		4,369	4,460	698	12%	36%	16%	1.0x	7.1x	2%	10%	26%
Mean		8,251	6,454	1,144	19%	46%	17%	1.3x	7.6x	2%	10%	34%
Max		22,598	17,783	3,093	61%	89%	28%	4.3x	15.2x	2%	10%	78%

Public Equities Index | Horizontal SaaS

Name	% of 52 Week High	Enterprise Value	LTM Financials					Enterprise Value Multiples		Operating Stats		
			Revenue	EBITDA	Revenue Growth	Gross Margin	EBITDA Margin	EV / LTM Revenue	EV / LTM EBITDA	S&M as % of Rev.	R&D as % of Rev.	SG&A as % of Rev.
Alteryx	62%	3,651	897	56	56%	86%	6%	4.1x	65.0x	62%	26%	89%
Atlassian	56%	42,858	3,151	586	32%	82%	19%	12.8x	66.6x	25%	59%	44%
Box	81%	4,598	1,004	272	10%	75%	27%	4.6x	16.9x	33%	24%	46%
Ceridian HCM	82%	10,991	1,324	298	22%	40%	23%	8.3x	36.8x	N/A	N/A	38%
CrowdStrike Holdings	70%	32,049	2,446	484	49%	74%	20%	13.1x	66.2x	41%	27%	54%
DocuSign	64%	9,650	2,589	656	16%	79%	25%	3.7x	14.7x	45%	19%	61%
Domo	38%	543	314	(14)	15%	76%	-4%	1.7x	N/A	54%	30%	72%
Dropbox	99%	10,456	2,374	863	7%	81%	36%	4.4x	12.1x	18%	39%	28%
Elasticsearch	70%	5,943	1,069	59	24%	72%	6%	5.6x	99.9x	47%	29%	61%
Everbridge	62%	1,356	440	60	14%	69%	14%	3.1x	22.8x	40%	22%	63%
Fastly	87%	2,282	448	(27)	20%	49%	-6%	5.1x	N/A	41%	34%	67%
Five9	67%	5,920	815	172	24%	53%	21%	7.3x	34.4x	34%	18%	46%
HubSpot	96%	24,770	1,837	258	30%	82%	14%	13.5x	96.2x	51%	26%	63%
Intuit	91%	128,448	14,070	5,483	9%	78%	39%	9.1x	23.4x	27%	18%	36%
New Relic	78%	4,385	926	61	18%	73%	7%	4.7x	72.2x	43%	30%	64%
Okta	62%	10,722	1,961	92	34%	72%	5%	5.5x	116.6x	55%	32%	75%
PagerDuty	62%	1,828	389	31	28%	81%	8%	4.7x	58.9x	50%	35%	75%
Palo Alto Networks	96%	75,715	6,490	1,589	26%	71%	24%	11.7x	48.8x	38%	24%	45%
Paycom Software	81%	18,304	1,473	630	30%	84%	43%	12.4x	29.0x	25%	11%	42%
Paylocity	68%	10,283	1,095	333	38%	68%	30%	9.4x	30.9x	26%	14%	43%
Pegasystems	93%	4,693	1,267	57	-1%	70%	4%	3.7x	82.7x	48%	24%	57%
PTC	95%	18,043	1,978	798	5%	79%	40%	9.1x	22.6x	25%	18%	36%
Qualys	77%	4,303	507	221	19%	79%	44%	8.5x	19.4x	20%	21%	32%
Salesforce	93%	203,237	32,188	10,248	15%	74%	32%	6.3x	19.8x	41%	15%	49%
ServiceNow	96%	109,988	7,619	2,333	22%	78%	31%	14.4x	47.1x	37%	24%	49%
Shopify	92%	75,409	5,904	(19)	22%	48%	0%	12.8x	N/A	21%	28%	33%
Smartsheet	72%	4,630	818	26	36%	79%	3%	5.7x	179.6x	58%	27%	74%
Splunk	89%	18,900	3,731	774	31%	78%	21%	5.1x	24.4x	34%	26%	56%
Sprout Social	64%	2,474	272	4	33%	77%	1%	9.1x	697.6x	50%	24%	72%
Twilio	63%	8,591	3,958	165	27%	47%	4%	2.2x	52.0x	31%	27%	44%
Upland Software	30%	516	316	81	3%	67%	26%	1.6x	6.4x	18%	15%	40%
Varonis Systems	81%	2,426	485	42	18%	86%	9%	5.0x	57.2x	57%	37%	73%
Wix.com	75%	4,281	1,420	(72)	8%	63%	-5%	3.0x	N/A	31%	34%	42%
Workday	95%	54,014	6,465	1,632	20%	73%	25%	8.4x	33.1x	30%	36%	40%
Workiva	91%	5,110	558	(13)	19%	75%	-2%	9.2x	N/A	47%	29%	68%
Yext	71%	1,157	402	41	1%	75%	10%	2.9x	27.9x	48%	18%	68%
Zoom Video Communications	55%	14,034	4,425	1,773	5%	75%	40%	3.2x	7.9x	40%	19%	55%
Zscaler	74%	20,135	1,480	239	53%	78%	16%	13.6x	83.7x	62%	22%	73%
Min		516	272	(72)	-1%	40%	-6%	1.6x	6.4x	18%	11%	28%
Median		9,120	1,372	197	21%	75%	17%	5.6x	36.8x	40%	26%	54%
Mean		25,176	3,129	797	22%	72%	17%	7.1x	68.9x	39%	26%	54%
Max		203,237	32,188	10,248	56%	86%	44%	14.4x	697.6x	62%	59%	89%

Public Equities Index | Vertical SaaS

Name	% of 52 Week High	Enterprise Value	LTM Financials					Enterprise Value Multiples		Operating Stats		
			Revenue	EBITDA	Revenue Growth	Gross Margin	EBITDA Margin	EV / LTM Revenue	EV / LTM EBITDA	S&M as % of Rev.	R&D as % of Rev.	SG&A as % of Rev.
2U	26%	1,145	948	142	-2%	71%	15%	1.2x	8.1x	41%	19%	57%
Ansys	94%	28,102	2,150	948	9%	88%	44%	13.1x	29.6x	N/A	21%	37%
AppFolio	96%	5,970	492	30	32%	59%	6%	11.9x	202.0x	23%	25%	46%
Aspen Technology	64%	10,756	441	N/A	-38%	68%	N/A	N/A	N/A	21%	16%	31%
Autodesk	86%	43,634	4,816	1,869	12%	90%	39%	8.5x	23.3x	36%	26%	48%
Bentley Systems	94%	16,723	1,138	382	12%	78%	34%	14.7x	43.8x	18%	23%	32%
Black Knight	88%	11,915	1,547	677	2%	N/A	44%	7.7x	17.8x	N/A	N/A	N/A
Blackbaud	97%	4,839	1,063	275	10%	52%	26%	4.6x	17.6x	21%	15%	40%
FactSet Research	82%	16,170	2,049	809	17%	54%	39%	7.9x	20.0x	N/A	N/A	22%
Guidewire Software	91%	5,952	880	(11)	10%	45%	-1%	6.8x	N/A	23%	30%	36%
Health Catalyst	63%	543	282	5	11%	48%	2%	1.9x	103.7x	30%	27%	57%
Moody's	97%	68,198	5,416	2,302	-12%	70%	43%	12.6x	29.6x	N/A	N/A	28%
nCino	76%	3,391	428	19	40%	59%	4%	7.9x	178.9x	30%	28%	48%
NICE (Israel)	83%	11,646	2,226	739	12%	68%	33%	5.2x	15.8x	27%	14%	39%
Procore	93%	8,429	774	(30)	38%	80%	-4%	10.9x	N/A	58%	38%	80%
Q2 Software	62%	2,069	585	48	13%	46%	8%	3.5x	42.7x	19%	23%	38%
SPS Commerce	95%	6,441	472	140	18%	66%	30%	13.7x	45.9x	23%	10%	38%
SS&C Technologies	92%	21,713	5,351	2,014	5%	47%	38%	4.1x	10.8x	10%	9%	18%
Temenos	84%	6,234	955	376	-2%	67%	39%	6.5x	16.6x	21%	N/A	31%
Toast	86%	11,073	3,014	(344)	54%	20%	-11%	3.7x	N/A	12%	10%	22%
Tyler Technologies	95%	17,809	1,866	491	6%	42%	26%	9.5x	36.0x	N/A	6%	22%
Unity	69%	16,926	1,571	(6)	31%	68%	0%	10.8x	N/A	39%	65%	64%
Veeva Systems	84%	27,626	2,176	876	13%	71%	40%	12.7x	31.6x	17%	25%	27%
Min		543	282	(344)	-38%	20%	-11%	1.2x	8.1x	10%	6%	18%
Median		11,073	1,138	325	12%	67%	28%	7.9x	29.6x	23%	23%	37%
Mean		15,100	1,767	534	13%	62%	22%	8.2x	48.5x	26%	23%	39%
Max		68,198	5,416	2,302	54%	90%	44%	14.7x	202.0x	58%	65%	80%

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