

SAAS

INDUSTRY UPDATE | May 2025

NOTABLE & QUOTABLE

"In today's era of volatility, there is no other way but to re-invent. The only sustainable advantage you can have over others is agility. That's it. Because nothing else is sustainable, everything else you create, somebody else will replicate." – **Amazon Executive Chairman Jeff Bezos**

"Stone Age. Bronze Age. Iron Age. We define entire eras of humanity by the technology they use." – **Netflix Co-Founder and Chairman Reed Hastings**

"And whatever tariff we cannot mitigate, we view that as an input cost. And as our input costs go up, it may require us to adjust prices." – **Dell Technologies COO Jeff Clarke**

"Technology requires constant hands-on management to ensure that the business is adapting to the change in its DNA and to ensure that future shifts, both internal and external, are accompanied by the appropriate flex of its tech stack." – **Cisco COO Maria Martinez**

"Weak GDP ... was still a stagflation warning shot over the bow of the economy. This type of data won't soothe the markets, and it won't make the Fed's job any easier." – **Morgan Stanley Wealth Management Chief Economic Strategist Ellen Zentner**

M&A OUTLOOK

[Lantham & Watkins's 2025 M&A Guide](#) outlines several reasons for optimism about a potential resurgence in global deal activity. While many market participants had hoped for a more robust M&A environment, the firm highlights a few encouraging trends: the conclusion of the US national elections, potential shifts in the regulatory landscape, financial sponsors remaining well-capitalized with dry powder, and a growing alignment in valuation expectations between buyers and sellers. Together, these factors are contributing to a more positive outlook for dealmaking in 2025.

ECONOMIC OUTLOOK

[RBC Asset Management's Economic Outlook report](#) reflects a climate of elevated uncertainty, driven primarily by tariff policy, fiscal plans, and regulatory direction under the current administration. Growth expectations have been downgraded, with U.S. GDP now forecast to rise just 1.9%—the slowest pace since the 2020 pandemic year—while inflation is expected to increase to 3.3%, partly due to tariff-driven price pressures. According to RBC, although recession is not the base case, risks have grown, and confidence has weakened.

SAAS METRICS

Bain & Company's white paper, [Wanted: Margin Growth in Software Investing](#) reveals that a high percentage of software buyouts failed to achieve their projected margin improvements over a trailing 5-year period, as most focused too heavily on growth at the expense of operational efficiency. In today's environment of tighter IT budgets and high interest rates, that model can be unsustainable. Bain recommends a more integrated diligence approach for software investors—combining commercial, technical, and operational analysis—to identify realistic paths to margin expansion and profitable growth.

Technology Team Contacts

Zane Tarence | Partner
ztarence@foundersib.com

Chris Weingartner | Practice Head
cweingartner@foundersib.com

Brad Johnson | Managing Director
bjohnson@foundersib.com

Billy Pritchard | Managing Director
bpritchard@foundersib.com

William Short | Vice President
wshort@foundersib.com

Chris Jenkins | Vice President
cjenkins@foundersib.com

Tucker Helms | Senior Associate
thelms@foundersib.com

Swede Umbach | Senior Associate
sumbach@foundersib.com

Hampton Simms | Senior Analyst
hsimms@foundersib.com

Adam Crawford | Senior Analyst
acrawford@foundersib.com

James Childs | Analyst
jchilds@foundersib.com

Robert Reed | Analyst
rreed@foundersib.com

Hal Dove | Analyst
hdove@foundersib.com

Rachael Jenkins | Practice Manager
rjenkins@foundersib.com

Table of Contents

Market Quotes & Insights	1
Press Releases & Insights	2-3
Silicon Y'all	4
Recent Transactions	5-6
Metrics Overview	7
Valuation & Growth Metrics	8-9
Operating Statistics	10-11
Balance Sheet Metrics	12-13
Founders Tech Experience	14

FOUNDERS RECENT DEAL ANNOUNCEMENTS



Founders Advises ChiroHD in Growth Equity Investment from Mainsail

BIRMINGHAM, AL. (May 5, 2025) – Founders is pleased to announce that [ChiroHD](#), a leading cloud-based practice management system for chiropractors, has secured \$26 million in growth capital from [Mainsail Partners](#), a growth equity firm investing in vertical SaaS companies, to help accelerate product innovation, enhance platform experience, and expand customer support.

Created by chiropractors and software veterans, ChiroHD is a comprehensive chiropractic SaaS platform offering scheduling, EHR, texting, insurance management, integrated financials, and care management. Built natively in the cloud and aimed at taking practices to the next level, ChiroHD features clean workflows and seamlessly integrated tools designed to support clinics of all sizes—from new practices to high-volume clinics and multi-office franchises.

“Mainsail is the ideal partner to help drive our vision forward, as their investment and resources will enable ChiroHD to continue to deliver on our commitment to the chiropractic industry,” said Gabriel Doty, CEO and Co-Founder of ChiroHD. “We are focused on enhancing and improving the product, exploring how we can incorporate AI, adding to our already strong customer support, and continuing our mission to make it easier for our clinics to serve their patients and communities.”

“It was a privilege to serve Gabriel, Luke, and the entire ChiroHD team in this transaction,” said Brad Johnson, Managing Director at Founders Advisors. “ChiroHD’s product focus and customer-first approach has led to the company’s rapid growth and position as a market leading practice management platform for chiropractors. Our team is thrilled that Gabriel and Luke found the right partner in Mainsail, and we’re excited to see ChiroHD continue to deliver on its mission to bring best-in-class software solutions to the chiropractic industry.”



Founders Advises CXT Software in Sale to Ionic Partners

BIRMINGHAM, AL. (March 6, 2025) – Founders is pleased to announce that [CXT Software](#) (“CXT”) has been acquired by [Ionic Partners](#), a prominent enterprise software investment firm specializing in B2B software businesses. CXT was exclusively advised by principals of Founders in this transaction.

For over 25 years, CXT Software, headquartered in Phoenix, Arizona, has been a trusted partner for logistics and courier businesses, providing a comprehensive platform known for streamlining operations, optimizing delivery logistics, and enhancing customer experiences. This new investment by Ionic Partners will provide CXT with the resources and expertise to further elevate its product offerings and expand its market reach.

“Founders has been a trusted advisor to CXT for many years. Originally meeting them through their Silicon Y’all conference, it became clear to us that they would play a large role in our plans to expand, grow, and elevate CXT. I believe Founders’ integrity, wisdom and core values allowed them to find the best partner to take CXT to the “next level”. They worked tirelessly to guide our team from beginning to end through the acquisition process with our right partner, Ionic Partners.” said Lyndon Edmonson & Dan Calderone, Co-Founders of CXT.

Billy Pritchard, Managing Director at Founders said, “Our team at Founders has enjoyed developing a strong relationship with the CXT leadership team throughout this process, and we are excited for this next chapter of growth alongside Ionic Partners. We are grateful for the opportunity to work collaboratively with all parties involved in this transaction, and we look forward to seeing CXT continue to deliver world class software to its end customers.”

DON'T FUMBLE THE FINISH LINE: AVOIDABLE MISTAKES IN M&A CLOSINGS

By: **Brad Johnson**, Managing Director

For entrepreneurs selling their business or pursuing a capital partner, a signed LOI (“letter of intent”) can feel like winning a game. While executing an LOI and moving into exclusivity with a buyer is a great accomplishment, there are still important negotiations and work that goes into the due diligence and closing phase.

After the upfront data sharing, conversations, negotiation, and deal fatigue, it's tempting to coast, however, the due diligence and closing phase is more like the final quarter of a game. This final sprint requires meaningful effort, and without the right M&A advisor, sellers can make mistakes that cost real money, reputation, and even the deal itself.

Several pitfalls for sellers to avoid in the closing phase include:

Dropping the Ball Operationally

A surprise dip in revenue, slowdown in pipeline conversion, or spike in churn will raise immediate questions from a potential buyer or investor. While you may be able to explain these away, there is risk for a re-trade in the deal terms, a delayed closing timeline to ensure improvement, or a buyer walking away from the deal. Leverage an M&A advisor to lighten the diligence load and project manage third party diligence teams so you and your team can focus on running the business.

Failing to Align Internal Stakeholders

Employees, co-founders, or minority investors can become blockers if their expectations or incentives haven't been managed appropriately. You should work with your M&A advisor and broader deal team to develop the right message for each of these constituents and consider the right time to bring these folks “under the tent.” Without ensuring alignment from internal stakeholders at the right time, you can unintentionally create hurdles to closing the deal (or at minimum, ill will and fractured relationships).

Supplying Incomplete or Unreliable Information

Buyers will complete a variety of unique diligence workstreams, many of which are led by third-party teams, and these groups rely on organized, accurate data. If information is missing or inaccurate, particularly in key areas, it can raise red flags, slow down the closing process, or even cause a buyer to walk away. Reliable data and thorough responses not only builds buyer trust but also reduces the risk of post-close disputes or liabilities. Experienced M&A advisors help sellers understand the level of detail needed to close the deal, organize your company's information, and efficiently project manage this phase of the process.

Underestimating the Complexity of Legal Documentation

Closing documentation and agreements require meticulous legal drafting, negotiation, and coordination. Without experienced legal counsel, critical details can be overlooked, key protections may be missed, and the entire process can become disorganized or stall. Experienced M&A counsel not only ensures that shareholder input is properly incorporated but can also drive the certainty and speed at which the deal closes. Without this expertise, deals are far more vulnerable to delays, disputes, or even failure.

Neglecting Post-Close Planning

Unrepresented sellers focus intensely on completing the deal—responding to diligence requests, negotiating terms, and meeting closing deadlines—and can overlook critical post-close planning. It is important to take the time to fully understand and align the post-close integration process with you and your team's goals. This includes discussing how the first few months will unfold, the roles and responsibilities of all parties, and how the transition can be effectively communicated to internal teams. These challenges are avoidable when founders engage in thoughtful planning, collaborate closely with their future partner, and seek guidance from experienced M&A advisors early in the process.

Selling your software business is more than just a financial transaction—it's the realization of years of innovation, execution, and hard work. At Founders Advisors, we specialize in guiding sellers through a customized M&A process that aligns with their goals and ensures the best possible outcome for shareholders, the team, and business. If you're considering a sale or recapitalization of your SaaS business, contact a member of our Technology team to learn how Founders Advisors can help you achieve your goals.

SILICON Y'ALL – 2025 TECHNOLOGY SUMMIT

Founders is preparing to host its eleventh annual Technology Summit, Silicon Y'all and encourages you to join the waitlist at www.siliconyall.com and save the date: October 6-8, 2025 at the Renaissance Ross Bridge Resort and Spa in Birmingham, AL.

Silicon Y'all is an invitation-only event of technology CEOs and leading private equity companies. Over three days, participants engage in meaningful discussions about growth, value, and current industry trends while enjoying delicious food, scenic views, and true Southern charm and hospitality Birmingham has to offer.

SY

SILICON Y'ALL



Learn from top entrepreneurs in the tech world who have created substantial wealth for themselves and their shareholders.



Network with other executives and entrepreneurs amidst the scenic beauty, rich heritage, and friendly Southern Hospitality that Birmingham has to offer.



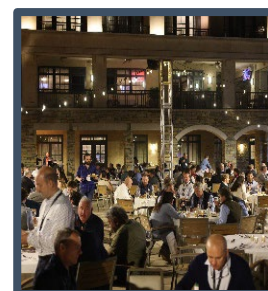
Enjoy the finest southern cuisine and tradition during the Technology Summit while you socialize with industry peers.



Hear from keynote speakers as they provide first-hand accounts of their experiences, both missteps and successes.



Engage with private equity groups and strategic acquirers that are focused on SaaS and Internet businesses.



Founders Recent Deals Spotlight



NetSuite Consulting Solutions



Cloud-based Practice Management System



Shipment Management & Logistics Platform



Software-Enabled Recovery Solutions




























Performing Arts Ticketing Software Platform

RECENT TRANSACTIONS

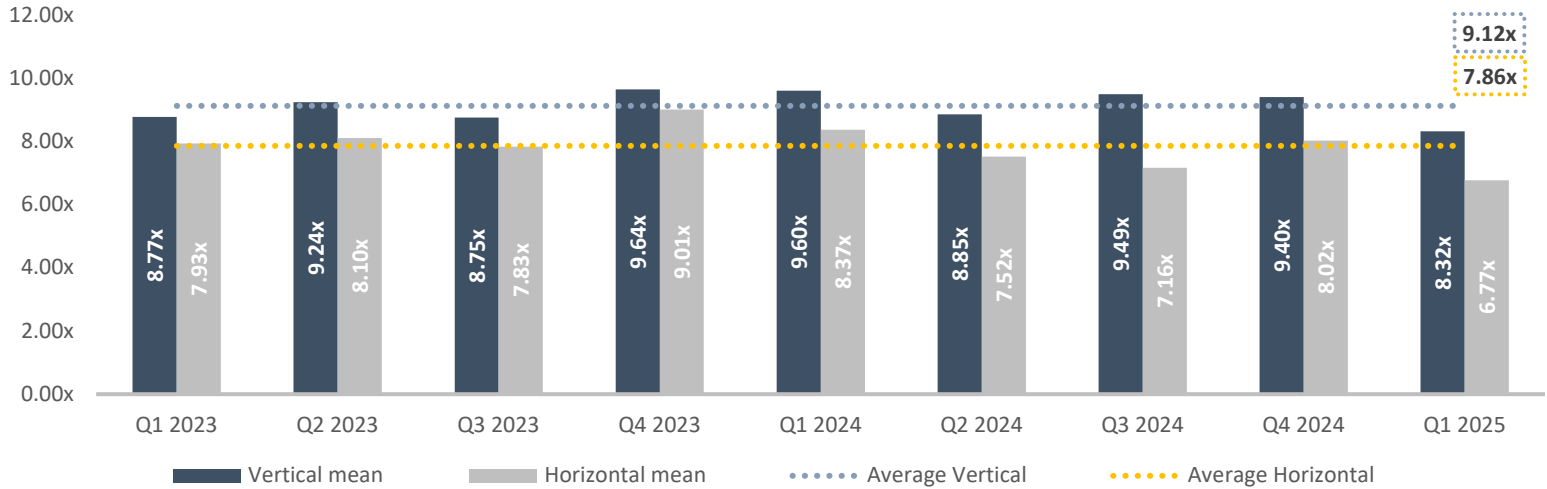
Date	Target	Buyer	EV	Revenue	EBITDA	Enterprise Value / Revenue	Enterprise Value / EBITDA
3/31/2025	 edifecs	 COTIVITI	\$3,050.0	\$142.9	N/A	21.3x	N/A
3/27/2025 ⁽¹⁾	 OfferFit	 braze	\$325.0	N/A	N/A	N/A	N/A
3/24/2025	 3Gtms Powering Transportation Innovation	 DESCARTES	\$115.0	N/A	N/A	N/A	N/A
3/20/2025	 AUTO INTEGRATE	 Fleetio	\$470.0	N/A	N/A	N/A	N/A
3/18/2025 ⁽¹⁾	 WIZ	 Alphabet	\$32,000.0	\$500.0	N/A	64.0x	N/A
3/15/2025	 notified	 EQUINITI	\$534.5	N/A	N/A	N/A	N/A
3/14/2025	 MANTL	 Alkami	\$400.0	N/A	N/A	N/A	N/A
3/13/2025 ⁽¹⁾	 Admincontrol	 EURONEXT	\$420.2	\$41.9	\$18.6	10.0x	22.6x
3/12/2025	 beacon	 CLEARWATER ANALYTICS	\$560.0	\$44.0	N/A	12.7x	N/A
3/12/2025 ⁽¹⁾	<i>Bistro Software</i>	 CLEARWATER ANALYTICS	\$125.0	N/A	N/A	N/A	N/A
3/12/2025	 Shiftee	<i>Skylake Equity Partners</i>	\$373.3	N/A	N/A	N/A	N/A
3/9/2025 ⁽¹⁾	 Moveworks	 servicenow	\$2,850.0	\$100.0	N/A	28.5x	N/A
3/4/2025 ⁽¹⁾	 Weights & Biases	 CoreWeave	\$1,700.0	N/A	N/A	N/A	N/A
3/3/2025	 blis	 T	\$175.0	N/A	N/A	N/A	N/A
3/3/2025	 Identity Automation	 jamf	\$220.0	N/A	N/A	N/A	N/A
3/2/2025	 WILLHABEN	 Sprints	\$519.0	N/A	N/A	N/A	N/A
2/28/2025	 micromine	 WEHR	\$695.5	N/A	N/A	N/A	N/A
2/25/2025	 quorum software	 FP FRANCISCO PARTNERS	\$2,400.0	N/A	N/A	N/A	N/A
2/24/2025	 Sertifi	 flywire	\$330.0	\$18.8	N/A	17.6x	N/A

RECENT TRANSACTIONS

Date	Target	Buyer	EV	Revenue	EBITDA	Enterprise Value / Revenue	Enterprise Value / EBITDA
2/17/2025	VOYAGE AI	 MongoDB	\$220.0	N/A	N/A	N/A	N/A
2/14/2025	 METAPHYSIC	 ONEG	\$1,430.0	N/A	N/A	N/A	N/A
2/12/2025	 zilla SECURITY	 CYBERARK	\$165.0	N/A	N/A	N/A	N/A
2/7/2025	 CARBON 6		\$210.0	N/A	N/A	N/A	N/A
2/7/2025	 LIQUIDITYBOOK	 FACTSET	\$246.5	N/A	N/A	N/A	N/A
2/7/2025	 VULCAN.	 tenable	\$150.0	N/A	N/A	N/A	N/A
2/6/2025	 solarwinds	 TURN // RIVER	\$4,180.7	\$796.9	\$282.0	5.6x	15.7x
2/6/2025	 XO <i>i</i> TECHNOLOGIES	 KKR	\$230.0	\$20.4	N/A	11.3x	N/A
2/4/2025	 uscreen	 PSG	\$150.0	N/A	N/A	N/A	N/A
2/3/2025	 GENERATIONGENIUS ALWAYS QUESTION. ALWAYS WONDER	 newsela	\$100.0	N/A	N/A	N/A	N/A
2/3/2025	 vistar media	 T	\$600.0	N/A	N/A	N/A	N/A
1/30/2025	 vip	WARBURG PINCUS	\$1,000.0	N/A	N/A	N/A	N/A
1/20/2025	 oosto	metropolis	\$125.0	\$20.0	N/A	6.3x	N/A
1/17/2025	WINE DIRECT	 AQUILINE CAPITAL PARTNERS LLC	\$110.0	N/A	N/A	N/A	N/A
1/16/2025	 mparticle	 ROKT	\$300.0	N/A	N/A	N/A	N/A
1/8/2025 ⁽¹⁾	 CADO	 DARKTRACE	\$161.0	N/A	N/A	N/A	N/A
1/8/2025	 HUMI	 employmenthero	\$112.0	\$14.6	N/A	7.7x	N/A

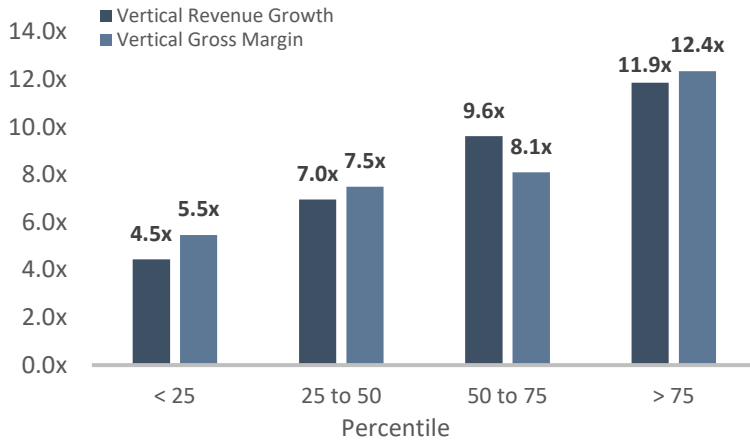
METRICS OVERVIEW

Public Vertical & Horizontal EV/LTM Revenue Multiples

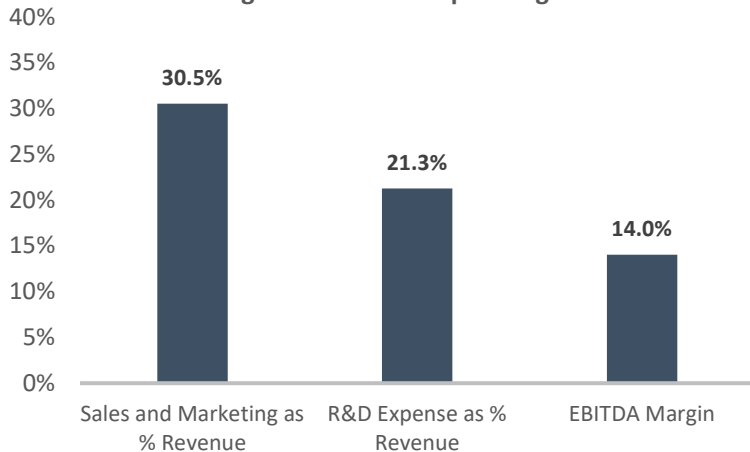


Public Vertical

Percentile Revenue Growth and Margin vs. EV/LTM Revenue

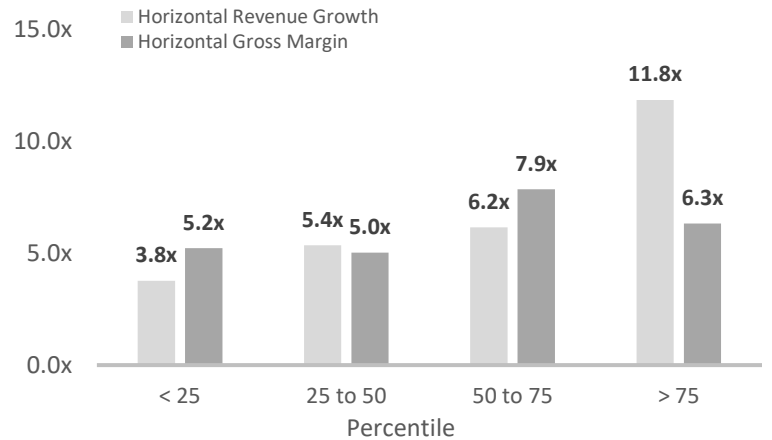


Average Vertical SaaS Operating Metrics

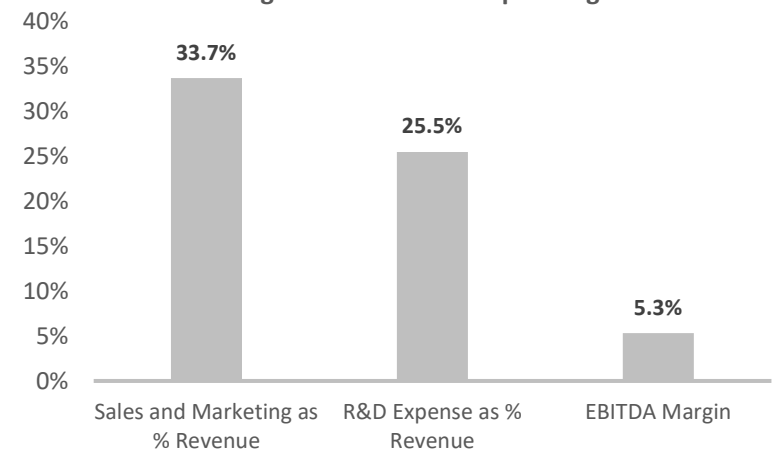


Public Horizontal

Percentile Revenue Growth and Margin vs. EV/LTM Revenue



Average Horizontal SaaS Operating Metrics



VALUATION & GROWTH METRICS

FA SaaS Index - Valuation & Growth - As of Q1 2025

(In millions)

Ticker	Company Name	TTM Revenue	YoY Growth	TTM EBITDA	Enterprise Value /	
					LTM Revenue	LTM EBITDA
Vertical SaaS Companies						
ADSK	Autodesk	\$ 6,131.0	11.5%	\$ 1,527.0	9.2x	24.7x
AGYS	Agilysys	\$ 263.6	15.5%	\$ 28.0	7.7x	NM
ANSS	Ansys	\$ 2,544.8	12.1%	\$ 857.4	10.6x	22.9x
APPF	AppFolio	\$ 794.2	28.0%	\$ 156.2	9.8x	35.6x
BLKB	Blackbaud	\$ 1,155.5	4.5%	\$ (144.1)	3.5x	NM
BSY	Bentley Systems	\$ 1,353.1	10.1%	\$ 379.7	9.8x	28.9x
CDNS	Cadence Design Systems	\$ 4,641.3	13.5%	\$ 1,604.3	15.0x	33.5x
CHGG	Chegg	\$ 617.6	(13.8%)	\$ (635.5)	0.4x	NM
COUR	Coursera	\$ 694.7	9.3%	\$ (90.1)	0.5x	NM
CWAN	Clearwater Analytics Holdings	\$ 451.8	22.7%	\$ (26.5)	14.0x	NM
ENFN	Enfusion	\$ 201.6	15.5%	\$ 17.5	5.2x	42.9x
FDS	FactSet Research Systems	\$ 2,229.5	5.0%	\$ 869.5	8.3x	20.9x
GWRE	Guidewire Software	\$ 1,084.6	17.2%	\$ (54.8)	14.2x	NM
IOT	Samsara	\$ 1,249.2	33.3%	\$ (169.3)	17.0x	NM
MCO	Moody's Investors Service	\$ 7,088.0	19.8%	\$ 3,367.0	12.5x	25.6x
MLNK	MeridianLink	\$ 316.3	4.2%	\$ 62.9	5.7x	14.5x
MORN	Morningstar	\$ 2,275.1	11.6%	\$ 719.4	5.8x	21.3x
MSCI	MSCI	\$ 2,856.1	12.9%	\$ 1,726.7	16.8x	27.7x
NCNO	nCino	\$ 523.0	13.2%	\$ 20.1	6.1x	NM
NICE	NICE	\$ 2,735.3	15.0%	\$ 745.0	3.2x	9.3x
PCOR	Procore Technologies	\$ 1,151.7	21.2%	\$ (36.2)	8.0x	NM
Q TWO	Q2 Software	\$ 696.5	11.5%	\$ 26.5	7.1x	NM
ROP	Roper Technologies	\$ 7,039.2	13.9%	\$ 3,039.2	10.1x	25.0x
SPNS	Sapiens International	\$ 542.4	5.4%	\$ 104.4	2.5x	11.9x
SPSC	SPS Commerce	\$ 637.8	18.8%	\$ 141.7	7.6x	24.4x
SSNC	SS&C Technologies	\$ 5,882.0	6.9%	\$ 2,025.7	4.6x	11.8x
TEMN N	Temenos	\$ 1,044.1	4.4%	\$ 352.5	5.8x	13.6x
TYL	Tyler Technologies	\$ 2,137.8	9.5%	\$ 466.5	11.7x	42.0x
U	Unity Software	\$ 1,813.3	(17.1%)	\$ (346.2)	5.0x	NM
VEEV	Veeva Systems	\$ 2,746.6	16.2%	\$ 750.8	11.9x	27.3x

Min	\$ 201.6	(17.1%)	\$ (635.5)	0.4x	9.3x
Median	\$ 1,202.3	12.5%	\$ 148.9	7.8x	24.7x
Mean	\$ 2,096.6	11.7%	\$ 582.8	8.3x	24.4x
Max	\$ 7,088.0	33.3%	\$ 3,367.0	17.0x	42.9x

Horizontal SaaS Companies

ADBE	Adobe	\$ 22,037.0	10.5%	\$ 8,870.0	7.4x	15.1x
ASAN	Asana	\$ 723.9	10.9%	\$ (249.4)	4.4x	NM
BOX	Box	\$ 1,090.1	5.0%	\$ 92.8	4.5x	15.5x
CRM	Salesforce	\$ 37,895.0	8.7%	\$ 10,540.0	6.7x	18.0x
CRWD	CrowdStrike Holdings	\$ 3,953.6	29.4%	\$ 98.7	21.2x	NM
DAY	Dayforce	\$ 1,760.0	16.3%	\$ 288.0	5.6x	20.4x
DBX	Dropbox	\$ 2,548.2	1.9%	\$ 633.2	3.6x	8.8x
DDOG	Datadog	\$ 2,684.3	26.1%	\$ 110.6	11.8x	NM

VALUATION & GROWTH METRICS, CONTINUED

FA SaaS Index - Valuation & Growth - As of Q1 2025

(In millions)

Ticker	Company Name	TTM Revenue	YoY Growth	TTM EBITDA	Enterprise Value / LTM Revenue	LTM EBITDA
Horizontal SaaS Companies						
DOCU	DocuSign	\$ 2,976.7	7.8%	\$ 307.7	5.3x	16.5x
DOMO	Domo	\$ 318.5	0.0%	\$ (53.6)	1.2x	NM
EGAN	eGain	\$ 89.0	(6.9%)	\$ 4.2	0.8x	8.6x
ESTC	Elastic	\$ 1,429.9	17.9%	\$ (29.8)	6.0x	NM
FIVN	Five9	\$ 1,041.9	14.4%	\$ 8.2	2.2x	11.5x
FRSH	Freshworks	\$ 720.4	20.8%	\$ (123.1)	4.5x	NM
FSLY	Fastly	\$ 543.7	7.4%	\$ (94.0)	1.9x	NM
HUBS	HubSpot	\$ 2,627.5	21.1%	\$ 46.5	10.8x	NM
INTU	Intuit	\$ 17,167.0	13.7%	\$ 4,593.0	10.3x	25.7x
KVYO	Klaviyo	\$ 937.5	34.3%	\$ (65.5)	7.9x	NM
MNDY	Monday.com	\$ 972.0	33.2%	\$ (14.5)	11.3x	NM
NOW	ServiceNow	\$ 10,984.0	22.4%	\$ 1,906.0	14.6x	NM
OKTA	Okta	\$ 2,610.0	15.3%	\$ 43.0	6.4x	27.3x
ORCL	Oracle	\$ 55,783.0	6.2%	\$ 22,811.0	8.4x	17.0x
PANW	Palo Alto Networks	\$ 8,570.5	13.9%	\$ 1,251.9	12.9x	44.0x
PATH	UiPath	\$ 1,429.7	9.3%	\$ (110.3)	2.9x	NM
PAYC	Paycom	\$ 1,883.2	11.2%	\$ 798.3	6.3x	15.4x
PCTY	Paylocity	\$ 1,498.5	16.0%	\$ 382.9	6.9x	19.3x
PD	PagerDuty	\$ 467.5	8.5%	\$ (42.0)	3.4x	NM
PEGA	Pegasystems	\$ 1,497.2	4.5%	\$ 159.1	3.9x	16.1x
PTC	PTC	\$ 2,313.4	6.1%	\$ 717.8	8.7x	21.4x
QLYS	Qualys	\$ 607.6	9.6%	\$ 202.6	7.0x	15.2x
SHOP	Shopify	\$ 8,880.0	25.8%	\$ 1,956.0	13.5x	NM
SMAR	Smartsheet	\$ 4,963.0	18.5%	\$ 187.8	0.3x	NM
SNOW	Snowflake	\$ 3,626.4	29.2%	\$ (1,308.8)	12.9x	NM
SPT	Sprout Social	\$ 405.9	21.7%	\$ (49.9)	3.0x	NM
TEAM	Atlassian	\$ 4,795.0	23.2%	\$ (91.4)	11.3x	NM
TWLO	Twilio	\$ 4,458.0	7.3%	\$ 117.4	3.1x	15.5x
UPLD	Upland Software	\$ 274.8	(7.7%)	\$ (46.2)	1.6x	NM
VRNS	Varonis Systems	\$ 551.0	10.4%	\$ (97.7)	8.6x	NM
WDAY	Workday	\$ 8,446.0	16.4%	\$ 728.0	6.8x	24.3x
WIX	Wix.com	\$ 1,760.7	12.7%	\$ 144.3	5.1x	23.1x
WK	Workiva	\$ 738.7	17.2%	\$ (65.0)	5.7x	NM
YEXT	Yext	\$ 421.0	4.1%	\$ (5.9)	1.8x	NM
ZM	Zoom Video Communications	\$ 4,665.4	3.1%	\$ 1,438.2	3.2x	6.5x
ZS	Zscaler	\$ 2,421.9	27.8%	\$ (11.2)	12.0x	NM
Min		\$ 89.0	(7.7%)	\$ (1,308.8)	0.3x	6.5x
Median		\$ 1,821.9	13.2%	\$ 95.7	6.2x	16.5x
Mean		\$ 5,353.8	13.8%	\$ 1,272.2	6.8x	18.3x
Max		\$ 55,783.0	34.3%	\$ 22,811.0	21.2x	44.0x

OPERATING STATISTICS

FA SaaS Index - Operating Statistics - As of Q1 2025

(In millions)

Ticker	Company Name	COGS As a % of Revenue	Gross Margin	SG&A As a % of Revenue	R&D Expense As a % of Revenue	Sales & Marketing As a % of Revenue	EBITDA Margin
Vertical SaaS Companies							
ADSK	Autodesk	9.4%	90.6%	43.2%	24.2%	32.6%	24.9%
AGYS	Agilysys	37.3%	62.7%	27.6%	22.8%	12.7%	10.6%
ANSS	Ansys	11.0%	89.0%	39.1%	20.7%	N/A	33.7%
APPF	AppFolio	35.5%	64.5%	24.8%	20.2%	13.9%	19.7%
BLKB	Blackbaud	44.7%	55.3%	29.4%	13.9%	17.1%	(12.5%)
BSY	Bentley Systems	19.1%	80.9%	35.3%	20.8%	18.9%	28.1%
CDNS	Cadence Design Systems	14.0%	86.0%	22.4%	33.4%	16.3%	34.6%
CHGG	Chegg	29.3%	70.7%	52.8%	27.6%	17.5%	(102.9%)
COUR	Coursera	46.5%	53.5%	49.5%	19.0%	33.8%	(13.0%)
CWAN	Clearwater Analytics Holdings	27.2%	72.8%	N/A	N/A	N/A	(5.9%)
ENFN	Enfusion	32.2%	67.8%	23.0%	5.9%	5.5%	8.7%
FDS	FactSet Research Systems	45.7%	54.3%	249.5%	N/A	N/A	39.0%
GWRE	Guidewire Software	38.6%	61.4%	17.3%	12.6%	9.5%	(5.1%)
IOT	Samsara	23.9%	76.1%	77.1%	27.6%	55.5%	(13.6%)
MCO	Moody's Investors Service	27.4%	72.6%	138.9%	N/A	N/A	47.5%
MLNK	MeridianLink	34.3%	65.7%	2.3%	0.6%	0.6%	19.9%
MORN	Morningstar	39.4%	60.6%	242.9%	N/A	139.4%	31.6%
MSCI	MSCI	18.0%	82.0%	20.8%	7.0%	12.8%	60.5%
NCNO	nCino	39.8%	60.2%	N/A	4.5%	N/A	3.8%
NICE	NICE	33.3%	66.7%	175.8%	69.0%	122.8%	27.2%
PCOR	Procore Technologies	17.9%	82.1%	28.1%	11.4%	20.2%	(3.1%)
Q TWO	Q2 Software	49.1%	50.9%	N/A	12.4%	9.2%	3.8%
ROP	Roper Technologies	30.7%	69.3%	413.7%	N/A	N/A	43.2%
SPNS	Sapiens International	56.1%	43.9%	N/A	N/A	N/A	19.3%
SPSC	SPS Commerce	33.0%	67.0%	N/A	N/A	N/A	22.2%
SSNC	SS&C Technologies	51.3%	48.7%	N/A	N/A	N/A	34.4%
TEMN N	Temenos	27.9%	72.1%	N/A	N/A	N/A	33.8%
TYL	Tyler Technologies	56.2%	43.8%	43.9%	11.3%	15.1%	21.8%
U	Unity Software	26.5%	73.5%	54.4%	43.3%	35.2%	(19.1%)
VEEV	Veeva Systems	25.5%	74.5%	36.5%	38.2%	21.9%	27.3%

Min	9.4%	43.8%	2.3%	0.6%	0.6%	(102.9%)
Median	32.6%	67.4%	39.1%	20.2%	17.3%	27.3%
Mean	32.7%	67.3%	80.4%	21.3%	30.5%	14.0%
Max	56.2%	90.6%	413.7%	69.0%	139.4%	60.5%

Horizontal SaaS Companies

ADBE	Adobe	10.8%	89.2%	33.8%	18.3%	26.8%	40.3%
ASAN	Asana	10.7%	89.3%	79.0%	47.2%	58.0%	(34.5%)
BOX	Box	20.9%	79.1%	47.5%	24.3%	34.9%	8.5%
CRM	Salesforce	22.8%	77.2%	42.5%	14.5%	35.0%	27.8%
CRWD	CrowdStrike Holdings	25.1%	74.9%	50.7%	27.2%	38.5%	2.5%
DAY	Dayforce	53.9%	46.1%	40.2%	N/A	19.4%	16.4%
DBX	Dropbox	17.5%	82.5%	27.5%	35.9%	18.1%	24.8%
DDOG	Datadog	19.2%	80.8%	35.8%	42.9%	28.2%	4.1%

OPERATING STATISTICS, CONTINUED

FA SaaS Index - Operating Statistics - As of Q1 2025

(In millions)

Ticker	Company Name	COGS As a % of Revenue	Gross Margin	SG&A As a % of Revenue	R&D Expense As a % of Revenue	Sales & Marketing As a % of Revenue	EBITDA Margin
Horizontal SaaS Companies							
DOCU	DocuSign	20.9%	79.1%	51.6%	19.8%	39.0%	10.3%
DOMO	Domo	25.1%	74.9%	66.8%	27.3%	48.7%	(16.8%)
EGAN	eGain	30.5%	69.5%	33.9%	32.0%	23.2%	4.7%
ESTC	Elastic	25.9%	74.1%	54.5%	25.5%	42.5%	(2.1%)
FIVN	Five9	45.8%	54.2%	43.1%	16.0%	29.9%	0.8%
FRSH	Freshworks	15.7%	84.3%	79.3%	22.8%	54.2%	(17.1%)
FSLY	Fastly	45.6%	54.4%	57.4%	25.4%	36.5%	(17.3%)
HUBS	HubSpot	15.0%	85.0%	57.8%	29.6%	46.4%	1.8%
INTU	Intuit	21.0%	79.0%	36.0%	16.4%	27.3%	26.8%
KVYO	Klaviyo	23.6%	76.4%	59.9%	25.4%	43.1%	(7.0%)
MNDY	Monday.com	10.7%	89.3%	69.5%	22.0%	54.9%	(1.5%)
NOW	ServiceNow	20.8%	79.2%	43.6%	23.2%	35.1%	17.4%
OKTA	Okta	23.7%	76.3%	54.1%	24.6%	37.0%	1.6%
ORCL	Oracle	28.9%	71.1%	17.9%	16.9%	15.2%	40.9%
PANW	Palo Alto Networks	26.1%	73.9%	40.3%	22.6%	34.3%	14.6%
PATH	UiPath	17.3%	82.7%	67.5%	26.6%	51.7%	(7.7%)
PAYC	Paycom	17.8%	82.2%	31.5%	12.9%	23.1%	42.4%
PCTY	Paylocity	31.5%	68.5%	37.0%	12.7%	23.8%	25.6%
PD	PagerDuty	17.0%	83.0%	65.5%	30.3%	43.2%	(9.0%)
PEGA	Pegasystems	26.1%	73.9%	43.3%	19.9%	35.7%	10.6%
PTC	PTC	19.3%	80.7%	34.4%	19.1%	25.1%	31.0%
QLYS	Qualys	18.3%	81.7%	32.4%	18.4%	21.1%	33.3%
SHOP	Shopify	49.6%	50.4%	20.3%	15.4%	15.7%	22.0%
SMAR	Smartsheet	89.8%	10.2%	4.4%	N/A	2.6%	3.8%
SNOW	Snowflake	33.5%	66.5%	57.5%	49.2%	46.1%	(36.1%)
SPT	Sprout Social	22.5%	77.5%	67.0%	25.3%	45.4%	(12.3%)
TEAM	Atlassian	18.2%	81.8%	33.2%	51.1%	20.2%	(1.9%)
TWLO	Twilio	48.9%	51.1%	28.3%	22.6%	18.2%	2.6%
UPLD	Upland Software	29.5%	70.5%	42.1%	17.2%	24.1%	(16.8%)
VRNS	Varonis Systems	17.0%	83.0%	68.6%	35.7%	52.4%	(17.7%)
WDAY	Workday	24.5%	75.5%	38.5%	31.1%	28.8%	8.6%
WIX	Wix.com	32.1%	67.9%	34.1%	28.1%	24.2%	8.2%
WK	Workiva	23.3%	76.7%	60.9%	26.1%	47.0%	(8.8%)
YEXT	Yext	22.9%	77.1%	66.5%	18.3%	41.5%	(1.4%)
ZM	Zoom Video Communications	24.2%	75.8%	40.1%	18.3%	30.6%	30.8%
ZS	Zscaler	22.2%	77.8%	57.6%	24.3%	48.3%	(0.5%)
Min		10.7%	10.2%	4.4%	12.7%	2.6%	(36.1%)
Median		23.1%	76.9%	43.2%	24.3%	34.9%	14.6%
Mean		26.5%	73.5%	46.7%	25.3%	34.0%	5.8%
Max		89.8%	89.3%	79.3%	51.1%	58.0%	42.4%

BALANCE SHEET METRICS

FA SaaS Index - Balance Sheet Metrics - As of Q1 2025

(In millions)

Ticker	Company Name	Return on Assets	Return on Equity	Current Ratio	Days Sales Outstanding	Days Payable Outstanding	Liabilities/ Assets	Debt/ Equity
Vertical SaaS Companies								
ADSK	Autodesk	11.0%	47.4%	0.7x	39.8	148.3	147.9%	84.0%
AGYS	Agilysys	5.7%	9.0%	1.1x	51.8	51.8	87.6%	21.6%
ANSS	Ansys	7.7%	10.2%	3.0x	116.0	56.8	33.2%	13.8%
APPF	AppFolio	41.2%	52.6%	5.3x	11.3	1.8	18.9%	7.2%
BLKB	Blackbaud	(10.4%)	(54.3%)	0.8x	34.6	464.7	128.2%	764.3%
BSY	Bentley Systems	7.0%	24.1%	0.5x	76.6	61.4	184.2%	135.9%
CDNS	Cadence Design Systems	14.4%	25.8%	2.9x	25.5	27.3	34.1%	55.3%
CHGG	Chegg	(64.9%)	(157.8%)	0.8x	14.7	38.7	120.7%	75.6%
COUR	Coursera	(8.7%)	(13.2%)	2.5x	30.5	139.3	39.4%	0.5%
CWAN	Clearwater Analytics Holdings	61.4%	85.3%	5.0x	40.9	61.1	20.0%	5.9%
ENFN	Enfusion	3.2%	6.1%	3.4x	56.8	21.2	29.2%	14.3%
FDS	FactSet Research Systems	13.4%	29.0%	1.4x	40.5	79.4	71.7%	73.2%
GWRE	Guidewire Software	(0.7%)	(1.3%)	2.6x	39.7	21.6	37.8%	55.7%
IOT	Samsara	(8.4%)	(15.9%)	1.5x	52.4	56.4	66.5%	6.0%
MCO	Moody's Investors Service	13.6%	56.7%	1.5x	89.6	61.3	68.0%	186.4%
MLNK	MeridianLink	(3.0%)	(6.6%)	2.4x	40.7	33.2	41.3%	108.8%
MORN	Morningstar	10.7%	25.2%	1.0x	54.3	40.0	95.4%	53.7%
MSCI	MSCI	20.3%	N/A	0.8x	96.1	32.5	118.0%	N/A
NCNO	nCino	(1.2%)	(1.5%)	1.9x	48.4	23.1	51.3%	21.0%
NICE	NICE	8.6%	12.7%	1.7x	80.4	30.2	58.9%	2.6%
PCOR	Procore Technologies	(5.4%)	(8.6%)	1.5x	58.6	40.7	66.2%	5.7%
Q TWO	Q2 Software	(3.1%)	(8.0%)	1.4x	26.9	14.7	71.4%	65.8%
ROP	Roper Technologies	5.1%	8.5%	0.4x	41.9	46.9	248.4%	34.9%
SPNS	Sapiens International	10.6%	15.8%	2.2x	58.5	10.6	44.6%	7.8%
SPSC	SPS Commerce	8.5%	10.3%	2.6x	30.0	14.6	38.4%	0.9%
SSNC	SS&C Technologies	4.2%	11.7%	1.1x	49.4	12.8	89.6%	108.4%
TEMN N	Temenos Headquarters	7.6%	16.8%	0.6x	82.6	298.0	168.5%	73.5%
TYL	Tyler Technologies	5.4%	8.3%	1.4x	104.8	50.3	74.0%	18.6%
U	Unity Software	(9.7%)	(20.9%)	2.5x	119.0	337.5	40.0%	65.3%
VEEV	Veeva Systems	11.1%	13.7%	4.5x	75.8	41.0	22.2%	1.1%
	Min	(64.9%)	(157.8%)	0.4x	11.3	1.8	18.9%	0.5%
	Median	6.4%	10.2%	1.5x	50.6	40.9	66.3%	34.9%
	Mean	5.2%	6.2%	2.0x	56.3	77.2	77.2%	71.3%
	Max	61.4%	85.3%	5.3x	119.0	464.7	248.4%	764.3%

Horizontal SaaS Companies

ADBE	Adobe	22.7%	46.9%	1.2x	31.5	96.8	84.4%	49.6%
ASAN	Asana	(27.5%)	(90.9%)	1.4x	41.1	161.1	69.2%	105.9%
BOX	Box	18.6%	N/A	1.2x	72.5	127.7	84.0%	N/A
CRM	Salesforce	6.4%	10.4%	1.1x	72.7	243.6	94.1%	17.7%
CRWD	CrowdStrike Holdings	(0.2%)	(0.6%)	1.8x	76.8	22.1	56.6%	23.4%
DAY	Dayforce	0.2%	0.7%	1.1x	45.8	27.1	88.8%	47.9%
DBX	Dropbox	15.7%	N/A	1.4x	9.8	79.1	69.7%	N/A
DDOG	Datadog	4.0%	7.7%	2.6x	70.2	74.6	37.9%	43.3%

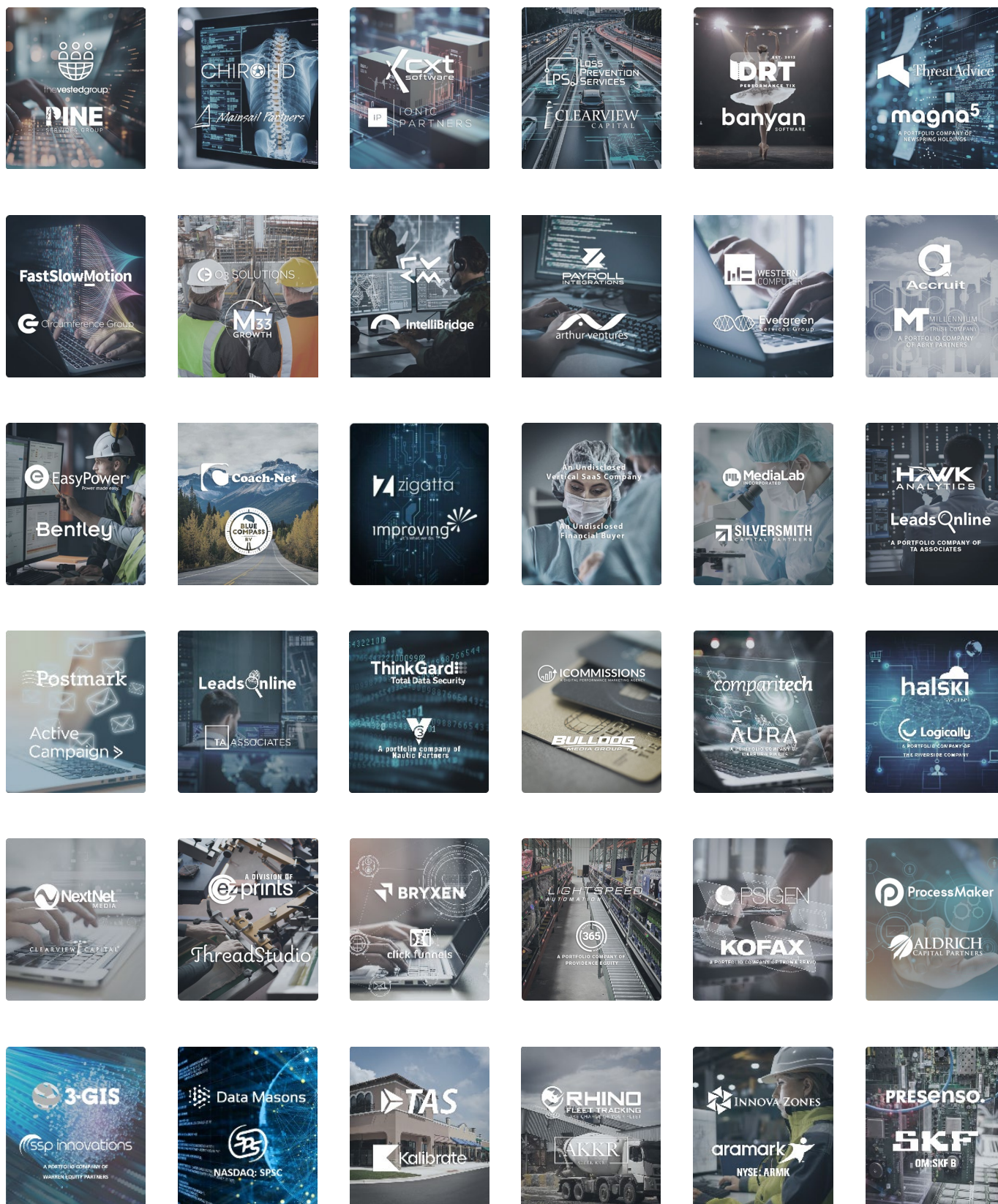
BALANCE SHEET METRICS, CONTINUED

FA SaaS Index - Balance Sheet Metrics - As of Q1 2025

(In millions)

Ticker	Company Name	Return on Assets	Return on Equity	Current Ratio	Days Sales Outstanding	Days Payable Outstanding	Liabilities/ Assets	Debt/ Equity
Horizontal SaaS Companies								
DOCU	DocuSign	30.6%	65.0%	0.8x	43.8	11.0	123.0%	5.3%
DOMO	Domo	(40.4%)	N/A	0.5x	63.3	69.1	187.8%	N/A
EGAN	eGain	3.6%	7.2%	1.8x	78.6	30.0	54.4%	5.0%
ESTC	Elastic	(6.0%)	(17.1%)	2.0x	65.1	46.7	49.4%	67.3%
FIVN	Five9	(0.7%)	(2.3%)	1.9x	33.6	24.1	51.4%	125.5%
FRSH	Freshworks	(6.2%)	(8.6%)	3.1x	51.1	58.3	32.2%	2.7%
FSLY	Fastly	(10.6%)	(16.2%)	4.2x	77.2	18.3	23.7%	39.1%
HUBS	HubSpot	0.1%	0.3%	1.7x	40.2	5.6	59.7%	13.3%
INTU	Intuit	9.6%	16.8%	1.3x	15.4	218.8	78.6%	35.3%
KVYO	Klaviyo	(4.0%)	(4.7%)	4.9x	11.9	39.2	20.4%	3.1%
MNDY	Monday.com	2.2%	3.5%	2.7x	7.7	149.8	37.6%	7.5%
NOW	ServiceNow	7.7%	16.5%	1.1x	55.9	37.1	91.0%	22.6%
OKTA	Okta	0.3%	0.5%	1.4x	65.1	7.1	73.9%	6.9%
ORCL	Oracle	8.3%	109.3%	1.0x	51.6	51.3	98.4%	510.5%
PANW	Palo Alto Networks	6.4%	23.9%	0.8x	75.5	24.9	119.1%	5.7%
PATH	UiPath	(2.6%)	(3.9%)	2.9x	90.0	63.0	34.2%	4.0%
PAYC	Paycom	11.1%	34.8%	1.1x	4.5	29.8	90.8%	4.0%
PCTY	Paylocity	4.8%	20.5%	1.1x	7.9	6.7	87.5%	31.9%
PD	PagerDuty	(4.8%)	(29.0%)	1.9x	66.7	35.2	51.9%	272.2%
PEGA	Pegasystems	6.3%	22.2%	1.2x	55.4	18.8	81.4%	11.6%
PTC	PTC	6.3%	12.9%	0.7x	114.1	42.8	144.0%	36.3%
QLYS	Qualys	19.6%	40.8%	1.4x	78.2	3.7	73.1%	7.9%
SHOP	Shopify	16.8%	20.7%	3.7x	8.9	44.2	27.0%	1.6%
SMAR	Smartsheet	3.1%	6.6%	1.8x	27.8	16.3	54.7%	55.8%
SNOW	Snowflake	(16.2%)	(32.6%)	1.8x	64.9	45.2	56.2%	88.1%
SPT	Sprout Social	(15.5%)	(40.3%)	1.0x	55.9	29.5	105.0%	23.7%
TEAM	Atlassian	(6.9%)	(32.5%)	1.2x	45.4	100.2	80.8%	98.1%
TWLO	Twilio	(1.0%)	(1.2%)	4.2x	45.5	28.5	23.8%	13.5%
UPLD	Upland Software	(16.3%)	(416.0%)	1.0x	44.8	34.6	101.7%	274.2%
VRNS	Varonis Systems	(7.4%)	(21.0%)	1.2x	93.3	9.3	80.8%	108.2%
WDAY	Workday	3.2%	6.2%	1.9x	64.1	14.9	52.6%	36.1%
WIX	Wix.com	7.9%	N/A	0.8x	11.0	21.9	118.4%	N/A
WK	Workiva	(4.3%)	N/A	1.8x	61.4	24.2	56.5%	N/A
YEXT	Yext	(5.4%)	(17.9%)	0.8x	65.6	23.3	120.6%	50.1%
ZM	Zoom Video Communications	9.6%	11.9%	4.6x	39.8	25.7	21.9%	0.4%
ZS	Zscaler	(0.3%)	(1.2%)	1.2x	80.2	16.1	83.2%	2.5%
Min		(40.4%)	(416.0%)	0.5x	4.5	3.7	20.4%	0.4%
Median		1.2%	0.7%	1.4x	55.7	29.9	73.5%	23.7%
Mean		1.1%	(6.4%)	1.8x	51.9	51.3	73.4%	57.9%
Max		30.6%	109.3%	4.9x	114.1	243.6	187.8%	510.5%

FOUNDERS TECHNOLOGY TRANSACTIONS



CONNECT WITH THE FOUNDERS TEAM

On Thursday, May 8th, Founders Advisors hosted its 22nd annual crawfish boil at its headquarters in Birmingham, AL to celebrate its 22nd anniversary as a firm. Thank you to the team, friends, and colleagues for your part in shaping Founders into what it is today!

ORDER

SERVICE

GROWTH

EXCELLENCE

HEALTH

COMMUNITY

Technology Team Contacts

Zane Tarence

Partner

ztarence@foundersib.com

Chris Weingartner

Practice Head

cweingartner@foundersib.com

Brad Johnson

Managing Director

bjohnson@foundersib.com

Billy Pritchard

Managing Director

bpritchard@foundersib.com

William Short

Vice President

wshort@foundersib.com

Chris Jenkins

Vice President

cjenkins@foundersib.com

Tucker Helms

Senior Associate

thelms@foundersib.com

Swede Umbach

Senior Associate

sumbach@foundersib.com

Hampton Simms

Senior Analyst

hsimms@foundersib.com

Adam Crawford

Senior Analyst

acrawford@foundersib.com

James Childs

Analyst

jchilds@foundersib.com

Robert Reed

Analyst

rreed@foundersib.com

Hal Dove

Analyst

hdove@foundersib.com

Rachael Jenkins

Practice Manager

rjenkins@foundersib.com

FOUNDERS ADVISORS

FOUNDERS ADVISORS is a merger, acquisition & strategic advisory firm serving middle-market companies. Founders' focus is on SaaS, software, internet, digital media, industrials, oil and gas, business services, consumer, and healthcare companies located nationwide. Founders' skilled professionals, proven expertise and process-based solutions help companies access growth capital, make acquisitions, and/or prepare for and execute liquidity events to achieve specific financial goals.



To provide securities-related services, certain principals of Founders Advisors, LLC are licensed with Founders M&A Advisory, LLC, member of FINRA & SIPC. Founders M&A Advisory is a wholly-owned subsidiary of Founders Advisors. Neither Founders M&A Advisory nor Founders Advisors provide investment advice.