

SAAS

INDUSTRY UPDATE | FEBRUARY 2026



NOTABLE & QUOTABLE

*“Every software company is facing an existential threat right now, including us, right? And you’re better off meeting it and seeing it and navigating through it.” – **Zuora Founder & CEO***

*“All knowledge workers will be affected in some way. Some, there will no longer be that job category. For some, it will be a hyper accelerant of their capabilities. I tell people, AI is not going to replace the job in some businesses, but the person using AI will replace your job.” – **CEO of Vista Equity Partners Robert Smith***

*“The 2026 crash isn’t AI killing SaaS. It’s the market finally pricing in the deceleration that started in 2021.” – **SaaStr Founder & CEO Jason Lemkin***

*“The world is set up at the moment to be incredibly constructive in 2026 for M&A and capital markets activity, and I think the likely scenario is it is a very, very good year.” – **Goldman Sachs CEO David Solomon***

M&A OUTLOOK

[Boston Consulting Group](#) reports global M&A rebounded in 2025, with total deal value reaching approximately \$3.0 trillion, up 31% year over year, driven by a sharp acceleration in the second half. Large transactions returned, with 900+ deals over \$500 million and 39 megadeals above \$10 billion, signaling renewed confidence among strategic and financial buyers. Heading into 2026, BCG expects continued momentum as financing conditions stabilize and deal pipelines remain full, with technology, financial services, healthcare, and energy positioned for sustained consolidation.

AI OUTLOOK

[Bessemer Venture Partners’ Building Vertical AI Report](#) underscores a shift toward AI-native software built for specific industries. Unlike traditional vertical SaaS, Vertical AI targets labor budgets by automating high-cost, language-intensive workflows across sectors like legal, healthcare, and accounting, which together represent ~13% of U.S. GDP. Bessemer notes early Vertical AI companies are scaling rapidly, with LLM-native platforms approaching core SaaS ACVs, growing ~400% year-over-year, and maintaining ~65% gross margins, pointing to AI becoming operating infrastructure rather than an experimental tool.

SAAS METRICS

[SaaS Capital’s Valuations, Growth, and Control report](#) highlights that valuation is driven by fundamentals, not market timing. For founders focused on increasing enterprise value, the key levers remain sustaining growth above 20–25%, maintaining strong retention and clean, enforceable contracts, building a predictable and repeatable sales motion, and managing toward breakeven or profitability. As funding markets normalize, disciplined growth and operational consistency continue to separate premium valuation outcomes entering 2026.

Technology Team Contacts

Chris Weingartner | *Practice Head*
cweingartner@foundersib.com

Brad Johnson | *Managing Director*
bjohnson@foundersib.com

Billy Pritchard | *Managing Director*
bpritchard@foundersib.com

William Short | *Director*
wshort@foundersib.com

Chris Jenkins | *Vice President*
cjenkins@foundersib.com

Tucker Helms | *Vice President*
thelms@foundersib.com

Swede Umbach | *Vice President*
sumbach@foundersib.com

Hampton Simms | *Associate*
hsimms@foundersib.com

James Childs | *Senior Analyst*
jchilds@foundersib.com

Robert Reed | *Analyst*
rreed@foundersib.com

Graham Barnett | *Analyst*
gbarnett@foundersib.com

Rachael Jenkins | *Practice Manager*
rjenkins@foundersib.com

Zane Tarence | *Partner*
ztarence@foundersib.com

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FOUNDERS RECENT DEAL ANNOUNCEMENTS



Founders Advises GRO Marketing in Sale to OuterBox

Birmingham, Ala. (Jan 22, 2026) – Founders is pleased to announce the sale of [GRO Marketing](#) to [OuterBox](#), a portfolio company of [WILsquare Capital](#). GRO Marketing is a full-service digital performance marketing agency specialized in serving multifamily, student housing, and senior living community clients. GRO was exclusively advised by principals of Founders Advisors in this transaction.

Founded in 2018, GRO Marketing has become the leading digital marketing agency within the property sector, with a team of nearly 50 employees located in Nashville, Detroit, and Tuscaloosa. The company has consistently delivered best-in-class results while earning the trust of the largest property management companies and ownership groups across the country.

The acquisition strengthens OuterBox’s position as one of the leading independent performance marketing agencies, adding deep domain expertise and established credibility in serving residential community property management companies and ownership groups. Like OuterBox, GRO consistently earns high levels of client satisfaction and loyalty through its comprehensive offering, white-glove approach and ability to generate measurable improvements in marketing outcomes.

“Founders Advisors was an exceptional partner throughout the entire process,” added Matt Pavlick, Founder and CEO of GRO. “They brought clarity, discipline, and deep market knowledge to every step, while never losing sight of what mattered most to us as founders and to our team. Their guidance helped us navigate a complex transaction with confidence, and we’re incredibly grateful for their leadership and steady hand in helping us find the right long-term partner.”

“This outcome is a testament to the incredible team Matt put together coupled with years of first-class service delivery in a highly sought after vertical market,” said Brad Johnson, Managing Director at Founders Advisors. “GRO’s process-driven culture and client-first mentality led to unparalleled success, devoted customers, and a platform positioned for success well into the future. We are grateful to have played a part in the GRO journey and serve such a fantastic team.”



Founders Advises OR Trax in Sale to Banyan Software

Birmingham, Ala. (Dec 8, 2025) – Principals of Founders Advisors served as exclusive financial advisors to [OR Trax](#) in its acquisition by [Banyan Software](#), a permanent home acquirer and operator of successful software businesses. A founder-led and operated business since 2014, OR Trax provides cloud-based vendor credentialing and surgical scheduling solutions that streamline how operating-room facilities coordinate with medical device vendors. The company combines real-time OR scheduling with compliance-driven credentialing in a single, integrated software platform. The OR Trax team has built a trusted and widely adopted solution that plays a key role in improving coordination in surgical settings.

“From the beginning, our mission was to modernize a paper-heavy, compliance-critical process and make it seamless for hospitals and vendors alike. We’re excited to partner with Banyan, whose values align closely with our own and who will support the continued growth of the OR Trax platform,” said Abram Liviero and Todd St. Louis, Co-Founders of OR Trax.

“OR Trax offers a unique and essential solution in the healthcare ecosystem, and we’re proud to welcome them to the Banyan community. The company’s purpose-built technology and commitment to service have produced strong customer loyalty and positioned the business well for continued growth. We look forward to supporting the team through its next chapter,” said Adam Cole, Portfolio Leader, Healthcare at Banyan Software.

“This outcome is a testament to the strong team Abram and Todd built and the mission-critical role OR Trax plays in the healthcare ecosystem,” said Billy Pritchard, Managing Director at Founders Advisors. “The Company’s purpose-built platform and deep customer relationships position it well for long-term success. We are grateful to have advised the OR Trax team and look forward to its continued growth with Banyan as its long-term partner.”

2026 OUTLOOK: DEFENDING YOUR MOAT IN A SHIFTING SAAS LANDSCAPE

By: [Brad Johnson](#), Managing Director

“In the midst of chaos, there is also opportunity.” – Sun Tzu, The Art of War

Let's address the elephant in the room: the software sector is in the middle of a massive valuation reset. For years, SaaS founders enjoyed premium multiples based on the "stickiness" of their workflows. **That foundation has shifted.** As we move into 2026, the public markets have undergone a sharp re-rating. Median public SaaS revenue multiples have stabilized around 2.9x to 4.5x – a far cry from the 15x+ peaks we saw a few years ago.

This isn't just a market dip; it's a structural change driven by agentic AI. The concern we're seeing from investors, lenders, and entrepreneurs isn't that software is disappearing. It's that the traditional “moats” that protected high margins are being eroded. If AI can replicate a feature or automate a manual task for a fraction of the cost, that barrier to entry disappears. As Nic Brisbourne noted: “The market isn't pricing in a revenue collapse. It's pricing in the end of the premium multiple, because the moats that justified that multiple are dissolving.” [Nic's recent breakdown](#) of which moats are weakening versus those that are actually strengthening is a must-read for anyone thinking about an exit in the next 18 months.

While some headlines call this “SaaS-pocalypse,” **the reality is more nuanced.** The market is moving away from “growth at all costs” and toward a disciplined evaluation of long-term defensibility. It's a “quality-first” environment where the gap between the median and the elite is **widening faster than ever.** The real story isn't the declining multiples – it's the scarcity of high-performing assets. **Right now, only about 17% of the public SaaS universe actually meets the “Rule of 40” benchmark.**

[Jason Lemkin's recent post](#) sums up well the uncertainty and current sentiment: “I used to be able to look at a B2B company's metrics... and tell you with reasonable confidence what it would look like in 3-5 years. Today, I can tell you what it looks like in 12 months. Maybe. That's not a reason to panic. It's a reason to move faster, stay closer to your customers, and be willing to reinvent your own product before someone else does it for you. The instability is here. The founders who embrace it will build the next generation of iconic B2B companies.”

We see this as a massive opportunity for founder-led software companies. While investor scrutiny is rising, founders can reclaim leverage by shifting the conversation from speculative growth to proven efficiency. By pairing quality performance metrics – healthy margins, strong revenue growth, and top-tier retention – with a validated moat, you move your business further away from the noise, de-risk the deal for buyers, and position the business to secure a great outcome. The premium multiple hasn't disappeared, but it has moved. **For companies that can demonstrate a durable moat, the 2026 landscape offers an environment where high-quality assets can distinguish themselves and achieve fantastic outcomes.**

Founders Recent Deals Spotlight



Vertically-Focused
Marketing Agency



Surgical Vendor
Management Platform



Work Order
Management Platform



Asset Tracking
Software for Public
Safety Agencies



Accounting and IT
Services Firm

2025 TECHNOLOGY TEAM REWIND

In 2025, our Tech Team furthered our firm’s Vision of becoming the **Gold Standard M&A advisory firm to private companies**. We are looking forward to an even better 2026 ahead!

1 We Continued Building a Thriving Culture...



2 ...That Produced Exceptional Outcomes for Our Clients...



“I don’t believe we could have been successful without the team at Founders. To summarize the partnership, **THEY DELIVERED.**”

Zaree Voskerijian, Founder



13
2025 Deals Closed



“I believe Founders’ integrity, wisdom and core values allowed them to find the best partner to take CXT to the next level.”

Lyndon Edmonson, Founder



\$580M
EV Realized

7
Avg. Months to Close

3 ...And Exceptional Outcomes for Our Team.

Key Promotions & Milestones Achieved...

- **Swede Umbach:** 2025 Servant Leadership Award
- **Chris Weingartner:** Promotion to Practice Head
- **Billy Pritchard:** Promotion to Managing Director
- **Swede & Tucker Helms:** Promotions to Senior Associate
- **Hampton Simms:** Promotion to Associate
- **James Childs:** Promotion to Senior Analyst

...And a Few More Important Ones on the Personal Front!



James is Engaged!



Hampton is Married!

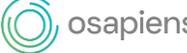


Zane is a Grandfather!

RECENT TRANSACTIONS

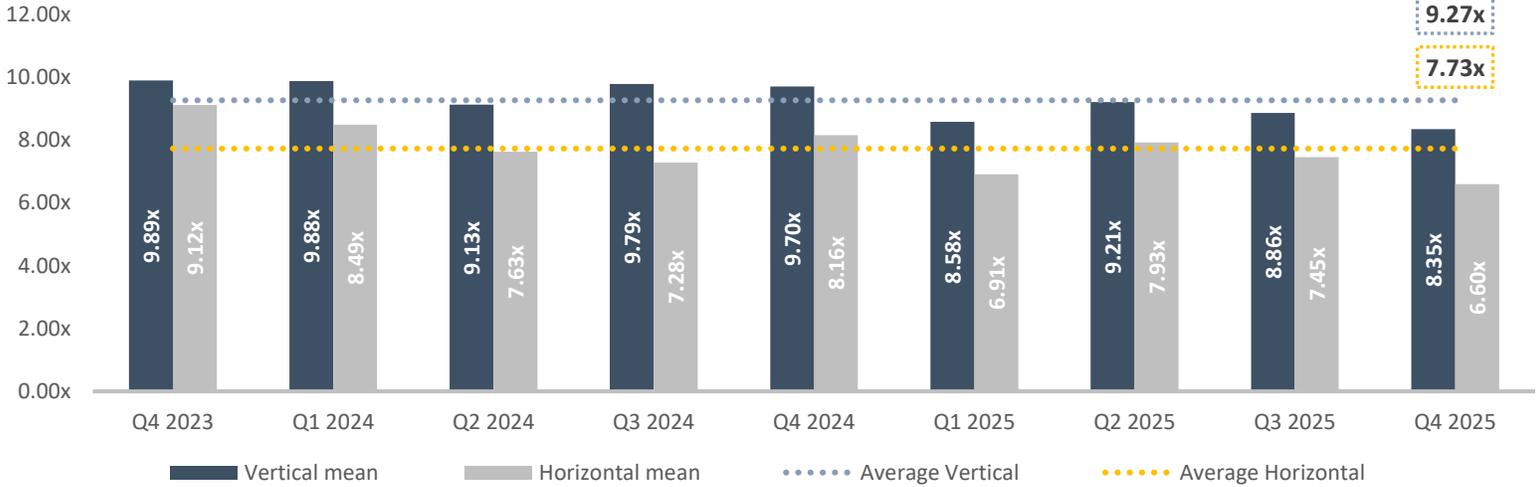
Date	Target	Buyer	EV	Revenue	EBITDA	Enterprise Value / Revenue	Enterprise Value / EBITDA
2/13/2026	 synchronoss	LUMINE	\$242.1	\$170.9	\$26.5	1.5x	9.8x
2/12/2026 ⁽¹⁾	 STASH		\$425.0	N/A	N/A	N/A	N/A
2/10/2026 ⁽¹⁾	 cimulate		N/A	N/A	N/A	N/A	N/A
2/5/2026	 SquareX		N/A	N/A	N/A	N/A	N/A
1/29/2026 ⁽¹⁾		Software Advice. GetApp Capterra	N/A	N/A	N/A	N/A	N/A
1/29/2026	 chronosphere		\$3,350.0	N/A	N/A	N/A	N/A
1/21/2026	 Hatch		\$300.0	N/A	N/A	N/A	N/A
1/20/2026	 Datagrid	PROCORE	N/A	N/A	N/A	N/A	N/A
1/15/2026 ⁽¹⁾⁽³⁾	 strongdm	Delinea	N/A	N/A	N/A	N/A	N/A
1/13/2026	 STARLIMS	TURN // RIVER	N/A	N/A	N/A	N/A	N/A
1/13/2026 ⁽¹⁾	 seraphic	CROWDSTRIKE	N/A	N/A	N/A	N/A	N/A
1/12/2026 ⁽²⁾	 torch		\$100.0	N/A	N/A	N/A	N/A
1/8/2026 ⁽¹⁾⁽²⁾	 sgnl	CROWDSTRIKE	\$740.0	N/A	N/A	N/A	N/A
1/8/2026 ⁽¹⁾⁽²⁾	 GHX	VERITAS CAPITAL	\$5,000.0	N/A	N/A	N/A	N/A
1/8/2026 ⁽²⁾⁽³⁾	 Wenrix		\$300.0	N/A	N/A	N/A	N/A
1/8/2026 ⁽¹⁾⁽²⁾	 sirion		\$1,000.0	N/A	N/A	N/A	N/A
1/7/2026	 TRES		\$130.0	N/A	N/A	N/A	N/A
1/6/2026 ⁽¹⁾	 onestream		\$5,763.9	\$570.7	N/A	11.2x	N/A
1/6/2026	 Nativo		\$120.0	N/A	N/A	N/A	N/A

RECENT TRANSACTIONS

Date	Target	Buyer	EV	Revenue	EBITDA	Enterprise Value / Revenue	Enterprise Value / EBITDA
1/6/2026 ⁽³⁾	 Personify	 Momentive	N/A	\$36.7	N/A	N/A	N/A
12/30/2025 ⁽¹⁾⁽³⁾	 ON24	 cvent	\$224.8	\$141.3	N/A	2.8x	N/A
12/29/2025 ⁽²⁾	 manus	 Meta	\$2,000.0	\$125.0	N/A	N/A	N/A
12/23/2025 ⁽¹⁾⁽²⁾	 ARMIS	 servicenow	\$7,750.0	\$300.0	N/A	25.8x	N/A
12/22/2025 ⁽¹⁾⁽⁴⁾	 CLEARWATER ANALYTICS	 WARBURG PINCUS PERMIRA	\$8,335.9	\$640.4	\$13.3	13.1x	N/A
12/21/2025 ⁽¹⁾	 CONSERVICE	 TPG	\$3,450.0	\$650.0	\$200.0	5.3x	17.3x
12/17/2025 ⁽¹⁾	 QUALIFIED	 salesforce	N/A	N/A	N/A	N/A	N/A
12/17/2025 ⁽⁴⁾	 SAPIENS	 Advent	\$2,417.8	\$564.3	\$98.4	4.4x	25.4x
12/11/2025 ⁽³⁾	 Lucent	 osapiens	N/A	N/A	N/A	N/A	N/A
12/10/2025 ⁽²⁾	 vCom	 AppDirect	\$100.0	N/A	N/A	N/A	N/A
12/8/2025 ⁽¹⁾	 CONFLUENT	 IBM	\$9,957.6	\$1,113.1	N/A	9.9x	N/A
12/3/2025 ⁽²⁾	 veza	 servicenow	\$1,000.0	N/A	N/A	N/A	N/A
12/2/2025	 catchpoint	 LogicMonitor	\$250.0	N/A	N/A	N/A	N/A
12/2/2025	 AUTOMIC GROUP	 Advent	\$471.7	N/A	N/A	N/A	N/A
11/26/2025 ⁽¹⁾⁽²⁾	 Shine	 cegid	\$1,548.6	N/A	N/A	N/A	N/A
11/19/2025 ⁽¹⁾	 SEMRUSH	 Adobe	\$1,900.0	\$428.63	\$7.3	4.4x	N/A
11/14/2025	 Stytch	 twilio	N/A	N/A	N/A	N/A	N/A

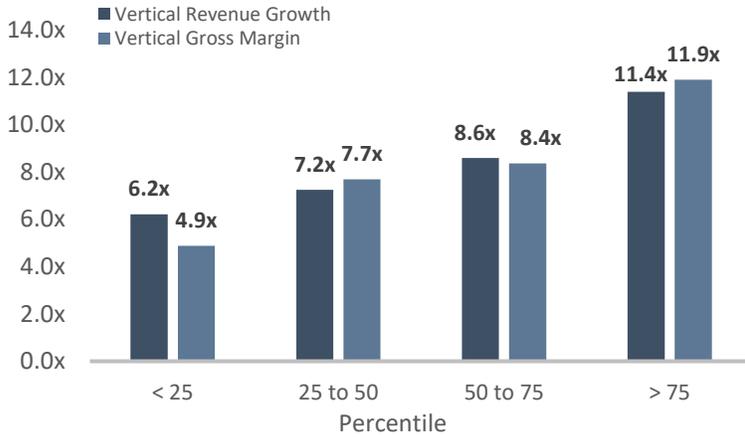
METRICS OVERVIEW

Public Vertical & Horizontal EV/LTM Revenue Multiples

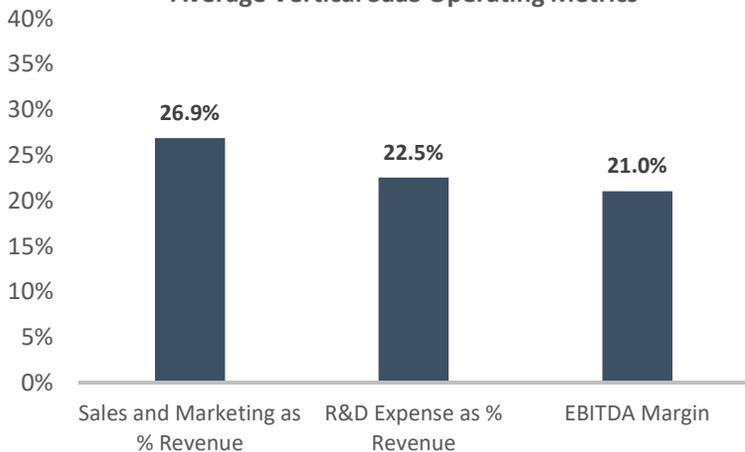


Public Vertical

Percentile Revenue Growth and Margin vs. EV/LTM Revenue

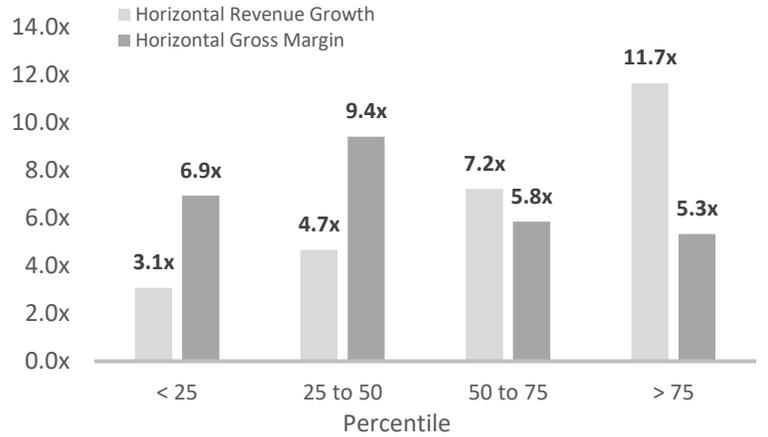


Average Vertical SaaS Operating Metrics

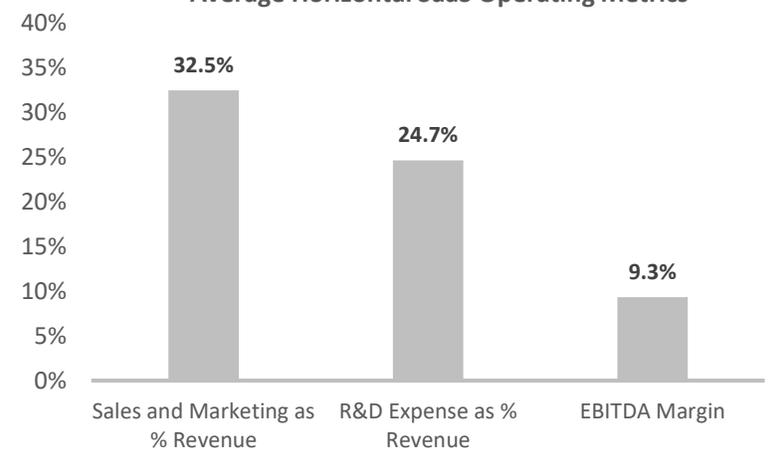


Public Horizontal

Percentile Revenue Growth and Margin vs. EV/LTM Revenue



Average Horizontal SaaS Operating Metrics



VALUATION & GROWTH METRICS

FA SaaS Index - Valuation & Growth - As of Q4 2025

(In millions)

Ticker	Company Name	TTM Revenue	YoY Growth	TTM EBITDA	Enterprise Value / LTM Revenue	LTM EBITDA
Vertical SaaS Companies						
ADSK	Autodesk	\$ 6,888.0	15.6%	\$ 1,694.0	9.2x	23.3x
AGYS	Agilysys	\$ 299.8	17.8%	\$ 43.4	11.0x	NM
APPF	AppFolio	\$ 906.3	18.9%	\$ 156.2	9.0x	35.6x
BLKB	Blackbaud	\$ 1,136.1	(1.0%)	\$ (136.6)	3.6x	NM
BSY	Bentley Systems	\$ 1,460.0	11.1%	\$ 421.1	8.7x	25.3x
CDNS	Cadence Design Systems	\$ 5,212.6	19.7%	\$ 1,697.6	16.3x	34.8x
COUR	Coursera	\$ 739.8	8.1%	\$ (49.4)	0.6x	NM
CWAN	Clearwater Analytics Holdings	\$ 640.4	50.9%	\$ 13.3	12.4x	28.2x
FDS	FactSet Research Systems	\$ 2,321.7	5.4%	\$ 959.4	5.1x	12.3x
GWRE	Guidewire Software	\$ 1,272.2	22.8%	\$ 52.2	13.2x	NM
IOT	Samsara	\$ 1,520.6	29.0%	\$ (58.6)	13.0x	NM
MCO	Moody's Investors Service	\$ 7,501.0	8.8%	\$ 3,669.0	12.9x	25.3x
MORN	Morningstar	\$ 2,395.4	7.8%	\$ 729.0	4.0x	13.5x
MSCI	MSCI	\$ 3,055.4	9.0%	\$ 1,860.5	15.8x	26.0x
NCNO	nCino	\$ 586.5	12.1%	\$ 44.1	5.3x	NM
NICE	NICE	\$ 2,880.5	9.2%	\$ 803.6	2.3x	6.7x
PCOR	Procore Technologies	\$ 1,275.5	14.9%	\$ (31.3)	8.4x	NM
QTWO	Q2 Software	\$ 769.6	13.9%	\$ 78.3	5.8x	NM
ROP	Roper Technologies	\$ 7,721.0	14.0%	\$ 3,173.8	7.4x	18.6x
SPSC	SPS Commerce	\$ 729.8	19.3%	\$ 167.7	4.4x	14.3x
SSNC	SS&C Technologies	\$ 6,148.4	6.7%	\$ 2,119.4	4.5x	11.4x
TEMN	Temenos	\$ 1,095.1	7.0%	\$ 518.5	7.0x	15.3x
TYL	Tyler Technologies	\$ 2,298.3	10.6%	\$ 534.6	8.4x	28.0x
U	Unity Software	\$ 1,803.7	(8.2%)	\$ (64.0)	10.8x	NM
VEEV	Veeva Systems	\$ 3,080.2	16.0%	\$ 1,161.7	9.8x	18.1x
Min		\$ 299.8	(8.2%)	\$ (136.6)	0.6x	6.7x
Median		\$ 1,520.6	12.1%	\$ 421.1	8.4x	20.9x
Mean		\$ 2,549.5	13.6%	\$ 782.3	8.3x	21.0x
Max		\$ 7,721.0	50.9%	\$ 3,669.0	16.3x	35.6x

Horizontal SaaS Companies

ADBE	Adobe	\$ 23,181.0	10.7%	\$ 9,219.0	6.2x	12.5x
ADP	Automatic Data Processing	\$ 20,903.4	7.1%	\$ 6,096.1	5.1x	17.3x
ASAN	Asana	\$ 773.6	9.5%	\$ (206.6)	3.9x	NM
BOX	Box	\$ 1,150.9	7.2%	\$ 99.6	4.2x	14.4x
CRM	Salesforce	\$ 40,317.0	8.4%	\$ 11,891.0	6.2x	15.8x
CRWD	CrowdStrike Holdings	\$ 4,565.2	22.0%	\$ (136.5)	25.0x	NM
DBX	Dropbox	\$ 2,528.4	(0.4%)	\$ 777.2	3.7x	8.0x
DDOG	Datadog	\$ 3,211.7	26.6%	\$ 1.8	14.0x	NM

VALUATION & GROWTH METRICS, CONTINUED

FA SaaS Index - Valuation & Growth - As of Q4 2025

(In millions)

Ticker	Company Name	TTM Revenue	YoY Growth	TTM EBITDA	Enterprise Value / LTM Revenue	LTM EBITDA
Horizontal SaaS Companies						
DOCU	DocuSign	\$ 3,158.9	8.4%	\$ 389.7	4.1x	12.9x
DOMO	Domo	\$ 318.0	(0.1%)	\$ (38.6)	1.4x	NM
EGAN	eGain	\$ 90.1	(0.3%)	\$ 7.5	2.3x	16.7x
ESTC	Elastic	\$ 1,609.3	17.0%	\$ 35.4	4.4x	22.2x
FIVN	Five9	\$ 1,127.5	12.5%	\$ 77.3	1.5x	6.6x
FRSH	Freshworks	\$ 810.6	18.2%	\$ (25.8)	3.3x	NM
FSLY	Fastly	\$ 592.0	9.4%	\$ (58.9)	2.7x	NM
HUBS	HubSpot	\$ 2,987.7	19.2%	\$ 73.8	6.6x	NM
INTU	Intuit	\$ 19,433.0	17.1%	\$ 6,073.0	9.6x	23.3x
KVYO	Klaviyo	\$ 1,154.0	32.8%	\$ (83.7)	7.7x	NM
MNDY	Monday.com	\$ 1,166.1	28.6%	\$ 13.5	5.1x	NM
NOW	ServiceNow	\$ 12,667.0	21.1%	\$ 2,434.0	12.5x	NM
OKTA	Okta	\$ 2,840.0	12.1%	\$ 198.0	4.7x	17.5x
ORCL	Oracle	\$ 61,016.0	11.1%	\$ 27,757.0	10.9x	19.8x
PANW	Palo Alto Networks	\$ 9,556.7	15.3%	\$ 1,605.9	13.0x	42.1x
PATH	UiPath	\$ 1,553.1	10.1%	\$ 29.5	4.8x	20.3x
PAYC	Paycom	\$ 2,001.3	9.7%	\$ 782.2	4.2x	9.8x
PCTY	Paylocity	\$ 1,640.4	13.3%	\$ 420.6	5.0x	14.1x
PD	PagerDuty	\$ 489.2	7.0%	\$ 2.0	2.2x	8.6x
PEGA	Pegasystems	\$ 1,732.3	17.0%	\$ 341.4	5.7x	18.7x
PTC	PTC	\$ 2,739.2	19.2%	\$ 1,129.2	8.0x	16.1x
QLYS	Qualys	\$ 653.0	10.1%	\$ 226.6	6.7x	14.5x
SHOP	Shopify	\$ 10,696.0	30.2%	\$ 1,746.0	19.1x	NM
SNOW	Snowflake	\$ 4,386.7	28.5%	\$ (1,324.5)	17.0x	NM
SPT	Sprout Social	\$ 443.8	13.1%	\$ (35.4)	1.4x	NM
TEAM	Atlassian	\$ 5,460.1	19.5%	\$ (112.9)	7.5x	NM
TWLO	Twilio	\$ 4,896.1	12.8%	\$ 277.0	4.1x	20.0x
UPLD	Upland Software	\$ 235.6	(15.5%)	\$ 7.2	1.6x	6.4x
VRNS	Varonis Systems	\$ 608.7	11.4%	\$ (114.4)	6.0x	NM
WDAY	Workday	\$ 9,231.0	13.2%	\$ 974.0	5.8x	18.8x
WIX	Wix.com	\$ 1,929.2	13.2%	\$ 157.9	2.9x	12.2x
WK	Workiva	\$ 845.5	19.9%	\$ (52.0)	5.6x	NM
YEXT	Yext	\$ 447.7	9.5%	\$ 64.9	2.3x	11.4x
ZM	Zoom Communications	\$ 4,805.9	3.8%	\$ 2,143.4	3.7x	7.3x
ZS	Zscaler	\$ 2,833.3	23.2%	\$ (10.7)	12.1x	NM
Min		\$ 90.1	(15.5%)	\$ (1,324.5)	1.4x	6.4x
Median		\$ 1,965.3	12.7%	\$ 88.5	5.1x	15.8x
Mean		\$ 6,242.7	13.5%	\$ 1,659.0	6.6x	16.3x
Max		\$ 61,016.0	32.8%	\$ 27,757.0	25.0x	42.1x

OPERATING STATISTICS

FA SaaS Index - Operating Statistics - As of Q4 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	9.3%	90.7%	42.7%	23.5%	32.9%	24.6%
AGYS	Agilysys	38.2%	61.8%	26.7%	22.3%	13.0%	14.5%
APPF	AppFolio	36.5%	63.5%	25.7%	20.6%	15.1%	17.2%
BLKB	Blackbaud	41.8%	58.2%	29.9%	13.1%	16.1%	(12.0%)
BSY	Bentley Systems	18.8%	81.2%	34.5%	20.8%	19.4%	28.8%
CDNS	Cadence Design Systems	14.5%	85.5%	20.8%	32.5%	15.3%	32.6%
COUR	Coursera	45.6%	54.4%	47.4%	16.3%	33.5%	(6.7%)
CWAN	Clearwater Analytics Holdings	31.5%	68.5%	N/A	N/A	N/A	2.1%
FDS	FactSet Research Systems	47.3%	52.7%	N/A	N/A	N/A	41.3%
GWRE	Guidewire Software	36.9%	63.1%	18.7%	13.2%	10.5%	4.1%
IOT	Samsara	23.1%	76.9%	72.3%	25.8%	51.9%	(3.9%)
MCO	Moody's Investors Service	26.2%	73.8%	116.9%	N/A	N/A	48.9%
MORN	Morningstar	39.1%	60.9%	N/A	N/A	N/A	30.4%
MSCI	MSCI	17.6%	82.4%	20.7%	7.3%	13.1%	60.9%
NCNO	nCino	39.9%	60.1%	N/A	4.2%	N/A	7.5%
NICE	NICE	32.9%	67.1%	160.9%	62.1%	114.2%	27.9%
PCOR	Procore Technologies	20.2%	79.8%	28.2%	12.3%	20.4%	(2.5%)
Q2WO	Q2 Software	46.6%	53.4%	N/A	11.7%	8.4%	10.2%
ROP	Roper Technologies	31.0%	69.0%	409.6%	N/A	N/A	41.1%
SPSC	SPS Commerce	31.6%	68.4%	N/A	N/A	N/A	23.0%
SSNC	SS&C Technologies	51.4%	48.6%	N/A	N/A	N/A	34.5%
TEMN	Temenos	32.4%	67.6%	N/A	N/A	N/A	47.3%
TYL	Tyler Technologies	53.9%	46.1%	42.8%	16.4%	13.9%	23.3%
U	Unity Software	25.7%	74.3%	40.8%	39.1%	28.9%	(3.5%)
VEEV	Veeva Systems	24.3%	75.7%	40.0%	41.6%	23.2%	37.7%
Min		9.3%	46.1%	18.7%	4.2%	8.4%	(12.0%)
Median		32.4%	67.6%	40.0%	20.6%	17.8%	28.4%
Mean		32.7%	67.3%	69.3%	22.5%	26.9%	21.2%
Max		53.9%	90.7%	409.6%	62.1%	114.2%	60.9%

Horizontal SaaS Companies

ADBE	Adobe	10.9%	89.1%	34.1%	18.1%	27.2%	39.8%
ADP	Automatic Data Processing	54.1%	45.9%	N/A	N/A	N/A	29.2%
ASAN	Asana	10.5%	89.5%	78.4%	40.4%	52.9%	(26.7%)
BOX	Box	21.1%	78.9%	47.9%	24.9%	34.9%	8.7%
CRM	Salesforce	22.3%	77.7%	41.3%	14.4%	34.2%	29.5%
CRWD	CrowdStrike Holdings	25.9%	74.1%	53.3%	29.4%	38.9%	(3.0%)
DBX	Dropbox	19.4%	80.6%	25.0%	31.2%	15.8%	30.7%
DDOG	Datadog	20.1%	79.9%	36.2%	45.0%	28.0%	0.1%

OPERATING STATISTICS, CONTINUED

FA SaaS Index - Operating Statistics - As of Q4 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	20.7%	79.3%	50.1%	20.6%	38.0%	12.3%
DOMO	Domo	25.6%	74.4%	61.9%	25.1%	45.5%	(12.1%)
EGAN	eGain	28.4%	71.6%	31.4%	32.7%	20.7%	8.3%
ESTC	Elastic	24.5%	75.5%	52.5%	25.2%	41.2%	2.2%
FIVN	Five9	44.8%	55.2%	40.0%	14.0%	27.4%	6.9%
FRSH	Freshworks	15.2%	84.8%	69.7%	20.0%	46.4%	(3.2%)
FSLY	Fastly	45.0%	55.0%	52.2%	26.0%	33.9%	(9.9%)
HUBS	HubSpot	15.9%	84.1%	55.6%	30.1%	44.7%	2.5%
INTU	Intuit	20.1%	79.9%	34.9%	15.8%	26.5%	31.3%
KVYO	Klaviyo	24.9%	75.1%	59.1%	24.7%	43.0%	(7.2%)
MNDY	Monday.com	10.8%	89.2%	63.1%	25.6%	50.9%	1.2%
NOW	ServiceNow	21.9%	78.1%	41.7%	22.5%	33.7%	19.2%
OKTA	Okta	22.9%	77.1%	50.6%	22.2%	34.8%	7.0%
ORCL	Oracle	31.5%	68.5%	16.8%	16.6%	14.2%	45.5%
PANW	Palo Alto Networks	26.5%	73.5%	39.0%	21.3%	33.5%	16.8%
PATH	UiPath	16.8%	83.2%	57.4%	25.1%	43.9%	1.9%
PAYC	Paycom	17.1%	82.9%	36.7%	13.9%	23.0%	39.1%
PCTY	Paylocity	31.2%	68.8%	36.6%	13.1%	23.3%	25.6%
PD	PagerDuty	15.6%	84.4%	60.1%	26.4%	39.2%	0.4%
PEGA	Pegasystems	24.3%	75.7%	40.5%	17.8%	32.6%	19.7%
PTC	PTC	16.2%	83.8%	28.9%	16.7%	20.7%	41.2%
QLYS	Qualys	17.6%	82.4%	32.0%	17.9%	21.1%	34.7%
SHOP	Shopify	51.3%	48.7%	19.0%	14.0%	14.8%	16.3%
SNOW	Snowflake	32.9%	67.1%	56.9%	44.5%	44.3%	(30.2%)
SPT	Sprout Social	22.3%	77.7%	65.5%	22.7%	42.5%	(8.0%)
TEAM	Atlassian	17.1%	82.9%	34.4%	51.7%	22.0%	(2.1%)
TWLO	Twilio	50.7%	49.3%	25.3%	20.5%	16.7%	5.7%
UPLD	Upland Software	26.8%	73.2%	39.2%	17.2%	21.4%	3.1%
VRNS	Varonis Systems	20.0%	80.0%	65.3%	36.8%	49.2%	(18.8%)
WDAY	Workday	24.4%	75.6%	37.4%	28.8%	27.8%	10.6%
WIX	Wix.com	31.6%	68.4%	33.6%	29.1%	24.3%	8.2%
WK	Workiva	22.5%	77.5%	60.1%	24.9%	47.0%	(6.1%)
YEXT	Yext	24.7%	75.3%	49.0%	19.7%	33.1%	14.5%
ZM	Zoom Communications	23.1%	76.9%	36.6%	17.5%	28.9%	44.6%
ZS	Zscaler	23.3%	76.7%	55.9%	25.4%	46.7%	(0.4%)
Min		10.5%	45.9%	16.8%	13.1%	14.2%	(30.2%)
Median		23.0%	77.0%	41.3%	23.7%	33.5%	13.4%
Mean		25.6%	74.4%	45.2%	24.5%	32.7%	9.9%
Max		54.1%	89.5%	78.4%	51.7%	52.9%	45.5%

BALANCE SHEET METRICS

FA SaaS Index - Balance Sheet Metrics - As of Q4 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	10.4%	41.3%	0.8x	37.5	208.4	121.6%	92.5%
AGYS	Agilysys	5.6%	8.9%	1.2x	44.9	48.9	82.0%	5.1%
APPF	AppFolio	34.9%	43.4%	3.0x	11.6	3.3	33.2%	6.9%
BLKB	Blackbaud	(10.5%)	(137.5%)	0.7x	32.8	486.0	145.5%	N/A
BSY	Bentley Systems	7.9%	24.3%	0.6x	72.9	49.0	163.3%	106.4%
CDNS	Cadence Design Systems	11.5%	21.9%	3.0x	24.8	84.8	32.8%	47.7%
COUR	Coursera	(4.8%)	(7.5%)	2.6x	25.7	89.4	39.0%	0.0%
CWAN	Clearwater Analytics Holdings	21.6%	30.3%	2.0x	38.4	25.0	50.9%	42.9%
FDS	FactSet Research Systems	14.2%	29.0%	1.4x	40.9	73.2	71.4%	69.8%
GWRE	Guidewire Software	3.5%	6.7%	3.5x	34.6	24.2	28.7%	45.9%
IOT	Samsara	(2.0%)	(3.7%)	1.6x	54.3	34.9	64.1%	4.8%
MCO	Moody's Investors Service	14.5%	58.9%	1.8x	86.7	60.8	54.3%	176.7%
MORN	Morningstar	10.5%	23.7%	1.0x	54.1	44.4	96.6%	66.2%
MSCI	MSCI	22.7%	N/A	0.9x	89.6	47.8	113.4%	N/A
NCNO	nCino	(0.9%)	(1.4%)	1.0x	50.2	21.1	99.5%	25.0%
NICE	NICE	10.7%	15.4%	1.4x	84.0	31.9	70.9%	1.9%
PCOR	Procore Technologies	(6.2%)	(10.1%)	1.3x	56.2	36.6	75.0%	5.2%
QTWO	Q2 Software	2.4%	5.7%	1.0x	27.8	10.5	103.4%	5.8%
ROP	Roper Technologies	4.8%	8.2%	0.6x	40.6	40.1	173.3%	45.8%
SPSC	SPS Commerce	7.8%	9.4%	2.0x	30.6	16.6	50.7%	0.4%
SSNC	SS&C Technologies	4.4%	12.5%	1.1x	52.8	11.0	89.6%	97.2%
TEMN	Temenos	13.7%	40.6%	0.4x	67.6	330.7	241.8%	134.9%
TYL	Tyler Technologies	6.0%	9.1%	1.0x	99.8	48.7	97.3%	1.0%
U	Unity Software	(6.5%)	(13.6%)	2.8x	117.4	324.1	35.9%	64.7%
VEEV	Veeva Systems	11.4%	13.8%	7.5x	59.3	32.9	13.3%	1.1%
Min		(10.5%)	(137.5%)	0.4x	11.6	3.3	13.3%	0.0%
Median		7.8%	11.0%	1.3x	50.2	44.4	75.0%	42.9%
Mean		7.5%	9.6%	1.8x	53.4	87.4	85.9%	45.6%
Max		34.9%	58.9%	7.5x	117.4	486.0	241.8%	176.7%

Horizontal SaaS Companies

ADBE	Adobe	23.7%	53.5%	1.0x	30.5	95.6	98.2%	55.8%
ADP	Automatic Data Processing	7.4%	71.7%	1.1x	60.8	27.1	94.9%	67.7%
ASAN	Asana	(25.1%)	(98.2%)	1.4x	34.4	171.0	71.7%	119.6%
BOX	Box	14.4%	N/A	1.2x	66.8	113.6	83.3%	N/A
CRM	Salesforce	7.4%	12.0%	1.0x	58.1	236.1	101.6%	17.6%
CRWD	CrowdStrike Holdings	(3.5%)	(9.0%)	1.8x	74.4	29.9	55.2%	19.8%
DBX	Dropbox	17.4%	N/A	0.6x	10.4	71.3	175.8%	N/A
DDOG	Datadog	1.9%	3.6%	3.7x	62.1	84.6	27.3%	36.2%

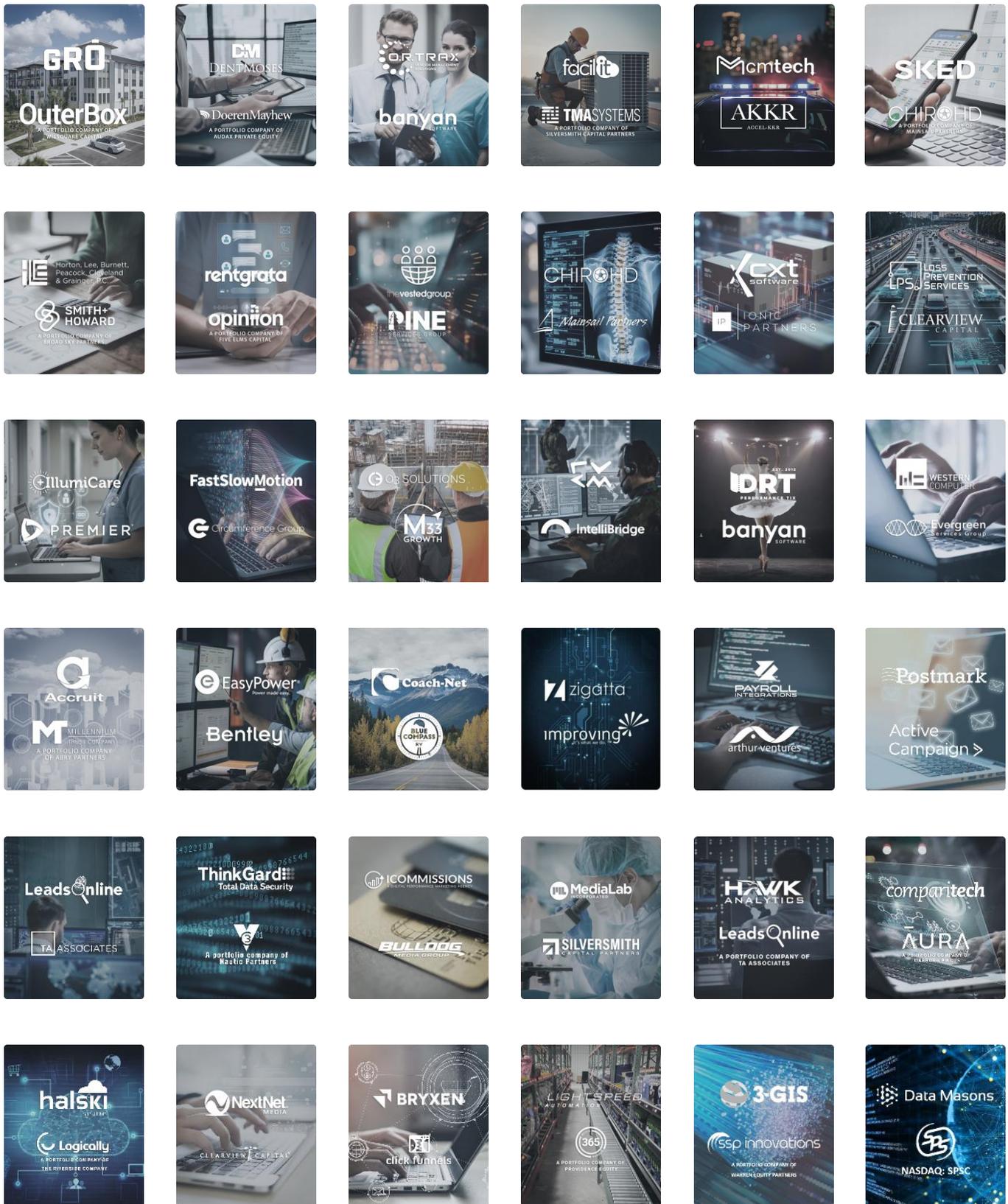
BALANCE SHEET METRICS, CONTINUED

FA SaaS Index - Balance Sheet Metrics - As of Q4 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	7.7%	15.1%	0.7x	40.4	11.9	136.5%	6.8%
DOMO	Domo	(34.8%)	N/A	0.5x	62.5	104.0	203.6%	N/A
EGAN	eGain	27.5%	52.7%	1.8x	87.0	31.0	56.9%	2.6%
ESTC	Elastic	(4.5%)	(12.3%)	2.0x	62.8	52.8	50.8%	65.5%
FIVN	Five9	1.6%	4.7%	4.6x	34.6	24.2	21.7%	100.3%
FRSH	Freshworks	(2.0%)	(2.9%)	2.3x	51.3	59.2	44.1%	3.7%
FSLY	Fastly	(9.5%)	(14.6%)	1.5x	71.3	20.0	68.6%	21.0%
HUBS	HubSpot	(0.1%)	(0.2%)	1.6x	37.7	10.6	62.2%	12.6%
INTU	Intuit	12.0%	21.6%	1.4x	12.3	101.5	72.2%	31.2%
KVYO	Klaviyo	(4.9%)	(6.1%)	4.9x	15.9	30.1	20.5%	7.8%
MNDY	Monday.com	3.6%	5.8%	2.7x	8.9	127.7	37.5%	7.3%
NOW	ServiceNow	8.4%	16.9%	1.1x	47.0	27.9	94.1%	20.3%
OKTA	Okta	2.1%	3.0%	1.5x	59.4	7.0	68.2%	1.1%
ORCL	Oracle	8.9%	73.4%	0.9x	51.5	108.6	110.0%	381.8%
PANW	Palo Alto Networks	5.1%	15.5%	1.0x	67.9	30.3	101.5%	4.0%
PATH	UiPath	8.4%	13.0%	2.7x	79.5	77.3	37.7%	3.7%
PAYC	Paycom	10.2%	27.4%	1.2x	6.6	32.3	81.8%	3.6%
PCTY	Paylocity	4.9%	19.4%	1.1x	8.4	7.6	93.1%	11.6%
PD	PagerDuty	16.7%	87.0%	2.4x	61.4	37.4	42.2%	119.2%
PEGA	Pegasystems	19.1%	48.1%	1.4x	42.1	19.0	73.6%	10.5%
PTC	PTC	11.7%	21.4%	1.1x	106.3	57.6	89.4%	34.5%
QLYS	Qualys	19.3%	38.4%	1.4x	73.6	5.0	72.4%	8.9%
SHOP	Shopify	12.9%	15.5%	3.9x	3.8	52.7	25.4%	1.4%
SNOW	Snowflake	(16.1%)	(52.4%)	1.4x	60.5	52.8	73.2%	124.0%
SPT	Sprout Social	(11.0%)	(26.7%)	0.9x	54.9	31.4	112.4%	29.2%
TEAM	Atlassian	(3.3%)	(14.6%)	1.3x	41.9	104.3	79.1%	85.3%
TWLO	Twilio	0.7%	0.8%	4.7x	43.5	22.8	21.3%	13.4%
UPLD	Upland Software	(9.1%)	N/A	0.8x	42.0	28.9	129.0%	287.7%
VRNS	Varonis Systems	(7.1%)	(26.1%)	1.8x	87.3	14.7	55.3%	84.6%
WDAY	Workday	3.7%	7.2%	1.8x	63.9	15.5	54.7%	41.4%
WIX	Wix.com	7.0%	N/A	1.6x	9.5	20.8	61.6%	N/A
WK	Workiva	(3.5%)	N/A	1.6x	57.9	26.3	63.4%	N/A
YEXT	Yext	4.5%	17.3%	1.1x	60.6	41.0	91.4%	105.2%
ZM	Zoom Communications	14.5%	17.8%	4.4x	35.9	25.4	22.5%	0.3%
ZS	Zscaler	(0.7%)	(2.4%)	1.8x	79.3	22.1	54.8%	89.1%
Min		(34.8%)	(98.2%)	0.5x	3.8	5.0	20.5%	0.3%
Median		4.1%	9.6%	1.4x	53.2	30.6	71.9%	21.0%
Mean		3.3%	10.3%	1.8x	49.4	52.3	74.7%	52.8%
Max		27.5%	87.0%	4.9x	106.3	236.1	203.6%	381.8%

FOUNDERS TECHNOLOGY TRANSACTIONS



FOUNDERS ADVISORS ANNOUNCES STRATEGIC REORGANIZATION

In January 2026, Founders Advisors announced a strategic reorganization and the promotion of four new Partners. The firm expanded its leadership team and introduced structural changes to enhance client service and support continued growth across its industry-focused practices. Learn more about the announcement [here](#).

ORDER

SERVICE

GROWTH

EXCELLENCE

HEALTH

COMMUNITY

Technology Team Contacts

Chris Weingartner

Practice Head

cweingartner@foundersib.com

Brad Johnson

Managing Director

bjohnson@foundersib.com

Billy Pritchard

Managing Director

bpritchard@foundersib.com

William Short

Director

wshort@foundersib.com

Chris Jenkins

Vice President

cjenkins@foundersib.com

Tucker Helms

Vice President

thelms@foundersib.com

Swede Umbach

Vice President

sumbach@foundersib.com

Hampton Simms

Associate

hsimms@foundersib.com

James Childs

Senior Analyst

jchilds@foundersib.com

Robert Reed

Analyst

rreed@foundersib.com

Graham Barnett

Analyst

gbarnett@foundersib.com

Rachael Jenkins

Practice Manager

rjenkins@foundersib.com

Zane Tarence

Partner

ztarence@foundersib.com

FOUNDERS ADVISORS

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Sell-Side
Advisory



Strategic
Advisory



Capital
Raises



Spin-Offs /
Divestitures

TECHNOLOGY TEAM OVERVIEW

Vertical & Horizontal Software

Software-as-a-Service business models delivering proprietary software platforms for a specific industry (Vertical) or an industry agnostic use case (Horizontal)

Tech-Enabled Services

B2B services that leverage technology solutions to deliver a product or service in a faster and more efficient manner than traditional methods

KEY SUB-SECTORS

GovTech	Digital Supply Chain	Managed Service Providers	ERP Consulting Partners
MarTech	FP&A Software	Cyber Security Services	IT Consulting Partners
Health Tech	Home & Facility Services	Marketing Services	Digital Media
Construction & PropTech	FinTech	eCommerce	Payments

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