

TECHNOLOGY SECTOR 2022 YEAR IN REVIEW SOFTWARE

OBJECTIVE

Investment Banking & Valuation

INTRODUCTION

Within the broader Technology sector, Objective Investment Banking & Valuation is particularly focused on Software-as-a-Service (SaaS), which includes many different verticals including, **BI & Analytics, Collaboration & Communication, Dev Ops & IT Management, ERP & Supply Chain, Financial Applications, HR Tech, Sales & Marketing, Security, and Vertically Focused Software.**, all of which enjoy:

1. Powerful business models that, when alongside world-class sales efficiency and retention metrics, generate new recurring revenue with unprecedented efficiency
2. Increasing M&A activity over the past five years, growing from 800+ in 2017 to nearly 1400 in 2022; and
3. Compelling industry tailwinds driving growth and profitability.

OCP SAAS INDEX OVERVIEW

Our OCP SaaS Index comprises 94 publicly traded companies that have been determined to be SaaS businesses. This index is updated on a monthly basis to account for changes due to acquisitions, IPOs, or changes in underlying business models and is based on publicly available financial data.



OBJECTIVE OVERVIEW

Objective Investment Banking & Valuation is a leading investment banking and valuation firm, advising lower middle-market companies through the following services:

M&A ADVISORY:

- Sell-Side
- Buy-Side

VALUATION ADVISORY:

- Tax Compliance
- Transaction Opinions
- Financial Reporting
- Strategic Advisory

INDUSTRY EXPERTISE:

- Technology
- Business Services
- Consumer
- Healthcare & Life Sciences
- Manufacturing & Distribution

CONTACT INFORMATION

Please direct inquiries to:

Trever Acers*

Managing Director
trever.acers@objectivecp.com
(858) 663-8662

Michael Kim*

Managing Director
michael.kim@objectivecp.com
(858) 264-6580

SAN DIEGO

3636 Nobel Drive, Suite 160
San Diego, CA 92122

LOS ANGELES

10250 Constellation Blvd.
Los Angeles, CA 90067

* Registered Representative of BA Securities, LLC

Sources: IBISWorld, Research and Markets, Grand View Research, Silicon Valley Bank

SOFTWARE OVERVIEW (CONT.)

SELECT MARKET TAILWINDS

1. The increasing adoption of SaaS solutions by businesses of all sizes is driving growth in the SaaS M&A market. Companies are looking to acquire SaaS businesses to tap into this growth and expand their offerings.
2. The SaaS M&A market has been attracting significant investment, which has driven up valuations and competition for acquisitions. This has led to an increase in M&A activity in the SaaS space.
3. The focus on digital transformation has led to increased demand for SaaS solutions that can help companies streamline processes, improve efficiency, and drive growth. This has created opportunities for M&A activity as companies look to acquire solutions that can help them achieve these goals.
4. The growth of cloud computing has made it easier and more cost-effective for businesses to adopt SaaS solutions, which has driven growth in the SaaS M&A market. This has enabled companies to better manage their IT needs and create new opportunities for M&A activity in the SaaS space.

SELECT MARKET HEADWINDS

1. Rising interest rates will continue to impact valuations for SaaS companies. The value of a company is based on the net present value of its future cash flows. If interest rates rise, the discount rate used to value a company's cash flows increases with it, thus lowering its valuation.
2. Companies relying on public market valuations to help price their financing rounds have had to lower pricing expectations with fewer marquee IPOs to help fuel valuation levels. After a record 2020 and 2021, IPOs have been virtually non-existent in 2022.
3. A potential recession on the horizon could severely impact SaaS revenues, putting further pressure on valuations and overall health of the industry. Throughout 2020 and 2021, there was an exuberance surrounding SaaS businesses as companies around the world, regardless of industry, needed more software to serve their end-users, customers, and employees.
4. The increasing scrutiny of data privacy and security has led to increased regulation of the SaaS M&A market. This can make it more difficult for companies to complete M&A transactions and can increase the cost and complexity of acquiring SaaS businesses.

OBJECTIVE OVERVIEW

Objective Investment Banking & Valuation is a leading investment banking and valuation firm, advising lower middle-market companies through the following services:

M&A ADVISORY:

- Sell-Side
- Buy-Side

VALUATION ADVISORY:

- Tax Compliance
- Transaction Opinions
- Financial Reporting
- Strategic Advisory

INDUSTRY EXPERTISE:

- Technology
- Business Services
- Consumer
- Healthcare & Life Sciences
- Manufacturing & Distribution

CONTACT INFORMATION

Please direct inquiries to:

Trever Acers*

Managing Director
trever.acers@objectivecp.com
(858) 663-8662

Michael Kim*

Managing Director
michael.kim@objectivecp.com
(858) 264-6580

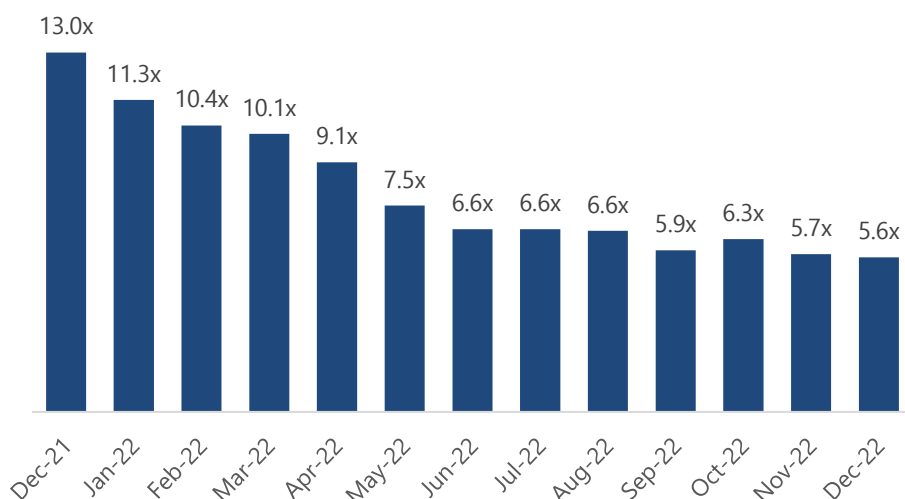
Ben Hefter

Investment Banking Senior Analyst
benjamin.hefter@objectivecp.com

** Registered Representative of BA Securities, LLC*

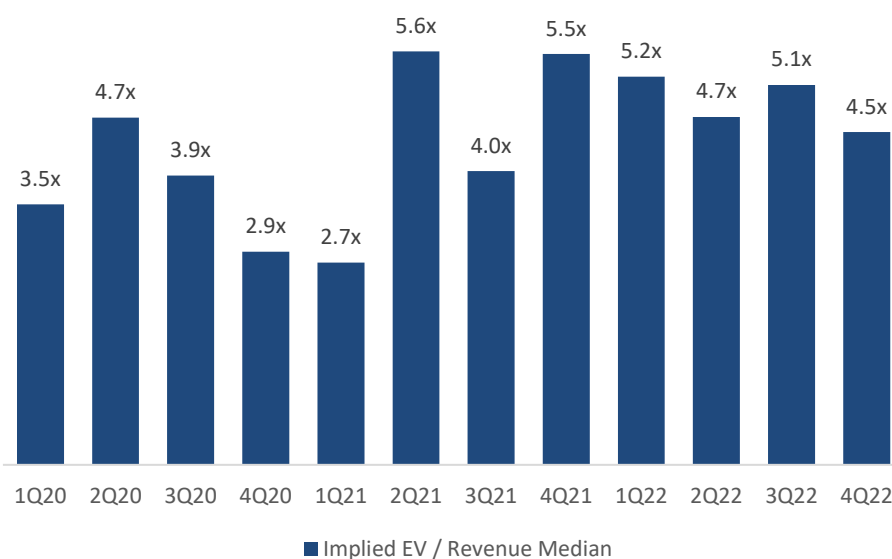
SAAS TRADING MULTIPLES:

MEDIAN EV/LTM REVENUE MULTIPLE



SAAS M&A MULTIPLES:

MEDIAN EV/LTM REVENUE MULTIPLE



M&A COMMENTARY

After a period of modest EV/Revenue multiple expansion, SaaS companies saw unprecedented valuations coming out of the COVID pandemic as work from home and the need for digital transformation effected virtually every industry across the globe.

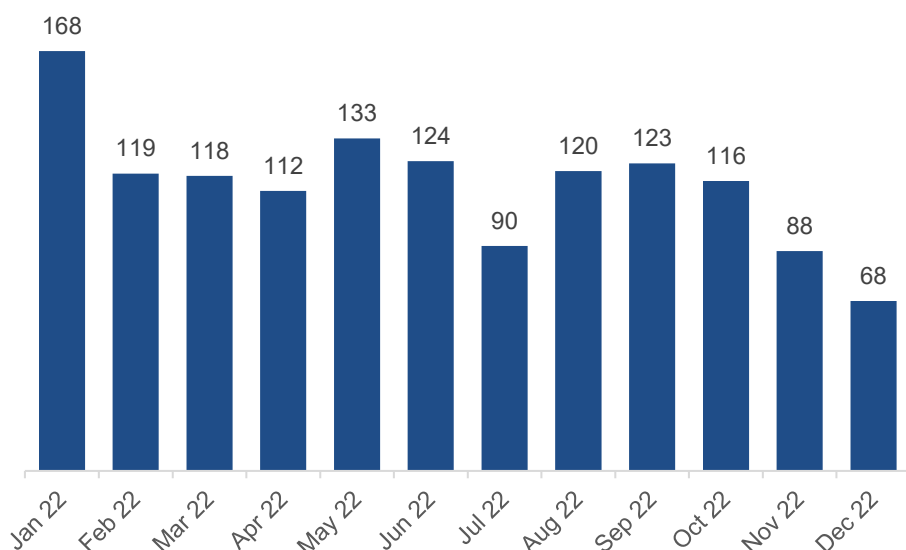
In 2022, SaaS companies saw macroeconomic uncertainty, rising interest rates, and explosive inflation put tremendous pressure on valuation multiples, resulting in over 50% reduction in EV/Revenue multiples since their record highs in 2021.

SaaS M&A deal volume, while down from the record levels of 2021, continues to be strong and significantly above pre-pandemic trends. This shows that there is still significant interest from strategic buyers and financial buyers for high-quality SaaS businesses in rapidly evolving markets.

With private equity buyers accounting for nearly 60% of transactions and having a record amount of dry powder, Objective continues to see premium valuations for high-quality companies with attractive growth profiles, high gross retention, strong product differentiation, and paths to profitability.

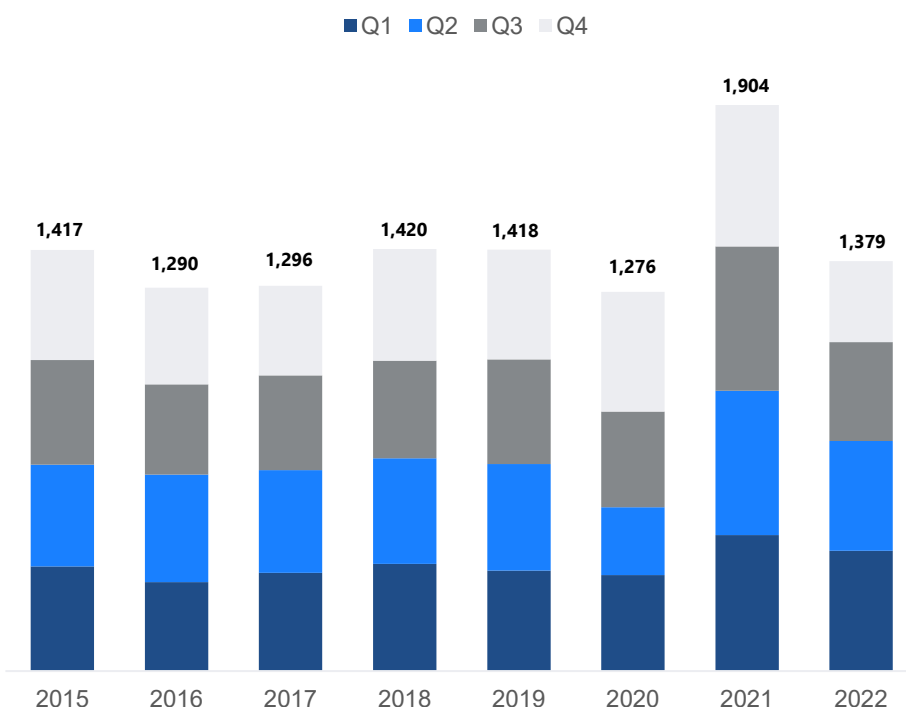
SAAS M&A DEAL VOLUME BY MONTH:

SEPTEMBER 2021 – SEPTEMBER 2022



SAAS M&A DEAL VOLUME BY YEAR:

2015 - 2022



M&A COMMENTARY

In 2022, the volume of SaaS M&A deals remained robust, reflecting continued interest in the growing SaaS market.

Despite some uncertainty in the broader economy, SaaS companies continued to attract significant investment and M&A activity, driven by the shift to remote work and the increasing focus on digital transformation.

Overall, the SaaS M&A market in 2022 demonstrated resilience and continued growth, reflecting the ongoing demand for SaaS solutions and the continued investment in the SaaS space.

Objective expects the SaaS M&A market to continue to be active in 2023, driven by the growing adoption of SaaS solutions and the ongoing focus on digital transformation. With many companies looking to acquire SaaS businesses to tap into the growth of the market and expand their offerings, the volume of SaaS M&A deals is likely to remain robust.

Additionally, the ongoing shift to remote work and the continued growth of cloud computing are expected to drive demand for SaaS solutions, creating further opportunities for M&A activity in the SaaS space.

TECHNOLOGY SECTOR 2022 YEAR IN REVIEW SOFTWARE


































OBJECTIVE

Investment Banking & Valuation


























SELECT MOST ACTIVE BUYERS⁽¹⁾

Announced and Completed in the Last 12 Months

STRATEGIC BUYERS

Buyer	Deal Count	SaaS Seller
 VISMA	16	 upodi™  rompslomp  appical Bokio Iyanthe
 HARRIS	11	 Onefile  globys™  IBM (certain assets)  Allscripts® (certain assets)  2 Team  Prism rbs retail business solutions
 VOLARIS	9	 purpleview  AMS Simplifying Complexity  Sunrise®  alemba SERVICE MANAGER  EASA
 VALSOFT	13	 aim Computer Solutions  M&I BROADCAST SERVICES  INTECH® A GLENORE Company  WOODY  WorkDynamics Document Management Platform
 Google Cloud Platform	5	 CompilerWorks®  Simplify  MANDIANT  MobileedgeX  BreezeMeter
 AUTODESK	4	 ProEst ™  MOXION  prodsmart THE WILD

PRIVATE EQUITY BUYERS

Buyer	Deal Count	SaaS Seller
 MAIN CAPITAL PARTNERS	15	 avinty  iqs CAQ with a difference  PLATO SOLUTIONS BY SOFTWARE  FleetGO  WANKO INFORMATIONSLISTIK  audimex ¹ ag software for internal audit & compliance
 VISTA	8	 blueconic  tigerconnect  StarRez  BIGTIME  jebbit
 THOMABRAVO	8	 Bottomline  UserZoom  circle CARDIOVASCULAR IMAGING  Anaplan  PingIdentity.
 FP FRANCISCO PARTNERS	4	 GAINS  SAP Litmos  drawbridge  bswift
 STG SYMPHONY TECHNOLOGY GROUP	3	 Onclusive  gloo KANTAR (certain assets)

(1) Transactions listed may not include all transactions made by the buyer. A blue box indicates an Objective transaction.

Sources: CapitalIQ.com











TECHNOLOGY SECTOR 2022 YEAR IN REVIEW SOFTWARE

OBJECTIVE

Investment Banking & Valuation











MIDDLE MARKET TRANSACTIONS

ENTERPRISE VALUE (EV) LESS THAN \$1B

Buyer	Seller	EV (M)	EV/ Revenue	Seller Vertical	Seller Description
 CommerceHub	 channeladvisor	\$664.0	3.8x	E-commerce	E-commerce and digital marketing SaaS for brands and retailers
 tufin	 TURN RIVER	\$570	5.1x	Security	Software that helps organizations visualize, define and enforce security
 cadence	 OpenEye SCIENTIFIC	\$500.0	NA	Life Science	Scientific software designed for molecular modelling applications
 DigitalOcean	 CLOUDWAYS	\$350.0	NA	Business/ Productivity	Managed cloud hosting software designed for SMBs
 newfold digital	 MarkMonitor	\$302.5	NA	Security	Brand protection SaaS, APIs, and related mobile applications

LOWER MIDDLE MARKET TRANSACTIONS

ENTERPRISE VALUE (EV) LESS THAN \$250MM

Buyer	Seller	EV (M)	EV/ Revenue	Seller Vertical	Seller Description
 CLEARHAVEN PARTNERS	 SUN DAY SKY	\$100.0	NA	Multimedia	Video engagement platform designed to engage people with personalized brands
 VOXTUR	 Blue Water Financial Technologies	\$97.3	NA	Financial Services	Conservative risk management software for mortgage lenders
 BD	 MedKeeper	\$93.0	NA	ERP	Software designed to improve efficiency and compliance in hospital pharmacy operations
 VITEC vertical software	 ABS Laundry Business Solutions	\$82.6	NA	ERP	ERP software for businesses in the laundry and textile rental industry
 VISMA	 HOUSE OF CONTROL	\$61.9	3.0x	Contract Management	Contract management software for businesses in the finance and accounting industry

Sources: CapitalIQ.com

SELECT RECENT M&A TRANSACTIONS

Broadcom Acquires VMWare for \$70.4B (May 2022)

Broadcom's acquisition of VMware was driven by the opportunity to expand its presence in the fast-growing cloud and virtualization market, as well as to add complementary technology and expertise to its portfolio. VMware is a leading provider of cloud and virtualization solutions, with a strong reputation for innovation and a large and loyal customer base. The acquisition allows Broadcom to better serve its customers and to drive growth in the cloud and virtualization market by leveraging VMware's technology, expertise, and customer relationships.



Adobe Acquires Figma for \$19.4B (Sep 2022)

Adobe's acquisition of Figma was driven by the opportunity to expand its creative software portfolio and to add a leading player in the fast-growing online design collaboration market. Figma is a cloud-based platform that allows teams to design, prototype, and collaborate in real-time, making it a valuable addition to Adobe's suite of creative tools. The acquisition allows Adobe to better serve its customers, particularly in the design and collaboration space, by offering a more comprehensive and integrated set of tools for creative teams.



Vista Equity Partners Acquires Citrix for \$17.1B (Sep 2022)

Vista Equity's acquisition of Citrix was driven by the rationale of expanding Vista's portfolio of software companies while tapping into Citrix's expertise in the virtualization and cloud computing space. Citrix has a strong reputation for providing remote access and virtualization solutions, which are increasingly relevant in today's rapidly evolving digital landscape. Additionally, the acquisition was seen as an opportunity for Vista to capitalize on the growing demand for cloud-based solutions and software-as-a-service (SaaS) offerings.



Vista Equity Partners Acquires Avalara for \$8.4B (Oct 2022)

Anaplan lets you contextualize real-time performance, and forecast future outcomes for faster, confident decisions. Anaplan enables connected strategy and planning across an enterprise to move the business forward. Based in San Francisco, Anaplan has over 200 partners and more than 2,000 customers worldwide.



Thoma Bravo to Acquire Ping Identity for \$2.8B (Oct 2022)

Thoma Bravo's acquisition of Ping Identity was driven by the rationale of expanding the company's cybersecurity and identity management offerings. Ping Identity is a leading provider of identity and access management solutions that enable secure and seamless access to enterprise applications and data.



TECHNOLOGY SECTOR 2022 YEAR IN REVIEW SOFTWARE

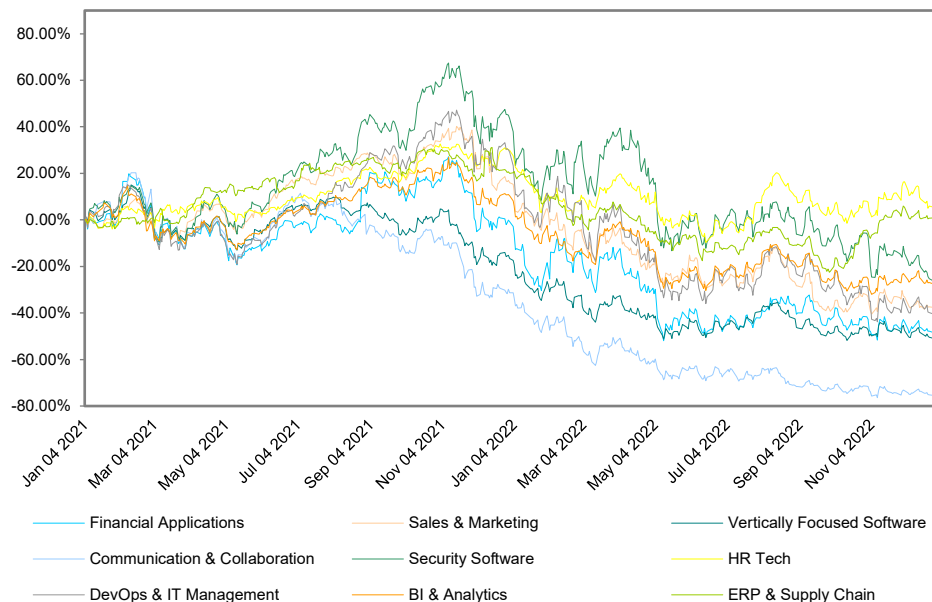
OBJECTIVE

Investment Banking & Valuation

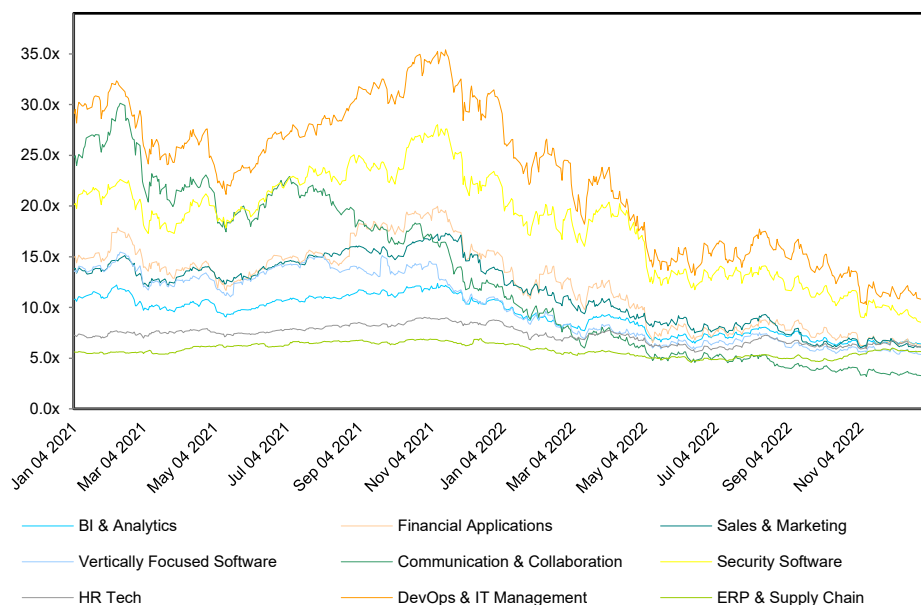
OBJECTIVE'S SAAS INDEX

PERFORMANCE & VALUATION BY SOFTWARE VERTICAL

TOTAL MARKET CAP BY SOFTWARE VERTICAL



MEDIAN EV / REVENUE MULTIPLE BY SOFTWARE VERTICAL



INDEX COMMENTARY

In 2022, due to a rising interest rate environment, decades high inflation, and geopolitical headwinds, all software verticals experienced decreasing revenue multiples, with several verticals seeing over 50% reduction in multiples since their highs in 2021. Communication & Collaboration and Security Software verticals have been hit especially hard, down over 88% and 68% respectively. ERP & Supply Chain and HR Tech verticals have held up the best, with EV / Revenue multiples down only 18% and 32% respectively.

Although 2022 was a volatile year for all software verticals in the public markets, it appears that we may have found a bottom, with multiples appearing to stabilize in the second half of the year. Cash-burning SaaS businesses will continue to be punished as the rotation into safer investments, whereas high-quality businesses with strong unit economics and customer metrics should still attract significant interest from investors.

Financial buyers still have an incredible \$1.3 trillion of dry powder globally which still needs to be deployed. Many firms are likely to double down on their existing investments that are performing well and focus on add-on acquisitions. SaaS businesses with high gross margins and high gross revenue retention will continue to have significant interest from a multitude of buyers.

Sources: CapitalIQ.com

TECHNOLOGY SECTOR 2022 YEAR IN REVIEW SOFTWARE

OBJECTIVE

Investment Banking & Valuation

PUBLIC COMPANY COMPARABLES

COMMENTARY

Although the median OCP SaaS Index LTM EV/Revenue multiples are down over 50% from their highs in 2021, public SaaS multiples appear to have reached a bottom with many verticals beginning to stabilize in the 2nd half of 2022. Economic uncertainty and acceptance of interest rates staying higher for longer has resulted in increased risk aversion and a flight to safer investments which has caused the multiples for unprofitable SaaS companies to struggle. Recent macroeconomic indicators are beginning to show a cooling of inflation into 2023, indicating the potential for a near-term easing of interest rates, which should bode well for multiples going forward.

BI & ANALYTICS

(\$ in MM) COMPANY	SHARE PRICE 12/30/22	% of 52- WEEK HIGH	MARKET CAP	EV	LTM EV /		LTM GROWTH RATE
					REVENUE	EBITDA	
Verisk Analytics, Inc.	\$176.42	77%	\$27,590	\$30,991	10.2x	22.2x	3%
Dynatrace, Inc.	38.30	62%	11,025	10,743	10.3x	91.3x	28%
Elastic N.V.	51.50	41%	4,924	4,666	4.8x	na	33%
Alteryx, Inc.	50.67	66%	3,501	4,084	5.6x	na	39%
New Relic, Inc.	56.45	51%	3,858	3,596	4.2x	na	19%
Teradata Corporation	33.66	64%	3,427	3,549	2.0x	12.2x	(6%)
Sumo Logic, Inc.	8.10	58%	972	653	2.3x	na	26%
Domo, Inc.	14.24	25%	492	548	1.8x	na	22%
Median					4.5x	22.2x	24%
Mean					5.1x	41.9x	21%

COMMUNICATION & COLLABORATION

(\$ in MM) COMPANY	SHARE PRICE 12/30/22	% of 52- WEEK HIGH	MARKET CAP	EV	LTM EV /		LTM GROWTH RATE
					REVENUE	EBITDA	
Zoom Video Communications, Inc.	\$67.74	35%	\$19,802	\$14,737	3.4x	19.3x	11%
Dropbox, Inc.	22.38	87%	7,878	8,704	3.8x	16.8x	9%
Twilio Inc.	48.96	18%	9,025	6,070	1.7x	nm	43%
Box, Inc.	31.13	94%	4,449	5,117	5.3x	58.3x	15%
Five9, Inc.	67.86	47%	4,784	4,998	6.7x	nm	32%
RingCentral, Inc.	35.40	18%	3,399	4,970	2.8x	nm	32%
Smartsheet Inc.	39.36	50%	5,169	4,805	6.7x	nm	41%
Workiva Inc.	83.97	63%	4,412	4,353	8.5x	nm	24%
Asana, Inc.	13.77	18%	2,930	2,643	5.2x	nm	52%
Everbridge, Inc.	29.58	43%	1,181	1,520	3.6x	nm	22%
8x8, Inc.	4.32	24%	482	949	1.4x	nm	26%
Bandwidth Inc.	22.95	31%	581	921	2.0x	70.1x	8%
Kaltura, Inc.	1.72	45%	229	196	1.2x	nm	6%
Median					3.6x	38.8x	24%
Mean					4.0x	41.1x	25%

EV / Revenue multiples greater than 100x are considered non meaningful ("nm"). EV / EBITDA multiples less than zero or greater than 125x are considered non meaningful ("nm").

Sources: CapitalIQ.com

TECHNOLOGY SECTOR 2022 YEAR IN REVIEW SOFTWARE

OBJECTIVE

Investment Banking & Valuation

PUBLIC COMPANY COMPARABLES

FINANCIAL APPLICATIONS

(\$ in MM) COMPANY	SHARE PRICE 12/30/22	% of 52- WEEK HIGH	MARKET CAP	EV	LTM EV /		LTM GROWTH RATE
					REVENUE	EBITDA	
Bill.com Holdings, Inc.	\$108.96	42%	\$11,514	\$10,739	14.3x	nm	149%
BlackLine, Inc.	67.27	64%	4,021	4,400	8.8x	nm	23%
ACI Worldwide, Inc.	23.00	64%	2,585	3,523	2.5x	12.5x	11%
Clearwater Analytics Holdings, Inc.	18.75	80%	3,550	3,397	11.7x	nm	23%
nCino, Inc.	26.44	46%	2,936	2,911	7.8x	nm	46%
Vertex, Inc.	14.51	75%	2,177	2,174	4.6x	nm	14%
Q2 Holdings, Inc.	26.87	33%	1,545	1,883	3.4x	nm	16%
AvidXchange Holdings, Inc.	9.94	62%	1,975	1,664	5.6x	nm	29%
Median					6.7x	12.5x	23%
Mean					7.3x	12.5x	39%

DEV OPS & IT MANAGEMENT

(\$ in MM) COMPANY	SHARE PRICE 12/30/22	% of 52- WEEK HIGH	MARKET CAP	EV	LTM EV /		LTM GROWTH RATE
					REVENUE	EBITDA	
ServiceNow, Inc.	\$388.27	59%	\$78,281	\$76,450	11.0x	113.1x	25%
Snowflake Inc.	143.54	41%	46,162	42,486	22.8x	nm	81%
Atlassian Corporation	128.68	33%	32,880	32,648	11.7x	nm	33%
Datadog, Inc.	73.50	40%	23,341	22,411	14.6x	nm	74%
Dynatrace, Inc.	38.30	62%	11,025	10,743	10.3x	91.3x	28%
Nutanix, Inc.	26.05	77%	5,994	6,056	3.7x	nm	12%
GitLab Inc.	45.44	50%	6,800	5,924	15.6x	nm	72%
SolarWinds Corporation	9.36	63%	1,513	2,682	3.7x	16.2x	(30%)
Appian Corporation	32.56	46%	2,362	2,330	5.2x	nm	29%
JFrog Ltd.	21.33	67%	2,139	1,728	6.6x	nm	38%
Fastly, Inc.	8.19	22%	990	1,293	3.1x	nm	21%
Median					10.3x	91.3x	29%
Mean					9.9x	73.5x	35%

ERP & SUPPLY CHAIN

(\$ in MM) COMPANY	SHARE PRICE 12/30/22	% of 52- WEEK HIGH	MARKET CAP	EV	LTM EV /		LTM GROWTH RATE
					REVENUE	EBITDA	
Oracle Corporation	\$81.74	91%	\$220,392	\$304,431	6.6x	16.6x	11%
SAP SE	103.01	77%	119,992	123,817	4.2x	19.8x	(6%)
The Sage Group plc	8.98	87%	9,161	9,977	4.6x	21.2x	(13%)
Coupa Software Incorporated	79.17	48%	6,029	7,386	9.0x	nm	18%
SPS Commerce, Inc.	128.43	87%	4,629	4,410	10.2x	47.1x	18%
Median					6.6x	20.5x	11%
Mean					6.9x	26.2x	6%

EV / Revenue multiples greater than 100x are considered non meaningful ("nm"). EV / EBITDA multiples less than zero or greater than 125x are considered non meaningful ("nm").

Sources: CapitalIQ.com

TECHNOLOGY SECTOR 2022 YEAR IN REVIEW SOFTWARE

OBJECTIVE

Investment Banking & Valuation

PUBLIC COMPANY COMPARABLES

SALES & MARKETING

(\$ in MM) COMPANY	SHARE PRICE 12/30/22	% of 52- WEEK HIGH	MARKET CAP	EV	LTM EV /		LTM GROWTH RATE
					REVENUE	EBITDA	
Adobe Inc.	\$336.53	59%	\$156,453	\$154,990	8.8x	22.3x	12%
Salesforce, Inc.	132.59	52%	131,397	134,123	4.4x	52.4x	21%
The Trade Desk, Inc.	44.83	47%	21,945	20,890	14.1x	nm	32%
HubSpot, Inc.	289.13	43%	14,045	13,497	8.3x	nm	38%
Freshworks Inc.	14.71	55%	4,235	3,114	6.6x	nm	39%
Sprout Social, Inc.	56.46	60%	3,096	2,947	12.4x	nm	38%
Sprinklr, Inc.	8.17	51%	2,133	1,603	2.7x	nm	28%
Amplitude, Inc.	12.08	22%	1,367	1,131	5.1x	nm	50%
LivePerson, Inc.	10.14	27%	764	1,115	2.2x	nm	15%
Momentive Global Inc.	7.00	32%	1,041	1,082	2.3x	nm	11%
Yext, Inc.	6.53	64%	797	755	1.9x	nm	5%
ON24, Inc.	8.63	49%	415	83	0.4x	nm	(4%)
Median					4.8x	37.3x	24%
Mean					5.8x	37.3x	24%

SECURITY SOFTWARE

(\$ in MM) COMPANY	SHARE PRICE 12/30/22	% of 52- WEEK HIGH	MARKET CAP	EV	LTM EV /		LTM GROWTH RATE
					REVENUE	EBITDA	
Palo Alto Networks, Inc.	\$139.54	65%	\$42,191	\$42,349	7.3x	nm	28%
Fortinet, Inc.	48.89	67%	38,195	37,466	9.1x	40.5x	31%
CrowdStrike Holdings, Inc.	105.29	44%	24,679	23,005	11.3x	nm	58%
Zscaler, Inc.	111.90	34%	16,137	15,532	12.8x	nm	60%
Cloudflare, Inc.	45.21	34%	14,857	14,788	16.5x	nm	52%
Okta, Inc.	68.33	30%	10,945	10,852	6.3x	nm	50%
Tenable Holdings, Inc.	38.15	60%	4,292	4,169	6.4x	nm	27%
Qualys, Inc.	112.23	69%	4,263	3,847	8.2x	23.5x	18%
Rapid7, Inc.	33.98	28%	2,013	2,678	4.1x	nm	31%
Varonis Systems, Inc.	23.94	46%	2,639	2,165	4.7x	nm	28%
Median					7.7x	32.0x	31%
Mean					8.7x	32.0x	38%

EV / Revenue multiples greater than 100x are considered non meaningful ("nm"). EV / EBITDA multiples less than zero or greater than 125x are considered non meaningful ("nm").

Sources: CapitalIQ.com

TECHNOLOGY SECTOR 2022 YEAR IN REVIEW SOFTWARE

OBJECTIVE

Investment Banking & Valuation

PUBLIC COMPANY COMPARABLES

HR TECH

(\$ in MM) COMPANY	SHARE PRICE 12/30/22	% of 52- WEEK HIGH	MARKET CAP	EV	LTM EV /		LTM GROWTH RATE
					REVENUE	EBITDA	
Automatic Data Processing, Inc.	\$238.86	87%	\$99,086	\$101,448	6.2x	22.5x	10%
Paychex, Inc.	115.56	81%	41,656	41,268	8.7x	19.6x	11%
Workday, Inc.	167.33	60%	43,006	40,776	6.9x	nm	21%
Paycom Software, Inc.	310.31	74%	17,957	17,668	13.7x	45.1x	30%
Paylocity Holding Corporation	194.26	70%	10,815	10,825	11.9x	99.7x	35%
Ceridian HCM Holding Inc.	64.15	61%	9,853	10,705	9.0x	nm	24%
Insperty, Inc.	113.60	93%	4,309	4,138	0.7x	16.9x	21%
HealthStream, Inc.	24.84	93%	759	732	2.8x	23.4x	3%
Median					7.8x	23.0x	21%
Mean					7.5x	37.9x	19%

VERTICALLY FOCUSED

(\$ in MM) COMPANY	SHARE PRICE 12/30/22	% of 52- WEEK HIGH	MARKET CAP	EV	LTM EV /		LTM GROWTH RATE
					REVENUE	EBITDA	
Veeva Systems Inc.	\$161.38	62%	\$25,125	\$22,164	10.7x	44.5x	18%
Tyler Technologies, Inc.	322.41	59%	13,425	14,336	7.8x	41.0x	27%
Toast, Inc.	18.03	48%	9,389	8,430	3.4x	nm	73%
Procore Technologies, Inc.	47.18	56%	6,511	6,039	9.1x	nm	39%
Guidewire Software, Inc.	62.56	54%	5,122	4,913	5.8x	nm	14%
Blackbaud, Inc.	58.86	70%	3,055	3,932	3.8x	42.9x	12%
AppFolio, Inc.	105.38	82%	3,705	3,623	8.2x	nm	32%
EngageSmart, Inc.	17.60	71%	2,912	2,652	9.4x	90.2x	41%
Alarm.com Holdings, Inc.	49.48	58%	2,470	2,403	2.9x	29.5x	15%
Consensus Cloud Solutions, Inc.	53.76	82%	1,066	1,772	4.8x	13.6x	(47%)
Model N, Inc.	40.56	96%	1,515	1,474	6.7x	nm	13%
2U, Inc.	6.27	30%	490	1,371	1.4x	nm	6%
Duck Creek Technologies, Inc.	12.05	37%	1,601	1,351	4.5x	97.4x	16%
Ebix, Inc.	19.96	45%	617	1,214	1.1x	8.7x	12%
Health Catalyst, Inc.	10.63	26%	582	450	1.7x	nm	18%
Blend Labs, Inc.	1.44	14%	342	214	0.8x	nm	48%
Median					4.6x	41.9x	17%
Mean					5.1x	46.0x	21%

EV / Revenue multiples greater than 100x are considered non meaningful ("nm"). EV / EBITDA multiples less than zero or greater than 125x are considered non meaningful ("nm").

Sources: CapitalIQ.com

TECHNOLOGY SECTOR 2022 YEAR IN REVIEW SOFTWARE

OBJECTIVE

Investment Banking & Valuation

ABOUT OBJECTIVE

Founded in 2006, Objective is a Middle Market M&A and Valuation Advisory firm focused on transaction and advisory services for companies with enterprise values from \$20MM - \$100MM. Objective combines a world-class process with deep sector-specific expertise and an exceptional team of specialized professionals in an effort to consistently maximize clients' M&A and valuation advisory results.

SERVICES

M&A ADVISORY

- Sell-Side
- Buy-Side

VALUATION ADVISORY

- Tax Compliance
- Transaction Opinions
- Financial Reporting
- Strategic Advisory

INDUSTRY EXPERTISE

- Technology
- Business Services
- Consumer
- Healthcare & Life Sciences
- Manufacturing & Distribution

SELECT TRANSACTIONS

ProEst®

Has been acquired by

AUTODESK

Sell-Side Advisor to
ProEst

grasp
technologies inc.

Has been acquired by

WRS

Sell-Side Advisor to
Grasp Technologies

myers media group

Has been acquired by

**RECURRENT
CAPITAL PARTNERS**

Sell-Side Advisor to
Myers Media Group

Undisclosed Healthcare
Technology Company

Has been acquired by

Undisclosed San Francisco
Based Private Equity Firm

Sell-Side Advisor to the Undisclosed
Healthcare Technology Company

Bell Canyon

Has been acquired by

TRINITY
a portfolio
company of **PARTHENON
CAPITAL**

Sell-Side Advisor to
Bell Canyon Consulting

STUDYKIK

Has been acquired by

**Kinderhook
INDUSTRIES**

Sell-Side Advisor to
StudyKIK

AWARDS & RECOGNITIONS

AWARD / RECOGNITION	FORUM	YEAR	TYPE
Leaders of Influence: Investment Bankers, Channing Hamlet & Dan Shea	Los Angeles Business Journal	2022	Winner
50 Most Influential Investment Banks of The Year	CIO Bulletin	2021	Winner
Leaders of Influence: Investment Bankers, Channing Hamlet & Dan Shea	Los Angeles Business Journal	2021	Winner
Corporate/Strategic Deal of The Year 2020	M&A Advisor 19th Annual M&A Awards	2020	Winner
Influential Business Leader Award, Trevor Acers & David H. Crean, Ph.D.	San Diego Business Journal	2020	Winner
Leaders of Influence: Investment Bankers, Channing Hamlet & Dan Shea	Los Angeles Business Journal	2020	Winner
Most Innovative M&A Firm in California	Acquisition International	2019	Winner
Technology Deal of The Year (\$10mm-\$25mm)	M&A Advisor 18th Annual M&A Awards	2019	Finalist
Consumer Discretionary Deal of The Year (\$10mm-\$25mm)	M&A Advisor 18th Annual M&A Awards	2019	Finalist
Valuation Firm of The Year	M&A Advisor 18th Annual M&A Awards	2019	Finalist
2019 Corporate/Strategic Deal of The Year	M&A Advisor 18th Annual International M&A Awards	2019	Winner

