



# TECHNOLOGY REPORT

Explore M&A Activity, Capital Market  
Conditions and Current Trends for the  
Technology Industry

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1H 2022

**SDR***Ventures*

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## TECHNOLOGY 1H22: WHAT TO KNOW

- ❑ In tech, it's more important than ever to know what's real, and what's not. Tech remains a promising sector, but we're looking for companies that do more than make promises.
- ❑ The biggest players remain invested in technology, uncovering opportunities in cybersecurity, cloud storage, and even gaming. If it's profitable, it's in play.
- ❑ Venture capital is becoming more cautious. Dry powder still has to go somewhere, but the days of free money appear to be slowing.

### Promise Is One Thing, Performance Another

Anyone remember the dotcom bubble? Anyone? Anyone? Because we're wondering if there's something like that going on now. Maybe not that dramatic, but if you're a tech company, the mantra is starting to sound like, "Show me the money."<sup>1</sup>

For those who don't recall, in the early days of the tech boom, the 1990s, people seemed to be buying up anything that ended in .com. Then, the emperor had no clothes. Investors decided companies not only had to scale they had to make money. The Dotcom Bubble followed years of heavy investment in tech, lots of venture capital flow, and a period of record low interest rates and ... wait. This all sounds familiar. Anyone up for some Pets.com, the online pet supplier that raised \$82 million at its February 2000 IPO and went bankrupt nine months later?<sup>1,2</sup>

We're not ready to call the end of growth tech speculation. There are always opportunities for smart money. There have been amazing advances in tech. It is indeed incredible our doorbell can capture video of someone delivering something we ordered hours ago on a laptop. It's hard to believe we can say "Play something good" and a sleek piece of plastic on our countertop will play music we like. But it's starting to feel like the smart money is collectively saying, "Show us the money." We're watching interest rates rise, geopolitical uncertainty, inflation, and falling stock market valuations. The venture capital money waterfall is showing signs of drying up.<sup>3,4</sup>

That's not to say Merger & Acquisition activity has stopped. Big players are still making big investments. For companies that generate revenue – looking at you, cybersecurity and gaming – there are buyers. But these are companies that have shown they can do something, not selling dollar bills at 75 cents but making it up on volume. Not squeezing juice from a bag of pulp. The IPO market may be an indicator of investors, buffeted by uncertainty and choppy financial waters, taking a pause and turning back to fundamentals.<sup>5,6,7</sup>

Maybe the poster boy for this return to basics is the crypto currency market. It's as if we all asked, "wait, what is this stuff?" Headliners Bitcoin and Ethereum got hammered in 1H22. Now there's talk of regulation,

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## ABOUT SDR

Established in 2002, SDR Ventures has developed deep M&A and capital transaction knowledge and expertise. SDR offers transaction advisory, private capital formation and business consulting services across a wide range of industries. We serve business owners and operators of privately held companies and provide them with a professional-class experience.

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especially in “stablecoin” products, which it turns out aren’t that stable. And let’s not even get into NFTs.<sup>8</sup>

## The Tech Treasure Hunt: Real Value Over Sky Pie

We continue to believe in innovation and marvel at the changes sparked by advances in technology. But we aren’t blind to the challenges facing startups today. Money is increasingly more expensive to borrow. Investors are demanding performance and value, short and mid-term value as well as long-term. From software to medical and fintech, we’re carefully watching investor sentiment. It’s a difficult dance. Serial mega-investor SoftBank took a whuppin’ with its share in fintech startup Klarna Bank AB online payment provider’s failed quest for profit, a sign of the pain rippling through Silicon Valley.<sup>9,10</sup>

That said, the smartest men in the room (think Microsoft and Google) continue to invest in tech advances. We’re carefully watching directly applicable solutions in cloud technology, cybersecurity, and quantum computing. On the consumer side, there seems to be no end to demand for gaming. No-code e-commerce solutions are riding the pandemic’s online sales and distribution coattails, and the once-fanciful idea of virtual reality and “meta” technology is finding a real-world home in real estate and other applications.<sup>11</sup>

Green energy innovation, manufacturing automation, digital twin tech, quantum computing, cloud storage and data management all show promise and accelerated applications.<sup>13,14,15,16</sup>

## Crypto... Wait, What?

It’s impossible to talk tech without at least mentioning crypto. But if you’re investing in any facet of crypto, can you explain it in three sentences or less. If you can’t what are you doing? Because for many investors, it’s like combining The Godfather with a lawyer, they’re making a deal they can’t understand. Crypto is confusing, it’s volatile, it’s driven by sentiment and faith, it’s unregulated, and maybe it’s cyclical? It’s kind of tech-related, right? But if anyone can invent a coin, aren’t there scams to be perpetrated on the unwary (hint: there are)?<sup>17,18,19</sup>

Even “legit” players in crypto can take a hit. NASDAQ-traded Coinbase ran aground in 1H22, not only seeing profits and value tumble for the crypto-trading platform, but also revealing customers could lose their own coin holdings. Crypto lender Celsius Network saw its valuation drop from \$25 billion to \$167 million? It owes users \$4.7 billion according to a bankruptcy filing, and ... the money’s not there. The platform froze the assets of its users.<sup>20,21</sup>

We love tech. But like other investors, we want to see real income, real profit, real business. There’s a lot going on out there; inflation, war, rising interest rates. Is this the right time to gamble on something you can’t explain? There’s a real need for tech solutions in manufacturing, supply chain management, and computer chip development. We are not negative on tech by any means, but investors want to see production. Show. Us. The. Money.

## Mergers & Acquisitions

- ❑ Google was on its usual tear through the Technology Industry in 1H22 with a few major acquisitions. The company started the year in January with the \$500 million acquisition of Israeli security, orchestration, automation and response (SOAR) provider Siemplify. The cybersecurity company was one of the last standalone SOAR providers. In March, Google advanced its pursuit of cybersecurity providers with the \$5.4 billion acquisition of end-to-end security provider Mandiant, further bolstering the Google Cloud platform. Mandiant earlier announced the development of its new ransomware service, Mandiant Advantage. And in May, Google snapped up a relatively young California startup, five-year-old display tech company Raxium, which focuses on display solutions for wearable tech and augmented and virtual reality. Terms were not announced but estimates peg the value at up to \$1 billion.<sup>22,23,24</sup>
- ❑ Gaming was a hot ticket to start the year as Microsoft, Sony, and Take-Two Interactive jumped into what’s being called the “biggest year” ever for acquisitions in the gaming industry. Take-Two, known for its Grand Theft Auto series, in May bought FarmVille maker Zynga, which focus on online and social media gaming, for \$12.7 billion. Sony in January paid \$3.6 billion for Bungie, the maker of the Halo and Destiny franchises. And Microsoft made a huge splash in January with the massive \$68.7 billion announced acquisition of hitmaker Activision Blizzard, producers of the Call of Duty franchise, World of Warcraft, and Guitar Hero.<sup>25</sup>



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- ❑ In a big private equity move, Vista Equity Partners and Evergreen Coast Capital in January acquired publicly traded Citrix Systems and took the company private in a \$16.5 billion deal. The all-cash deal includes the assumption of Citrix debt. Citrix shareholders earned a 24% premium over final day trading pricing. The acquiring parties plan to merge Citrix with one of Vista's portfolio companies, global enterprise data management firm TIBCO. In an announcement, the companies said the acquisition of Citrix creates one of the world's largest software providers with some 400,000 customers. Citrix is known for secure digital workspace tech and cloud software and support.<sup>26</sup>
- ❑ And Elon Musk agreed to purchase Twitter for \$44 billion ... wait, never mind.<sup>27</sup>

## More Than Ever, It's OK To Ask Hard Questions

We continue to watch the Technology Industry for advancements and opportunities. Bright minds have brought us a world of innovation. Many investors today remember when MTV was the peak of high technology, when cell phones were the thing of movies and TV shows, when social media meant calling your best friend on the wall phone with a really long cord. Brilliant minds have brought us lots of stuff we didn't know we needed. And we're seeing some of the smartest minds in finance and business continue to be active in the market, hunting for acquisitions. But as the past year has shown us, all that glitters is not gold. You'd think we all had learned that in 2001. We remain committed to seeking real opportunities in 2H22. There are so many problems in search of tech solutions. But we will always strive to make sure any opportunity is viable, something more than the spark of an idea. Is there a profit to be made? Can you explain it in three sentences? We believe in asking questions and getting answers. If an investor can't understand, can't see real goals, real achievements, real profit, where's the value? It's OK to ask.



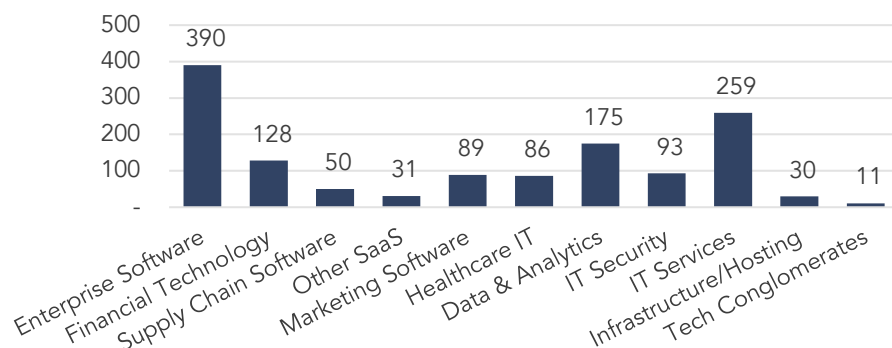




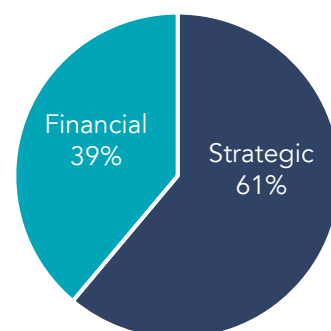
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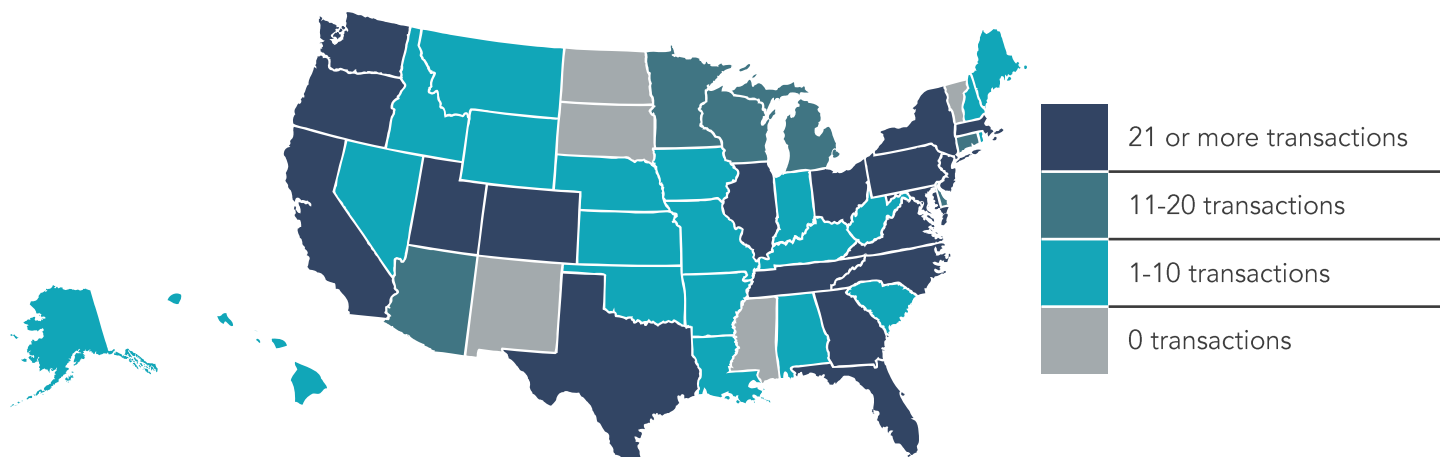
## TRANSACTIONS BY SEGMENT



## TRANSACTIONS BY TYPE



## TRANSACTIONS BY LOCATION



## TRANSACTION ACTIVITY

Date	Target	Buyer(s)	Segment	Amount (\$ in Mil)	TEV/Rev	TEV/EBITDA
6/23/2022	Datto	Kaseya	IT Services	6,008.81	9.3x	53.5x
6/8/2022	Cerner	Oracle	Tech Conglomerates	27,319.29	4.7x	18.8x
5/26/2022	Vmware	Broadcom	Tech Conglomerates	65,281.00	5.0x	19.6x
5/16/2022	Aspen Technology	Emerson Electric	Enterprise Software	10,623.87	15.3x	35.1x
3/9/2022	Ascentis	UKG	Enterprise Software	-	-	-
3/1/2022	McAfee	Abu Dhabi Investment Authority, Advent International, Canada Pension Plan Investment Board, Crosspoint Capital Partners, GIC, Permira	IT Security	13,184.00	6.9x	26.8x

**If You Are a Business Owner Looking for Additional Transaction Activity Within Your Industry, Please Call Our Offices at 720.221.9220.**
















Source: PitchBook Financial Data and Analytics

Note: This data represents recorded transactions only, and is not all-inclusive. Nevertheless, they are typically representative of the industry.



## ACTIVE BUYERS

### MOST ACTIVE STRATEGIC BUYERS

FIRM	RECENT SUBSIDIARY ACQUISITIONS
 	  
   	
    	

### SELECT SPONSORS WITH ACTIVE PORTFOLIO HOLDINGS

FIRM	RECENT SUBSIDIARY ACQUISITIONS
	   
	    
	    

Source: Pitchbook Financial Data and Analytics

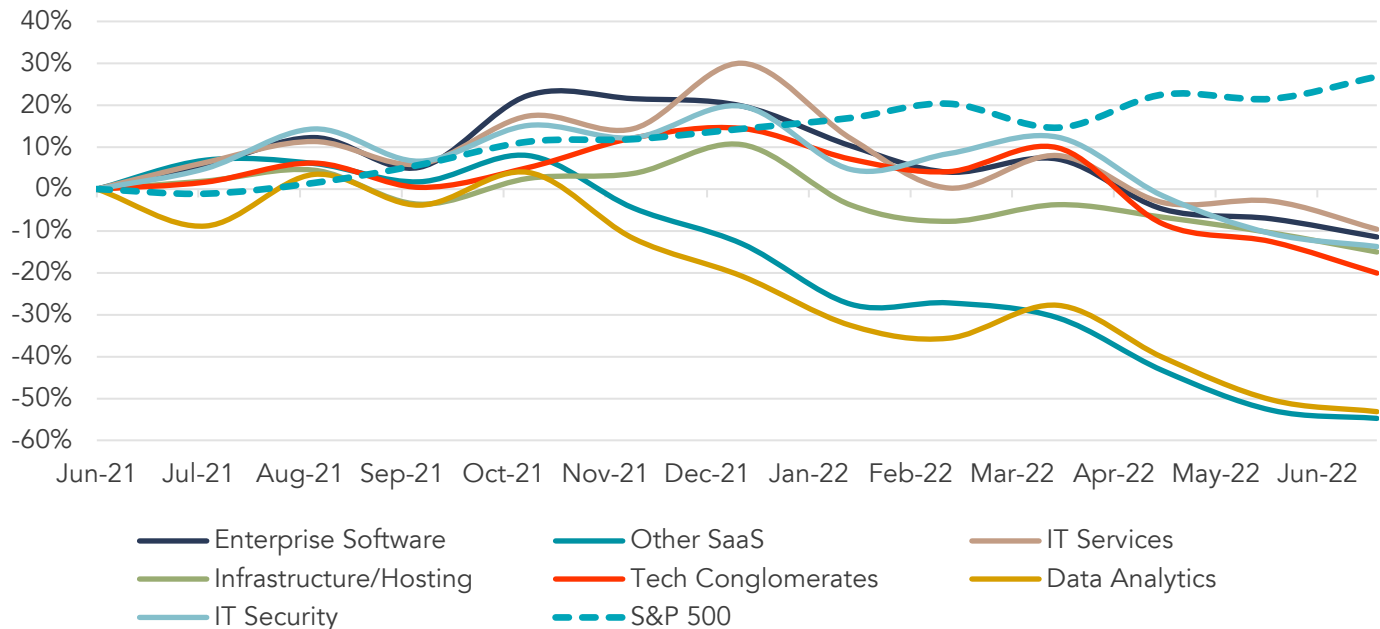
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## PUBLIC BASKET

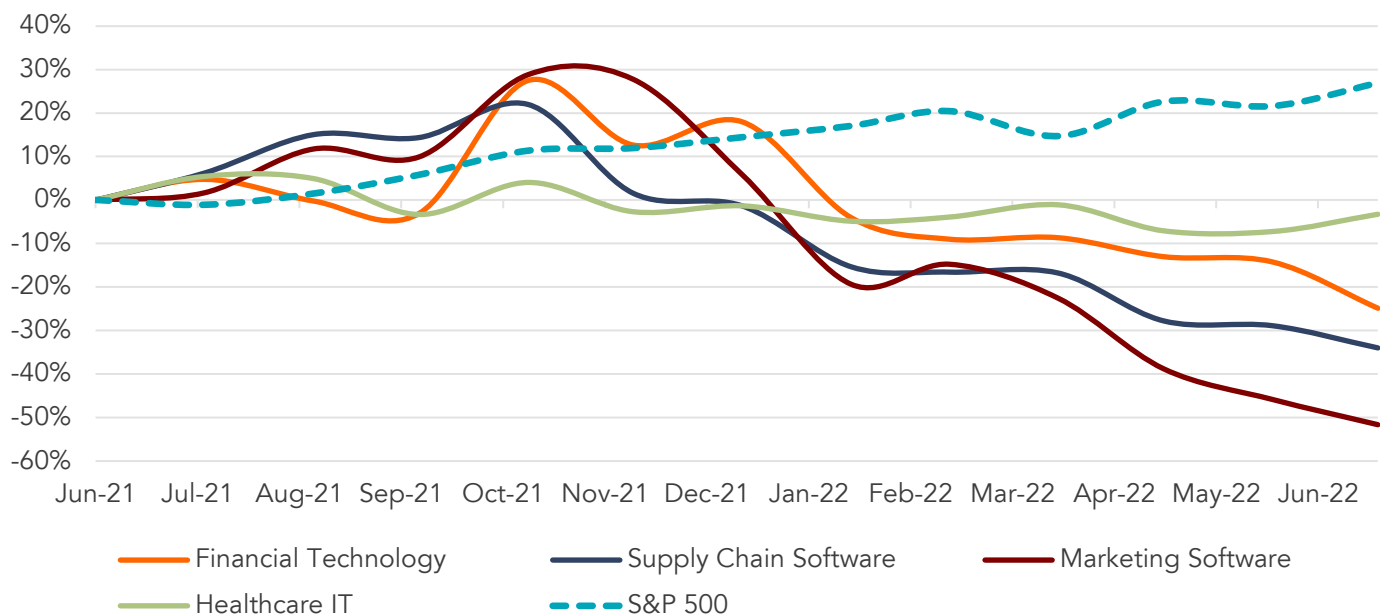
### TECHNOLOGY SEGMENTS (BROAD SOLUTIONS) VS. S&P 500

Segment Market Cap Performance – Trailing 12 Months



### TECHNOLOGY SEGMENTS (INDUSTRY SPECIFIC SOLUTIONS) VS. S&P 500

Segment Market Cap Performance – Trailing 12 Months



Source: PitchBook Financial Data and Analytics



## PUBLIC BASKET (CONTINUED)

### ENTERPRISE SOFTWARE

Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples		NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	LTM Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	TEV/ NTM Revenue	TEV/ NTM EBITDA
Microsoft	MSFT	\$ 1,946,493	\$ 256.83	(5.4%)	(23.6%)	73.4%	14.4%	50.1%	9.9x	19.7x	8.6x	17.4x
Oracle	ORCL	186,198	69.87	(12.2%)	(19.9%)	65.7%	17.1%	31.6%	5.7x	17.9x	4.8x	10.1x
Adobe Systems	ADBE	171,316	366.06	(37.4%)	(35.4%)	52.3%	12.5%	41.0%	10.2x	25.0x	9.1x	18.3x
Salesforce.com	CRM	164,215	165.04	(32.6%)	(35.1%)	52.9%	18.3%	16.1%	5.9x	36.7x	5.0x	15.9x
Intuit	INTU	108,724	385.44	(21.5%)	(40.1%)	53.8%	10.8%	29.1%	8.7x	30.0x	7.9x	20.3x
Workday	WDAY	35,453	139.58	(40.7%)	(48.9%)	45.3%	20.1%	6.3%	6.2x	NM	5.2x	20.8x
ZoomInfo Technologies	ZI	13,409	33.24	(35.3%)	(48.2%)	42.0%	45.3%	27.2%	17.1x	NM	11.8x	27.7x
Segment Average				(26.5%)	(35.9%)	55.1%	19.8%	28.8%	9.1x	25.8x	7.5x	18.7x
Segment Median				(32.6%)	(35.4%)	52.9%	17.1%	29.1%	8.7x	25.0x	7.9x	18.3x

### FINANCIAL TECHNOLOGY

Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples		NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	LTM Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	TEV/ NTM Revenue	TEV/ NTM EBITDA
Visa	V	\$ 414,750	\$ 196.89	(16.3%)	(9.1%)	77.9%	16.4%	72.2%	NM	NM	NM	NM
MasterCard	MA	313,765	315.48	(14.9%)	(12.2%)	78.9%	19.7%	60.7%	16.1x	26.6x	13.5x	22.3x
American Express	AXP	105,029	138.62	(17.0%)	(15.3%)	69.5%	23.0%	NM	NM	NM	NM	NM
PayPal Holdings	PYPL	80,880	69.84	(75.8%)	(63.0%)	22.5%	17.3%	20.6%	NM	NM	NM	NM
Fiserv	FISV	58,757	88.97	(17.9%)	(14.3%)	74.2%	3.8%	35.5%	4.8x	13.5x	4.6x	10.7x
Fidelity National Information Services	FIS	55,989	91.67	(36.2%)	(16.0%)	60.2%	8.7%	40.2%	5.2x	13.0x	4.8x	10.7x
Block	SQ	35,678	61.46	(74.6%)	(61.9%)	21.2%	17.2%	0.8%	2.0x	NM	17x	NM
MSCI	MSCI	33,687	412.15	(22.8%)	(32.7%)	60.6%	10.5%	56.1%	17.6x	313x	15.9x	27.5x
Jack Henry & Associates	JKHY	13,117	180.02	9.4%	7.8%	87.7%	9.0%	33.7%	7.0x	20.7x	6.4x	20.4x
Black Knight	BKI	10,199	65.39	(17.0%)	(21.1%)	77.6%	9.2%	42.6%	8.6x	20.1x	7.9x	15.8x
Western Union	WU	6,358	16.47	(28.5%)	(7.7%)	69.6%	(10.5%)	27.8%	15x	5.4x	17x	6.9x
Envestnet	ENV	2,912	52.77	(30.3%)	(33.5%)	61.4%	9.0%	10.1%	2.9x	28.3x	2.6x	13.9x
Segment Average				(28.5%)	(23.3%)	63.4%	11.1%	36.4%	7.3x	19.9x	6.6x	16.0x
Segment Median				(20.4%)	(15.6%)	69.5%	9.8%	35.5%	5.2x	20.4x	4.8x	14.8x

### SUPPLY CHAIN SOFTWARE

Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples		NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	LTM Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	TEV/ NTM Revenue	TEV/ NTM EBITDA
Manhattan Associates	MANH	\$ 7,233	\$ 114.60	(22.0%)	(26.3%)	60.8%	10.2%	22.0%	10.3x	46.6x	9.3x	36.2x
Avalara	AVLR	6,203	70.60	(56.2%)	(45.3%)	36.8%	27.7%	(12.4%)	7.7x	NM	6.0x	NM
SPS Commerce	SPSC	4,132	113.05	11.3%	(20.6%)	64.8%	20.3%	20.7%	9.8x	47.1x	8.1x	27.9x
E2Open	ETWO	2,400	7.78	(30.5%)	(30.9%)	58.4%	62.7%	(6.6%)	NM	NM	NM	NM
American Software	AMSWA	545	16.16	(28.2%)	(38.2%)	48.6%	4.5%	13.8%	3.3x	NM	3.1x	25.0x
Segment Average				(25.1%)	(32.3%)	53.9%	25.1%	7.5%	7.7x	46.8x	6.6x	29.7x
Segment Median				(28.2%)	(30.9%)	58.4%	20.3%	13.8%	8.7x	46.8x	7.1x	27.9x

### MARKETING SOFTWARE

Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples		NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	LTM Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	TEV/ NTM Revenue	TEV/ NTM EBITDA
HubSpot	HUBS	\$ 14,362	\$ 300.65	(48.7%)	(54.4%)	34.7%	37.3%	0.9%	9.8x	1069.7x	7.2x	NM
Cardlytics	CDLX	761	22.31	(82.6%)	(66.2%)	16.5%	36.9%	(8.9%)	2.8x	NM	2.0x	NM
ChannelAdvisor	ECOM	444	14.58	(41.7%)	(40.9%)	49.6%	9.7%	12.9%	2.0x	15.3x	1.8x	8.2x
Marin Software	MRIN	26	1.65	(89.1%)	(55.5%)	6.1%	NM	(42.2%)	NM	NM	NM	NM
Segment Average				(65.5%)	(54.3%)	26.7%	27.9%	(9.3%)	4.9x	542.5x	3.7x	8.2x
Segment Median				(65.7%)	(55.0%)	25.6%	36.9%	(4.0%)	2.8x	542.5x	2.0x	8.2x

Source: PitchBook Financial Data and Analytics





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## PUBLIC BASKET (CONTINUED)

### OTHER SAAS

Company Name	Symbol	Market Stats						Operating Stats		LTM Multiples		NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	LTM Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	TEV/ NTM Revenue	TEV/ NTM EBITDA	
ServiceNow	NOW	\$ 95,323	\$ 475.52	(12.8%)	(26.7%)	67.2%	29.5%	11.3%	14.9x	NM	11.5x	36.1x	
Atlassian	TEAM	47,503	187.40	(27.5%)	(50.9%)	38.8%	33.5%	(22.7%)	18.3x	NM	13.7x	NM	
Zoom Video Communications	ZM	32,216	107.97	(72.1%)	(41.3%)	26.6%	110%	25.4%	6.3x	24.9x	5.7x	16.3x	
Snap Group	SNAP	21,544	13.13	(80.6%)	(72.1%)	15.8%	6.7%	(9.0%)	4.7x	NM	4.4x	NM	
Cloudflare	NET	14,273	43.75	(58.1%)	(66.7%)	19.7%	53.3%	(19.0%)	19.3x	NM	12.6x	NM	
DocuSign	DOCU	11,473	57.38	(79.4%)	(62.3%)	18.2%	14.2%	0.5%	5.1x	1078.7x	4.5x	NM	
Zendesk	ZEN	9,143	74.07	(48.2%)	(29.0%)	48.3%	30.2%	(10.6%)	6.6x	NM	5.1x	42.3x	
Five9	FIVN	6,339	91.14	(50.7%)	(33.6%)	43.1%	315%	(4.1%)	10.2x	NM	7.7x	42.7x	
Guidewire Software	GWRE	5,950	70.99	(37.0%)	(37.5%)	54.2%	7.6%	(18.7%)	7.0x	NM	6.5x	NM	
RingCentral	RNG	4,959	52.26	(81.9%)	(72.1%)	16.6%	30.2%	(18.3%)	3.8x	NM	2.9x	20.0x	
Agora	API	761	6.57	(84.1%)	(59.5%)	15.3%	16.3%	(47.1%)	0.3x	NM	0.3x	NM	
Segment Average				(57.5%)	(50.2%)	33.1%	24.0%	(10.2%)	8.8x	551.8x	6.8x	31.5x	
Segment Median				(58.1%)	(50.9%)	26.6%	29.5%	(10.6%)	6.6x	551.8x	5.7x	36.1x	

### HEALTHCARE IT

Company Name	Symbol	Market Stats						Operating Stats		LTM Multiples		NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	LTM Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	TEV/ NTM Revenue	TEV/ NTM EBITDA	
McKesson	MCK	\$ 46,838	326.21	69.3%	312%	96.0%	2.0%	1.1%	0.2x	18.0x	0.2x	10.5x	
Veeva Systems	VEEV	30,666	\$ 198.04	(36.9%)	(22.5%)	57.6%	17.6%	28.0%	14.5x	NM	12.3x	316x	
One Medical	ONEM	1521	7.84	(76.0%)	(55.4%)	23.3%	60.1%	(32.2%)	2.3x	NM	15x	NM	
Inocycle Technology Group	INO	22	0.01	(2.9%)	(36.1%)	48.2%	NM	NM	NM	NM	NM	NM	
Segment Average				(11.6%)	(20.7%)	56.3%	26.6%	(1.1%)	5.7x	18.0x	4.7x	21.0x	
Segment Median				(19.9%)	(29.3%)	52.9%	17.6%	1.1%	2.3x	18.0x	1.5x	21.0x	

### DATA ANALYTICS

Company Name	Symbol	Market Stats						Operating Stats		LTM Multiples		NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	LTM Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	TEV/ NTM Revenue	TEV/ NTM EBITDA	
Palantir Technologies	PLTR	\$ 18,563	\$ 9.07	(63.3%)	(50.2%)	310%	37.5%	(27.4%)	9.9x	NM	7.2x	24.6x	
Splunk	SPLK	14,233	88.46	(37.3%)	(23.6%)	50.1%	22.6%	(31.9%)	5.9x	NM	4.8x	NM	
Elasticsearch	ESTC	6,419	67.67	(53.7%)	(45.0%)	35.6%	25.7%	(18.2%)	7.1x	NM	5.7x	NM	
Pegasystems	PEGA	4,022	47.84	(65.4%)	(57.2%)	33.6%	8.1%	(6.5%)	3.4x	NM	3.2x	47.0x	
Teradata	TDC	3,875	37.01	(24.6%)	(12.9%)	62.3%	(4.8%)	17.8%	2.1x	117x	2.2x	119x	
Alteryx	AYX	3,302	48.42	(42.1%)	(20.0%)	55.7%	38.9%	(33.0%)	6.6x	NM	4.7x	NM	
Verint Systems	VRNT	2,739	42.35	(5.9%)	(19.3%)	75.1%	7.3%	13.5%	3.7x	27.7x	3.5x	13.7x	
MicroStrategy	MSTR	1,856	164.30	(74.8%)	(69.8%)	18.4%	10%	(149.2%)	8.3x	NM	8.2x	45.7x	
GlobalData Holding	DATA	1,478	12.49	(43.2%)	(35.0%)	52.9%	8.8%	27.2%	6.8x	24.9x	6.2x	17.2x	
PROS Holdings	PRO	1,185	26.23	(44.2%)	(23.9%)	55.1%	10.5%	(26.7%)	5.1x	NM	4.6x	NM	
Segment Average				(45.4%)	(35.7%)	47.0%	15.6%	(23.4%)	5.9x	21.4x	5.0x	26.7x	
Segment Median				(43.7%)	(29.5%)	51.5%	9.6%	(22.5%)	6.3x	24.9x	4.8x	20.9x	

Source: PitchBook Financial Data and Analytics



# TECHNOLOGY REPORT

1H 2022 | VOL 10 | ISSUE 1

## PUBLIC BASKET (CONTINUED)

### IT SERVICES

Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples		NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	LTM Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/Rev	TEV/EBITDA	TEV/NTM Revenue	TEV/NTM EBITDA
Accenture	ACN	\$ 175,627	\$ 277.65	(7.5%)	(33.0%)	66.5%	9.9%	16.6%	2.9x	18.0x	2.6x	14.1x
Cognizant Technology Solutions	CTSH	35,174	67.49	(3.4%)	(23.9%)	72.2%	8.4%	18.2%	18x	10.0x	17x	8.9x
EPAM Systems	EPAM	16,847	294.78	(42.2%)	(55.9%)	40.6%	26.7%	16.5%	3.8x	23.1x	3.0x	19.8x
Leidos	LDOS	13,763	100.71	(2.3%)	13.3%	90.6%	5.3%	10.4%	14x	13.3x	13x	12.5x
Booz Allen	BAH	11,960	90.36	4.8%	6.6%	98.8%	10.2%	9.8%	17x	17.5x	16x	14.7x
CACI International	CACI	6,597	281.78	9.7%	4.7%	89.9%	7.8%	10.1%	14x	14.0x	13x	12.4x
ManTech International	MANT	3,909	95.45	8.5%	30.9%	99.4%	4.6%	10.3%	16x	15.9x	16x	NM
SolarWinds	SWI	1,645	10.25	(42.1%)	(27.8%)	44.6%	(4.3%)	25.5%	3.6x	14.7x	3.7x	8.9x
Unisys	UIS	814	12.03	(52.6%)	(41.5%)	44.1%	17.2%	(7.6%)	0.5x	NM	0.4x	1.9x
The Hackett Group	HCKT	600	18.97	4.9%	(7.6%)	76.6%	7.5%	19.0%	19x	10.1x	18x	9.1x
<b>Segment Average</b>				<b>(12.2%)</b>	<b>(13.4%)</b>	<b>72.3%</b>	<b>9.3%</b>	<b>12.9%</b>	<b>2.1x</b>	<b>15.2x</b>	<b>1.9x</b>	<b>11.4x</b>
<b>Segment Median</b>				<b>(2.8%)</b>	<b>(15.8%)</b>	<b>74.4%</b>	<b>8.1%</b>	<b>13.4%</b>	<b>1.8x</b>	<b>14.7x</b>	<b>1.6x</b>	<b>12.4x</b>

### IT SECURITY

Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples		NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	LTM Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/Rev	TEV/EBITDA	TEV/NTM Revenue	TEV/NTM EBITDA
Cisco Systems	CSCO	\$ 176,571	\$ 42.64	(20.2%)	(32.7%)	66.3%	0.8%	32.4%	3.2x	9.9x	3.2x	8.7x
Palo Alto Networks	PANW	49,214	493.94	33.2%	(113%)	77.1%	23.7%	10%	9.5x	NM	7.7x	32.5x
Fortinet	FTNT	45,413	56.58	16.7%	(21.3%)	76.1%	34.6%	21.0%	12.3x	58.7x	9.2x	32.5x
CrowdStrike	CRWD	39,118	168.56	(32.9%)	(17.7%)	56.5%	46.2%	(3.3%)	23.1x	NM	15.8x	NM
Zscaler	ZS	21,210	149.51	(30.0%)	(53.5%)	39.8%	40.2%	(28.0%)	21.2x	NM	15.1x	NM
VeriSign	VRSN	18,330	167.33	(27.0%)	(34.1%)	65.1%	8.4%	68.7%	14.0x	20.4x	12.9x	17.5x
Check Point Software Technologies	CHKP	15,602	121.78	4.3%	4.5%	81.4%	7.2%	40.9%	6.3x	15.4x	5.9x	12.8x
CyberArk Software	CYBR	5,210	127.96	(2.8%)	(26.2%)	63.4%	27.3%	(17.4%)	9.3x	NM	7.3x	NM
Tenable	TENB	5,022	45.41	11.6%	(17.5%)	71.4%	28.5%	(6.6%)	8.5x	NM	6.6x	67.1x
Qualys	QLYS	4,899	126.14	25.0%	(8.1%)	84.0%	23.1%	37.1%	10.5x	28.3x	8.5x	22.4x
Varonis Systems	VRNS	3,213	29.32	(49.3%)	(39.9%)	39.9%	29.9%	(25.2%)	6.6x	NM	5.1x	NM
Ping Identity	PING	1,547	18.14	(22.1%)	(20.7%)	59.7%	16.4%	(9.9%)	5.2x	NM	4.5x	NM
<b>Segment Average</b>				<b>(7.8%)</b>	<b>(23.2%)</b>	<b>65.1%</b>	<b>23.9%</b>	<b>9.2%</b>	<b>10.8x</b>	<b>26.5x</b>	<b>8.5x</b>	<b>27.6x</b>
<b>Segment Median</b>				<b>(11.5%)</b>	<b>(21.0%)</b>	<b>65.7%</b>	<b>25.5%</b>	<b>(1.1%)</b>	<b>9.4x</b>	<b>20.4x</b>	<b>7.5x</b>	<b>22.4x</b>

### HOSTING / DATA CENTER

Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples		NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	LTM Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/Rev	TEV/EBITDA	TEV/NTM Revenue	TEV/NTM EBITDA
Equinix	EQIX	\$ 59,803	\$ 657.02	(17.6%)	(22.3%)	74.2%	12.3%	38.7%	10.8x	27.9x	9.6x	20.8x
IQVIA	QTS	40,527	215.71	(10.8%)	(22.5%)	76.0%	NM	20.1%	3.7x	18.4x	NM	NM
Digital Realty	DLR	36,267	129.83	(13.4%)	(26.6%)	72.8%	11.4%	73.7%	11.9x	16.2x	10.7x	20.5x
Akamai Technologies	AKAM	14,641	91.33	(22.0%)	(22.0%)	74.1%	7.8%	37.7%	4.9x	13.1x	4.6x	10.7x
GoDaddy	GDDY	11,273	69.56	(21.4%)	(18.0%)	76.9%	10.8%	16.5%	3.7x	22.5x	3.4x	14.4x
Switch	SWCH	5,051	33.50	57.4%	17.0%	99.0%	11.9%	35.1%	11.4x	32.4x	10.2x	19.2x
Extreme Networks	EXTR	1,170	8.92	(22.5%)	(43.2%)	53.7%	10.0%	10.4%	1.2x	11.7x	1.1x	7.1x
<b>Segment Average</b>				<b>(7.2%)</b>	<b>(19.7%)</b>	<b>75.3%</b>	<b>10.7%</b>	<b>33.2%</b>	<b>6.8x</b>	<b>20.3x</b>	<b>6.6x</b>	<b>15.4x</b>
<b>Segment Median</b>				<b>(17.6%)</b>	<b>(22.3%)</b>	<b>74.2%</b>	<b>11.1%</b>	<b>35.1%</b>	<b>4.9x</b>	<b>18.4x</b>	<b>7.1x</b>	<b>16.8x</b>

Source: PitchBook Financial Data and Analytics



## PUBLIC BASKET (CONTINUED)

### TECH CONGLOMERATES – “FAANG”

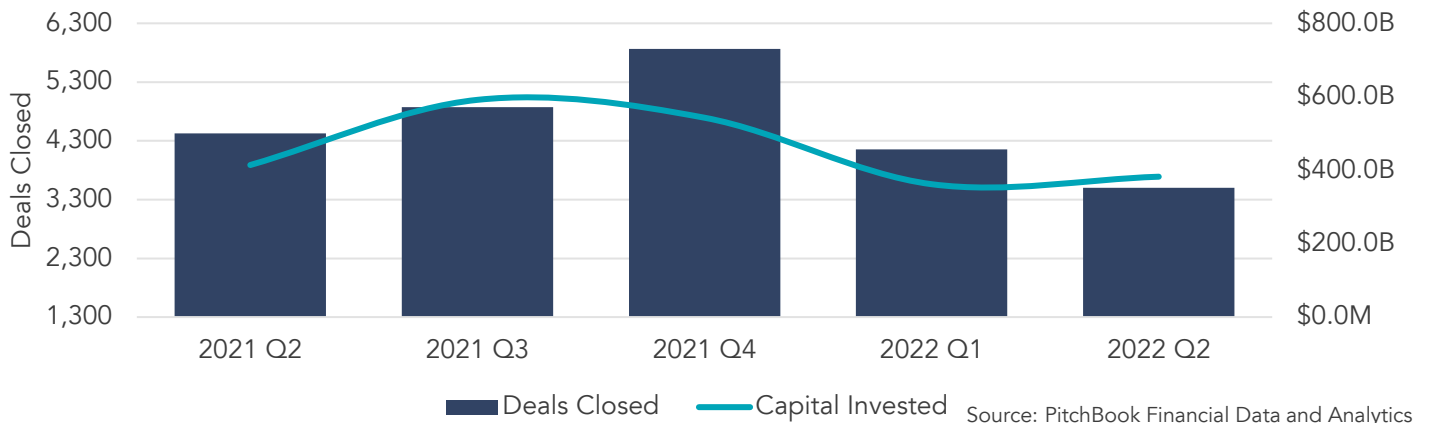
Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples		NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	LTM Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	TEV/ NTM Revenue	TEV/ NTM EBITDA
Apple	AAPL	\$ 2,212,838	\$ 136.72	(0.4%)	(23.0%)	74.7%	5.3%	33.7%	5.9x	17.5x	5.6x	16.7x
Alphabet	GOOGL	1,430,000	108.96	(11.0%)	(24.8%)	71.9%	11.6%	37.2%	NM	NM	NM	NM
Amazon.com	AMZN	1,108,197	106.21	(38.1%)	(36.3%)	56.3%	17.0%	12.5%	2.4x	19.3x	2.1x	14.0x
Meta Platforms	META	443,675	161.25	(54.5%)	(52.1%)	42.0%	1.1%	43.8%	3.5x	7.9x	3.4x	8.1x
Netflix	NFLX	79,792	174.87	(67.2%)	(71.0%)	24.9%	6.6%	62.9%	2.9x	4.6x	2.7x	14.1x
Segment Average				(34.3%)	(41.4%)	54.0%	8.3%	38.0%	3.7x	12.3x	3.5x	13.2x
Segment Median				(38.1%)	(36.3%)	56.3%	6.6%	37.2%	3.2x	12.7x	3.1x	14.1x

Source: PitchBook Financial Data and Analytics



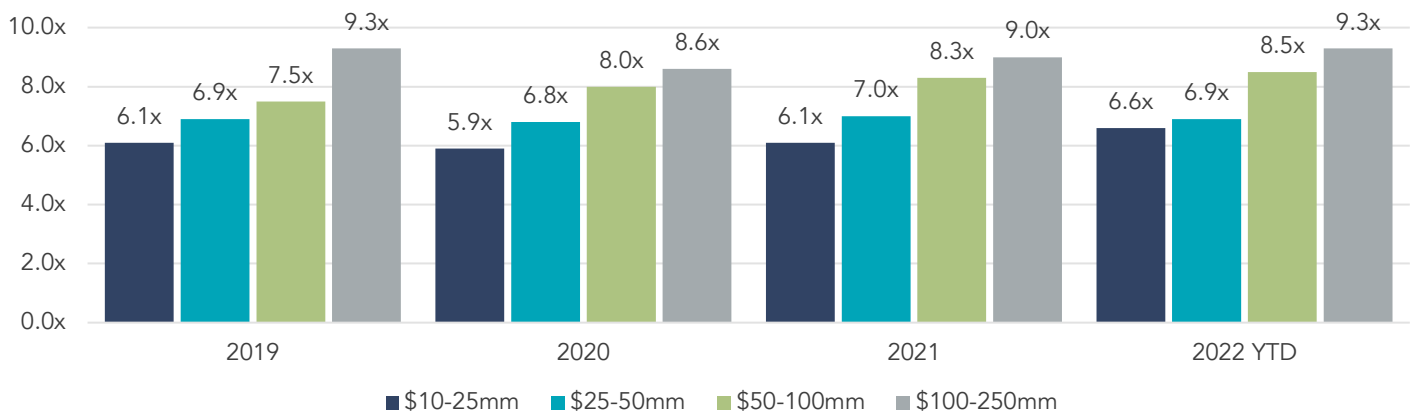
## U.S. M&A ACTIVITY SNAPSHOT

### OVERALL U.S. M&A ACTIVITY

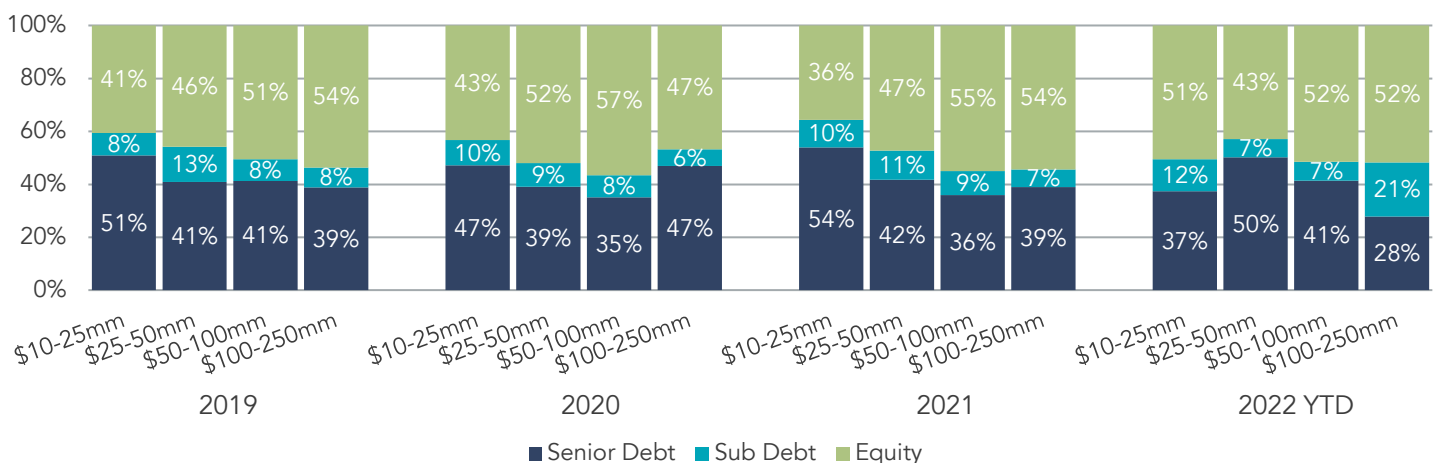


### LOWER MIDDLE MARKET PRIVATE EQUITY TRANSACTION MULTIPLES

EBITDA Multiples By Transaction Size



### CAPITAL BREAKDOWN – LOWER MIDDLE MARKET PRIVATE EQUITY TRANSACTIONS



Note: The most current source of GF Data is as of May 2022.



## COMPREHENSIVE TECHNOLOGY EXPERTISE

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- ❑ Data & Analytics
- ❑ IT Security
- ❑ IT Services
- ❑ Infrastructure/Hosting
- ❑ Tech Conglomerates

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## SDR SERVICE OFFERINGS



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**PRIVATE CAPITAL FORMATION**



**BUY-SIDE ADVISORY**



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