

Marketing Technology & Services

Market Update | December 2024

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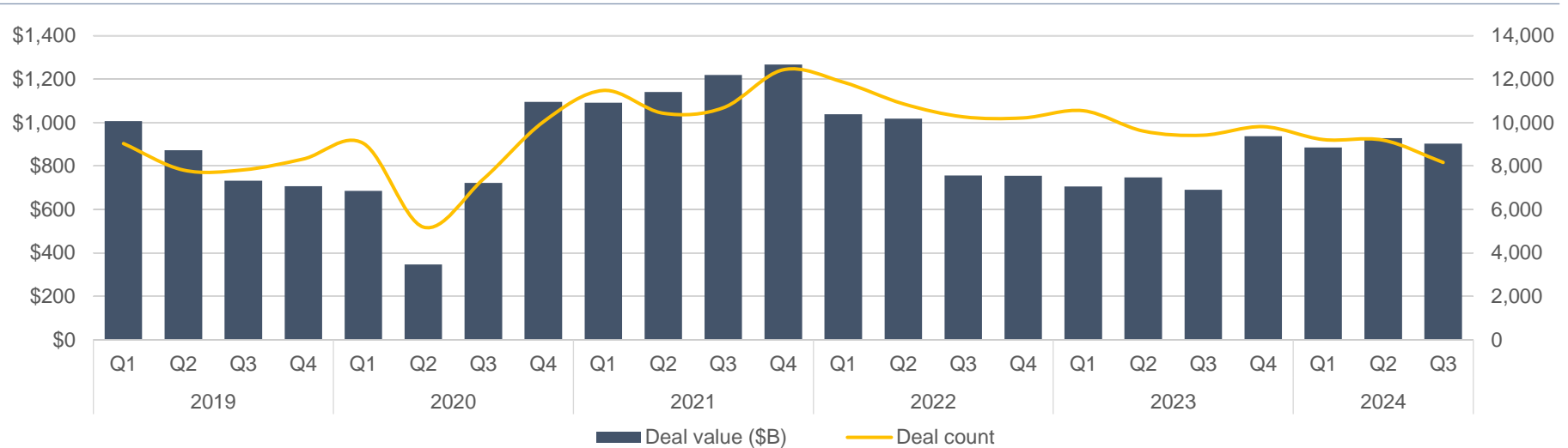
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Market Commentary

Global M&A Volume



2024 M&A Wrap-Up and 2025 Outlook

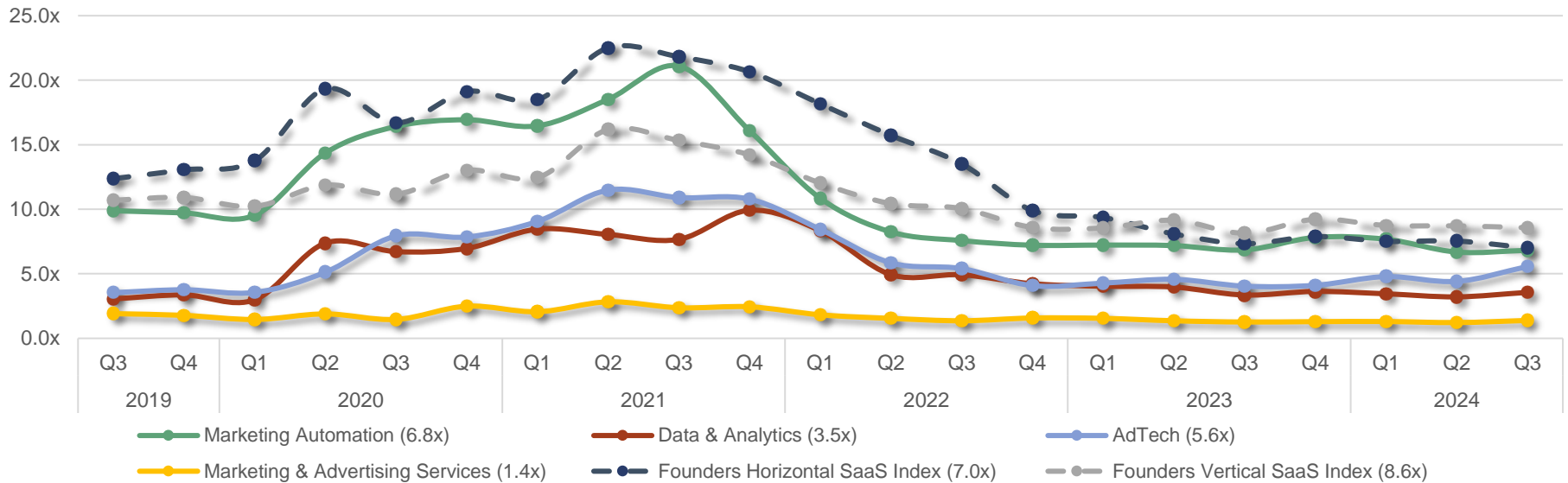
- The North American M&A recovery that began in Q4 2023 is gaining steam, and the economy is well-positioned to support this momentum in the coming quarters. Through the first 9 months 2024, total deal value is up 32% and deal count is up 9% over 2023 numbers. Q3 accelerated these trends with a 35% YoY increase in deal value and 20% increase in deal count.
- While the M&A recovery was sparked by an uptick in corporate deal activity, a resurgence in private equity dealmaking propelled strong gains in Q2 and Q3. Despite this increase in activity, average trading multiples remain slightly compressed compared to pre-2021 levels, but analysts expect a recovery in multiples is on the horizon.
- In the aftermath of the 2024 U.S. election, public markets responded favorably, and analysts across the board bolstered their 2025 M&A outlooks. With a variety of macro tailwinds in place, Goldman Sachs is projecting a 20% increase in overall M&A activity in 2025.

The State of MarTech M&A

- MarTech M&A saw strong activity levels in Q3, with deal count increasing 38% over the prior quarter and 6% YoY. While MarTech M&A remains elevated, quarterly investment in the ecosystem fell to \$1.5B, down from \$10.8B in Q2. New product launches also fell in Q3, signaling a renewed focus on consolidation and a more selective pursuit of innovation in a competitive, rapidly evolving sector.
- Though deal multiples remain slightly compressed, we continue to see buyers in the space award premium valuations to companies with above average gross revenue retention, healthy top-line growth, positive cash flow, and low/no customer concentration. Companies operating in niche verticals and/or possessing disruptive, AI-enabled software solutions also continue to command interest from incumbent platforms. Buyers remain focused on pursuing acquisitions that enhance customer diversification, multiply cross-sell and up-sell opportunities, and improve general economic resiliency.

MarTech Index | Valuation Trends and Market Insights

Sector Valuation Trends | Quarterly Enterprise Value / Revenue Multiples



Market Insights | What We're Reading

Spending Trends

Despite widespread macroeconomic and geopolitical concerns, U.S. spending on marketing is up [5.8% this year](#). While the total marketing spend continues to grow, companies are allocating less of their total budget to marketing than in previous years (10.1% in Fall 2024, down from 13.8% in September 2022). Companies also continue to widen the gap between their customer acquisition and retention budgets, spending [19.6% more on acquisition in 2024](#), up from 14.7% in 2022.

CMO Sentiments

While MarTech tools are known to have an above-average impact on company performance, a recent study from The CMO Survey reveals that [55% of CMOs](#) believe their MarTech investments are underperforming from an ROI-perspective. Though the utilization of these tools continues to expand, high expectations from CMOs and intense competition/crowding in the space has put measurable, timely ROI at the center of the decision-making spotlight.













For Consideration

Dave Kellogg is one of our favorite bloggers and covers a wide range of strategy, finance, and scaling topics. Dave recently shared a list of [marketing budget questions to expect from a board](#) – something to consider sharing with your marketing team as a way to develop this muscle of succinct reporting. Dave also sat down with Jason Lemkin of SaaStr to discuss [what really matters in SaaS for 2025](#). Great content to consider for the new year, and we'd recommend a listen.

KPI Reports

For owners and operators looking to compare their 2024 KPIs to industry benchmarks, we recommend Userpilot's [MarTech Success Metrics Benchmark Report 2024](#). For SaaS executives looking to bolster their internal KPI reporting, we recommend this [SaaS Metrics Framework](#) from Udata Partners. The framework dives into the key metrics every SaaS company should be tracking to optimize growth, guide strategy, and support investment decision-making.

M&A Activity | Notable Recent Transactions

Date	Target	Acquirer	Deal Size	Employee Count	Commentary
09-Dec-24*		Omnicom Group	\$13b	55k	IPG (NYS: IPG), a global provider of marketing services and solutions, reached an agreement to be acquired by Omnicom Group (NYS: OMC), a competing global provider of marketing and sales solutions. Pending a successful close, this deal would create the world's largest ad agency.
21-Nov-24*			\$500m	466	Innovid (NYS: CTV), a global provider of TV advertising management and measurement services to enterprise customers, reached a definitive agreement to be acquired by Mediaocean, a foundational partner for omnichannel advertising, for \$500m, implying a 3.5x revenue multiple.
08-Nov-24			N/A	26	Arketi Group, provider of B2B digital marketing and public relations services to technology companies, was acquired by lower-middle market PE firms Go Capital and Station Partners through an LBO for an undisclosed amount.
07-Nov-24			N/A	27	Avid Ratings, developer of customer engagement and loyalty management software for residential homebuilders, was acquired by ECI Software Solutions, developer of industry-specific business management software, via its financial sponsor LGP through an LBO for an undisclosed amount.
23-Oct-24			N/A	77	Emodo, operator of a CTV advertising marketplace, was acquired by OneMagnify, provider of digital marketing and analytics services to a variety of industries, via its financial sponsor Crestview Partners through an LBO for an undisclosed amount.
22-Oct-24	VERITONE ONE	OXFORD _{rd} .	\$104m	119	Veritone One, a subsidiary of Veritone and operator of an AI-powered advertising platform for marketers, was acquired by Oxford Road, operator of an audio advertising agency, via its financial sponsor Insignia Capital Group through a \$104m LBO.
21-Oct-24			\$250m	241	LiveIntent, developer of a people-based marketing platform designed to connect brands to customers, was acquired by Zeta Global (NYS: ZETA), operator of an AI-powered marketing cloud platform, for \$250m.
30-Sep-24			\$632m	1.4k	Tranzact, a leading provider of sales and marketing services to the health, life, and property and casualty insurance industries, was acquired by PE firms GTCR and Recognize Partners through a \$632m LBO.

Market Participants | Active MarTech Buyers and Investors

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

Private Equity Firms



Strategic & PE-Backed Acquirers



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MarTech Scorecard | Factors Driving Valuations

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

← Factors Influencing Revenue / EBITDA Multiple →

Quantitative Factors

Factor	Lower Range / Multiple	Key Considerations	Higher Range / Multiple
% of Recurring Revenue	< 70%	Mix of subscription/recurring vs. reoccurring vs. project	> 85%
YOY Growth Rate	< 15%	Historical growth trends, growth compared to peers	> 50%
Rule of 40	< 40%	Year-over-year revenue growth rate (%) + profit margin (%)	> 40%
Gross Revenue Retention	< 80%	Annual public benchmarks, system of record vs. point solution	> 95%
Net Revenue Retention	< 90%	Annual public benchmarks, price vs. product, cohort analysis	> 110%
Gross Margin	SaaS < 65%	Fully burdened, end market dependent, scalability	> 80%
	Tech-Enabled Services < 40%		> 65%
CAC Payback Period	> 12 months	Impact of dialing spend up/down, channel analysis	< 12 months
LTV:CAC Ratio	< 3:1	Balancing S&M spend but demonstrating return is key	> 3:1
Avg. Contract Length	< 12 months	Predictability of revenues and stickiness of customers	> 12 months
Total Addressable Market	< \$1 billion	End market dynamics, competition, switching costs	> \$ 1 billion

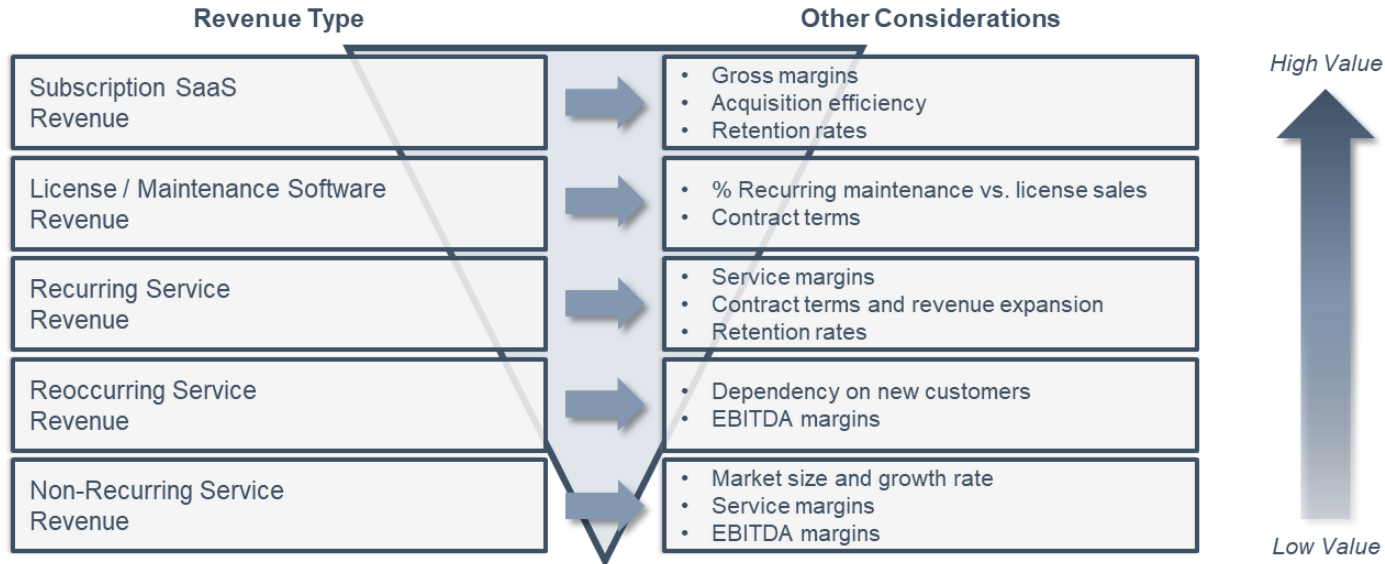
Qualitative Factors

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

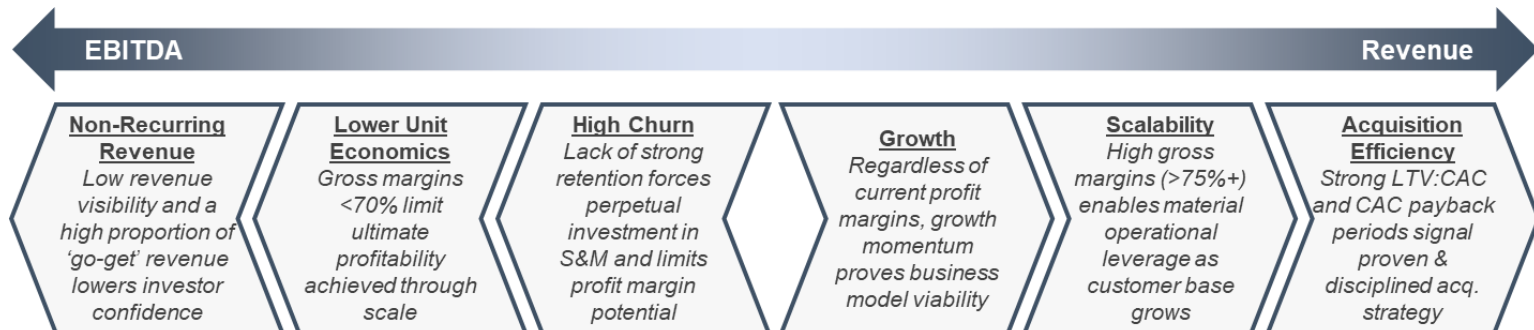
MarTech Scorecard | Revenue Mix Considerations

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

Revenue Quality and Value



Factors Driving EBITDA vs. Revenue Valuation Methodology



State of the Technology M&A Market

Brad Johnson, Managing Director and **Billy Pritchard**, Director

As 2024 comes to a close, the SaaS and Tech-Enabled Services M&A market is beginning to show encouraging signs of recovery. After several quarters of anticipation, we're seeing a gradual increase in deal volume, along with positive momentum in our active processes and conversations. These developments suggest a healthier trajectory for the technology market moving into 2025. As we reflect on the year and look forward to what's ahead, we've identified a few key themes that give us confidence in the opportunities the new year may bring.

Premium Valuations Are Still in Play for Premium Platforms

- With deal activity picking up, investors are shifting back to a more thesis-driven strategy (i.e., pursuing businesses where they have conviction and experience).
- Despite a more targeted approach, investors and PE-backed strategics continue to aggressively pursue top-tier companies, which can translate to double digit revenue multiples, seller-friendly deal terms, and a quicker path to close.
- "Mission Critical" platforms and service providers with a strong level of overall customer health in large addressable markets are still transacting at strong ARR and EBITDA multiples.

Revenue Retention Continues to be the Key Metric

- We have touched on this trend often in our 2024 newsletters, but we continue to see a hyper focus on Gross and Net Retention from our buyer / investor conversations.
- Showcasing overall customer health and continued expansion opportunities have been the biggest drivers of strong valuations in our processes during the second half of 2024.
- Target Retention Thresholds by Client Type: **Enterprise = 110%+ NRR & 90%+ GRR / SMB = 100%+ NRR & 85%+ GRR**

Valuation Expectations Are Aligning Better

- For most of the last 18 months, the slowdown in technology transactions has largely been driven by a valuation expectation gap between buyers / investors and sellers, especially within the SaaS ecosystem.
- We have never been big believers in "timing the market" for a bootstrapped software or tech-enabled services company, and many founders / operators need to find a partner now to set them up for better success over the next several years.
- That has driven a recent shift, mostly from the seller's side, for better alignment on reasonable value expectations and a high volume of buyer interest in active processes.

Investors Continue to Shift Downstream

- In our opinion, it has never been a better time to be a \$5 to \$20 Million ARR business than today from an optionality standpoint.
- We are seeing a heightened level of interest from investors in businesses within this revenue range as PE firms seek to partner with entrepreneurs earlier in the journey to add tremendous value and realize strong returns over the next 3-5 years.
- We are seeing many new funds launch to target this segment of the market, and several of the larger tech-focused funds are creating secondary funds to get back to their roots of investing in earlier-stage, bootstrapped platforms.

Silicon Y'all | Recap of Our 2024 Technology Summit



- Founders recently hosted its 10th annual Technology Summit, [Silicon Y'all](#), in mid-October. The event was attended by a curated group of CEOs from 112 companies and 28 of the leading technology-focused private equity groups.
- The three-day event was filled with meaningful insights from investors, current operators, and industry experts. CEOs shared operational best practices, explored ways to drive enterprise value, discussed innovative growth strategies, and networked with value-added investors and industry experts.



2024 Session Topics

- Financing M&A in a Turbulent Capital Market
- Looking Behind the PE Curtain – What Entrepreneurs Don't Know
- Valuation Clash – Navigating Buyer & Seller Perspectives
- Creating Raving Fans – The Engine Inside All Legendary Brands
- AI Fact or Fiction – What is Top of Mind and How is it Actually Being Applied Today?
- The Power of No – Case Study on Reducing Your Pipeline to Accelerate Growth
- Creating Enterprise Value Through Marketing
- Winnable Addressable Market – How 20% of the Market is Worth 800% of Your Value

Debt Participants



Private Equity Participants



Enterprise Value Acceleration | Exit Coaching Program

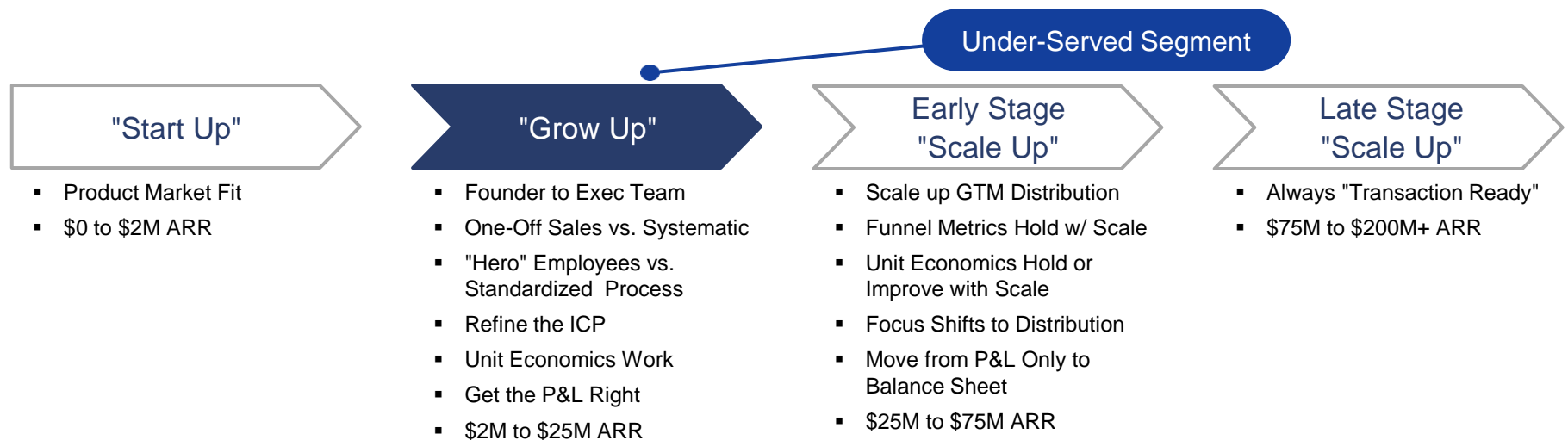
The Objective: Empower SaaS Founders to Build "Transaction Ready" Companies at Target Enterprise Value Faster with Higher Chance of Success

Born out of the [Silicon Y'all](#) community of entrepreneurs, Founders Advisors established an **exclusive value creation program** that is a collaboration of Investment Banking and Value Creation Consulting. We have partnered with former entrepreneurs, advisors, and investors to develop a peer group program to serve SaaS and software-enabled service company owners and operators who are seeking to accelerate the creation of enterprise value.

Each group is curated to ensure companies have similar attributes, and the selection process targets CEOs that have a giver orientation, offer an area of expertise to the group, commit to regular attendance and contribution to peers, and have a relentless commitment to growth.

If you're interested in discussing the program, please reach out to the Founders Advisors team, and we can share more information.

The SaaS Founder Journey | Key Milestones



The SaaS Founder Journey | Common Founder "Grow Up" Concerns and Questions

- 1 I've never run a company this big before.
- 2 I don't know what I don't know.
- 3 I know [*one functional area*] well, but don't know the others.
- 4 We hit a growth ceiling and don't know how to fix it.
- 5 What do you mean "professionalize the business"?
- 6 It's "lonely" at the top – what do I do next?

Enterprise Value Acceleration | Exit Coaching Program (cont.)

Program Overview | 2025 Curriculum

- The CEO Playbook for Building a World-Class Sales Force and Holding Sales Leaders Accountable
- From Zero to 9-Figure Exit: How One SaaS Founder Built, Scaled, and Sold a SaaS Business
- Maximizing CEO Impact: A Playbook for Time, Energy, and Attention Management
- From Churn to Earn: A Scientific, Disciplined, and Mathematical Approach to Slashing Churn and Driving Growth
- Building an Accountability-Driven Culture: Processes and Discipline to Drive Execution at Scale
- From Start to Close: A CEO's Guide to Investment Bank-Led Liquidity Transactions (w/ Case Studies and Example Documents)
- Overcoming the Experience Gap: A First-Time CEO's Guide to Managing Experienced Executives with Confidence
- Case Study: From \$0 to \$100M ARR — Hard-Won, Practical Lessons Learned at Every Stage of Growth
- The CEO's Guide to Crafting Effective Cash and Equity Packages for Senior Executives: Financial, Legal, and Practical Considerations
- From Data to Dollars: Applying Principles of Statistics to Remove Bottlenecks, Scale Processes, and Drive Results

Facilitator Bio | Victor Cheng



[LinkedIn Profile](#)



The Exit Coaching program is led by long-time business consultant and strategic advisor Victor Cheng. Victor is an accomplished leader in the SaaS and software-enabled services space, having served as a consultant with McKinsey & Co. and a senior executive with several publicly owned technology companies. Victor has authored several books on business strategy and is often featured as a business expert by leading media outlets.

- Author, ***Extreme Revenue Growth***
- Former McKinsey Consultant (Top 10% Worldwide in Class)
- Stanford Alumni - Quantitative Economics, Organizational Behavior
- Guest Speaker: Harvard, Oxford, MIT
- Expert Source for Members of Media
- Former Tech Exec: Product Management, Product Line P&L, Marketing (Nasdaq: LPSN, ARTG/ORCL)
- Actively in SaaS since 1999
- CEO Coaching/Consulting since 1995
- Startup to Fortune 500
- Board Member with \$100M+ Exit

Value Creation | Investment Grade Assessment Tool

Leverage data to lead your business to greater enterprise value. Founders has developed a sector-specific, algorithmic evaluation tool to help business owners understand if their company is investment grade based on years of M&A expertise. Our Investment Grade Assessment gives owners a measurable system to assess the 12 interdependent value drivers.

Assessment Link

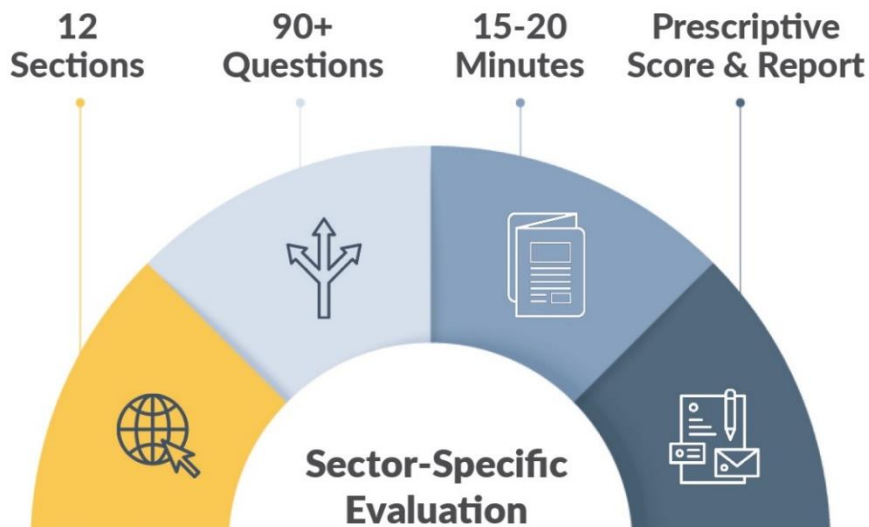
- **Assessment:** <https://app.foundersib.com/auth/sign-up>
- **Discount Code:** martech2025
- **Industry:** Technology, Media, and Telecommunication
- **Sector:** Marketing Technology

Approaching the Assessment

- Allow 15-20 minutes to complete; go with your gut answer and keep moving; do your best not to overanalyze questions
- It's okay to select "unknown"; this will bring awareness to areas of the business the need more attention
- Answer honestly as to where your company is now, not where you wish it was
- Don't be discouraged by results; there are action steps to improve in all areas
- If there is more than one owner / operator, we recommend each key executive take the assessment separately to allow for comparison of results and perspectives

Proprietary Assessment Tool

Founders' proprietary assessment platform gives business owners a clear market perspective on how investable their company is coupled with a view on organizational health.



Why Assess Your Business?

The benefits of assessing your business far transcend solely transacting. Doing so provides the opportunity to own and operate an all-around better business.



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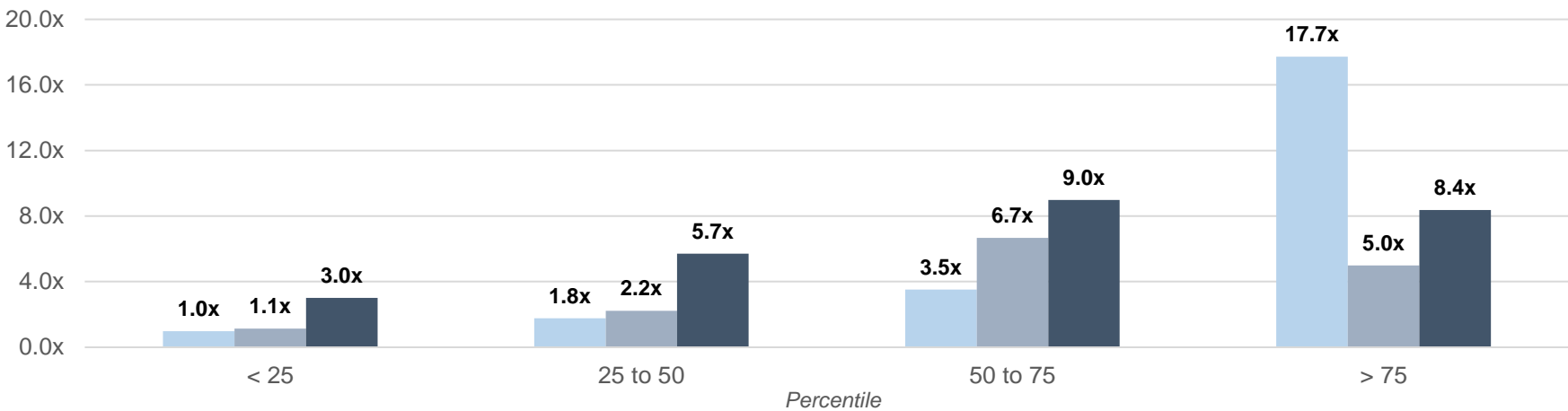
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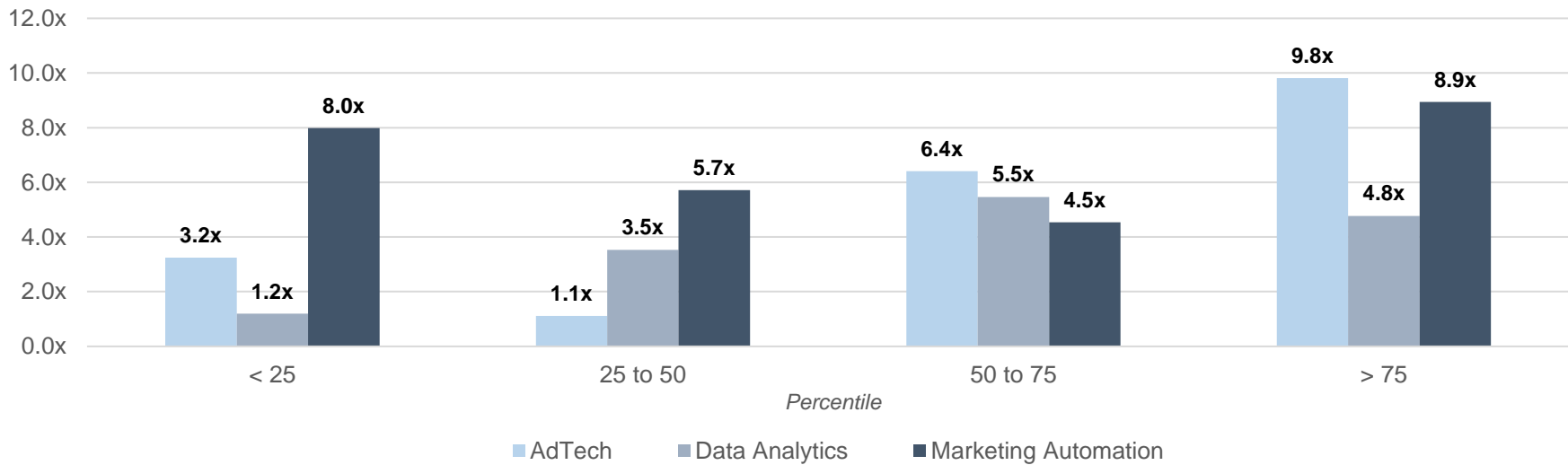
Operating Metrics | Key Performance Indicators

Enterprise Value Metrics

Revenue Growth Percentile vs. EV / LTM Revenue

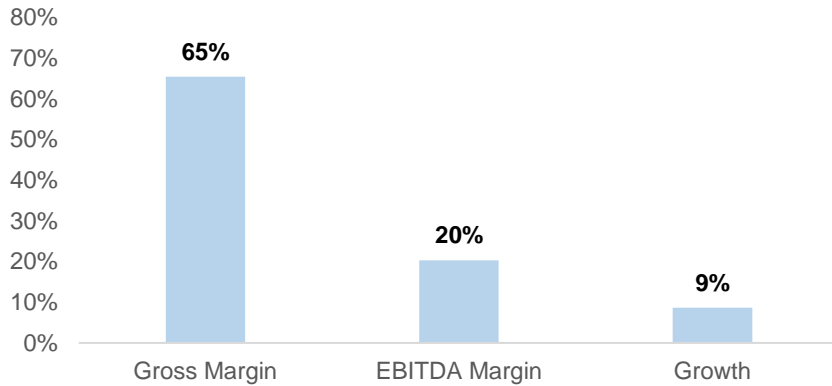


Gross Margin Percentile vs. EV/LTM Revenue

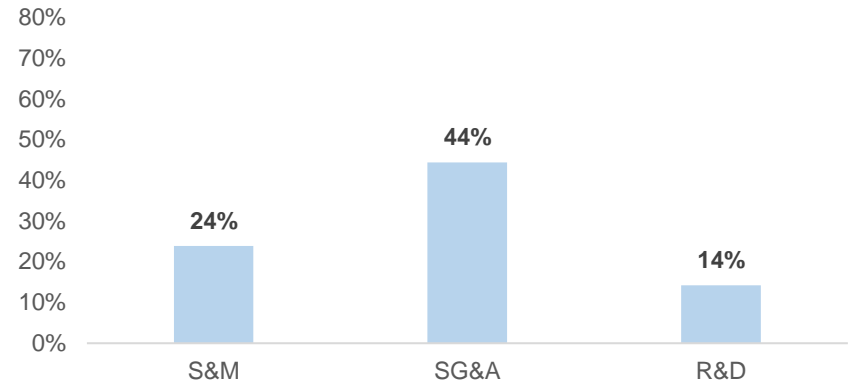


Public Equities Index | AdTech

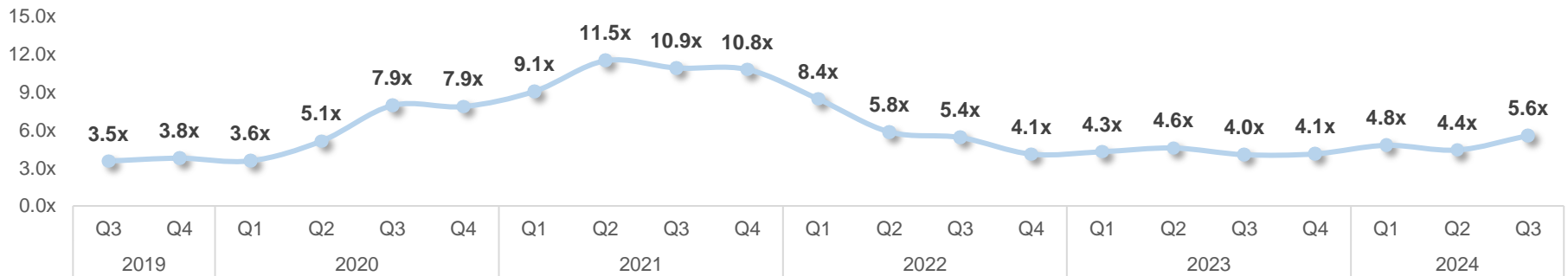
Growth & Margins (Median)



Operating Metrics (Median)*



EV / Revenue (Mean)

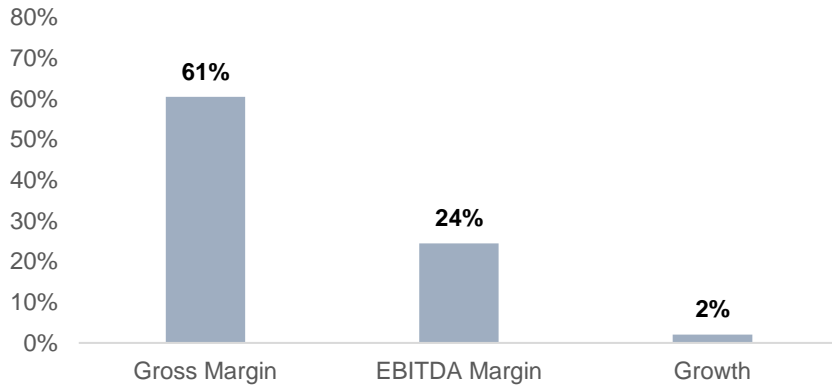


Select Industry Participants

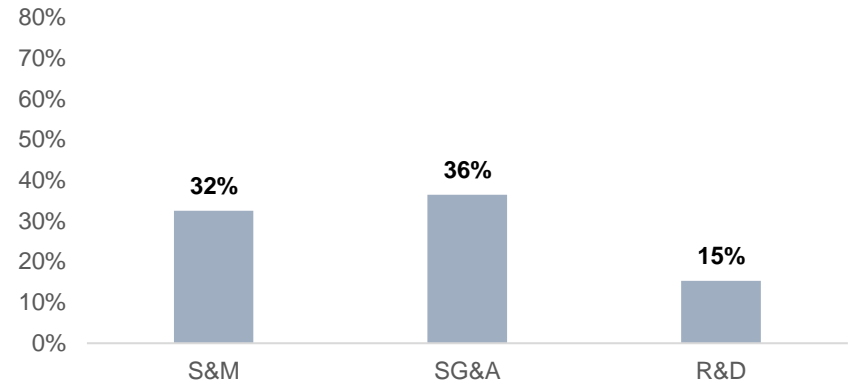


Public Equities Index | Data & Analytics

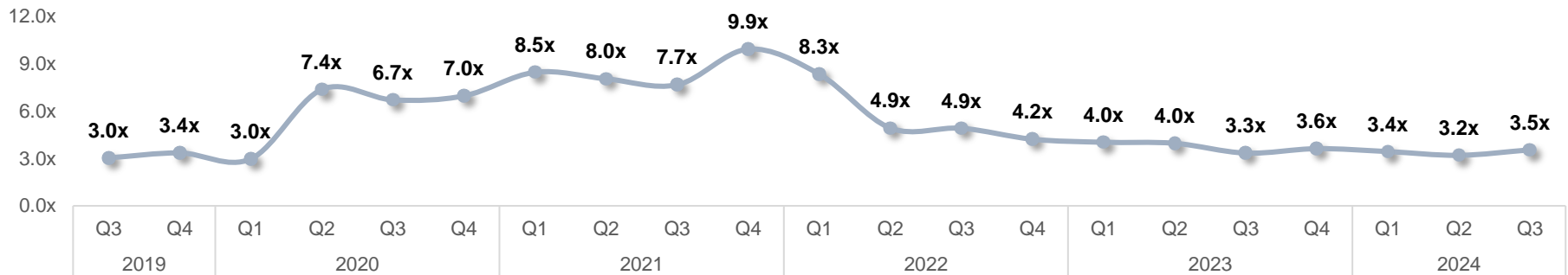
Growth & Margins (Median)



Operating Metrics (Median)*



EV / Revenue (Mean)



Select Industry Participants

Appier

CINgroup

comscore

dun & bradstreet

FORRESTER®

ORACLE

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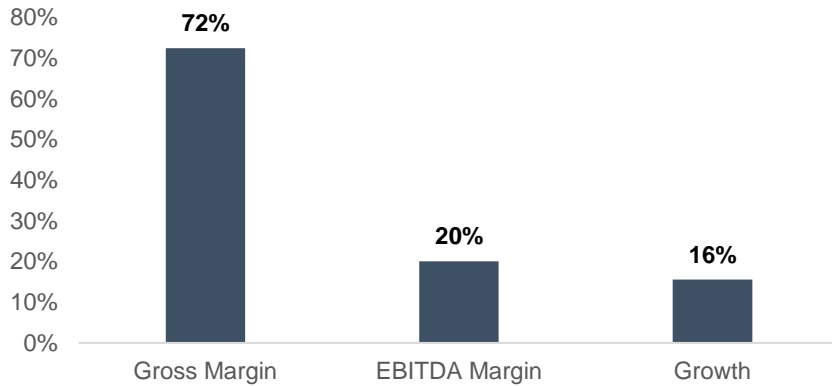
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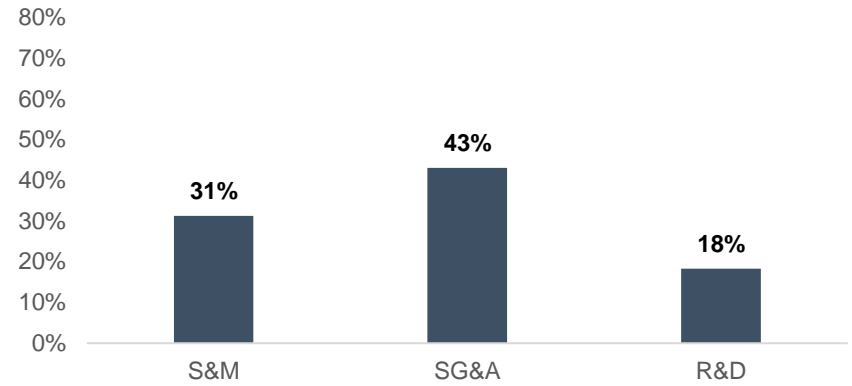
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Public Equities Index | Marketing Automation

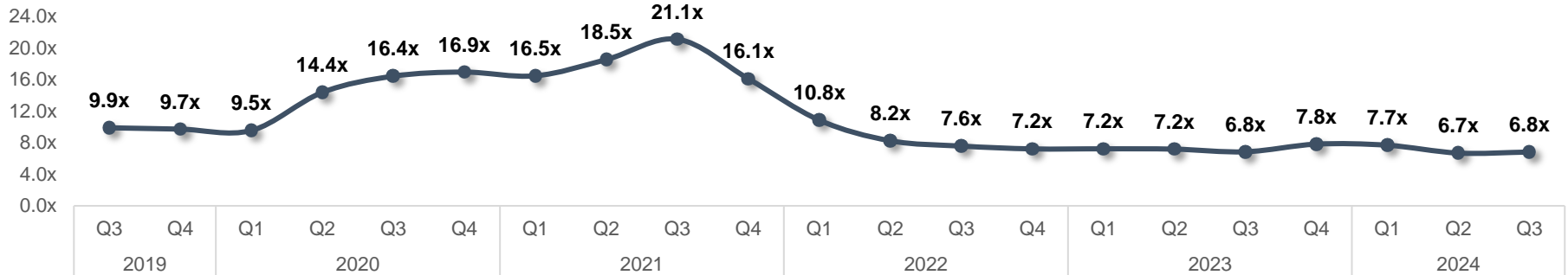
Growth & Margins (Median)



Operating Metrics (Median)*



EV / Revenue (Mean)

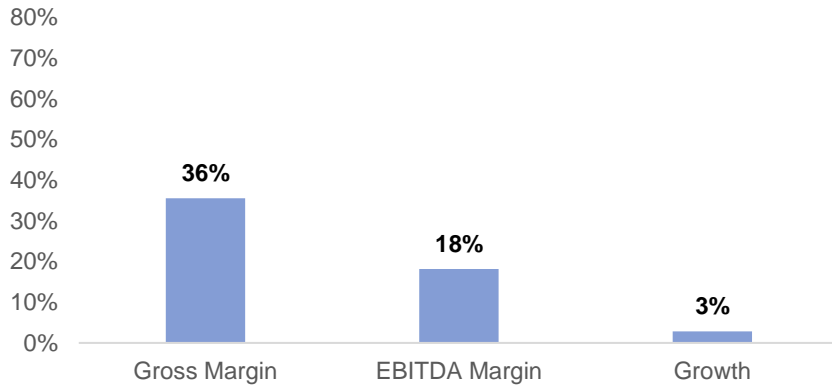


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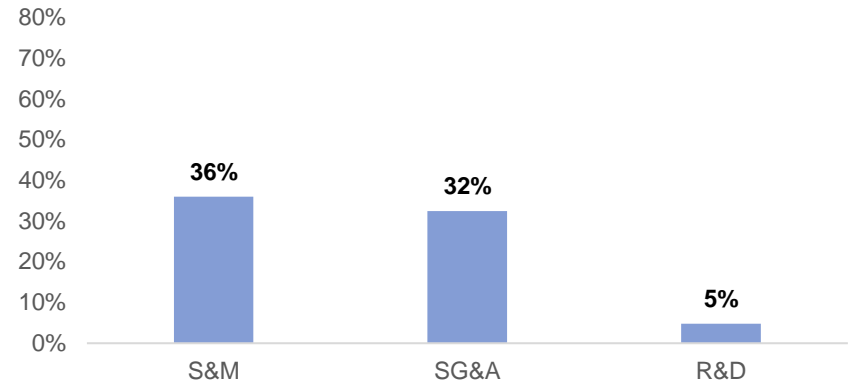


Public Equities Index | Marketing & Advertising Services

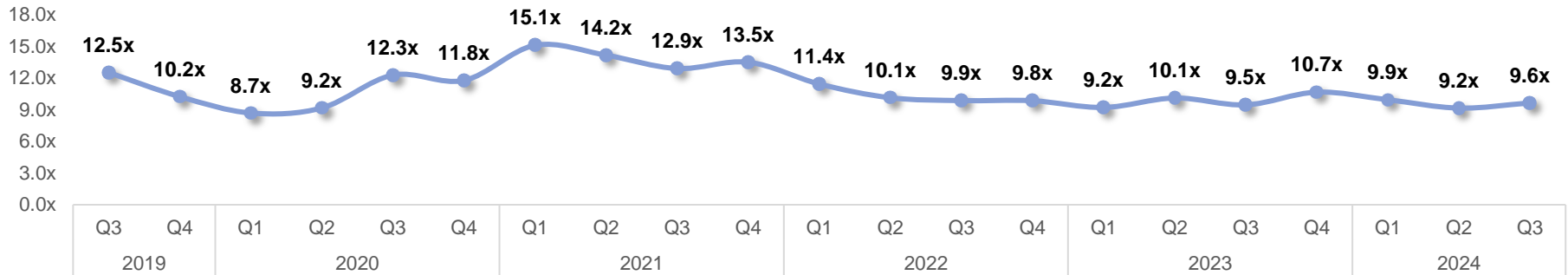
Growth & Margins (Median)



Operating Metrics (Median)*



EV / EBITDA (Mean)



Select Industry Participants

concentrix™

dentsu
group

IPG

N nerdwallet

NEXT15

OmnicomGroup

STAGWELL

PUBLICIS GROUPE

QuinStreet

S4
CAPITAL

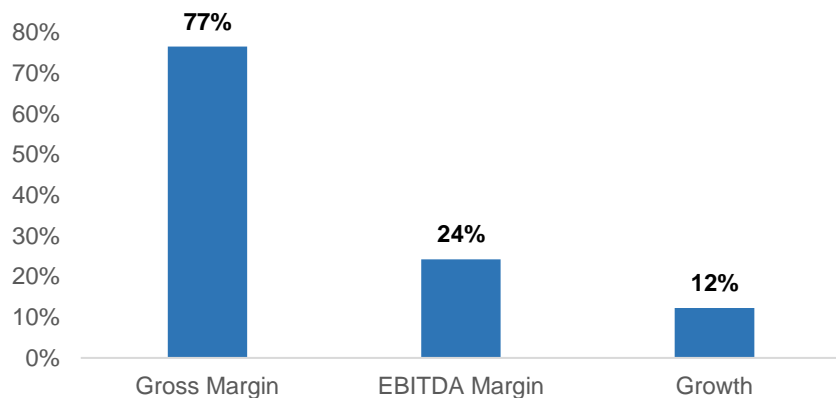
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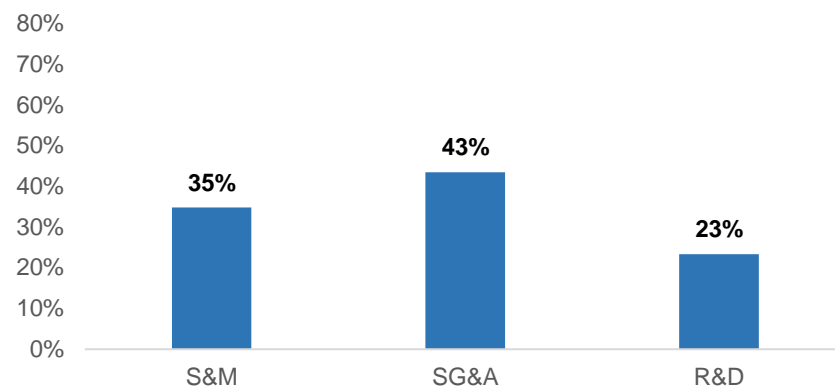
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Davis

Public Equities Index | Horizontal SaaS

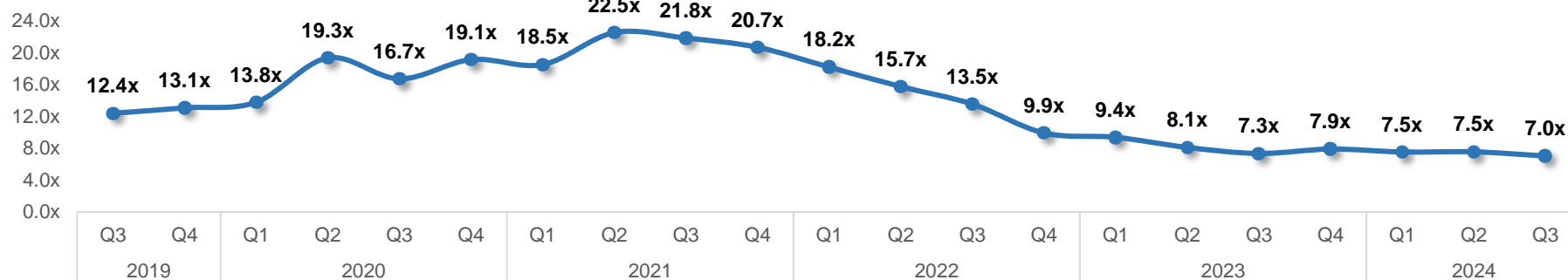
Growth & Margins (Median)



Operating Metrics (Median)*



EV / Revenue (Mean)

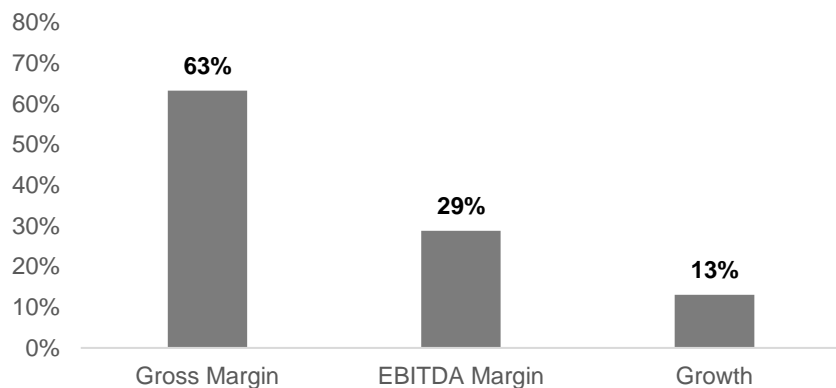


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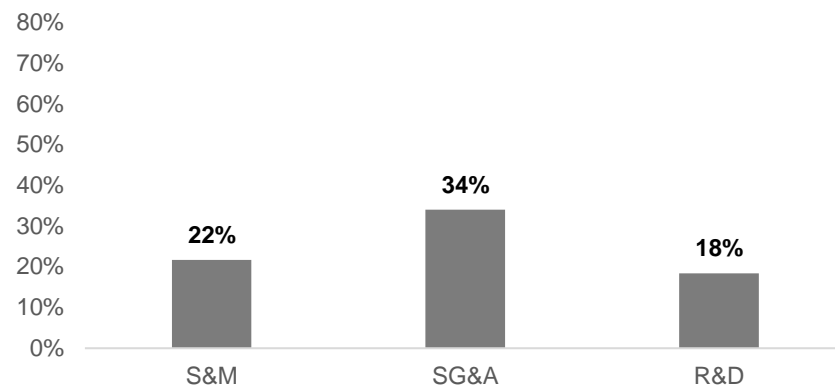


Public Equities Index | Vertical SaaS

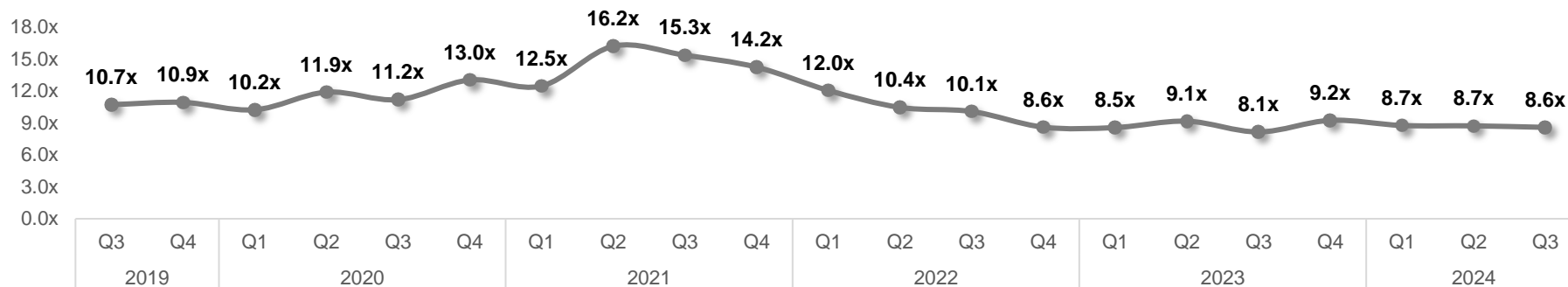
Growth & Margins (Median)



Operating Metrics (Median)*



EV / Revenue (Mean)



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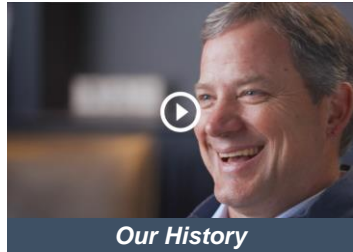
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FIRM OVERVIEW

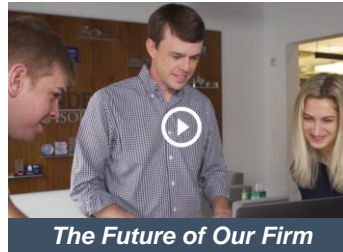
Founders is a mergers, acquisitions, and strategic advisory services firm that has served middle-market companies since 2003. With a nationwide footprint, we pride ourselves in employing a values based and highly personalized relational approach through our five industry-focused advisory teams. Today, Founders employs over 50 professionals and has offices in Birmingham, AL (headquarters) and Dallas, TX.



Our History



Our Culture



The Future of Our Firm

OUR WHEELHOUSE

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

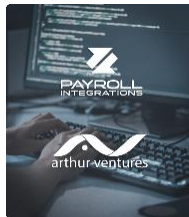
Select Recent Transactions

Current Sell-Side Engagement

SaaS Platform for State and Local Gov't Agencies

Current Sell-Side Engagement

Performance Mgmt. Software for Home Services Contractors



PURPOSE

Be Servant Leaders who value relationships and results

FIRM VALUES

ORDER

Maintain focus on doing the right things at the right time

SERVICE

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

GROWTH

Reflect, evaluate, and plan for improvement

EXCELLENCE

All we do, we do well

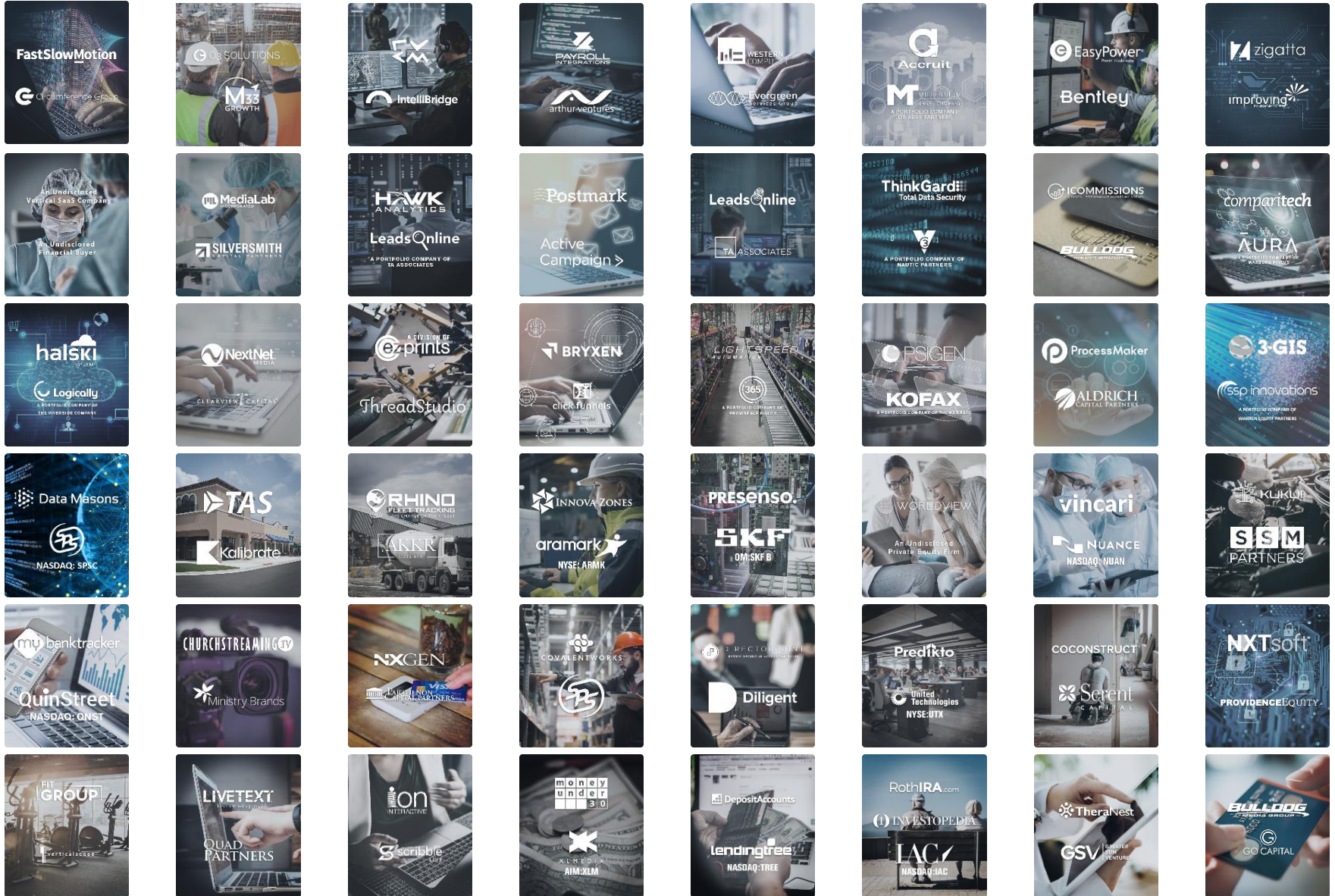
HEALTH

Be and stay healthy, personally, and as a team

COMMUNITY

Be team-focused; we're better together

Focused on Serving Founder-Led Technology Companies



Defining the Gold Standard for M&A Advisory

The Gold Standard

Excellence in Relationship Development

- Founders strives to create **Raving Fans** through a deep focus on developing strong, trustworthy relationships with our clients that will last well beyond the process.
- We believe transactions come and go, but the impact an M&A event has on a business owner lasts a lifetime and our services should be delivered with that in mind.

Best-In-Class Process Management

- A key objective of each Founders' process is maximizing the probability of success. The best way to meet that objective is through our best-in-class process management systems.

Exceptional Results

- We have a track record of understanding our client's goals and objectives for the transaction process and delivering exceptional results for each specific situation.

Deep Sector Knowledge

- Founders leverages the collective knowledge of our growing team of professionals with dedicated sector coverage expertise allowing us to fully understand your business, stay at the forefront of sector trends & drivers, and have a comprehensive understanding of the buyer landscape.

Transaction Expertise

- Every deal structure is unique and contingent upon the client's circumstances and goals. Through a deep bench of seasoned deal professionals, Founders provides a depth of transaction experience with over \$55B in total transacted enterprise value....Put simply, **We Get Deals Done.**

Key Differentiators vs. Other Advisors

Table Stakes for M&A Advisory

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Public Equities Index | AdTech

Name	% of 52 Week High	Enterprise Value	LTM Financials					Enterprise Value Multiples		Operating Statistics		
			Revenue	EBITDA	Revenue Growth	Gross Margin	EBITDA Margin	EV / LTM Revenue	EV / LTM EBITDA	S&M as % of Rev.	R&D as % of Rev.	SG&A as % of Rev.
Affle	98%	\$2,786	\$248	\$51	32%	39%	20%	11.2x	54.8x	N/A	N/A	16%
AppLovin	98%	\$125,954	\$4,290	\$2,020	41%	74%	47%	29.4x	62.4x	20%	14%	24%
Catena Media	29%	\$90	\$59	\$9	-38%	76%	16%	1.5x	9.5x	N/A	N/A	56%
Criteo	83%	\$2,192	\$1,947	\$370	0%	49%	19%	1.1x	5.9x	19%	13%	28%
Digital Garage	95%	\$870	\$211	(\$11)	-7%	65%	-5%	4.0x	N/A	N/A	N/A	62%
Digital Turbine	20%	\$534	\$492	\$66	-17%	45%	13%	1.1x	8.1x	13%	9%	48%
DoubleVerify	48%	\$3,175	\$638	\$136	20%	82%	21%	5.0x	24.8x	25%	23%	39%
Nexxen	97%	\$519	\$332	\$74	-1%	81%	22%	1.5x	7.0x	32%	15%	46%
Integral Ad Science	65%	\$1,875	\$511	\$113	12%	79%	22%	3.7x	16.6x	24%	14%	43%
LiveRamp	73%	\$1,717	\$707	\$143	14%	72%	20%	2.4x	12.0x	30%	24%	47%
Magnite	93%	\$2,697	\$661	\$193	9%	61%	29%	4.1x	14.0x	25%	15%	39%
Mobvista	77%	\$1,515	\$1,186	N/A	26%	21%	N/A	1.1x	14.9x	5%	10%	9%
Perion Network	29%	\$82	\$603	\$85	-16%	34%	14%	0.1x	1.0x	11%	6%	18%
PubMatic	66%	\$692	\$290	\$94	13%	65%	32%	2.4x	7.4x	32%	11%	51%
The Trade Desk	100%	\$67,247	\$2,310	N/A	26%	81%	N/A	29.1x	N/A	23%	19%	46%
Thryv Holdings	63%	\$1,005	\$874	N/A	-9%	66%	N/A	1.1x	N/A	32%	N/A	56%
ValueCommerce	68%	\$95	\$198	\$35	-8%	34%	18%	0.5x	2.7x	N/A	N/A	N/A

Statistics

Min	\$82	\$59	(\$11)	-38%	21%	-5%	0.1x	1.0x	5%	6%	9%
Median	\$1,515	\$603	\$89	9%	65%	20%	2.4x	10.8x	24%	14%	44%
Mean	12,532	\$915	\$241	6%	60%	21%	5.8x	17.2x	22%	14%	39%
Max	\$125,954	\$4,290	\$2,020	41%	82%	47%	29.4x	62.4x	32%	24%	62%

Public Equities Index | Data & Analytics

Name	% of 52 Week High	Enterprise Value	LTM Financials					Enterprise Value Multiples		Operating Statistics		
			Revenue	EBITDA	Revenue Growth	Gross Margin	EBITDA Margin	EV / LTM Revenue	EV / LTM EBITDA	S&M as % of Rev.	R&D as % of Rev.	SG&A as % of Rev.
Appier	68%	\$842	\$203	\$25	34%	52%	12%	3.9x	34.2x	30%	13%	36%
Cint Group	76%	\$346	\$209	\$493	-30%	37%	236%	1.6x	0.7x	N/A	N/A	N/A
Comscore	37%	\$260	\$356	\$38	-5%	43%	11%	0.7x	6.9x	2%	9%	29%
Dun & Bradstreet	97%	\$8,995	\$2,380	\$937	4%	64%	39%	3.8x	9.6x	N/A	N/A	31%
Forrester Research	60%	\$266	\$443	\$61	-11%	57%	14%	0.6x	4.4x	37%	N/A	50%
Oracle	93%	\$580,857	\$53,815	\$26,449	6%	71%	49%	10.8x	22.0x	15%	17%	18%
Pegasystems	98%	\$8,070	\$1,481	\$351	9%	74%	24%	5.5x	23.0x	36%	20%	43%
Teradata	64%	\$3,278	\$1,798	\$454	-2%	61%	25%	1.8x	7.2x	N/A	16%	33%
Zeta Global	63%	\$5,460	\$901	(\$50)	30%	60%	-6%	6.1x	N/A	34%	10%	56%
ZoomInfo	57%	\$5,005	\$1,218	\$475	0%	85%	39%	4.1x	10.5x	32%	15%	56%

Statistics

Min	\$260	\$203	(\$50)	-30%	37%	-6%	0.6x	0.7x	2%	9%	18%
Median	\$4,142	\$1,060	\$403	2%	61%	24%	3.9x	9.6x	32%	15%	36%
Mean	\$61,338	\$6,280	\$2,923	4%	60%	44%	3.9x	13.2x	27%	14%	39%
Max	\$580,857	\$53,815	\$26,449	34%	85%	236%	10.8x	34.2x	37%	20%	56%

Public Equities Index | Marketing Automation

Name	% of 52 Week High	Enterprise Value	LTM Financials					Enterprise Value Multiples		Operating Statistics		
			Revenue	EBITDA	Revenue Growth	Gross Margin	EBITDA Margin	EV / LTM Revenue	EV / LTM EBITDA	S&M as % of Rev.	R&D as % of Rev.	SG&A as % of Rev.
Adobe	81%	\$225,821	\$20,947	\$10,347	11%	89%	49%	10.8x	21.8x	27%	18%	34%
Braze	64%	\$3,649	\$536	(\$7)	31%	69%	-1%	6.8x	N/A	50%	24%	70%
DotDigital Group	85%	\$306	\$99	\$31	14%	80%	31%	3.1x	9.9x	4%	N/A	49%
Freshworks	64%	\$3,816	\$686	\$85	20%	84%	12%	5.6x	44.7x	57%	23%	83%
HubSpot	95%	\$35,960	\$2,506	\$500	22%	85%	20%	14.3x	71.1x	47%	29%	59%
Lime Technologies	88%	\$456	\$62	\$19	18%	60%	31%	7.3x	23.8x	N/A	N/A	N/A
LiveChat	51%	\$394	\$87	\$50	10%	80%	57%	4.5x	7.9x	18%	N/A	28%
Microsoft	92%	\$3,188,970	\$254,190	\$136,841	16%	69%	54%	12.5x	23.3x	10%	12%	13%
NICE	68%	\$10,587	\$2,637	\$902	14%	67%	34%	4.0x	11.7x	24%	13%	34%
Salesforce	95%	\$315,514	\$36,465	\$15,525	10%	76%	43%	8.5x	20.2x	36%	14%	43%
SEMrush	84%	\$1,810	\$358	\$28	22%	83%	8%	5.1x	47.7x	38%	21%	60%
Shopify	96%	\$141,100	\$8,212	\$1,382	23%	51%	17%	17.2x	102.1x	17%	16%	21%
Sprinklr	48%	\$1,674	\$774	\$145	15%	74%	19%	2.2x	11.6x	41%	12%	57%
Sprout Social	45%	\$1,741	\$392	\$26	27%	77%	7%	4.4x	65.7x	47%	25%	69%
Twilio	99%	\$14,886	\$4,339	\$873	6%	51%	20%	3.4x	17.1x	20%	23%	30%
Upland Software	87%	\$481	\$279	\$56	-8%	70%	20%	1.7x	8.6x	24%	17%	43%
Verint Systems	64%	\$2,178	\$915	\$265	3%	71%	29%	2.4x	8.2x	N/A	15%	42%
Weave	99%	\$1,006	\$196	N/A	21%	71%	N/A	5.1x	N/A	41%	20%	67%

Statistics

Min	\$306	\$62	(\$7)	-8%	51%	-1%	1.7x	7.9x	4%	12%	13%
Median	\$2,913	\$730	\$145	16%	72%	20%	5.1x	21.0x	31%	18%	43%
Mean	\$219,464	\$18,538	\$9,828	15%	73%	26%	6.6x	31.0x	31%	19%	47%
Max	\$3,188,970	\$254,190	\$136,841	31%	89%	57%	17.2x	102.1x	57%	29%	83%

Public Equities Index | Marketing & Advertising Services

Name	% of 52 Week High	Enterprise Value	LTM Financials					Enterprise Value Multiples		Operating Statistics		
			Revenue	EBITDA	Revenue Growth	Gross Margin	EBITDA Margin	EV / LTM Revenue	EV / LTM EBITDA	S&M as % of Rev.	R&D as % of Rev.	SG&A as % of Rev.
Concentrix	43%	\$7,613	\$8,541	\$1,556	41%	36%	18%	0.8x	4.9x	N/A	N/A	32%
Omnicom Group	97%	\$25,531	\$15,428	\$2,526	6%	19%	16%	1.7x	10.1x	N/A	N/A	3%
Interpublic Group	85%	\$13,993	\$10,858	\$1,728	0%	17%	16%	1.3x	8.1x	N/A	N/A	1%
Dentsu Group	82%	\$8,724	\$9,269	N/A	9%	86%	N/A	0.9x	6.2x	N/A	N/A	77%
NerdWallet	82%	\$964	\$638	N/A	-16%	90%	N/A	1.5x	N/A	66%	14%	76%
Next Fifteen	41%	\$689	\$924	\$184	-1%	79%	20%	0.7x	3.7x	N/A	N/A	56%
Publicis Groupe	92%	\$29,540	\$14,572	\$3,308	3%	N/A	23%	1.8x	8.9x	N/A	N/A	65%
QuinStreet	85%	\$1,234	\$759	\$40	37%	9%	5%	1.6x	31.2x	2%	4%	7%
S4 Capital	53%	\$563	\$1,154	\$115	-20%	88%	10%	0.5x	4.9x	N/A	N/A	72%
Stagwell	98%	\$3,004	\$2,707	\$576	5%	35%	21%	1.1x	4.7x	N/A	N/A	25%
TTEC Holdings	23%	\$1,306	\$2,266	\$211	-9%	21%	9%	0.6x	6.2x	N/A	N/A	13%
WPP	96%	\$19,267	\$18,453	\$3,749	3%	17%	20%	1.0x	5.1x	N/A	N/A	13%
Ziff Davis	84%	\$3,017	\$1,379	\$462	1%	85%	34%	2.2x	6.5x	36%	5%	66%

Statistics

Min	\$563	\$638	\$40	-20%	9%	5%	0.5x	3.7x	2%	4%	1%
Median	\$3,017	\$2,707	\$576	3%	36%	18%	1.1x	6.4x	36%	5%	32%
Mean	\$8,935	\$6,688	\$1,314	5%	49%	18%	1.2x	8.4x	35%	7%	39%
Max	\$29,540	\$18,453	\$3,749	41%	90%	34%	2.2x	31.2x	66%	14%	77%

Public Equities Index | Horizontal Software

Name	% of 52 Week High	Enterprise Value	LTM Financials					Enterprise Value Multiples		Operating Statistics		
			Revenue	EBITDA	Revenue Growth	Gross Margin	EBITDA Margin	EV / LTM Revenue	EV / LTM EBITDA	S&M as % of Rev.	R&D as % of Rev.	SG&A as % of Rev.
Atlassian	100%	\$68,918	\$4,303	\$1,065	26%	82%	25%	15.1x	64.7x	21%	54%	36%
Box	96%	\$5,479	\$1,059	\$297	4%	77%	28%	5.1x	18.5x	34%	24%	46%
Dayforce	97%	\$13,436	\$1,695	\$475	17%	45%	28%	7.9x	28.3x	19%	N/A	38%
CrowdStrike	88%	\$82,766	\$3,740	\$1,013	31%	75%	27%	22.1x	81.7x	38%	26%	49%
DocuSign	93%	\$15,526	\$2,858	\$869	8%	79%	30%	5.4x	17.9x	41%	20%	54%
Domo	79%	\$451	\$318	\$21	0%	75%	7%	1.4x	21.1x	50%	27%	68%
Dropbox	86%	\$9,793	\$2,540	N/A	3%	82%	N/A	3.9x	N/A	18%	35%	27%
Elastic	83%	\$11,096	\$1,376	\$215	19%	74%	16%	8.1x	51.7x	43%	26%	56%
Fastly	36%	\$1,423	\$537	\$28	12%	55%	5%	2.6x	50.4x	37%	27%	59%
Five9	47%	\$3,388	\$1,002	N/A	14%	53%	N/A	3.4x	N/A	31%	16%	44%
HubSpot	95%	\$35,960	\$2,506	\$500	22%	85%	20%	14.3x	71.1x	47%	29%	59%
Intuit	89%	\$180,910	\$16,590	\$6,611	12%	79%	40%	10.9x	27.4x	27%	17%	36%
Okta	71%	\$12,591	\$2,452	\$505	19%	76%	21%	5.0x	24.9x	40%	26%	59%
PagerDuty	80%	\$1,848	\$457	\$100	9%	82%	22%	4.0x	19.2x	44%	31%	69%
Palo Alto Networks	96%	\$126,443	\$8,288	\$2,436	15%	74%	29%	15.3x	51.9x	34%	23%	42%
Paycom	97%	\$13,010	\$1,824	\$737	12%	82%	40%	7.1x	17.7x	24%	13%	33%
Paylocity	96%	\$11,171	\$1,403	\$504	9%	69%	36%	8.0x	22.2x	24%	13%	37%
Pegasystems	98%	\$8,070	\$1,481	\$351	9%	74%	24%	5.5x	23.0x	36%	20%	43%
PTC	99%	\$25,714	\$2,298	\$953	10%	81%	41%	11.2x	27.0x	24%	19%	34%
Qualys	76%	\$5,428	\$593	\$274	10%	82%	46%	9.2x	19.8x	21%	19%	33%
Salesforce	95%	\$315,514	\$36,465	\$15,525	10%	76%	43%	8.5x	20.2x	36%	14%	43%
ServiceNow	99%	\$215,093	\$10,464	\$3,557	23%	79%	34%	20.6x	60.5x	35%	23%	44%
Shopify	96%	\$141,100	\$8,212	\$1,382	23%	51%	17%	17.2x	102.1x	17%	16%	21%
Smartsheet	99%	\$7,142	\$1,042	\$161	20%	82%	15%	6.9x	44.2x	50%	24%	65%
Sprout Social	45%	\$1,741	\$392	\$26	27%	77%	7%	4.4x	65.7x	47%	25%	69%
Twilio	99%	\$14,886	\$4,339	\$873	6%	51%	20%	3.4x	17.1x	20%	23%	30%
Upland Software	87%	\$481	\$279	\$56	-8%	70%	20%	1.7x	8.6x	24%	17%	43%
Varonis Systems	84%	\$5,575	\$547	\$38	12%	84%	7%	10.2x	145.8x	52%	36%	68%

Public Equities Index | Horizontal Software (Cont.)

Name	% of 52 Week High	Enterprise Value	LTM Financials					Enterprise Value Multiples		Operating Statistics		
			Revenue	EBITDA	Revenue Growth	Gross Margin	EBITDA Margin	EV / LTM Revenue	EV / LTM EBITDA	S&M as % of Rev.	R&D as % of Rev.	SG&A as % of Rev.
Wix.com	97%	\$12,056	\$1,704	N/A	13%	68%	N/A	7.1x	N/A	25%	29%	35%
Workday	83%	\$64,327	\$7,863	\$2,106	17%	76%	27%	7.9x	30.5x	29%	33%	39%
Workiva	94%	\$5,454	\$705	N/A	16%	77%	N/A	7.7x	N/A	47%	26%	61%
Yext	98%	\$938	\$396	\$56	-2%	78%	14%	2.4x	16.8x	44%	18%	63%
Zoom	89%	\$17,690	\$4,628	\$2,262	3%	76%	49%	3.8x	7.8x	31%	18%	41%
Zscaler	77%	\$29,006	\$2,168	\$505	34%	78%	23%	12.6x	57.5x	51%	23%	61%

Statistics

Min	\$451	\$279	\$21	-8%	45%	5%	1.4x	7.8x	17%	13%	21%
Median	\$12,324	\$1,764	\$505	12%	77%	24%	7.4x	27.2x	35%	23%	43%
Mean	\$43,071	\$4,015	\$1,450	13%	74%	25%	8.2x	40.5x	34%	24%	47%
Max	\$315,514	\$36,465	\$15,525	34%	85%	49%	22.1x	145.8x	52%	54%	69%

Public Equities Index | Vertical Software

Name	% of 52 Week High	Enterprise Value	LTM Financials					Enterprise Value Multiples		Operating Statistics		
			Revenue	EBITDA	Revenue Growth	Gross Margin	EBITDA Margin	EV / LTM Revenue	EV / LTM EBITDA	S&M as % of Rev.	R&D as % of Rev.	SG&A as % of Rev.
Ansys	96%	\$30,247	\$2,468	N/A	14%	89%	N/A	12.3x	N/A	N/A	21%	39%
AppFolio	95%	\$9,214	\$754	\$221	34%	65%	29%	12.1x	41.7x	13%	20%	24%
Aspen Technology	98%	\$15,600	\$1,094	\$433	5%	65%	40%	14.3x	36.0x	45%	19%	58%
Autodesk	92%	\$65,293	\$5,579	\$2,218	11%	91%	40%	11.0x	29.5x	35%	26%	47%
Bentley Systems	87%	\$16,340	\$1,314	\$467	9%	80%	36%	12.4x	35.0x	18%	21%	36%
Blackbaud	93%	\$5,194	\$1,148	\$382	6%	55%	33%	4.5x	13.6x	17%	14%	30%
FactSet	97%	\$19,526	\$2,203	\$868	6%	54%	39%	8.9x	22.5x	N/A	N/A	22%
Guidewire Software	99%	\$16,488	\$980	\$107	8%	59%	11%	16.8x	153.9x	20%	27%	37%
Health Catalyst	70%	\$460	\$302	\$22	4%	45%	7%	1.5x	20.5x	20%	21%	39%
Moody's	98%	\$94,343	\$6,896	\$3,362	20%	73%	49%	13.7x	28.1x	N/A	N/A	25%
nCino	96%	\$4,789	\$506	\$89	14%	60%	18%	9.5x	53.6x	25%	24%	41%
NICE	68%	\$10,587	\$2,637	\$902	14%	67%	34%	4.0x	11.7x	24%	13%	34%
Procore	99%	\$11,607	\$1,110	\$195	24%	82%	18%	10.5x	59.5x	46%	27%	65%
Q2 Software	98%	\$6,574	\$676	\$42	11%	50%	6%	9.7x	157.8x	16%	21%	34%
SPS Commerce	88%	\$7,008	\$612	\$190	19%	67%	31%	11.5x	37.0x	23%	10%	39%
SS&C	99%	\$25,755	\$5,764	\$2,268	6%	49%	39%	4.5x	11.4x	10%	9%	18%
Temenos	62%	\$5,491	\$1,023	\$427	4%	72%	42%	5.4x	12.9x	21%	N/A	32%
Toast	96%	\$22,861	\$4,658	\$25	29%	23%	1%	4.9x	914.4x	9%	8%	16%
Tyler Technologies	98%	\$26,755	\$2,078	\$567	8%	44%	27%	12.9x	47.2x	8%	6%	22%
Veeva Systems	94%	\$31,841	\$2,574	\$1,231	15%	73%	48%	12.4x	25.9x	17%	26%	25%

Statistics

Min	\$460	\$302	\$22	4%	23%	1%	1.5x	11.4x	8%	6%	16%
Median	\$15,970	\$1,231	\$427	11%	65%	33%	10.7x	35.0x	20%	21%	34%
Mean	\$21,299	\$2,219	\$738	13%	63%	29%	9.6x	90.1x	22%	18%	34%
Max	\$94,343	\$6,896	\$3,362	34%	91%	49%	16.8x	914.4x	46%	27%	65%

Precedent Transactions

Date	Target Name	Buyer Name	EV	LTM Financials			EV Multiples	
				Revenue	EBITDA	EBITDA Margin	LTM Revenue	LTM EBITDA
09-Dec-24	Interpublic Group	Omnicom Group	\$16,719	\$10,858	\$1,524	14%	1.3x	9.2x
21-Nov-24	Innovid	Flashtalking	\$490	\$151	\$3	2%	3.5x	202.4x
08-Nov-24	Arketi Group	Go Capital, Station Partners	N/A	N/A	N/A	N/A	N/A	N/A
07-Nov-24	Avid Ratings	ECI Software Solutions	N/A	N/A	N/A	N/A	N/A	N/A
23-Oct-24	Emodo	OneMagnify	N/A	N/A	N/A	N/A	N/A	N/A
17-Oct-24	Veritone One	Oxford Road	\$104	N/A	N/A	N/A	N/A	N/A
21-Oct-24	LiveIntent	Zeta Global Holdings	\$250	\$76	\$16	20%	3.3x	16.1x
30-Sep-24	TRANZACT	GTCR, Recognize Partners	\$632	N/A	N/A	N/A	N/A	N/A

Statistics

Min	\$104	\$76	\$3	2%	1.3x	9.2x
Median	\$490	\$151	\$16	14%	3.3x	16.1x
Mean	\$3,639	\$3,695	\$514	12%	2.7x	75.9x
Max	\$16,719	\$10,858	\$1,524	20%	3.5x	202.4x

FOUNDERS

ADVISORS

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