



MERIDIAN CAPITAL  
INVESTMENT BANKERS

# Software-as-a-Service | 2019 Year in Review

M&A UPDATE





# Meridian Capital Overview



## Exceptional Results Delivered

- Over \$5B in transaction experience
- Trusted advisor to leading middle market companies
- Focus on transaction values between \$20M and \$500M+
- 25+ years experience with complex corporate finance and M&A challenges
- 25 seasoned professionals with finance, operational, and legal backgrounds

92%

DEALS CLOSED ABOVE OR WITHIN VALUATION

### Our Services

#### SALES PROCESS

- Strategic Sales
- Minority Sales
- Subsidiary Divestitures

#### RECAPITALIZATION

- Mergers
- Growth Equity
- Shareholder Liquidity
- Management Buyouts

#### BUY-SIDE PROCESS

- Targeted Buy-Side Execution
- Add-on Acquisitions
- Vertical and Horizontal Acquisitions

#### STRATEGIC ADVISORY

- Exit Strategy Assessment
- Exit Planning and Preparations
- Corporate Finance Consulting

85%

SUCCESS RATE ON ENGAGED TRANSACTIONS

# Meridian's Technology Practice

Leading the Northwest in Technology M&A



PATRICK RINGLAND  
PRINCIPAL & MANAGING DIRECTOR



TONY RICHARDSON  
DIRECTOR- HEAD OF BUSINESS SERVICES



DANIELLE LOBO  
VICE PRESIDENT

## Thought Leadership

*Committed to tracking current industry valuation trends, M&A rationale, and investor criteria*

- Actively tracking 100+ technology, business services, & telecom-focused PE firms
- Ongoing correspondence with acquisitive strategic investors

## Technology Areas of Expertise



SaaS



Hardware



Consulting and Staffing



Healthcare Technology

*2019 By the Numbers:*  
**4 Closed Transactions**  
**2 Engagements under LOI**  
**3 Active Engagements**

## Conference, Panel, and Interview Participation

**VISTAGE**



**ACG**





# Meridian’s Technology Team



PATRICK RINGLAND

Managing Director & Principal



TONY RICHARDSON

Director– Head Of  
Business Services



DANIELLE LOBO

Vice President



MACKENZIE PLACE

Associate



SEAN MAIER

Analyst



JACOB ATKINSON

Analyst

## YEARS EXPERIENCE

- |  |   |  |  |  |  |
|--|---|--|--|--|--|
| <ul style="list-style-type: none"><li>• 15 years – M&amp;A and Corporate Finance</li></ul> | <ul style="list-style-type: none"><li>• 15+ years – Consulting</li><li>• 20+ years – Technology</li><li>• 12+ years – Executive</li></ul> | <ul style="list-style-type: none"><li>• 5 years – Investment Banking</li><li>• 3 years - Corporate Development</li></ul> | <ul style="list-style-type: none"><li>• 1 year – Investment Banking</li><li>• 5 years – Private Equity</li></ul> | <ul style="list-style-type: none"><li>• 1 year –Investment Banking</li></ul> | <ul style="list-style-type: none"><li>• 1 year– Investment Banking</li></ul> |
|--|---|--|--|--|--|

## BACKGROUND















- |   |  |   |   |  |  |
|---|--|---|---|--|--|
| <ul style="list-style-type: none"><li>• Washington (BA, BS)</li><li>• Chicago Booth (MBA)</li></ul> | <ul style="list-style-type: none"><li>• Washington (BBA)</li></ul> | <ul style="list-style-type: none"><li>• Saint Mary’s College of California (BS)</li><li>• Chicago Booth (MBA)</li></ul> | <ul style="list-style-type: none"><li>• Sweet Briar College (BBA)</li></ul> | <ul style="list-style-type: none"><li>• Washington (BBA)</li></ul> | <ul style="list-style-type: none"><li>• Washington (BBA)</li></ul> |
|---|--|---|---|--|--|

## PRIOR EXPERIENCE

- |   |   |   |   |  |   |
|---|---|---|---|--|---|
| <ul style="list-style-type: none"><li>• The Brattle Group</li><li>• HSBC</li><li>• LECG</li></ul> | <ul style="list-style-type: none"><li>• Microsoft</li><li>• Xtreme Consulting Group, Inc.</li></ul> | <ul style="list-style-type: none"><li>• Bank of America Merrill Lynch</li><li>• Nordstrom</li></ul> | <ul style="list-style-type: none"><li>• Odyssey Investment Partners</li></ul> | <ul style="list-style-type: none"><li>• Ignition Partners</li><li>• KenSci</li></ul> | <ul style="list-style-type: none"><li>• Avanade</li></ul> |
|---|---|---|---|--|---|

# Recent Meridian Technology and SaaS Transactions

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<p><b>Subsplash</b></p> <hr/> <p><b>SUBSPASH®</b></p> <p>Fully integrated mobile SaaS platform for churches</p> <p>- Acquired by -</p> <p> Enterprise Software Investors</p>	<p><b>LegitScript</b></p> <hr/> <p></p> <p>Provider of internet healthcare compliance monitoring services</p> <p>- Acquired by -</p> <p></p>	<p><b>Growler</b></p> <hr/> <p></p> <p>A complete same-sex social networking app</p> <p>- Acquired by -</p> <p></p>	<p><b>Cyient</b></p> <hr/> <p><b>CYIENT</b></p> <p>Global engineering and technology solutions company</p> <p>- Strategic Advisory -</p> <p></p>	<p><b>QC Data</b></p> <hr/> <p><b>QC DATA®</b></p> <p>Provider of outsourced engineering and infrastructure data management services</p> <p>- Acquired By -</p> <p><b>ENEngineering®</b></p> <p>A portfolio company of:</p> <p><b>KOHLBERG &amp; COMPANY</b></p>	<p><b>Project Delphi</b></p> <hr/> <p><b>Project Delphi</b></p> <p>Software implementation services provider</p> <p>- In Market -</p> <p></p>
<p><b>Project Elevate</b></p> <hr/> <p><b>Project Elevate</b></p> <p>Patient engagement and clinical trial awareness software and technology platform</p> <p>- In Market -</p> <p></p>	<p><b>Revel Consulting</b></p> <hr/> <p></p> <p><b>REVEL</b></p> <p>Technology consulting firm</p> <p>- Management Buyout Advisory -</p> <p></p>	<p><b>Nirvana Soft</b></p> <hr/> <p><b>nirvanasoft</b></p> <p>People Development • Facilitation</p> <p>Consulting and IT Services</p> <p>- Acquired by -</p> <p><b>HANSEN TECHNOLOGIES</b></p>	<p><b>Cortel</b></p> <hr/> <p></p> <p>Business communications and services</p> <p>- Acquired by -</p> <p><b>Ridgemont EQUITY PARTNERS™</b></p>	<p><b>Kipe Technology Resources</b></p> <hr/> <p></p> <p>Leading technology services firm</p> <p>- Acquired by -</p> <p><b>XTREME CONSULTING GROUP, INC.</b></p>	<p><b>Xtreme Consulting</b></p> <hr/> <p></p> <p>Provider of talent resources and information technology services</p> <p>- Acquired by -</p> <p><b>DISYS</b></p>
<p><b>Bridger Technologies</b></p> <hr/> <p></p> <p>Developer of rapid detection and diagnostics technology</p> <p>- Acquired by -</p> <p><b>BIO-RAD</b></p>	<p><b>Flexenroll, Inc.</b></p> <hr/> <p><b>FLEXENROLL</b></p> <p>Internet-based provider of employee benefits administration</p> <p>- Strategic Advisory -</p> <p></p>	<p><b>Blackfin</b></p> <hr/> <p></p> <p>Technology and business solutions provider</p> <p>- Acquired by -</p> <p><b>XTREME CONSULTING GROUP, INC.</b></p>	<p><b>Enthusiasm Technologies</b></p> <hr/> <p></p> <p>Database extraction business</p> <p>- Acquired by -</p> <p><b>METRO ONE TELECOM SERVICES™</b></p>	<p><b>Grupo Prisa</b></p> <hr/> <p></p> <p>Provider of global media services</p> <p>- Strategic Advisory -</p> <p></p>	<p><b>Excell Data Corporation</b></p> <hr/> <p><b>Excell Data Corporation</b></p> <p>Technology consulting and systems integration services</p> <p>- Acquired by -</p> <p></p>

# M&A Trends, Activity, and Public Comps





# Key M&A Trends

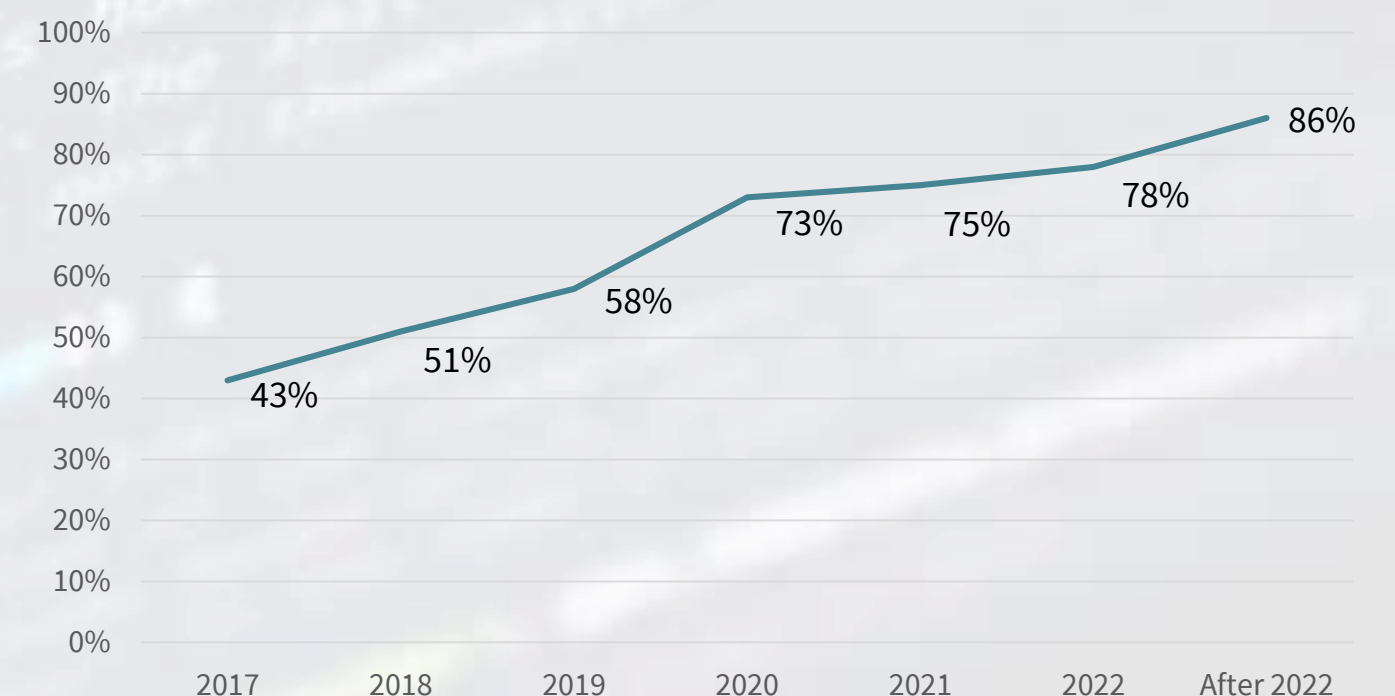
7

Bolstered by increasing customer demand and the continued development of more robust offerings, SaaS continued to experience strong tailwinds in 2019. This strong momentum has garnered interest from both private equity and corporate/strategic investors that are attracted by the inherent business model scalability and potential long-term recurring revenue streams. During 2019 there were over 1,200 SaaS deals with an aggregate deal value of \$204B. Meridian has identified several key trends it believes will continue to play a role in the SaaS industry moving forward.

## Increasing Adoption of and Competition in SaaS

- Given strong interest from investors and customers, coupled with a stable economy, new SaaS solutions have proliferated over the years, causing a strong increase in competition for SaaS providers. SaaS solutions are now seen to compete with an average of nine other solutions providing similar products. The result is a marketplace that requires that SaaS companies have a strong focus on their pricing, brand, and product capabilities, as well as providing the best customer satisfaction to keep churn at a minimum
- This increase in competition has sharpened private equity interest in strong metrics and tightly bound valuation multiples to meeting key metrics

## Percentage of Organization Running Purely on SaaS



Source: SuperOffice

## Significant Private Equity Interest

- 2019 was marked by several blockbuster deals attributed to large private equity funds, a prime example of private equity rolling up fragmented industries to capture wallet share
- Evolving financing terms have made private equity funds increasingly interested in SaaS companies. Though traditional financing relied on hard assets in order to leverage transactions, a new crop of SaaS-friendly lenders have provided financing solutions that comfortably rely on recurring revenue streams to service debt instruments
- Key SaaS metrics attractive to private equity:
  - $ARR \geq \$10M$
  - $YoY\ Growth \geq 40\%$
  - High Gross Margin Profiles
  - Enterprise Solution-Oriented Models

## Private Equity Interest by the Numbers

**>\$84B**  
Capital Invested by PE  
into SaaS YTD Dec. 2019

**609**  
PE SaaS Acquisitions in  
2019

Source: Pitchbook

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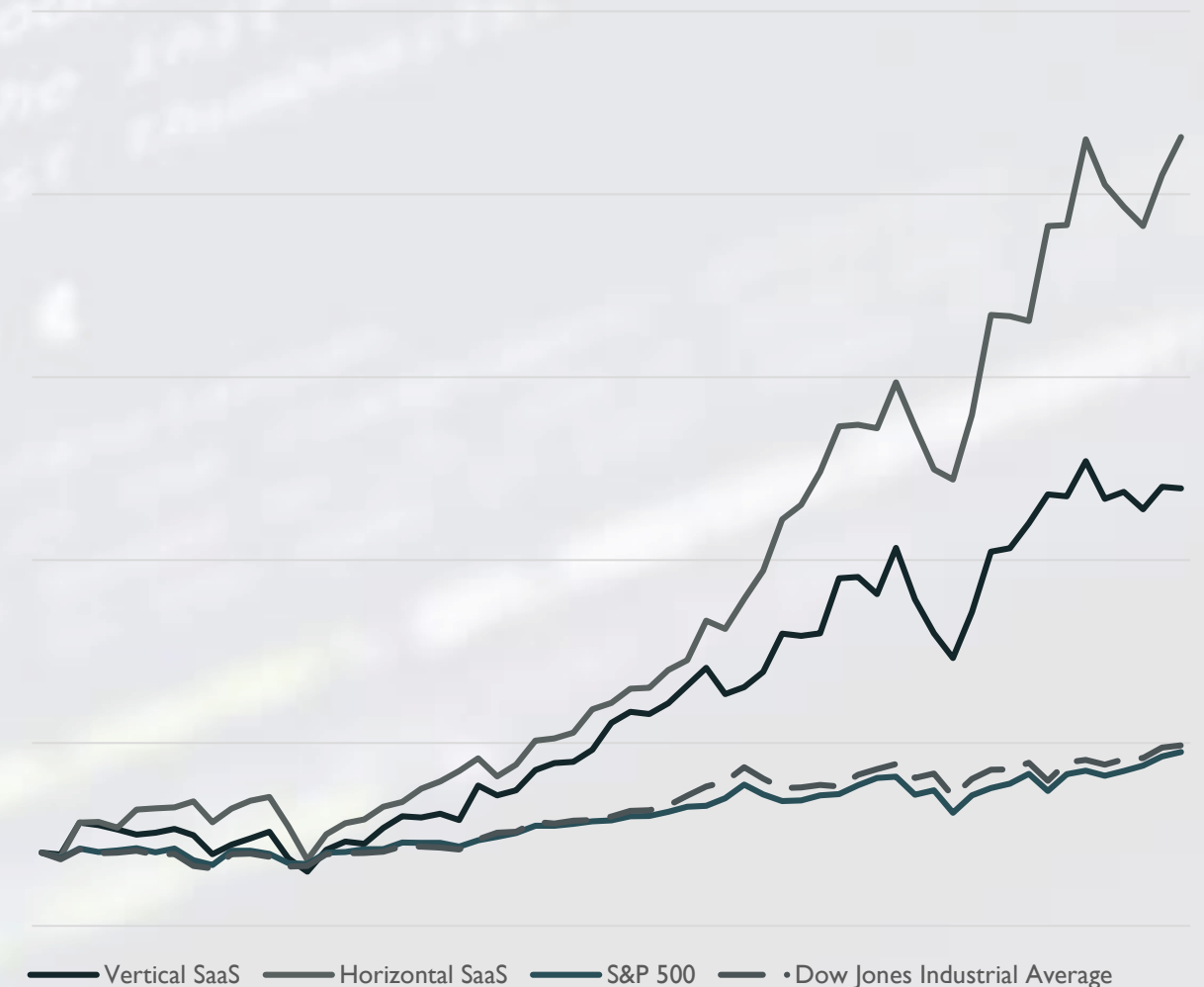
# M&A Trends (Cont.)

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## Strong Continued Performance of Public SaaS Companies

- Public SaaS Enterprise Value to Revenue multiples have significantly increased over the past three quarters. Horizontal SaaS multiples have increased from 12.2x in Q3 2018 to 15.9x Q4 2019, while Vertical SaaS multiples increased from 8.3x to 10.9x over the same period
- Between December 2014 and December 2019, vertically focused SaaS companies gained nearly 200% compared to 391% for horizontally focused SaaS companies(based on an index of representative companies). During the same period, the S&P 500 and Dow Jones Industrial Average grew 52% and 57%, respectively
- Market sentiment towards the business model has remained positive despite a slight dip in revenue multiples earlier in the year

## 5-Year SaaS Stock Performance Exceeds Market



## Rise of Specialty Lenders Focused on SaaS

- Increasingly there has been a shift away from traditional means of financing SaaS startups: a niche has been carved out for financing solutions that provide more freedom compared to venture capital
- Lenders have begun offering lines of credit, term loans, and revenue-based financing catered to SaaS companies
- Revenue-based financing solutions are entrepreneur friendly and allow business owners to fuel growth while not diluting ownership

## Revenue Based Financing Characteristics

- ✓ Flexible Payments
- ✓ No dilution of ownership
- ✓ Quick access to follow on rounds

Source: Pitchbook

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saas  
CAPITAL

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# Pacific Northwest Transaction Spotlight

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## Salesforce acquires Tableau



**Description:** Salesforce offers customer relationship management and enterprise cloud computing solutions

**Announced Definitive Agreement in Jul 2019**



**Description:** Tableau develops and sells software that enables customers to visualize and analyze data through a single, easy-to-use platform, primarily delivered as an on-premises solution

### Deal Metrics:

**Deal Size:**  
\$15.7 Bn

**EV/Rev:**  
11.7x

**EV/EBITDA:**  
NM

### Investment Rationale:

- The acquisition of Tableau will complement Salesforce's offering by providing customers with an integrated analytics and CRM platform allowing customers to unlock greater value from their data

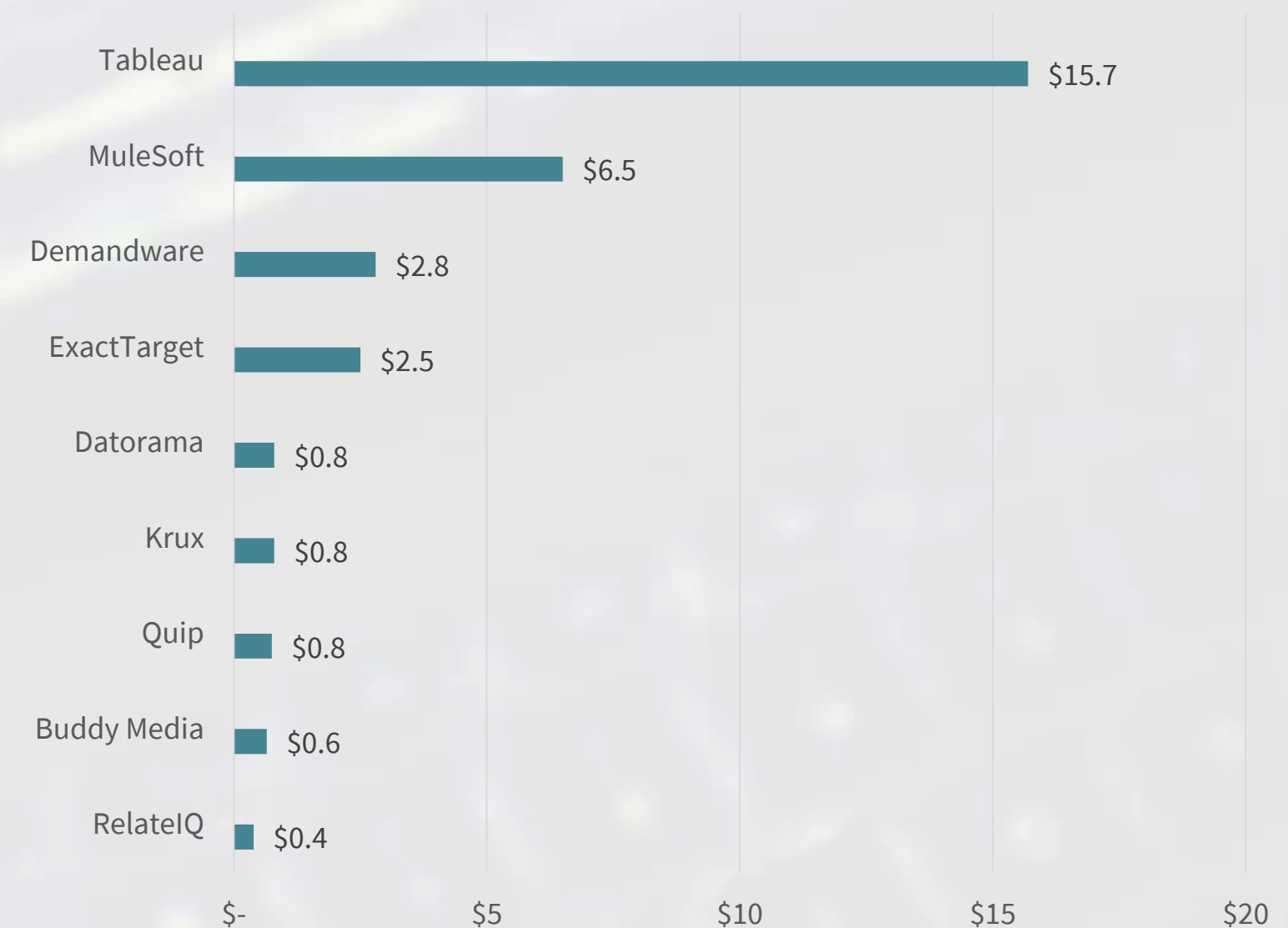
### Pacific Northwest Impact:

- The acquisitions further cements Seattle's position as a leading technology hub. Salesforce joins tech behemoths such as Amazon, Facebook, Google, and Apple who have made significant headcount increased in the Pacific Northwest

### Buyer Quote:

- "We are bringing together the world's #1 CRM with the #1 analytics platform. Tableau helps people see and understand data, and Salesforce helps people engage and understand customers. It's truly the best of both worlds for our customers – bringing together two critical platforms that every customer needs to understand their world" – Marc Benioff, CEO

### Salesforce Acquisition History (\$Bn):



# Select Horizontal SaaS Case Studies

## Qlik, backed by Thoma Bravo, acquires Attunity



Announced Definitive Agreement in Feb 2019

Deal Size	EV/Rev (2018)	EV/EBITDA
\$556M	6.4x	61.5x

**Target Description:** Attunity provides big data management software and data integration applications

**Investment Rationale:** The acquisition combines Attunity’s data integration and management capabilities with Qlik’s data analytics platform, providing a single-source software platform to unlock the value of data

**Buyer Quote:** “Attunity’s strength in real-time data delivery across complex cloud environments will uniquely position Qlik to help customers lead with data and align their enterprise analytics strategy” – Mike Capone, CEO of Qlik

## Hellman & Friedman acquires Ultimate Software



Announced Definitive Agreement in Feb 2019

Deal Size	EV/Rev	EV/EBITDA
\$10,896	9.1x	84.5x

**Target Description:** Ultimate Software Group provides a SaaS based people management software product

**Investment Rationale:** The acquisition will provide a platform with many opportunities for growth, both through organic initiatives and strategic add-ons

**Buyer Quote:** “Ultimate’s market leadership in the human capital management segment and the company’s impressive track record of growth are built on the outstanding quality of its software and its dynamic and motivated employees. The company deeply understands the essence of human capital management, having itself been recognized with numerous best workplace awards from leading publications for its exceptional mission-driven culture. We look forward to building on Ultimate’s successes” – David Tunnell, Hellman & Friedman



# Select Vertical SaaS Case Studies

## Advance Publications acquires Turnitin



Announced Definitive Agreement in Mar 2019

Deal Size	EV/Rev	EV/EBITDA
\$1,750M	11.7x	-

**Target Description:** Turnitin is a software platform that uses machine learning, computer vision, and advanced A.I. to scan students’ writing and code to identify plagiarism

**Investment Rationale:** The acquisition supports Advance’s efforts to diversify their existing business beyond traditional media

**Buyer Quote:** “We admire Chris Caren and his team, and Turnitin’s outstanding track record of enhancing integrity in written work at schools, universities, and publishers worldwide through cutting-edge technology” – Steve Newhouse, Chairman, Advance Publications

## Tabula Rasa Healthcare acquires PrescribeWellness



Announced Definitive Agreement in Mar 2019

Deal Size	EV/Rev	EV/EBITDA
\$150M	4.7x	-

**Target Description:** PrescribeWellness provides patient relationship management software that facilitates the collaboration between patients, payers, and providers

**Investment Rationale:** The acquisition helps Tabula Rasa expand its risk mitigation programs in community pharmacies and provides community pharmacists with clinical revenue opportunities

**Buyer Quote:** “The mission of PrescribeWellness, to deliver technology-enabled services solutions to help community pharmacies improve patient care and thrive economically, is very much aligned with TRHC’s mission. We welcome the PrescribeWellness team of over 150 employees and congratulate them on what they have accomplished” – Calin H. Knowlton, CEO, Tabula Rasa Healthcare

# Select Recent Transactions – Vertical SaaS

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## Vertical SaaS

Date	Target	Buyer	Description	Enterprise Value (\$ in M)	EV/	
					Revenue	EBITDA
Nov-19	Carbonite, Inc.*	OpenText	Provider of online data protection and backup services to mainstream computer users.	\$1,321	3.3x	
Oct-19	Medidata Solutions, Inc.	Dassault Systemes	Provider of a cloud-based service for the life sciences industry.	\$5,800	9.1x	
Oct-19	6 River Systems, Inc.	Shopify	Developer of a collaborative mobile robot with a modern cloud-based software designed to redefine fulfillment automation for e-commerce and retail operations.	\$450		
Oct-19	Radixx International, Inc.	Sabre Corporation	Developer of passenger services system (PSS) software.	\$110		
Sep-19	Real Factors, Inc.	7Park Data	Provider of real estate software for commercial real estate investors.			
Sep-19	Waystar, Inc.	Canada Pension Plan Investment Board, EQT	Developer of medical claims management and patient payment software intended to reduce costs associated with managing insurance claims.	\$2,700		
Sep-19	LTD Software, LLC*	Endurance International Group	Operator of a cloud-based e-commerce automation software intended to offer back-end operations for e-commerce sellers.	\$10		
Sep-19	Online School Management Systems Inc.	Bratenahl Capital Partners	Developer of online software for K-12 school districts intended to make online school management easier.			
Jul-19	OnLink	Deere & Company	Developer of cloud based golf course management platform.			
Jun-19	EPAC Software Technologies, Inc.	JDM Technology Group	Developer of maintenance services software.			
Jun-19	Pathfinder Health Innovations, Inc.	CentralReach, Insight Partners	Developer of a cloud-based software designed to provide treatment for autism and cognitive disorders.			
Jun-19	BankSight Software Systems, Inc.	Bottomline Technologies	Provider of a cloud-based customer engagement software intended to help regional and community banks engage with their customers.	\$5		
May-19	Envisiontel LLC	Remote-Learner US	Developer of SaaS-based educational e-commerce and cloud integration applications designed to simplify online training.			
May-19	eFront S.A.	BlackRock	Developer of financial software in France.	\$1,300	18.7x	
May-19	Ultimate Software Group, Inc.	Hellman & Friedman	Developer and provider of SaaS based people management software product.	\$10,896	9.1x	84.5x

As of 12/31/19; \* indicates announced transaction

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# Select Recent Transactions – Vertical SaaS (Cont.)

Vertical SaaS						
Date	Target	Buyer	Description	Enterprise Value (\$ in M)	EV/	
					Revenue	EBITDA
Apr-19	test IO GmbH	EPAM Systems	Provider of a self-service crowdtesting platform designed to help in agile software development.	\$17		
Apr-19	Club Speed, Inc.	Bellwether Financial Group	Developer of a cloud-based venue management software.	\$43		
Apr-19	Xevo, Inc.	Lear	Provider of a SaaS based automotive technology designed to seamlessly connect drivers and their vehicles to mobile applications, content and services.	\$320		
Mar-19	OpenALPR Technology, Inc.	Novume Solutions	Developer of cloud API software that enables automatic license plate and vehicle recognition through virtually any IP camera.	\$12		
Mar-19	Prescribe Wellness LLC	Tabula Rasa Healthcare	Developer of a cloud-based patient relationship management software designed to collect data for pharmacies.	\$150	4.7x	
Mar-19	Turnitin, LLC	Advance Publications	Provider of a software platform that uses machine learning, computer vision, and A.I. to scan students' writing and code to identify plagiarism	\$1,750	11.7x	
Feb-19	Mindbody, Inc.	Vista Equity Partners	Developer of business management software for yoga and pilates studios, fitness facilities, spas, salons, and other retail clients.	\$1,900	8.3x	271.4x
Feb-19	Bloombox LLC*	Nabis Holdings	Provider of retail cannabis software.	\$2		
Jan-19	Qualtrics International Inc.	SAP	Developer of an enterprise data collection and analysis software intended to survey employees, markets, and customers.	\$8,000	20.0x	
Jan-19	Infinite Cohesion, Ltd.	Education Management Systems	Developer of a content management system intended to build Websites for K-12 schools.			
				Median	\$385	9.1x
				Mean	\$1,933	10.6x
						9.5x
						64.6x

As of 12/31/19; \* indicates announced transaction

# Select Recent Transactions – Horizontal SaaS

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Horizontal SaaS						
Date	Target	Buyer	Description	Enterprise Value (\$ in M)	EV/	
					Revenue	EBITDA
Dec-19	LogMeIn	Francisco Partners	Provider of cloud-based collaboration and connectivity products	\$4,181	3.4x	13.0x
Dec-19	VersaPay	Great Hill Partners	Provider of cloud-based accounts receivable software	\$95	16.3x	
Nov-19	Docker Enterprise	Mirantis	Developer of container platform designed to help businesses build, share, and run applications.			
Nov-19	Scout RFP Inc.	Workday	Developer of a SaaS RFP and sourcing platform designed to help organizations source faster and achieve better business outcomes.	\$540		
Nov-19	Jask Labs, Inc.	Sumo Logic	Developer of cyber-security analytics software designed to modernize security operations.			
Oct-19	Intrinsyc Technologies Corporation*	Lantronix	Developer of IoT products and provider of embedded computing hardware development services.	\$12	0.5x	
Oct-19	StatPro Group plc	Confluence Technologies	Developer of financial software and provider of cloud based portfolio analysis services.	\$198	2.7x	23.3x
Oct-19	Cloud Conformity Pty Ltd	Trend Micro	Developer of a cloud security software platform.	\$70		
Oct-19	Optima Diagnostics Limited	Ideagen	Developer of a compliance system designed to help in workplace health and safety management.	\$2		
Oct-19	Carbon Black, Inc.	VMware	Provider of endpoint security software designed to transform security in the cloud.	\$2,100	9.1x	
Oct-19	Asure Software (Workspace Management Business)*	Accel-KKR	Developer of workplace software designed to make daily tasks easier.	\$120		
Oct-19	SignalFx, Inc	Splunk	Developer of a cloud monitoring platform designed to accelerate problem detection and troubleshooting in real-time.	\$1,050		
Oct-19	Hedvig, Inc.	CommVault Systems	Developer of a software-defined storage platform designed to improve the economics of storing and managing data.	\$225		
Sep-19	BetterCloud, Inc.	Dropbox	Developer of an operations management platform intended to empower IT to define, remediate, and enforce management and security policies for SaaS applications.			
Sep-19	Zingle, Inc.	Medallia	Developer of communication software designed to help businesses to communicate with customers via texting and other mobile messaging channels.	\$42		

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# Select Recent Transactions – Horizontal SaaS (Cont.)

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Horizontal SaaS						
Date	Target	Buyer	Description	Enterprise Value (\$ in M)	EV/	
					Revenue	EBITDA
Sep-19	Servicefriend	Facebook	Developer of an interactive text response system designed to offer a consistent messaging experience at massive scale.			
Sep-19	Semmler Ltd.	GitHub	Provider of software engineering analytics services designed to help customers achieve engineering excellence.	\$410		
Sep-19	Axioma, Inc.	Deutsche Börse Group	Developer and marketer of risk management, portfolio construction, and risk and regulatory reporting tools.	\$876		
Aug-19	Pivotal Software, Inc.	VMware	Provider of cloud platform tools and methodologies intended to help companies deliver better user experiences.	\$2,492	3.5x	NM
Aug-19	Jaggaer, Inc.	Cinven	Developer of a web-based e-procurement, supply and materials management software.	\$1,600		
Aug-19	WeDo Technologies B.V.	Audax Group, Mobileum	Developer of an expert consultancy platform designed to be used for fraud management.	\$97		
Aug-19	Internet Pipeline, Inc.*	Roper Technologies	Developer of a cloud based software platform designed for sales distribution through its on-demand service.	\$1,625		
Aug-19	Cxense ASA*	Piano Software	Provider of web-based services designed for global data and personalization technology.	(\$8)	-0.4x	1.3x
Aug-19	AIM Software GmbH	SimCorp	Developer of enterprise data management software.	\$60		
Aug-19	Tableau Software, Inc.	Salesforce	Developer of analytics and visualization software.	\$15,700	11.7x	NM
Jul-19	BlueTalon, Inc.	Microsoft	Provider of a data-centric security software designed to protect data at all times while allowing it to flow freely and securely anywhere.			
Jul-19	Bitfusion.io, Inc.*	VMware	Developer of an AI Infrastructure disaggregation platform intended to scale heterogeneous computing.			
Jul-19	QualiTest Ltd*	Bridgepoint Advisers	Provider of quality assurance and software testing services.	\$420		
Jul-19	Amber Road, Inc.	Insight Partners	Provider of global trade management software for importers, exporters and logistics service providers.	\$532	6.2x	NM
Jun-19	Dude Solutions Inc.	Clearlake Capital Group	Developer of a cloud-based operations management software.	\$500	5.0x	

As of 12/31/19; \* indicates announced transaction

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# Select Recent Transactions – Horizontal SaaS (Cont.)

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Horizontal SaaS					
Date	Target	Buyer	Description	Enterprise Value (\$ in M)	EV/
					Revenue EBITDA
May-19	Cloudability	Apptio	Provider of a cloud cost management platform that improves visibility, optimization, and governance across cloud environment.		
May-19	Bonobot Technologies Ltd.*	Salesforce	Developer of a conversational intelligence platform designed to help organizations know their customers and grow their customer relationships at scale.	\$45	
May-19	Magnitude Software, Inc.	3i Group	Developer of enterprise information management software.	\$340	3.4x
May-19	GitPrime, Inc.	Pluralsight	Developer of productivity analytics software designed to bring visibility into the software development process.	\$170	
Apr-19	Attunity, Inc.	Thoma Bravo	Provider of data integration and big data management software applications.	\$556	6.4x
Apr-19	Breezy HR, Inc.	Learning Technologies Group	Developer of a recruiting software designed to modernize the recruiting process.	\$31	8.5x
Apr-19	Samange Ltd	SolarWinds	Developer of a service management platform designed to simplify complex tasks and automate services.	\$350	
Apr-19	Determine, Inc.	Corcentric	Provides enterprise contract management and configure price quote software.	\$28	1.1x
Apr-19	Nvoicepay, Inc.	FleetCor Technologies	Developer of cloud-based payment automation software.	\$219	
Mar-19	Aptean, Inc.	TA Associates Management, Vista Equity Partners	Provider of enterprise resource planning software.	\$1,000	
Mar-19	AgileCraft, LLC	Atlassian	Provider of an all-in-one agile management suite for scaled agile software services.	\$166	
Mar-19	Arxspan LLC	Bruker	Provider of cloud-based scientific software and workflow solutions.	\$17	
Mar-19	Kyriba Corp.	Bridgepoint Advisers	Developer of a cloud-based treasury and cash management software designed to help in supply chain finance, payments, and risk management operations.	\$1,200	10.6x
Feb-19	ConnectWise, LLC	Thoma Bravo	Developer of a remote monitoring and management (RMM) platform.	\$1,500	
Feb-19	Reverie Language Technologies Pvt. Ltd*	Reliance Industries	Developer of a communication software designed to make text communication possible in any language on digital platforms.	\$32	

As of 12/31/19; \* indicates announced transaction

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# Select Recent Transactions – Horizontal SaaS (Cont.)

Horizontal SaaS						
Date	Target	Buyer	Description	Enterprise Value (\$ in M)	EV/	
					Revenue	EBITDA
Feb-19	Cylance, Inc.	Blackberry	Developer of cloud based cybersecurity platform designed to predict and prevent the execution of advanced threats and malware.	\$1,400		
Feb-19	AppRiver, LLC	Zix	Provider of cloud-based cybersecurity and productivity software and services.	\$275		
Feb-19	JN Projects, Inc.	Dropbox	Developer of an e-signature platform.	\$230		
Feb-19	Athenahealth, Inc.	Veritas Capital	Developer of a SaaS platform intended to offer medical practice automation and claims management services.	\$5,397	4.1x	17.8x
Feb-19	Intive Gmbh	Mid Europa Partners	Operator of a digital strategy and software development company.	\$148		
Feb-19	Canvas Solutions, Inc.	K1 Investment Management	Provider of mobile platform designed to help companies automate outdated processes.	\$150	7.5x	
Jan-19	Qualtrics International Inc.	SAP	Developer of enterprise data collection and analysis software intended to survey employees, markets, and customers.	\$8,000	20.0x	
Jan-19	BOARD International S.A.	Grafton Capital, Nordic Capital	Operator of performance management and business intelligence application software.	\$500	8.5x	
Jan-19	Veracode Inc.	Thoma Bravo	Provider of a cloud-based application security platform designed to find and fix security-related defects at all points in the software development lifecycle.	\$950		
Jan-19	Cooler Screens Inc.	Microsoft	Developer of a retail point of sale platform designed to transform retail cooler surfaces into IoT-based screens.			
Aug-18	Adaptive Insights, Inc.	Workday	Provider of business planning software to help companies improve business financial performance.	\$1,447	12.7x	NM
				Median	\$725	9.5x
				Mean	\$1,518	10.6x
						9.0x
						9.9x

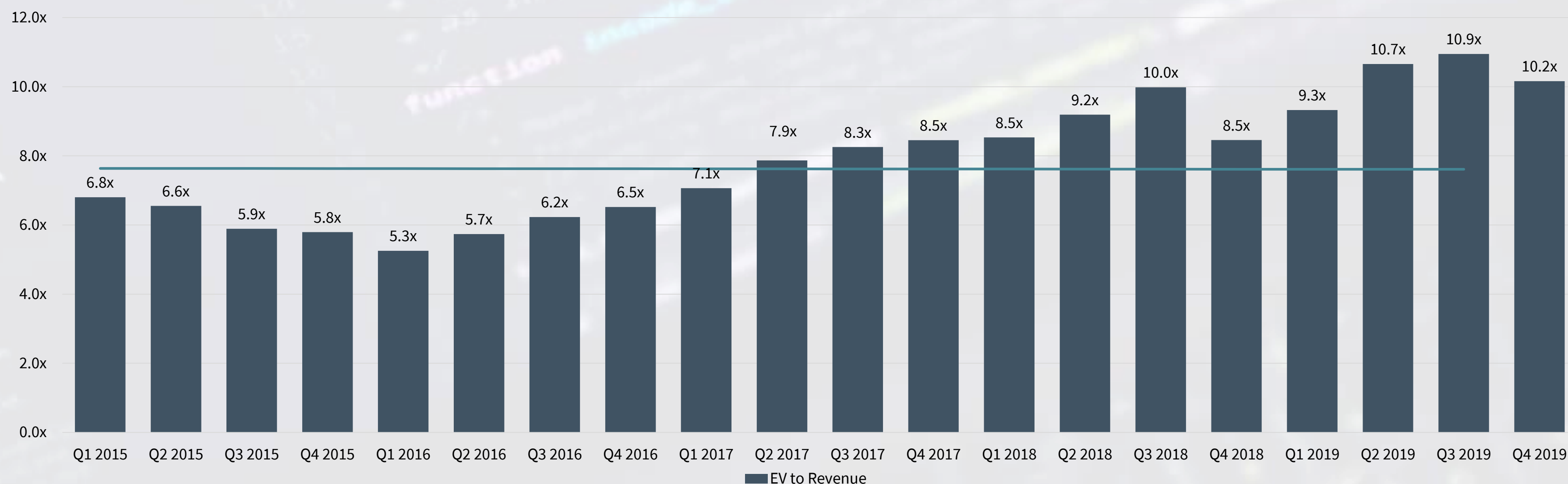
As of 12/31/19; \* indicates announced transaction

# Select Public Vertical SaaS Companies

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Vertical SaaS								
(US \$ in millions)								
Company	Net Debt	Market Value of Equity	Enterprise Value	1 Yr Rev Growth %	TTM Revenue	EBITDA	Enterprise Value / TTM Revenue	EBITDA
Autodesk, Inc.	\$1,087	\$42,543	\$43,631	31%	\$3,112	\$384	14.0x	113.6x
Veeva Systems Inc.	(\$865)	\$22,001	\$21,136	26%	\$1,025	\$337	20.6x	62.6x
Guidewire Software, Inc.	\$247	\$9,333	\$9,580	(4%)	\$697	\$16	13.7x	609.2x
Avalara, Inc.	\$0	\$6,513	\$6,513	39%	\$352	NM	18.5x	NM
RealPage, Inc.	\$451	\$5,488	\$5,939	16%	\$960	\$207	6.2x	28.7x
Blackbaud, Inc.	\$594	\$4,022	\$4,616	5%	\$884	\$124	5.2x	37.1x
Evestnet Inc.	\$515	\$3,704	\$4,219	11%	\$870	\$45	4.8x	93.2x
BlackLine, Inc.	(\$133)	\$3,466	\$3,333	26%	\$271	NM	12.3x	NM
Inovalon Holdings, Inc.	\$880	\$3,114	\$3,993	20%	\$605	\$161	6.6x	24.9x
Castlight Health	(\$18)	\$202	\$184	(2%)	\$149	NM	1.2x	NM

Median	5,278	18%	\$784	\$161	9.4x	62.6x
Mean	10,314	17%	\$893	\$182	10.3x	138.5x



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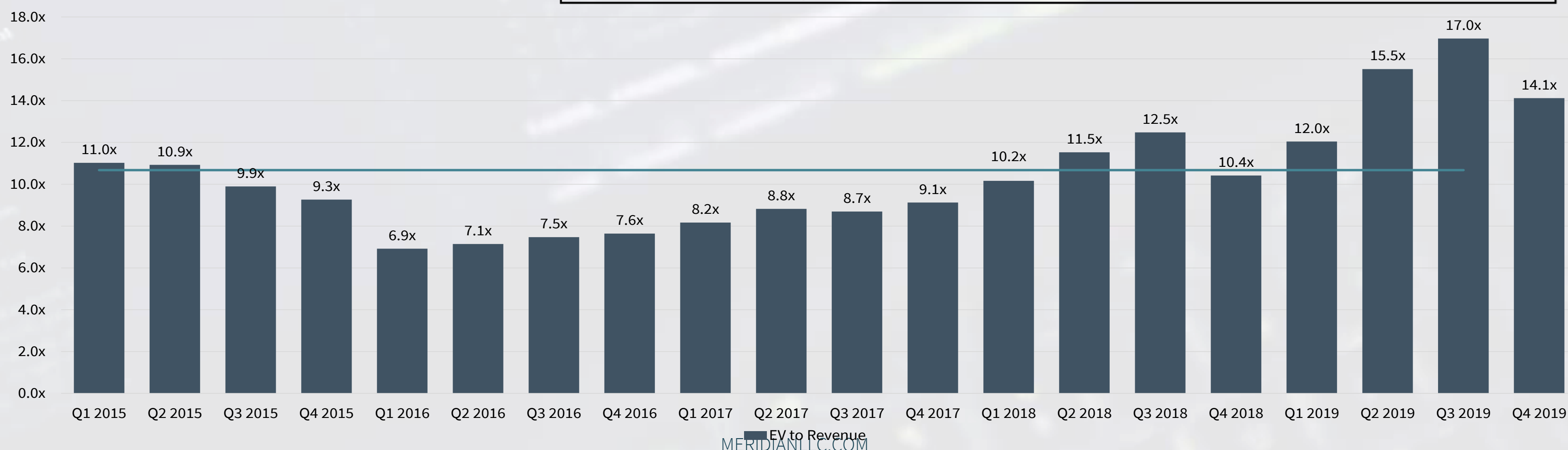
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# Select Public Horizontal SaaS Companies

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Horizontal SaaS								
(US \$ in millions)								
Company	Net Debt	Market Value of Equity	Enterprise Value	1 Yr Rev Growth %	TTM Revenue	EBITDA	Enterprise Value / TTM Revenue	EBITDA
Adobe, Inc.	\$1,928	\$168,693	\$170,621	24%	\$10,644	\$3,570	16.0x	47.8x
Salesforce.com, Inc.	\$2,226	\$161,638	\$163,864	26%	\$15,850	\$2,706	10.3x	60.6x
ServiceNow, Inc.	\$501	\$58,941	\$59,443	32%	\$3,224	\$237	18.4x	250.7x
Workday, Inc.	\$640	\$41,644	\$42,283	31%	\$3,440	NM	12.3x	NM
Square, Inc.	\$449	\$29,811	\$30,260	45%	\$4,333	\$97	7.0x	310.7x
Splunk, Inc.	\$0	\$24,637	\$24,637	33%	\$2,190	NM	11.3x	NM
Zoom Video Communications, Inc.	\$0	\$20,885	\$20,885	-	\$540	\$30	38.7x	704.0x
Paycom Software, Inc.	\$0	\$17,300	\$17,300	31%	\$695	\$248	24.9x	69.7x
RingCentral	(\$156)	\$16,608	\$16,452	33%	\$839	\$15	19.6x	1091.1x
DocuSign	\$0	\$13,016	\$13,016	38%	\$899	NM	14.5x	NM
flogme	\$0	\$12,362	\$12,362	-	\$570	NM	21.7x	NM
Coupa Software, Inc.	\$0	\$10,809	\$10,809	48%	\$353	NM	30.6x	NM
Dropbox	\$458	\$7,484	\$7,942	20%	\$1,591	\$107	5.0x	74.3x
Dynatrace, Inc.	\$0	\$7,524	\$7,524	-	\$483	NM	15.6x	NM
Smartsheet, Inc.	\$0	\$5,317	\$5,317	54%	\$245	NM	21.7x	NM
Medallia, Inc.	\$0	\$4,077	\$4,077	-	\$379	NM	10.8x	NM
Box, Inc.	\$0	\$2,434	\$2,434	16%	\$676	NM	3.6x	NM
			<b>Median</b>	<b>32%</b>	<b>\$839</b>	<b>\$172</b>	<b>15.6x</b>	<b>162.5x</b>
			<b>Mean</b>	<b>33%</b>	<b>\$2,762</b>	<b>\$876</b>	<b>16.6x</b>	<b>326.1x</b>



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# The Meridian Difference

Exceptional Results Delivered

