



# Retail Technology Sector Update

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HOULIHAN LOKEY TECHNOLOGY, MEDIA & TELECOM (TMT) GROUP

Q4 2020 UPDATE

**HLI**  
LISTED  
**NYSE**

Houlihan Lokey is the trusted advisor to more top decision-makers than any other independent global investment bank.

- **1,500+** Employees
- **\$1+ Billion** of Revenue
- **23 Offices Globally**
- **~\$5 Billion** Market Cap



## 2020 TMT Investment Bank of the Year

### Corporate Finance

#### 2020 M&A Advisory Rankings All U.S. Transactions

	Advisor	Deals
1	Houlihan Lokey	210
2	Goldman Sachs & Co	172
3	JP Morgan	132
4	Evercore Partners	126
5	Morgan Stanley	123

Source: Refinitiv (formerly known as Thomson Reuters)

### Financial Restructuring

#### 2020 Global Distressed Debt & Bankruptcy Restructuring Rankings

	Advisor	Deals
1	Houlihan Lokey	106
2	PJT Partners Inc	63
3	Lazard	50
4	Rothschild & Co	46
5	Moelis & Co	39

Source: Refinitiv (formerly known as Thomson Reuters)

### Financial and Valuation Advisory

#### 2001 to 2020 Global M&A Fairness Advisory Rankings

	Advisor	Deals
1	Houlihan Lokey	956
2	JP Morgan	876
3	Duff & Phelps	802
4	Morgan Stanley	599
5	BofA Securities Inc	542

Refinitiv (formerly known as Thomson Reuters). Announced or completed transactions.

### Technology, Media, and Telecom

#### 2018 to 2020 M&A Advisory Rankings U.S. Technology, Media, Entertainment & Telecom Transactions Under \$5 Billion \*

	Advisor	Deals
1	Houlihan Lokey	133
2	Goldman Sachs & Co	123
3	Raymond James Financial Inc	110
3	Morgan Stanley	110
5	JP Morgan	108

Source: Refinitiv (formerly known as Thomson Reuters)

**No. 1** U.S. M&A Advisor

**Top 5** Global M&A Advisor

**Leading** Capital Markets  
Advisor

**No. 1** Global Restructuring  
Advisor

**1,400+** Transactions  
Completed Valued at More  
Than \$3.0 Trillion Collectively

**No. 1** Global M&A Fairness  
Opinion Advisor Over the Past  
20 Years

**1,000+** Annual Valuation  
Engagements

**43** Completed Transactions in  
2020

\* Includes acquired firm transactions.

# Dedicated Team for All Aspects of Commerce Technology

100+ Years and \$350+ Billion of Combined TMT Industry Knowledge and Transaction Experience



**Rob Louv**  
Global Co-Head,  
Managing Director, TMT  
Miami



**Bobby Wolfe**  
Director, TMT  
Miami



**Mark Bradt**  
Director, TMT  
San Francisco



**Erin Duffy**  
Senior Vice President,  
TMT  
San Francisco



**Dan Dresner**  
Vice President, TMT  
Boston

## End-to-End Sector Coverage

Business Intelligence and Analytics	Fulfilment Solutions	Master Data Management
Commerce Platform	In-Store/Retail Technologies	Online Management/Marketplaces
Content Management and Development	Inventory Management	Order Management Systems
Customer Engagement	Logistics/Supply Chain Management	Personalization/Recommendation
Customer Experience	Marketing Software	Point-of-Sale Solutions
Product Information Management	Product Lifecycle Management	

# Relevant Transaction Experience and Domain Expertise

**northplains**  
a portfolio company of

**AKKR**

has been acquired by

**ACLATE**  
a portfolio of companies owned by

**ESW CAPITAL**

Sellside Advisor

**FORESEE**

has been acquired by

**VERINT**

Sellside Advisor

**PRICE SPIDER**

has received a significant growth investment from

**FrontierCapital**

Financial Advisor

**epi**  
a portfolio company of

**AKKR**

has been acquired by

**INSIGHT VENTURE PARTNERS**

Financial Advisor

**WordStream**

has been acquired by

**GANNETT**

Sellside Advisor

**Answers**

has confirmed a "pre-packaged" Chapter 11 Plan of Reorganization

First Lien Steering Committee Advisor

**3VR**

has been acquired by

**IDENTIV**

Sellside Advisor

**OUTWARD**

has been acquired by

**Williams-Sonoma, Inc.**

Sellside Advisor

**COURT SQUARE**

has acquired

**SYSTEM1**

Senior Secured Credit Facility  
Acquisition Financing

Exclusive Placement Agent

**vivial™**

First Lien Term Loan  
Second Lien Term Loan  
Refinancing

\$75,000,000

Exclusive Placement Agent

**CALABRIO**

has been acquired by

**KKR**

Sellside Advisor

**vibes**

has received an equity investment from

**Syniverse®**  
a portfolio company of

**THE CARLYLE GROUP**

Financial Advisor

**ClickDimensions**

has received an equity investment from

**AKKR**  
ACCEL-KKR

Financial Advisor

**VIANT™**

has been acquired by

**Time Inc.**

Sellside Advisor

**NETBASE**  
\$33,000,000  
Series E Preferred Stock and Term Loan

Led by:

**SPRING LAKE EQUITY PARTNERS**

With participation from:

**ORIX** **THOMVEST** **ALTOS Ventures**

Placement Agent

**EPI SERVER**

has been acquired by

**ACCEL** **KKR**

Sellside Advisor

**INTELLI RESPONSE**

has been acquired by

**[24]7**

Sellside Advisor

**Contact At Once**

has been acquired by

**LIVEPERSON**

Sellside Advisor

**>ifbyphone**

Series E Convertible Preferred Stock

Led by:

**BlueStone CAPITAL**

With participation from existing investors:

Apex Venture Partners, SSM Partners, Origin Ventures, River Cities Capital Funds, and I2A Fund

\$30,000,000

Placement Agent

**Market Metrix**

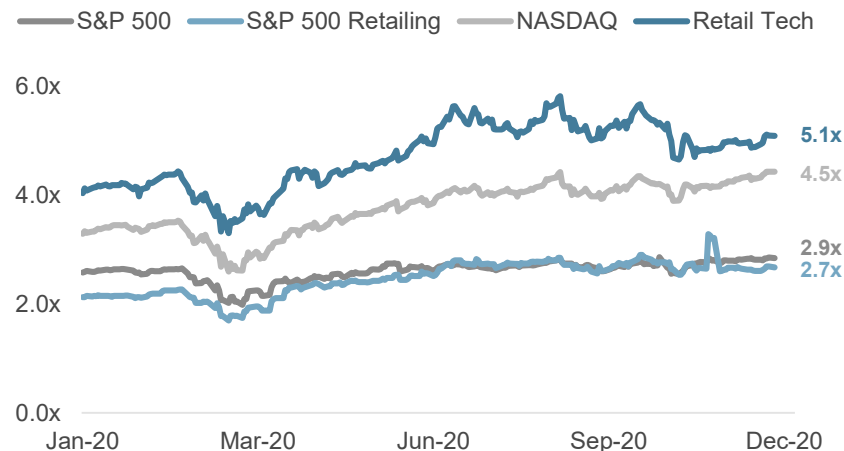
has been acquired by

**CLARABRIDGE**

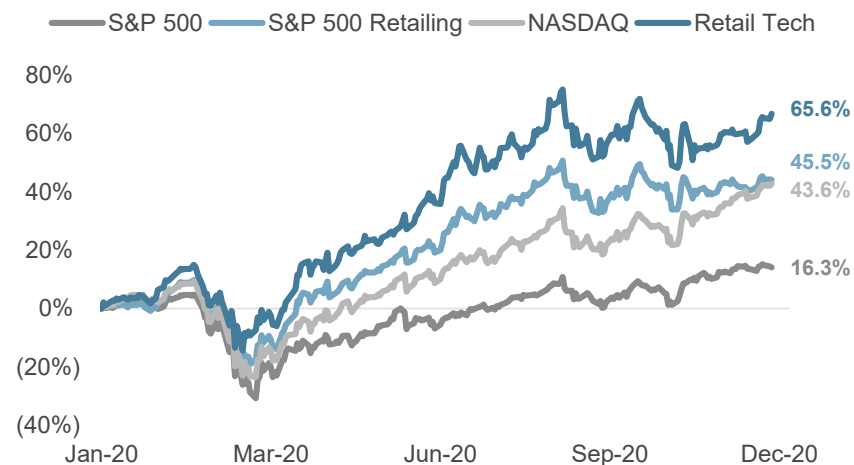
Sellside Advisor

# Retail Tech Outpaced the Market Despite Impact From COVID-19

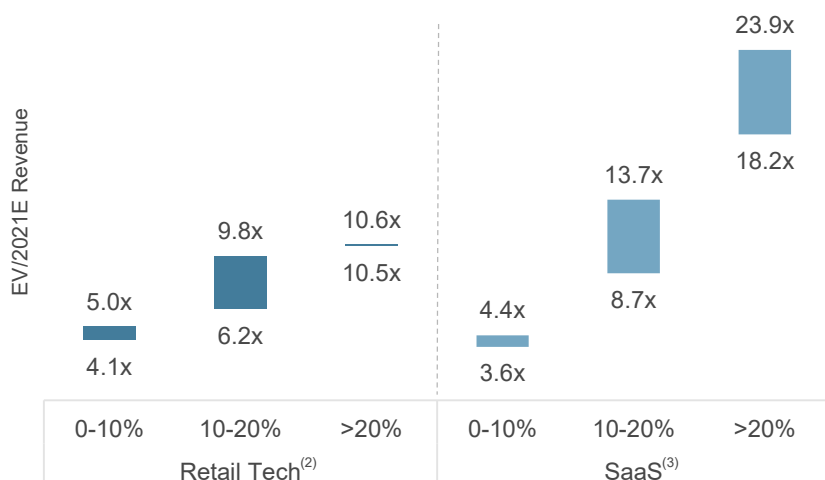
## EV/NTM Revenue by Index



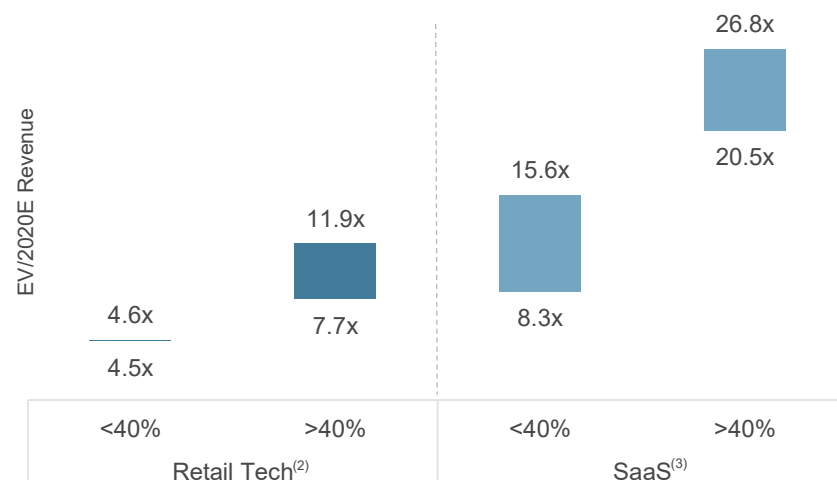
## Share Price Performance: Weighted by Market Cap



## Valuation Is Closely Tied to Revenue Growth<sup>(1)</sup>



## Rule of 40: Premium on Growth + Profitability<sup>(1)</sup>












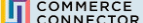



Source: S&P Capital IQ. Data as of 12/31/2020.

1) Ranges shown indicate median through top-quartile EV/2021E revenue.





































2) Retail technology index comprises Amazon, Oracle, SAP, Adobe, Salesforce, PayPal, eBay, Square, Shopify, GoDaddy, Zebra Technologies, Wix, Yelp, SPS Commerce, Yext, Quotient Technology, BigCommerce, and ChannelAdvisor.

3) SaaS index comprises a sample set of 39 publicly traded SaaS companies.

# A Robust M&A Market for Retail Tech...

Announced	Acquirer	Target	EV (\$M)	EV/Revenue	Target Description
12/18/2020	FinServ Acquisition Corp.	 Katapult	\$994.0	10.8x	Provides e-commerce POS purchase options for nonprime U.S. consumers.
12/3/2020	 affirm	 paybright	\$264.0	NA	Provides buy-now-pay-later services in Canada.
12/1/2020	 lightspeed	 Upserve	\$430.0	10.8x	Provides restaurant POS systems and workforce and marketing management SaaS.
11/11/2020	 WCAS	 TrueCommerce	NA	NA	Provides EDI software and SaaS for managing and processing transactions for businesses.
10/30/2020	 Nestle	 freshly	\$950.0	NA	Provides an online service that enables consumers to order meals for home delivery.
11/5/2020	 lightspeed	 SHOPKEEP	\$334.0	8.9x	Provides web- and mobile-based POS payment acceptance and transaction processing SaaS, as well as related hardware, for retailers and restaurants.
10/29/2020	 AllianceData	 Bread	\$450.0	NA	Provides a white-label mobile payments application for retailers.
8/6/2020	 mad mobile	 CAKE	Confidential	Confidential	Provides POS systems and online ordering and guest management SaaS for restaurants.
7/28/2020	 ZEBRA	 REFLEXYS	\$575.0	8.7x	Provides AI-enabled workforce management and business intelligence SaaS for retail, food service, hospitality, and banking sectors.
6/30/2020	 PRICESPIDER	 COMMERCE CONNECTOR	NA	NA	Provides online merchandising SaaS for brands and retailers. Software enables consumer awareness of online and in-store availability of goods.
6/29/2020	 lululemon	 MIRROR	\$500.0	NA	Provides subscription-based mirrored home fitness display systems for consumers.
2/3/2020	 Worldline	 ingenico GROUP	\$9,948.8	2.9x	Provides fixed, wireless and mobile point-of-sale (POS) retail systems, and related transaction processing software for retailers and businesses globally.

# ...As Well As Significant Investment Activity

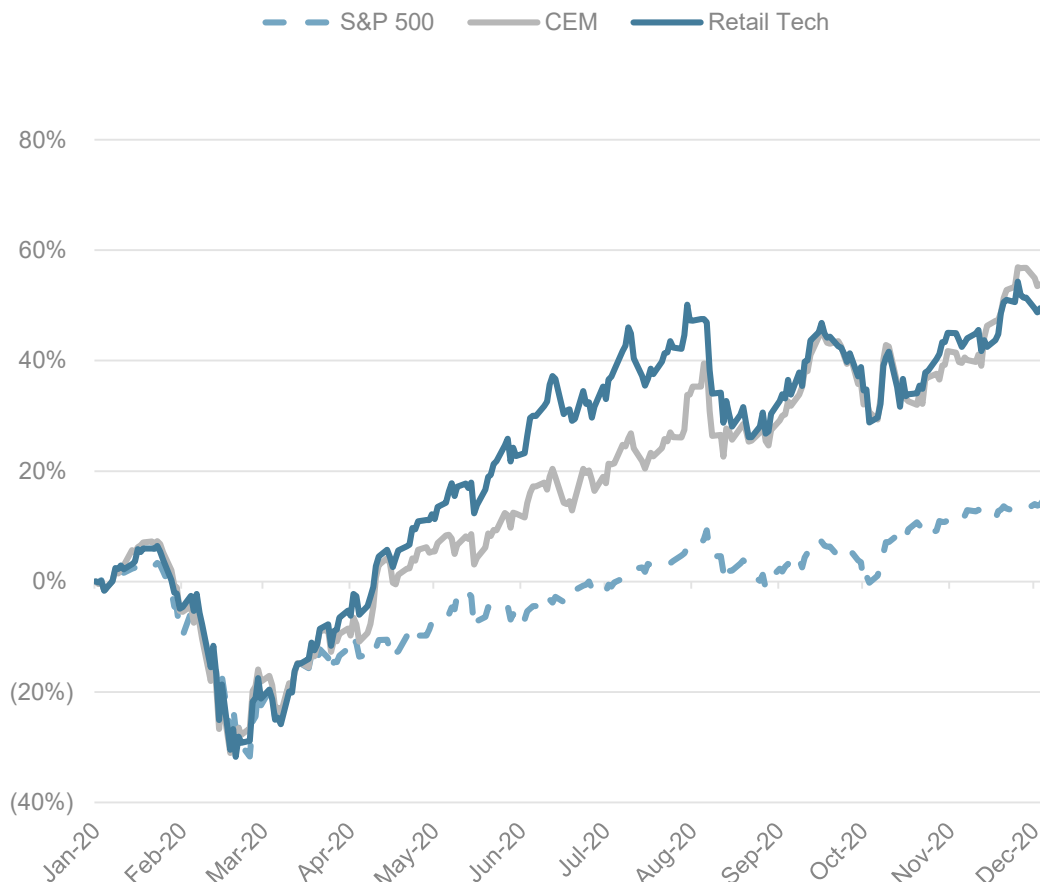
Date	Lead Investor	Target	Target Description	Raise (\$M)
12/21/2020	 WestCap	 Bolt	Developer of a checkout experience platform designed to drive revenue for e-commerce businesses.	\$75.0
12/7/2020	 TIGERGLOBAL	 shippit	Developer of a cloud-based logistics software designed to make shipping simple.	22.0
11/19/2020	 Bessemer Venture Partners	 FORTER	Develops an automated fraud detection platform for e-commerce.	125.0
10/27/2020	 ACT ONE	 Ordermark	Developer of an online ordering management platform designed to help restaurants manage online orders and other management operations.	120.0
10/22/2020	 SquarePeg capital	 ROKT	Provider of marketing services intended to transform the customer buying experience by bringing marketing to e-commerce through the transaction moment.	80.0
10/21/2020	 VIOLA GROWTH	 syte	Developer of a visual search technology designed to transform the way people search and shop for fashion online.	40.0
10/19/2020	 Qualcomm ventures	 AIFI	Operator of an AI technology company automating the world's stores for retailers and brands.	15.0
9/28/2020	 SoftBank	 ShipBob	Tech-enabled 3PL that fulfills e-commerce orders for direct-to-consumer brands.	68.0
9/24/2020	 COATUE	 attentive®	Provides a mobile messaging platform for brands and organizations.	230.0
9/23/2020	 WARBURG PINCUS	 SALSIFY	Develops a commerce experience management platform.	155.0
9/22/2020	 BainCapital	 MIRAKL	Developer of a marketplace platform designed to plug directly into an e-commerce tech ecosystem.	300.0
9/9/2020	 T.RowePrice	 Xometry	Developer of an instant quoting platform intended to offer a marketplace for custom manufacturing.	75.0
8/4/2020	 BainCapital	 hey	Provider of an e-commerce platform service designed to enable the transition from a brick-and-mortar business model to e-commerce.	83.0
7/16/2020	 WestCap	 Bolt	Developer of retail customer experience platform with a focus on perfecting checkout.	50.0
5/26/2020	 G2VP	 SCANDIT	Developer of enterprise-focused augmented reality and mobile computer vision applications.	80.0
4/21/2020	 scaleworks	 Profitero	Developer of enterprise e-commerce SaaS analytics platform.	20.0
2/25/2020	 SIRIS	 Digital River	Provider of end-to-end cloud-commerce, payments, and marketing solutions.	50.0
1/28/2020	 SEQUOIA	 attentive	Provides a mobile messaging platform for brands and organizations.	70.0



# Commerce Technologies Are in Demand

Commerce technology companies continue to outperform the rest of the market, while M&A activity accelerated in 2H 2020 as players looked to expand product offerings and capture market share.

## Customer Experience Management vs. Retail Tech vs. S&P Index



Source: S&P Capital IQ.

Note: Customer experience management (CEM) includes 8x8, Adobe, Five9, LivePerson, NICE, Pegasystems, Zendesk, Microsoft, SAP, Oracle, Salesforce, OpenText, Twilio, Medallia, eGain, Verint Systems, and SurveyMonkey; Retail Tech includes Amazon, Adobe, Salesforce, PayPal, Oracle, SAP, Shopify, Square, eBay, Zebra, GoDaddy, Wix, BigCommerce, SPS Commerce, Yext, Yelp, Quotient, and Channel Advisor.

## Recent M&A Transactions

Date Announced	Acquirer	Target
12/18/2020	PDI	ControlScan Cybera
11/11/2020	WCAS	TrueCommerce
11/5/2020	ClearCourse	Swan
11/5/2020	lightspeed	SHOPKEEP
10/29/2020	AllianceData	
10/28/2020	RPMGLOBAL	IMAFS
10/21/2020	PaymentCloud	paysley
10/12/2020	Orchestra	Encompass Technologies
10/8/2020	IRI	RSi
10/6/2020	ClearCourse	IEI-NOVATIONS
10/6/2020	ZUCCHETTI	compufacil
9/15/2020	AKKR	Wabtec Corporation
9/15/2020	VISIBLE	PC SYNERGY
9/10/2020	paystone	SWIFT
9/3/2020	epi	Optimizely
8/5/2020	aptos	REVISIONICS
8/5/2020	searchspring	4TELL
7/29/2020	PARTNERIZE	pepperjam
7/28/2020	ZEBRA	REFLEXYS
5/26/2020	ServiceTitan	SERVANT Systems



# PriceSpider



## Client Profile

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Founded in 2004 and based in Irvine, California, PriceSpider is a leading retail analytics platform that serves hundreds of brands across a broad base of consumer verticals such as electronics and appliances, computers and office products, health and beauty, home furnishings, food, games, toys, sporting goods, and others. The company's SaaS platform gives brand manufacturers a unified view of consumer purchasing behavior throughout the online retail journey. PriceSpider's real-time data connects the dots between brands, retailers, and shoppers providing brand manufacturers visibility into their distribution channels and rich consumer conversion intelligence. With actionable insights and practical recommendations, the company helps brands optimize the consumer's path to purchase to increase sales.

## Our Role

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Houlihan Lokey served as the exclusive financial advisor to PriceSpider and assisted in initiating, structuring, and negotiating the transaction on its behalf.

## Transaction Snapshot

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Houlihan Lokey worked closely with the PriceSpider management team to optimally position the company, manage deal execution, and maximize the speed and surety of closing a successful transaction. Over the course of the process, the Houlihan Lokey team maximized value by generating significant interest in the company, engaging in targeted negotiations, and streamlining diligence so that the management team and staff remained focused on operating and growing the business. Given the robust process led by Houlihan Lokey as well as PriceSpider's momentum, superior product suite, and experienced management team, the transaction yielded a highly successful outcome for the company and its shareholders.

# Appendix

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# Trading Metrics

## Retail Technology

(\$ in millions)

Company	Stock Price	52-Week High	% of 52-Week High	Cash and ST Inv	Equity Mkt Cap	Enterprise Value	EV/Revenue			EV/EBITDA		
							CY 2020A	CY 2021E	CY 2022E	CY 2020A	CY 2021E	CY 2022E
Amazon	\$3,256.93	\$3,552.25	91.7%	\$84,396	\$1,634,168	\$1,662,580	4.4x	3.7x	3.1x	30.2x	24.0x	18.8x
PayPal	234.20	244.25	95.9%	13,083	274,410	269,960	12.6	10.6	8.9	43.9	37.0	30.3
Adobe	500.12	536.88	93.2%	5,992	239,917	238,633	18.6	15.7	13.7	38.6	31.7	28.0
Oracle	64.69	66.20	97.7%	38,610	190,450	223,458	5.7	5.5	5.4	11.5	11.0	10.8
Salesforce	222.53	284.50	78.2%	9,492	203,714	200,445	9.5	7.9	6.7	31.6	28.3	23.8
SAP	131.60	175.22	75.1%	8,497	156,184	163,964	4.9	4.9	4.7	14.0	14.1	13.6
Shopify	1,131.95	1,285.19	88.1%	6,397	138,858	133,639	46.8	35.3	25.9	NM	NM	NM
Square	217.64	243.38	89.4%	3,853	98,142	97,929	10.5	7.5	6.2	NM	NM	NM
eBay	50.25	61.06	82.3%	3,826	34,639	39,117	3.9	3.6	3.3	10.4	9.9	8.9
Zebra	384.33	388.92	98.8%	168	20,491	22,179	5.0	4.6	4.3	25.2	21.2	19.5
GoDaddy	82.95	91.81	90.3%	767	13,928	16,795	5.1	4.6	4.1	19.1	17.0	14.9
Wix	249.96	319.34	78.3%	1,036	13,908	13,282	13.6	10.5	8.4	NM	NM	NM
BigCommerce	64.15	162.50	39.5%	219	4,436	4,296	29.1	24.5	20.1	NM	NM	NM
SPS Commerce	108.59	111.63	97.3%	187	3,834	3,594	11.6	10.1	9.1	42.1	37.0	31.0
Yelp	32.67	37.49	87.1%	607	2,417	2,036	2.3	2.1	1.9	16.6	11.4	9.7
Yext	15.72	20.90	75.2%	209	1,922	1,843	5.2	4.5	3.7	NM	NM	NM
Quotient	9.42	10.99	85.7%	223	857	842	2.0	1.7	1.6	20.0	12.2	11.7
ChannelAdvisor	15.98	22.32	71.6%	72	463	409	2.9	2.7	2.6	12.0	11.3	10.0
Top Quartile				\$7,972	\$181,883	\$191,325	12.3x	10.4x	8.8x	31.6x	28.3x	23.8x
Mean				9,869	168,485	171,945	10.8	8.9	7.4	24.2	20.5	17.8
Median				2,431	27,565	30,648	5.5	5.2	5.1	20.0	17.0	14.9

## Marketing Automation

(\$ in millions)

Company	Stock Price	52-Week High	% of 52-Week High	Cash and ST Inv	Equity Mkt Cap	Enterprise Value	EV/Revenue			EV/EBITDA		
							CY 2020A	CY 2021E	CY 2022E	CY 2020A	CY 2021E	CY 2022E
Adobe	\$500.12	\$536.88	93.2%	\$5,992	\$239,917	\$238,633	18.6x	15.7x	13.7x	38.6x	31.7x	28.0x
Oracle	64.69	66.20	97.7%	38,610	190,450	223,458	5.7	5.5	5.4	11.5	11.0	10.8
Salesforce.com	222.53	284.50	78.2%	9,492	203,714	200,445	9.5	7.9	6.7	31.6	28.3	23.8
IBM	125.88	158.75	79.3%	13,812	112,166	167,084	2.3	2.2	2.2	11.0	8.8	8.9
HubSpot	396.44	420.61	94.3%	1,251	18,192	17,795	20.5	16.8	13.7	NM	NM	NM
Yext	15.72	20.90	75.2%	209	1,922	1,843	5.2	4.5	3.7	NM	NM	NM
Brightcove	18.40	19.36	95.0%	37	732	720	3.7	3.4	3.1	39.7	33.3	28.8
SharpSpring	16.28	18.43	88.3%	28	205	204	7.0	5.9	5.2	NM	NM	NM
Top Quartile				\$10,572	\$193,766	\$206,198	11.8x	9.8x	8.4x	38.6x	31.7x	28.0x
Mean				8,679	95,912	106,273	9.1	7.7	6.7	26.5	22.6	20.1
Median				3,622	65,179	92,440	6.3	5.7	5.3	31.6	28.3	23.8

Source: S&P Capital IQ.

Notes: Stock price last updated 12/31/2020. NM if EV/EBITDA multiple is greater than 50 or EBITDA is negative or EBITDA margin is negative.

# Trading Metrics (cont.)

## CEEM

(\$ in millions)

Company	Stock Price	52-Week High	% of 52-Week High	Cash and ST Inv	Equity Mkt Cap	Enterprise Value	EV/Revenue			EV/EBITDA		
							CY 2020A	CY 2021E	CY 2022E	CY 2020A	CY 2021E	CY 2022E
Microsoft	\$222.42	\$232.86	95.5%	\$131,989	\$1,681,606	\$1,626,873	10.8x	9.8x	8.9x	23.5x	21.6x	18.6x
Adobe	500.12	536.88	93.2%	5,992	239,917	238,633	18.6	15.7	13.7	38.6	31.7	28.0
Oracle	64.69	66.20	97.7%	38,610	190,450	223,458	5.7	5.5	5.4	11.5	11.0	10.8
Salesforce.com	222.53	284.50	78.2%	9,492	203,714	200,445	9.5	7.9	6.7	31.6	28.3	23.8
SAP	131.16	175.31	74.8%	8,399	156,184	163,964	4.9	4.9	4.7	14.0	14.1	13.6
Twilio	338.50	374.49	90.4%	3,040	51,117	48,481	29.1	22.0	17.1	NM	NM	NM
NICE	279.96	284.65	98.3%	1,464	17,562	17,022	10.3	9.4	8.5	30.9	28.3	24.9
Zendesk	143.12	144.59	99.0%	971	16,699	16,507	16.1	13.0	10.4	NM	NM	NM
OpenText	45.46	47.85	95.0%	1,501	12,319	14,936	4.6	4.6	NA	12.0	11.9	NA
Nuance	44.09	44.93	98.1%	374	12,561	13,861	9.9	10.0	9.2	38.6	39.7	29.9
Five9	174.40	187.99	92.8%	604	11,507	11,383	27.0	22.8	19.3	NM	NM	NM
Pegasystems	133.26	140.89	94.6%	465	10,754	10,868	10.5	9.0	7.5	NM	NM	NM
Verint Systems	67.18	67.59	99.4%	631	4,416	4,889	3.8	3.6	3.4	14.7	14.1	12.5
Medallia	33.22	40.20	82.6%	654	4,998	4,807	10.1	8.7	7.3	NM	NM	NM
LivePerson	62.23	68.55	90.8%	654	4,162	4,166	11.5	9.3	7.5	NM	NM	NM
8x8	34.47	35.72	96.5%	149	3,665	3,908	7.7	6.7	5.7	NM	NM	NM
SurveyMonkey	25.55	26.24	97.4%	224	3,634	3,726	9.9	8.3	6.8	NM	NM	46.7
eGain	11.81	20.88	56.6%	54	365	315	4.2	3.9	3.3	34.6	NM	NA
Top Quartile				\$5,254	\$129,917	\$135,093	11.3x	10.0x	9.2x	33.9x	28.3x	28.0x
Mean				11,404	145,868	144,902	11.3	9.7	8.6	25.0	22.3	23.2
Median				813	12,440	14,398	10.0	8.8	7.5	27.2	21.6	23.8

Source: S&P Capital IQ.

Notes: Stock price last updated 12/31/2020. NM if EV/EBITDA multiple is greater than 50 or EBITDA is negative or EBITDA margin is negative.

# Operating Metrics

## Retail Technology

(\$ in millions)

Company	Stock Price	Equity	Enterprise	Revenue			EBITDA			Revenue Growth			EBITDA Margin		
		Mkt Cap	Value	CY 2020A	CY 2021E	CY 2022E	CY 2020A	CY 2021E	CY 2022E	2019–2020E	2020–2021E	2021–2022E	CY 2020A	CY 2021E	CY 2022E
Amazon	\$3,256.93	\$1,634,168	\$1,662,580	\$380,011	\$449,491	\$528,700	\$55,009	\$69,171	\$88,368	35.5%	18.3%	17.6%	14.5%	15.4%	16.7%
PayPal	234.20	274,410	269,960	21,427	25,401	30,292	6,146	7,296	8,899	20.6%	18.5%	19.3%	28.7%	28.7%	29.4%
Adobe	500.12	239,917	238,633	12,808	15,191	17,355	6,177	7,532	8,526	14.7%	18.6%	14.2%	48.2%	49.6%	49.1%
Oracle	64.69	190,450	223,458	39,389	40,569	41,338	19,433	20,295	20,724	NM	3.0%	1.9%	49.3%	50.0%	50.1%
Salesforce.com	222.53	203,714	200,445	21,107	25,420	30,047	6,344	7,087	8,424	23.4%	20.4%	18.2%	30.1%	27.9%	28.0%
SAP	131.60	156,184	163,964	33,428	33,689	34,760	11,680	11,663	12,065	8.1%	0.8%	3.2%	34.9%	34.6%	34.7%
Shopify	1,131.95	138,858	133,639	2,853	3,784	5,158	425	500	750	80.8%	32.6%	36.3%	14.9%	13.2%	14.5%
Square	217.64	98,142	97,929	9,370	13,009	15,684	430	657	1,081	98.8%	38.8%	20.6%	4.6%	5.0%	6.9%
eBay	50.25	34,639	39,117	10,142	10,919	11,787	3,762	3,962	4,395	NM	7.7%	7.9%	37.1%	36.3%	37.3%
Zebra	384.33	20,491	22,179	4,393	4,829	5,110	881	1,047	1,136	NM	9.9%	5.8%	20.1%	21.7%	22.2%
GoDaddy	82.95	13,928	16,795	3,308	3,669	4,054	879	988	1,130	10.7%	10.9%	10.5%	26.6%	26.9%	27.9%
Wix	249.96	13,908	13,282	976	1,262	1,587	99	169	257	28.3%	29.2%	25.8%	10.2%	13.4%	16.2%
BigCommerce	64.15	4,436	4,296	148	176	213	(27)	(25)	(6)	31.9%	18.7%	21.5%	NM	NM	NM
SPS Commerce	108.59	3,834	3,594	310	357	397	85	97	116	11.0%	15.3%	11.0%	27.6%	27.2%	29.2%
Yelp	32.67	2,417	2,036	868	974	1,060	122	178	211	NM	12.3%	8.8%	14.1%	18.3%	19.9%
Yext	15.72	1,922	1,843	352	408	493	(19)	(7)	4	17.6%	16.1%	20.8%	NM	NM	0.8%
Quotient	9.42	857	842	427	493	542	42	69	72	NM	15.6%	10.0%	9.9%	14.0%	13.3%
ChannelAdvisor	15.98	463	409	143	150	160	34	36	41	9.8%	5.5%	6.3%	23.9%	24.0%	25.5%

Top Quartile	\$181,883	\$191,325	\$19,032	\$22,848	\$26,874	\$6,169	\$7,244	\$8,500	31.9%	18.7%	20.2%	31.3%	30.2%	29.4%
Mean	168,485	171,945	30,081	34,988	40,876	6,195	7,262	8,677	30.1%	16.2%	14.4%	24.7%	25.4%	24.8%
Median	27,565	30,648	3,851	4,307	5,134	654	822	1,106	20.6%	15.9%	12.6%	25.2%	25.5%	25.5%

## Marketing Automation

(\$ in millions)

Company	Stock Price	Equity	Enterprise	Revenue			EBITDA			Revenue Growth			EBITDA Margin		
		Mkt Cap	Value	CY 2020A	CY 2021E	CY 2022E	CY 2020A	CY 2021E	CY 2022E	2019–2020A	2020–2021E	2021–2022E	CY 2020A	CY 2021E	CY 2022E
Adobe	\$500.12	\$239,917	\$238,633	\$12,808	\$15,191	\$17,355	\$6,177	\$7,532	\$8,526	14.7%	18.6%	14.2%	48.2%	49.6%	49.1%
Oracle	64.69	190,450	223,458	39,389	40,569	41,338	19,433	20,295	20,724	NM	3.0%	1.9%	49.3%	50.0%	50.1%
Salesforce.com	222.53	203,714	200,445	21,107	25,420	30,047	6,344	7,087	8,424	23.4%	20.4%	18.2%	30.1%	27.9%	28.0%
IBM	125.88	112,166	167,084	73,911	74,718	75,816	15,177	19,036	18,694	NM	1.1%	1.5%	20.5%	25.5%	24.7%
HubSpot	396.44	18,192	17,795	868	1,061	1,301	102	127	171	28.6%	22.3%	22.6%	11.8%	12.0%	13.1%
Yext	15.72	1,922	1,843	352	408	493	(19)	(7)	4	17.6%	16.1%	20.8%	NM	NM	0.8%
Brightcove	18.40	732	720	193	213	236	18	22	25	4.9%	10.0%	10.8%	9.4%	10.1%	10.6%
SharpSpring	16.28	205	204	29	35	39	(3)	(1)	(0)	28.7%	18.5%	13.3%	NM	NM	NM

Top Quartile	\$193,766	\$206,198	\$25,677	\$29,207	\$32,870	\$8,552	\$10,408	\$11,068	27.3%	19.1%	18.9%	43.7%	44.2%	38.6%
Mean	95,912	106,273	18,582	19,702	20,828	5,904	6,761	7,071	19.7%	13.8%	12.9%	28.2%	29.2%	25.2%
Median	65,179	92,440	6,838	8,126	9,328	3,140	3,607	4,297	20.5%	17.3%	13.8%	25.3%	26.7%	24.7%

Source: S&P Capital IQ.

Notes: Stock price last updated 12/31/2020. NM if EV/EBITDA multiple is greater than 50 or EBITDA is negative or EBITDA margin is negative.

# Operating Metrics (cont.)

## CEEM

(\$ in millions)

Company	Stock Price	Equity Mkt Cap	Enterprise Value	Revenue			EBITDA			Revenue Growth			EBITDA Margin		
				CY 2020A	CY 2021E	CY 2022E	CY 2020A	CY 2021E	CY 2022E	2019– 2020A	2020– 2021E	2021– 2022E	CY 2020A	CY 2021E	CY 2022E
Microsoft	\$222.42	\$1,681,606	\$1,626,873	\$150,436	\$165,881	\$183,003	\$69,222	\$75,177	\$87,644	12.1%	10.3%	10.3%	46.0%	45.3%	47.9%
Adobe	500.12	239,917	238,633	12,808	15,191	17,355	6,177	7,532	8,526	14.7%	18.6%	14.2%	48.2%	49.6%	49.1%
Oracle	64.69	190,450	223,458	39,389	40,569	41,338	19,433	20,295	20,724	NM	3.0%	1.9%	49.3%	50.0%	50.1%
Salesforce.com	222.53	203,714	200,445	21,107	25,420	30,047	6,344	7,087	8,424	23.4%	20.4%	18.2%	30.1%	27.9%	28.0%
SAP	131.16	156,184	163,964	33,428	33,689	34,760	11,680	11,663	12,065	8.1%	0.8%	3.2%	34.9%	34.6%	34.7%
Twilio	338.50	51,117	48,481	1,668	2,204	2,836	145	130	169	47.0%	32.1%	28.7%	8.7%	5.9%	6.0%
NICE	279.96	17,562	17,022	1,652	1,807	2,005	551	601	683	4.9%	9.4%	11.0%	33.4%	33.2%	34.0%
Zendesk	143.12	16,699	16,507	1,024	1,274	1,591	111	146	204	25.5%	24.4%	24.9%	10.8%	11.5%	12.8%
OpenText	45.46	12,319	14,936	3,265	3,267	NA	1,242	1,253	NA	11.2%	0.1%	NM	38.0%	38.4%	NA
Nuance	44.09	12,561	13,861	1,399	1,380	1,513	359	349	464	NM	NM	9.7%	25.7%	25.3%	30.6%
Five9	174.40	11,507	11,383	422	499	589	78	79	113	28.7%	18.3%	17.9%	18.5%	15.9%	19.2%
Pegasystems	133.26	10,754	10,868	1,034	1,212	1,445	14	62	125	13.4%	17.2%	19.3%	1.4%	5.1%	8.7%
Verint Systems	67.18	4,416	4,889	1,280	1,347	1,452	332	348	390	NM	5.3%	7.8%	25.9%	25.8%	26.9%
Medallia	33.22	4,998	4,807	474	554	658	35	43	69	17.7%	17.0%	18.6%	7.4%	7.7%	10.6%
LivePerson	62.23	4,162	4,166	364	448	552	30	41	59	24.7%	23.3%	23.1%	8.2%	9.1%	10.6%
8x8	34.47	3,665	3,908	505	585	686	(12)	19	19	20.7%	15.9%	17.2%	NM	3.2%	2.8%
SurveyMonkey	25.55	3,634	3,726	375	451	544	41	54	80	22.0%	20.2%	20.6%	10.9%	12.0%	14.7%
eGain	11.81	365	315	75	81	96	9	5	NA	8.3%	7.6%	19.3%	12.1%	6.2%	NM
<b>Top Quartile</b>		\$129,917	\$135,093	\$10,423	\$12,210	\$17,355	\$4,944	\$5,629	\$8,449	24.1%	20.2%	19.3%	34.9%	34.3%	34.2%
<b>Mean</b>		145,868	144,902	15,039	16,437	18,851	6,433	6,938	8,735	18.8%	14.3%	15.6%	24.1%	22.6%	24.2%
<b>Median</b>		12,440	14,398	1,339	1,363	1,513	239	247	297	17.7%	17.0%	17.9%	25.7%	20.6%	23.1%

Source: S&P Capital IQ.

Notes: Stock price last updated 12/31/2020. NM if EV/EBITDA multiple is greater than 50 or EBITDA is negative or EBITDA margin is negative.

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