Infrastructure and Cybersecurity Software Update
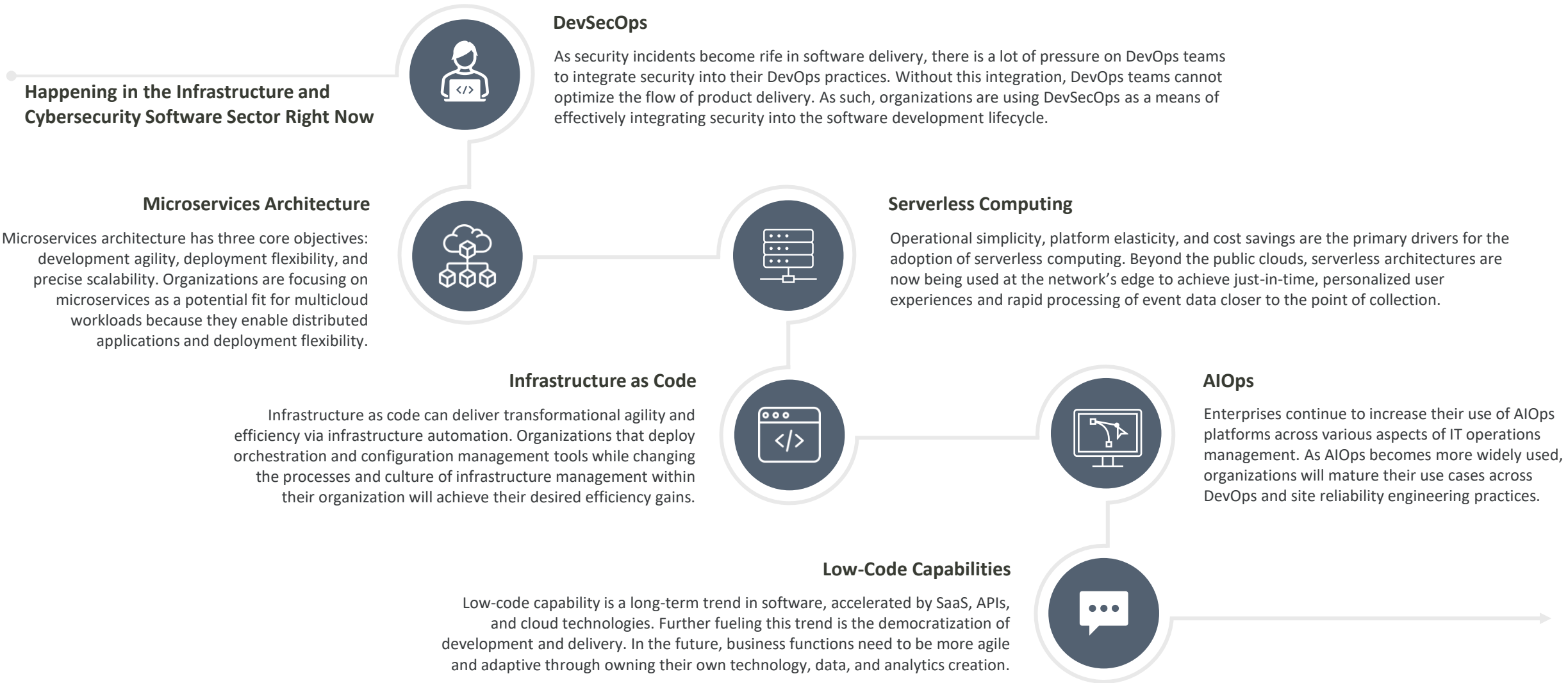
Harris Williams | Q2 2023

Infrastructure and Cybersecurity Software Observations and Key Trends

Persistent macrotrends in multicloud, edge computing, and AI/ML continue to drive investor interest in infrastructure and cybersecurity software.

Happening in the Infrastructure and Cybersecurity Software Sector Right Now

DevSecOps

As security incidents become rife in software delivery, there is a lot of pressure on DevOps teams to integrate security into their DevOps practices. Without this integration, DevOps teams cannot optimize the flow of product delivery. As such, organizations are using DevSecOps as a means of effectively integrating security into the software development lifecycle.

Microservices Architecture

Microservices architecture has three core objectives: development agility, deployment flexibility, and precise scalability. Organizations are focusing on microservices as a potential fit for multicloud workloads because they enable distributed applications and deployment flexibility.

Serverless Computing

Operational simplicity, platform elasticity, and cost savings are the primary drivers for the adoption of serverless computing. Beyond the public clouds, serverless architectures are now being used at the network's edge to achieve just-in-time, personalized user experiences and rapid processing of event data closer to the point of collection.

Infrastructure as Code

Infrastructure as code can deliver transformational agility and efficiency via infrastructure automation. Organizations that deploy orchestration and configuration management tools while changing the processes and culture of infrastructure management within their organization will achieve their desired efficiency gains.

AIOps

Enterprises continue to increase their use of AIOps platforms across various aspects of IT operations management. As AIOps becomes more widely used, organizations will mature their use cases across DevOps and site reliability engineering practices.

Low-Code Capabilities

Low-code capability is a long-term trend in software, accelerated by SaaS, APIs, and cloud technologies. Further fueling this trend is the democratization of development and delivery. In the future, business functions need to be more agile and adaptive through owning their own technology, data, and analytics creation.

Infrastructure and Cybersecurity Software Market Landscape

SOFTWARE DEVELOPMENT / DEVOPS

Solutions that enable the software development life cycle, including planning, creating, testing, and deploying software applications and systems

| Application Life Cycle Management | Continuous Integration / Continuous Delivery | Version Management | Test Management |

Select Market Participants

ATLASSIAN · BROADCOM · digital.ai · IBM · IDERA
MICRO FOCUS · Microsoft · ORACLE · PERFORCE · software⁴⁶

IT OPERATIONS MANAGEMENT

Solutions that help to manage the provisioning, capacity, performance, and availability of an organization's IT infrastructure

| Infrastructure / App / Database Performance Monitoring | IT GRC and Asset Management | Service and Support Management | Operations Analytics |

Select Market Participants

bmc · BROADCOM · CISCO · DATADOG · FORTRA · IBM
ivanti · MICRO FOCUS · servicenow · solarwinds · splunk>

SECURITY

Solutions that protect software and systems against malicious attacks, unauthorized access and resource use, and other external and internal risks

| Identity and Access Management | Network / App / Data Security | Advanced Threat Protection | SIEM / Security Analysis |

Select Market Participants

CHECK POINT · CISCO · Gen · okta · paloalto · Qualys
SailPoint · Secureworks · tenable · zendesk · zscaler

DATA MANAGEMENT

Solutions that integrate, cleanse, migrate, and manage data across platforms to produce accurate and consistent information

| Data Integration | Data Quality and Governance | Database Management | Data Analytics |

Select Market Participants

alteryx · hadoop · Microsoft · precisely · Rocket software
SAP · software⁴⁶ · splunk> · tableau · talend

CLOUD MANAGED SERVICES

Solutions that manage cloud security, computing, storage, network operations, and application stacks to automate and enhance business operations

| PaaS / aPaaS / iPaaS | Managed Hosting and Applications | Managed Security | Backup and Disaster Recovery |

Select Market Participants

amazon · DELL Technologies · Google · Microsoft · MuleSoft / salesforce
rackspace · Red Hat / IBM · SAP · Secureworks · vmware

COLLABORATION / COMMUNICATION

Solutions that enable groups and teams to communicate, share, coordinate, cooperate, and solve problems for the purpose of completing a task

| Project Portfolio Management | Business Process Management | Communications PaaS | Agile Project Management |

Select Market Participants

Adobe · ATLASSIAN · CISCO · Google · Microsoft
ORACLE · salesforce · smartsheet · twilio · workday

What We're Reading

Deloitte: Cloud Benefits Could Be Maximized Across Business Functions with C-Suite Collaboration

Cloud Managed Services News

"Given the variation in strengths across business functions, C-suite leaders can help broaden their benefit analysis across silos to maximize cloud benefits. Benchmarking via key performance indicators (KPIs) such as cost reduction, process improvement, efficiency, number of innovations, etc., can help prioritize areas where cloud strategy leadership may need to focus to gain more value. These issues are sometimes found after deployment when they can be expensive to fix. Thus, collaboration via dedicated cross-functional teams can be the key to harnessing the full power from cloud."

Read the full article here.

Forbes: What's Trending in DevOps: Today's Challenges and How to Overcome Them

DevOps News

"DevOps must follow best practices, make training and skill-up investments and put teamwork, security, and ongoing learning and improvement first to overcome these obstacles. To effectively meet the changing demands of business, DevOps will need expertise in a variety of fields, including cloud computing, automation, security, and artificial intelligence, to attain success."

Read the full article here.

McKinsey: Business's 'It's Not My Problem' IT Problem

IT Operations Management News

"For most businesses, the technology capability is crucial to staying competitive and is likely to remain so. In many of our company reviews, we find that the business side of the house is consistently behind when it comes to building bridges to IT. The sooner the business treats IT as a strategic capability, the sooner it can harness the technology it needs to deliver value."

Read the full article here.

VentureBeat: 5 Key Cybersecurity Trends for 2023

Cybersecurity News

"The cybersecurity landscape in 2023 includes an acceleration of familiar and emerging trends, which means businesses should be ready to face an ever-changing environment where risk is inherent. In today's cyber climate, no fish is too small for an attacker to try to hook. Thus, SMBs have more reason than ever to be proactive around security, as these key trends target an expanding attack surface and increased risks."

Read the full article here.

Recent HW Infrastructure and Cybersecurity Software Content

- Observations on the Technology Services Sector

Link to Read

- Observations on the Compliance Technology Sector

Link to Read

Select Q2 2023 Infrastructure and Cybersecurity Software Transactions

Hewlett Packard Enterprise's Pending Acquisition of Axis Security

axis
Target

Hewlett Packard Enterprise
Buyer

Announced March 2, 2023
EV: $500M
EV / LTM Revenue: NA
EV / EBITDA: NA

- Axis Security is a provider of a cloud security platform designed to offer secure access to business applications. The company's platform allows access based on a zero-trust business-centric approach.
- Post-transaction, HPE will enhance its edge-to-cloud security capabilities by offering a unified secure access services edge solution to meet the increasing demand for integrated networking and security solutions.

Progress Software's Acquisition of MarkLogic

MarkLogic
Target

Progress
Buyer

February 7, 2023
EV: $1.4B
EV / LTM Revenue: 4.7x
EV / EBITDA: NM

- MarkLogic is a provider of a metadata refining platform that helps customers store, manage, search, navigate, and deliver content and toolkits for the integration of documents.
- Post-transaction, MarkLogic will enhance Progress Software's commitment to delivering the products to develop, deploy, and manage applications by providing a unified, enterprise-grade semantic data platform.

Silver Lake's Pending Acquisition of Qualtrics

qualtrics
Target

SILVERLAKE
Buyer

Announced February 24, 2023
EV: $10.9B
EV / LTM Revenue: 7.5x
EV / EBITDA: NM

- Qualtrics is a provider of a customer experience management platform that focuses on collecting, organizing, and understanding important data relative to customers and employees to deliver actionable insights.
- Upon completion of the acquisition, Qualtrics will become a privately held company positioned to drive category-defining innovation and efficient growth at scale with the capital support of Silver Lake.

Dell's Acquisition of Cloudify

CLOUDIFY
Target

DELL Technologies
Buyer

January 26, 2023
EV: $100M
EV / LTM Revenue: NA
EV / EBITDA: NA

- Cloudify is a provider of a platform for cloud orchestration and infrastructure automation. The company's tools are used by DevOps engineers to manage containers, workloads, and more across hybrid environments.
- Dell's acquisition of Cloudify will allow the company to continue to innovate its edge offerings, boost its cloud orchestration capabilities, and strengthen its overall services business line.

Francisco Partners' Pending Acquisition of Sumo Logic

sumo logic
Target

FP FRANCISCO PARTNERS
Buyer

Announced February 9, 2023
EV: $600M
EV / LTM Revenue: NA
EV / EBITDA: NA

- Sumo Logic is a provider of a software analytics platform for reliable and secure cloud-native applications. The company's multi-tenant platform provides real-time data analytics and insights across observability and security.
- Upon completion of the acquisition, Francisco Partners' expertise, capital support, and operational capabilities will help Sumo Logic drive accelerated growth and continue its long heritage of product innovation.

Microsoft's Acquisition of Fungible

FUNGIBLE
Target

Microsoft
Buyer

January 5, 2023
EV: $190M
EV / LTM Revenue: NA
EV / EBITDA: NA

- Fungible is a provider of infrastructure software aimed at accelerating networking and storage performance in datacenters. The company helps to improve the economics, security, and reliability of cloud data centers.
- The acquisition further signals Microsoft's commitment to long-term differentiated investments in datacenter infrastructure, enhancing the company's broad range of technologies and solutions in the sector.

Infrastructure Software – DevOps Market Ecosystem

Diversified Infrastructure Software

Plan

Requirements Management

Enterprise Architecture Tools

Develop / Build

IDEs

Configuration Management Tools
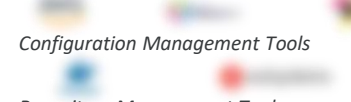
Repository Management Tools

CI / Build Automation Tools

Test

QA / Test Management Tools

Automated / Continuous Testing

Cloud / Mobile Testing

Deploy / Release

Continuous Delivery / Deployment

Application Release Automation

Monitor

Cloud / Application / Server Monitoring

UX Tools

Operate

Cloud Management Tools

Container Management Tools

Application Life Cycle Management

Collaboration

Security Solutions

Harris Williams

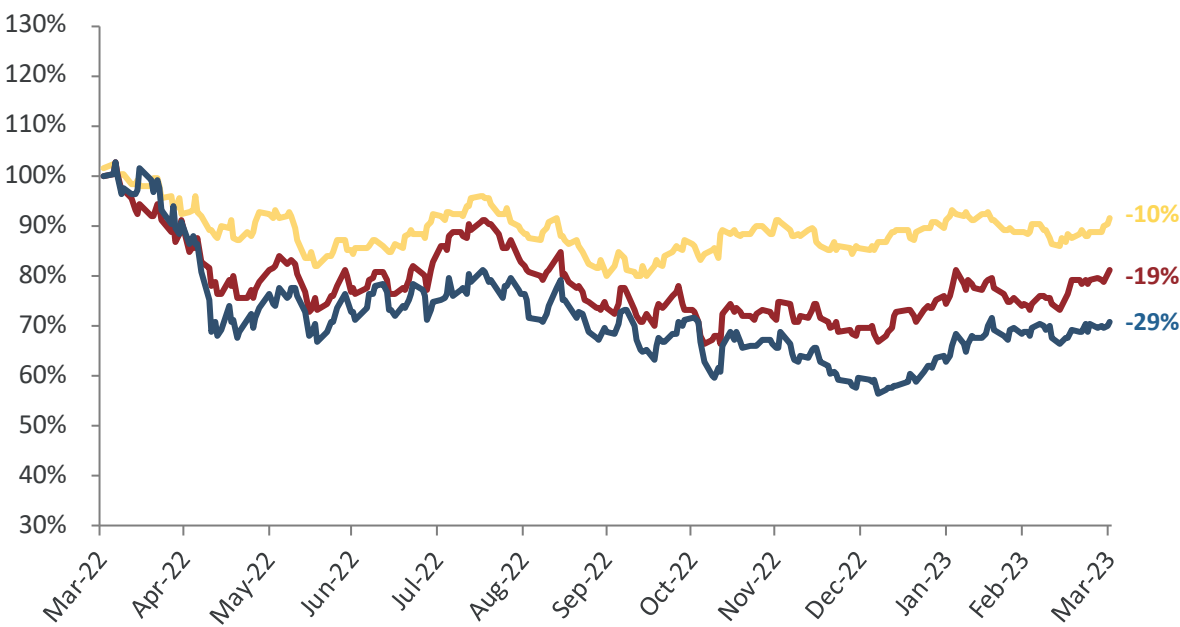# Infrastructure and Cybersecurity Software Public Company Trended Stock Performance
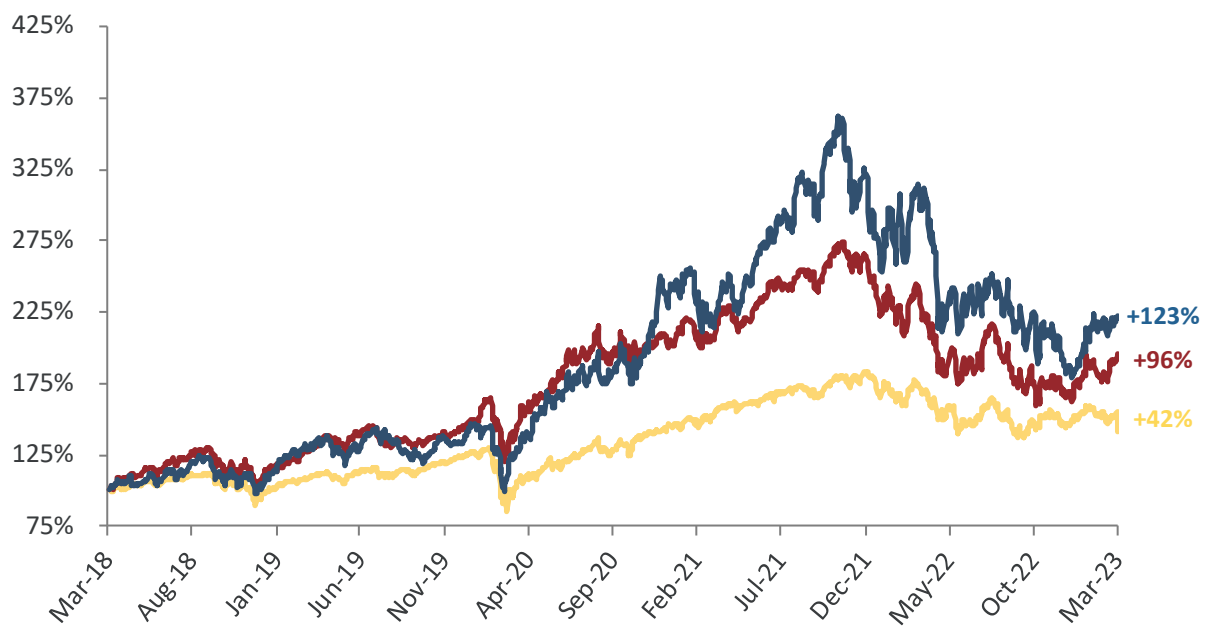
Public Company Stock Performance – Last 12 Months

Indexed Stock Price Performance for the Period March 2022 – March 2023

-10%
-19%
-29%

Public Company Stock Performance – 5 Years

Indexed Stock Price Performance for the Period March 2018 – March 2023

+123%
+96%
+42%

—— Infrastructure Software **—— Cybersecurity Software** **—— S&P 500**

Infrastructure Software

Akamai, alteryx, aws, Amplitude, appian, asana, ATLASSIAN, Backblaze, C3.ai, Cisco, Cloudflare, Couchbase, DATADOG, Digital Ocean, DOMO, Dropbox, dynatrace, elastic, endava, epam, GitLab, Globant, HashiCorp, informatica, IBM, jamf, JFrog, Microsoft, MongoDB, new relic, NUTANIX, okta, ORACLE, PagerDuty, Palantir, PEGA, Progress, Qualys, rackspace, salesforce, SAP, servicenow, smartsheet, snowflake, Software AG, solarwinds, splunk>, sumo logic, thoughtworks, twilio, vmware

Cybersecurity Software

Akamai, CHECK POINT, Cloudflare, CROWDSTRIKE, CYBERARK, FORTINET, Gen, okta, paloalto, Qualys, RAPID7, Secureworks, SentinelOne, tenable, TREND MICRO, zscaler

Infrastructure and Cybersecurity Software Public Company Operating and Valuation Metrics

Public Company Stock Performance – Operating Metrics

LTM Revenue Growth
24.2%
18.4%

LTM EBITDA Margin
18.3%
18.3%

NTM Revenue Growth
13.9%
15.2%

Rule of 40 (Growth + Margin)
45.9%
50.5%
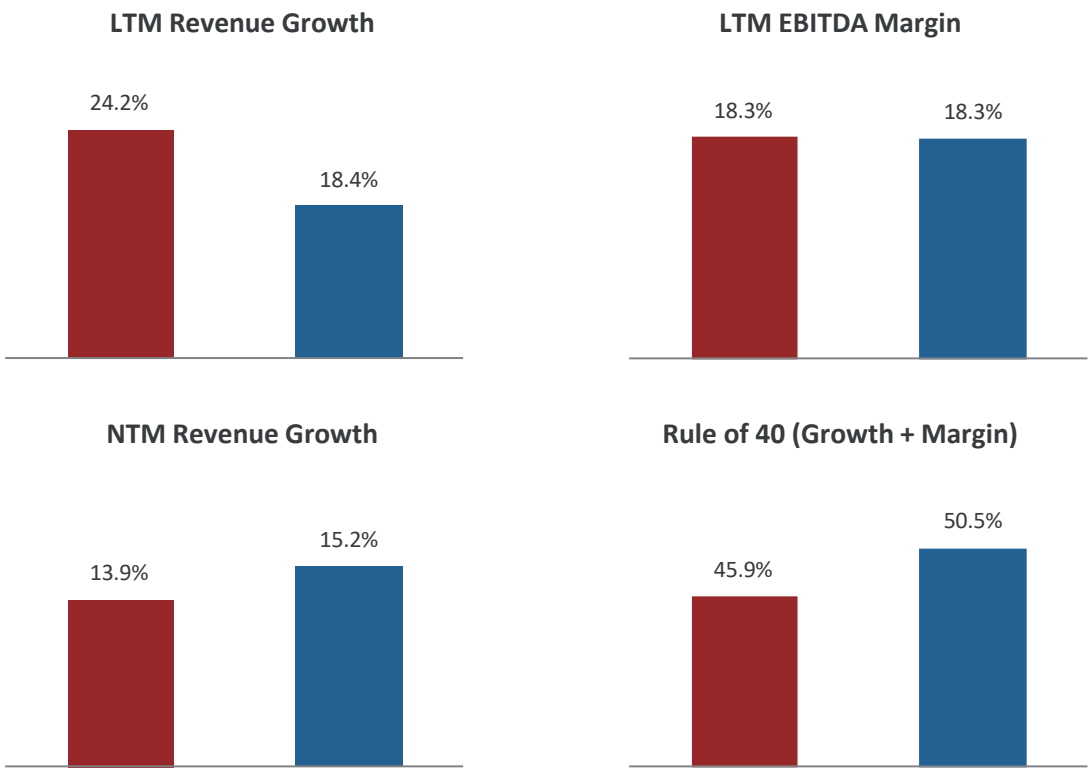
Public Company – Valuation Metrics

Median EV / LTM Revenue
5.2x
6.9x

Median EV / LTM EBITDA
21.4x
14.0x

Median EV / NTM Revenue
4.6x
6.0x

Median EV / NTM EBITDA
19.5x
19.5x

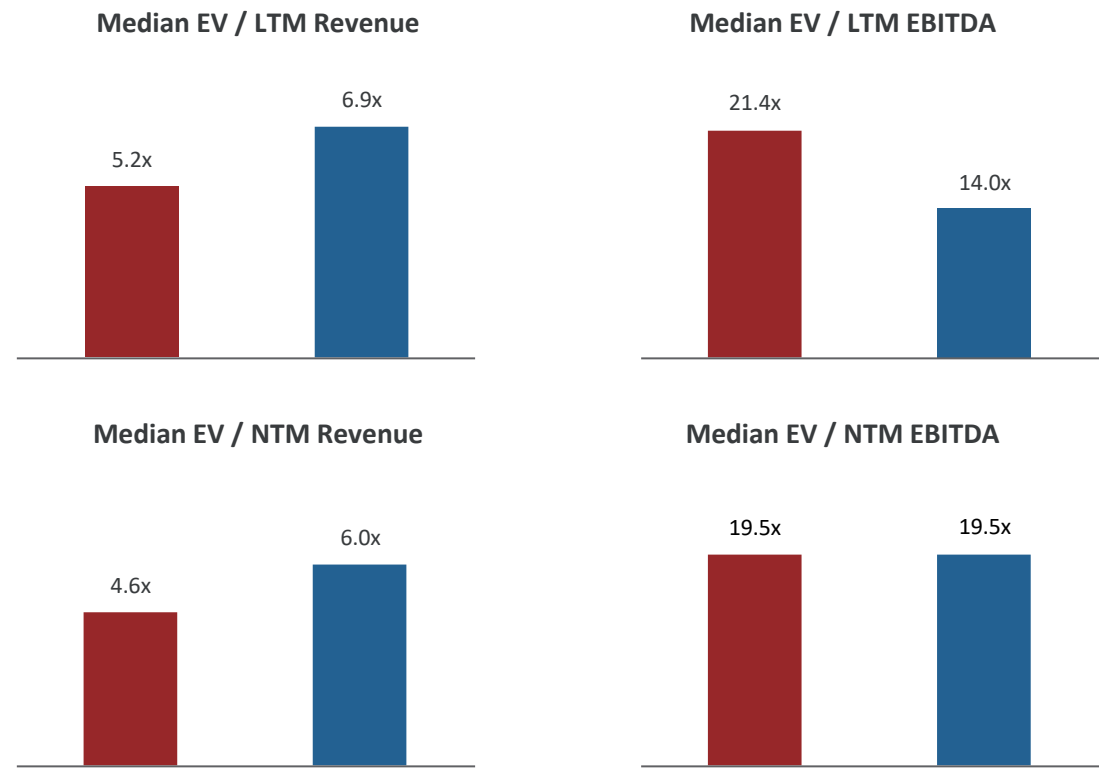**Infrastructure Software**

Akamai · alteryx · aws · Amplitude · appian · asana · ATLASSIAN · Backblaze · C3.ai · Cisco · Cloudflare · Couchbase · DATADOG
Digital Ocean · DOMO · Dropbox · dynatrace · elastic · endava · epam · GitLab · Globant · HashiCorp · Informatica · IBM · jamf
JFrog · Microsoft · MongoDB · new relic · NUTANIX · Okta · ORACLE · PagerDuty · Palantir · PEGA · Progress · Qualys · rackspace
salesforce · SAP · servicenow · smartsheet · snowflake · Software AG · solarwinds · splunk> · sumo logic · thoughtworks · twilio · vmware

Cybersecurity Software

Akamai · CHECK POINT · CLOUDFLARE · CROWDSTRIKE · CYBERARK · FORTINET · Gen · okta
paloalto · Qualys · RAPID7 · Secureworks · SentinelOne · tenable · TREND MICRO · zscaler

# Harris Williams / TECHNOLOGY GROUP

Technology Coverage Areas

› Application Software
› Infrastructure & Security Software
› IT & Managed Services

Sector Coverage Areas

› Architecture, Engineering, & Construction
› Education
› Human Capital Management
› Pharma

› Compliance
› Government & Public Sector
› Industrial
› Legal
› Real Estate & Property Tech

› eCommerce & Retail
› Healthcare
› Office-of-the-CFO
› Supply Chain & Logistics

Thematic Focus Areas

› SaaS / Cloud
› Integrated Payments

› Digital Transformation
› AI / Machine Learning
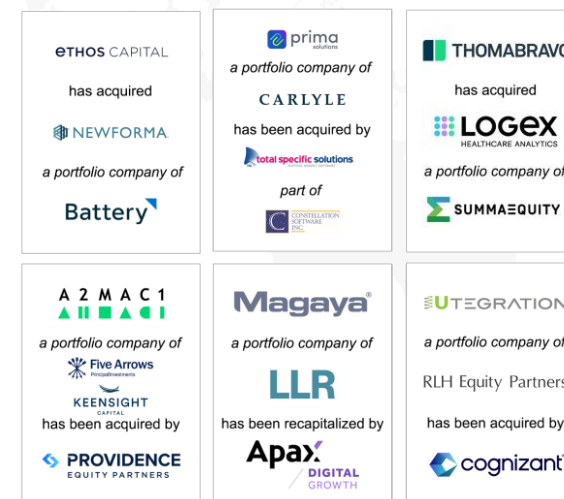
Contact Us

Priyanka Naithani
Managing Director

pnaithani@harriswilliams.com

(617) 654-2115

Julien Oussadon
Managing Director

joussadon@harriswilliams.com

+44 20 7518 8909

Anthony Basmajian
Managing Director

abasmajian@harriswilliams.com

(804) 887-6030

Rebecca Herter
Vice President

rherter@harriswilliams.com

(617) 654-2131

John Chase
Vice President

jchase@harriswilliams.com

(804) 915-0169

Harris Williams Infrastructure and Cybersecurity Software and Services Experience

Selected Infrastructure and Cybersecurity Software Experience

UTEGRATION
a portfolio company of
RLH Equity Partners
has been acquired by
cognizant

inspirage
a portfolio company of
RLH Equity Partners
has been acquired by
accenture

AST
a portfolio company of
TAILWIND CAPITAL
has been acquired by
RECOGNIZE

Hg
has recapitalized
LYNIATE

EURAZEO
has acquired
SCALED AGILE
a portfolio company of
LEEDS Equity Partners
RUBICON technology partners

MARLIN EQUITY PARTNERS
has acquired
ProcessUnity

H.I.G. CAPITAL
has acquired
Cleo

learn on demand systems
has received an investment from
SHAMROCK CAPITAL ADVISORS

SentryOne
has been acquired by
solarwinds

Vista Equity Partners
has acquired
Wrike

THOMABRAVO
has acquired
@mailgun

CLEARLAKE CAPITAL
has acquired
PERFORCE

helpsystems
a portfolio company of
SUMMIT PARTNERS
and
Audax Group
has been acquired by
H.I.G. CAPITAL

CALERO
has been acquired by
Riverside PARTNERS

GAMESPARKS
has been acquired by
amazon.com

caradigm
a wholly-owned affiliate of
GE Healthcare
has been acquired by
inspirata

Harris Williams Client Engagement

UTEGRATION
a portfolio company of
RLH Equity Partners
has been acquired by
cognizant

Company Background

Utegration is a full-service consulting and solutions provider specializing in analytics, SAP technology, and SAP-certified products for the utilities and energy sectors. Utegration builds and optimizes new technology for finance, regulatory, customer management, and asset operations to maximize clients' return on investment, while minimizing risk and complexity. Their industry experts have earned the trust of energy and water providers across North America with outcome-driven road maps and a track record of successful implementations.

Successful Outcome

The transaction delivered a successful outcome for Utegration and Cognizant. The acquisition will extend Cognizant's SAP capabilities for energy and utilities clients, allowing the partnership to deliver a strong new set of capabilities designed to address the market's critical transformation needs.

Harris Williams served as financial advisor to Utegration in this transaction.

Harris Williams Client Engagement

inspirage
a portfolio company of
RLH Equity Partners
has been acquired by
accenture

Company Background

Inspirage delivers end-to-end transformational initiatives solving the most critical supply chain challenges for product-based companies. The company provides deep industry expertise and unparalleled knowledge of Oracle's cloud-based applications to deliver consulting, IP, and implementation solutions spanning product life cycle management, supply chain management, logistics, ERP (enterprise resource planning), finance, enterprise performance management, and digital transformation. Inspirage partners with its customers to break down information silos and optimize performance to accelerate innovation, fuel growth, and achieve operational excellence.

Successful Outcome

The transaction delivered a successful outcome for Inspirage and Accenture. The acquisition will further enhance Accenture's Oracle Cloud capabilities, helping the combined partnership accelerate innovation for clients through emerging technologies.

Harris Williams served as financial advisor to Inspirage in this transaction.

Harris Williams / GLOBAL M&A ADVISOR

Harris Williams is a global investment bank specializing in M&A advisory services. Clients worldwide rely on us to help unlock value in their business and turn ambitious goals into reality. We approach every engagement with boundless collaboration, pooling expertise and relationships across industries and geographies to uncover the unique story of each company.

Deep Industry Experience

Aerospace, Defense & Government Services

Business Services

Consumer

Energy, Power & Infrastructure

Healthcare & Life Sciences

Industrials

Technology

Transportation & Logistics

70% Revenue from repeat clients

83% Managing directors promoted from within the firm

30+ Year history

vault TOP RANKED 2023 BANKING

AMERICAS PRIVATE EQUITY INVESTMENT BANK OF THE YEAR — Harris Williams — BY M&A ATLAS AWARDS 2022

OUTSTANDING M&A INVESTMENT BANK OF THE YEAR — Harris Williams — BY GLOBAL M&A NETWORK 2021

Sources and Disclosures

Sources

1. S&P Capital IQ
2. Gartner

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Appendix

Infrastructure Software Public Market Operational and Valuation Metrics

As of March 31, 2023

$ in millions

Company	Enterprise Value	Market Capitalization	% of 52 Week High	Revenue Growth		LTM EBITDA Margin	Enterprise Value / Revenue		Enterprise Value / EBITDA	
				LTM	NTM		LTM	NTM	LTM	NTM
Diversified Infrastructure Software										
Microsoft	$2,124,539	$2,146,049	91.5%	10.4%	7.3%	48.0%	10.4x	9.7x	21.7x	20.0x
Oracle	334,417	250,866	99.9%	14.7%	9.7%	38.8%	7.0x	6.4x	18.0x	13.1x
Cisco Systems	202,005	214,109	93.0%	3.1%	9.7%	29.7%	3.8x	3.5x	12.8x	9.5x
IBM	152,735	147,170	108.3%	4.2%	7.9%	20.8%	4.6x	4.3x	22.3x	13.4x
SAP	164,264	118,912	85.6%	5.5%	3.6%	20.4%	2.7x	2.6x	13.3x	10.4x
Software AG	1,877	1,619	66.1%	8.0%	7.3%	17.2%	1.8x	1.7x	10.6x	9.2x
Median	**$183,135**	**$180,640**	**92.3%**	**6.8%**	**7.6%**	**25.3%**	**4.2x**	**3.9x**	**15.6x**	**11.8x**
Cloud / SaaS Infrastructure Software										
ServiceNow	$92,290	$94,338	80.7%	22.9%	22.3%	10.9%	12.7x	10.4x	NM	32.2x
Atlassian	43,474	43,869	53.7%	30.8%	20.6%	NM	13.7x	11.3x	NM	65.3x
MongoDB	15,724	16,327	49.4%	47.0%	17.6%	NM	12.2x	10.4x	NM	NM
Okta	13,696	13,909	53.4%	42.9%	16.9%	NM	7.4x	6.3x	NM	82.8x
Nutanix	5,945	6,335	82.1%	39.2%	23.3%	NM	7.8x	6.3x	NM	88.0x
Smartsheet	6,042	5,981	77.0%	12.0%	12.1%	NM	3.7x	3.3x	NM	34.3x
Qualys	4,956	5,186	93.1%	18.1%	15.6%	NM	5.6x	4.8x	NM	33.0x
New Relic	4,474	4,812	80.1%	19.1%	13.6%	33.7%	9.1x	8.0x	27.1x	19.3x
Median	**$9,869**	**$10,122**	**78.6%**	**26.9%**	**17.2%**	**22.3%**	**8.4x**	**7.2x**	**27.1x**	**34.3x**
Median	**$29,599**	**$30,098**	**81.4%**	**16.4%**	**12.8%**	**25.3%**	**7.2x**	**6.3x**	**18.0x**	**20.0x**

Infrastructure Software Public Market Operational and Valuation Metrics by Sector

As of March 31, 2023

$ in millions

Company	Enterprise Value	Market Capitalization	% of 52 Week High	Revenue Growth		LTM EBITDA Margin	Enterprise Value / Revenue		Enterprise Value / EBITDA	
				LTM	NTM		LTM	NTM	LTM	NTM
Service Support Management										
ServiceNow	$92,290	$94,338	80.7%	22.9%	22.3%	10.9%	12.7x	10.4x	NM	32.2x
PagerDuty	$3,021	$3,196	94.7%	31.8%	21.0%	NM	8.1x	6.7x	NM	52.8x
IT Operations Management										
SolarWinds	$1,126	$1,468	95.1%	24.2%	15.7%	NM	3.7x	3.2x	NM	NM
Sumo Logic	$2,520	$1,393	62.7%	0.1%	1.9%	26.7%	3.5x	3.4x	13.1x	8.6x
Remote Connectivity and Collaboration										
Atlassian	$43,474	$43,869	53.7%	30.8%	20.6%	NM	13.7x	11.3x	NM	65.3x
Twilio	$9,562	$12,478	37.8%	34.6%	12.5%	NM	2.5x	2.2x	NM	16.9x
Dropbox	$8,688	$7,737	86.5%	7.7%	6.5%	22.1%	3.7x	3.5x	16.9x	9.8x
Smartsheet	$5,945	$6,335	82.1%	39.2%	23.3%	NM	7.8x	6.3x	NM	88.0x
Asana	$4,272	$4,530	49.6%	44.6%	17.6%	NM	7.8x	6.6x	NM	NM
Virtualizaton / Client Computing										
VMware	$59,873	$53,496	94.5%	3.9%	5.6%	20.3%	4.5x	4.2x	22.1x	11.5x
Nutanix	$6,042	$5,981	77.0%	12.0%	12.1%	NM	3.7x	3.3x	NM	34.3x
Mobile Device Management										
Jamf	$2,565	$2,397	54.0%	30.7%	17.1%	NM	5.4x	4.6x	NM	56.9x
Application Performance Management										
Datadog	$22,197	$23,243	45.7%	62.8%	24.7%	NM	13.3x	10.6x	NM	62.4x
Dynatrace	$11,879	$12,227	85.9%	25.6%	18.5%	11.8%	10.8x	9.1x	91.5x	35.1x
New Relic	$4,956	$5,186	93.1%	18.1%	15.6%	NM	5.6x	4.8x	NM	33.0x

Infrastructure Software Public Market Operational and Valuation Metrics by Sector (cont.)

As of March 31, 2023

$ in millions

Company	Enterprise Value	Market Capitalization	% of 52 Week High	Revenue Growth		LTM EBITDA Margin	Enterprise Value / Revenue		Enterprise Value / EBITDA	
				LTM	NTM		LTM	NTM	LTM	NTM
Business Process Management										
Pegasystems	$4,389	$3,998	58.9%	8.8%	6.3%	NM	3.3x	3.1x	NM	24.2x
Appian	$3,221	$3,232	67.7%	26.7%	13.9%	NM	6.9x	6.0x	NM	NM
Rapid Application Development										
DigitalOcean	$4,570	$3,798	63.4%	34.5%	22.3%	12.8%	7.9x	6.5x	61.8x	17.0x
Appian	$2,985	$3,767	100.0%	14.6%	13.3%	NM	11.2x	9.9x	NM	NM
Progress Software	$3,221	$3,232	67.7%	26.7%	13.9%	NM	6.9x	6.0x	NM	NM
C3 AI	$3,206	$2,490	96.8%	12.0%	12.5%	34.7%	5.2x	4.6x	14.9x	12.5x
Data Management										
Snowflake	$45,327	$50,144	63.2%	69.4%	40.2%	NM	21.9x	15.6x	NM	NM
Splunk	$15,450	$17,757	56.9%	23.6%	15.6%	NM	8.1x	7.0x	NM	29.6x
Palantir	$17,972	$15,868	63.6%	36.7%	6.6%	NM	4.9x	4.6x	NM	24.3x
Informatica	$5,855	$4,658	68.7%	4.2%	4.9%	13.3%	3.9x	3.7x	29.2x	13.8x
Alteryx	$4,707	$4,091	77.1%	59.5%	15.4%	NM	5.5x	4.8x	NM	54.3x
Domo	$560	$494	24.7%	19.6%	5.6%	NM	1.8x	1.7x	NM	89.1x
Enterprise Data Search										
Elastic	$5,306	$5,587	60.2%	28.4%	15.7%	NM	5.2x	4.5x	NM	45.4x
Database Systems										
MongoDB	$15,724	$16,327	49.4%	47.0%	17.6%	NM	12.2x	10.4x	NM	NM
Couchbase	$481	$641	70.4%	25.3%	11.9%	NM	3.1x	2.8x	NM	NM

Infrastructure Software Public Market Operational and Valuation Metrics by Sector (cont.)

As of March 31, 2023

$ in millions

Company	Enterprise Value	Market Capitalization	% of 52 Week High	Revenue Growth		LTM EBITDA Margin	Enterprise Value / Revenue		Enterprise Value / EBITDA	
				LTM	NTM		LTM	NTM	LTM	NTM
Application Lifecycle Management / Collaboration										
Atlassian	$43,474	$43,869	53.7%	30.8%	20.6%	NM	13.7x	11.3x	NM	65.3x
GitLab	$4,334	$5,216	48.3%	68.0%	25.6%	NM	10.2x	8.1x	NM	NM
JFrog	$1,584	$2,004	70.3%	35.5%	22.1%	NM	5.7x	4.6x	NM	57.8x
PaaS										
Salesforce	$202,151	$199,780	90.4%	18.3%	10.4%	17.3%	6.4x	5.8x	37.2x	19.5x
IaaS										
Amazon	$1,158,351	$1,058,439	61.3%	9.4%	8.5%	10.5%	2.3x	2.1x	21.4x	13.5x
HashiCorp	$4,334	$5,604	48.8%	48.4%	24.7%	NM	9.1x	7.3x	NM	NM
Digital / Cloud / Agile Services										
EPAM Systems	$15,699	$17,246	64.6%	28.4%	9.3%	16.2%	3.3x	3.0x	20.1x	16.8x
Globant	$6,779	$6,933	61.6%	37.3%	16.7%	16.4%	3.8x	3.3x	23.1x	15.6x
Endava	$3,677	$3,818	47.8%	21.3%	20.6%	17.6%	4.1x	3.4x	23.0x	13.8x
Thoughtworks	$2,580	$2,330	33.8%	21.1%	0.4%	NM	2.0x	2.0x	NM	11.0x
Rackspace	$4,084	$400	15.5%	3.7%	(2.7%)	15.9%	1.3x	1.3x	8.2x	9.8x
Edge Computing / Web Performance										
Cloudflare	$20,295	$20,368	48.0%	48.6%	36.9%	NM	20.8x	15.2x	NM	NM
Akamai	$13,987	$12,239	63.5%	4.5%	3.2%	31.7%	3.9x	3.7x	12.2x	9.4x

Infrastructure Software Public Market Operational and Valuation Metrics by Sector (cont.)

As of March 31, 2023

$ in millions

Company	Enterprise Value	Market Capitalization	% of 52 Week High	Revenue Growth		LTM EBITDA Margin	Enterprise Value / Revenue		Enterprise Value / EBITDA	
				LTM	NTM		LTM	NTM	LTM	NTM
Data Protection and Backup										
Backblaze	$153	$173	44.2%	26.2%	17.4%	NM	1.8x	1.5x	NM	NM
User Experience / Product Management										
Amplitude	$1,132	$1,422	57.9%	42.3%	20.6%	NM	4.8x	3.9x	NM	NM
Median	**$4,956**	**$5,216**	**63.2%**	**26.7%**	**15.6%**	**16.4%**	**5.2x**	**4.6x**	**21.7x**	**24.2x**

Cybersecurity Software Public Market Operational and Valuation Metrics by Sector

As of March 31, 2023

$ in millions

Company	Enterprise Value	Market Capitalization	% of 52 Week High	Revenue Growth		LTM EBITDA Margin	Enterprise Value / Revenue		Enterprise Value / EBITDA	
				LTM	NTM		LTM	NTM	LTM	NTM
Endpoint Protection / Anti-Virus										
Crowdstrike	$30,477	$32,375	56.7%	54.4%	33.8%	NM	13.6x	10.2x	NM	49.7x
Check Point Software	$12,223	$15,704	89.3%	7.5%	4.4%	39.0%	5.2x	5.0x	13.5x	11.6x
Gen Digital	$20,283	$10,967	62.8%	12.9%	22.6%	46.8%	6.5x	5.3x	14.0x	10.0x
Trend Micro	$4,927	$6,753	0.5%	2.6%	8.3%	25.3%	2.9x	2.7x	11.5x	11.6x
SentinelOne	$4,125	$4,722	39.3%	106.1%	51.0%	NM	9.8x	6.5x	NM	NM
Enterprise Network Firewall										
Palo Alto Networks	$61,051	$60,443	93.5%	26.7%	23.8%	4.0%	9.9x	8.0x	NM	30.9x
Fortinet	$50,984	$52,109	92.9%	32.2%	22.5%	24.2%	11.5x	9.4x	47.7x	33.6x
Check Point Software	$12,223	$15,704	89.3%	7.5%	4.4%	39.0%	5.2x	5.0x	13.5x	11.6x
Web Security / Secure Web Gateway										
Zscaler	$16,265	$16,954	46.0%	56.8%	31.1%	NM	12.1x	9.2x	NM	50.4x
Identity and Access Management										
Okta	$13,696	$13,909	53.4%	42.9%	16.9%	NM	7.4x	6.3x	NM	82.8x
CyberArk Software	$5,495	$6,071	82.2%	17.7%	23.4%	NM	9.3x	7.5x	NM	NM
Privileged Access Management										
CyberArk Software	$5,495	$6,071	82.2%	17.7%	23.4%	NM	9.3x	7.5x	NM	NM
Vulnerability Management										
Tenable	$5,250	$5,399	74.7%	26.3%	17.9%	NM	7.7x	6.5x	NM	51.5x
Qualys	$4,474	$4,812	80.1%	19.1%	13.6%	33.7%	9.1x	8.0x	27.1x	19.3x
Rapid7	$3,379	$2,756	38.8%	28.0%	13.1%	NM	4.9x	4.4x	NM	42.0x

Cybersecurity Software Public Market Operational and Valuation Metrics by Sector (cont.)

As of March 31, 2023

$ in millions

Company	Enterprise Value	Market Capitalization	% of 52 Week High	Revenue Growth		LTM EBITDA Margin	Enterprise Value / Revenue		Enterprise Value / EBITDA	
				LTM	NTM		LTM	NTM	LTM	NTM
Managed Security Services										
SecureWorks	$603	$735	63.3%	(13.4%)	(15.7%)	NM	1.3x	1.5x	NM	NM
Unified Threat Management										
Fortinet	$50,984	$52,109	92.9%	32.2%	22.5%	24.2%	11.5x	9.4x	47.7x	33.6x
Web Application Firewall										
Cloudflare	$20,295	$20,368	48.0%	48.6%	36.9%	NM	20.8x	15.2x	NM	NM
Akamai	$13,987	$12,239	63.5%	4.5%	3.2%	31.7%	3.9x	3.7x	12.2x	9.4x
Median	**$12,960**	**$11,603**	**63.0%**	**26.5%**	**20.2%**	**31.7%**	**8.4x**	**6.5x**	**13.7x**	**32.3x**

Harris Williams

Recent Sector Transactions Detail

Closed Date	Target	Acquirer	Business Description	Enterprise Value ($M)	Implied EV / Revenue	Implied EV / EBITDA
Pending	OnDat	Akamai Technologies	Provider of a cloud-native storage platform designed to run containerized databases, CI and CD workloads, and public cloud	NA	NA	NA
Pending	Axis Security	Hewlett Packard Enterprise	Provider of a cloud security platform designed to offer secure access to business applications	$500	NA	NA
Pending	Qualtrics	Silver Lake	Provider of enterprise data collection and analysis software intended to survey employees, markets, and customers	$10,911	7.5x	NA
Pending	Anlyz	Trend Micro	Provider of a cybersecurity platform protecting organizations from fraud, cyber threats, misuse, and infiltration of data	NA	NA	NA
Pending	Sumo Logic	Francisco Partners	Provider of a machine data analytics platform designed to deliver real-time continuous intelligence across the application lifecycle	$1,419	4.7x	NA
Pending	Brainwave	Radiant Logic	Provider of security software intended to fight against fraud, data leakage, and cyber risks	NA	NA	NA
Pending	RAN Security	Cerberus Cyber Sentinel	Provider of cybersecurity consultancy services catering to large and medium-sized companies	NA	NA	NA
03/22/23	Foxpass	Splashto	Provider of a network security platform intended to automate network access	NA	NA	NA
03/22/23	Confluera	XM Cyber	Provider of a network security interception platform intended to detect and stop attackers from navigating infrastructure	NA	NA	NA
03/21/23	Aspecto	SmartBear Software	Provider of an observability platform intended to eliminate the need for quality assurance	NA	NA	NA
03/15/23	Minerva Labs	Rapid7	Provider of a preemptive threat prevention and response platform intended to mitigate the risks associated with ransomware	$38	NA	NA
03/14/23	ClearShark	Optiv Security	Provider of customized and integrated IT services intended to offer secure networks to public sector companies	NA	NA	NA
03/06/23	Zudy	Jitterbit	Provider of an enterprise mobile application development platform intended to offer authentication and role-based security	NA	NA	NA
02/28/23	Canonic Security	Zscaler	Provider of a SaaS-based application security platform designed to control third-party apps and integrations	$20	NA	NA
02/16/23	SKS Group	Accenture	Provider of infrastructure and regulatory services using SAP S/4HANA for the banking sector	NA	NA	NA
02/15/23	Deepwatch	Splunk Ventures	Provider of a managed security platform intended to identify issues and improve security maturity	NA	NA	NA
02/15/23	NetCom Systems	Coretelligent	Provider of network, systems, and web integration solutions and IT consulting services	NA	NA	NA
02/08/23	Ment	M-Files	Provider of a document automation platform intended to save time and cost in the process of document management	NA	NA	NA
02/07/23	MarkLogic	Progress Software	Provider of software intended for data integration and process automation	$355	NA	NA
02/06/23	StepZen	IBM	Provider of a software development platform designed to build an API that connects data across multiple backends	NA	NA	NA

Recent Sector Transactions Detail (cont.)

Closed Date	Target	Acquirer	Business Description	Enterprise Value ($M)	Implied EV / Revenue	Implied EV / EBITDA
02/06/23	Itoc	Thoughtworks	Provider of a cloud platform offering services including cloud integration, migration, and managed services	NA	NA	NA
02/01/23	Cerberus	Redwood Software	Provider of data transfer security services intended to serve IT professionals	NA	NA	NA
02/01/23	Gatsby	Netlify	Provider of website development tools designed for professional developers building online businesses and eCommerce sites	NA	NA	NA
02/01/23	Lilac Cloud	F5	Provider of software for application services such as streaming, security, and user experience monitoring	NA	NA	NA
01/31/23	Saviynt	AllianceBernstein	Provider of cloud security and identity governance software designed to help enterprises solve security and compliance challenges	NA	NA	NA
01/26/23	Cloudify	Dell	Provider of a cloud orchestration platform designed to automate the deployment, configuration, and remediation of applications	$100	NA	NA
01/18/23	Passwordless.dev	Bitwarden	Provider of an open-source platform designed to create passwordless authentication	NA	NA	NA
01/12/23	Kaskada	DataStax	Provider of a machine learning platform designed to help organizations make predictions and drive impact	NA	NA	NA
01/12/23	Swrve	MessageGears	Provider of a mobile marketing and customer engagement platform designed to facilitate brand building for enterprises	NA	NA	NA
01/12/23	SecZetta	SailPoint	Provider of an identity management platform designed to facilitate the process of onboarding and managing non-employees	NA	NA	NA
01/11/23	Hack The Box	The Carlyle Group	Provider of a cybersecurity platform designed to advance hacking skills in penetration testing and cybersecurity	NA	NA	NA
01/11/23	Inbenta Technologies	Tritium Partners	Provider of an AI-powered chatbot and semantic search platform	NA	NA	NA
01/10/23	nVisium	NetSPI	Provider of penetration testing services for the automotive, healthcare, and education sectors	NA	NA	NA
01/10/23	PathMaker	Simeio Solutions	Provider of identity and security management consulting solutions	NA	NA	NA
01/10/23	Pimsoft	Valsoft	Provider of data quality process solutions to implement, develop, and maintain infrastructure and associated applications	NA	NA	NA
01/05/23	Ripjar	Dow Jones	Provider of a data intelligence platform offering natural language processing, machine learning, and visual analytics capabilities	NA	NA	NA
01/05/23	Tidal Software	Redwood Software	Provider of application scheduling and performance management software	NA	NA	NA
01/05/23	CloudOps	Aptum Technologies	Provider of cloud consulting and managed services enabling companies to successfully adopt and operate cloud platforms	NA	NA	NA
01/05/23	Fungible	Microsoft Corporation	Provider of infrastructure software aimed at accelerating networking and storage performance in datacenters	$190	NA	NA
01/03/23	Cloud Technology Solutions	Marlin Equity Partners	Provider of cloud transformation and infrastructure services intended to help customers make data-driven solutions	NA	NA	NA