

Technology, Media & Telecom

Infrastructure and Security Software Sectors Review | Q2 2020



Harris Williams Overview

HARRIS WILLIAMS (“HW”)

- 25+ years and more than 1,000 closed transactions
- 360+ professionals across eight office globally
- 170+ closed transactions in the last 24 months
- 10 industry groups

FOCUSED ADVISORY SERVICES

- Mergers and acquisitions (M&A)
- Capital raises
- Corporate divestitures

CONSISTENT RECOGNITION FOR QUALITY



HW TECHNOLOGY, MEDIA & TELECOM (“TMT”) GROUP

- 35+ dedicated TMT professionals
- TMT offices include Boston, San Francisco, and London

KEY TMT THEMES

- ✓ SaaS / Cloud
- ✓ Data & Analytics
- ✓ Digital Transformation
- ✓ A.I. / Machine Learning

HORIZONTAL FOCUS SECTORS

- Application Software
- Cloud Managed Services and Hosting Solutions
- Compliance Solutions
- CRM and Marketing Automation
- Human Capital Management
- **Infrastructure and Security Software**
- IT and Tech-Enabled Services
- Marketing, Research, and Insights Software

VERTICAL FOCUS SECTORS

- Architecture, Engineering, and Construction Software
- Education Technology and Services
- Energy Technology
- Facilities and Real Estate Software
- Financial Technology and Payments
- Government Technology
- Healthcare IT
- Industrial and Supply Chain Technology
- Internet and eCommerce
- Retail Technology

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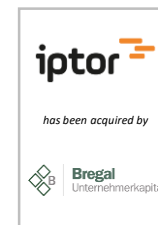
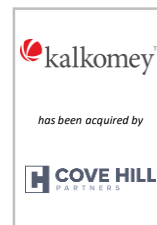
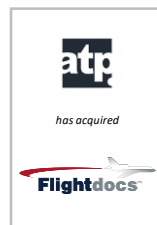
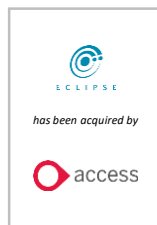
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OTHER TMT GROUP LEADERSHIP

SELECT HW TMT TRANSACTIONS



Infrastructure Software Taxonomy

SOFTWARE DEVELOPMENT / DEVOPS



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



Application Lifecycle Management Continuous Integration / Continuous Delivery Version Management Test Management

Select Market Participants



IT OPERATIONS MANAGEMENT

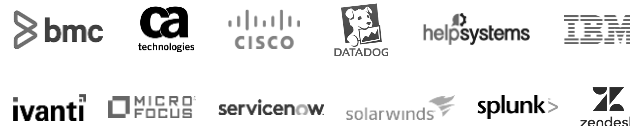


Solutions that help to manage the provisioning, capacity, performance, and availability of an organization's IT infrastructure



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

Select Market Participants



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



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



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



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



Select Infrastructure Software M&A Transactions^{1,2}



Enterprise Value: \$330M
Revenue: NA



EV / Revenue: NA
EV / EBITDA: NA

Keysight's acquisition of Eggplant – Closed June 25, 2020

- Eggplant is a provider of test automation software that uses AI and analytics to automate test creation and test execution with any technology, any device, and any operating system, at any layer from the UI to the API to the database
- The combination includes an overlapping customer base while expanding software test opportunities into new end-markets



Enterprise Value: NA
Revenue: NA



EV / Revenue: NA
EV / EBITDA: NA

Microsoft's acquisition of CyberX – Closed June 22, 2020

- CyberX is a provider of software solutions for detecting, stopping, and predicting security breaches on IoT networks and the networks of large industrial organizations
- The acquisition allows Microsoft to accelerate and secure customers' IoT deployments, including Windows and Azure enabled



Enterprise Value: NA
Revenue: NA



EV / Revenue: NA
EV / EBITDA: NA

Microsoft's acquisition of Softomotive – Closed May 19, 2020

- Softomotive is a provider of robotic process automation software for organizations' digital workforce development
- The acquisition enhances Microsoft's ability to expand low-code robotic process automation capabilities in Microsoft Power Automate, enhance its desktop automation and application configuration capabilities, and access 9,000 additional customers



Enterprise Value: \$70M
Revenue: NA



EV / Revenue: NA
EV / EBITDA: NA

CyberArk's acquisition of Idaptive – Closed May 13, 2020

- Idaptive is a provider of single sign-on and MFA capabilities to escalate suspicious user interactions and improve operational efficiencies
- Through the acquisition, CyberArk and Idaptive will deliver a comprehensive AI-based, security-first approach to managing identities that is adaptive and context-aware through a Zero Trust approach



Enterprise Value: NA
Revenue: NA



EV / Revenue: NA
EV / EBITDA: NA

Atlassian's acquisition of Halp – Closed May 12, 2020

- Halp is a provider of software solutions that enable companies to build integrated help desk ticketing and automated answers inside Slack
- The acquisition of Halp will provide Atlassian with Slack integration as real-time messaging becomes more prevalent in the workplace



Enterprise Value: \$145M
Revenue: NA



EV / Revenue: NA
EV / EBITDA: NA

Rapid7's acquisition of DivvyCloud – Closed May 1, 2020

- DivvyCloud is a provider of Cloud Security Posture Management (CSPM), which enables deep visibility, combined with automated prevention and real-time remediation of risk to deliver continuous security and compliance for cloud environments
- The acquisition enables Rapid7 to offer customers additional solutions and visibility during cloud transitions



Enterprise Value: NA
Revenue: NA



EV / Revenue: NA
EV / EBITDA: NA

TPG's formation of Digital.ai – Closed April 16, 2020

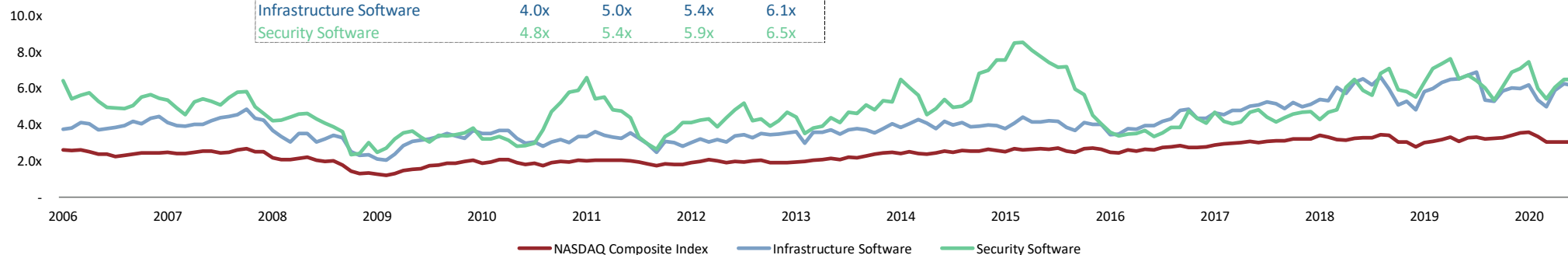
- Digital.ai was formed through the combination of CollabNet Version One, XebiaLabs, and Arxan Technologies to create a DevSecOps-focused vendor; Digital.ai has since acquired Experitest, a developer of software testing tools, and Numerify, a provider of AI-powered IT business analytics
- Digital.ai is a provider of intelligent value stream management, application security, and software delivery in a unified platform

Impact of COVID-19 on the Infrastructure and Security Software Sectors¹

EV / NTM REVENUE MULTIPLES

As of June 30, 2020

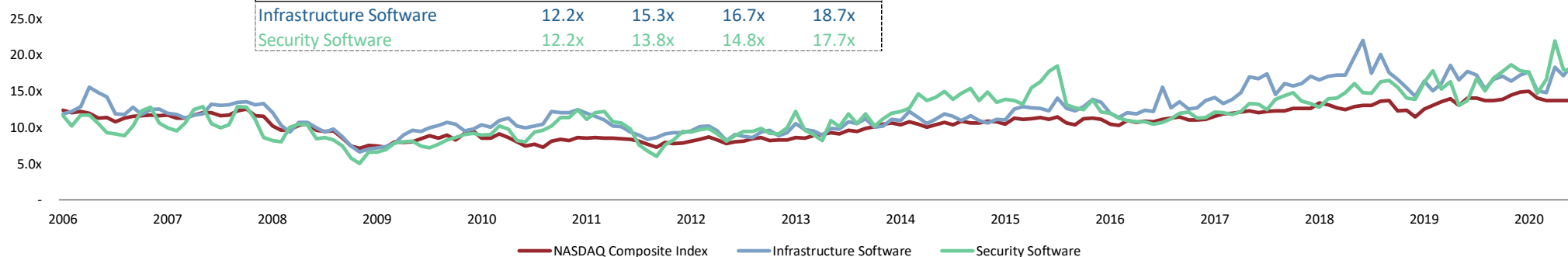
Median EV / NTM Revenue	10 Year	5 Year	3 Year	Jun-20
Infrastructure Software	4.0x	5.0x	5.4x	6.1x
Security Software	4.8x	5.4x	5.9x	6.5x



EV / NTM CASH EBITDA MULTIPLES

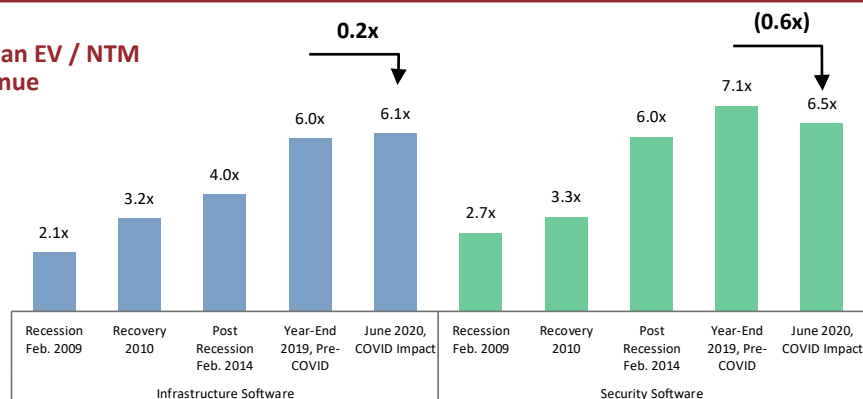
As of June 30, 2020

Median EV / NTM Cash EBITDA	10 Year	5 Year	3 Year	Jun-20
Infrastructure Software	12.2x	15.3x	16.7x	18.7x
Security Software	12.2x	13.8x	14.8x	17.7x

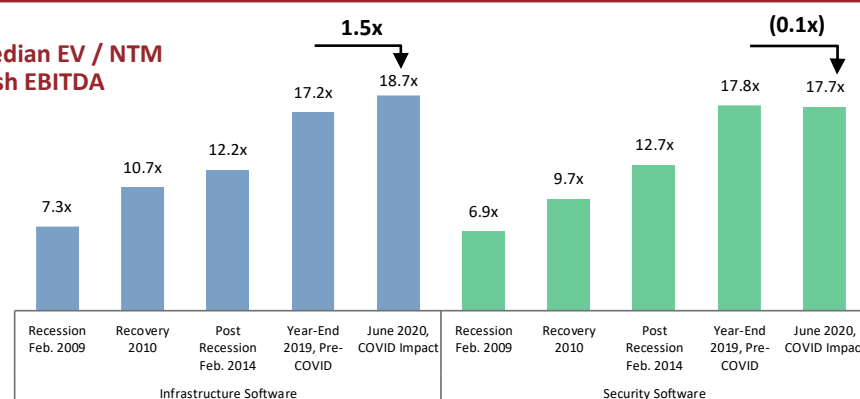


HISTORICAL PERFORMANCE THROUGH CYCLES

Median EV / NTM Revenue

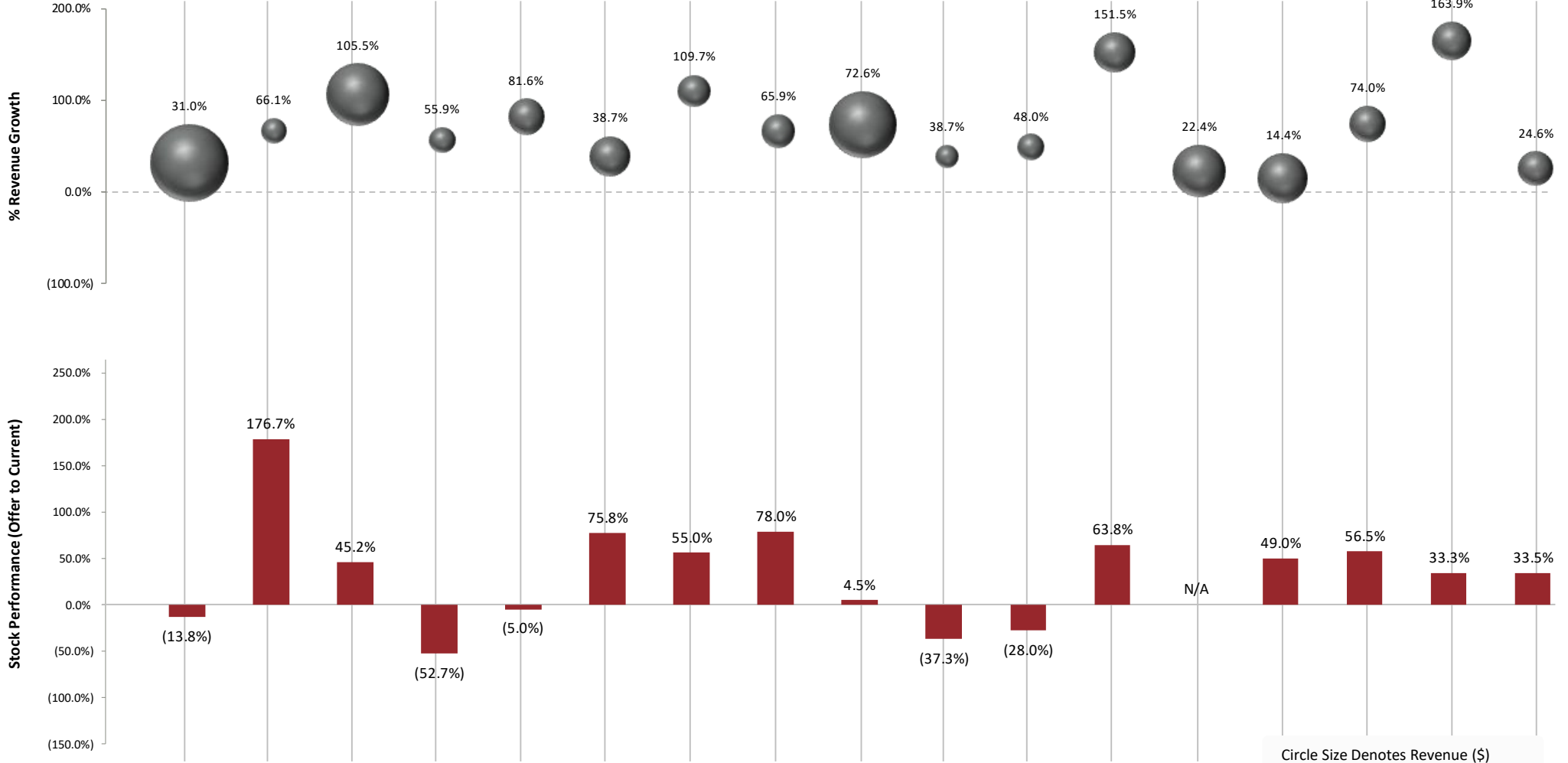


Median EV / NTM Cash EBITDA



Note: see pages 7-11 for companies comprising Infrastructure Software and Security Software buckets.

Key Performance Metrics for Recent Software IPOs¹



IPO DATE	3/22/18	4/26/18	5/10/18	6/28/18	7/26/18	7/26/18	10/4/18	10/11/18	10/18/18	4/10/19	4/10/19	6/11/19	4/20/18	7/31/19	9/13/19	9/18/19	9/19/19
OFFER PRICE PER SHARE	\$21.00	\$15.00	\$3.37	\$21.00	\$23.00	\$20.00	\$36.00	\$17.00	\$15.00	\$14.00	\$24.00	\$34.00	\$15.00	\$16.00	\$15.00	\$27.00	\$15.00
MARKET CAP AT OFFER (\$M)	\$1,127.7	\$200.7	\$3,212.6	\$484.5	\$2,132.4	\$220.9	\$2,539.5	\$2,069.2	\$4,574.1	\$454.1	\$1,799.3	\$703.8	\$5,046.3	\$4,486.6	\$1,299.2	\$745.2	\$1,192.7
OFFERING SIZE (\$M)	\$756.0	\$174.5	\$812.0	\$193.2	\$250.7	\$126.8	\$252.0	\$263.5	\$375.0	\$107.8	\$217.7	\$612.0	\$555.0	\$569.8	\$525.0	\$648.0	\$187.5
OFFER TO CURRENT	(13.8%)	176.7%	45.2%	(52.7%)	(5.0%)	75.8%	55.0%	78.0%	4.5%	(37.3%)	(28.0%)	63.8%	N/A	49.0%	56.5%	33.3%	33.5%

¹ Taken private by VMware.

Infrastructure Software – Trading Comparables Metrics¹

Company	Ticker	Enterprise Value (\$mm)	Market Cap (\$mm)	% of 52 Week High	1-Year Stock Performance	3-Year Stock Performance	Revenue Growth		LTM EBITDA Margin	Enterprise Value / Revenue			Enterprise Value / EBITDA			Price / Earnings
							LTM	NTM		Pre-COVID (Dec. 2019)	LTM	NTM	Pre-COVID (Dec. 2019)	LTM	NTM	
DIVERSIFIED INFRASTRUCTURE SOFTWARE																
Microsoft	MSFT	\$1,489,689	\$1,543,306	99.6%	51.9%	195.2%	13.5%	9.5%	46.2%	8.6x	10.7x	9.8x	18.8x	23.2x	21.6x	33.4x
Oracle	ORCL	200,904	169,606	91.4%	(3.0%)	10.2%	(1.1%)	0.5%	41.8%	5.0x	5.1x	5.1x	12.2x	12.3x	10.7x	16.7x
IBM	IBM	164,948	107,231	76.1%	(12.4%)	(21.5%)	(2.8%)	(3.4%)	20.9%	2.3x	2.2x	2.2x	10.7x	10.3x	9.0x	11.9x
Cisco Systems	CSCO	185,427	196,928	80.1%	(14.8%)	49.0%	(1.5%)	(3.3%)	32.0%	3.8x	3.7x	3.8x	12.0x	11.5x	10.6x	18.3x
SAP	SAP	177,348	166,603	108.0%	2.9%	35.9%	7.3%	4.7%	25.7%	5.6x	5.8x	5.5x	23.0x	22.4x	16.8x	35.7x
Micro Focus	MCRO	5,980	1,790	24.6%	(79.1%)	(85.4%)	1.4%	(6.2%)	31.8%	2.6x	1.9x	2.0x	8.3x	6.0x	5.5x	NM
Software AG	SOW	2,685	2,989	111.7%	18.9%	NA	(0.3%)	(2.1%)	26.1%	2.4x	2.7x	2.8x	8.5x	10.4x	12.6x	18.7x
Median		\$177,348	\$166,603	91.4%	(3.0%)	23.1%	(0.3%)	(2.1%)	31.8%	3.8x	3.7x	3.8x	12.0x	11.5x	10.7x	18.5x
CLOUD / SAAS INFRASTRUCTURE SOFTWARE																
ServiceNow	NOW	\$76,591	\$77,246	98.8%	47.5%	282.1%	32.4%	23.1%	10.2%	15.3x	20.6x	16.7x	179.7x	NM	54.7x	114.2x
Atlassian	TEAM	43,578	44,499	94.0%	37.8%	412.4%	35.3%	21.4%	1.1%	20.3x	28.7x	23.7x	NM	NM	91.5x	NM
Okta	OKTA	24,665	24,951	97.2%	62.1%	778.2%	46.0%	28.2%	NM	25.7x	38.3x	29.9x	NM	NM	NM	NM
MongoDB	MDB	13,199	13,156	92.8%	48.8%	NA	51.1%	19.3%	NM	19.1x	28.5x	23.9x	NM	NM	NM	NM
Zendesk	ZEN	10,242	10,112	93.3%	(0.6%)	218.7%	34.1%	21.4%	NM	10.7x	11.7x	9.7x	NM	NM	103.4x	NM
Proofpoint	PFPT	6,237	6,368	83.2%	(7.6%)	28.0%	23.4%	12.6%	NM	7.0x	6.7x	5.9x	NM	NM	40.1x	NM
Smartsheet	SMAR	5,628	6,098	84.2%	5.2%	NA	51.9%	28.7%	NM	19.5x	18.7x	14.6x	NM	NM	NM	NM
LogMeIn	LOGM	4,252	4,134	97.9%	15.1%	(18.9%)	3.5%	4.8%	24.8%	3.5x	3.3x	3.2x	13.7x	13.5x	10.3x	NM
Qualys	QLYS	3,770	4,053	87.3%	19.5%	155.0%	14.9%	10.5%	32.6%	9.2x	11.3x	10.3x	29.1x	34.8x	24.5x	54.2x
Nutanix	NTNX	4,639	4,731	62.6%	(8.6%)	17.6%	3.2%	7.9%	NM	4.6x	3.6x	3.4x	NM	NM	NM	NM
New Relic	NEWR	3,813	4,123	71.4%	(20.4%)	60.2%	25.1%	11.7%	NM	6.3x	6.4x	5.7x	NM	NM	58.2x	NM
Mimecast	MIME	2,679	2,623	76.6%	(10.8%)	55.6%	25.4%	12.4%	8.9%	6.7x	6.3x	5.6x	82.0x	70.5x	28.1x	NM
Median		\$5,933	\$6,233	90.0%	10.1%	107.6%	28.9%	16.0%	10.2%	10.0x	11.5x	10.0x	55.6x	34.8x	47.4x	84.2x
Median		\$10,242	\$10,112	91.4%	2.9%	52.3%	14.9%	10.5%	25.9%	6.7x	6.4x	5.7x	13.7x	12.9x	21.6x	26.0x

As of June 30, 2020 (\$ in millions)



Infrastructure Software – Trading Comparables Metrics by Sector¹

Company	Ticker	Enterprise Value (\$mm)	Market Cap (\$mm)	% of 52 Week High	1-Year Stock Performance	3-Year Stock Performance	Revenue Growth			Enterprise Value / Revenue			Enterprise Value / EBITDA			Price / Earnings
							LTM	NTM	LTM EBITDA Margin	Pre-COVID (Dec. 2019)	LTM	NTM	Pre-COVID (Dec. 2019)	LTM	NTM	
SERVICE SUPPORT MANAGEMENT																
ServiceNow	NOW	\$76,591	\$77,246	98.8%	47.5%	282.1%	32.4%	23.1%	10.2%	15.3x	20.6x	16.7x	179.7x	NM	54.7x	114.2x
Zendesk	ZEN	\$10,242	\$10,112	93.3%	(0.6%)	218.7%	34.1%	21.4%	NM	10.7x	11.7x	9.7x	NM	NM	103.4x	NM
PagerDuty	PD	\$1,937	\$2,253	55.2%	(39.2%)	NA	37.4%	21.2%	NM	9.5x	10.8x	8.9x	NM	NM	NM	NM
IT MANAGEMENT																
SolarWinds	SWI	\$7,292	\$5,510	81.6%	(3.7%)	NA	13.1%	6.8%	22.8%	7.9x	7.6x	7.1x	33.7x	33.3x	15.2x	NM
CONNECTIVITY AND COLLABORATION																
Atlassian	TEAM	\$43,578	\$44,499	94.0%	37.8%	412.4%	35.3%	21.4%	1.1%	20.3x	28.7x	23.7x	NM	NM	91.5x	NM
Twilio	TWLO	\$29,535	\$30,730	98.7%	60.9%	653.8%	67.9%	26.4%	NM	10.8x	23.3x	18.5x	NM	NM	NM	NM
Dropbox	DBX	\$8,979	\$8,996	83.1%	(13.1%)	NA	18.5%	12.1%	7.8%	4.4x	5.2x	4.6x	77.8x	66.6x	16.9x	NM
Smartsheet	SMAR	\$5,628	\$6,098	84.2%	5.2%	NA	51.9%	28.7%	NM	19.5x	18.7x	14.6x	NM	NM	NM	NM
LogMeIn	LOGM	\$4,252	\$4,134	97.9%	15.1%	(18.9%)	3.5%	4.8%	24.8%	3.5x	3.3x	3.2x	13.7x	13.5x	10.3x	NM
CORPORATE PERFORMANCE MANAGEMENT (“CPM”) / PLANNING																
Anaplan	PLAN	\$5,981	\$6,232	71.1%	(10.2%)	NA	41.9%	20.4%	NM	21.1x	15.9x	13.2x	NM	NM	NM	NM
VIRTUALIZATION / CLIENT COMPUTING																
VMware	VMW	\$67,622	\$64,894	84.4%	(7.4%)	77.1%	10.3%	6.2%	19.6%	6.3x	6.1x	5.7x	29.8x	31.1x	17.2x	10.1x
Citrix Systems	CTXS	\$19,691	\$18,260	95.4%	50.7%	85.9%	5.2%	(1.3%)	24.6%	5.0x	6.2x	6.3x	21.4x	25.4x	20.2x	24.3x
Nutanix	NTNX	\$4,639	\$4,731	62.6%	(8.6%)	17.6%	3.2%	7.9%	NM	4.6x	3.6x	3.4x	NM	NM	NM	NM
MOBILE DEVICE MANAGEMENT																
MobileIron	MOBL	\$484	\$569	63.3%	(20.5%)	(18.5%)	4.7%	(4.6%)	NM	2.3x	2.3x	2.5x	NM	NM	NM	NM
APPLICATION PERFORMANCE MANAGEMENT																
Datadog	DDOG	\$25,296	\$26,031	93.5%	NA	NA	85.6%	42.7%	1.5%	28.9x	59.7x	41.8x	NM	NM	NM	NM
Dynatrace	DT	\$11,700	\$11,403	91.9%	NA	NA	26.6%	17.2%	NM	14.6x	21.4x	18.3x	NM	NM	71.0x	NM
New Relic	NEWR	\$3,813	\$4,123	71.4%	(20.4%)	60.2%	25.1%	11.7%	NM	6.3x	6.4x	5.7x	NM	NM	58.2x	NM
BUSINESS PROCESS MANAGEMENT																
Pegasystems	PEGA	\$8,133	\$8,103	98.1%	42.1%	73.4%	11.0%	14.0%	NM	6.9x	8.4x	7.4x	NM	NM	162.5x	NM
Appian	APPN	\$3,477	\$3,575	79.2%	42.1%	182.4%	18.5%	(1.9%)	NM	9.2x	12.5x	12.7x	NM	NM	NM	NM
RAPID APPLICATION DEVELOPMENT																
Appian	APPN	\$3,477	\$3,575	79.2%	42.1%	182.4%	18.5%	(1.9%)	NM	9.2x	12.5x	12.7x	NM	NM	NM	NM
Progress Software	PRGS	\$1,850	\$1,736	73.8%	(11.2%)	25.4%	8.9%	1.3%	33.3%	4.9x	4.3x	4.2x	15.6x	12.8x	10.6x	37.0x

As of June 30, 2020 (\$ in millions)

Infrastructure Software – Trading Comparables Metrics by Sector¹

Company	Ticker	Enterprise Value (\$mm)	Market Cap (\$mm)	% of 52 Week High	1-Year Stock Performance	3-Year Stock Performance	Revenue Growth		LTM EBITDA Margin	Enterprise Value / Revenue			Enterprise Value / EBITDA			Price / Earnings
							LTM	NTM		Pre-COVID (Dec. 2019)	LTM	NTM	Pre-COVID (Dec. 2019)	LTM	NTM	
DATA MANAGEMENT																
Splunk	SPLK	\$31,968	\$31,567	99.7%	58.0%	249.3%	23.6%	6.8%	NM	10.7x	13.5x	12.6x	NM	NM	NM	NM
Alteryx	AYX	\$10,828	\$10,836	97.5%	50.5%	741.6%	61.4%	17.3%	7.5%	15.2x	24.0x	20.5x	137.2x	NM	140.3x	NM
Cloudera	CLDR	\$3,558	\$3,757	91.3%	141.8%	(20.6%)	44.9%	4.2%	NM	4.3x	4.4x	4.2x	NM	NM	20.2x	NM
Talend	TLND	\$1,066	\$1,086	80.8%	(10.2%)	(0.3%)	19.2%	8.2%	NM	4.8x	4.1x	3.8x	NM	NM	NM	NM
Domo	DOMO	\$953	\$927	90.3%	17.8%	NA	19.7%	10.4%	NM	3.5x	5.3x	4.8x	NM	NM	NM	NM
ENTERPRISE DATA SEARCH																
Elastic	ESTC	\$7,600	\$7,864	88.6%	23.5%	NA	57.4%	25.7%	NM	14.4x	17.8x	14.1x	NM	NM	NM	NM
HADOOP																
Cloudera	CLDR	\$3,558	\$3,757	91.3%	141.8%	(20.6%)	44.9%	4.2%	NM	4.3x	4.4x	4.2x	NM	NM	20.2x	NM
DATABASE SYSTEM																
MongoDB	MDB	\$13,199	\$13,156	92.8%	48.8%	NA	51.1%	19.3%	NM	19.1x	28.5x	23.9x	NM	NM	NM	NM
APPLICATION LIFECYCLE MANAGEMENT / COLLABORATION																
Atlassian	TEAM	\$43,578	\$44,499	94.0%	37.8%	412.4%	35.3%	21.4%	1.1%	20.3x	28.7x	23.7x	NM	NM	91.5x	NM
PAAS																
Salesforce.com	CRM	\$165,194	\$168,784	95.7%	23.5%	116.3%	30.1%	13.7%	11.3%	9.1x	9.1x	8.0x	66.2x	80.5x	25.8x	NM
IAAS																
Amazon	AMZN	\$1,404,892	\$1,376,033	98.7%	45.7%	185.0%	22.7%	21.5%	12.2%	3.4x	4.7x	3.9x	26.2x	38.7x	29.1x	130.3x
IT TRAINING																
Pluralsight	PS	\$2,046	\$1,905	55.7%	(40.5%)	NA	34.9%	15.3%	NM	5.9x	6.0x	5.2x	NM	NM	NM	NM
DIGITAL / CLOUD / AGILE SERVICES																
EPAM Systems	EPAM	\$13,380	\$14,022	97.7%	45.6%	199.7%	24.9%	9.7%	15.5%	4.8x	5.5x	5.0x	31.7x	35.6x	28.9x	49.0x
Globant	GLOB	\$5,944	\$5,883	98.2%	48.3%	245.0%	28.4%	12.5%	16.8%	6.0x	8.4x	7.5x	34.0x	50.3x	39.4x	106.8x
Endava	DAVA	\$2,491	\$2,537	85.1%	20.0%	NA	18.1%	12.0%	11.5%	5.7x	5.9x	5.3x	61.8x	51.5x	25.1x	86.6x
EDGE COMPUTING / WEB PERFORMANCE																
Akamai	AKAM	\$18,800	\$17,378	98.9%	33.6%	115.0%	7.2%	6.7%	29.5%	5.0x	6.4x	6.0x	17.3x	21.6x	13.8x	35.2x
Cloudflare	NET	\$10,376	\$10,916	93.4%	NA	NA	48.9%	32.2%	NM	15.6x	32.8x	24.8x	NM	NM	NM	NM

As of June 30, 2020 (\$ in millions)



Security Software – Trading Comparables Metrics by Sector¹

Company	Ticker	Enterprise Value (\$mm)	Market Cap (\$mm)	% of 52 Week High	1-Year Stock Performance	3-Year Stock Performance	Revenue Growth		LTM EBITDA Margin	Enterprise Value / Revenue			Enterprise Value / EBITDA			Price / Earnings
							LTM	NTM		Pre-COVID (Dec. 2019)	LTM	NTM	Pre-COVID (Dec. 2019)	LTM	NTM	
ENDPOINT PROTECTION / ANTI-VIRUS																
Check Point Software	CHKP	\$13,318	\$15,062	88.8%	(7.1%)	(1.5%)	3.8%	0.8%	44.6%	7.6x	6.6x	6.6x	16.9x	14.9x	13.5x	18.3x
CrowdStrike	CRWD	\$20,698	\$21,662	92.6%	46.9%	NA	88.7%	46.1%	NM	23.0x	36.7x	25.1x	NM	NM	NM	NM
Avast	AVST	\$7,534	\$6,707	118.5%	76.2%	NA	7.8%	1.3%	48.9%	8.2x	8.6x	8.5x	16.9x	17.7x	15.0x	27.0x
Trend Micro	4704	\$6,314	\$7,772	0.9%	25.3%	4.0%	6.8%	4.7%	32.8%	3.7x	4.0x	3.9x	11.3x	12.3x	12.4x	28.0x
NortonLifeLock	NLOK	\$13,739	\$11,680	69.1%	(8.9%)	(29.8%)	1.4%	(1.8%)	33.0%	3.9x	5.5x	5.6x	17.6x	16.7x	11.3x	3.0x
FireEye	FEYE	\$2,803	\$2,673	66.4%	(17.8%)	(20.0%)	7.2%	(1.4%)	NM	4.1x	3.1x	3.1x	NM	NM	30.8x	NM
ENTERPRISE NETWORK FIREWALL																
Fortinet	FTNT	\$20,831	\$22,189	91.7%	78.7%	266.6%	20.6%	14.2%	19.3%	7.6x	9.2x	8.1x	40.3x	47.8x	29.0x	59.7x
Palo Alto Networks	PANW	\$21,995	\$22,155	91.5%	12.7%	71.6%	18.6%	15.9%	1.1%	7.2x	6.7x	5.8x	NM	NM	26.1x	NM
Check Point Software	CHKP	\$13,318	\$15,062	88.8%	(7.1%)	(1.5%)	3.8%	0.8%	44.6%	7.6x	6.6x	6.6x	16.9x	14.9x	13.5x	18.3x
WEB SECURITY / SECURE WEB GATEWAY																
Zscaler	ZS	\$13,941	\$14,292	95.1%	42.9%	NA	43.5%	32.9%	NM	16.8x	35.6x	26.8x	NM	NM	NM	NM
IDENTITY AND ACCESS MANAGEMENT																
Okta	OKTA	\$24,665	\$24,951	97.2%	62.1%	778.2%	46.0%	28.2%	NM	25.7x	38.3x	29.9x	NM	NM	NM	NM
CyberArk Software	CYBR	\$3,244	\$3,845	66.7%	(22.3%)	98.7%	21.1%	6.1%	13.8%	9.0x	7.3x	6.9x	53.6x	52.7x	34.7x	74.3x
Ping	PING	\$2,566	\$2,567	90.8%	NA	NA	25.5%	(1.2%)	8.5%	7.9x	10.1x	10.2x	80.4x	118.7x	91.3x	NM
SailPoint Technologies	SAIL	\$2,280	\$2,387	94.5%	32.1%	NA	16.4%	6.3%	3.8%	6.9x	7.5x	7.1x	NM	196.2x	NM	NM
PRIVILEGED ACCESS MANAGEMENT																
CyberArk Software	CYBR	\$3,244	\$3,845	66.7%	(22.3%)	98.7%	21.1%	6.1%	13.8%	9.0x	7.3x	6.9x	53.6x	52.7x	34.7x	74.3x
EMAIL / MESSAGING SECURITY																
Proofpoint	PFPT	\$6,237	\$6,368	83.2%	(7.6%)	28.0%	23.4%	12.6%	NM	7.0x	6.7x	5.9x	NM	NM	40.1x	NM
Mimecast	MIME	\$2,679	\$2,623	76.6%	(10.8%)	55.6%	25.4%	12.4%	8.9%	6.7x	6.3x	5.6x	82.0x	70.5x	28.1x	NM
VULNERABILITY MANAGEMENT																
Qualys	QLYS	\$3,770	\$4,053	87.3%	19.5%	155.0%	14.9%	10.5%	32.6%	9.2x	11.3x	10.3x	29.1x	34.8x	24.5x	54.2x
Rapid7	RPD	\$2,604	\$2,577	77.3%	(11.8%)	203.1%	32.5%	16.6%	NM	8.5x	7.5x	6.4x	NM	NM	NM	NM
Tenable	TENB	\$2,802	\$2,983	92.9%	4.4%	NA	30.6%	17.5%	NM	5.9x	7.4x	6.3x	NM	NM	NM	NM
SECURITY INCIDENT RESPONSE																
FireEye	FEYE	\$2,803	\$2,673	66.4%	(17.8%)	(20.0%)	7.2%	(1.4%)	NM	4.1x	3.1x	3.1x	NM	NM	30.8x	NM
ADVANCED THREAT PROTECTION																
FireEye	FEYE	\$2,803	\$2,673	66.4%	(17.8%)	(20.0%)	7.2%	(1.4%)	NM	4.1x	3.1x	3.1x	NM	NM	30.8x	NM
MANAGED SECURITY SERVICES																
SecureWorks	SCWX	\$812	\$939	62.7%	(14.0%)	23.0%	6.8%	0.5%	NM	2.3x	1.4x	1.4x	NM	NM	58.1x	NM

As of June 30, 2020 (\$ in millions)

Security Software – Trading Comparables Metrics by Sector¹

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							LTM	NTM		Pre-COVID (Dec. 2019)	LTM	NTM	Pre-COVID (Dec. 2019)	LTM	NTM	
UNIFIED THREAT MANAGEMENT / SMB																
Fortinet	FTNT	\$20,831	\$22,189	91.7%	78.7%	266.6%	20.6%	14.2%	19.3%	7.6x	9.2x	8.1x	40.3x	47.8x	29.0x	59.7x
Tufin	TUFN	\$246	\$340	30.8%	(63.1%)	NA	14.0%	0.8%	NM	5.0x	2.4x	2.4x	NM	NM	NM	NM
WEB APPLICATION FIREWALL																
Akamai	AKAM	\$18,800	\$17,378	98.9%	33.6%	115.0%	7.2%	6.7%	29.5%	5.0x	6.4x	6.0x	17.3x	21.6x	13.8x	35.2x
Cloudflare	NET	\$10,376	\$10,916	93.4%	NA	NA	48.9%	32.2%	NM	15.6x	32.8x	24.8x	NM	NM	NM	NM

Infrastructure Software – Select Recent M&A Transactions^{1,2}

Closed Date	Target	Buyer(s)	Description	Enterprise Value USDm	Implied EV / Revenue	Implied EV / EBITDA
Pending	Octarine	Vmware	Provider of a security platform for cloud native applications.	*	*	*
Pending	ThousandEyes	Cisco Systems	Provider of network monitoring software to identify performance problems.	*	*	*
Pending	Lastline	Vmware	Provider of a security and malware protection platform to detect, stop, and manage attacks.	*	*	*
Pending	Exostar	Thoma Bravo	Provider of a cloud platform for securing supply chain collaboration.	*	*	*
Pending	SAP Digital Interconnect	Sinch AB	Provider of enterprise cloud-based communications products.	\$244	0.7x	14.6x
07/13/2020	Spotinst	NetApp	Provider of a cluster software and prediction purchasing algorithm for EC2 and GCE resources.	*	*	*
06/25/2020	Eggplant	Keysight Technologies	Provider of global digital test automation and monitoring software.	\$330	8.7x	*
06/22/2020	Cyber X	Microsoft	Provider of a ML-powered platform to continuously monitor the network and collect real-time data.	*	*	*
06/16/2020	Cumulus Networks	NVIDIA	Provider of Linux operating systems for networking hardware applications.	*	*	*
06/04/2020	PKWare	Northstar Capital	Provider of solutions to eliminate security gaps, manage sensitive data, and meet data compliance goals.	*	*	*
05/19/2020	Softomotive	Microsoft	Provider of robotic process automation software designed for business processes.	*	*	*
05/13/2020	Idaptive	CyberArk Software	Provider of a next-gen access and verification platform that secures access to applications and endpoints.	\$70	*	*
05/12/2020	Halp	Atlassian	Provider of inter-office communication software designed to integrate Zendesk with Slack.	*	*	*
05/07/2020	Keybase	Zoom Video Communications	Provider of an open source command line program that provides verification and encryption solutions.	*	*	*
05/01/2020	DivvyCloud	Rapid7	Provider of a software platform to automate security, compliance, and governance risks.	\$148	23.2x	*
04/29/2020	incapptic Connect	MobileIron	Provider of a software solution to resolve problems in the field of apps and enterprise mobility.	\$6	*	*
04/28/2020	Cloud Jumper	NetApp	Provider of cloud-based virtual desktop infrastructure software solutions.	\$34	*	*
04/21/2020	CLOUDGENIX	Palo Alto Networks	Provider of a software-defined enterprise wide-area network for hybrid clouds and a mobile workforce.	\$403	*	*
04/16/2020	Checkmarx	Hellman & Friedman; TPG Capital	Provider of a software exposure platform, static application security testing, and open source analysis.	\$1,150	*	*
04/15/2020	Arxan Technologies	Digital.AI	Provider of application protection products and services.	*	*	*

* Unpublished information.

Select Harris Williams TMT Transactions

 acquired by 	 acquired 	 acquired 	 acquired by 	 acquired by 	 strategic investment in 	 acquired by 	 investment from 	 acquired by 	 recapitalized by 	 acquired 	 acquired by 	 significant growth investment from 	 acquired by 	 acquired by
 significant growth investment from 	 acquired by 	 acquired by 	 has received a controlling investment from 	 acquired 	 acquired by 	 acquired 	 strategic investment from 	 acquired by 	 acquired 	 acquired by 	 acquired 	 acquired by 	 acquired by 	 acquired
 acquired by 	 acquired by 	 acquired 	 acquired by 	 acquired by 	 acquired by 	 acquired 	 a wholly-owned affiliate of acquired by 	 invested in 	 majority investment from 	 acquired by 	 acquired by 	 acquired by 	 acquired by 	 acquired by
 investment from 	 acquired 	 acquired by 	 merged with 	 investment from 	 acquired by 	 acquired by 	 acquired 	 acquired by 	 investment from 	 acquired by 	 acquired by 	 acquired by 	 acquired by 	 acquired
 majority investment from 	 growth investment from 	 acquired by 	 majority investment from 	 acquired by 	 majority investment from 	 recapitalized by 	 acquired by 	 acquired 	 acquired by 	 acquired by 	 acquired by 	 acquired by 	 acquired by 	 recapitalized by
 acquired by 	 acquired by 	 acquired by 	 acquired by 	 acquired by 	 acquired by 	 acquired by 	 acquired by 	 acquired a majority stake in 	 acquired by 	 majority investment from 	 minority investment from 	 acquired by 	 acquired by 	 acquired by
 acquired by 	 strategic investment from 	 merged with 	 acquired by 	 acquired by 	 acquired by 	 acquired by 	 acquired by 	 acquired by 	 acquired by 	 acquired by 	 acquired by 	 acquired by 	 acquired by 	 acquired by

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Sources & Disclosures

Sources

1. S&P Capital IQ.
2. PitchBook.

Disclosures

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