SEG | Software Equity Group

1Q25

Quarterly **SaaS Report**

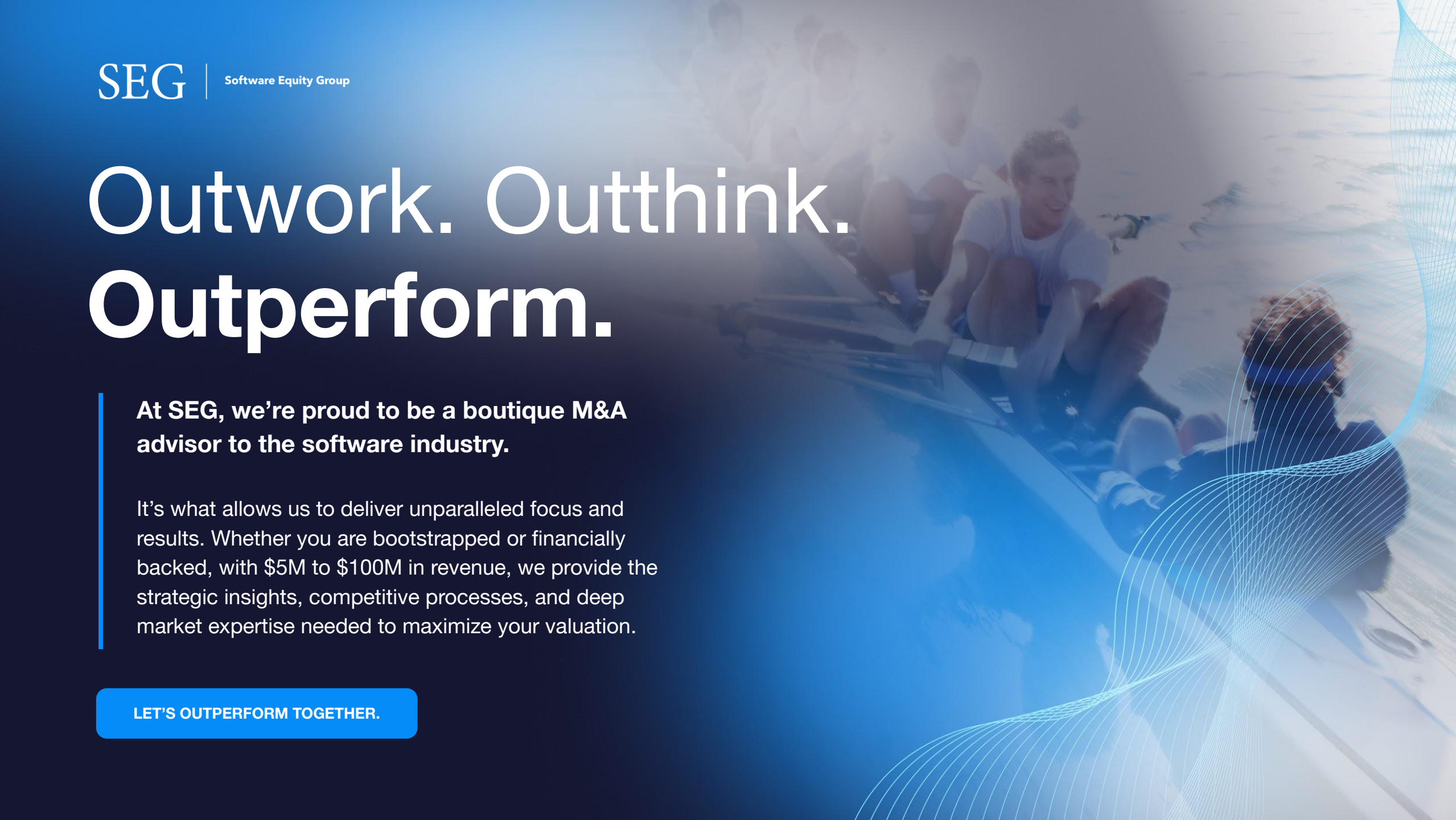
SEG | Software Equity Group

Outwork. Outthink. **Outperform.**

At SEG, we're proud to be a boutique M&A advisor to the software industry.

It's what allows us to deliver unparalleled focus and results. Whether you are bootstrapped or financially backed, with $5M to $100M in revenue, we provide the strategic insights, competitive processes, and deep market expertise needed to maximize your valuation.

LET'S OUTPERFORM TOGETHER.



Getting Offers is Easy.
Securing the Best Deal Takes Expertise.

Deals like these don't happen by accident. They take a clear strategy, deep market expertise, and a team that knows how to position a company for success. These transactions, completed over the past seven months, highlight our ability to deliver exceptional outcomes across software verticals. Let's talk about your goals.



Copyright © 2025 Software Equity Group

SEG's Perspective on the Software & SaaS Landscape

Thank you for taking the time to explore our latest research report. Since 2001, we've been committed to tracking the ever-evolving software industry, and we're honored to have software executives and professionals like you as our valued readers.

There is no shortage of complexity facing today's decision-makers. Between shifting macroeconomic indicators, public market volatility, evolving buyer behavior, and geopolitical uncertainty, navigating the current landscape requires greater context and clarity than ever before.

This 1Q25 report is part of our ongoing effort to help surface what matters most. In a quarter where public SaaS valuations pulled back and economic signals sent mixed messages, one trend held constant: best-in-class software companies continue to outperform. Whether in the public markets or through M&A, buyers remain focused on quality and are willing to pay for it.

While the broader environment may remain fluid, the appetite for differentiated, scalable, and durable SaaS businesses endures. We hope this report brings clarity to the current environment and equips you with the insights needed to assess where we are and where we may be headed next."

Austin Hammer, Principal
Software Equity Group



Austin Hammer
Principal

Paxton Earl
Analyst

Copyright © 2025 Software Equity Group

Contents

05 **Overview**
Industry landscape and global IT spend summaries

07 **SaaS M&A Highlights**
M&A volume, valuations, and buyer activity

20 **SaaS Public Market Highlights**
SEG SaaS Index™ activity, performance trends, and benchmarks

36 **Appendix**
Supporting tables, sources, and disclaimer

SEG

1Q25 SaaS Overview

- The start of 2025 has been marked by a complex and often contradictory macro environment. While inflation is moderating and labor markets remain stable, ongoing trade tensions, geopolitical instability, and mixed economic signals have created an uncertain backdrop for decision-makers. In this environment, public and private investors are moving cautiously but continue seeking high-performing, resilient SaaS businesses that can weather volatility and sustain long-term value.
- The SEG SaaS Index™ declined 13% in 1Q25, with the bottom quartile falling more than 25% while the top quartile declined just ~5.6%, a clear sign that investors are rewarding companies with consistent execution, retention, and margin strength.

% Inflation was cooler than expected, at **2.4%** YOY by the end of March

- SaaS M&A remained active, with 636 transactions in the quarter, up 19% QOQ and 31% YOY, the strongest quarter since 1Q22. Financial sponsors continue to lead the market, particularly in vertical SaaS and add-on acquisitions.
- M&A valuations held steady, with the median EV/TTM revenue multiple at 4.1x, flat QOQ, and up slightly from 3.9x in 1Q24. The average multiple of 6.0x reflects continued appetite for premium assets, though buyers remain disciplined. Top-tier companies with strong retention, vertical focus, and profitable growth continue to command a clear pricing premium.
- U.S. GDP grew 1.6% in 1Q25[1], slower than expected (estimates were ~2%) and inflation was at 2.4% YOY at the end of March[2], cooler than expected (Feb YOY was 2.8%). Many industry constituents are closely watching the impacts of tariff policy on growth, inflation, and unemployment. Still, buyer focus has not wavered on high-quality software assets.
- Healthcare remains the most active vertical, accounting for 21% of vertical SaaS deals in 1Q25, as providers continue investing in digital infrastructure to modernize care delivery. Financial Services (15%) and Real Estate (10%) also saw elevated activity, reflecting sustained demand for industry-specific platforms in complex, regulated sectors.

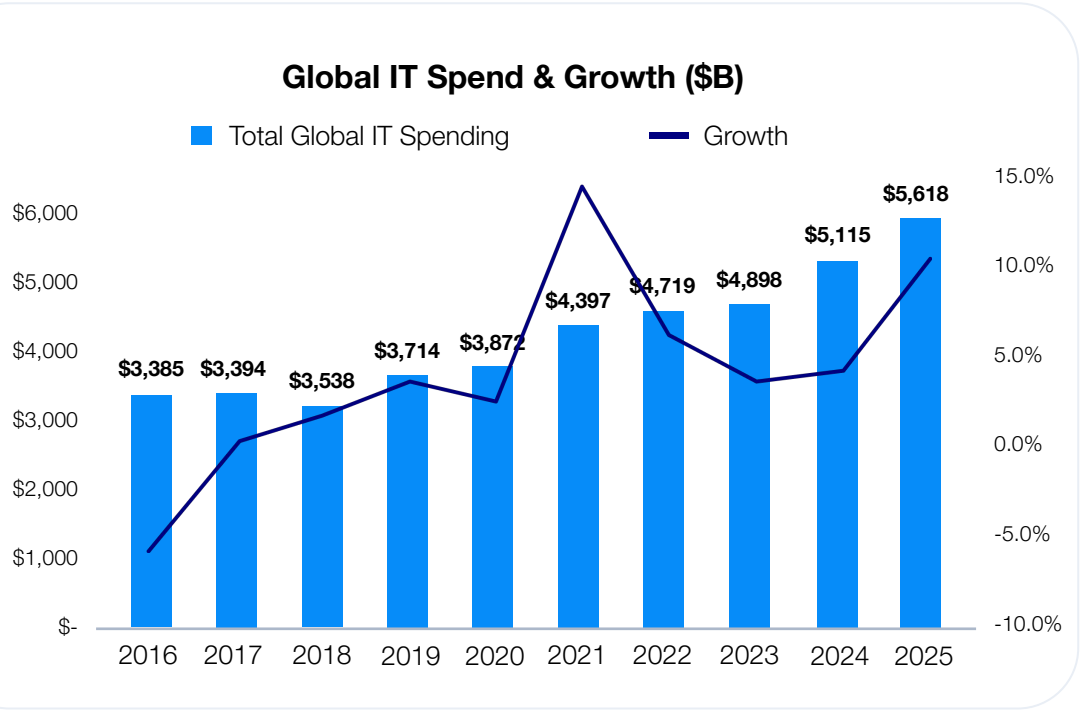
See appendix for sources.

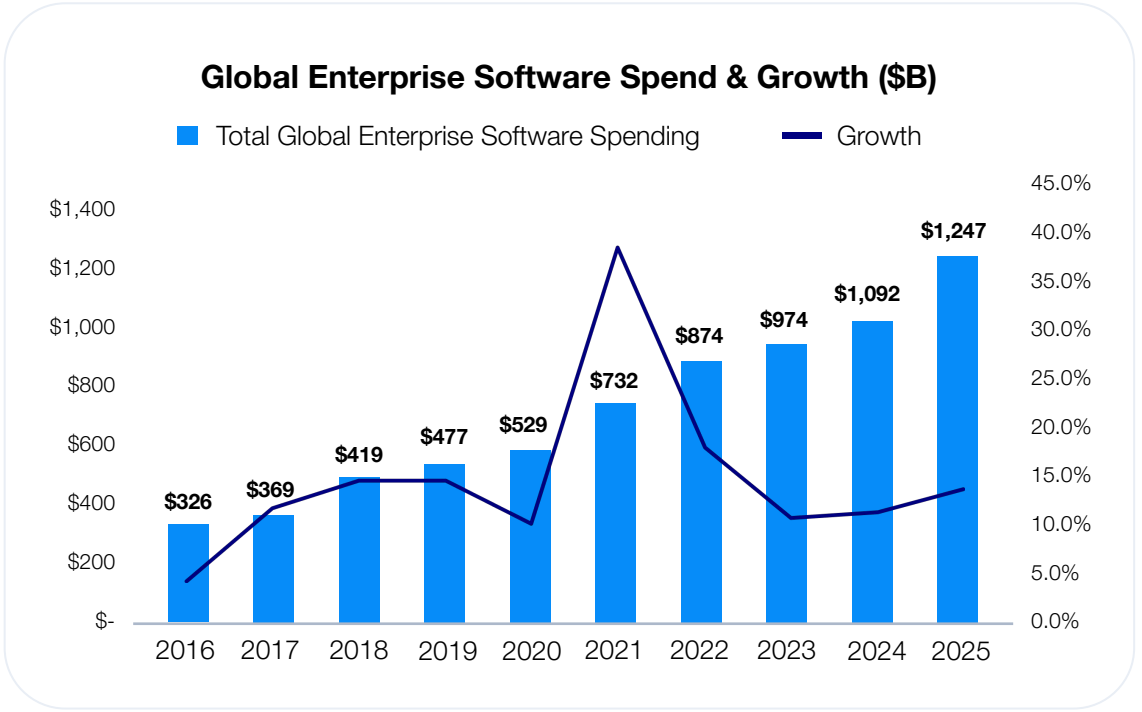
Copyright © 2025 Software Equity Group

Global IT & Enterprise Software Spend Outlook(1)

Global IT spending is poised to continue its consistently increased growth in the post-COVID world, though recent macro developments are likely to impact IT growth forecasts in some capacity. In 2021, IT spend experienced unprecedented growth due to rapid digitization driven by COVID. Though it regressed to a more sustainable level, it has been consistently above pre-COVID levels, except for 2023, which was impacted by macroeconomic headwinds that resulted in lower growth. Gartner's latest projections have Global IT spend growing 4.4% in 2024 and ticking up to 9.8% in 2025, due to the rapid revolution of Artificial Intelligence ushering a new wave of IT spending.

Enterprise software, the fastest-growing IT segment, is expected to have grown 12.1% in 2024 and to grow 14.2% in 2025. The category crossed the $1T threshold for the first time in 2024. Software spending as a percent of overall IT spending has more than doubled since 2017 (11% to 21% in 2024), a remarkable feat considering the large volume of IT spending ($5.1T in 2024). Enterprise software is also seeing the impacts of the Artificial Intelligence boom as businesses actively seek to leverage generative AI and other applications to improve business processes, thus deepening their tech stacks and increasing software budgets.





(1) See Appendix for Source

Copyright © 2025 Software Equity Group

Contents

05 **Overview**
SaaS landscape and global IT spend summaries

07 **SaaS M&A Highlights**
Industry M&A volume, valuations, and buyer activity

20 **SaaS Public Market Highlights**
SEG SaaS Index™ activity, performance trends, and benchmarks

36 **Appendix**
Supporting tables, sources, and disclaimer

SEG

SaaS M&A Summary

- Aggregate software industry M&A deal volume continued its upward trend in 1Q25, recording 1,104 total deals, the highest quarterly volume since 1Q22, and an 11% increase over 4Q24. Over the past eight quarters, software M&A has averaged over 900 deals per quarter, establishing a new post-COVID baseline and reflecting healthy activity levels across the sector.
- 1Q25 recorded 636 SaaS M&A transactions, up 19% QOQ (from 534 in 4Q24) and 31% YOY (from 486 in 1Q24). This represents the most active quarter for SaaS M&A we've tracked, and signals sustained buyer appetite entering 2025. Market sentiment entering the year was notably more optimistic than in prior periods, supported by improved clarity around interest rates and the macro environment.



636 SaaS M&A Deals in 1Q25

- While optimism defined the start of the year, forward-looking uncertainty tied to tariffs and potential macroeconomic fallout could introduce volatility in future quarters. Even so, the strong volume recorded in 1Q25 reinforces the resilience of SaaS M&A and its position as a top priority for both strategic and financial buyers amid a dynamic macro backdrop.
- SaaS M&A valuations remained steady in 1Q25. The median EV/TTM revenue multiple held at 4.2x (in line with 4Q24) and was up modestly from 3.8x in 1Q24. The average multiple stayed at 6.0x, matching the prior quarter and exceeding the 5.1x average in 1Q24. The spread between average and median reflects heightened competition for premium assets, those with growth, profitability, and strong market positioning, while a high volume of transactions are clearing at moderate multiples.

6.0x Average SaaS EV/Rev Multiple

- Vertical deals comprised 49% of SaaS M&A volume in 1Q25, up slightly from 48% in 1Q24. Buyers remain drawn to purpose-built platforms with embedded workflows and defensible market positions. Healthcare led with 21% of vertical SaaS activity, followed by Financial Services, Real Estate, and Retail.
- Deals funded by both private equity and venture capitalists accounted for 58% of SaaS transactions. Meanwhile, publicly traded strategics represented 22% of deal volume and will continue to be selective amidst the current macro environment.

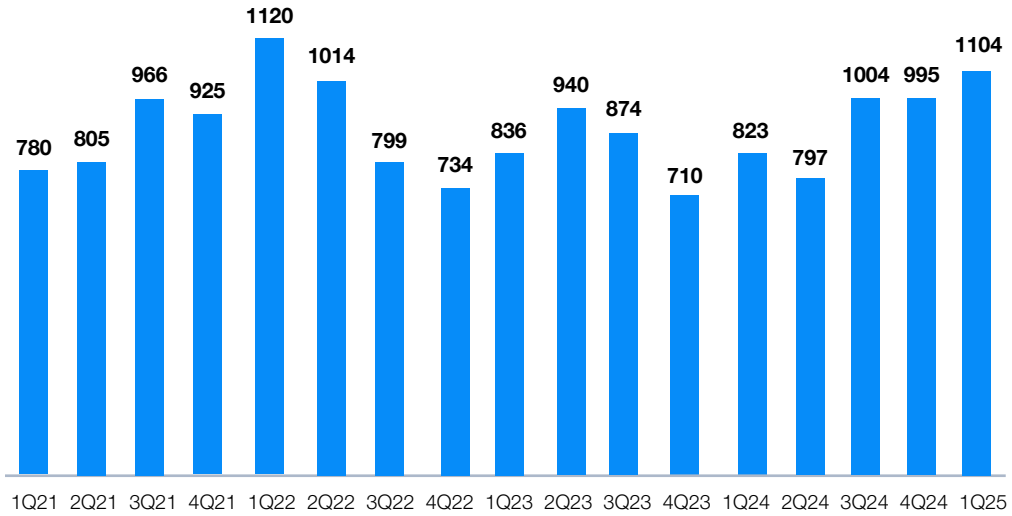
Copyright © 2025 Software Equity Group

Overall Industry M&A: Deal Volume

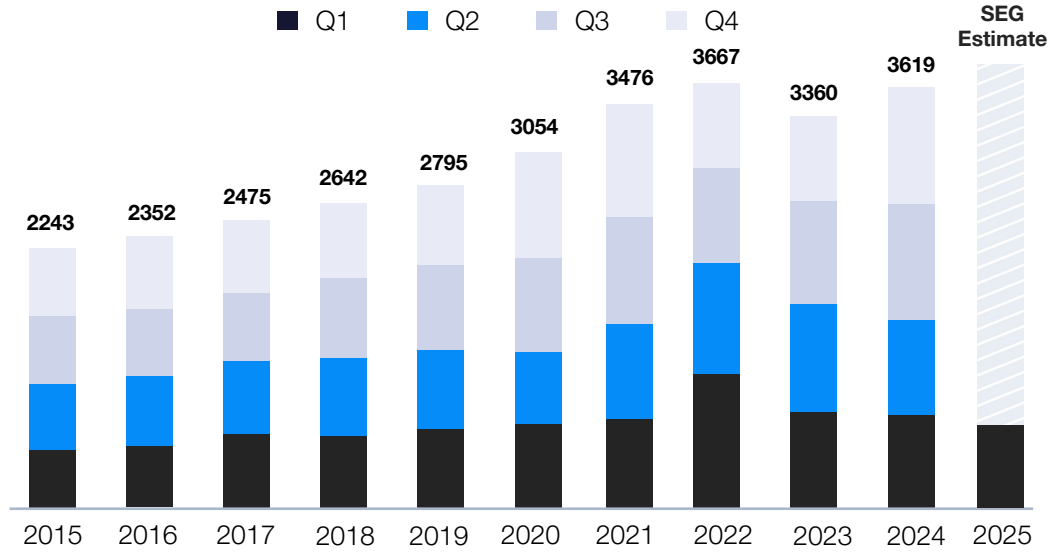
The broader software M&A market continued its stable trajectory in 1Q25, recording 1104 total transactions, the highest quarterly volume since 1Q22. This represents an 11% QOQ increase against 4Q24. Deal activity has sustained an uptick against pre-COVID levels, with the last nine quarters averaging over 900 deals. This stability suggests a good baseline for overall software M&A. The recent uptick in volume was likely driven by interest rate cuts and relief regarding election risk and enthusiasm around the potential for pro-business administration.

With potential downward pressure from tariffs and resulting macroeconomic fallout, deal volume will react in some capacity. However, software remains a top priority for acquirers, and even amidst near-term uncertainty, it is expected that overall industry deal volume in 2025 matches or exceeds the strong year of 2024.

Quarterly | Software Industry M&A Deal Volume



Annual | Software Industry M&A Deal Volume



(1) Aggregate software industry includes SaaS, on-premise license models, and internet companies.

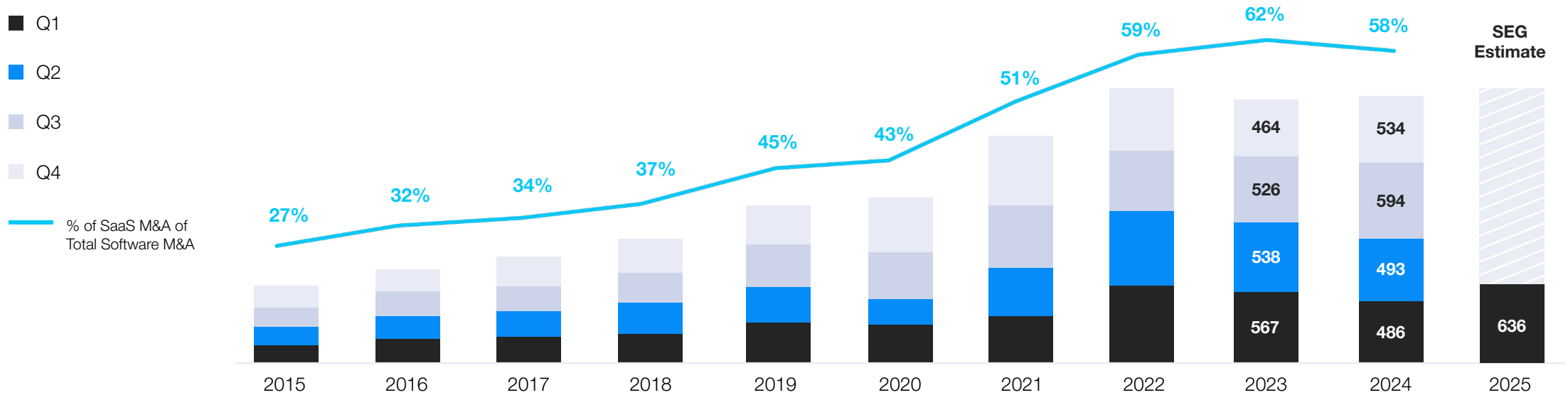
Copyright © 2025 Software Equity Group

SaaS Deal Volume

1Q25 marked a strong start to the year for SaaS M&A. The 636 SaaS deals in the quarter represent 19% QOQ growth (531 in 4Q24) and 31% YOY growth (486 in 1Q24). It was the most active quarter tracked and puts 2025 on pace to come close to or potentially surpass 2022's peak. SaaS continues to comprise the majority of software M&A, representing 58% of total software transactions in Q1.

1Q25 comprised **636** SaaS transactions, the **most active** quarter tracked, putting **2025** on pace to meet or surpass 2022's deal volume.

The impacts of the uncertain macro environment on M&A volume remain to be seen, as it is widely expected that GDP growth will slow and inflation could rise again on the back of global trade risks. However, there is always a strong market for quality SaaS businesses. In a scenario where SaaS M&A volume is impacted in the near term by the macro environment, buyers will continue to seek strong SaaS companies with durable retention and margin profiles, a dynamic we've seen play out in recent turbulent cycles (2020 and 2H22 / 1H23). The strong volume recorded in 1Q25 reinforces the resilience of SaaS M&A and its position as a top priority for both strategic and financial buyers amid a dynamic macro backdrop.



Copyright © 2025 Software Equity Group

EV/TTM Revenue Multiples

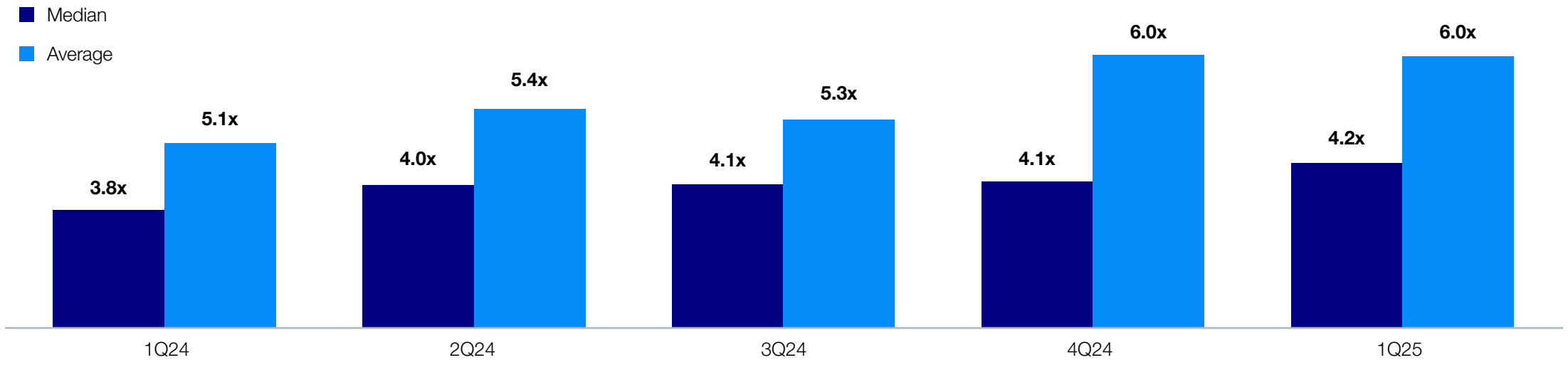
M&A valuations remained stable in 1Q25. The median EV/TTM revenue multiple was 4.2x, which is in line with 4Q24 (4.1x) and up modestly compared to 1Q24 (3.8x). The average multiple reached 6.0x, the same as it was in 4Q24, pulled upward by premium outcomes among top-tier assets.

The spread between the average and median multiples reflects an imbalanced market: while a high volume of transactions are clearing at moderate multiples, buyers are paying meaningful premiums for assets with growth, profitability, and strong competitive differentiation. These 'A+' businesses, while scarce, are pulling up the average with the supply-demand dynamic driving strong pricing in the top quartile.



Learn How Your Company Stacks Up Against Your Valuation Expectations.

Try the SEG Interactive SaaS Scorecard.

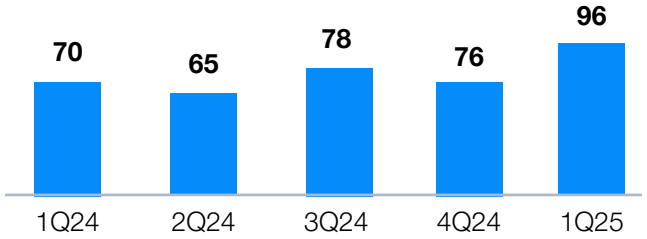


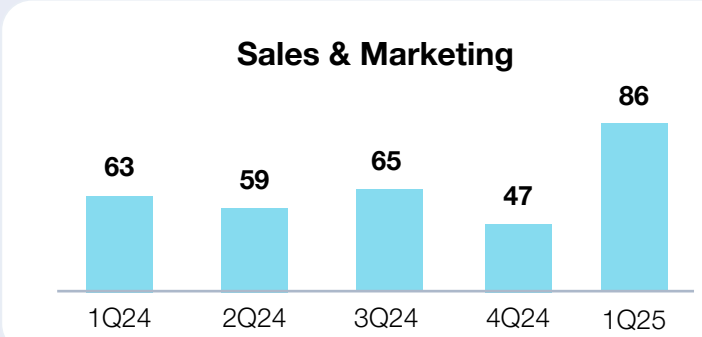
Copyright © 2025 Software Equity Group

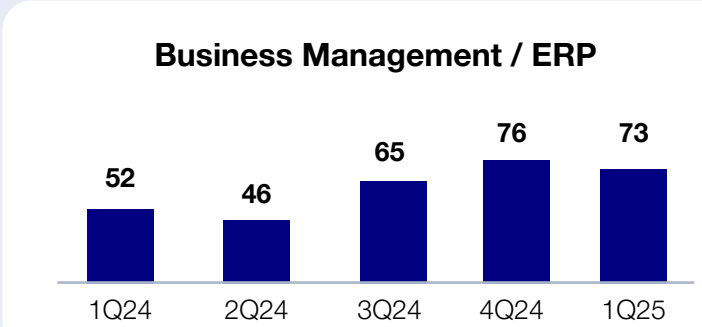
Top Product Categories by Deal Volume

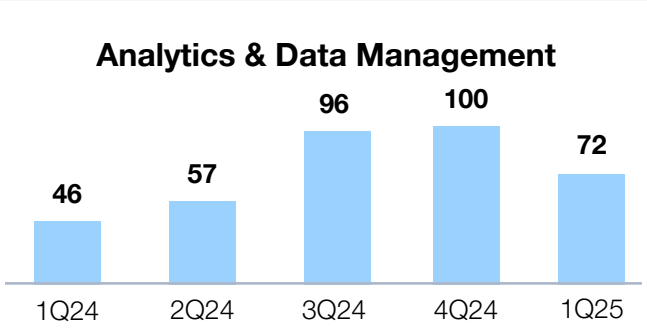
Content & Workflow Management was the most active product category in 1Q25, with 96 deals. Sales & Marketing and Business Management followed with 86 and 73 deals, respectively. Some categories like Sales & Marketing, Analytics & Data Management have seen volatility in recent quarters. Deal volume, specifically in analytics, appears to be normalizing after a sharp uptick in late 2024, likely driven by AI enthusiasm.

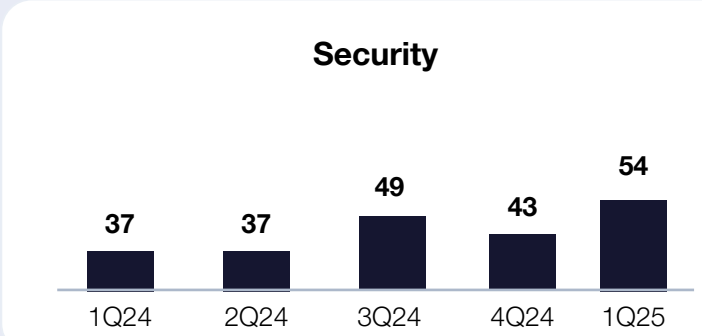
On the other hand, categories like Financial Applications & Business Management are more stable, indicating consistent buyer demand for core business applications. ERP continues to attract consistent demand from buyers seeking embedded, durable platforms. The top categories reflect where acquirers place bets: data-rich tools, workflow engines, and core business infrastructure. **View the latest deal activity in your space in the SEG SaaS M&A Deal Database.**

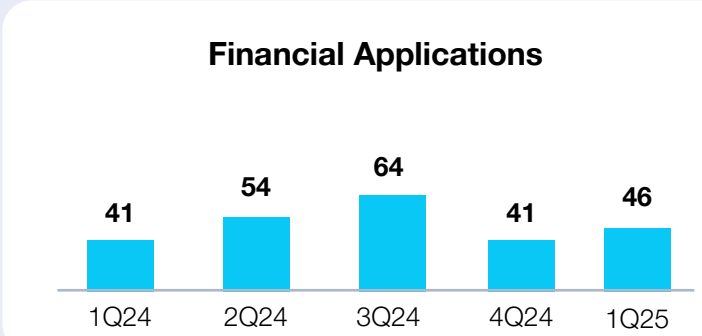












Copyright © 2025 Software Equity Group

Target M&A Focus

Vertical deals comprised 49% of SaaS M&A in 1Q25, slightly above 48% in 1Q24. This target market focus remains highly relevant in fragmented, high-stakes end markets. Healthcare led with 21% of vertical SaaS activity, followed by Financial Services (15%) and Real Estate & Retail (10% apiece).

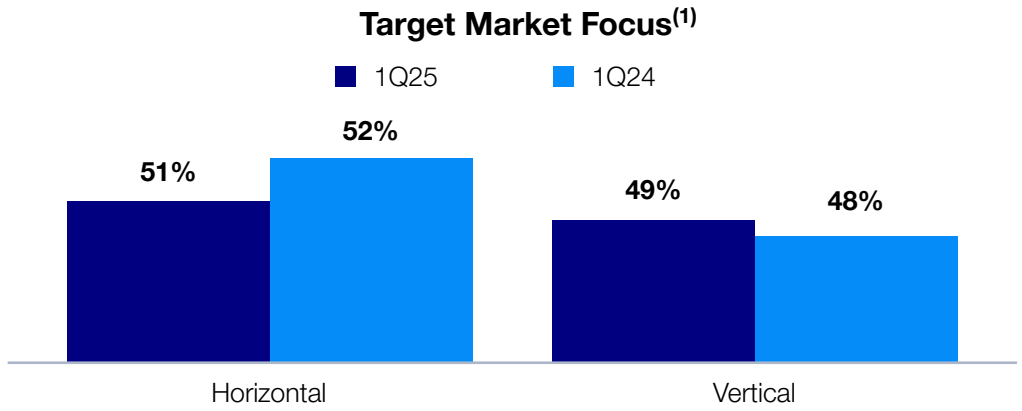
The vertically focused model continues to appeal to buyers for its embedded workflows, niche TAM dominance, and high switching costs. Healthcare, Real Estate, and Energy all saw strong YOY increases in activity, as rising costs and the need for modern solutions drive demand for industry-specific SaaS as these sectors digitize further.

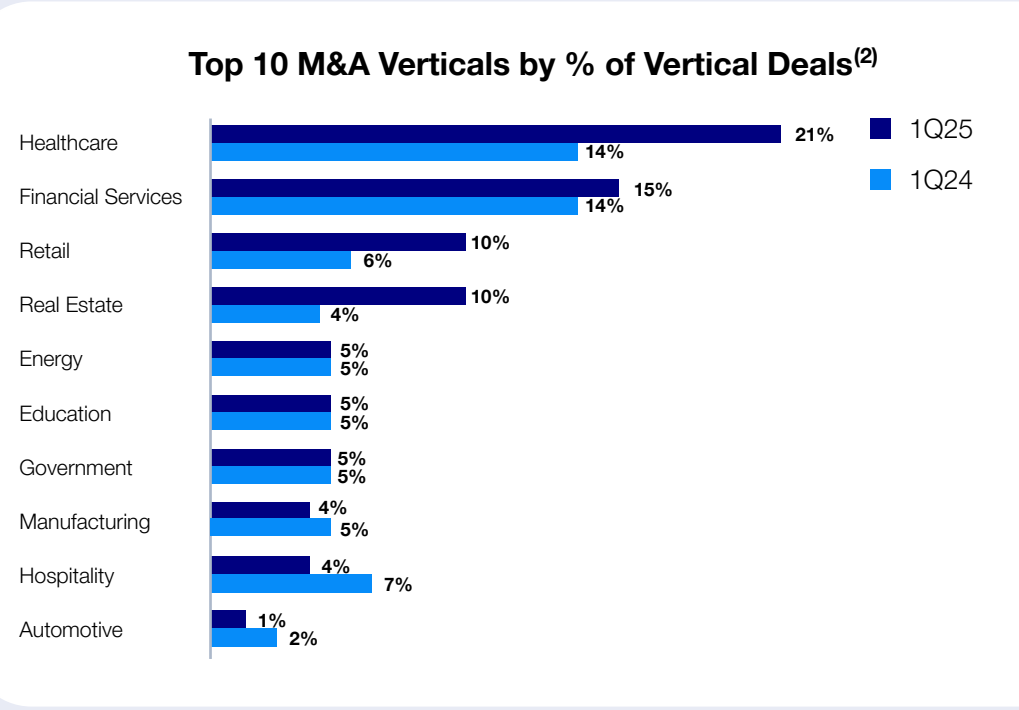
Horizontal product categories with the highest volume in 1Q25 include Content & Workflow Management (96 deals, 15%), Sales & Marketing (86 deals, 14%), Business Management (73 deals, 11%), Analytics & Data Management (72 deals, 11%), Security (54 deals, 8%), and Financial Applications (46 deals, 7%).



Retail was one of the top five most active verticals for SaaS M&A in 1Q25, reflecting strong investor interest and ongoing digital transformation. The acquisition of **SEG client ComplianceMate by Nexa Equity–backed Ladle** highlights key trends fueling this momentum: unified operations platforms, real-time compliance monitoring, and data-driven decision-making.

With deep experience in the retail and restaurant software space, SEG helps companies like ComplianceMate achieve successful liquidity events.





SEG

(1) Target market focus refers to the company's market focus as either horizontal and serving multiple industries or serving a specific vertical market.
(2) Top vertical deals as a percent of all vertical SaaS deals in 1Q25.

Copyright © 2025 Software Equity Group

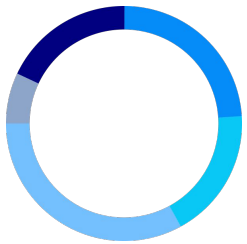
Buyer Backing

SaaS M&A transactions are evaluated based on acquirer backing, which we break into two main groups: Strategic Buyers vs. Private Equity Investors.

Strategic buyers account for 93% of transactions in 1Q25, a group that consists of publicly traded strategics (22%), privately held strategics (21%), private equity-backed strategics (18%), and private equity / venture invested strategics (the most active group with 33%). The public strategic group remained flat QOQ, but below historical highs from 2021–2022. Most remain selective in the current environment given the need to manage their own publicly reported performance.

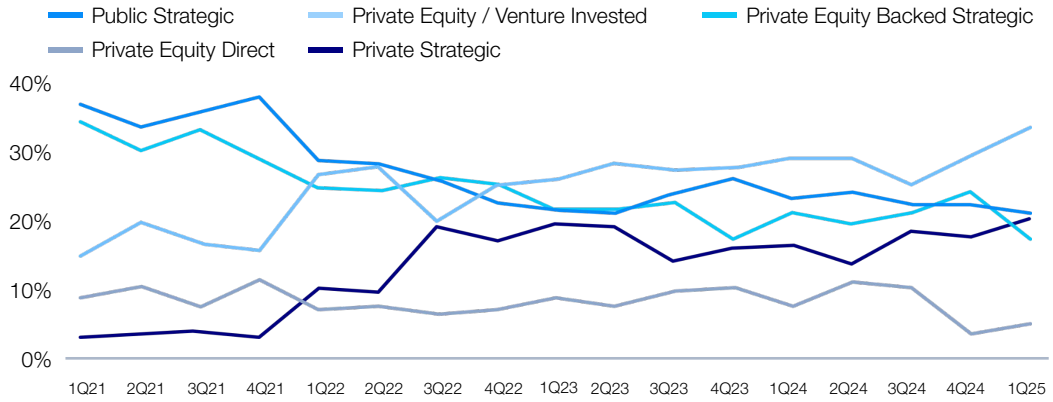
Meanwhile, the private equity cohort includes private equity firms making platform acquisitions, accounting for 7% of deals in 1Q25. In another lens, deals funded by both private equity and venture capitalists had a hand in 58% of transactions (private equity direct, 7%; private equity backed strategics, 18%; and private equity / venture invested strategics, 33%). Private equity continues to be a highly active driver of M&A.

1Q25 SaaS M&A Activity by Buyer Type

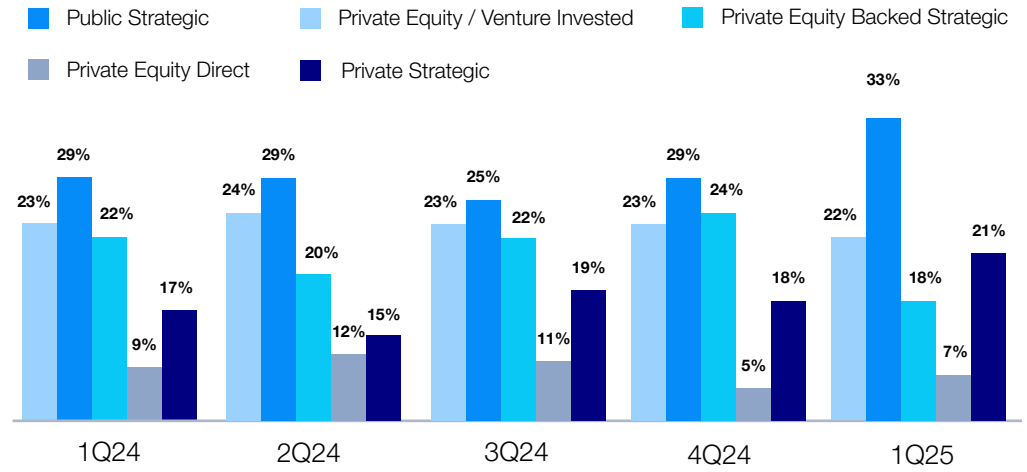


- **Public Strategic:** 22%
- **Private Equity Backed Strategic:** 18%
- **Private Equity/Venture Invested:** 33%
- **Private Equity Direct:** 7%
- **Private Strategic:** 21%

Historical SaaS M&A Activity by Buyer Type



Historical SaaS M&A Activity by Buyer Type



Copyright © 2025 Software Equity Group

Select Most Active Buyers of SaaS (TTM): Strategic Buyers[1]

Buyer	Count	SaaS Targets
VALSOFT	15	Trendex, progitek, aysling, asher group, iDGateway, EQUINOX, anju, acom, Quantum, Edelweiss, pinpoint, VIGILIX, VHL, Softlinx, CHORDLINE HEALTH
VISMA	9	MyCompanyFiles, pathway, Rex+, axeptia, tugest, mobilexpense, your next concepts, LINK MY BOOKS, evaliz
access	9	elay, inCase, Lightyear, shr GROUP, onboarded, smartAI, QikServe, TRADIFY, donorfy
aptean	7	PRINCIPAL Logistics Technologies, indigo, JobRouter, TRASER, logility, Germanedge
VITEC vertical software	6	bid theatre, Taxiteknik, Trinergy, figlo, INTERGRIP
servicenow	6	ADVANCE, raytion, Mission Secure, CULP, advania, Moveworks
DESCARTES	5	ASD, boxtop, MyCarrierPortal, sellercloud, 3Gtms
NVIDIA	5	run:ai, Shoreline.io, OctoML, VINBRAIN, Augtera
MOTOROLA SOLUTIONS	5	noggin, 3tc, Theatro, RapidDeploy, invisit
capacity	5	SmartAction, CereProc, envision, Linc, Y

See the Active Buyers in Your Space

Explore our vertical software market maps.

VIEW MAPS

(1) Transactions listed may not include all deals by the buyer. The transactions listed were announced in the last 12 months.

Copyright © 2025 Software Equity Group

Select Most Active Buyers of SaaS (TTM): PE Investors[(1)]

Buyer	Count	SaaS Targets
EQT	5	ACA International, AMCS, PageUp, Avetta, CluePoints
KKR	4	SunFire, IQGeo, Agiloft, INSTRUCTURE
MAIN CAPITAL PARTNERS	4	windata, FLEXAGON, nextway, whitevision
TA ASSOCIATES	4	EGNYTE, Solarity, communitybrands, International Decision Systems
VISTA	4	smartsheet, Model N, JAGGAER, Redwood
AKKR ACCEL-KKR	3	AICO, VisiQuate, inx
ARCADEA GROUP	3	AgCode, Raspberry Software, Dakota Consulting Inc.
BainCapital	3	PowerSchool, ENVESTNET, NamirialSpa Trust Service Provider
FALFURRIAS CAPITAL	3	MOXFIVE, beneva, Neighborly Software
FP FRANCISCO PARTNERS	3	SYNOPSYS, AdvancedMD, quorum software

(1) Transactions listed may not include all deals by the buyer. The transactions listed were announced in the last 12 months and are only private equity platform investments.

Copyright © 2025 Software Equity Group

1Q25 Select Notable SaaS Deals: Upper-Market(1)

Buyer	Target	EV	EV/TTM Revenue	Target PC/Vertical	Target Description
Google	WIZ	$32,000,000,000	N/A	Security / Horizontal	Provides cloud security software to healthcare, life sciences, financial services, and government sectors globally.
TURN // RIVER	solarwinds	$4,419,495,823	5.5x	Networking & Systems Management / Horizontal	Provides observability and IT service management software for businesses globally.
PAYCHEX	Paycor	$4,116,200,643	5.9x	Human Capital Management / Horizontal	Provides AI-based HR and payroll management SaaS and related mobile application for small and medium-sized businesses in the US.
servicenow	Moveworks	$2,850,000,000	N/A	Content & Workflow Management / Horizontal	Provides AI assistant and enterprise search software for businesses globally.
FP FRANCISCO PARTNERS	quorum software	$2,400,000,000	N/A	Business Management / Energy	Provides enterprise resource planning (ERP), business process management (BPM), and business intelligence (BI) software, and related consulting, software development, and systems integration services for businesses in the oil and gas and energy sectors globally.
SHIFT4	Global Blue	$2,043,273,271	3.9x	Supply Chain Management / Retail	Provides tax-free shopping refund and transaction processing software, mobile application, and services for merchants, international shoppers, and brands globally.
CoreWeave	Weights & Biases	$1,700,000,000	N/A	DevOps & IT Management / Horizontal	Provides AI-based software development tools and related SDKs for businesses globally.
CLEARWATER ANALYTICS	enfusion	$1,470,557,385	7.5x	Business Management / Financial	Provides investment management software for the investment management and hedge fund industry globally.

SEG

(1) Includes M&A deals estimated to be greater than $1B in Enterprise Value.

Copyright © 2025 Software Equity Group

1Q25 Select Notable SaaS Deals: Mid-Market(1)

Buyer	Target	EV	EV/TTM Revenue	Target PC/Vertical	Target Description
WEIR		$819,057,146	N/A	Engineering / Energy	Provides design and operational management software and related mobile application for businesses in the mining and exploration industry.
T-Mobile	vistar media	$600,000,000	N/A	Sales & Marketing / Horizontal	Provides data-driven digital out-of-home (DOOH) advertisement management software and related APIs to businesses.
Thomson Reuters	SafeSend	$600,000,000	N/A	Financial Applications / Horizontal	Provides cloud-native tax and accounting automation software for professionals and businesses in the US and India.
CLEARWATER ANALYTICS	beacon	$561,380,000	12.8x	Financial Applications / Financial Services	Provides cloud-native portfolio and risk management software for businesses in the energy and financial sectors.
EQ	DMI	$454,500,000	N/A	Communications & Collaboration / Horizontal	Provides public and investor relations communications management software to businesses.
EURONEXT	Admincontrol	$437,808,584	11.0x	Content & Workflow Management / Horizontal	Provides collaboration and document sharing software and related mobile application for businesses in the Nordics regions and in the UK.
Alkami	fin TECHNOLOGIES	$400,000,000	N/A	Content & Workflow Management / Financial Services	Provides account origination and opening software for businesses in financial sectors in the US.
aptean	LOGILITY	$398,728,838	3.9x	Supply Chain Management /Horizontal	Provides AI-based supply chain management software for businesses.
SKYLAKE	SHIFT GROUP	$373,333,333	N/A	Human Capital Management /Horizontal	Provides workforce management software and related APIs for businesses.
flywire	Sertifi	$330,000,000	N/A	Content & Workflow Management / Hospitality	Provides agreement documents, electronic signatures, and payments processing and authorization software for businesses in the hospitality, travel, events, and venue management sectors.

SEG

(1) Includes M&A deals estimated to be greater than $250M and less than $1B in Enterprise Value.

Copyright © 2025 Software Equity Group

1Q25 Select Notable SaaS Deals: Lower Mid-Market[(1)]

Buyer	Target	EV	EV/TTM Revenue	Target PC/Vertical	Target Description
ninjaOne	Dropsuite	$250,887,661	9.8x	Analytics & Data Management / Horizontal	Provides data backup, recovery and protection software for businesses globally.
ROKT	mparticle	$250,000,000	4.5x	Sales & Marketing / Horizontal	Provides customer data analytics software for businesses globally.
clout	ly.	$250,000,000	N/A	Sales & Marketing / Horizontal	Provides affiliate marketing software for influencers globally.
FACTSET	LIQUIDITYBOOK	$246,500,000	N/A	Business Management / Financial Services	Provides cloud-native buy-and sell-side trading management software and related APIs for businesses in the investment sector globally.
CentricSoftware	contentserv	$230,342,373	N/A	Engineering / Horizontal	Provides AI-based product information management (PIM) software for businesses globally.
jamf	Identity Automation	$215,000,000	N/A	Security / Horizontal	Provides identity and access management software for businesses in education and healthcare sector in the US.
	C TECHNOLOGIES, INC. A REPLIGEN COMPANY	$210,000,000	N/A	Sales & Marketing / Retail	Provides merchandise and equipment listing software for e-commerce sellers globally.
Gamma	SFTec	$199,918,401	N/A	Communications & Collaboration / Horizontal	Provides business communication and collaboration software for small and mid-sized businesses in the US.
T-Mobile	blis	$175,000,000	2.5x	Sales & Marketing / Horizontal	Provides omnichannel advertising software for businesses globally.
CYBERARK	zilla SECURITY	$165,000,000	N/A	Security / Horizontal	Provides AI-based identity governance and administration (IGA) software for businesses in the US.

SEG

(1) Includes M&A deals estimated to be less than $250M in Enterprise Value.

Copyright © 2025 Software Equity Group

“Working with SEG got us 66% more on the purchase price.”

When software operators reflect on their M&A journey, one theme emerges consistently: having the right advisor changes everything.

Hear Dr. Jacquelyn Kung, a former investment banker, seasoned operator, and founder of Activated Insights, share how SEG's process, positioning, and strategic guidance helped her unlock a dramatically better outcome.



Watch Dr. Kung’s Story
and hear from other software operators we’ve advised.

VIEW ALL CLIENT STORIES

Copyright © 2025 Software Equity Group

Contents

05 **Overview**
SaaS landscape and global IT spend summaries

07 **SaaS M&A Highlights**
Industry M&A volume, valuations, and buyer activity

20 **SaaS Public Market Highlights**
SEG SaaS Index™ activity, performance trends, and benchmarks

36 **Appendix**
Supporting tables, sources, and disclaimer

SEG

SaaS Public Market Summary

- The SEG SaaS Index™ declined 13% in 1Q25, reflecting a difficult start to the year amid macroeconomic volatility. Tariffs, inflation fears, and geopolitical tension created broad downward pressure across public indices. Despite this, the top quartile of the Index held relatively steady, down only ~5.6%, while the bottom quartile saw declines of 25%+, dragging the broader Index lower. These results reinforce that public SaaS remains highly sensitive to macro shifts, though strong & durable businesses continue to attract investor confidence.

5.9x Median SEG SaaS Index EV/TTM Revenue Multiple

- The median EV/TTM revenue multiple rose slightly to 5.9x, down from 6.1x in 4Q24 and 6.6x in 1Q24. However, dispersion remains significant: the top quartile traded at 9.4x, while the bottom traded at 3.5x, reflecting a 59% premium and 41% discount to the median, respectively. Investors continue to reward companies demonstrating both growth and profitability.

- Valuation premiums are tied closely to both growth efficiency and customer retention. Companies with >40% Weighted Rule of 40 traded at a 15.0x median EV/TTM revenue, a 154% premium to the Index median. Meanwhile, those with >120% NRR traded at 11.9x, nearly 3x the valuation of peers below 100%, and a 102% premium to the Index.



102% Premium EV/Rev for companies with >120% NRR

- Despite market turbulence, Index companies continue to show solid fundamentals. Profitability improved in 1Q25, with the median EBITDA margin rising to 8% and the CFO margin reaching 23%. Companies appear to have entered a steady-state phase, maintaining margin gains while making targeted reinvestments. Gross margin held firm at 74%, and S&M and R&D remained below historical highs, reinforcing the shift toward efficient growth.

- DevOps & IT Management was the fastest-growing and highest-valued category in 1Q25, with 21.3% median revenue growth and a 9.2x valuation. Vertical SaaS was more dispersed, but the top two-thirds traded at 9.8x, well above the Index median.

Copyright © 2025 Software Equity Group

SEG SaaS Index™

Our SEG SaaS Index™ currently comprises 116 publicly traded companies that primarily offer solutions via the cloud(1). Founded in 2006 as part of SEG's acclaimed research reports, the Index is updated quarterly to reflect acquisitions, IPOs, and changes in business models. If a company is added or removed from the Index, we re-run historical data to maintain consistent metrics.

Additions

Includes companies that have been added to the Index due to IPO, SPAC acquisition, or transitioned from a license-based model to SaaS

Upcoming Index Additions

Includes companies that have recently gone public but are excluded from the Index this quarter due to a lack of publicly available financial data

onestream
rubrik
ServiceTitan
WAYSTAR
SailPoint

Removals

Includes companies that have been removed from the Index due to acquisition or no longer meet SEG SaaS Index™ criteria

Paycor
solarwinds

8x8
ACI Worldwide
Adobe
affirm
ALARM.COM
Alkami
Amplitude
appfolio
appian
asana
ATLASSIAN
AUTODESK
AvePoint
avidxchange
bandwidth
BIGCOMMERCE
BILLERUDKORSNÄS
blackbaud
BLACKLINE
box
braze
Air Liquide
dayforce
CLEARWATER ANALYTICS
NETCALL
CONFLUENT
Couchbase
coursera
CROWDSTRIKE
DISCO
DATADOG
D+H
DESCARTES
DigitalOcean
docebo
docusign
domo
Dropbox
dynatrace
elastic
eventbrite
Evercommerce
fastly
Five9
FORTIVE
PAPA MURPHY'S
GitLab
GUIDEWIRE
HealthCatalyst
HealthStream
HubSpot
Informatica
INTAPP
JFrog
kaltura
KINAXIS
klaviyo
LIVEPERSON
ModusLink
monday.com
MongoDB.
MSCI
ncino
NUTANIX
okta
o|o
ON24
ORACLE
PagerDuty
paloalto NETWORKS
paycom
paylocity
PEGA
PROG Holdings, Inc.
ptc
Q2
Qualys.
RAPID7
RingCentral
riskified
Roper TECHNOLOGIES
salesforce
SECO
sappi
SEMRUSH
sherritt THE NAME IN NICKEL
servicenow
snowflake
sprinklr
Ospirent
tenable
teradata.
theTradeDesk
toast
twilio
tyler technologies
UiPath
upland
VARONIS
Veeva
VERINT
Verisk
VERITONE.
VERTEX
weave
Wickes
workday
Workiva
YEXT
Ziff Davis
ZOOM
zoominfo
zscaler

(1) Companies in the SEG SaaS Index™ may have a subscription or transaction-based pricing model.

Copyright © 2025 Software Equity Group

Overview

Public SaaS companies entered 2025 with continued margin expansion and stable performance despite macro headwinds. The median EV/TTM revenue multiple was 5.9x, down slightly YOY.

Profitability continued to improve, with the median EBITDA margin increasing to 8% and the CFO margin reaching 23%, while the median TTM EBITDA grew 43% YOY across the Index. Cash balances also rose to $336M, highlighting a shift toward sustainable, capital-efficient execution.

YOY growth moderated to ~13%, partially a result of how scaled the Index has become (median TTM revenues of $923M and EBITDA of $56M) and partially a result of focus on capital efficiency over growth.

SEG SaaSIndex™

See how publicly traded SaaS companies are performing in real time.

VIEW TOOL

SEG SaaS Index™ Median Metrics

Measure	1Q24	2Q24	3Q24	4Q24	1Q25
Market Capitalization (M)	$5,396	$4,907	$4,934	$5,634	**$5,371**
EV/NTM Revenue	5.9x	5.6x	5.3x	5.9x	**5.3x**
EV/TTM Revenue	6.6x	5.9x	5.7x	6.1x	**5.9x**
EV/TTM Gross Profit	9.4x	8.2x	7.9x	8.4x	**8.8x**
EV/TTM EBITDA	35.9x	35.1x	35.7x	43.8x	**41.1x**
EV/TTM CFO	34.9x	29.9x	26.4x	24.9x	**26.3x**
Gross Profit Margin	74.5%	73.5%	73.5%	74.4%	**74.2%**
EBITDA Margin	7.8%	4.3%	6.3%	5.8%	**7.9%**
Net Income Margin	-1.6%	-2.9%	0.7%	-0.2%	**2.0%**
CFO Margin	19.4%	22.4%	15.8%	18.7%	**23.0%**
TTM Total Revenue (M)	$777	$810	$848	$892	**$923**
TTM Total EBITDA (M)	$2	$19	$39	$50	**$56**
YOY Revenue Growth	16.5%	16.0%	14.7%	13.1%	**12.7%**
YOY EBITDA Growth	37.4%	47.4%	82.7%	76.7%	**43.2%**
Cash & Eq (M)	$275	$294	$292	$314	**$336**

(1) Quarterly stats are measured using quarterly metrics and annual stats are measured using annual stats unless noted otherwise

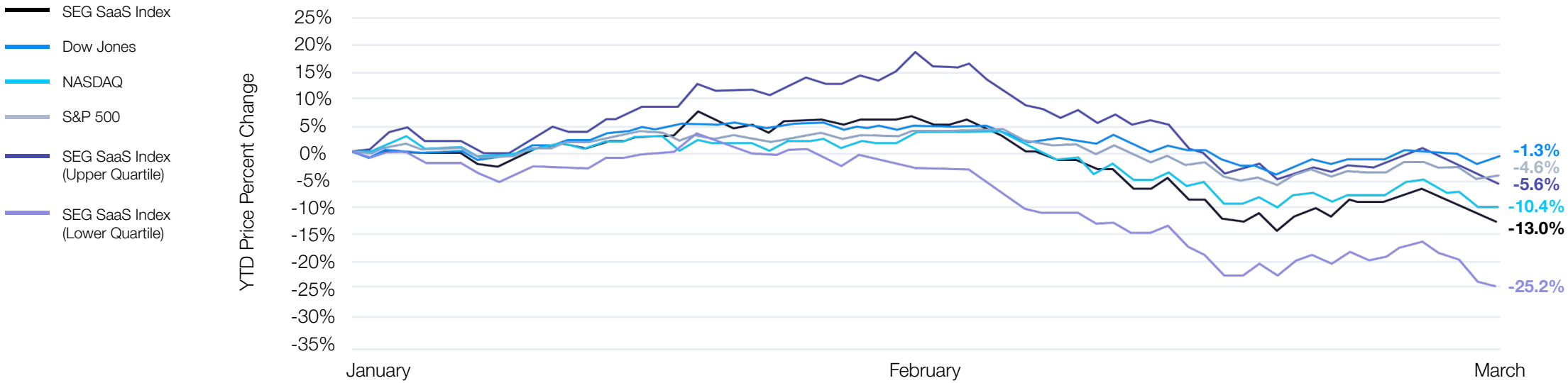
Copyright © 2025 Software Equity Group

YTD Stock Market Price Performance(1)

The SEG SaaS Index™ declined in 1Q25, down 13% YTD, reflecting a difficult start to the year for public markets. The Index underperformed as macro uncertainty, driven by tariffs, trade risk, and inflation fears, pulled valuations lower across all the major indices. Despite the broader pullback, the top quartile of companies in the Index held relatively steady, down only 5.6%, demonstrating the resilience of the highest-performing SaaS companies.

The bottom quartile, however, dragged the Index down significantly, as it saw a greater than 25% decline in 1Q25. Overall, the first quarter served as a reminder that public SaaS performance remains highly sensitive to macro shifts, but high-quality companies continue to attract investor confidence and trade at healthy premiums.

The top quartile of the SEG SaaS Index™ ended 1Q25 down only **5.6%**, holding steady despite the broader market pullback.



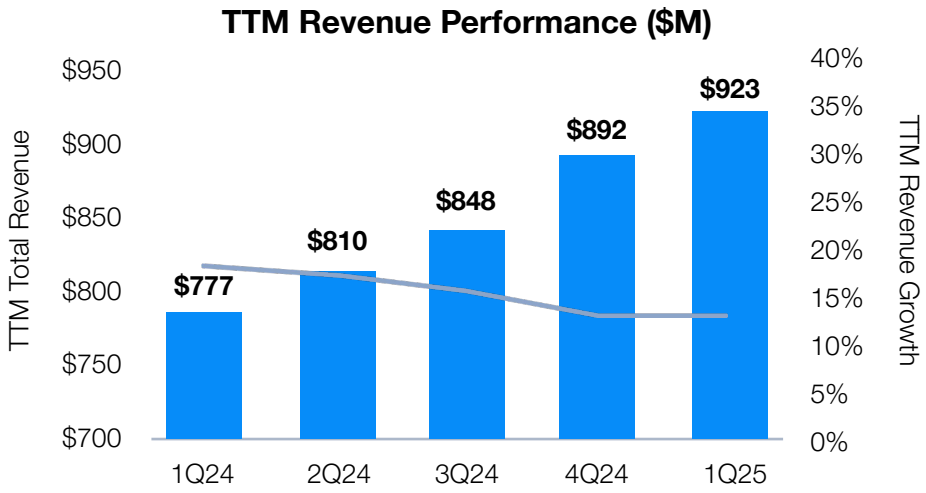
(1) Upper quartile cohort measured using stock price change vs. beginning of year as of the latest trading day of the quarter (March 31, 2025).

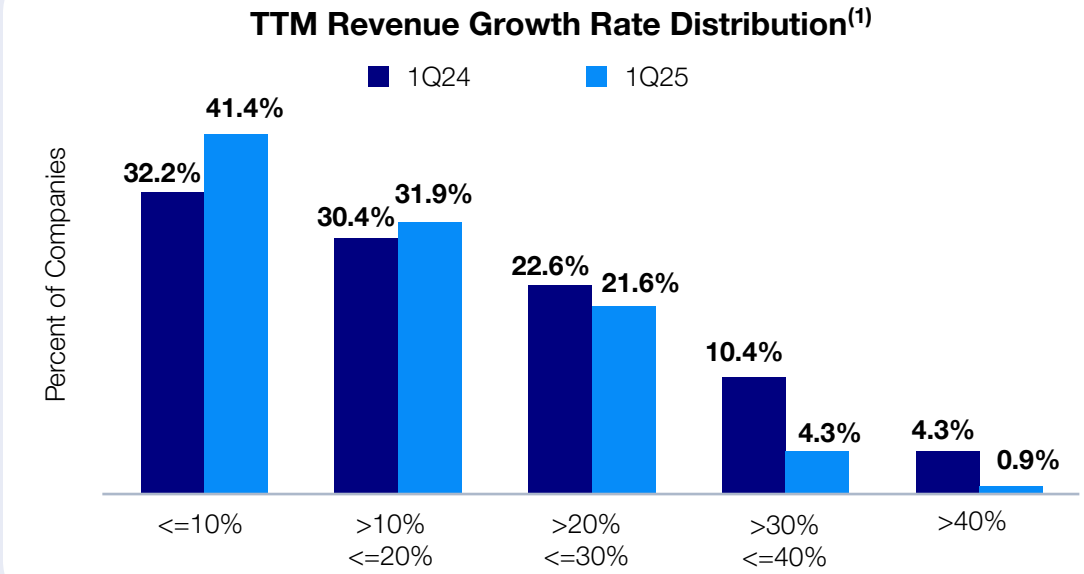
Copyright © 2025 Software Equity Group

Revenue Performance

Median TTM revenue grew to $923M in the first quarter, with the median company adding $146M over the TTM period. While growth across the Index has declined, it's a compounded effect of 1) significantly larger companies in the Index than in prior periods as the public SaaS industry matures and 2) a less fertile growth environment.

While fewer companies are growing >40%, the 20–40% growth cohort has become the new growth benchmark, as many previously higher-growth companies have slotted into this group. Investors are adjusting expectations: of the 29 companies trading in the upper quartile of the Index, nearly 2/3 are growing at >20% YOY.





eventbrite · VARONIS · freshworks · GitLab · affirm
FORTIVE · BLACKLINE · AvePoint · SentinelOne
meridianlink · tenable · CLEARWATER ANALYTICS · monday.com
box · ncino · bandwidth · samsara
PagerDuty · Roper TECHNOLOGIES · DATADOG · klaviyo
ACI Worldwide · dayforce · snowflake

(1) Logos correspond to a select representation of the 1Q25 data.

Copyright © 2025 Software Equity Group

Revenue Multiples

The percentage of companies in the Index trading at >10x EV/TTM Revenue decreased YOY (28% in 1Q24 vs. 22% in 1Q25), while 36% of the Index traded in the 5-10x range, reflecting the downward pressure on stocks thus far in '25.

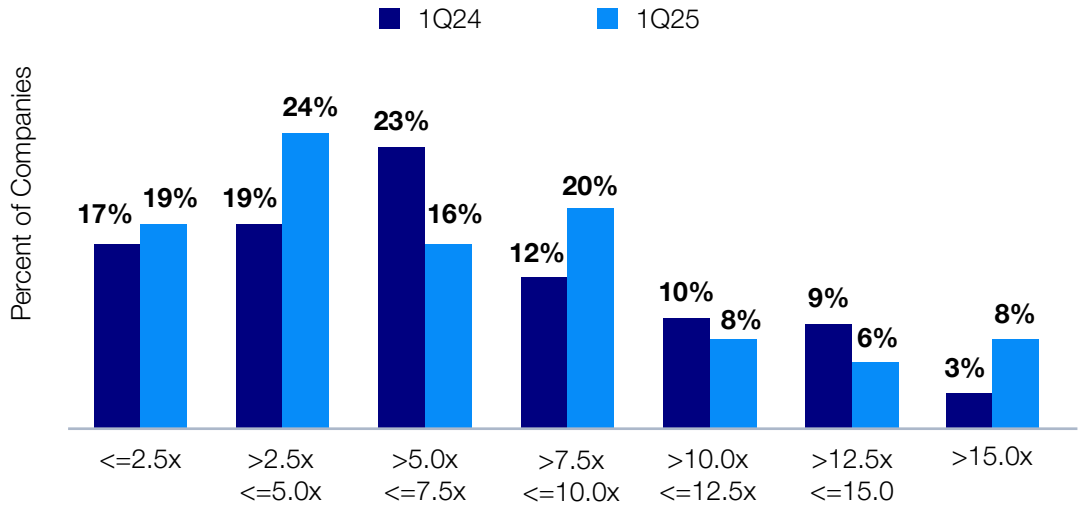
Businesses within the Index have continued to perform well, and the highest performers are being rewarded (upper quartile trading at a 9.4x, a 59% premium to the median of 5.9x) while underperformers have been penalized on value (3.5x median in lower quartile, a 41% discount).

The difference between the groups is that the upper quartile displays balanced growth (23% revenue growth vs. 4% posted by the lower quartile) and profitability (29% CFO margin vs. 12%). Public markets prioritize balanced growth and profit, and place higher values on companies that fit the description, with a particular emphasis on companies maintaining growth.

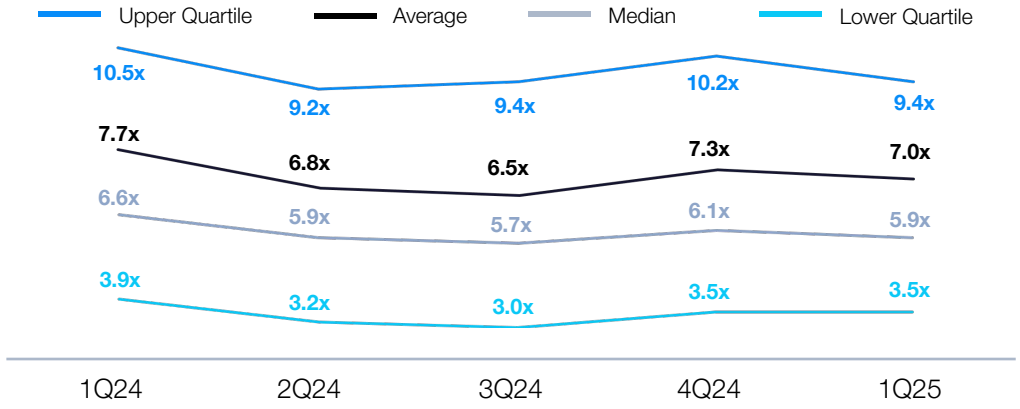
Median TTM Metrics by EV/TTM Revenue Multiple[1][2]

Metrics	Lower Quartile	Median	Upper Quartile
Revenue Growth	4%	13%	23%
Gross Profit Margin	70%	74%	75%
EBITDA Margin	0%	5%	10%
CFO Margin	**12%**	**21%**	**29%**

EV/TTM Revenue Multiple Distribution[1]



Quarterly | EV/TTM Revenue Multiple[1][2]



(1) Quarterly EV/TTM Revenue multiples are derived by finding the Enterprise Values over the entire quarter, divided by the last available TTM Revenue figure. TTM Revenue is based on the last available financial statement and may be from one quarter prior.

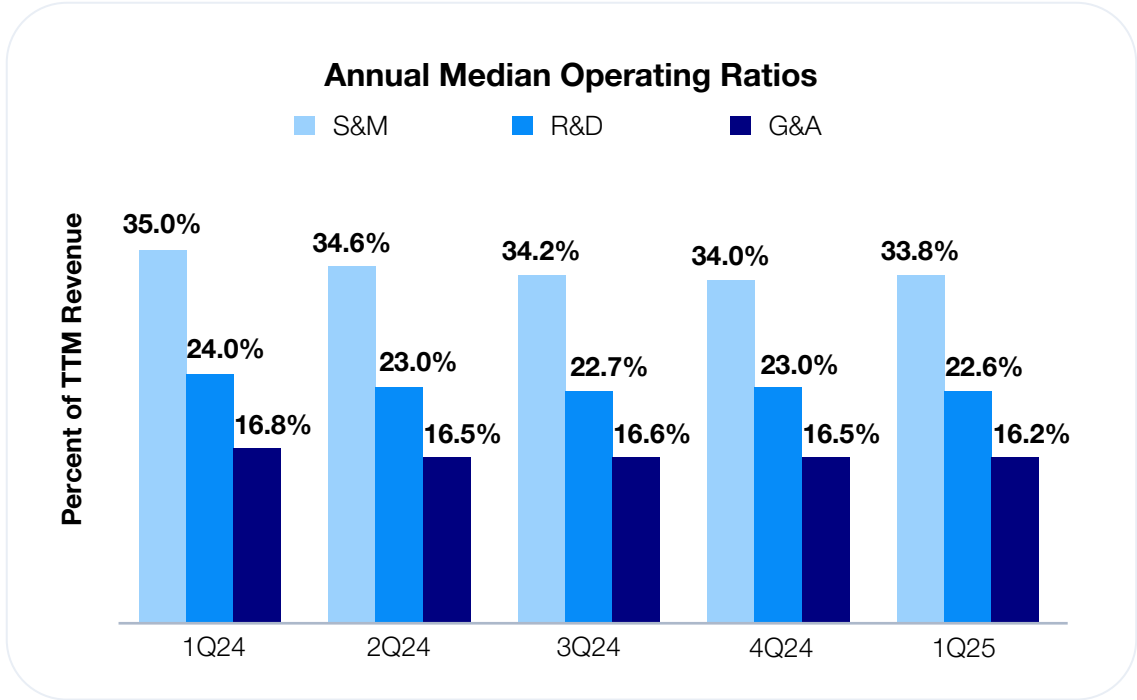
(2) Stats shown for the lower and upper quartiles are calculated based on the median metrics for the respective cohort of companies belonging to those quartiles over the TTM. The stats for the median group are calculated based on the median metrics for the entire Index. Stats are based on the last available financial statement and may be from one quarter prior.

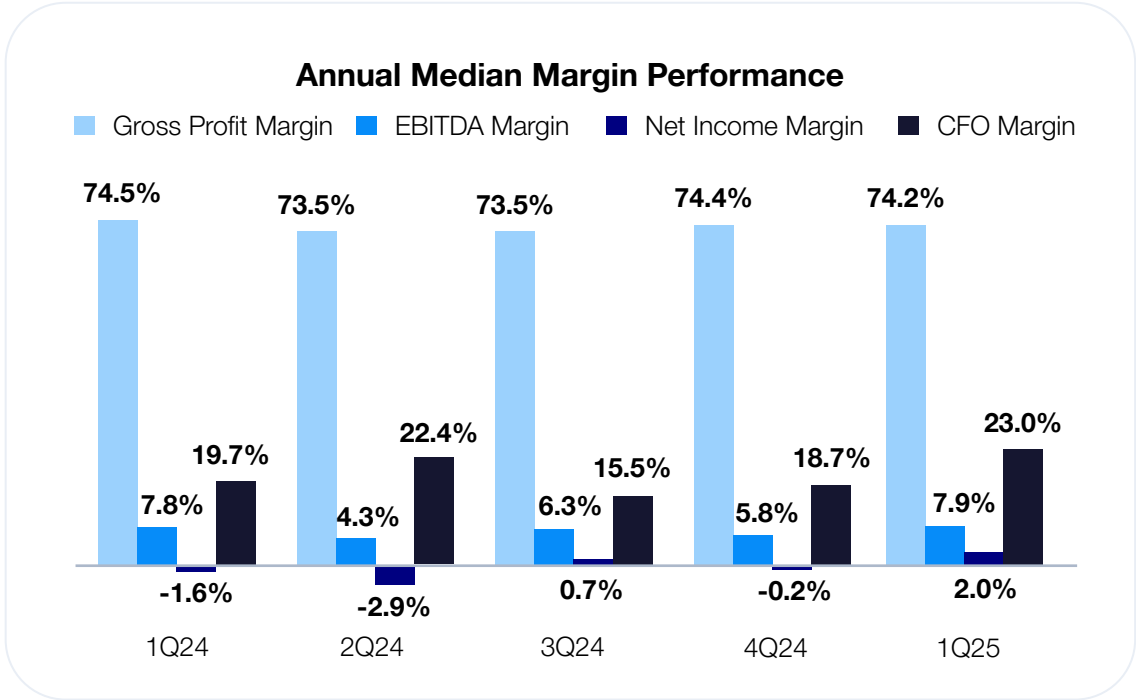
Copyright © 2025 Software Equity Group

Financial Performance

SaaS companies in the Index continue strengthening profitability in 1Q25 as they adapt to a tighter, more cost-conscious environment. The median Cash flow from operations (CFO) margin rose to 23%, an increase from ~20% in 1Q24, and EBITDA and net income margins followed suit (8% and 2%, respectively). Amidst renewed concerns around the macroeconomic outlook, we expect public SaaS companies to continue to exercise constraints in investments and expense management, focusing on cash generation in the short term while balancing prudent growth investments. Gross margins remained stable at 74.2%, indicating that companies are not cutting customer-facing spend to drive efficiency.

Instead, reductions are concentrated in S&M and R&D, which have remained well below peak levels. Many companies have recorded multiple quarters and years of profit, a major shift from the aggressive burn during the pandemic. The sustained margin strength despite cautious sales conditions demonstrates the increasing operational maturity of the Index and the continued importance of SaaS in customer workflows.

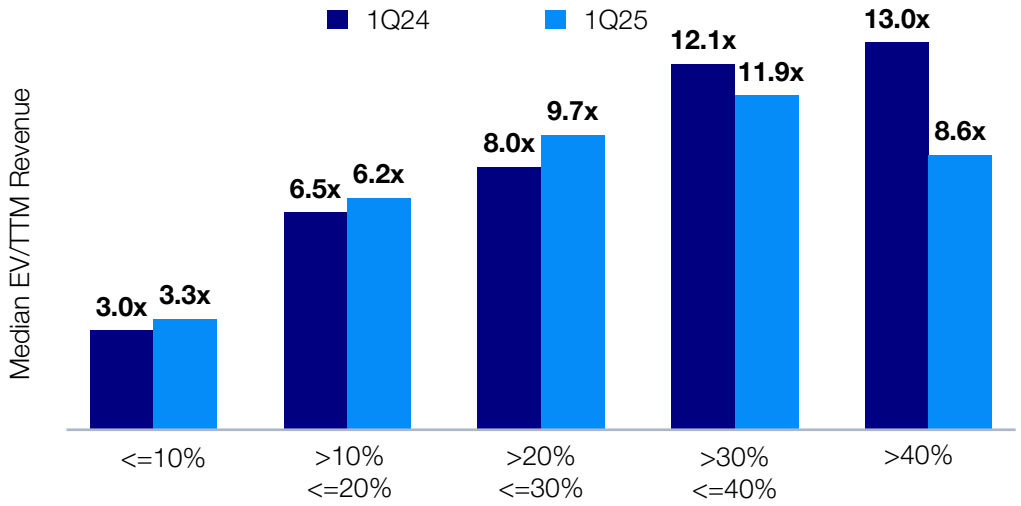


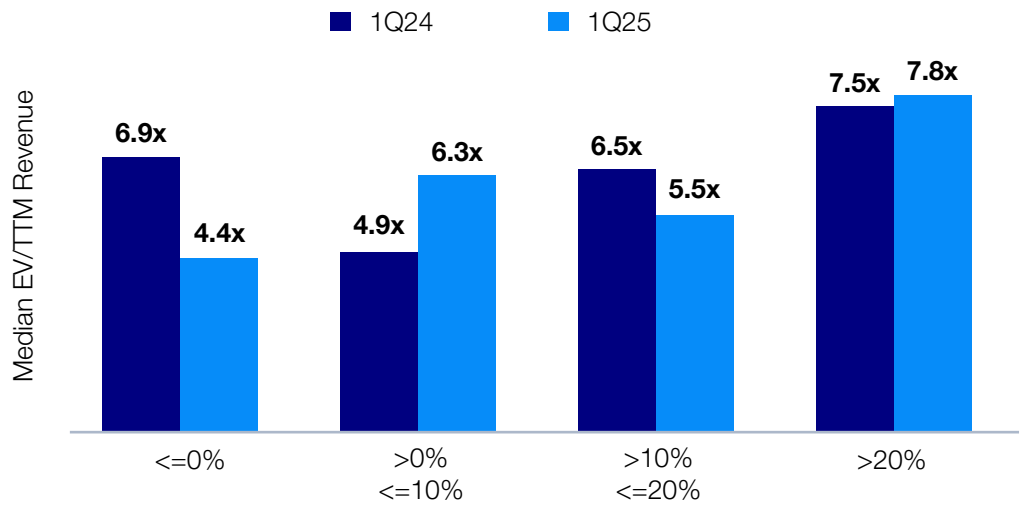


Copyright © 2025 Software Equity Group

Public Market Multiples

Growth continues to command a premium in the public SaaS markets. In 1Q25, companies growing revenue 30–40% traded at 11.9x EV/TTM revenue, the highest value growth category, and nearly double the Index median of 5.9x. Those growing >40% traded at 8.6x, while the 20–30% growth cohort recorded a median of 8.9x, both well above the Index median as well and reinforcing the idea that 20%+ is now the new baseline for above-average valuation treatment. Many highly traded names previously belonging to the >40% cohort—like Samsara, Monday.com, and Zscaler—now sit in the 30–40% bucket, pulling its average up. Growth alone is not the key to a premium valuation; the 60% of the companies in the >20% growth brackets with breakeven or positive EBITDA trade at a 31% premium to their unprofitable peers, underscoring the increasing importance of profitable growth. On the margin side, profitability alone doesn't drive a premium either: companies with <0–10%, 10–20%, and >20% EBITDA margins all trade within a narrow band of 5.5-7.8x, with >20% EBITDA margins trading at a 32% premium to the median of 5.9x, a lesser premium than the top buckets of other metrics like growth or Rule of 40. But the market is punishing losses—companies with EBITDA margins <0% traded at 4.4x, a 25% discount to the median. In today's environment, both growth and efficient execution are required to justify top-tier valuations.

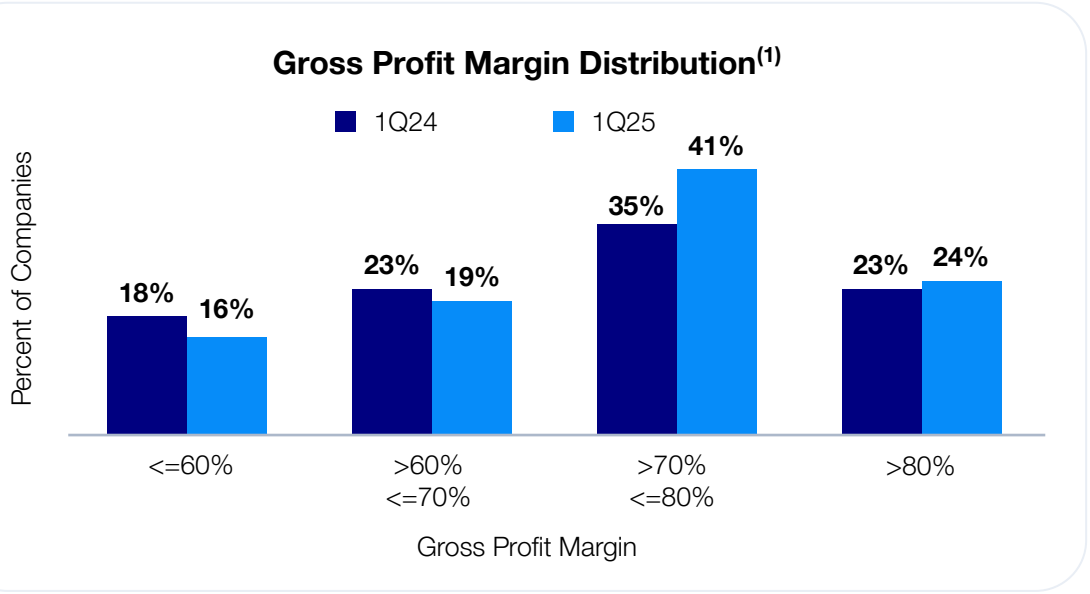


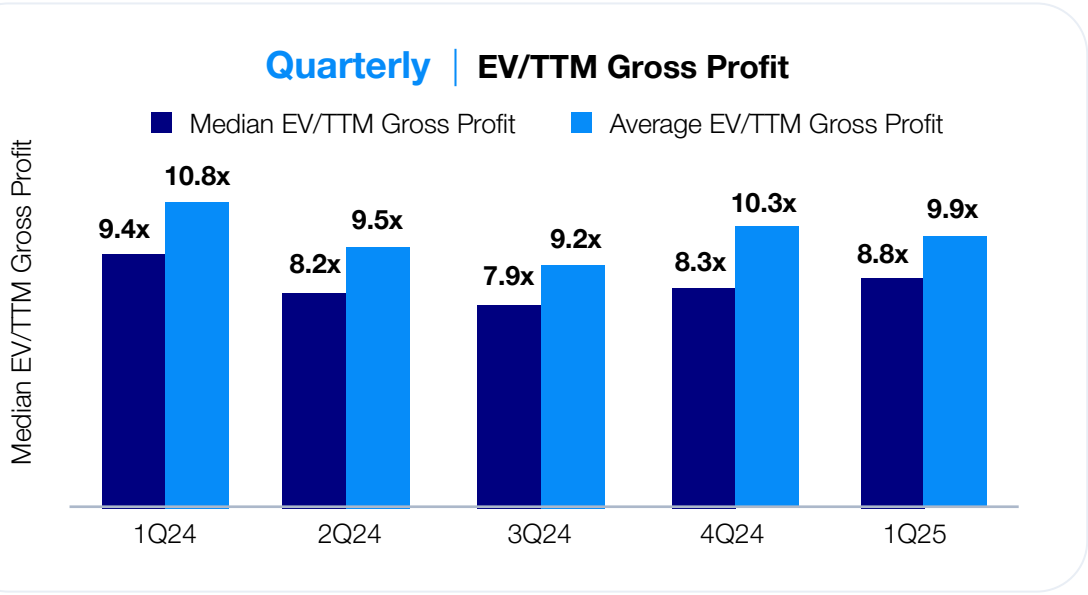


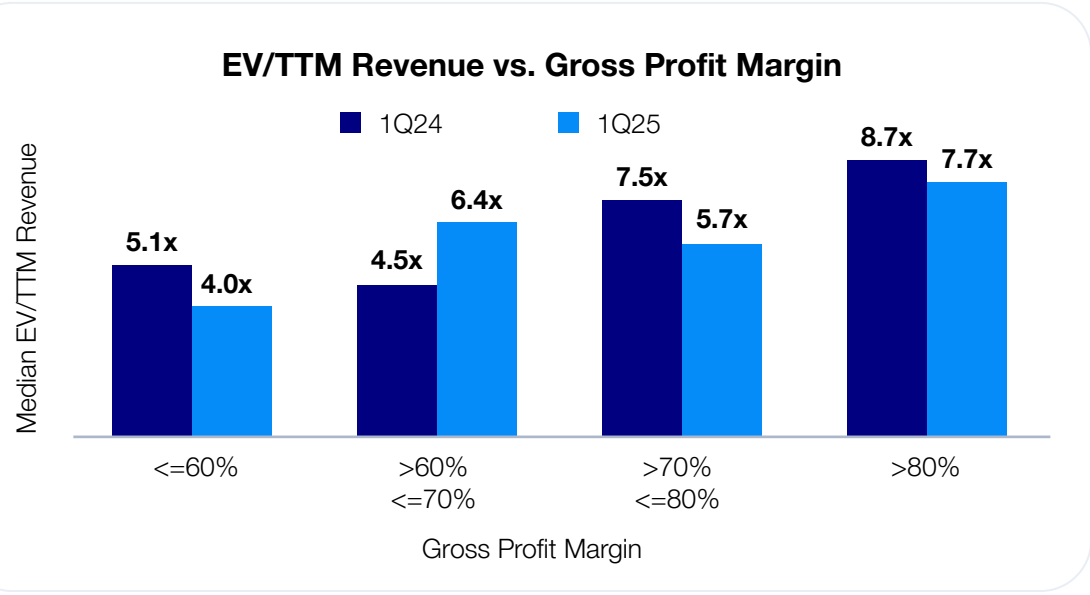
Copyright © 2025 Software Equity Group

Gross Profit

Gross profit multiples have fallen in line with revenue multiples, dropping from 10.8x in 1Q24 to 9.9x in 1Q25. Gross margins increased in 1Q25, with 65% of the Index reporting gross margins of >70%, up from 58% in 1Q24. The cohort of companies with >80% gross margin increased to 24% of the Index, up slightly from 23% in 1Q24. Like what is seen with EBITDA margin, companies with greater than 60% gross margins trade in a relatively narrow band (5.7x - 7.7x), while the lowest bucket is heavily penalized (less than 60% gross margins trade as at 4.0x, a 32% discount to the median. Investors increasingly use gross margin as a proxy for scalability and efficiency, traits that indicate a company's ability to sustain profitability long-term. Best-in-class operators able to produce gross margins of >80% have protected unit economics despite macro volatility and are, as a result, seen by investors as better candidates for long-term success.







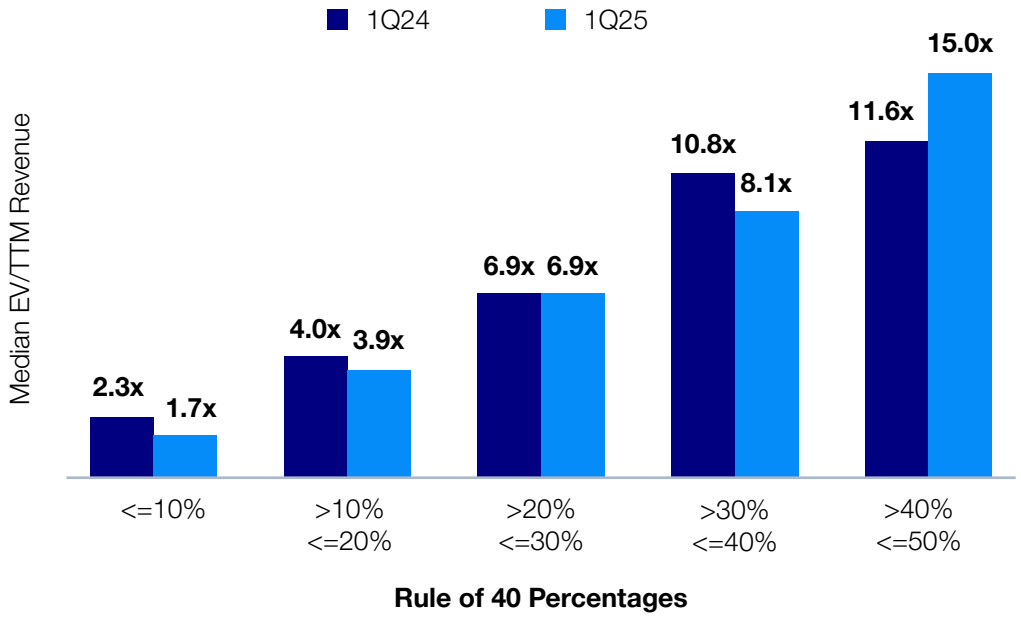
Copyright © 2025 Software Equity Group

Weighted ‘Rule of 40’%

The Weighted Rule of 40 remains a key valuation metric for public SaaS investors. In 1Q25, companies in the >40% cohort traded at a median EV/TTM revenue multiple of 15.0x, representing a 154% premium to the Index median of 5.9x. Despite the macro headwinds, this bucket grew its valuation YOY, seeing a 29% increase from 11.6x in 1Q24. The >40% cohort in the Weighted Rule of 40 analysis is the single highest valued bucket amongst all cohorts that SEG tracks, signaling that the market continues to place a significant premium on businesses that combine high growth with strong margins.

Of the 16 companies in the >40% cohort, only one posted a negative EBITDA margin (Klaviyo, -7.1%). However, Klaviyo posted TTM revenue growth above 34%, offsetting profitability concerns with exceptional top-line performance. The data continues to reinforce the message that investors are rewarding the efficient growth profile captured by this metric and that membership in the >40% cohort remains a strong signal of SaaS quality. **Read more to understand the Rule of 40 and why it is a key metric for SaaS success.**

EV/TTM Revenue vs. Weighted Rule of 40%



Select Companies by Weighted Rule of 40%[1][2]

<=10%	VERITONE, LIVEPERSON, BIGCOMMERCE, HealthCatalyst, fastly, zoominfo, asana, riskified, YEXT
>10% <=20%	PROG Holdings, Inc., VERINT, Evercommerce, sprinklr, Informatica, RingCentral, Dropbox, JFrog, Q2, meridianlink
>20% <=30%	tenable, HealthStream, sproutsocial, elastic, weave, SentinelOne, WIX, NUTANIX, paylocity, ptc
>30% <=40%	paloalto NETWORKS, ATLASSIAN, bill, ACI Worldwide, SEMRUSH, dynatrace, toast, Qualsys, AUTODESK
>40%	CLOUDFLARE, DATADOG, servicenow, MSCI, affirm, monday.com, Roper TECHNOLOGIES, Verisk, DESCARTES

(1) Logos correspond to a select representation of the 4Q24 data.
(2) Weighted Rule of 40 = (1.33 * Revenue Growth) + (0.67 * EBITDA Margin)

Copyright © 2025 Software Equity Group

‘Rule of 40’% Matrix

To better understand the interplay between revenue growth, profitability, and valuation, we turn to the Rule of 40 Matrix.

This view isolates companies with a Weighted Rule of 40 ≥ 30% and plots them by TTM revenue growth (X-axis), TTM EBITDA margin (Y-axis), and EV/TTM revenue multiple (bubble color). The resulting analysis highlights how balanced financial performance translates into premium valuations.

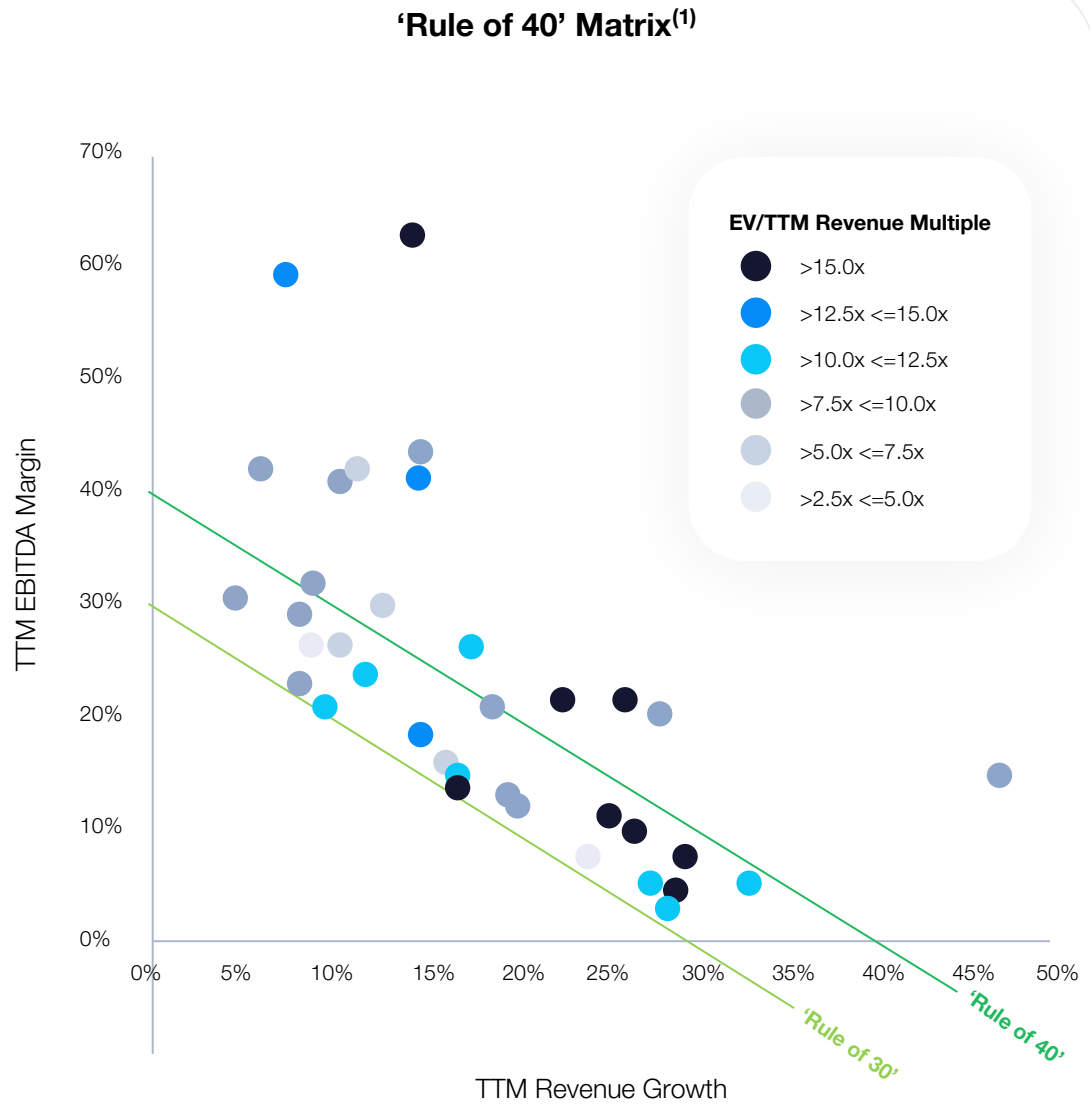
6 of 10 companies
in the top two highest-traded cohorts boast 20%+ growth

In 1Q25, the two highest-traded cohorts, those with 12.5x–15.0x and >15.0x multiples, continued to reflect this dynamic.

Six of the 10 companies in these tiers had TTM revenue growth ≥20%, seven had TTM EBITDA margins ≥10%, and three had both.

Only one company (Verisk Analytics) grew less than 10%, and it is incredibly profitable (57% EBITDA margins. None had EBITDA margins below 0%. It is clear visually that the highest traded companies are those growing the most while being breakeven or better.

These names consistently deliver the dual mandate of robust growth and sustainable margins, which continues to resonate with institutional and retail investors alike. The Rule of 40 Matrix clarifies that top-tier valuation in today’s environment requires performance on both axes.



(1) Data shown for 1Q25 period and only includes companies that are ‘Rule of 30’ on an unweighted basis. The following companies are ‘Rule of 30’ on a weighted basis, but not on an unweighted basis and are not shown in the graph above: Klaviyo, Samsara, Clearwater Analytics, SEMrush, HubSpot, AvePoint, Atlassian, and Workday.

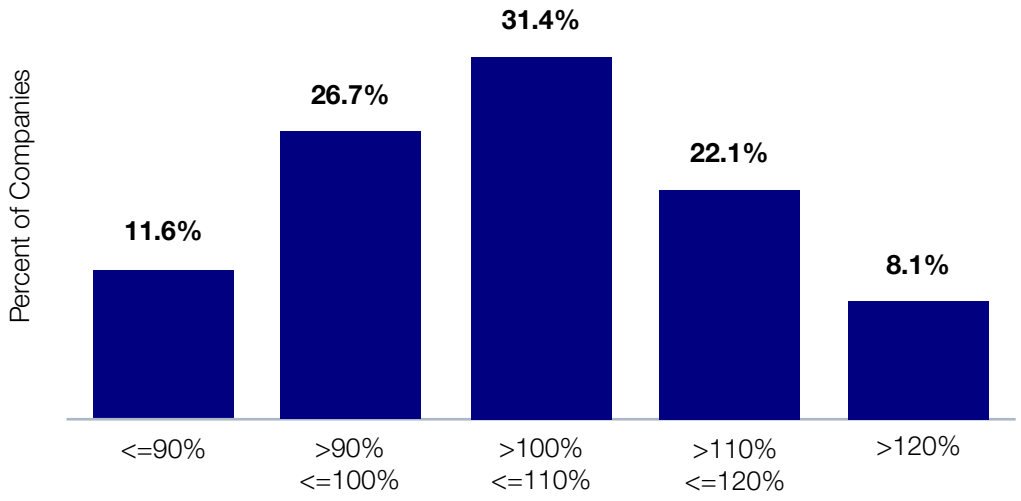
Copyright © 2025 Software Equity Group

Net Retention(1)

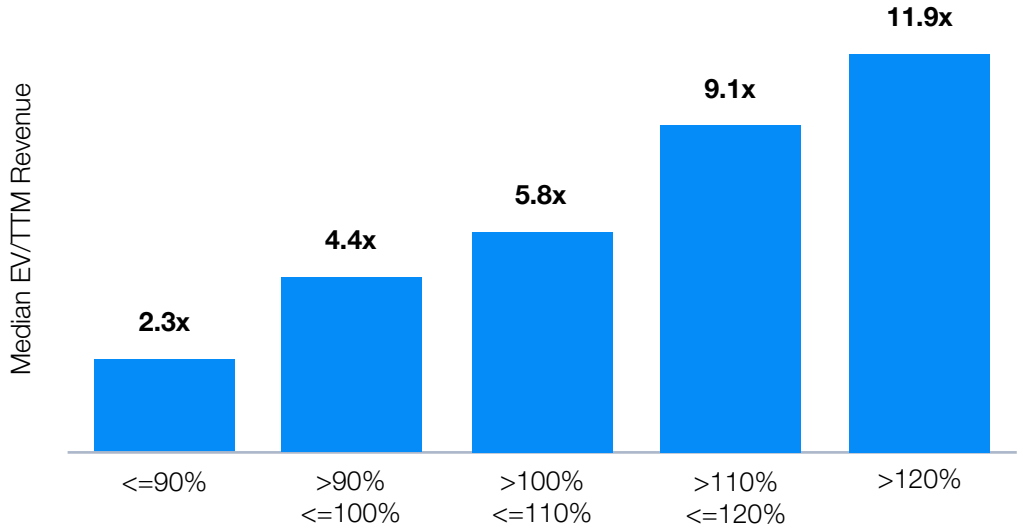
Customer retention remains a key driver of SaaS valuations, especially during slower new logo growth. Net revenue retention (NRR), which accounts for upsell, downsell, and churn, is the most consistently disclosed retention metric among public SaaS companies and is a strong signal of product value and customer entrenchment. In 1Q25, ~61% of companies reporting net retention posted figures >100%, while 38% reported <100%. Those with <100% NRR traded at a median EV/TTM revenue multiple of 3.8x, a significant discount to the Index median of 5.6x. Each retention tier sees progressively stronger valuations. Companies with >120% NRR, representing 8.1% of the Index, traded at a median of 11.9x, nearly 3x the multiple of the lowest cohort, and a 102% premium to the Index overall.

Standout names include Snowflake (126%), ServiceNow (125%), and Veeva Systems (124%). These companies benefit from strong net expansion within their installed base, making them less reliant on new bookings and more likely to achieve long-term growth. Among the top 5 companies ranked by NRR, four traded within the top valuation quartile of the Index, further emphasizing the premium investors place on retention. **Read more to see how net retention impacts valuation for public SaaS companies, and what private companies can learn.**

1Q25 Net Retention Distribution



1Q25 EV/TTM Revenue vs. Net Retention



(1) Net retention metrics based on a select representation of the 1Q25 data

Copyright © 2025 Software Equity Group

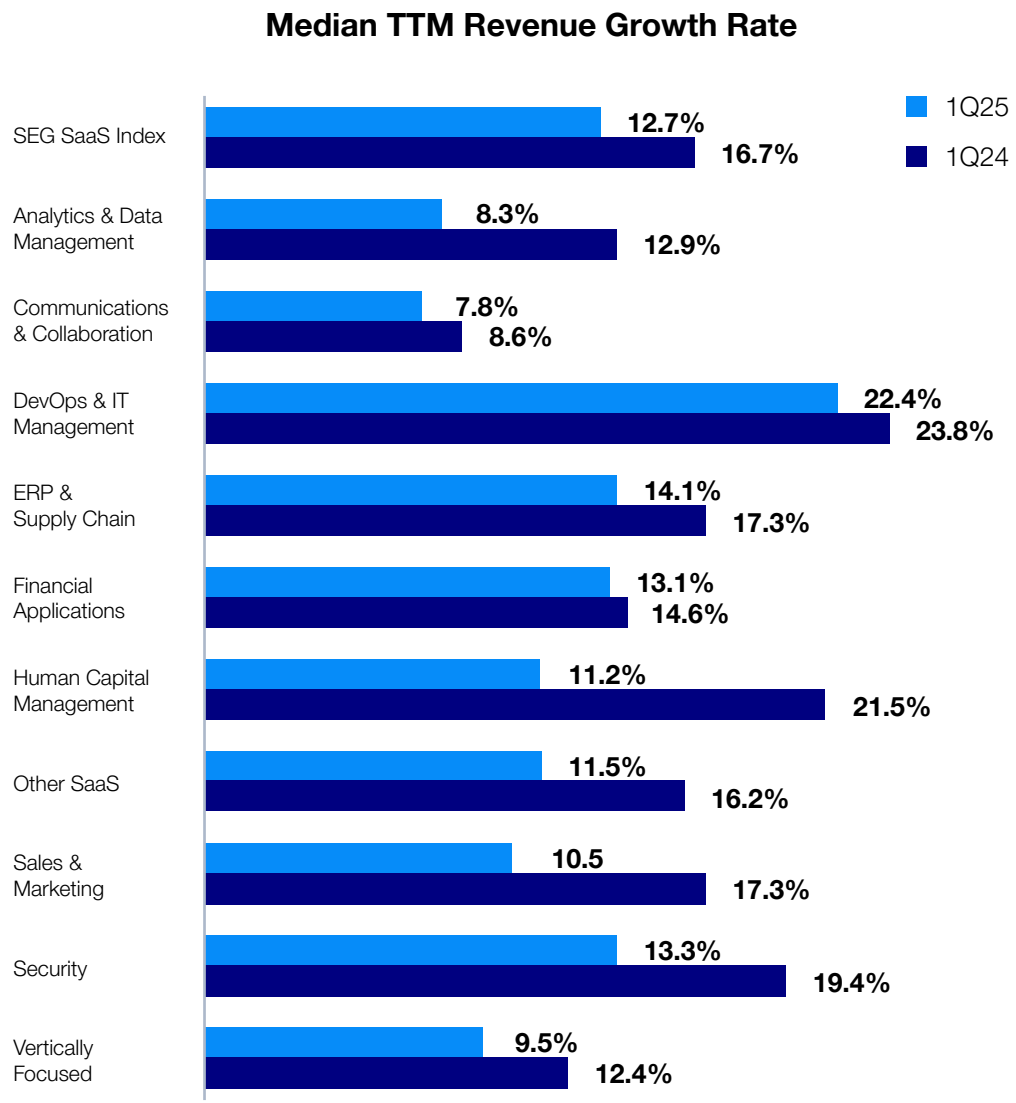
Revenue Performance by Category

Despite a generally more challenging growth environment, certain product categories continue to demonstrate durable performance. DevOps & IT Management again led all categories in 1Q25, supported by tailwinds from AI and heightened infrastructure investment. Companies like GitLab (31%), Cloudflare (29%), and Datadog (26%) continued to outperform, driving demand for rapid, scalable technology deployment. Notably, the category not only sustained high growth but did so amidst continued market volatility, making it the clear standout heading into Q2.

ERP & Supply Chain was amongst the groups that saw a less steep drop in growth, with 14% YOY growth against 17% in 1Q24. This consistency underscores the mission-critical nature of these platforms (e.g., Oracle, SAP, Workday), which power essential operations across large enterprises.

Meanwhile, Vertically Focused SaaS showed a wider dispersion. The median growth rate across the category was below the Index average, but this was pulled down by underperformance in the bottom half (median growth of 5%). However, the top half grew at a median of 22% YOY, including names like Procore (Construction), Olo (Hospitality), and Coursera (Education). These solutions remain highly relevant in delivering tailored functionality and continue to attract investor interest for their stickiness and pricing power.

Vertically focused software industries demand specialized analysis and strategic insights to uncover unique market dynamics, opportunities, and challenges. Get in-depth takeaways from our expert reports on the **Manufacturing** and **Government** software sectors.



Copyright © 2025 Software Equity Group

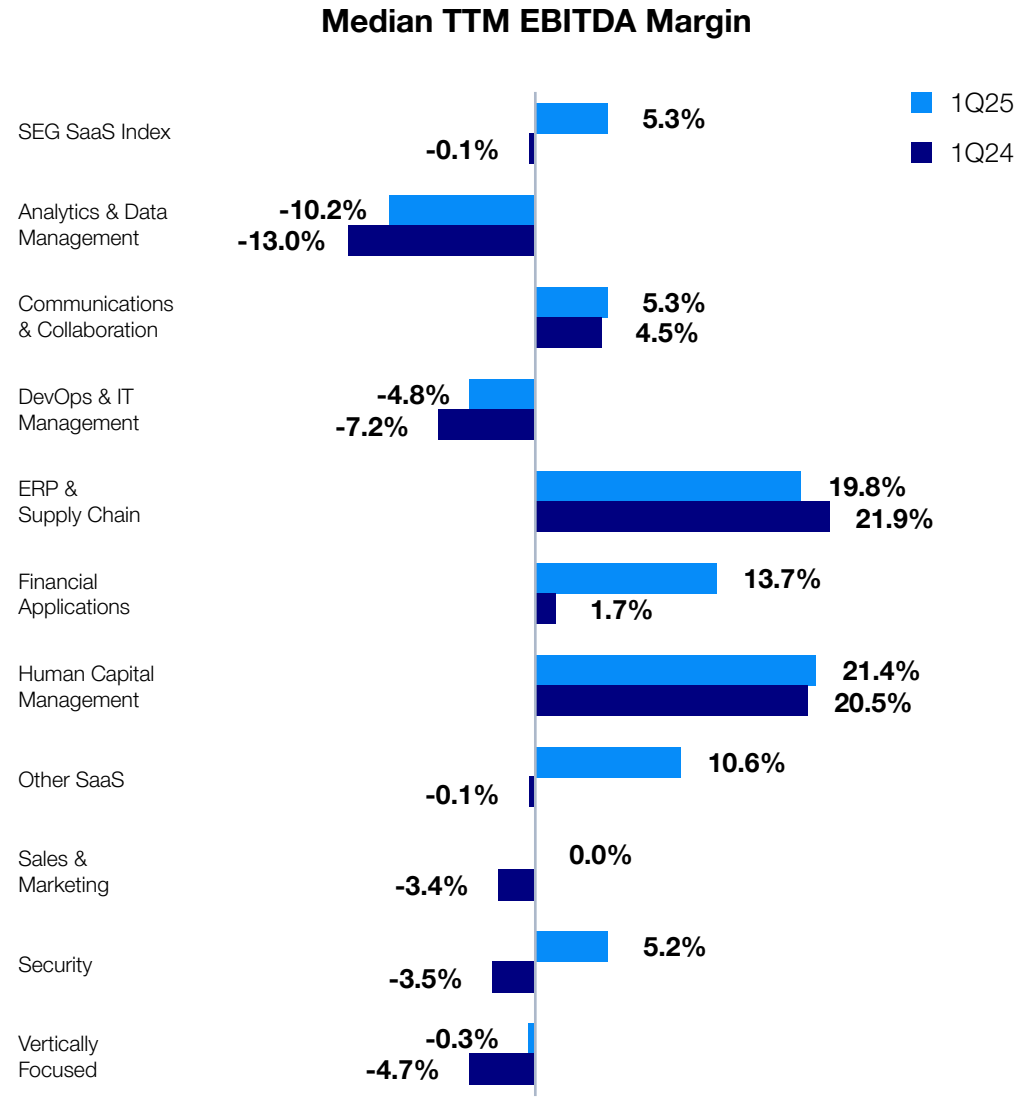
EBITDA Performance by Category

The SEG SaaS Index™ continued its profitability trend in 1Q25, posting a median EBITDA margin of 5.3%, up from breakeven in 1Q24. Nearly every category posted positive EBITDA margins, reflecting the lasting impact of cost-efficiency efforts and tighter capital discipline implemented over the past 6–8 quarters.

ERP & Supply Chain and Human Capital Management remain the most profitable categories. Every company in the ERP & Supply Chain cohort posted positive EBITDA, led by Oracle (42%) and Descartes (41%). Human Capital Management is paced by Paycom (42%), Paylocity (24%), and HealthStream (21%), each demonstrating the operating leverage that comes from large installed customer bases and recurring revenue models.

Vertical SaaS saw the most significant YOY margin improvement, increasing from -4.7% in 1Q24 to breakeven in 1Q25. The category's strong pricing power and domain-specific positioning helped several companies "turn the corner," such as Olo (Hospitality, -21% to 5%) and Intapp (-9% to breakeven).

More broadly, companies that had already reached margin targets in previous quarters appear to have paused aggressive cost-cutting, with many now in a "steady-state" mode. Still, outliers like Roper (Diversified) and PTC (Manufacturing) continue to set the bar for consistent EBITDA performance in their categories at 43% and 31%, respectively.



Copyright © 2025 Software Equity Group

Valuation Performance by Category

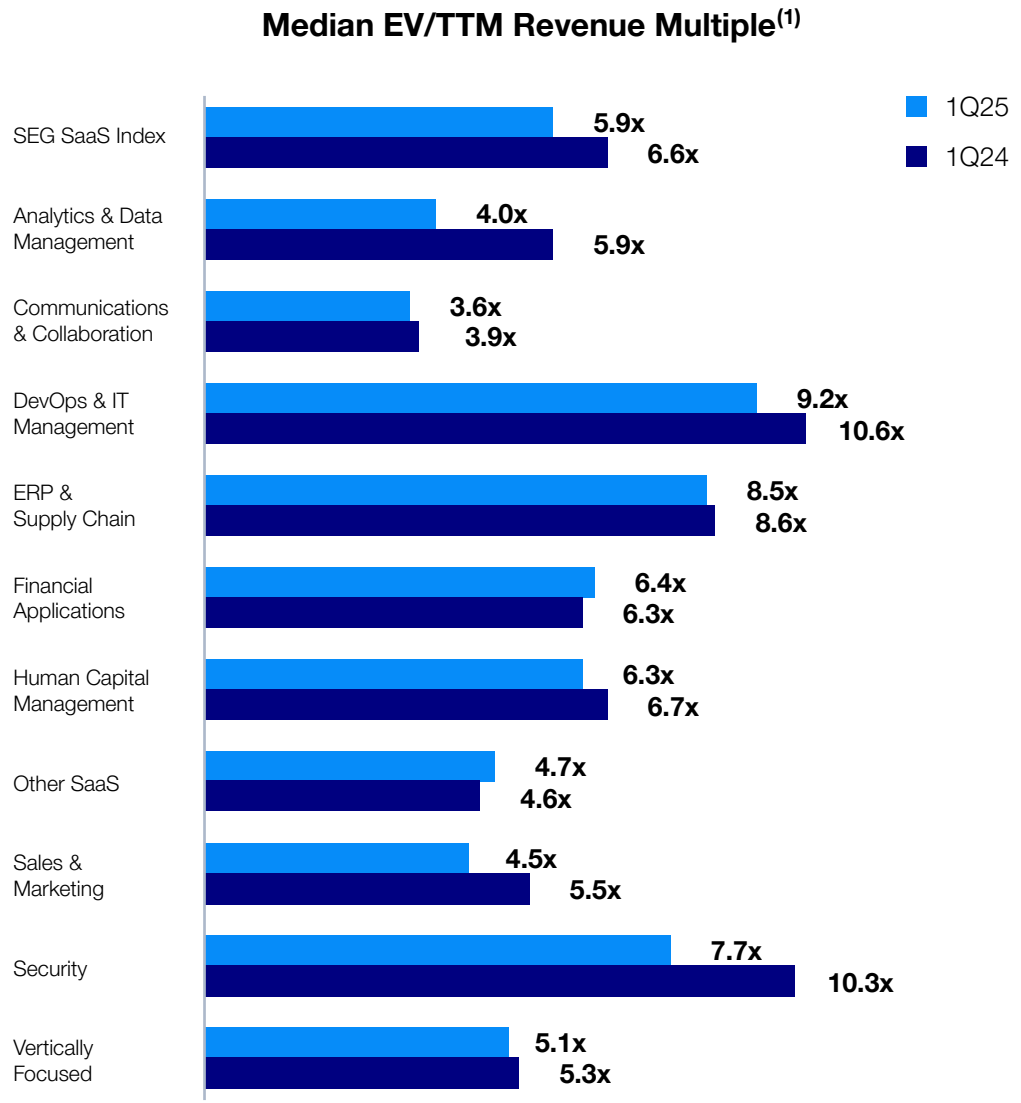
Valuation leadership in 1Q25 was defined by a select set of categories demonstrating strong fundamentals, defensible market positions, and a balance of growth and profitability.

DevOps & IT Management led all categories with a median EV/TTM revenue multiple of 9.2x, down from 10.6x in 1Q24. Backed by sustained top-line momentum and strong investor interest in developer tooling and infrastructure layers, this category represents the epitome of a growth category receiving premium valuations.

ERP & Supply Chain followed closely behind at 8.9x in 1Q25, which held against 1Q24. The consistency and mission-critical nature of platforms in this group, such as SAP and Workday, continue to support premium valuations.

Vertical SaaS traded below the broader index median, but as the dispersion showed in growth, there was a wide band of values in the group. While several underperformers traded at <5.0x, the median for the top two-thirds of the category was 9.8x, a 66% premium to the Index median of 5.9x. Names like Tyler Technologies (Government) and Appfolio (Real Estate) anchor this strength, each benefiting from deep vertical penetration and embedded workflows that drive pricing power and retention.

Overall, categories demonstrating sustained growth and efficient execution, especially those proven durable in a more challenging macro environment, continue to attract valuation premiums. As investor confidence becomes increasingly selective, sector leaders in ERP, DevOps, and Vertical SaaS stand out for their defensibility and scale.



(1) Median EV for product category valuation performance is measured using the median EVs in 1Q25 and 1Q24.

Copyright © 2025 Software Equity Group

WEBINAR | April 23rd, 2025 @ 10am PT / 12pm CT / 1pm ET

Marketing Drives Valuation. Up or Down.

Buyers don't just evaluate your revenue.
They evaluate *how* you got there.

- Is growth repeatable or CEO-dependent?
- Is pipeline steady or unpredictable?
- Are your channels scalable or lucky shots?

Join Diamond Innabi, Principal at SEG, and Shiv Narayanan, CEO of How To SaaS, as they unpack how to build marketing that increases enterprise value.

REGISTER NOW



Diamond Innabi
Principal, SEG



Shiv Narayanan
CEO, How to SaaS

SEG

Copyright © 2025 Software Equity Group

SEG | Software Equity Group

Appendix

1Q25 SaaS Report

SEG SaaS Index™: Top Quartile by EV/TTM Revenue

Company	Ticker	Median EV (M)	TTM Revenue (M)	TTM Revenue Growth	EV/TTM Revenue	EBITDA (M)	EBITDA Margin	EV/EBITDA
Cloudflare	NET	$42,812.4	$1,669.6	28.8%	25.6x	$62.0	3.7%	690.0x
Crowdstrike	CRWD	$88,847.8	$3,953.6	29.4%	22.5x	$294.8	7.5%	301.4x
Samsara	IOT	$25,159.6	$1,249.2	33.3%	20.1x	-$164.4	-13.2%	-
ServiceNow	NOW	$199,505.9	$10,984.0	22.4%	18.2x	$2,325.0	21.2%	85.8x
MSCI	MSCI	$49,055.0	$2,856.1	12.9%	17.2x	$1,747.9	61.2%	28.1x
Datadog	DDOG	$42,264.6	$2,684.3	26.1%	15.7x	$265.9	9.9%	158.9x
The Trade Desk	TTD	$37,812.7	$2,444.8	25.6%	15.5x	$514.7	21.1%	73.5x
Shopify	SHOP	$134,548.1	$8,880.0	25.8%	15.2x	$1,111.0	12.5%	121.1x
Verisk Analytics	VRSK	$43,360.2	$2,881.7	7.5%	15.0x	$1,659.1	57.6%	26.1x
Guidewire Software	GWRE	$16,147.4	$1,084.6	17.2%	14.9x	-$2.9	-0.3%	-
Snowflake	SNOW	$53,970.4	$3,626.4	29.2%	14.9x	-$1,174.6	-32.4%	-
Descartes	DSGX	$9,404.3	$651.0	13.6%	14.4x	$267.6	41.1%	35.1x
Clearwater Analytics	CWAN	$6,387.2	$451.8	22.7%	14.1x	$24.4	5.4%	261.6x
Palo Alto Networks	PANW	$119,223.3	$8,570.5	13.9%	13.9x	$1,585.9	18.5%	75.2x
Atlassian	TEAM	$66,265.1	$4,795.0	23.2%	13.8x	$11.6	0.2%	5694.8x
HubSpot	HUBS	$35,203.5	$2,627.5	21.1%	13.4x	$129.2	4.9%	272.4x
Gitlab	GTLB	$9,126.2	$759.2	30.9%	12.0x	-$131.7	-17.3%	-
Zscaler	ZS	$29,051.3	$2,421.9	27.8%	12.0x	$105.5	4.4%	275.3x
Veeva Systems	VEEV	$32,588.2	$2,746.6	16.2%	11.9x	$730.8	26.6%	44.6x
Monday.com	MNDY	$11,524.9	$972.0	33.2%	11.9x	$46.3	4.8%	248.8x
Tyler Technologies	TYL	$25,192.0	$2,137.8	9.5%	11.8x	$466.5	21.8%	54.0x
Vertex	VERX	$7,309.2	$666.8	16.5%	11.0x	$102.0	15.3%	71.7x
Klaviyo	KVYO	$10,183.8	$937.5	34.3%	10.9x	-$66.4	-7.1%	-
Intapp	INTA	$4,936.5	$465.0	18.6%	10.6x	-$2.0	-0.4%	-
Autodesk	ADSK	$62,537.6	$6,131.0	11.5%	10.2x	$1,549.0	25.3%	40.4x
AppFolio	APPF	$7,808.7	$794.2	28.0%	9.8x	$155.5	19.6%	50.2x
Roper Technologies	ROP	$69,054.0	$7,039.2	13.9%	9.8x	$3,039.2	43.2%	22.7x
Alkami	ALKT	$3,237.4	$333.8	26.1%	9.7x	-$29.6	-8.9%	-
Oracle	ORCL	$533,612.2	$55,783.0	6.2%	9.6x	$23,299.0	41.8%	22.9x
	High	**$533,612.2**	**$55,783.0**	**34.3%**	**25.6x**	**$23,299.0**	**61.2%**	**5694.8x**
	Median	**$35,203.5**	**$2,444.8**	**22.7%**	**13.8x**	**$155.5**	**9.9%**	**74.3x**
	Average	**$61,245.9**	**$4,848.2**	**21.6%**	**14.0x**	**$1,307.6**	**13.4%**	**393.4x**
	Low	**$3,237.4**	**$333.8**	**6.2%**	**9.6x**	**-$1,174.6**	**-32.4%**	**22.7x**

Copyright © 2025 Software Equity Group

SEG SaaS Index™: Bottom Quartile by EV/TTM Revenue

Company	Ticker	Median EV (M)	TTM Revenue (M)	TTM Revenue Growth	EV/TTM Revenue	EBITDA (M)	EBITDA Margin	EV/EBITDA
Eventbrite	EB	$110.4	$325.1	-0.3%	0.3x	$10.5	3.2%	10.5x
ON24 Inc	ONTF	$83.4	$148.1	-9.5%	0.6x	-$36.7	-24.8%	-
Coursera	COUR	$554.4	$694.7	9.3%	0.8x	-$79.2	-11.4%	-
8X8	EGHT	$608.1	$717.4	-2.2%	0.8x	$34.9	4.9%	17.4x
Bandwidth	BAND	$659.0	$748.5	24.5%	0.9x	$52.6	7.0%	12.5x
Riskified	RSKD	$291.4	$327.5	10.0%	0.9x	-$43.0	-13.1%	-
CS Disco	LAW	$168.3	$144.8	4.9%	1.2x	-$52.6	-36.3%	-
Health Catalyst	HCAT	$358.4	$306.6	3.6%	1.2x	-$10.7	-3.5%	-
Domo	DOMO	$388.7	$317.0	-0.6%	1.2x	-$50.0	-15.8%	-
Teradata	TDC	$2,397.6	$1,750.0	-4.5%	1.4x	$293.0	16.7%	8.2x
LivePerson	LPSN	$457.4	$312.5	-22.3%	1.5x	-$76.9	-24.6%	-
BigCommerce	BIGC	$527.4	$332.9	7.6%	1.6x	-$7.1	-2.1%	-
Kaltura	KLTR	$291.5	$178.7	2.0%	1.6x	-$15.9	-8.9%	-
Yext	YEXT	$707.4	$421.0	4.1%	1.7x	$0.2	0.0%	4185.8x
Upland Software	UPLD	$467.6	$274.8	-7.7%	1.7x	-$45.9	-16.7%	-
RingCentral	RNG	$4,244.2	$2,400.4	9.0%	1.8x	$240.4	10.0%	17.7x
Ziff Davis	ZD	$2,564.9	$1,401.7	2.8%	1.8x	$319.1	22.8%	8.0x
Veritone	VERI	$228.0	$107.1	-24.0%	2.1x	-$53.6	-50.1%	-
Fastly	FSLY	$1,182.1	$543.7	7.4%	2.2x	-$79.1	-14.5%	-
Sprinklr	CXM	$1,754.3	$796.4	8.7%	2.2x	$42.6	5.4%	41.1x
Definitive Healthcare	DH	$598.9	$252.2	0.3%	2.4x	-$567.2	-224.9%	-
Verint Systems	VRNT	$2,197.8	$909.2	-0.1%	2.4x	$155.6	17.1%	14.1x
Olo	OLO	$821.9	$284.9	24.8%	2.9x	$14.6	5.1%	56.3x
Five9	FIVN	$3,065.9	$1,041.9	14.4%	2.9x	$55.0	5.3%	55.8x
Alarm.com	ALRM	$2,790.2	$939.8	6.6%	3.0x	$196.3	20.9%	14.2x
HealthStream	HSTM	$883.5	$291.6	4.5%	3.0x	$62.5	21.4%	14.1x
Rapid7	RPD	$2,603.2	$844.0	8.5%	3.1x	$97.3	11.5%	26.8x
EverCommerce	EVCM	$2,257.0	$698.8	3.5%	3.2x	$89.1	12.7%	25.3x
Pagerduty	PD	$1,582.3	$467.5	8.5%	3.4x	-$14.5	-3.1%	-
	High	**$4,244.2**	**$2,400.4**	**24.8%**	**3.4x**	**$319.1**	**22.8%**	**4185.8x**
	Median	**$659.0**	**$421.0**	**4.1%**	**1.7x**	**$0.2**	**0.0%**	**17.4x**
	Average	**$1,201.6**	**$620.0**	**3.2%**	**1.9x**	**$18.3**	**-9.9%**	**300.5x**
	Low	**$83.4**	**$107.1**	**-24.0%**	**0.3x**	**-$567.2**	**-224.9%**	**8.0x**

Copyright © 2025 Software Equity Group

SEG SaaS Index™

Company	EV/TTM Revenue					EV/EBITDA					TTM Revenue Growth (YoY)					EBITDA Margin				
	1Q24	2Q24	3Q24	4Q24	1Q25	1Q24	2Q24	3Q24	4Q24	1Q25	1Q24	2Q24	3Q24	4Q24	1Q25	1Q24	2Q24	3Q24	4Q24	1Q25
EGHT	0.9x	0.8x	0.7x	0.9x	0.8x	16.8x	26.1x	20.9x	39.3x	17.4x	-0.9%	-2.0%	-2.2%	-2.4%	-2.2%	5.3%	3.2%	3.5%	2.2%	4.9%
ACIW	2.9x	3.1x	3.8x	3.9x	3.9x	11.6x	11.6x	13.3x	12.8x	14.2x	2.2%	6.5%	11.5%	13.3%	9.8%	24.8%	26.5%	28.5%	30.6%	27.8%
ADBE	12.9x	10.4x	11.6x	10.1x	8.5x	35.9x	28.6x	31.4x	27.4x	20.4x	10.8%	10.9%	10.9%	10.8%	10.5%	35.9%	36.4%	37.0%	37.0%	41.8%
AFRM	8.6x	6.7x	5.9x	9.0x	8.6x	-	-	-	213.3x	58.5x	29.3%	40.1%	46.3%	46.6%	46.3%	-16.8%	-10.4%	-0.1%	4.2%	14.6%
ALRM	3.7x	3.5x	3.2x	3.1x	3.0x	22.4x	19.7x	17.0x	14.6x	14.2x	4.6%	5.7%	5.5%	7.0%	6.6%	16.5%	17.7%	18.8%	20.9%	20.9%
ALKT	8.6x	8.7x	10.1x	11.8x	9.7x	-	-	-	-	-	29.6%	28.0%	26.7%	26.7%	26.1%	-16.9%	-14.6%	-12.5%	-10.5%	-8.9%
AMPL	4.2x	3.0x	2.6x	3.4x	4.4x	-	-	-	-	-	16.1%	12.3%	10.3%	8.3%	8.3%	-32.1%	-29.8%	-30.8%	-30.1%	-33.8%
APPF	12.8x	12.2x	11.1x	10.6x	9.8x	264.8x	92.7x	65.5x	49.8x	50.2x	31.5%	33.6%	35.6%	33.1%	28.0%	4.8%	13.1%	17.0%	21.3%	19.6%
APPN	4.7x	4.3x	4.2x	4.6x	4.1x	-	-	-	-	-	16.5%	14.5%	14.2%	13.3%	13.1%	-14.8%	-13.6%	-13.3%	-9.1%	-9.3%
ASAN	5.5x	4.2x	3.7x	3.9x	5.6x	-	-	-	-	-	19.2%	16.2%	13.6%	11.9%	10.9%	-36.0%	-35.2%	-34.3%	-32.7%	-31.7%
TEAM	14.0x	10.9x	9.5x	13.7x	13.8x	-	1567.3x	1504.1x	4373.9x	5694.8x	22.4%	24.2%	23.3%	23.3%	23.2%	-4.0%	0.7%	0.6%	0.3%	0.2%
ADSK	9.9x	8.4x	9.4x	10.8x	10.2x	43.5x	35.2x	37.8x	43.8x	40.4x	9.8%	10.6%	11.4%	11.5%	11.5%	22.8%	23.8%	24.8%	24.7%	25.3%
AVPT	4.6x	4.7x	6.0x	8.6x	9.1x	-	-	6250.9x	320.5x	238.6x	17.0%	18.7%	19.6%	21.1%	21.6%	-3.9%	-1.7%	0.1%	2.7%	3.8%
AVDX	5.5x	4.9x	3.1x	4.1x	3.7x	636.8x	103.4x	33.5x	34.9x	28.3x	20.3%	20.3%	19.3%	17.8%	15.3%	0.9%	4.8%	9.3%	11.7%	12.9%
BAND	1.1x	1.2x	1.1x	1.1x	0.9x	23.5x	23.8x	16.8x	15.1x	12.5x	4.9%	9.4%	12.4%	18.8%	24.5%	4.5%	5.1%	6.4%	7.0%	7.0%
BIGC	2.3x	2.0x	1.6x	1.6x	1.6x	-	-	-	-	-	10.9%	11.7%	11.1%	10.9%	7.6%	-16.6%	-11.0%	-8.2%	-3.4%	-2.1%
BILL	5.4x	4.4x	3.8x	6.1x	4.0x	988.2x	76.4x	51.0x	62.0x	27.9x	39.1%	29.1%	21.9%	18.5%	16.4%	0.5%	5.8%	7.4%	9.9%	14.5%
BLKB	4.2x	4.5x	4.5x	4.5x	4.0x	27.6x	26.1x	21.3x	19.8x	-	4.5%	5.7%	6.6%	5.8%	4.5%	15.1%	17.1%	20.9%	22.7%	-11.6%
BL	6.6x	6.2x	5.1x	6.0x	5.0x	33.6x	27.1x	16.7x	19.4x	17.8x	12.8%	12.3%	11.9%	11.4%	10.7%	19.7%	22.8%	30.5%	30.7%	28.1%
BOX	4.1x	4.0x	4.2x	4.7x	4.6x	35.8x	35.1x	35.7x	40.0x	44.4x	4.7%	4.6%	3.9%	4.1%	5.0%	11.3%	11.3%	11.6%	11.8%	10.4%
BRZE	10.5x	7.3x	6.6x	5.6x	6.3x	-	-	-	-	-	32.7%	33.1%	31.1%	28.3%	25.8%	-29.2%	-26.8%	-23.6%	-21.9%	-18.9%
AI	8.9x	7.5x	7.2x	8.2x	9.2x	-	-	-	-	-	11.1%	16.4%	18.8%	21.7%	23.8%	-100.2%	-98.4%	-93.4%	-86.6%	-83.2%
DAY	7.5x	6.4x	5.8x	7.4x	6.3x	42.6x	35.6x	31.9x	39.7x	38.4x	21.5%	19.0%	17.6%	16.9%	16.3%	17.5%	18.1%	18.1%	18.5%	16.4%
CWAN	10.4x	10.0x	12.4x	14.7x	14.1x	-	-	455.5x	251.1x	261.6x	21.3%	21.8%	20.8%	20.6%	22.7%	-1.9%	-0.1%	2.7%	5.9%	5.4%
NET	24.4x	18.9x	18.4x	20.1x	25.6x	-	-	686.2x	678.3x	690.0x	33.0%	31.5%	31.1%	30.0%	28.8%	-2.8%	-2.5%	2.7%	3.0%	3.7%
CFLT	11.4x	10.1x	6.9x	9.1x	9.1x	-	-	-	-	-	32.6%	29.3%	26.6%	25.0%	24.0%	-55.3%	-49.7%	-45.6%	-41.3%	-41.2%
BASE	6.5x	5.6x	3.7x	3.4x	3.5x	-	-	-	-	-	16.3%	18.3%	21.0%	19.3%	16.3%	-42.4%	-40.3%	-38.1%	-37.5%	-33.7%
COUR	3.0x	1.0x	0.8x	0.7x	0.8x	-	-	-	-	-	21.4%	19.3%	16.2%	12.4%	9.3%	-20.3%	-16.9%	-15.3%	-12.4%	-11.4%
CRWD	24.0x	22.7x	17.7x	21.6x	22.5x	249.8x	206.6x	146.5x	205.1x	301.4x	36.3%	34.3%	33.1%	31.4%	29.4%	9.6%	11.0%	12.1%	10.5%	7.5%

Copyright © 2025 Software Equity Group

SEG SaaS Index™

Company	EV/TTM Revenue					EV/EBITDA					TTM Revenue Growth (YoY)					EBITDA Margin				
	1Q24	2Q24	3Q24	4Q24	1Q25	1Q24	2Q24	3Q24	4Q24	1Q25	1Q24	2Q24	3Q24	4Q24	1Q25	1Q24	2Q24	3Q24	4Q24	1Q25
LAW	2.3x	1.9x	1.4x	1.6x	1.2x	-	-	-	-	-	2.1%	5.0%	5.8%	6.4%	4.9%	-30.0%	-20.9%	-16.2%	-23.2%	-36.3%
DDOG	18.5x	17.1x	15.4x	16.4x	15.7x	353.8x	215.8x	160.5x	157.5x	158.9x	27.1%	25.9%	26.2%	26.3%	26.1%	5.2%	7.9%	9.6%	10.4%	9.9%
DH	5.3x	3.8x	2.8x	2.5x	2.4x	-	-	-	-	-	12.9%	10.3%	8.5%	4.0%	0.3%	-95.9%	-93.1%	-214.0%	-191.0%	-224.9%
DSGX	12.5x	13.2x	13.6x	15.1x	14.4x	32.8x	34.1x	34.6x	37.4x	35.1x	17.9%	16.1%	15.4%	14.9%	13.6%	38.1%	38.7%	39.3%	40.3%	41.1%
DOCN	6.4x	6.1x	5.9x	6.1x	5.9x	28.9x	21.9x	19.3x	20.8x	19.5x	20.2%	16.0%	13.1%	12.1%	12.7%	22.2%	27.9%	30.7%	29.5%	30.3%
DCBO	7.3x	5.7x	5.9x	6.4x	5.4x	160.2x	94.0x	53.9x	60.9x	42.6x	26.5%	25.3%	24.4%	22.7%	20.0%	4.6%	6.0%	10.9%	10.5%	12.6%
DOCU	3.9x	3.8x	3.7x	5.2x	5.7x	54.5x	47.0x	37.8x	47.9x	47.2x	9.8%	8.6%	7.7%	7.5%	7.8%	7.1%	8.1%	9.7%	10.8%	12.0%
DOMO	1.4x	1.1x	1.1x	1.2x	1.2x	-	-	-	-	-	3.4%	1.9%	0.2%	0.0%	-0.6%	-15.8%	-16.0%	-17.0%	-16.8%	-15.8%
DBX	3.9x	3.1x	3.1x	3.5x	3.7x	17.6x	12.8x	11.8x	13.6x	15.3x	7.6%	6.2%	4.6%	3.0%	1.9%	22.1%	23.9%	26.0%	25.6%	24.5%
DT	10.6x	9.0x	8.9x	9.7x	9.4x	80.8x	70.2x	69.2x	74.7x	71.2x	24.4%	23.5%	22.3%	20.6%	19.8%	13.2%	12.8%	12.8%	13.0%	13.2%
ESTC	9.3x	8.1x	7.8x	6.2x	6.9x	-	-	-	-	-	17.9%	18.6%	18.7%	18.7%	17.9%	-6.2%	-6.2%	-5.5%	-4.1%	-2.1%
EB	1.6x	0.5x	0.1x	0.0x	0.3x	1106.5x	21.1x	3.3x	0.8x	10.5x	25.0%	18.2%	15.0%	8.5%	-0.3%	0.1%	2.5%	3.9%	5.6%	3.2%
EVCM	3.4x	3.2x	3.5x	3.6x	3.2x	21.5x	21.2x	22.8x	23.6x	25.3x	8.8%	7.2%	6.2%	3.8%	3.5%	15.8%	15.2%	15.2%	15.1%	12.7%
FSLY	4.3x	2.3x	1.9x	2.0x	2.2x	-	-	-	-	-	16.9%	16.5%	13.5%	10.9%	7.4%	-11.3%	-10.6%	-16.7%	-13.3%	-14.5%
FIVN	5.9x	4.3x	2.7x	3.1x	2.9x	-	-	182.0x	105.5x	55.8x	16.9%	15.3%	14.2%	13.9%	14.4%	-2.6%	-0.1%	1.5%	2.9%	5.3%
FTV	5.1x	4.9x	4.7x	4.8x	4.8x	19.7x	18.4x	17.4x	17.9x	17.9x	4.1%	3.7%	3.0%	3.1%	2.7%	25.9%	26.7%	26.7%	26.6%	26.7%
FRSH	8.5x	4.7x	3.8x	5.3x	5.6x	-	-	-	-	-	19.8%	19.7%	19.9%	20.5%	20.8%	-26.5%	-22.8%	-21.7%	-20.2%	-15.2%
GTLB	16.6x	12.0x	10.8x	12.2x	12.0x	-	-	-	-	-	36.7%	34.2%	32.4%	32.0%	30.9%	-31.2%	-28.3%	-24.3%	-20.9%	-17.3%
GWRE	9.9x	9.7x	11.8x	14.6x	14.9x	-	-	5257.7x	340.4x	-	6.4%	9.0%	8.3%	12.9%	17.2%	-4.7%	-0.2%	0.2%	4.3%	-0.3%
HCAT	1.5x	1.0x	1.2x	1.5x	1.2x	-	-	-	-	-	7.1%	5.2%	5.2%	4.2%	3.6%	-23.1%	-18.9%	-12.4%	-8.7%	-3.5%
HSTM	2.7x	2.6x	2.8x	3.0x	3.0x	13.0x	12.3x	12.9x	13.8x	14.1x	4.6%	4.6%	4.1%	4.0%	4.5%	20.5%	21.3%	21.3%	21.6%	21.4%
HUBS	13.7x	13.1x	10.1x	13.4x	13.4x	-	-	305.7x	340.5x	272.4x	25.4%	24.4%	23.1%	21.8%	21.1%	-3.4%	-1.2%	3.3%	4.0%	4.9%
INFA	6.3x	6.0x	5.0x	5.2x	4.1x	41.6x	34.9x	28.2x	30.0x	19.7x	6.0%	7.3%	8.7%	7.0%	2.8%	15.1%	17.3%	17.7%	17.4%	20.6%
INTA	6.9x	5.7x	6.2x	9.6x	10.6x	-	-	-	-	-	26.7%	23.8%	22.7%	20.1%	18.6%	-8.7%	-5.5%	-2.5%	-0.8%	-0.4%
FROG	10.1x	9.1x	6.6x	7.2x	7.9x	-	-	-	-	-	24.9%	25.1%	24.5%	24.5%	22.5%	-17.2%	-14.5%	-13.8%	-15.3%	-16.2%
KLTR	1.1x	0.8x	0.8x	1.5x	1.6x	-	-	-	-	-	3.8%	3.7%	2.6%	1.6%	2.0%	-16.9%	-15.8%	-15.3%	-12.0%	-8.9%
KXS.to	6.8x	6.4x	6.5x	6.8x	6.3x	72.3x	65.7x	64.3x	69.4x	81.0x	20.8%	22.6%	17.3%	15.0%	14.7%	9.5%	9.8%	10.1%	9.8%	7.8%
KVYO	8.8x	7.2x	9.0x	10.8x	10.9x	-	-	-	-	-	-	-	38.4%	35.4%	34.3%	-45.4%	-45.1%	-44.4%	-8.0%	-7.1%
LPSN	1.5x	1.2x	1.2x	1.2x	1.5x	-	-	-	-	-	-21.9%	-22.9%	-20.9%	-22.0%	-22.3%	-10.1%	-7.8%	-16.3%	-14.7%	-24.6%

Copyright © 2025 Software Equity Group

SEG SaaS Index™

Company	EV/TTM Revenue					EV/EBITDA					TTM Revenue Growth (YoY)					EBITDA Margin				
	1Q24	2Q24	3Q24	4Q24	1Q25	1Q24	2Q24	3Q24	4Q24	1Q25	1Q24	2Q24	3Q24	4Q24	1Q25	1Q24	2Q24	3Q24	4Q24	1Q25
MLNK	5.9x	5.8x	6.8x	6.6x	5.8x	23.3x	22.3x	26.9x	27.3x	27.2x	5.4%	4.1%	4.3%	4.0%	4.2%	25.5%	26.1%	25.3%	24.1%	21.4%
MNDY	13.0x	12.1x	13.1x	13.9x	11.9x	769.5x	309.2x	244.0x	592.2x	248.8x	40.6%	36.9%	35.2%	33.9%	33.2%	1.7%	3.9%	5.4%	2.4%	4.8%
MDB	16.9x	13.9x	9.8x	10.3x	9.4x	-	-	-	-	-	31.1%	29.1%	22.4%	20.8%	19.2%	-7.2%	-8.4%	-9.1%	-7.8%	-4.8%
MSCI	19.1x	16.4x	17.5x	18.2x	17.2x	28.1x	24.5x	26.4x	27.6x	28.1x	12.5%	14.7%	15.0%	16.1%	12.9%	67.8%	66.8%	66.4%	66.0%	61.2%
NCNO	7.3x	7.3x	7.2x	8.3x	7.0x	-	463.8x	303.8x	240.8x	167.1x	23.5%	16.7%	14.8%	13.6%	13.2%	-2.0%	1.6%	2.4%	3.5%	4.2%
NTNX	6.8x	7.0x	6.4x	7.6x	7.9x	146.3x	98.7x	96.7x	97.2x	98.7x	18.1%	19.4%	15.3%	14.9%	14.8%	4.7%	7.1%	6.6%	7.8%	8.0%
OKTA	5.9x	6.3x	5.9x	4.6x	5.7x	-	-	-	196.1x	107.3x	21.8%	20.4%	18.7%	16.8%	15.3%	-10.8%	-6.6%	-1.6%	2.4%	5.3%
OLO	2.3x	1.7x	1.7x	2.6x	2.9x	-	-	-	-	56.3x	23.1%	24.5%	26.0%	26.4%	24.8%	-20.8%	-14.5%	-4.4%	-0.8%	5.1%
ONTF	0.6x	0.5x	0.4x	0.5x	0.6x	-	-	-	-	-	-14.2%	-14.6%	-14.3%	-11.8%	-9.5%	-27.7%	-24.2%	-23.9%	-24.3%	-24.8%
ORCL	7.5x	7.9x	8.6x	10.2x	9.6x	18.8x	19.5x	20.9x	24.7x	22.9x	9.5%	6.0%	5.6%	6.4%	6.2%	39.7%	40.4%	41.1%	41.3%	41.8%
PD	4.8x	4.2x	3.7x	3.5x	3.4x	-	-	-	-	-	16.2%	12.9%	10.1%	8.7%	8.5%	-12.3%	-12.7%	-9.7%	-7.6%	-3.1%
PANW	13.0x	12.1x	13.5x	14.7x	13.9x	84.9x	74.3x	85.1x	88.1x	75.2x	22.3%	20.1%	16.5%	15.0%	13.9%	15.3%	16.3%	15.9%	16.6%	18.5%
PAYC	6.3x	5.6x	5.0x	6.3x	6.0x	18.2x	13.6x	12.1x	15.2x	14.1x	23.2%	18.2%	14.2%	11.9%	11.2%	34.7%	41.3%	41.2%	41.1%	42.4%
PCTY	6.7x	6.0x	5.6x	7.5x	7.6x	29.0x	24.5x	22.5x	30.9x	31.8x	33.6%	27.8%	23.3%	9.2%	8.6%	23.2%	24.4%	24.8%	24.3%	23.8%
PEGA	3.0x	3.4x	3.7x	4.9x	4.7x	31.4x	36.2x	28.9x	39.4x	38.1x	8.7%	13.4%	15.4%	9.3%	4.5%	9.6%	9.5%	12.9%	12.4%	12.3%
PCOR	10.5x	9.2x	7.7x	8.8x	9.2x	-	-	-	666.7x	-	31.9%	29.9%	27.8%	24.4%	21.2%	-12.1%	-5.9%	-0.8%	1.3%	-1.1%
PRO	5.9x	5.2x	3.3x	3.7x	3.7x	-	-	-	-	-	10.0%	10.0%	9.4%	8.7%	8.8%	-13.0%	-10.3%	-8.3%	-3.9%	-1.4%
PTC	10.8x	10.3x	10.2x	10.5x	9.3x	37.9x	34.2x	34.5x	33.0x	29.8x	12.4%	13.3%	7.8%	9.6%	6.1%	28.6%	30.1%	29.6%	31.8%	31.3%
QTWO	4.4x	5.8x	6.7x	9.1x	8.0x	176.3x	1008.8x	292.4x	227.4x	129.8x	10.4%	9.0%	9.5%	10.9%	11.5%	2.5%	0.6%	2.3%	4.0%	6.2%
QLYS	10.7x	8.9x	7.3x	8.1x	7.5x	31.1x	25.7x	21.3x	24.0x	22.2x	13.2%	12.3%	10.8%	9.7%	9.6%	34.3%	34.7%	34.5%	33.6%	33.9%
RPD	5.1x	3.7x	3.5x	3.6x	3.1x	-	-	42.0x	28.2x	26.8x	13.5%	12.5%	11.4%	10.1%	8.5%	-5.5%	-0.7%	8.3%	12.9%	11.5%
RNG	2.0x	1.9x	1.9x	1.9x	1.8x	39.2x	28.6x	26.0x	23.2x	17.7x	10.8%	9.7%	9.5%	9.3%	9.0%	5.1%	6.8%	7.1%	8.4%	10.0%
RSKD	1.1x	1.5x	1.5x	0.8x	0.9x	-	-	-	-	-	13.9%	12.5%	9.5%	8.6%	10.0%	-24.1%	-21.2%	-18.3%	-14.5%	-13.1%
ROP	10.5x	10.2x	10.1x	9.9x	9.8x	24.3x	23.2x	23.5x	23.2x	22.7x	15.0%	14.9%	13.7%	13.0%	13.9%	43.1%	44.0%	43.0%	42.6%	43.2%
CRM	7.9x	7.3x	6.6x	8.3x	8.0x	27.7x	25.5x	22.7x	28.2x	27.1x	11.2%	11.0%	10.3%	9.5%	8.7%	28.6%	28.5%	28.9%	29.3%	29.4%
IOT	18.7x	17.9x	19.2x	22.5x	20.1x	-	-	-	-	-	43.7%	41.9%	40.4%	39.1%	33.3%	-25.0%	-22.1%	-19.3%	-17.1%	-13.2%
SAP	6.0x	6.3x	7.0x	7.6x	8.6x	26.3x	37.2x	41.1x	42.9x	45.5x	8.8%	9.8%	10.0%	9.7%	9.4%	23.0%	17.0%	17.0%	17.7%	18.9%
SEMR	4.9x	5.3x	5.3x	4.9x	4.5x	3651.5x	138.2x	98.7x	95.3x	91.6x	21.0%	20.4%	21.0%	22.0%	22.5%	0.1%	3.8%	5.4%	5.1%	4.9%
S	11.4x	8.6x	8.9x	9.8x	7.9x	-	-	-	-	-	47.1%	41.2%	38.0%	34.4%	32.2%	-47.1%	-37.8%	-32.2%	-31.2%	-29.1%

Copyright © 2025 Software Equity Group

SEG SaaS Index™

Company	EV/TTM Revenue					EV/EBITDA					TTM Revenue Growth (YoY)					EBITDA Margin				
	1Q24	2Q24	3Q24	4Q24	1Q25	1Q24	2Q24	3Q24	4Q24	1Q25	1Q24	2Q24	3Q24	4Q24	1Q25	1Q24	2Q24	3Q24	4Q24	1Q25
NOW	17.1x	15.5x	16.6x	19.8x	18.2x	96.4x	79.9x	82.7x	93.7x	85.8x	23.8%	24.4%	24.2%	23.5%	22.4%	17.8%	19.4%	20.0%	21.1%	21.2%
SHOP	13.7x	10.9x	11.0x	16.1x	15.2x	-	320.6x	109.2x	140.9x	121.1x	26.1%	25.6%	23.2%	23.5%	25.8%	-0.1%	3.4%	10.1%	11.4%	12.5%
SNOW	21.7x	15.6x	11.8x	11.7x	14.9x	-	-	-	-	-	35.9%	32.9%	31.2%	30.3%	29.2%	-29.4%	-29.3%	-29.2%	-30.3%	-32.4%
CXM	3.9x	3.4x	2.3x	1.9x	2.2x	57.3x	43.2x	33.0x	30.0x	41.1x	18.5%	16.8%	14.7%	12.0%	8.7%	6.7%	7.9%	7.0%	6.3%	5.4%
SPT	10.1x	5.3x	4.7x	4.1x	4.2x	-	-	-	-	-	31.4%	30.8%	29.6%	26.7%	21.7%	-16.4%	-15.7%	-15.2%	-12.7%	-11.3%
SPSC	12.1x	11.7x	12.1x	11.3x	8.3x	58.1x	58.8x	59.4x	54.8x	40.4x	19.1%	18.9%	18.5%	19.0%	18.8%	20.9%	19.8%	20.3%	20.7%	20.6%
TENB	6.8x	6.2x	5.7x	5.5x	4.9x	-	1767.1x	724.1x	240.6x	95.9x	16.9%	15.9%	14.6%	14.0%	12.7%	-1.1%	0.4%	0.8%	2.3%	5.1%
TDC	2.1x	1.9x	1.7x	1.8x	1.4x	14.5x	14.6x	11.4x	10.8x	8.2x	2.1%	2.6%	-0.6%	-1.6%	-4.5%	14.3%	13.0%	14.6%	16.4%	16.7%
TTD	17.9x	20.7x	22.0x	25.3x	15.5x	124.1x	127.0x	123.0x	126.9x	73.5x	23.3%	24.9%	25.5%	26.1%	25.6%	14.4%	16.3%	17.9%	19.9%	21.1%
TOST	2.5x	2.9x	2.9x	4.2x	4.0x	-	-	-	1164.3x	188.5x	41.6%	36.7%	32.2%	29.5%	28.3%	-6.6%	-4.2%	-1.8%	0.4%	2.1%
TWLO	2.3x	1.8x	1.8x	3.0x	3.6x	-	-	196.6x	111.4x	96.3x	8.6%	6.0%	4.6%	5.8%	7.3%	-2.5%	-0.9%	0.9%	2.7%	3.7%
TYL	9.5x	10.3x	12.3x	12.4x	11.8x	47.3x	49.5x	58.2x	58.1x	54.0x	5.5%	6.8%	6.7%	8.0%	9.5%	20.1%	20.9%	21.2%	21.4%	21.8%
PATH	8.7x	6.7x	3.7x	3.9x	4.0x	-	-	-	-	-	23.6%	22.7%	20.4%	16.5%	9.3%	-10.9%	-10.8%	-12.5%	-11.4%	-10.2%
UPLD	1.6x	1.5x	1.5x	1.6x	1.7x	-	-	-	-	-	-6.1%	-7.6%	-7.6%	-8.4%	-7.7%	-30.8%	-17.9%	-18.1%	-18.4%	-16.7%
VRNS	9.9x	9.1x	10.8x	10.1x	9.0x	-	-	-	-	-	5.4%	4.4%	6.6%	12.1%	10.4%	-14.4%	-15.1%	-12.6%	-11.0%	-12.2%
VEEV	13.2x	11.3x	10.2x	11.4x	11.9x	67.5x	50.6x	42.3x	44.7x	44.6x	9.7%	14.3%	15.3%	15.7%	16.2%	19.5%	22.4%	24.2%	25.5%	26.6%
VRNT	2.8x	2.8x	2.9x	2.3x	2.4x	17.7x	16.8x	16.7x	14.8x	14.1x	0.9%	1.6%	3.0%	4.4%	-0.1%	15.7%	16.6%	17.1%	15.9%	17.1%
VRSK	13.7x	13.8x	14.7x	14.8x	15.0x	25.8x	26.0x	25.7x	25.6x	26.1x	7.4%	9.1%	8.1%	7.2%	7.5%	53.1%	53.0%	57.0%	57.7%	57.6%
VERI	0.9x	1.2x	1.4x	1.8x	2.1x	-	-	-	-	-	-5.9%	-2.3%	4.3%	7.1%	-24.0%	-20.2%	-18.8%	-14.0%	-11.5%	-50.1%
VERX	6.8x	8.3x	9.2x	12.2x	11.0x	68.6x	71.6x	67.5x	84.5x	71.7x	16.4%	17.1%	16.6%	17.3%	16.5%	9.9%	11.6%	13.7%	14.5%	15.3%
WEAV	4.3x	3.1x	3.5x	4.6x	5.1x	-	-	-	-	-	19.9%	20.0%	20.5%	20.5%	19.9%	-7.6%	-7.0%	-6.5%	-5.7%	-5.5%
WIX	4.5x	4.6x	5.2x	5.7x	6.5x	102.3x	83.5x	81.9x	72.1x	61.3x	12.5%	13.2%	12.8%	12.6%	12.7%	4.4%	5.5%	6.3%	7.9%	10.6%
WDAY	9.8x	8.2x	7.3x	7.9x	7.5x	94.6x	70.7x	59.2x	59.6x	58.5x	16.8%	17.0%	17.1%	16.8%	16.4%	10.4%	11.6%	12.3%	13.2%	12.8%
WK	7.8x	6.5x	6.1x	7.2x	6.7x	-	-	-	-	-	17.1%	17.4%	16.5%	16.2%	17.2%	-9.4%	-3.6%	-2.6%	-3.1%	-3.5%
YEXT	1.3x	1.1x	1.1x	1.8x	1.7x	21.6x	22.7x	28.1x	86.3x	4185.8x	0.9%	-0.2%	-1.8%	1.0%	4.1%	6.1%	4.9%	3.8%	2.1%	0.0%
ZD	2.4x	2.0x	1.8x	2.1x	1.8x	10.0x	8.2x	7.3x	8.7x	8.0x	-1.9%	-0.8%	-0.4%	0.6%	2.8%	24.3%	24.9%	24.9%	23.7%	22.8%
ZM	3.0x	2.6x	2.4x	3.7x	3.6x	21.7x	14.3x	12.9x	19.7x	17.8x	3.1%	3.1%	2.8%	2.9%	3.1%	13.9%	18.1%	18.6%	18.8%	20.1%
ZI	5.5x	4.6x	3.7x	3.9x	3.8x	13.3x	12.0x	11.6x	12.7x	29.7x	12.9%	7.9%	2.8%	-0.3%	-2.0%	41.5%	38.0%	32.1%	30.4%	12.9%
ZS	17.2x	12.7x	12.2x	12.3x	12.0x	-	706.0x	412.6x	305.2x	275.3x	40.6%	37.2%	34.1%	30.8%	27.8%	-1.5%	1.8%	2.9%	4.0%	4.4%

Copyright © 2025 Software Equity Group

SEG SaaS Index™ by Category

Analytics & Data Management	1Q24	2Q24	3Q24	4Q24	1Q25
EV/NTM Revenue	5.3x	4.8x	3.1x	3.6x	3.7x
EV/TTM Revenue	5.9x	5.2x	3.3x	3.7x	4.0x
EV/TTM EBITDA	20.2x	20.3x	25.7x	25.6x	26.1x
EV/TTM CFO	47.0x	33.9x	35.5x	35.5x	36.2x
Gross Profit Margin	73.9%	74.0%	73.9%	74.0%	74.1%
EBITDA Margin	-13.0%	-10.8%	-12.5%	-11.4%	-10.2%
Net Income Margin	-18.6%	-15.7%	-13.5%	-8.9%	-9.3%
YOY Revenue Growth	12.9%	10.3%	9.4%	8.3%	8.3%
YOY EBITDA Growth	-0.7%	7.0%	12.3%	20.0%	16.5%
YOY Earnings Growth	-3.2%	8.4%	-4.0%	-13.8%	4.4%
YOY Enterprise Value Growth	13.3%	11.2%	-30.7%	-4.6%	-12.5%
Cash as Percent of Market Cap	10.2%	10.4%	13.6%	10.9%	12.1%

Communications & Collaboration	1Q24	2Q24	3Q24	4Q24	1Q25
EV/NTM Revenue	3.6x	2.8x	2.5x	3.5x	3.5x
EV/TTM Revenue	3.9x	3.1x	2.7x	3.5x	3.6x
EV/TTM EBITDA	23.5x	26.1x	26.0x	39.3x	17.8x
EV/TTM CFO	12.7x	11.3x	10.2x	10.6x	18.3x
Gross Profit Margin	74.9%	75.5%	75.9%	75.8%	75.8%
EBITDA Margin	4.5%	3.9%	5.4%	2.9%	5.3%
Net Income Margin	-7.3%	-6.2%	-5.4%	-3.7%	-1.2%
YOY Revenue Growth	8.6%	8.6%	7.7%	7.5%	7.8%
YOY EBITDA Growth	92.1%	128.9%	108.5%	88.8%	82.7%
YOY Earnings Growth	-34.9%	-30.0%	-21.1%	-13.8%	-15.0%
YOY Enterprise Value Growth	-6.7%	-8.2%	-16.8%	22.0%	13.2%
Cash as Percent of Market Cap	7.1%	7.3%	7.8%	6.5%	9.7%

Copyright © 2025 Software Equity Group

SEG SaaS Index™ by Category

Dev Ops & IT Management	1Q24	2Q24	3Q24	4Q24	1Q25
EV/NTM Revenue	9.3x	7.8x	6.3x	8.7x	8.2x
EV/TTM Revenue	10.6x	9.1x	7.2x	9.1x	9.2x
EV/TTM EBITDA	96.4x	89.3x	96.7x	97.2x	98.7x
EV/TTM CFO	42.0x	38.4x	26.0x	29.5x	43.7x
Gross Profit Margin	78.0%	78.6%	78.8%	78.0%	77.3%
EBITDA Margin	-7.2%	-8.4%	-9.1%	-7.8%	-4.8%
Net Income Margin	-14.2%	-13.1%	-12.1%	-8.6%	-6.4%
YOY Revenue Growth	23.8%	24.2%	22.4%	21.7%	22.4%
YOY EBITDA Growth	102.3%	131.9%	138.6%	106.4%	96.1%
YOY Earnings Growth	-4.9%	-23.0%	-22.7%	-22.3%	-9.9%
YOY Enterprise Value Growth	65.9%	27.8%	8.4%	24.8%	3.8%
Cash as Percent of Market Cap	3.1%	4.2%	5.3%	3.4%	3.3%

ERP & Supply Chain	1Q24	2Q24	3Q24	4Q24	1Q25
EV/NTM Revenue	7.9x	7.3x	7.4x	8.7x	7.3x
EV/TTM Revenue	8.6x	8.0x	7.9x	9.0x	8.5x
EV/TTM EBITDA	45.5x	48.0x	50.2x	48.9x	42.9x
EV/TTM CFO	33.9x	32.6x	35.2x	30.4x	37.6x
Gross Profit Margin	71.9%	71.9%	71.9%	72.0%	72.0%
EBITDA Margin	21.9%	18.4%	18.7%	19.2%	19.8%
Net Income Margin	15.6%	15.9%	16.0%	16.3%	10.7%
YOY Revenue Growth	17.3%	16.5%	16.2%	15.0%	14.1%
YOY EBITDA Growth	13.4%	11.9%	13.3%	15.3%	14.5%
YOY Earnings Growth	16.4%	15.1%	14.4%	23.1%	0.9%
YOY Enterprise Value Growth	25.4%	19.9%	15.0%	30.5%	18.2%
Cash as Percent of Market Cap	3.8%	3.3%	3.1%	2.5%	3.5%

Copyright © 2025 Software Equity Group

SEG SaaS Index™ by Category

Financial Applications	1Q24	2Q24	3Q24	4Q24	1Q25
EV/NTM Revenue	5.8x	5.7x	6.5x	7.2x	5.8x
EV/TTM Revenue	6.3x	6.0x	6.8x	7.5x	6.4x
EV/TTM EBITDA	51.1x	71.6x	42.2x	48.4x	28.2x
EV/TTM CFO	39.1x	39.8x	33.6x	34.7x	37.9x
Gross Profit Margin	63.1%	64.1%	64.6%	65.1%	65.7%
EBITDA Margin	1.7%	5.3%	8.4%	10.8%	13.7%
Net Income Margin	-10.1%	-6.2%	-2.7%	0.2%	-0.6%
YOY Revenue Growth	14.6%	15.7%	14.9%	14.8%	13.1%
YOY EBITDA Growth	64.5%	112.4%	155.7%	132.2%	126.9%
YOY Earnings Growth	-27.3%	-20.7%	-25.9%	-41.8%	-38.1%
YOY Enterprise Value Growth	14.7%	27.8%	11.1%	22.5%	5.6%
Cash as Percent of Market Cap	5.5%	4.8%	5.6%	4.3%	6.4%

Human Capital Management	1Q24	2Q24	3Q24	4Q24	1Q25
EV/NTM Revenue	6.5x	5.8x	5.3x	6.8x	5.7x
EV/TTM Revenue	6.7x	6.0x	5.6x	7.4x	6.3x
EV/TTM EBITDA	29.0x	24.5x	22.5x	30.9x	31.8x
EV/TTM CFO	26.1x	24.1x	18.0x	21.1x	26.3x
Gross Profit Margin	69.0%	68.9%	68.6%	68.5%	68.4%
EBITDA Margin	20.5%	21.3%	21.3%	21.6%	21.4%
Net Income Margin	12.5%	14.0%	14.3%	15.8%	6.9%
YOY Revenue Growth	21.5%	18.2%	17.1%	11.9%	11.2%
YOY EBITDA Growth	110.8%	86.9%	66.5%	28.1%	11.0%
YOY Earnings Growth	21.1%	50.7%	38.7%	53.0%	31.5%
YOY Enterprise Value Growth	-4.2%	-5.9%	-19.7%	12.7%	5.4%
Cash as Percent of Market Cap	3.9%	4.2%	4.7%	4.2%	4.3%

Copyright © 2025 Software Equity Group

SEG SaaS Index™ by Category

Other SaaS	1Q24	2Q24	3Q24	4Q24	1Q25
EV/NTM Revenue	4.0x	4.2x	4.6x	5.2x	4.4x
EV/TTM Revenue	4.6x	4.6x	5.0x	5.2x	4.7x
EV/TTM EBITDA	43.5x	35.7x	37.8x	60.9x	42.6x
EV/TTM CFO	29.5x	30.3x	31.7x	22.8x	23.1x
Gross Profit Margin	71.5%	72.1%	73.6%	74.4%	73.9%
EBITDA Margin	-0.1%	2.5%	3.9%	5.6%	10.6%
Net Income Margin	-7.9%	-5.0%	-3.1%	-1.1%	0.4%
YOY Revenue Growth	16.2%	13.4%	15.0%	11.5%	11.5%
YOY EBITDA Growth	31.3%	80.0%	101.5%	169.7%	171.9%
YOY Earnings Growth	-44.4%	-55.6%	-56.3%	-62.2%	-37.3%
YOY Enterprise Value Growth	23.9%	12.0%	20.6%	41.6%	14.4%
Cash as Percent of Market Cap	8.2%	9.5%	10.6%	5.9%	7.4%

Sales & Marketing	1Q24	2Q24	3Q24	4Q24	1Q25
EV/NTM Revenue	5.4x	4.5x	3.8x	4.4x	4.0x
EV/TTM Revenue	5.5x	4.7x	3.8x	4.6x	4.5x
EV/TTM EBITDA	31.8x	27.1x	31.4x	30.0x	41.1x
EV/TTM CFO	47.0x	30.0x	37.7x	28.0x	24.7x
Gross Profit Margin	75.5%	76.0%	76.3%	77.3%	77.1%
EBITDA Margin	-3.4%	-1.2%	3.3%	2.1%	0.0%
Net Income Margin	-7.6%	-6.0%	-6.3%	-5.2%	-5.9%
YOY Revenue Growth	17.3%	14.5%	14.7%	12.0%	10.5%
YOY EBITDA Growth	71.8%	71.1%	79.8%	15.6%	11.9%
YOY Earnings Growth	-10.4%	-24.4%	-20.2%	-14.2%	-6.7%
YOY Enterprise Value Growth	32.6%	-5.2%	-5.6%	7.3%	-1.5%
Cash as Percent of Market Cap	5.0%	4.8%	5.3%	4.7%	4.9%

Copyright © 2025 Software Equity Group

SEG SaaS Index™ by Category

Security	1Q24	2Q24	3Q24	4Q24	1Q25
EV/NTM Revenue	8.9x	7.7x	7.5x	8.6x	6.7x
EV/TTM Revenue	10.3x	8.7x	8.1x	8.9x	7.7x
EV/TTM EBITDA	84.9x	206.6x	115.8x	196.1x	95.9x
EV/TTM CFO	37.1x	32.2x	31.5x	28.7x	27.0x
Gross Profit Margin	74.8%	75.2%	75.6%	75.7%	75.6%
EBITDA Margin	-3.5%	-0.2%	1.9%	3.2%	5.2%
Net Income Margin	-12.7%	-9.9%	-5.8%	-1.6%	-0.5%
YOY Revenue Growth	19.4%	18.0%	15.5%	14.5%	13.3%
YOY EBITDA Growth	199.0%	121.2%	146.5%	136.1%	156.7%
YOY Earnings Growth	-17.0%	-25.4%	-32.7%	-37.1%	-49.3%
YOY Enterprise Value Growth	66.4%	31.8%	32.3%	6.6%	-9.9%
Cash as Percent of Market Cap	4.3%	4.7%	5.0%	5.0%	4.7%

Vertically Focused	1Q24	2Q24	3Q24	4Q24	1Q25
EV/NTM Revenue	5.0x	4.7x	4.6x	4.7x	4.7x
EV/TTM Revenue	5.3x	4.9x	4.7x	4.8x	5.1x
EV/TTM EBITDA	32.8x	30.2x	34.5x	38.9x	37.2x
EV/TTM CFO	35.1x	29.0x	31.2x	26.7x	29.3x
Gross Profit Margin	63.1%	63.6%	64.6%	65.0%	65.3%
EBITDA Margin	-4.7%	-0.2%	0.2%	4.3%	-0.3%
Net Income Margin	-5.5%	-1.1%	-0.6%	2.9%	-1.6%
YOY Revenue Growth	12.4%	13.3%	8.5%	12.4%	9.5%
YOY EBITDA Growth	17.3%	29.9%	43.7%	55.8%	26.9%
YOY Earnings Growth	-30.7%	-28.8%	-36.3%	-33.8%	-3.8%
YOY Enterprise Value Growth	30.0%	21.0%	4.9%	19.9%	-1.1%
Cash as Percent of Market Cap	5.8%	4.3%	4.5%	5.1%	4.2%

Copyright © 2025 Software Equity Group

Sources & Disclaimer

Slide 5:

1. Mena, B. (2024, April 25). US economy grew by just 1.6% in the first quarter, a much slower pace than expected | CNN Business. CNN. https://www.cnn.com/2024/04/25/economy/first-quarter-gdp-economy/index.html
2. Wallace, A. (2025). US inflation cooled to a six-month low in March, but tariff pressures are quickly mounting. Msn.com; CNN. https://www.msn.com/en-us/money/markets/us-inflation-cooled-to-a-six-month-low-in-march-but-tariff-pressures-are-quickly-mounting/ar-AA1CFMPh

Slide 6:

1. Gartner Forecasts Worldwide IT Spending to Grow 9.8% in 2025. (2025). Gartner. https://www.gartner.com/en/newsroom/press-releases/2025-01-21-gartner-forecasts-worldwide-it-spending-to-grow-9-point-8-percent-in-2025

The information contained in this Report is obtained from sources that SEG Capital Advisors LLC ("SEG") believes to be reliable. However, SEG makes no representations or warranties, express or implied, about the accuracy, completeness or fairness of such information, or the opinions expressed herein and SEG expressly disclaims any and all liability which may be based on this Report or any of its contents, errors therein or omissions therefrom. Nothing in this Report is intended to be a recommendation of a specific security or company or intended to constitute an offer to buy or sell, or the solicitation of an offer to buy or sell, any security. Any person or entity reviewing this report (a) should conduct its own diligence and reach its own conclusions regarding its business transactions, (b) should not rely upon any conclusions reached by SEG, and (c) should consult its own advisors regarding its tax, accounting, financial, and/or business decisions. SEG or its affiliates may have an interest in one or more of the securities or companies discussed herein. Financial data was provided by 451 M&A KnowledgeBase and YCharts.

This Report may not be reproduced in whole or in part without the expressed prior written authorization of SEG or one of its affiliates.

SEG | Software Equity Group

We understand value drivers.

We provide insight on how to make your company more attractive to buyers long before you're ready to sell. Then we'll bring the best parties to the table, handle negotiations, and manage due diligence so you achieve the best possible outcome.

Learn more about our M&A services and see successful deals we've done.

LET'S TALK



The Authors

Austin Hammer
Principal

Paxton Earl
Analyst