



TECHNOLOGY

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Spotlight

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Application Software

Industry News

Verizon Buys Zoom Conferencing Rival BlueJeans

Wall Street Journal [Full Article](#)

Verizon Communications Inc. has agreed to buy video conferencing company Blue Jeans Network Inc., as an unprecedented number of people work remotely because of the coronavirus pandemic.

The carrier will pay less than \$500 million for the Zoom Video Communications Inc. rival, a person familiar with the terms said. The deal is part of an effort to bolster Verizon's business group as the carrier rolls out faster 5G networks and pitches new applications of wireless technology to its largest corporate customers.

Apple and Google Accelerate Coronavirus Contact Tracing Apps Plan

BBC News [Full Article](#)

Apple and Google have tightened privacy measures in the contact-tracing scheme they are offering to health authorities and brought forward its launch. The tech giants intended to release a software building block to developers on April 28th, allowing them to build compatible apps. Two weeks ago, the firms said it would take until mid-May.

Apple's version will require an updated version of its mobile operating system. Some countries, however, would prefer the firms to be less prescriptive. France and Germany have confirmed they are pursuing designs of their own, and are pressing Apple to let them have greater access to the iPhone's capabilities without having to adopt the initiative.

These SaaS Sectors are Seeing Growth During the Coronavirus Crisis

Forbes [Full Article](#)

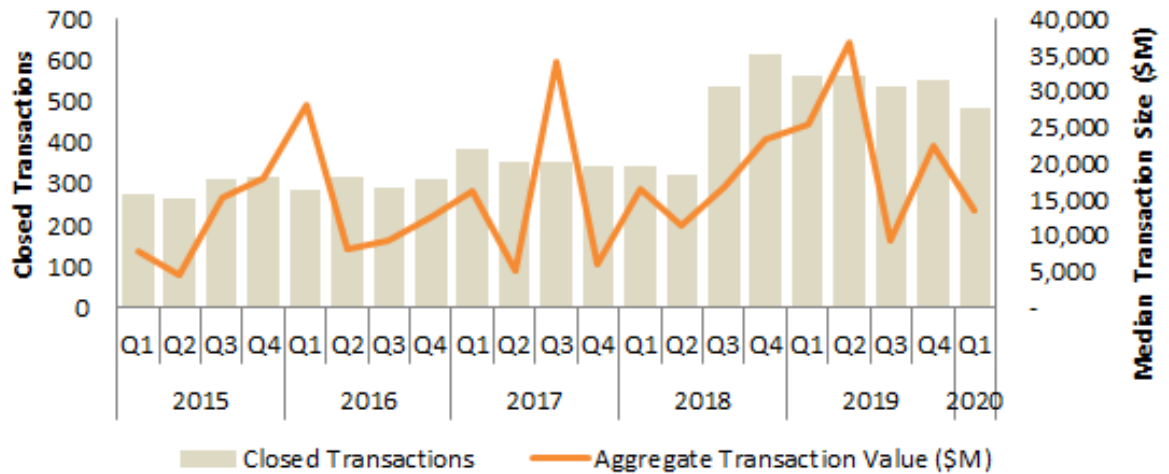
The coronavirus crisis has hit a number of businesses hard, but SaaS technology companies in sectors like telehealth, wellness and ed-tech are seeing big boosts in demand during the pandemic, according to a revenue-based financing firm that's planning to invest half a billion dollars in U.S. startups this year.

Liquidity Capital, the Tel Aviv firm that's already funded companies like Sweet Inn, Infinidat and Le Tote, said it's seen a roughly 30-percent increase in funding applications from prospective companies that have experienced unprecedented growth since the beginning of March.

Application Software

Application Software M&A Environment

Application Software M&A

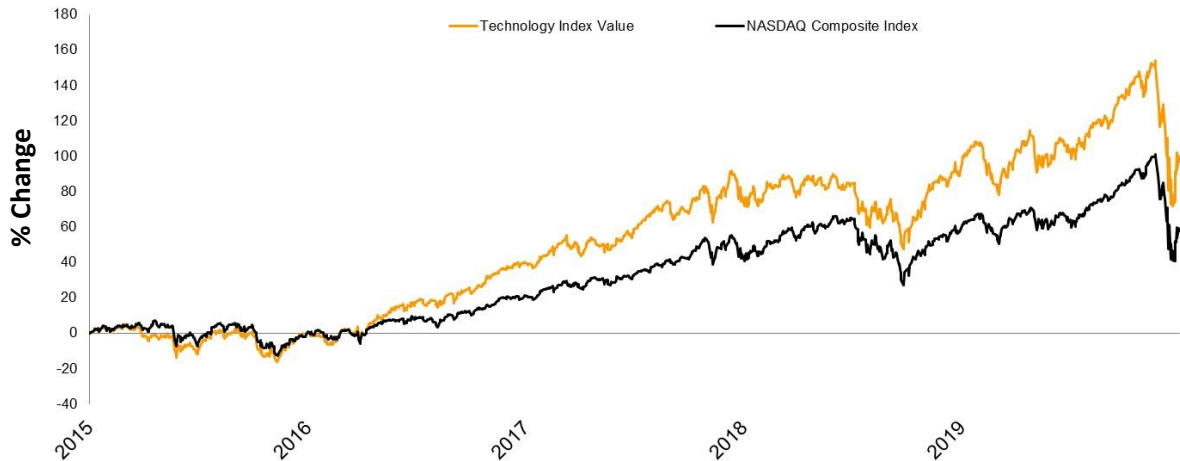


Selected Q1 2020 Application Software Transactions

Date Closed	Target	Buyers/Investors	Value (\$M)	Enterprise	
				Revenue	EBITDA
3/31/2020	Open LMS business of Blackboard Inc	Learning Technologies Group plc (AIM:LTG)	31.7	1.98	
3/24/2020	nTels Co., Ltd. (KOSDAQ:A069410)	HFR, Inc. (KOSDAQ:A230240)	117.73		
3/13/2020	Infracore, Inc. (KOSDAQ:A041020)	iA Networks Company Limited (KOSDAQ:A123010); Sewon Co.,Ltd. (KOSDAQ:A234100)	73.22	4.17	
2/29/2020	Spreo LLC	Halma plc (LSE:HLMA)	2.6		
2/29/2020	Funds Library	Broadridge Financial Solutions, Inc. (NYSE:BR)	69.0		
2/28/2020	Mobile Posse, Inc.	Digital Turbine Media, Inc.	66.0	1.12	5.16
2/27/2020	Applied Project Experience Pty Ltd	Damstra Holdings Limited (ASX:DTC)	3.62		
2/25/2020	CNL Software Ltd	Everbridge, Inc. (NasdaqGM:EVBG)	35.7		
2/25/2020	Pacejet Logistics, Inc.	3Gtms, Inc.			
2/11/2020	Ruro, Inc.	Brooks Life Science Systems	15.0	3.0	
2/6/2020	sum.cumo GmbH	Sapiens Deutschland GmbH	30.92	1.63	
2/3/2020	Infracore, Inc. (KOSDAQ:A041020)	Big Tree Investments Limited; TIS Holdings Co., Ltd.	69.15	3.98	
2/3/2020	RRA Ferreira ME	Linx Sistemas e Consultoria Ltda.	5.28		
2/1/2020	mkodo Ltd.	Pollard Banknote Limited (TSX:PBL)	10.09		
1/29/2020	Over, Inc.	GoDaddy Inc. (NYSE:GDDY)			
1/29/2020	Cluster Seven Services Limited	Mitrtech Holdings, Inc.			

Technology

The technology sector largely mirrored overall market in fluctuations throughout the first quarter of 2020, with the NASDAQ Composite Index and NASDAQ 100 Technology Index declining 15% and 17% respectively. Despite increased demand for some products such as cloud services, the technology sector as a whole struggled due to uncertainty amid the spread of COVID-19.



As of 3/31/2020		LTM Financials				Valuation Metrics			LTM Margins	
Company Name	Ticker	Enterprise Value	Revenue	Gross Profit	EBITDA	EV / Revenue	EV / Gross Profit	EV / EBITDA	Gross Margin	EBITDA Margin
Activision Blizzard, Inc.	NasdaqGS:ATVI	\$42,842	\$6,489	\$4,400	\$2,072	6.6x	9.7x	20.7x	67.8%	31.9%
Adobe Systems Incorporated	NasdaqGS:ADBE	\$153,868	\$11,661	\$9,934	\$4,078	13.2x	15.5x	37.7x	85.2%	35.0%
Alliance Data Systems Corporation	NYSE:ADS	\$20,328	\$5,629	\$1,058	\$918	3.6x	19.2x	22.1x	18.8%	16.3%
Amphenol Corporation	NYSE:APH	\$24,689	\$8,129	\$2,548	\$1,863	3.0x	9.7x	13.3x	31.3%	22.9%
Anixter International Inc.	NYSE:AXE	\$4,250	\$8,846	\$1,776	\$436	0.5x	2.4x	9.7x	20.1%	4.9%
Apple Inc.	NasdaqGS:AAPL	\$1,122,230	\$267,683	\$101,578	\$78,121	4.2x	11.0x	14.4x	37.9%	29.2%
Applied Materials, Inc.	NasdaqGS:AMAT	\$43,591	\$15,017	\$6,579	\$3,853	2.9x	6.6x	11.3x	43.8%	25.7%
Arrow Electronics, Inc.	NYSE:ARW	\$7,228	\$28,917	\$3,298	\$1,026	0.2x	2.2x	7.0x	11.4%	3.5%
Automatic Data Processing, Inc.	NasdaqGS:ADP	\$59,974	\$14,538	\$6,579	\$3,661	4.1x	9.1x	16.4x	45.3%	25.2%
Booz Allen Hamilton Holding Corporation	NYSE:BAH	\$11,367	\$7,274	\$1,730	\$728	1.6x	6.6x	15.6x	23.8%	10.0%
CDW Corporation	NasdaqGS:CDW	\$17,071	\$18,032	\$3,040	\$1,401	0.9x	5.6x	12.2x	16.9%	7.8%
Cisco Systems, Inc.	NasdaqGS:CSCO	\$156,718	\$51,550	\$32,975	\$16,205	3.0x	4.8x	9.7x	64.0%	31.4%
Cognizant Technology Solutions Corporation	NasdaqGS:CTSH	\$23,782	\$16,783	\$6,149	\$3,291	1.4x	3.9x	7.2x	36.6%	19.6%
Corning Incorporated	NYSE:GLW	\$23,872	\$11,503	\$4,035	\$2,809	2.1x	5.9x	8.5x	35.1%	24.4%
DXC Technology Company	NYSE:DXC	\$11,594	\$20,042	\$5,078	\$3,264	0.6x	2.3x	3.6x	25.3%	16.3%
eBay Inc.	NasdaqGS:EBAY	\$29,527	\$10,800	\$8,292	\$3,079	2.7x	3.6x	9.6x	76.8%	28.5%
Facebook, Inc.	NasdaqGS:FB	\$431,674	\$70,697	\$57,927	\$29,727	6.1x	7.5x	14.5x	81.9%	42.0%
Fidelity National Information Services, Inc.	NYSE:FIS	\$94,620	\$10,333	\$3,723	\$3,404	9.2x	25.4x	27.8x	36.0%	32.9%
Hewlett Packard Enterprise Company	NYSE:HPE	\$24,414	\$28,531	\$9,456	\$5,169	0.9x	2.6x	4.7x	33.1%	18.1%
HP Inc.	NYSE:HPQ	\$26,358	\$58,664	\$11,430	\$5,205	0.4x	2.3x	5.1x	19.5%	8.9%
Insight Enterprises, Inc.	NasdaqGS:INSIT	\$2,564	\$7,731	\$1,138	\$304	0.3x	2.3x	3.3x	14.7%	3.9%
Intel Corporation	NasdaqGS:INTC	\$248,090	\$75,732	\$45,067	\$36,705	3.3x	5.5x	6.8x	59.5%	48.5%
International Business Machines Corporation	NYSE:IBM	\$157,985	\$76,536	\$36,368	\$15,345	2.1x	4.3x	10.3x	47.5%	20.0%
Jabil Inc.	NYSE:JBL	\$6,190	\$26,340	\$1,923	\$1,526	0.2x	3.2x	4.1x	7.3%	5.8%
Lam Research Corporation	NasdaqGS:LRCX	\$34,776	\$9,614	\$4,409	\$2,798	3.6x	7.9x	12.4x	45.9%	29.1%
Leidos Holdings, Inc.	NYSE:LDOS	\$15,855	\$11,094	\$1,548	\$1,133	1.4x	10.2x	14.0x	14.0%	10.2%
Mastercard Incorporated	NYSE:MA	\$244,505	\$16,883	\$16,883	\$10,189	14.5x	14.5x	24.0x	100.0%	60.4%
Micron Technology, Inc.	NasdaqGS:MU	\$45,402	\$19,599	\$5,944	\$7,991	2.3x	7.6x	5.7x	30.3%	40.8%
Microsoft Corporation	NasdaqGS:MSFT	\$1,152,466	\$134,249	\$90,903	\$61,265	8.6x	12.7x	18.8x	67.7%	45.6%
Motorola Solutions, Inc.	NYSE:MSI	\$27,437	\$7,887	\$3,948	\$2,122	3.5x	6.9x	12.9x	50.1%	26.9%
NCR Corporation	NYSE:NCR	\$6,230	\$6,915	\$1,942	\$775	0.9x	3.2x	8.0x	28.1%	11.2%
NetApp, Inc.	NasdaqGS:NTAP	\$8,193	\$5,603	\$3,708	\$1,120	1.5x	2.2x	7.3x	66.2%	20.0%
NVIDIA Corporation	NasdaqGS:NVDA	\$153,197	\$10,918	\$6,768	\$3,227	14.0x	22.6x	47.5x	62.0%	29.6%
Oracle Corporation	NYSE:ORCL	\$180,767	\$39,766	\$31,734	\$16,371	4.5x	5.7x	11.0x	79.8%	41.2%
PayPal Holdings, Inc.	NasdaqGS:PYPPL	\$107,054	\$17,772	\$7,987	\$3,404	6.0x	13.4x	31.4x	44.9%	19.2%
QUALCOMM Incorporated	NasdaqGS:QCOM	\$82,368	\$24,508	\$15,984	\$9,651	3.4x	5.2x	8.5x	65.2%	39.4%
Salesforce.com, inc.	NYSE:CRM	\$127,168	\$17,098	\$12,863	\$2,278	7.4x	9.9x	55.8x	75.2%	13.3%
Sanmina Corporation	NasdaqGS:SANM	\$1,955	\$7,886	\$577	\$402	0.2x	3.4x	4.9x	7.3%	5.1%
SYNNEX Corporation	NYSE:SNX	\$6,527	\$23,772	\$2,917	\$1,268	0.3x	2.2x	5.1x	12.3%	5.3%
Tech Data Corporation	NasdaqGS:TECD	\$5,496	\$36,998	\$2,298	\$729	0.1x	2.4x	7.5x	6.2%	2.0%
Texas Instruments Incorporated	NasdaqGS:TXN	\$94,051	\$14,118	\$8,991	\$6,537	6.7x	10.5x	14.4x	63.7%	46.3%
Visa Inc.	NYSE:V	\$356,191	\$23,525	\$22,796	\$16,052	15.1x	15.6x	22.2x	96.9%	68.2%
VMware, Inc.	NYSE:VMW	\$54,368	\$10,811	\$9,012	\$2,039	5.0x	6.0x	26.7x	83.4%	18.9%
Western Digital Corporation	NasdaqGS:WDC	\$19,396	\$15,582	\$2,742	\$928	1.2x	7.1x	20.9x	17.6%	6.0%
Xerox Corporation	NYSE:XRX	\$6,147	\$9,066	\$3,650	\$1,500	0.7x	1.7x	4.1x	40.3%	16.5%

Median	2.9x	6.0x	11.3x	40.3%	20.0%
Mean	3.9x	7.6x	14.8x	44.4%	23.7%

Technology

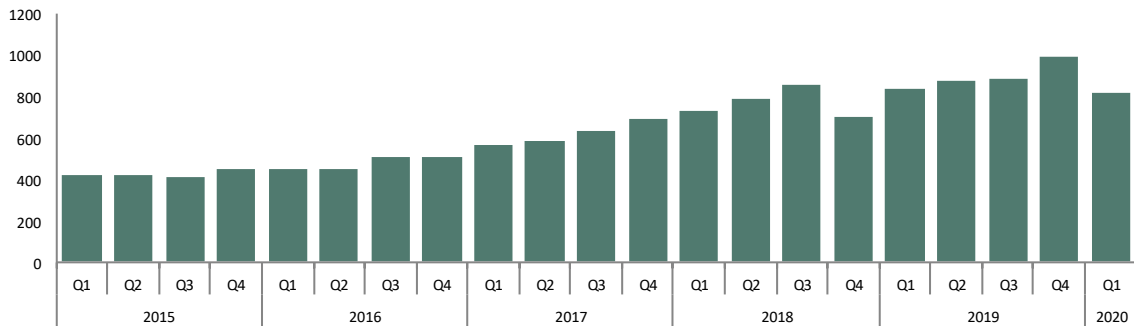
State of the Industry

NASDAQ 100 Technology Index



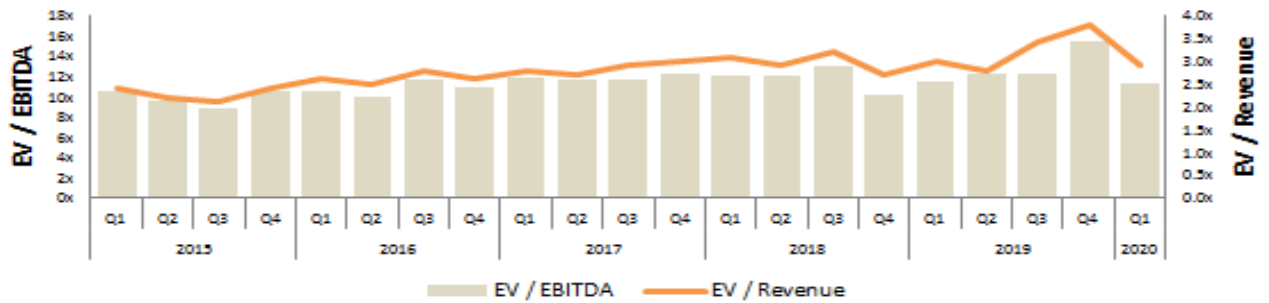
Source: Capital IQ

S&P North American Technology Sector Index



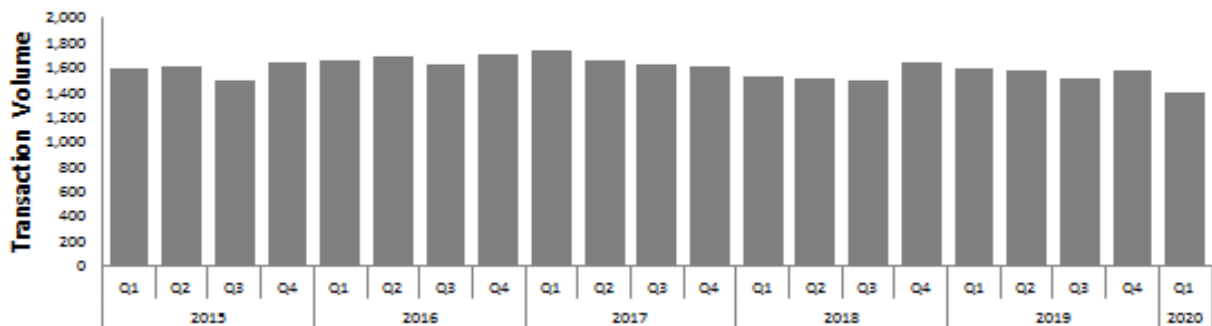
Source: Capital IQ

Industry Valuations



Source: Capital IQ

Technology Transaction Volume



Source: Capital IQ



The Value of Accomplishment

The highest level of expertise and hard work is what accomplishment requires. It's what you deserve and what we do.

- We sweat the small stuff.
- Take a 3:00am call.
- Say yes.
- Say no.
- Dig deeper when things get tough.
- And celebrate with you when your efforts pay off and you can reflect on it all and say, "It's really remarkable what we've accomplished here."
- Then and only then, will we know that we've accomplished something meaningful, too.

About Mirus

Mirus has been an active technology deal maker for the last 30 years. Representing professional investors and boards, as well as bootstrapped closely held businesses, Mirus has closed over 100 transactions in industry sectors including: Manufacturing Automation, Software, Hardware and Peripherals, Internet and Digital Media, Telecom and Networking.

Partner Spotlight

As a Partner with Mirus Capital Advisors, Rudy Minar brings over 20 years of experience in investment banking and corporate finance. Prior to Mirus he was a partner at M&A tech boutique AGC Partners and worked in the technology investment banking groups of various Wall Street firms including CIBC World Markets and Oppenheimer on a broad range of financial transactions spanning large-cap public M&A, IPOs and private equity and debt financings. He has completed over 75 financial and advisory transactions aggregating over \$8 billion. Trained as an electrical engineer, Rudy brings deep domain knowledge and extensive relationships within the software and communications and networking sectors. He enjoys working with entrepreneurs, CEOs and senior management of technology companies to identify strategic growth initiatives, evaluate exit alternatives and execute transactions. He earned his Master in International Affairs from Columbia University and received his BSEE from Worcester Polytechnic Institute.



Rudy Minar

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"The Mirus team successfully guided us through every aspect of the transaction, from identifying prospective buyers through closing. They conducted a thorough process and we are delighted by the outcome."

Mirus Technology Spotlight



has been acquired by



LiveData Utility Solutions, Inc. provides a leading integration platform to the power generation, transmission, and distribution markets. The Company's RTI Server™ is real-time middleware that can be deployed on-premise or in the cloud and is designed for operational technology (OT) systems. The acquisition extends Oracle Utilities' Network Management System. LiveData Utility Solutions is headquartered in Cambridge, MA.



has been acquired by



now a part of



Eutecus Inc., the global technical leader in embedded video analytics; providing single-chip, multi-channel video and fusion analytics solutions, has been acquired by Sensity Systems Inc., a provider of a leading Internet of Things (IoT) platform for Smart Cities, now part of Verizon. "The combined company will provide customers with leading computer vision powered solutions in a comprehensive IoT platform for Smart Cities," according to Bruce Boes and Peter Alternative, the lead bankers representing Eutecus shareholders in the sale to Sensity Systems.



has been acquired by



Magestic Systems provides a variety of integrated manufacturing software solutions for CNC cutting applications of advanced materials such as composites and honeycomb laminates, as well non-composite materials such as heavy plate and sheet metal. Magestic Systems' solutions are used around the world by leading manufactures in the aerospace, automotive, transportation, energy, defense, industrial and construction industries. Autodesk is a leading design, engineering and entertainment software based in San Rafael, California.



has been acquired by



a portfolio company of



MAM Software is a leading global provider of cloud-based business and on-premise management solutions for the auto parts, tire and vertical distribution industries. The company provides a portfolio of innovative software (SaaS and packaged), data (DaaS), and integration (iPaaS) services that enable businesses to intelligently manage core business processes, control costs and generate new profit opportunities. MAM's integrated platforms provide a wealth of rich functionality including: point-of-sale, inventory, purchasing, reporting, data and e-commerce. Kerridge Commercial Systems (KCS) provides specialist software, services and support to deliver fully integrated trading and business management solutions to distributive trades customers, large and small.