



TECHNOLOGY

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Infrastructure Software

Industry News

Cisco to Acquire Splunk, to Help Make Organizations More Secure and Resilient in an AI-powered World

[Full Article](#)

Cisco (NASDAQ: CSCO) and Splunk (NASDAQ: SPLK), the cybersecurity and observability leader, today announced a definitive agreement under which Cisco intends to acquire Splunk for approximately \$28 billion in equity value. The acquisition builds on Splunk's heritage of helping organizations enhance their digital resilience and will accelerate Cisco's strategy to securely connect everything to make anything possible. The combination of these two established leaders in AI, security and observability will help make organizations more secure and resilient.

Cloud Spending Climbs as Hyperscaler Infrastructure Becomes 'indispensable'

[Full Article](#)

End-user spend on public cloud will reach \$678.8 billion next year, up 20.4% year over year from \$563.6 billion in 2023, according to Gartner. Hunger for generative AI capabilities is the prime driver of market growth, as organizations race to adopt the infrastructure-hungry technology. Hyperscaler verticals that integrate industry-specific software, platform and infrastructure services will be another growth vector. "Cloud has become essentially indispensable," Sid Nag, VP analyst at Gartner, said in the report, pointing to the sheer scale of data and compute needed to power generative AI adoption.

IBM, Microsoft Launch Generative AI-managed Service

[Full Article](#)

IBM and Microsoft have deepened their collaboration around generative AI, deploying a large language model managed service in the Azure Marketplace. The IBM Consulting Azure OpenAI Service gives developers and data scientists access to generative AI tools, including GPT and Codex, and provides organizations with a suite of pre-built enterprise use cases for the technology. The partnership advances IBM's multi-model open-ecosystem approach to the technology, providing customers with multiple AI solutions across various hyperscaler platforms, as well as through watsonx, the enterprise AI and data studio deployed last month.

Broadcom to Acquire VMware for Approximately \$61 Billion

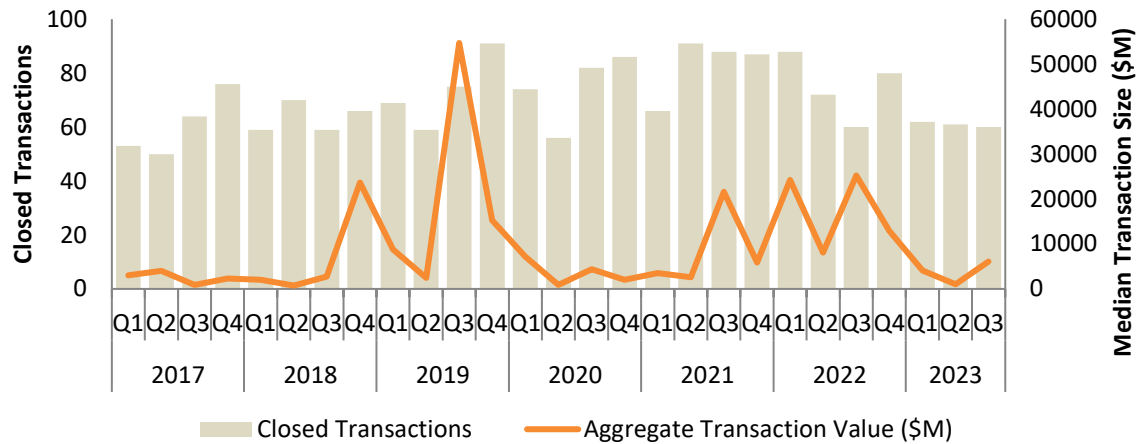
[Full Article](#)

Broadcom Inc. (NASDAQ: AVGO), a global technology leader that designs, develops and supplies semiconductor and infrastructure software solutions, and VMware, Inc. (NYSE: VMW), a leading innovator in enterprise software, announced an agreement under which Broadcom will acquire all of the outstanding shares of VMware in a cash-and-stock transaction that values VMware at approximately \$61 billion. VMware, a leading provider of multi-cloud services for all apps, pioneered virtualization technology, an innovation that positively transformed x86 server-based computing. VMware then created the software defined data center and played a leading role in virtualizing networking and storage, before evolving to become a hybrid cloud and digital workspace leader. Following the closing of the transaction, the Broadcom Software Group will rebrand and operate as VMware, incorporating Broadcom's existing infrastructure and security software solutions as part of an expanded VMware portfolio.

Infrastructure Software

Infrastructure Software M&A Environment

Infrastructure Software M&A



Selected Infrastructure Software Transactions Announced in Q3 2023

Announced Date	Target	Acquirer	Transaction Value (\$mm)
7/6/2023	Paperspace CO.	DigitalOcean Holdings, Inc.	111
7/17/2023	FM Systems Group, LLC	Johnson Controls International plc	610
7/17/2023	Cyber App Solutions Corp.	Proton Green, Inc.	70
7/25/2023	Imperva, inc.	Thales S.A	3,600
7/31/2023	New Relic, Inc.	TPG Capital; Francisco Partners	7,054
7/31/2023	Rookout Ltd.	Dynatrace, Inc.	34
8/2/2023	Event mgmt software platform of Hopin	RingCentral, Inc.	50
8/2/2023	Aryeo, Inc	Zillow Group, Inc.	39
8/7/2023	Aceyus, Inc	Five9, Inc.	78
8/8/2023	Syntellis Performance Solutions, LLC	Strata Decesion Technology, LLC	1,400
8/24/2023	MediaMath, Inc.	Infillion	22
9/5/2023	Infinite ID, LLC	First Advantage Corporations	41
9/7/2023	Sigma Additive Solutions, Inc.	Nextrip Holdings, Inc.	26
9/15/2023	MartiaDB plc	Runa Capital Advisors Limited	55
9/21/2023	Splunk Inc.	Cisco Systems, Inc.	30,999
9/25/2023	Blueware-Headwave Ventures Inc.	Computer Modeling Group, Ltd.	30

Capital IQ and Mirus Capital Advisors. Acquisitions of US companies with publicly-disclosed transaction values greater than \$20 million

Infrastructure Software

Infrastructure stocks are up 35% year to date (September 30) buoyed by strong ARR and revenue growth even while focused on expense reductions and measured hiring. Industry bellwethers have outperformed management guidance and are forecasting strong growth in 2024, with an improving outlook driven by continued demand for cloud offerings and emerging opportunities with AI; tempered by rising market volatility from the developing geopolitical environment.



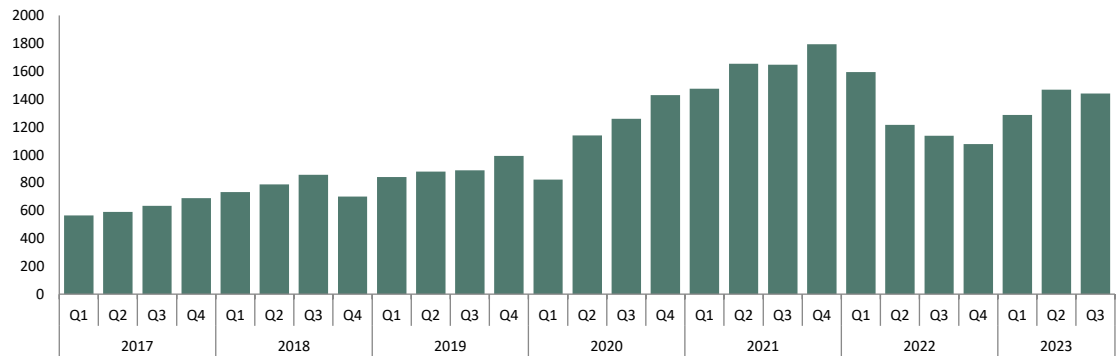
As of 9/30/2023		LTM Financials				Valuation Metrics			LTM Margins	
Company Name	Ticker	Enterprise Val	Revenue	Gross Profit	EBITDA	EV / Revent	EV / Gross Prof	EV / EBITDA	Gross Marg	EBITDA Margin
Cloud Infrastructure										
VMware	NYSE:VMW	\$76,511	\$13,611	\$11,070	\$2,791	5.6x	6.9x	27.4x	81.3%	20.5%
Cloudflare	NYSE:NET	\$20,944	\$1,209	\$917	-\$82	17.3x	22.8x	-256.3x	75.9%	-6.8%
Okta	NasdaqGS:OKTA	\$12,839	\$2,065	\$1,498	-\$530	6.2x	8.6x	-24.2x	72.5%	-25.7%
Nutanix	NasdaqGS:NINX	\$8,250	\$1,863	\$1,531	-\$140	4.4x	5.4x	-58.8x	82.2%	-7.5%
Confluent	NasdaqGS:CLT	\$8,223	\$732	\$507	-\$461	11.2x	16.2x	-17.8x	69.3%	-62.9%
Qualys	NasdaqGS:QLYS	\$5,247	\$541	\$433	\$182	9.7x	12.1x	28.8x	80.0%	33.7%
HashiCorp	Nasdaq: HCP	\$3,196	\$542	\$441	-\$278	5.9x	7.3x	-11.5x	81.3%	-51.3%
Data Management and Analytics										
Oracle Corp	NYSE:ORCL	\$367,484	\$50,962	\$36,825	\$19,712	7.2x	10.0x	18.6x	72.3%	38.7%
Snowflake	NYSE:SNOW	\$45,824	\$2,444	\$1,619	-\$918	18.8x	28.3x	-49.9x	66.3%	-37.6%
CyberArk	NasdaqGS:CISH	\$33,598	\$19,434	\$6,758	\$3,436	1.7x	5.0x	9.8x	34.8%	17.7%
Palantir	NYSE:PLTR	\$31,652	\$2,125	\$1,699	\$69	14.9x	18.6x	458.0x	79.9%	3.3%
MongoDB	NasdaqGM: MDB	\$24,009	\$1,487	\$1,101	-\$253	16.1x	21.8x	-95.1x	74.1%	-17.0%
Elastic	NYSE:ESTC	\$7,630	\$1,113	\$812	-\$138	6.9x	9.4x	-55.1x	73.0%	-12.4%
Informatica	NYSE:INFA	\$7,144	\$1,549	\$1,229	\$212	4.6x	5.8x	33.6x	79.3%	13.7%
Teradata	NYSE:TDC	\$4,646	\$1,828	\$1,103	\$257	2.5x	4.2x	18.1x	60.3%	14.1%
Communication Infrastructure										
Akamai Technologies	NasdaqGS: AKAM	\$18,407	\$3,745	\$2,273	\$1,093	4.9x	8.1x	16.8x	60.7%	29.2%
Zoom Video Communications	NasdaqGS:ZM	\$15,106	\$4,464	\$3,375	\$346	3.4x	4.5x	43.7x	75.6%	7.7%
Amdocs	NasdaqGS:DOX	\$10,148	\$4,888	\$1,724	\$917	2.1x	5.9x	11.1x	35.3%	18.8%
Twilio	NYSE:TWLO	\$8,081	\$4,103	\$1,994	-\$262	2.0x	4.1x	-30.9x	48.6%	-6.4%
Five9	NasdaqGM: FIVN	\$4,693	\$880	\$464	-\$34	5.3x	10.1x	-136.4x	52.7%	-3.9%
RingCentral	NYSE:RNG	\$4,392	\$2,156	\$1,502	\$31	2.0x	2.9x	141.6x	69.7%	1.4%
Sprout Social	NasdaqCM: SPT	\$2,608	\$310	\$239	-\$59	8.4x	10.9x	-44.2x	77.2%	-19.0%
CSG Systems	NasdaqGS:CSGS	\$1,888	\$1,162	\$553	\$175	1.6x	3.4x	10.8x	47.6%	15.1%
8x8	NasdaqGS:EGHT	\$708	\$737	\$513	\$11	1.0x	1.4x	64.7x	69.5%	1.5%
Application Infrastructure										
Atlassian	NasdaqGS: TEAM	\$50,986	\$3,705	\$3,042	-\$172	13.8x	16.8x	-296.8x	82.1%	-4.6%
Zscaler	NasdaqGS: ZS	\$22,016	\$1,617	\$1,255	-\$196	13.6x	17.5x	-112.5x	77.6%	-12.1%
Dynatrace	NYSE: DT	\$13,083	\$1,297	\$1,070	\$162	10.1x	12.2x	80.7x	82.5%	12.5%
GitLab	NasdaqGS: GTLB	\$6,058	\$502	\$445	-\$204	12.1x	13.6x	-29.8x	88.7%	-40.5%
SentinelOne	NYSE: S	\$4,279	\$524	\$356	-\$379	8.2x	12.0x	-11.3x	67.9%	-72.3%
Progress Software	NasdaqGS:PRGS	\$2,922	\$675	\$586	\$230	4.3x	5.0x	12.7x	86.9%	34.1%
BlackBerry	NYSE:BB	\$2,779	\$825	\$473	-\$53	3.4x	5.9x	-52.4x	57.3%	-6.4%
Jfrog	NasdaqGS:FROG	\$2,189	\$329	\$255	-\$59	6.6x	8.6x	-36.9x	77.6%	-18.0%
Process Automation										
Adobe	NasdaqGS: ADBE	\$228,737	\$18,886	\$16,598	\$7,039	12.1x	13.8x	32.5x	87.9%	37.3%
ServiceNow	NYSE: NOW	\$111,642	\$8,474	\$6,654	\$1,173	13.2x	16.8x	95.2x	78.5%	13.8%
Workday	NasdaqGS: WDAY	\$52,902	\$6,716	\$4,962	\$225	7.9x	10.7x	235.3x	73.9%	3.3%
Open Text	NasdaqGS: OTEX	\$17,409	\$5,058	\$3,850	\$1,255	3.4x	4.5x	13.9x	76.1%	24.8%
Samsara	NYSE: IOT	\$12,758	\$780	\$565	-\$259	16.4x	22.6x	-49.2x	72.4%	-33.2%
NICE	NasdaqGS:NICE	\$9,859	\$2,323	\$1,575	\$574	4.2x	6.3x	17.2x	67.8%	24.7%
Monday.com	NasdaqGS: MNDY	\$6,767	\$677	\$601	-\$39	10.0x	11.3x	-171.8x	88.8%	-5.8%
Smartsheet	NYSE: SMAR	\$4,976	\$867	\$687	-\$144	5.7x	7.2x	-34.6x	79.2%	-16.6%
Pegasystems	NasdaqGS: PEGA	\$3,887	\$1,355	\$975	\$24	2.9x	4.0x	164.0x	71.9%	1.7%
Applian Corp	NasdaqGM: APPN	\$3,376	\$526	\$382	-\$123	6.4x	8.8x	-27.5x	72.6%	-23.3%
Alteryx	NYSE: AIX	\$3,275	\$920	\$793	-\$187	3.6x	4.1x	-17.5x	86.1%	-20.3%
Sprinklr	NYSE: CKM	\$3,147	\$674	\$509	\$3	4.7x	6.2x	1246.3x	75.5%	0.4%
PROS Holdings	NYSE: PRO	\$1,737	\$297	\$183	-\$43	5.8x	9.5x	-40.0x	61.6%	-14.6%
Zouora	NYSE: ZUO	\$1,013	\$415	\$263	-\$64	2.4x	3.8x	-15.9x	63.3%	-15.3%
Upland Software	NasdaqGM: UPLD	\$522	\$304	\$205	\$47	1.7x	2.5x	11.0x	67.4%	15.5%

Median	5.9x	8.6x	-11.4x	73.4%	-4.3%
Mean	7.2x	9.8x	23.7x	71.3%	-3.7%

Technology

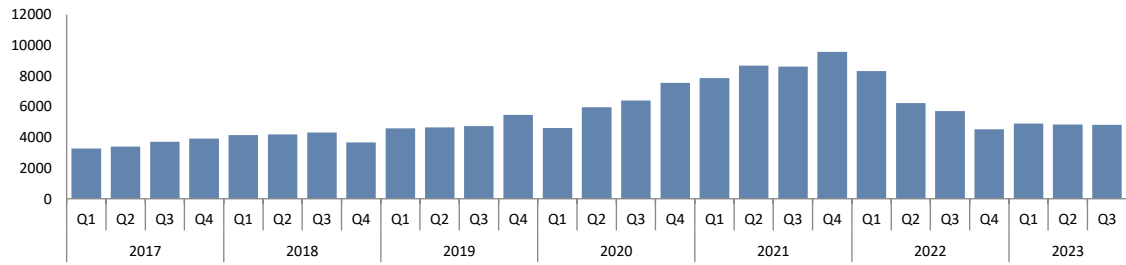
State of the Industry

S&P North American Technology Sector Index



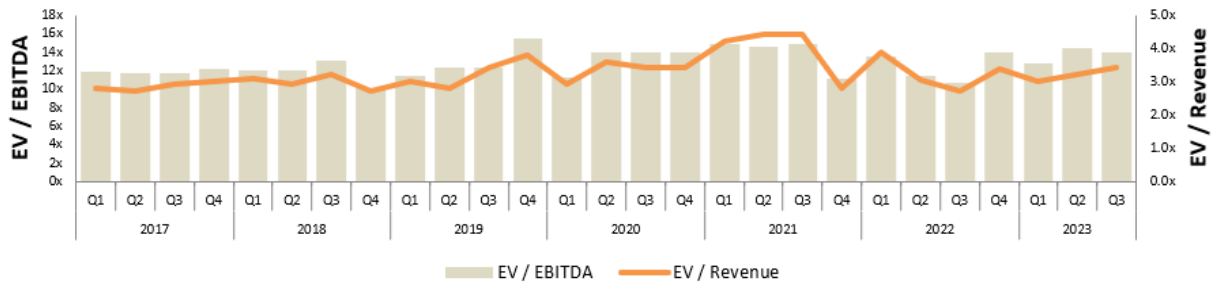
Source: Capital IQ

NASDAQ 100 Technology Index



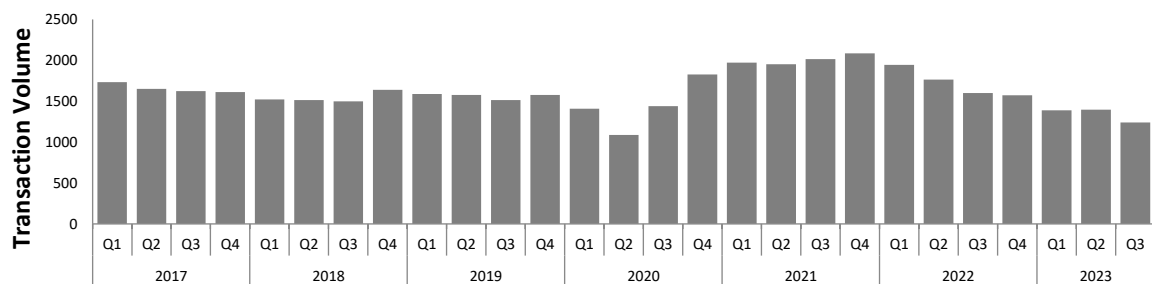
Source: Capital IQ

Technology 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.

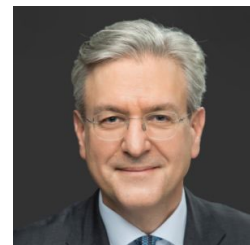
- We sweat the small stuff.
- Take a 3:00am call.
- Say yes.
- Say no.
- Dig deeper when things get tough.
- And celebrate with you when your efforts pay off and you can reflect on it all and say, "It's really remarkable what we've accomplished here."
- Then and only then, will we know that we've accomplished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

About Mirus

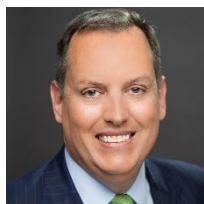
Mirus has been an active technology deal maker for the last 35 years. Representing professional investors and boards, as well as bootstrapped closely held businesses, Mirus has closed over 100 transactions in technology industry sectors including: Manufacturing Automation, Software, Hardware and Peripherals, Internet and Digital Media, Telecom and Networking.

Partner Spotlight

As a Partner with Mirus Capital Advisors, Rudy Minar brings over 25 years of experience in investment banking and corporate finance. Prior to Mirus he was a partner at tech boutique AGC Partners and worked at CIBC World Markets and Oppenheimer & Co. He has completed over 100 financial advisory transactions aggregating over \$8 billion. Trained as an electrical engineer, Rudy brings deep domain knowledge and extensive relationships within the infrastructure software sector, having worked with private emerging growth companies as well as large public companies such as EMC, Cisco, and Oracle. He earned his Master in International Affairs from Columbia University and received his BSEE from Worcester Polytechnic Institute.



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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

 **Family Law Software**

has been acquired by

 **Centerbase**

a portfolio company of

 *Mainsail Partners*

Centerbase, a legal practice management software company that provides mid-sized law firms with a cloud-based platform to streamline operations, has acquired Family Law Software, the leading workflow software for family law legal practices. Used by thousands of family law professionals, Family Law Software automates financial forms and calculations related to divorce proceedings. With this acquisition, Centerbase expands its already robust practice management, billing, and accounting product to better serve the complex workflow of family practice attorneys. With Family Law Software, Centerbase now serves over 5,000 law firms.

meetingplay 

has raised \$75 million from

 **SUNSTONE**
PARTNERS

MeetingPlay, a pioneer in hybrid event technology, has received a \$75 million investment from Sunstone Partners, a growth-oriented private equity firm focused on software and tech-enabled services companies. MeetingPlay offers a full suite of offerings for all types of conferences, events and meetings that allow for rich attendee experiences. The ultimate value that underpins the company's software platform is connecting attendees to each other in a way that creates a unique and differentiated event. "Even with unprecedented YOY growth, we're just getting started," said MeetingPlay Co-CEO Joe Schwinger.

 **LiveData**
UTILITIES

has been acquired by

ORACLE

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.

 **Full Circle**
INSIGHTS™

has been acquired by

 **scaleworks**

Scaleworks, the B2B SaaS-focused venture equity firm, today announced its acquisition of Full Circle Insights, known for helping companies drive pipeline growth through their marketing attribution and campaign measurement platform. Scaleworks' investment and partnership will accelerate Full Circle's strategic roadmap, enable product innovation, and enhance go-to-market strategy.