

SECTORWATCH:

Contract Management Software and Services

March 2018

7 MILE 
ADVISORS

SECTORWATCH:
**Contract Management
Software and Services**

March 2018

- Sector Dashboard
- Public Basket Performance
- Operational Metrics
- Valuation Comparison
- Recent Deals
- Appendix

7 Mile Advisors appreciates the opportunity to present this confidential information to the Company. This document is meant to be delivered only in conjunction with a verbal presentation, and is not authorized for distribution. Please see the Confidentiality Notice & Disclaimer at the end of the document. All data cited in this document was believed to be accurate at the time of authorship and came from publicly available sources. Neither 7 Mile Advisors nor 7M Securities make warranties or representations as to the accuracy or completeness of third-party data contained herein. This document should be treated as confidential and for the use of the intended recipient only. Please notify 7 Mile Advisors if it was distributed in error.



OVERVIEW



Dashboard

summary metrics on the sector, with commentary on market momentum by comparing the most recent 12-month performance against the last 3-year averages



Public Basket Performance

summary valuation and operating metrics for a basket of comparable public companies



Valuation Comparison

a more graphical, detailed comparison of valuation multiples for the public basket



Recent Deals

the most recently announced sector deals

About Us

7MA provides Investment Banking & Advisory Services to the Business Services and Technology Industries globally.

We advise on M&A and private capital transactions, and provide market assessments and benchmarking. As a close knit team with a long history together and a laser focus on our target markets, we help our clients sell their companies, raise capital, grow through acquisitions, and evaluate new markets.

Sectorwatch

We publish sectorwatch, a review of M&A and operational trends in the industries we focus.

Let us know if we can help

Contact us if there are ways we can assist your M&A or financing strategy.

DASHBOARD

Revenue Growth Momentum

↑ 1.0%

1 - year revenue growth compared to revenue growth average for last 3 years

Current revenue growth rate exceeds the average of the last 3 years by this amount, indicating that market momentum is increasing

Pricing / Gross Margin Momentum

↑ 4.5%

1 - year gross profit % compared to gross profit % average for last 3 years

Current gross profit margin exceeds the average of the last 3 years gross profit margin by this amount, indicating supplier pricing power

Profitability Momentum

↓ -2.1%

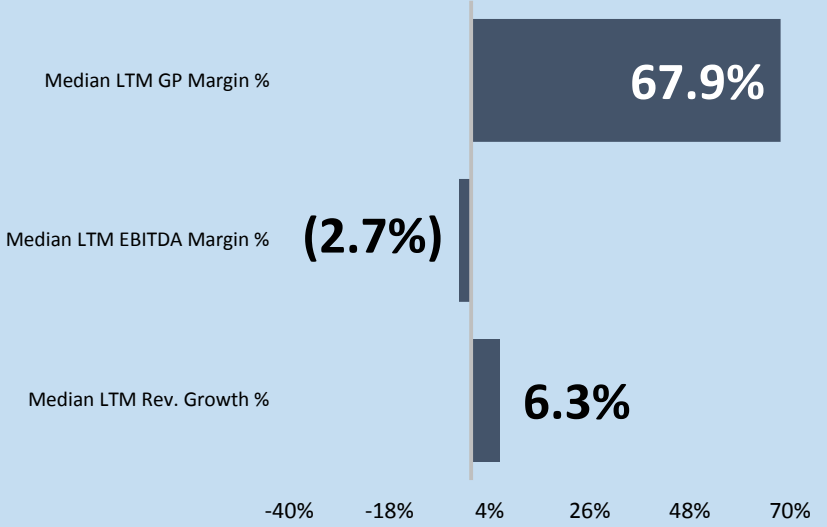
1 - year EBITDA % compared to EBITDA % average for last 3 years

Current EBITDA margin is less than the average of the last 3 years EBITDA margins, which may signal further consolidation

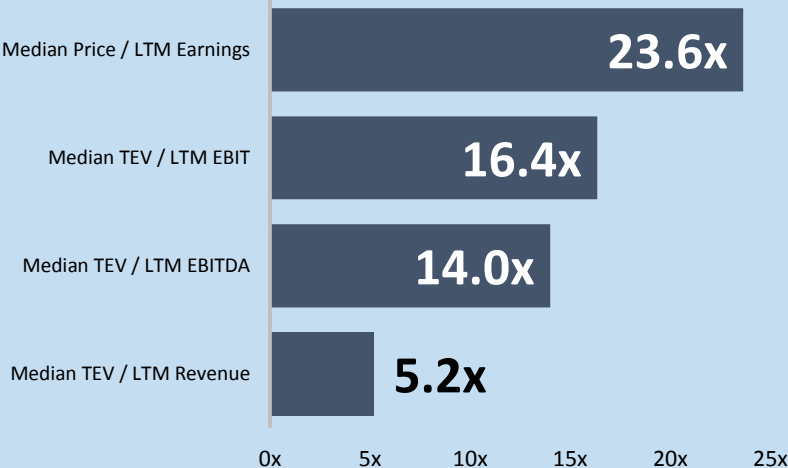
PUBLIC BASKET CONSTITUENTS

- HLSE:BAS1V DB:SAP
- NasdaqGS:COUP NYSE:ORCL
- NasdaqGS:WDAY

Operating Metrics



Valuation



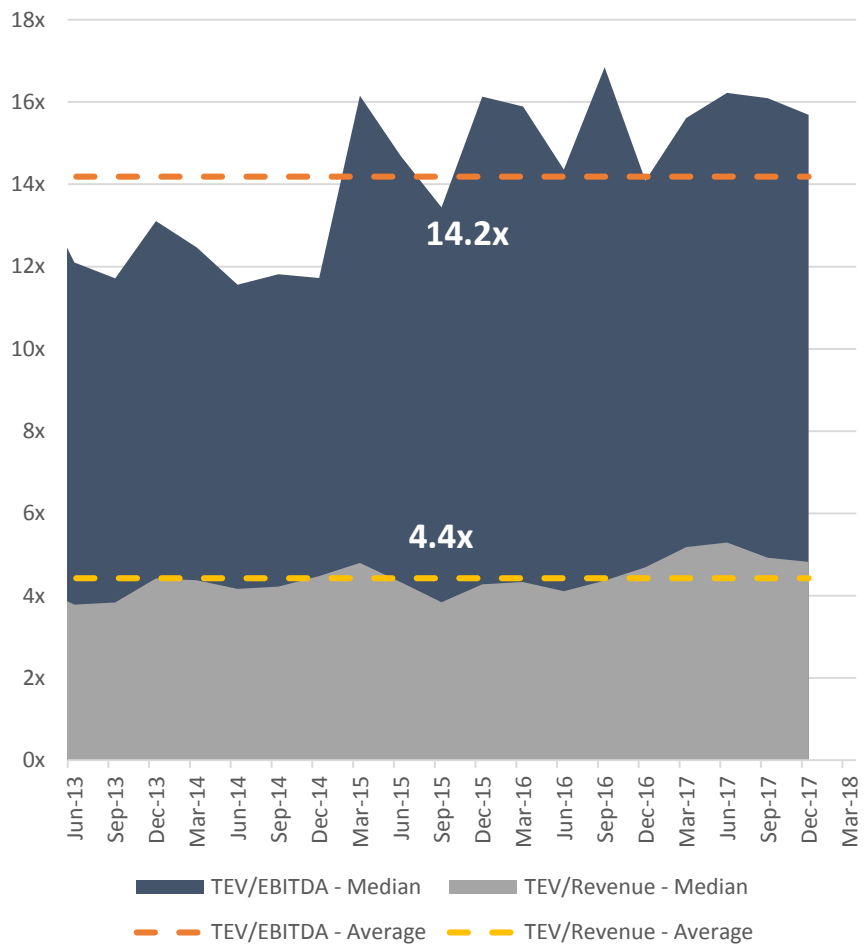
PUBLIC BASKET PERFORMANCE

Company	TEV \$m	LTM Rev \$m	Rev Growth YoY	GP %	EBITDA %	TEV / Rev X	TEV / EBITDA X	# FTEs	Rev / FTE \$k
Basware Oyj	802	179	0%	24%	-3%	4.3	0.0	1,829	98
Coupa Software Incorporated	2,383	171	40%	68%	-22%	13.9	0.0	652	262
Workday, Inc.	26,137	2,143	37%	71%	-8%	12.2	0.0	-	NA
SAP SE	125,297	28,171	6%	71%	29%	4.3	14.7	88,543	318
Oracle Corporation	201,848	38,907	4%	58%	39%	5.2	13.3	138,000	282

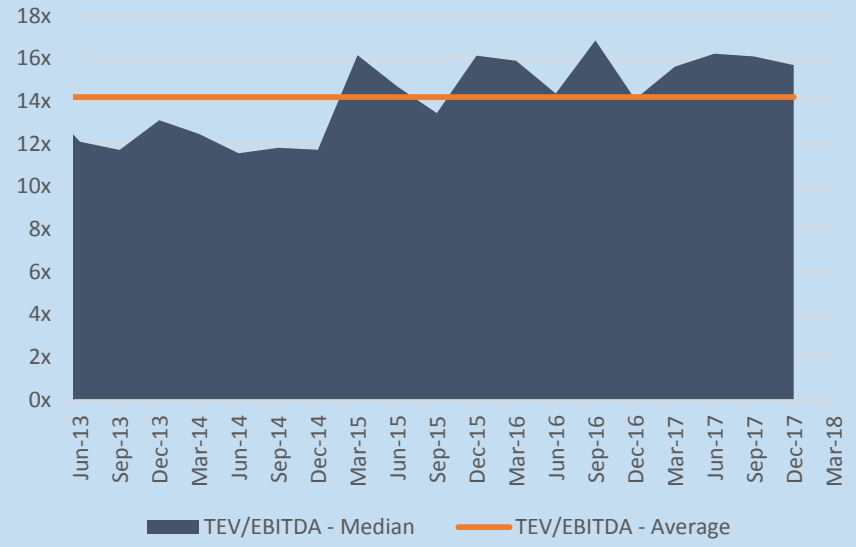
Average	71,293	13,914	18%	58%	7%	8.0	5.6	45,805	240
Median	26,137	2,143	6%	68%	-3%	5.2	0.0	1,829	272

share price as of 06Mar18

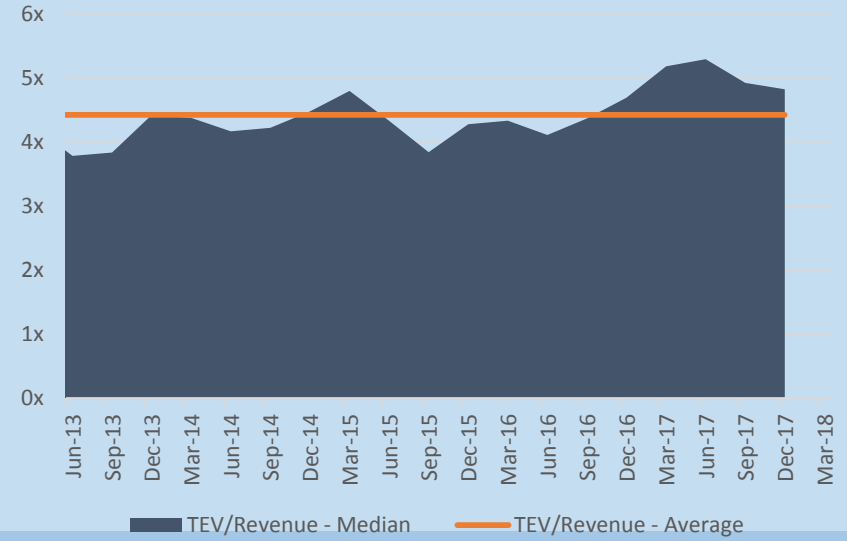
PUBLIC BASKET VALUATION TRENDS



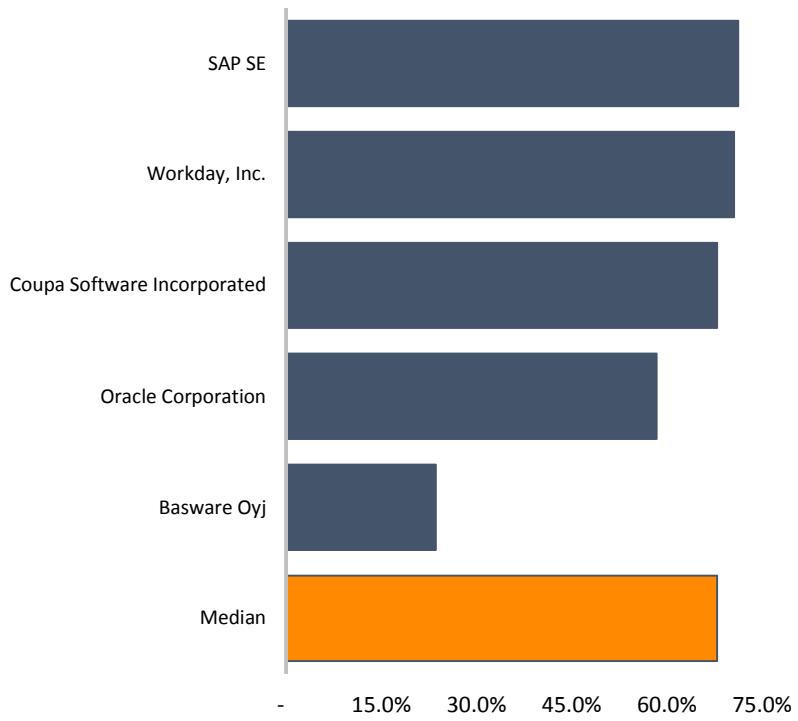
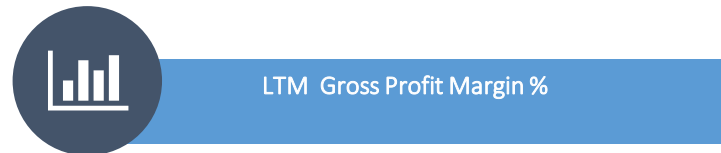
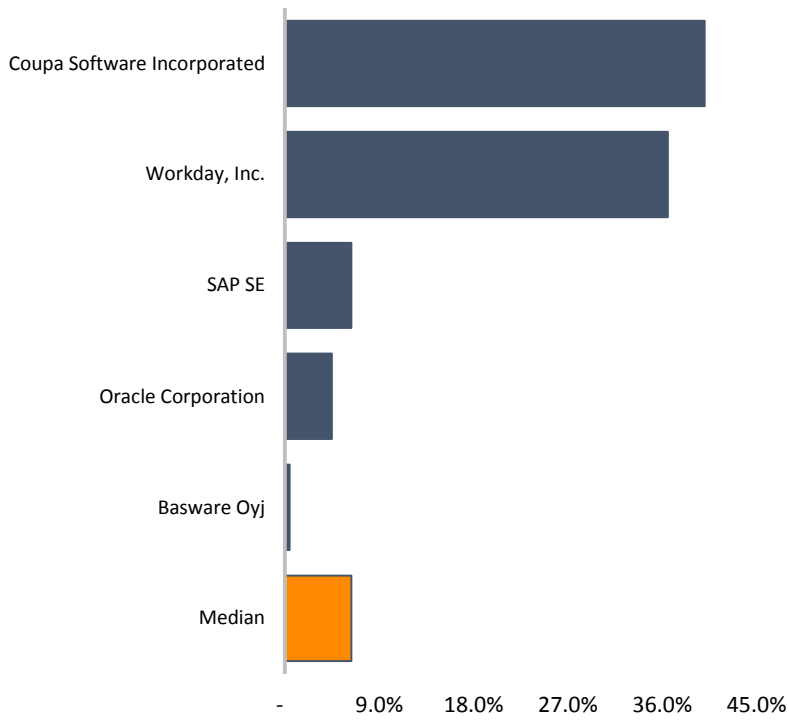
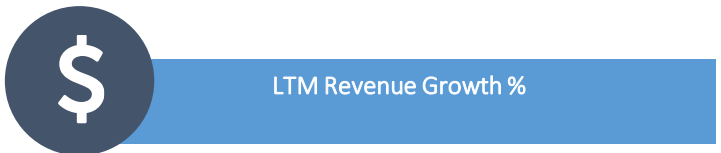
Public EBITDA Multiples Over Time




Public Revenue Multiples Over Time



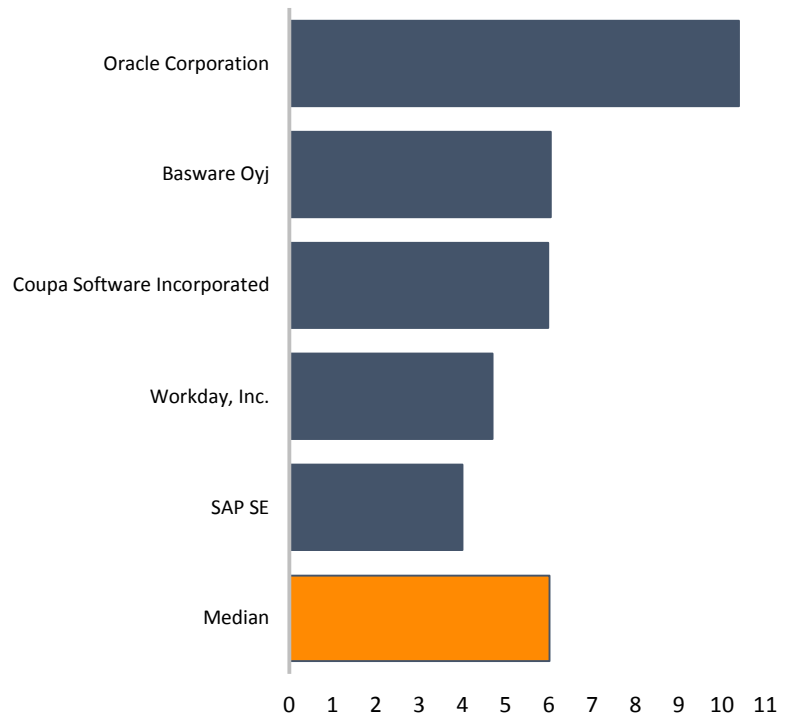

OPERATIONAL METRICS



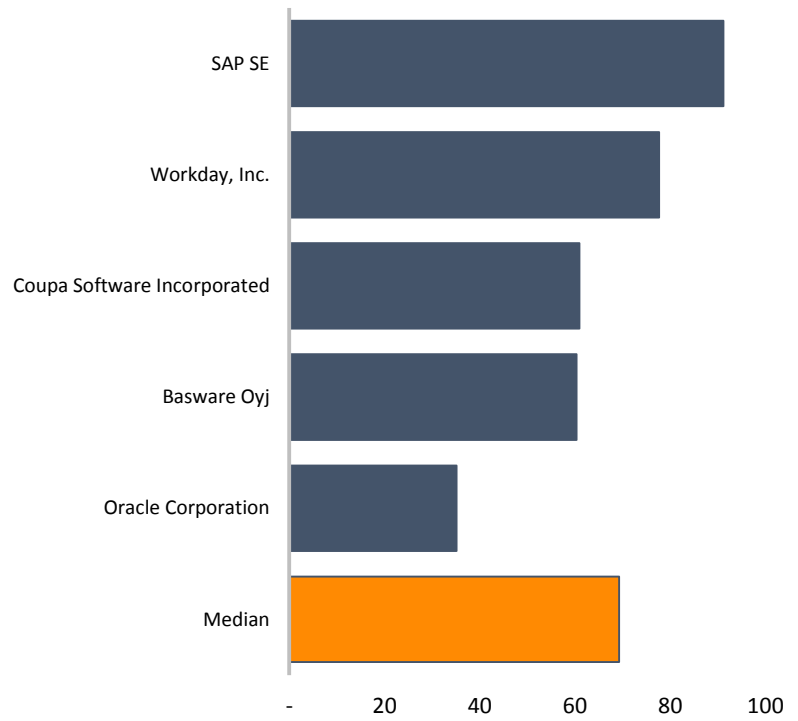
OPERATIONAL METRICS



Accounts Receivable Turnover

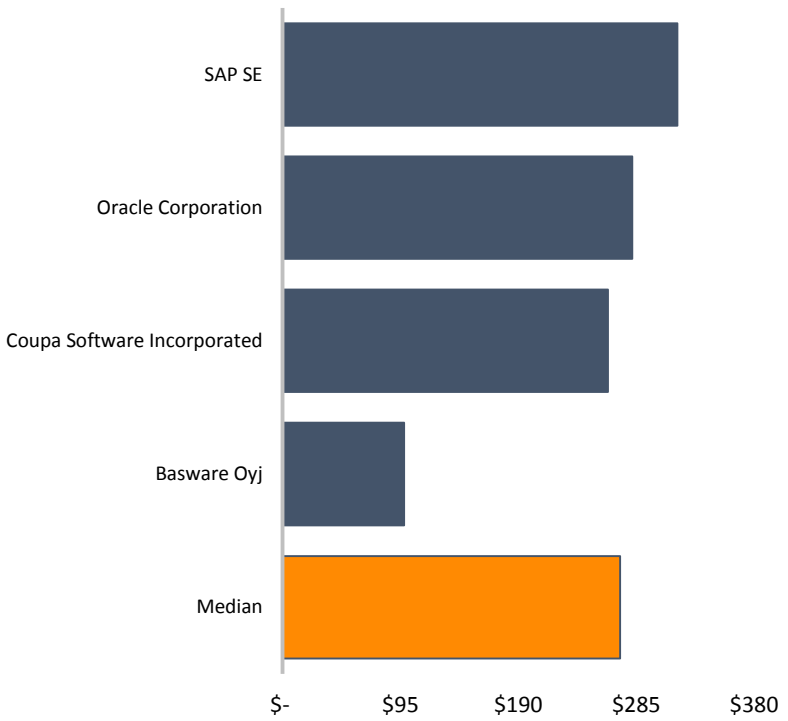
Average Days Sales Outstanding



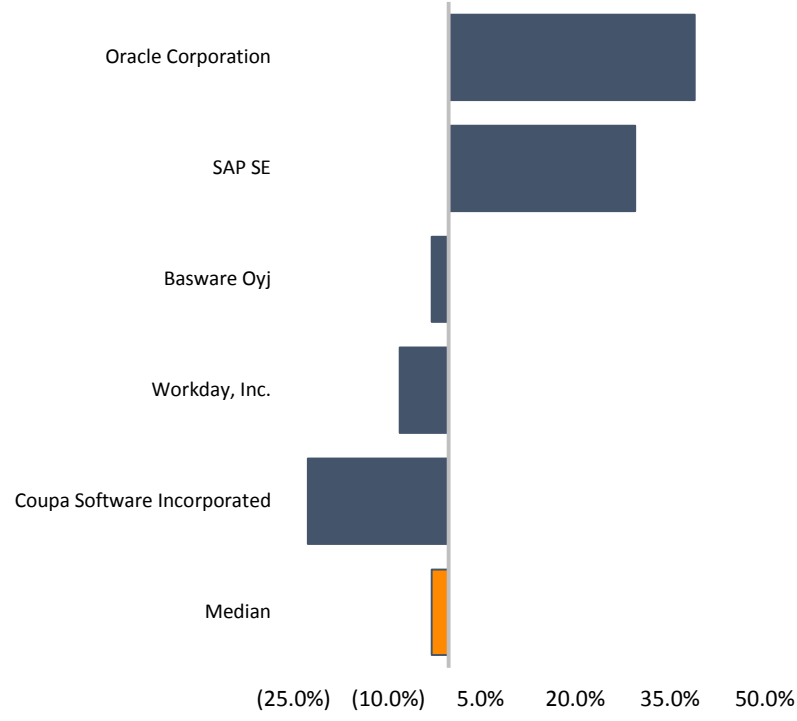
OPERATIONAL METRICS



LTM Revenue per Full Time Employee x 000's



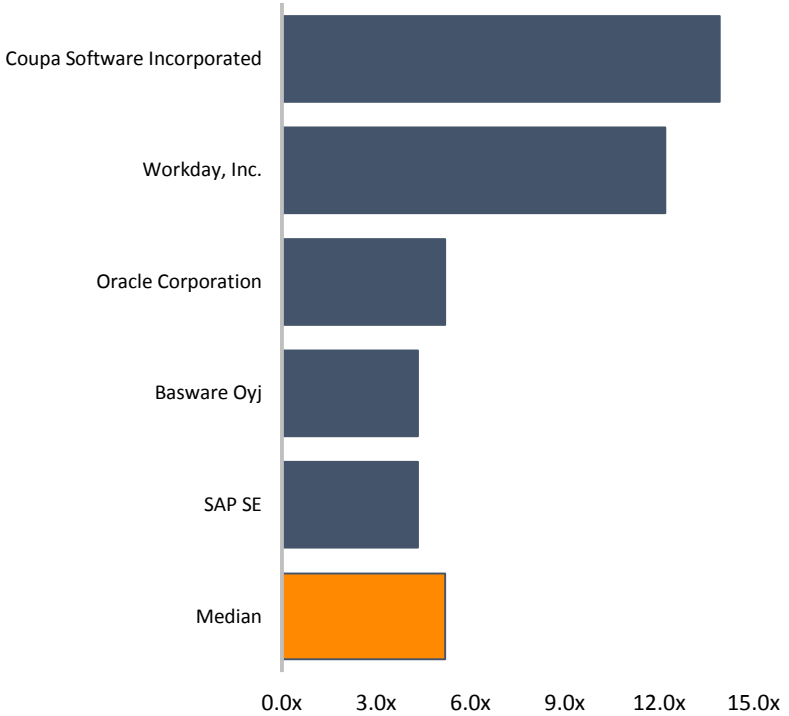
LTM EBITDA %



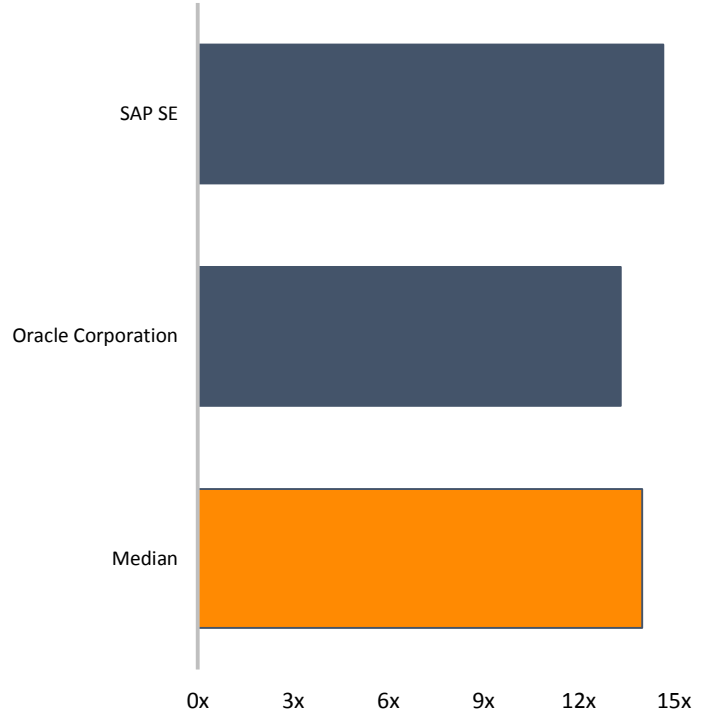
VALUATION



TEV / LTM Revenue



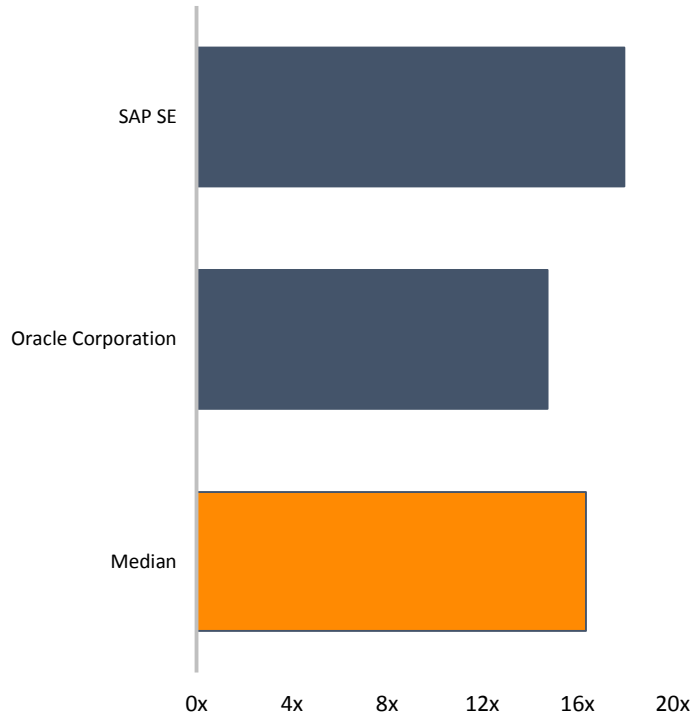
TEV / LTM EBITDA



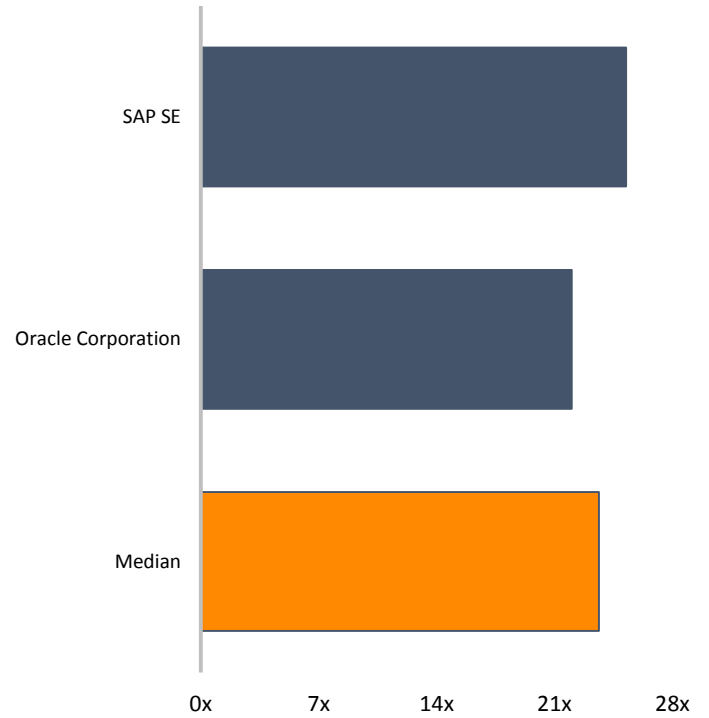
VALUATION



TEV / LTM EBIT



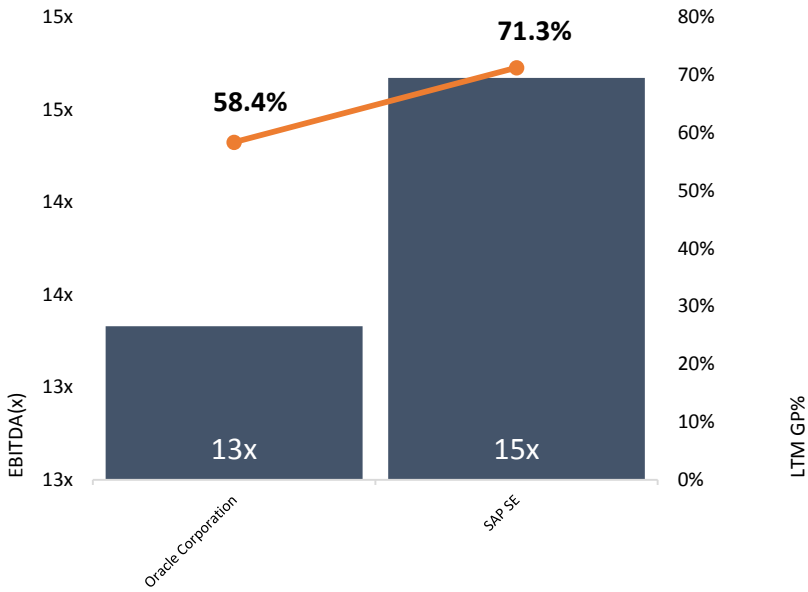
Price / LTM Earnings



VALUATION



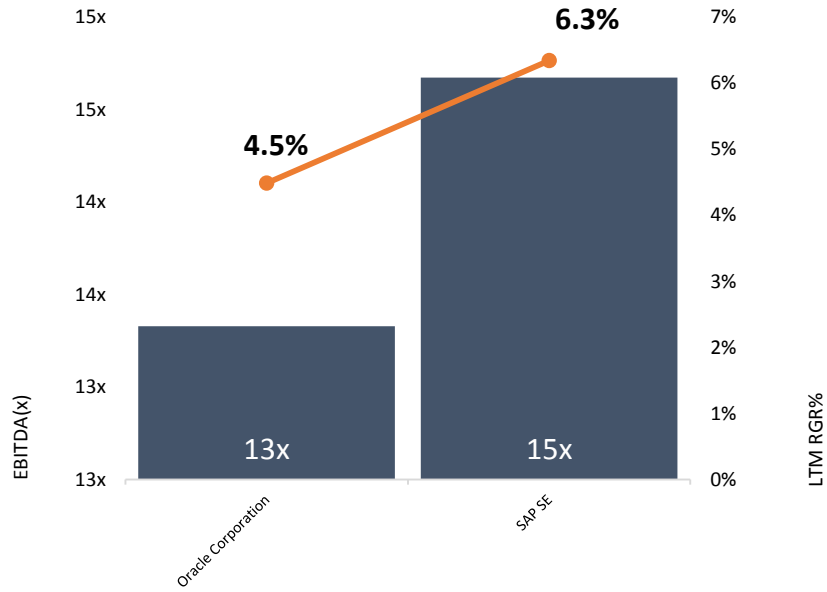
Historical Valuation Multiples versus Gross Profit



Series1 Series2



Historical Valuation Multiples versus Revenue Growth Rate



Series1 Series2

RECENT TRANSACTIONS

Date	Target	Buyer	Total Transaction Value	Target Revenue	TEV / Revenue	TEV / EBITDA
13Feb18	Apttus Corporation	Golub Capital LLC	75.00	-	-	-
2Feb18	Aljex Software Inc.	MacroPoint, LLC	32.40	-	-	-
26Jan18	Icertis Inc.	MeriTech Capital Partners; Ignition Partners; Greycroft; Cross Creek Advisors; Eight Roads Ventures India; B Capital Group; PSP Growth	50.04	-	-	-
11Dec17	SIMENO Systems AG	Coupa Software Incorporated	-	-	-	-
28Nov17	Ensenta Corporation	Jack Henry & Associates, Inc.	130.00	27.00	4.8x	-
15Nov17	Hayes, Inc.	TractManager, Inc.	-	-	-	-
31Oct17	Modestspark, LLC	SS&C Technologies Holdings, Inc.	-	-	-	-
17Oct17	Deep Relevance Inc.	Coupa Software Incorporated	-	-	-	-
6Jun17	Adsensa Limited	Exari Group, Inc.	-	-	-	-
18Apr17	PharmaMetrics, Inc.	IntegriChain Incorporated	-	-	-	-
7Apr17	Trade Extensions Tradeext AB	Coupa Software Incorporated	45.00	-	-	-
17Mar17	Icertis Inc.	e.ventures; Ignition Partners; Greycroft; Eight Roads Ventures India; B Capital Group	25.00	-	-	-
20Apr16	ActionGrid, LLC And CRMCulture, LLC And Novatus, Inc.	AppExtremes, Inc.	-	-	-	-
5Apr16	Tregin Solutions, Inc.	Duff & Phelps Corporation	-	-	-	-
31Mar16	Verian Technologies, Inc.	Basware Oyj	36.22	10.57	3.4x	-
19Feb16	Fundacity, Inc.	Gust, LLC	-	-	-	-
17Feb16	CMA Contiki AS (nka:Exari Norway AS)	Exari Group, Inc.	-	-	-	-
9Feb16	Procore Technologies, Inc.	-	30.00	-	-	-
1Feb16	Bizimply Ltd	500 Startups; DistroFund	0.25	-	-	-
28Jan16	Assurance Screening, LLC	Pantera Global Technology, Inc.	-	-	-	-
27Jan16	HighQ Solutions Limited	Morgan Stanley Private Equity; Goldman Sachs Private Capital Investing; Morgan Stanley Expansion Capital; One Peak Partners	50.00	-	-	-
20Jan16	123Compliance Corporation	Sparta Systems, Inc.	-	-	-	-
15Jan16	SmartVault Corporation	Reckon Limited	-	-	-	-
4Jan16	FormZapper, LLC	-	0.20	-	-	-
16Dec15	Archive Systems, Inc.	Access Information Management Shared Services, LLC	-	-	-	-
16Dec15	Determine, Inc.	Alliance Semiconductor Corporation (nka:Alimco Financial Corporation); Milfam LLC; Milfam II, LP	2.50	24.89	-	-
15Dec15	Digital Comply, Inc. (nka:Venminder, Inc.)	Bain Capital Ventures	4.00	-	-	-
10Dec15	Huron Consulting Group Inc., Huron Legal Practice	Consilio LLC	134.00	-	-	-
2Dec15	8.5x14 Media Inc.	Coupa Software Incorporated	-	-	-	-
11Nov15	PactSafe, Inc.	Vulpes Investment Management Private Ltd; Vulpes Testudo Fund	-	-	-	-
14Sep15	Strohl Risk Solutions, Inc.	Ncontracts LLC	-	-	-	-
9Jun15	eFileCabinet, Inc.	Allegis Cyber; Signal Peak Ventures	14.00	-	-	-

SECTORWATCH:
**Contract Management
Software and Services**

March 2018

Appendix: Public Basket
Constituents

7 Mile Advisors appreciates the opportunity to present this confidential information to the Company. This document is meant to be delivered only in conjunction with a verbal presentation, and is not authorized for distribution. Please see the Confidentiality Notice & Disclaimer at the end of the document. All data cited in this document was believed to be accurate at the time of authorship and came from publicly available sources. Neither 7 Mile Advisors nor 7M Securities make warranties of representations as to the accuracy or completeness of third-party data contained herein. This document should be treated as confidential and for the use of the intended recipient only. Please notify 7 Mile Advisors if it was distributed in error.

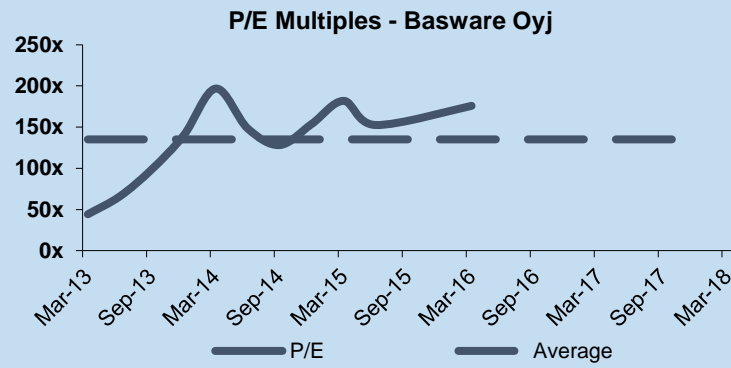
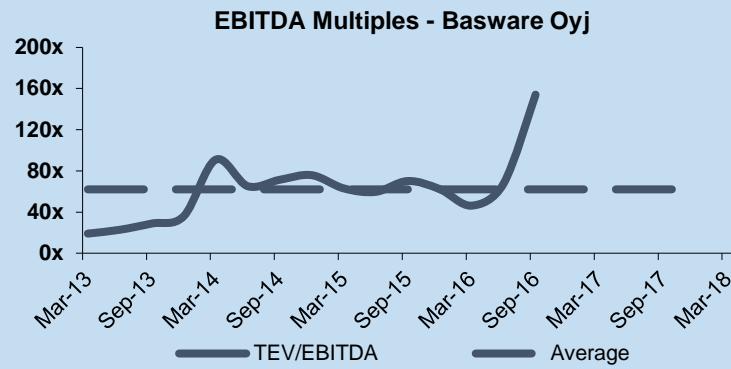
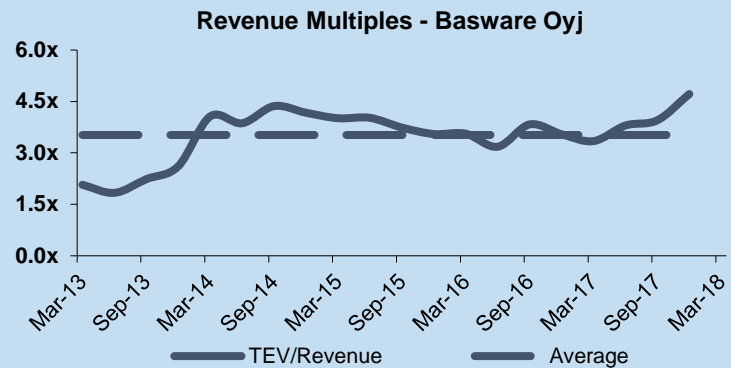


PUBLIC BASKET CONSTITUENTS

Basware Oyj

Basware Oyj provides networked purchase-to-pay solutions, and e-invoicing and financing services for organizations in Finland and internationally. The company offers accounts payable automation software; e-procurement solutions; InvoiceReady, a purchase-to-pay solution for invoice handling; strategic sourcing solutions; purchase to pay analytics solutions; business consulting solutions; and travel and expense management solutions. The company also provides sending and receiving e-invoicing, paper invoice, PDF e-invoice, and e-archiving solutions; supplier management solutions; Basware Discount, a win-win solution for buyers and suppliers; and Basware Pay, a payment solution. Basware Oyj was founded in 1985 and is headquartered in Espoo, Finland.

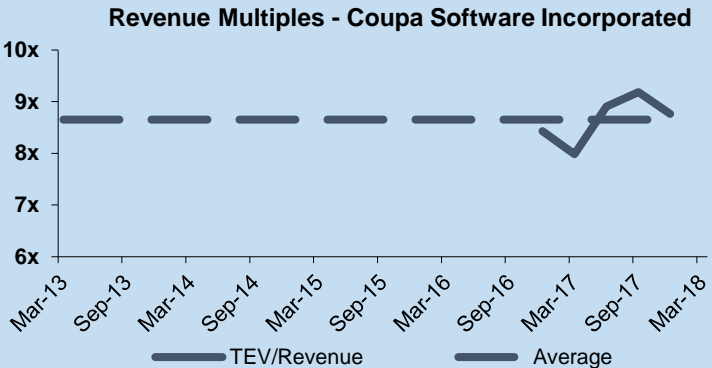
Date	Key Development Headline
2/1/18	Verdane Capital signed an agreement to acquire Financial Performance Solutions and Banking businesses from BasWare Oyj (HLSE:BAS1V) for €35 million.



PUBLIC BASKET CONSTITUENTS

Coupa Software Incorporated

Coupa Software Incorporated provides cloud-based spend management platform. The company's platform connects organization with suppliers globally; and provides visibility into and control over how companies spend money, as well as enables businesses to achieve savings that drive profitability. Its platform consists of procurement, invoicing, and expense management modules that form its transactional engine and capture a company's spend under management; and offers supporting modules, including sourcing, analytics, contract management, supplier management, inventory management, and storefront that help companies further manage their spend. The company markets its platform to a range of enterprises in various industries, such as healthcare and pharmaceuticals, retail, financial services, manufacturing, technology, and others primarily through a direct sales force worldwide. Coupa Software Incorporated has a strategic alliance with Aisino Corporation. The company was founded in 2006 and is headquartered in San Mateo, California.

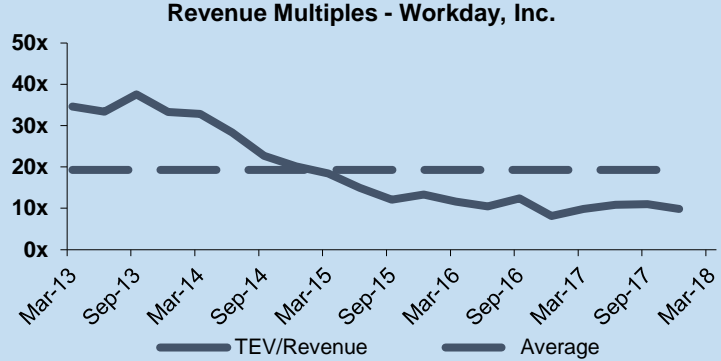


Date	Key Development Headline
1/10/18	Coupa Software Seeks Acquisitions
12/10/17	Coupa Software Incorporated (NasdaqGS:COUP) acquired Simeno Systems AG.
11/7/17	Coupa Software and Aisino Corporation Partner to Form Strategic Alliance

PUBLIC BASKET CONSTITUENTS

Workday, Inc.

Workday, Inc. provides enterprise cloud applications for finance and human resources worldwide. It provides applications for customers to manage critical business functions to optimize their financial and human capital resources. The company offers Workday Financial Management application that provides functions of general ledger, accounting, accounts payable and receivable, cash and asset management, employee expense and revenue management, projects, procurement, inventory, and grants management. It also provides Workday Human Capital Management application, which includes human resources management, such as workforce lifecycle and organization management, compensation, absence, and employee benefits administration; and global talent management comprising goal and performance management, succession planning, and career and development planning. In addition, the company offers Workday Payroll application for enterprise payroll; Workday Time Tracking application, which automates workforce management processes; Workday Recruiting, an end-to-end application to support candidates, hiring managers, the interview team, and recruiters; and Workday Learning platform. Further, it provides Workday Planning application to create, collaborate, and take action on financial and workforce plans; Workday Professional Services Automation application to supports the billable projects lifecycle; and Workday Student, an end-to-end student and faculty lifecycle information system. Workday, Inc. was founded in 2005 and is headquartered in Pleasanton, California.



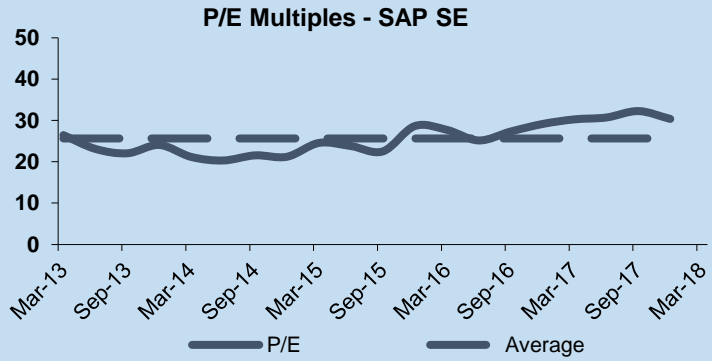
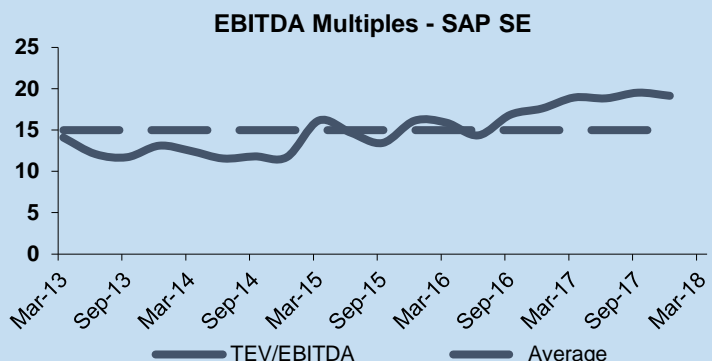
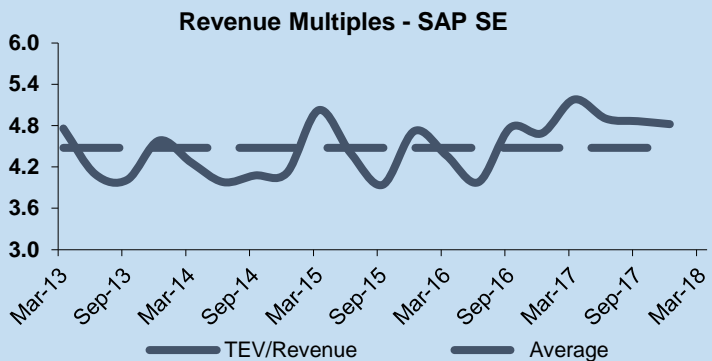
Date	Key Development Headline
1/15/18	Workday, Inc. (NasdaqGS:WDAY) acquired SkipFlag, Inc.
9/15/17	Workday Seeks Acquisitions

PUBLIC BASKET CONSTITUENTS

SAP SE

SAP SE operates as an enterprise application software, and analytics and business intelligence company worldwide. It offers SAP HANA, which enables businesses to process and analyze live data; SAP Data Hub, a solution that enables businesses to manage data from various sources; SAP Cloud Platform, which enables businesses to connect and integrate applications; SAP BW/4HANA, a data warehouse solution; SAP Leonardo, a system that enables customers to make business sense and opportunity of disruptive technologies; and SAP Analytics Cloud, which leverages the intersection of business intelligence, planning, and predictive analytics. The company also provides SAP S/4HANA, an enterprise resource planning (ERP) suite for the intelligent enterprise; SAP Integrated Business Planning solutions that deliver real-time supply chain planning capabilities; SAP Business ByDesign, a cloud-based ERP solution; SAP Business One, an on-premise and cloud business application. SAP SE was founded in 1972 and is headquartered in Walldorf, Germany.

Date	Key Development Headline
2/12/18	SAP Seeks Acquisition
2/1/18	Virtual Power Systems Joins SAP and Schneider Electric to Prove Software-Defined Power Optimizes Energy Utilization in Data Centers and Clouds
11/14/17	EY Collaborates with SAP to Continue Advancement of Blockchain Deployment Across Industries Worldwide
10/9/17	VMware, Inc. Teams Up with SAP to Accelerate and Streamline Enterprise IoT Initiatives
8/29/17	BASF and SAP SE Bring Multiple Business Partners Together in Global Network for Technical Assets

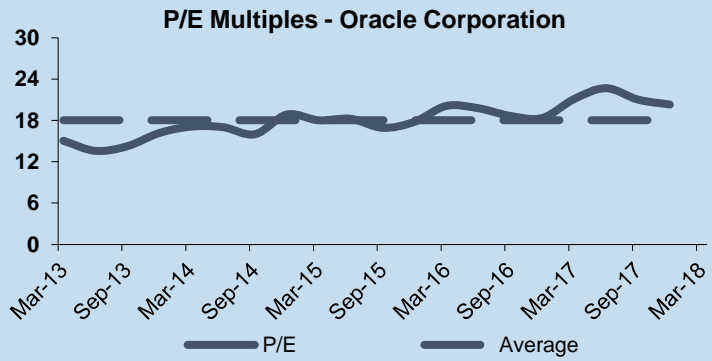
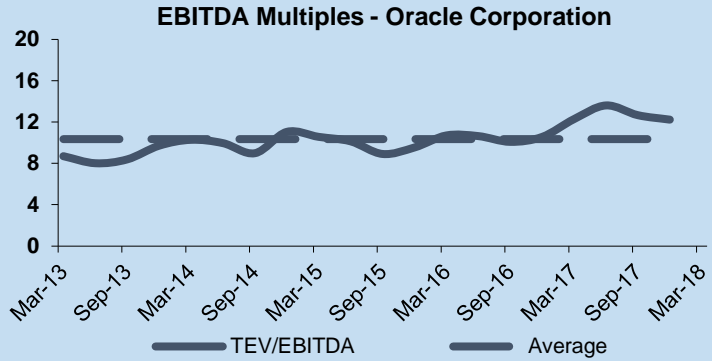
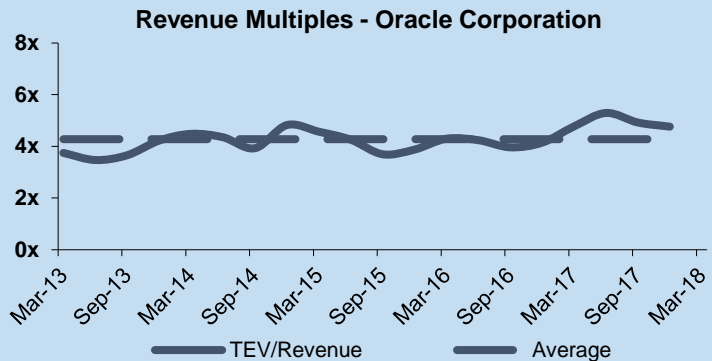


PUBLIC BASKET CONSTITUENTS

Oracle Corporation

Oracle Corporation develops, manufactures, markets, sells, hosts, and supports application, platform, and infrastructure technologies for information technology (IT) environments worldwide. It provides services in three primary layers of the cloud: Software as a Service, Platform as a Service, and Infrastructure as a Service. The company licenses its Oracle Database software, which enables storage, retrieval, and manipulation of data; and Oracle Fusion Middleware software to build, deploy, secure, access, and integrate business applications, as well as automate their business processes. In addition, the company offers human capital and talent management, enterprise resource planning, customer experience and customer relationship management, procurement, project portfolio management, supply chain management, business analytics and enterprise performance management, and industry-specific application software, as well as financial management and governance, risk, and compliance applications. The company was founded in 1977 and is headquartered in Redwood City, California.

Date	Key Development Headline
2/14/18	Oracle Corporation (NYSE:ORCL) entered into an agreement to acquire Zenedge LLC.
11/7/17	Oracle Corp. Mulls Acquisitions
6/26/17	Unieuro S.p.A. (BIT:UNIR) acquired Oracle Retail Demand Forecasting and Oracle Retail Allocation & Replenishment from Oracle Corporation (NYSE:ORCL).
5/30/17	interRel Consulting Partners, LLP acquired Oracle Analytics Cloud from Oracle Corporation (NYSE:ORCL).
5/24/17	Oracle Corporation (NYSE:ORCL) completed the acquisition of Moat, Inc. from First Round Capital, Insight Venture Partners LLC, Lerer Hippeau Ventures, Mayfield Fund, MHS Capital and others.



CONTACT INFORMATION

7MA provides Investment Banking & Advisory Services to the Business Services and Technology Industries globally. We advise on M&A and private capital transactions, and provide market assessments and benchmarking. As a close-knit team with a long history together and a laser focus on our target markets, we help our clients sell their companies, raise capital, grow through acquisitions, and evaluate new markets. Securities offered through 7M Securities LLC.

Leroy Davis, Partner	704.899.5962	leroy@7mileadvisors.com
Tripp Davis, Partner	704.899.5762	tripp@7mileadvisors.com
Andy Johnston, Partner	704.899.5961	andy@7mileadvisors.com
Tom Dinnegan, Managing Director	310. 426.2410	tom@7mileadvisors.com
Ben Lunka, Managing Director	704.496.2995	ben@7mileadvisors.com
Jeff Stoecklein, Managing Director	312-373-3737	jeff@7mileadvisors.com
Kristina Sergueeva, Director	704.899.5149	kristina@7mileadvisors.com
Neil Churman, Director	704.899.5960 x 121	neil@7mileadvisors.com
John Cooper, Director	704.973.3996	john@7mileadvisors.com
Tim Frye, Director	704.973.3994	tim@7mileadvisors.com
Casey Augustine, Business Development - Manager	704.973.3999	casey@7mileadvisors.com
Nicholas Prendergast, Financial Analyst	704.899.5960	nicholas@7mileadvisors.com
Ariail Siggins, Marketing Director	704.899.5960 x 123	ariail@7mileadvisors.com
Rory Julyan, Associate	704.899.5960	rory@7mileadvisors.com
Chevonese Dacres, Analyst	360.499.1502	chevonese@7mileadvisors.com

Charlotte | Los Angeles | Tampa | Houston | Chicago

