PERFORMANCE UPDATE

PUBLIC SAAS COMPANIES

CY Q2 2023

SCALEVIEW

THE INVESTMENT BANK FOR TECH FOUNDERS, BY TECH FOUNDERS

Executive Summary

Given the continued volatility in the equity markets, we at ScaleView want to provide an update on the important metrics of leading software companies following their second quarter earnings update. Where are the software markets trading?

The CY Q2 2023 market performance shows that SaaS companies that are able to scale and generate high margins are being rewarded and favored by investors over companies achieving high growth. This is due to increasing cloud adoption, promise of artificial intelligence and durability of the SaaS business model.

Even after high volatility of the markets amid rising interests and earning revisions, the public software companies are starting to recover over their historical market performance.

Highlights from this quarter:

- From June 2021 to June 2023, the market has favored profitability over growth in software businesses. **An index of high *margin* software businesses increased by 6.2% while an index of high *growth* software businesses decreased by 21.8%** over the same period.
- The median **YoY quarterly revenue growth rate** stood at **23% YoY**, with the top decile growing at >45%. The fastest growing companies were SentinelOne (70%), Snowflake (48%), and Zscaler (46%).
- SVP Index companies trade at a median **2023E EV/Revenue of 7.3x** and **2023E EV/EBITDA of 26.5x.** The broader software market is trading at 4.6x 2023E EV/Revenue and 19.6x 2023E EV/EBITDA.
- Other key operating metrics:
    - Median net revenue retention is 112% and 36% of the companies reported an NRR of >120%.
    - Median GM-Adjusted CAC payback was 39 months.
    - Median Rule of 40 was 20% with top quartile at 39%.
    - Median EBITDA margin was 2% and median FCF margin was 20%.

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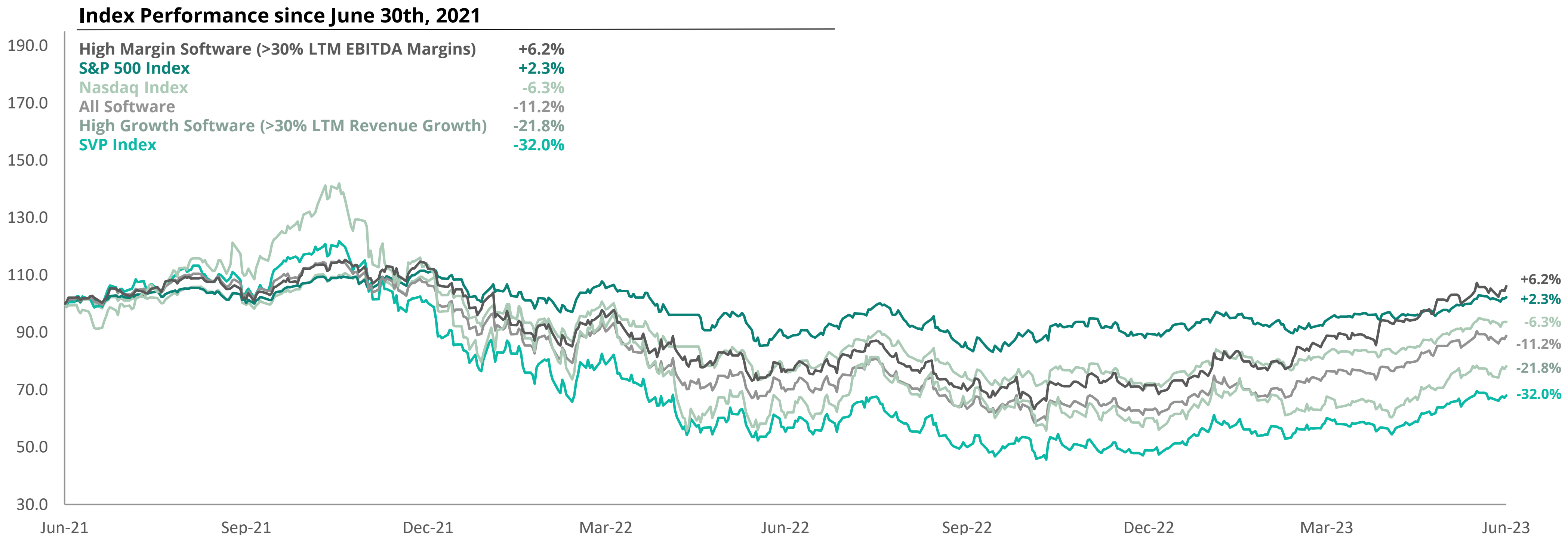
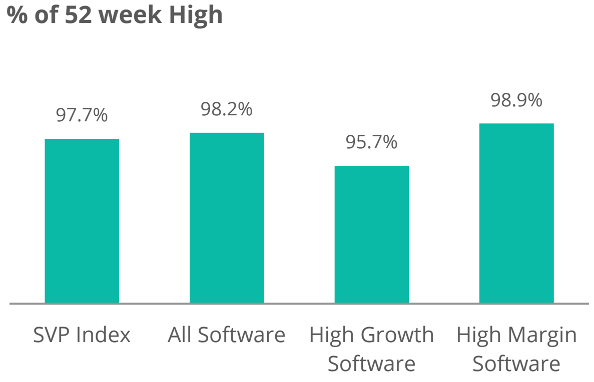
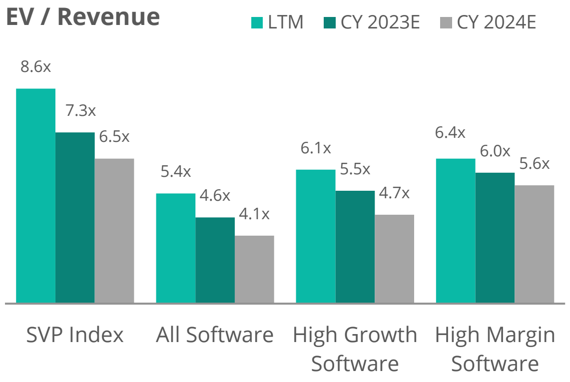
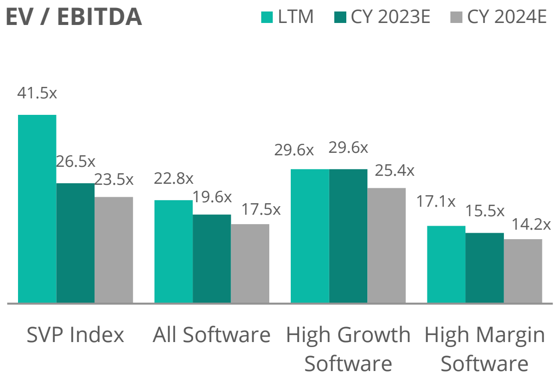
Public Market Performance Over Last 24 Months









Source: FactSet, PitchBook.
Note: Market data and financials as of Jun 30, 2023. EV multiples represent the median value from the bucket of constituent companies.

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Top Performers of Q2 2023

Company	Current Quarter Revenue Beat	Revenue Growth (Q2'23 vs Q2'22)	Revenue Change (Q2'24 vs Q2'23)	Gross Profit Margin	EBITDA Margin	FCF Margin	Rule of 40	GM Adjusted CAC Payback	Net Revenue Retention	Sales & Marketing Burden	Burn Rate	Burn Multiple
SentinelOne	(2%)	70%	32%	68%	(79%)	(24%)	(8%)	nm	>125%	74%	3	4.9x
Snowflake	2%	48%	31%	65%	(38%)	49%	10%	40	151%	53%	6	0.5x
Zscaler	2%	46%	27%	77%	(5%)	20%	41%	30	>125%	56%	5	(0.3x)
Gitlab	8%	45%	24%	89%	(39%)	(9%)	7%	46	128%	68%	5	1.8x
Monday.com	4%	42%	27%	89%	(6%)	25%	36%	27	>110%	61%	6	(0.1x)
CrowdStrike	2%	42%	29%	75%	2%	33%	44%	22	>120%	41%	5	(0.9x)
Confluent	4%	36%	26%	69%	(60%)	(18%)	(24%)	35	>130%	68%	7	1.0x
Paylocity	2%	35%	17%	68%	21%	21%	56%	nm	na	25%	2	nm
Procore	5%	33%	23%	80%	(17%)	(9%)	16%	29	na	55%	2	0.3x
Cloudflare	1%	32%	30%	76%	(3%)	10%	29%	30	115%	48%	5	(0.3x)

Top Decile   Top Quartile

Source: FactSet, Company filings.
Note: The criterion for the top performers was their QoQ revenue growth rate; Refer Appendix for the complete list of public SaaS company universe.

ScaleView Partners Public SaaS Companies Universe

SentinelOne, snowflake, DATADOG, GitLab, okta, twilio, zscaler

CROWDSTRIKE, zoominfo, CLOUDFLARE, ncino, paylocity, smartsheet

freshworks, monday.com, HubSpot, PROCORE, DigitalOcean, servicenow

Five9, RingCentral, UiPath, paycom, Workiva, tenable

Qualys, DocuSign, salesforce, workday, shopify, BLACKLINE, box

asana, Veeva, zoom, Dropbox, Adobe, BLOCK, CONFLUENT

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Q2 2023: Revenue Performance vs. Estimate

Current Quarter Revenue Beat

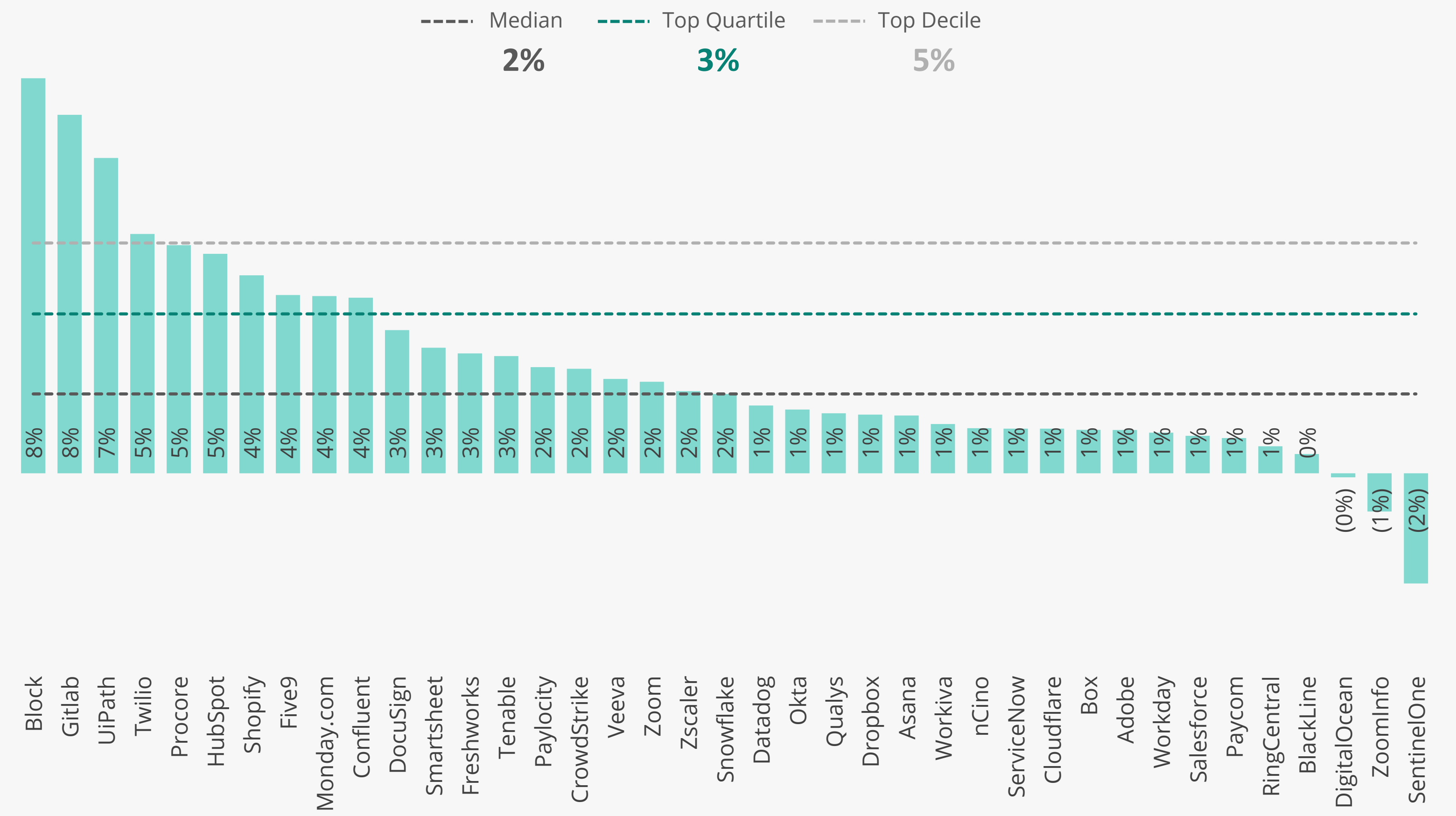
Companies give revenue guidance for the future, indicating the investors their best guess at how their performance will be in the next quarter or year. Company guidance can often be an incredibly useful metric for analysts to use as a north star, anchoring their expectations for how the company will do around a number the company projects.

Mostly publicly traded companies are covered by multiple equity research analysts. They follow the company's underlying business by studying the fundamentals, combining guidance from the company to build their own forecasted models and prepare estimates on how the company will perform in the future. The consensus estimates are the average of all the individual analysts' projections.

FORMULA

(Current Quarter Revenue – Current Quarter Estimated Revenue) / Current Quarter Estimated Revenue

36 out of 39 companies beat the revenue estimates



Source: FactSet, Company filings.

Quarterly YoY Revenue Growth (2Q 2023 vs. 2Q 2022)

Quarterly YoY Revenue Growth

The company's quarterly Year over Year (YoY) growth is the revenue growth of the current quarter as compared to the same quarter in the previous year.

For example, a company generated $1.2 billion and $1 billion in revenue for the first quarter of 2022 and 2021, respectively. Therefore, the company saw a quarterly revenue growth of ~22%.

SaaS businesses are generally classified under three buckets of growth:

a) **Lower Growth SaaS (0-20% growth):** usually valued in the range of 1 to 5 times last twelve months (LTM) revenue.

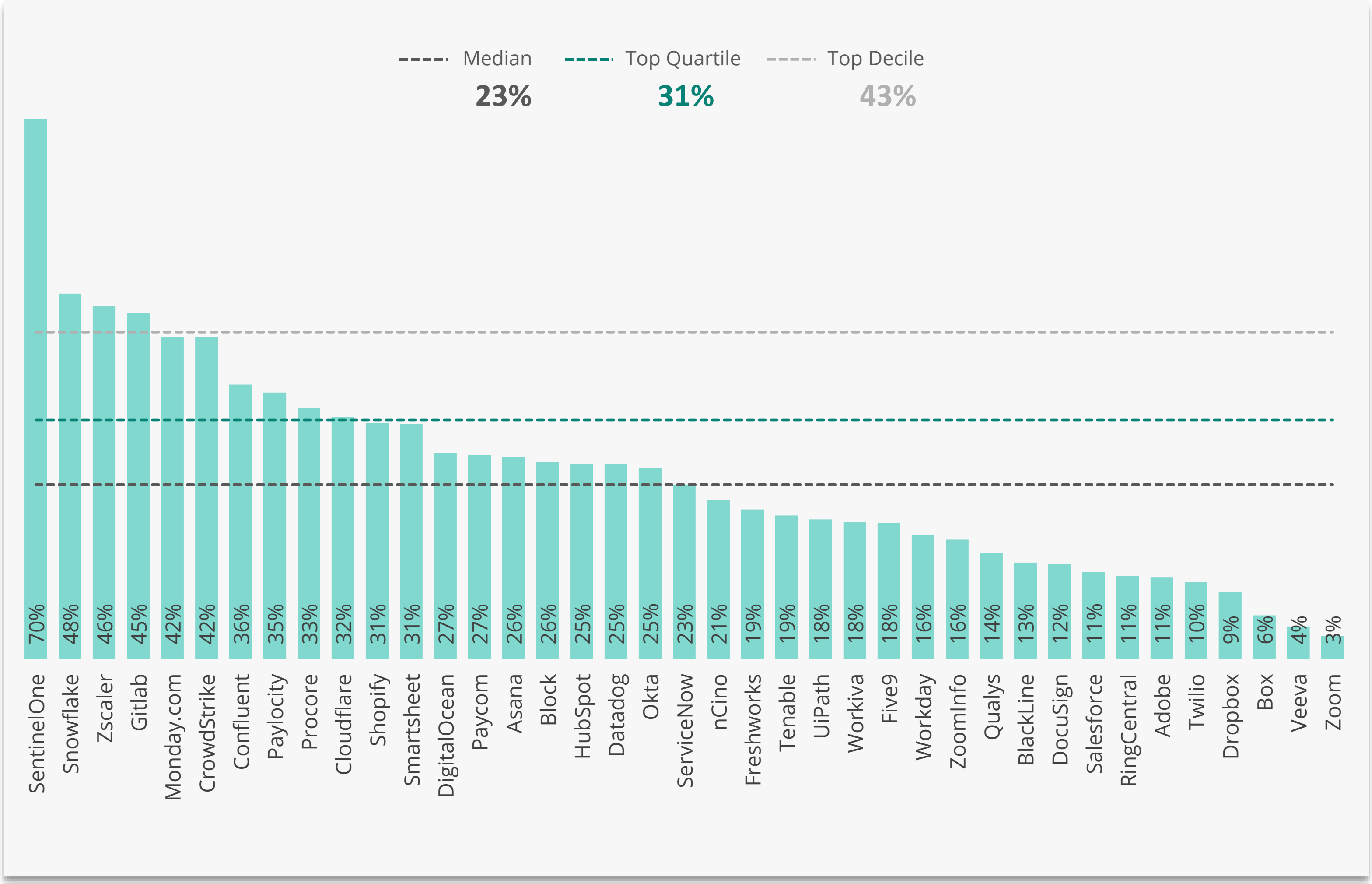
b) **Strong Growth SaaS (20-55% growth)**: usually valued in the range of 3 to 10 times LTM revenue.

c) **Best-in-Class, Rapid Growth SaaS (55%+ growth)**: usually valued in the range of 5 and 15+ times LTM revenue.

FORMULA

(Current Quarter Revenue – Previous Quarter Revenue) / Previous Quarter Revenue

21 companies exceeded 20% growth rate; SentinelOne was the top performer, reaching 70% mark



Source: FactSet, Company filings.

Quarterly YoY Estimated Revenue Change (2Q 2024 vs. 2Q 2023)

Quarterly YoY Estimated Revenue Change

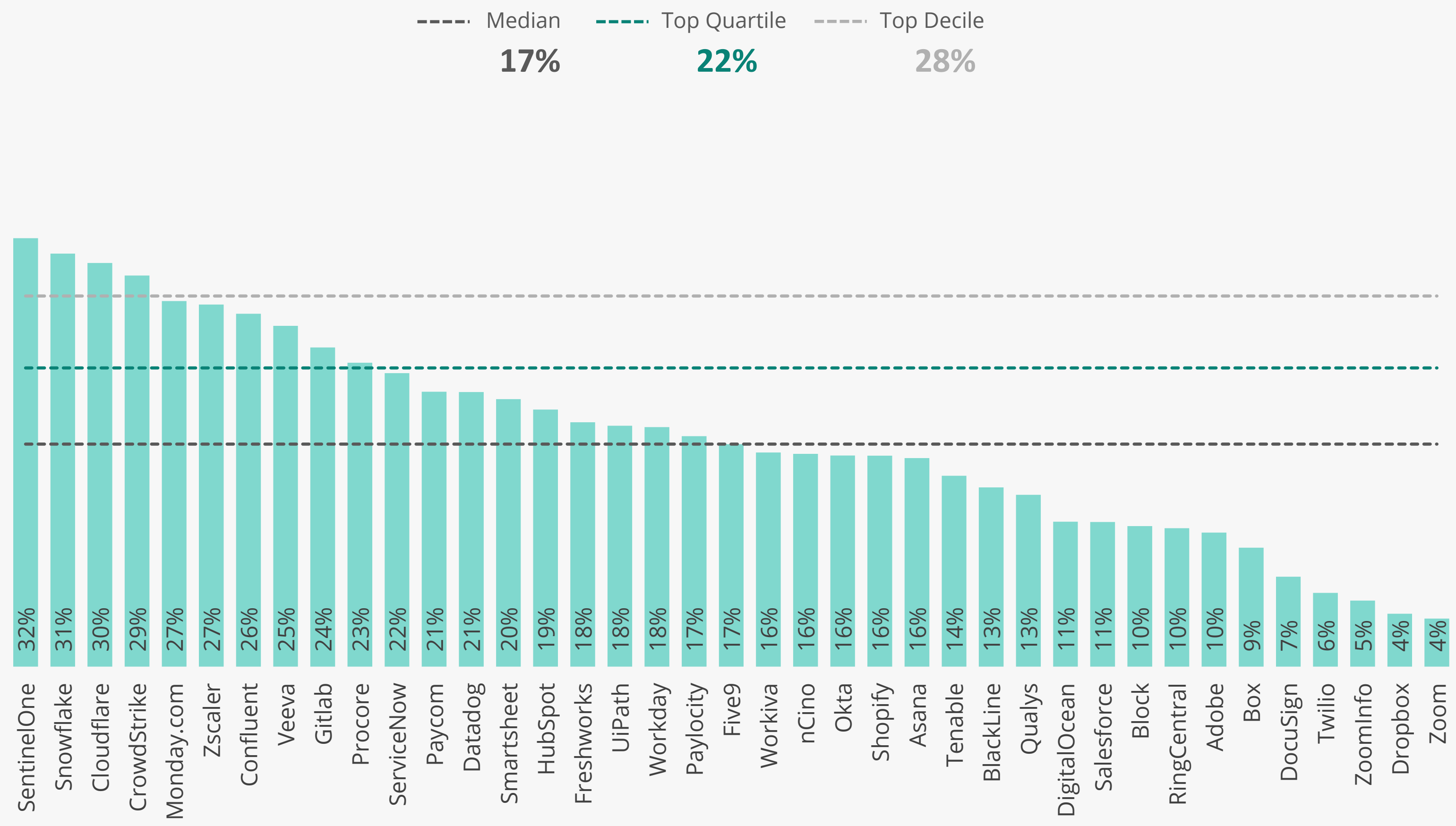
Quarterly Year over Year (YoY) estimated revenue change compares the consensus revenue estimate for a quarter of the next year with the actual quarterly performance of the company for the same quarter of current year.

For example, a company generating $50 million in Q2 2022 and is estimated to generate a revenue of $70 million in Q2 2023 will lead to revenue growth rate of 40%.

FORMULA

(Next Quarter Estimated Revenue – Current Quarter Revenue) / Current Quarter Revenue

The quarterly revenue of 30 companies is expected to grow over 10% in the second quarter of 2024



Source: FactSet, Company filings.

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Net Revenue Retention (NRR)

Net Revenue Retention

Net Revenue Retention (NRR) is an important SaaS metric that calculates the percentage of revenue retained from existing customers over a specific period, including upgrades, downgrades, cross-sells, and cancellations.

Where:

a) **Annual Recurring Revenue (ARR):** The amount of recurring revenue the company predicts to earn every year

b) **Expansion MRR**: Used to calculate the amount of additional revenue from upsells, cross-sells, and add-ons from current customers within a year

c) **Downgrade MRR**: The opposite of Expansion MRR; it is used to calculate the decrease of revenue caused by existing customers within a year

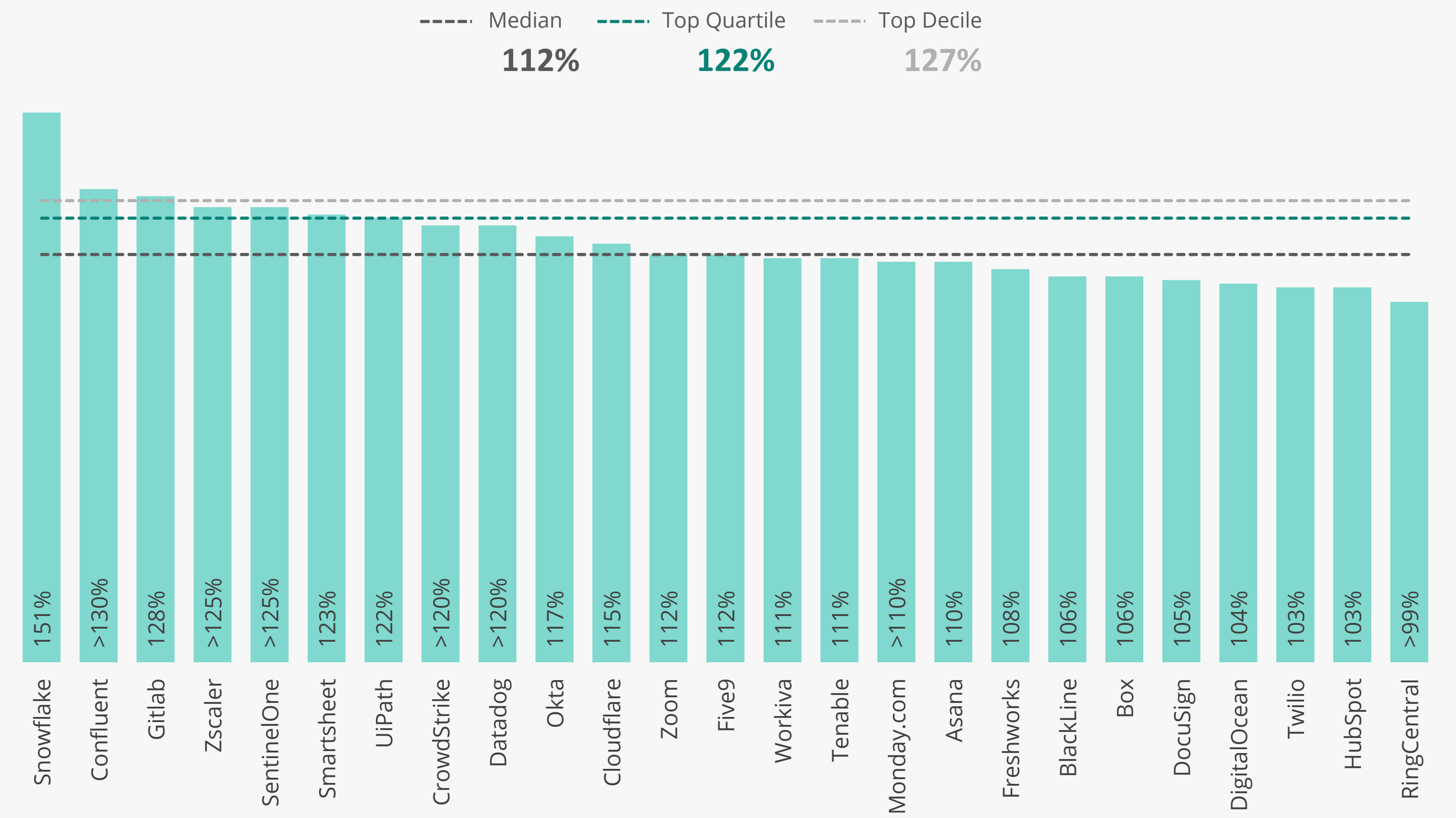
d) **Churn MRR**: Measures the revenue which is lost due to customer cancellations in a year

A high net revenue retention implies that the customers are expanding the usage of the company's product (adding more seats / users / volume - upsells) or buying other products that is offered (cross-sells), at a higher rate than they are reducing spend (churn).

FORMULA

(Starting ARR – Contraction ARR – Churn ARR + Expansion ARR) / Starting ARR x 100

16 companies reported a NRR of 110% or more; Snowflake reported a rate of 151%



Source: FactSet, Company filings.
Note: Companies with undisclosed NRR have been excluded.

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Gross Margin Adjusted CAC Payback

Gross Margin Adjusted CAC Payback

CAC payback tells a company how long (in months) it will take to earn back the money spent on a new customer. A high figure is a signal of spending too much on customer acquisition, a low number the opposite.

ARR or annualized recurring revenue is the sum of all contract line items that can be considered recurring revenue. In a SaaS business, recurring revenue corresponds to subscription fees. A simpler way to calculate net new ARR is by taking the current quarter's ARR and subtracting the ending ARR from one quarter prior.

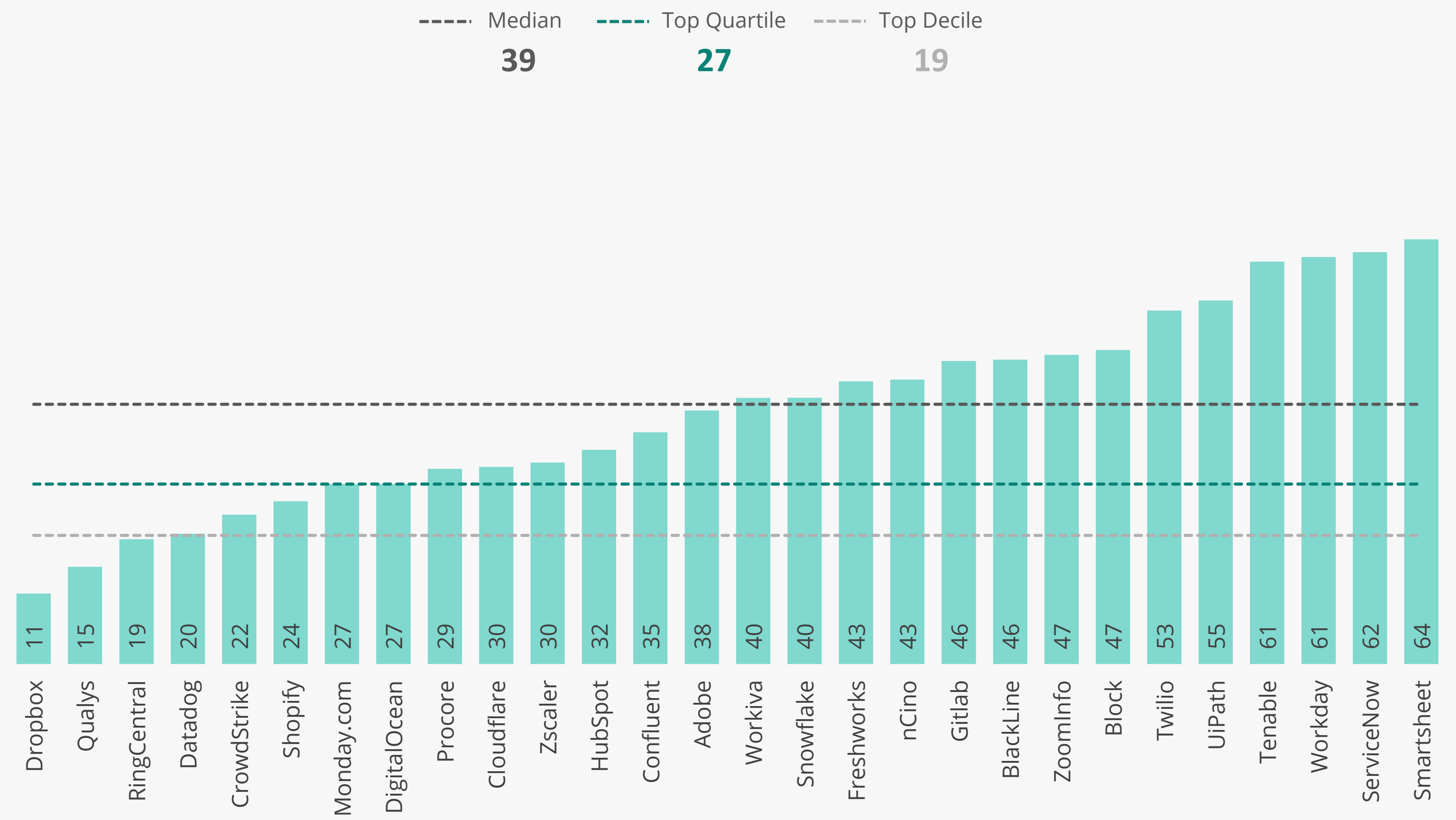
Most public companies don't generally disclose ARR, then an implied ARR metric can be used : **(Net Current Quarter Subscription Rev x 4) - (Previous Quarter Subscription Rev x 4).**

The shorter the payback period is, the more profitable the company will be. A high figure is a signal of spending too much on customer acquisition and vice versa.

FORMULA

(Previous Quarter Selling & Marketing Expense x 12) / (Net new ARR for the Quarter x Quarterly Gross Margin)

11 companies registered a payback period of 30 months or less



Source: FactSet, Company filings.
Note: The payback period is in months; Companies with payback period >100 or negative incremental ARR are excluded.

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Gross Profit Margin

Gross Profit Margin

Gross margin measures the portion of revenue left after the costs of generating that revenue have been deducted.

It is a good yardstick for measuring how efficiently companies make money from products and services, because it measures gross profit as a percentage of sales revenue. It can therefore be used to compare companies with different sales revenues.

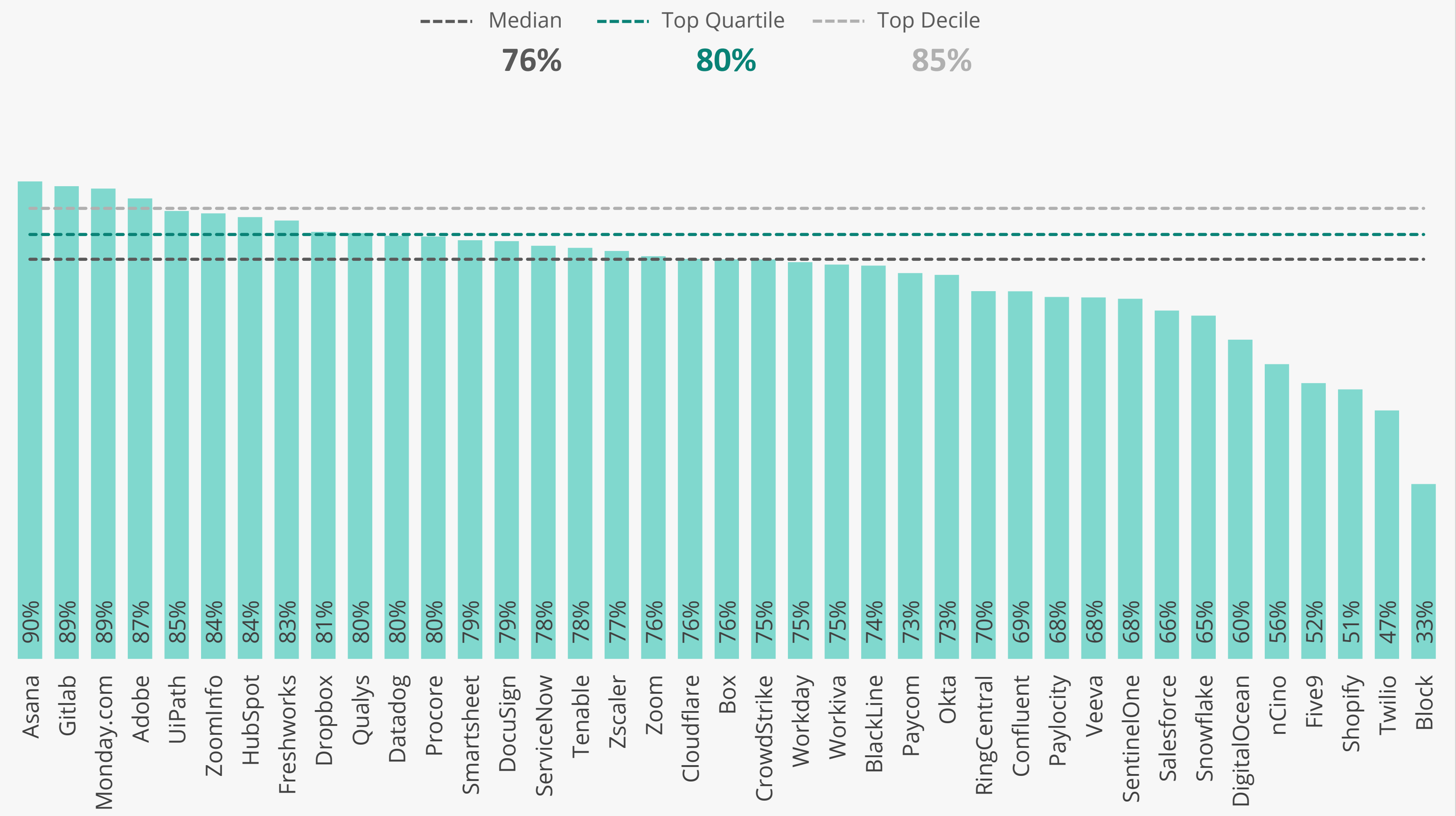
Subscription businesses are known for higher gross margins relative to other types of businesses. As businesses begin to grow, investors will gauge current gross margins and what gross margins might be achievable in the future.

A high gross margin means that the company is efficient in generating profit for every dollar of cost involved.

FORMULA

(Current Quarter Revenue – Cost of Goods Sold for the Quarter) / Current Quarter Revenue

34 companies reported a gross margin of 60% or more



Source: FactSet, Company filings.

EBITDA Margin

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EBITDA Margin

The EBITDA margin is a measure of a company's operating profit as a percentage of its revenue. It is a performance metric that measures a company's profitability attributable to core operations.

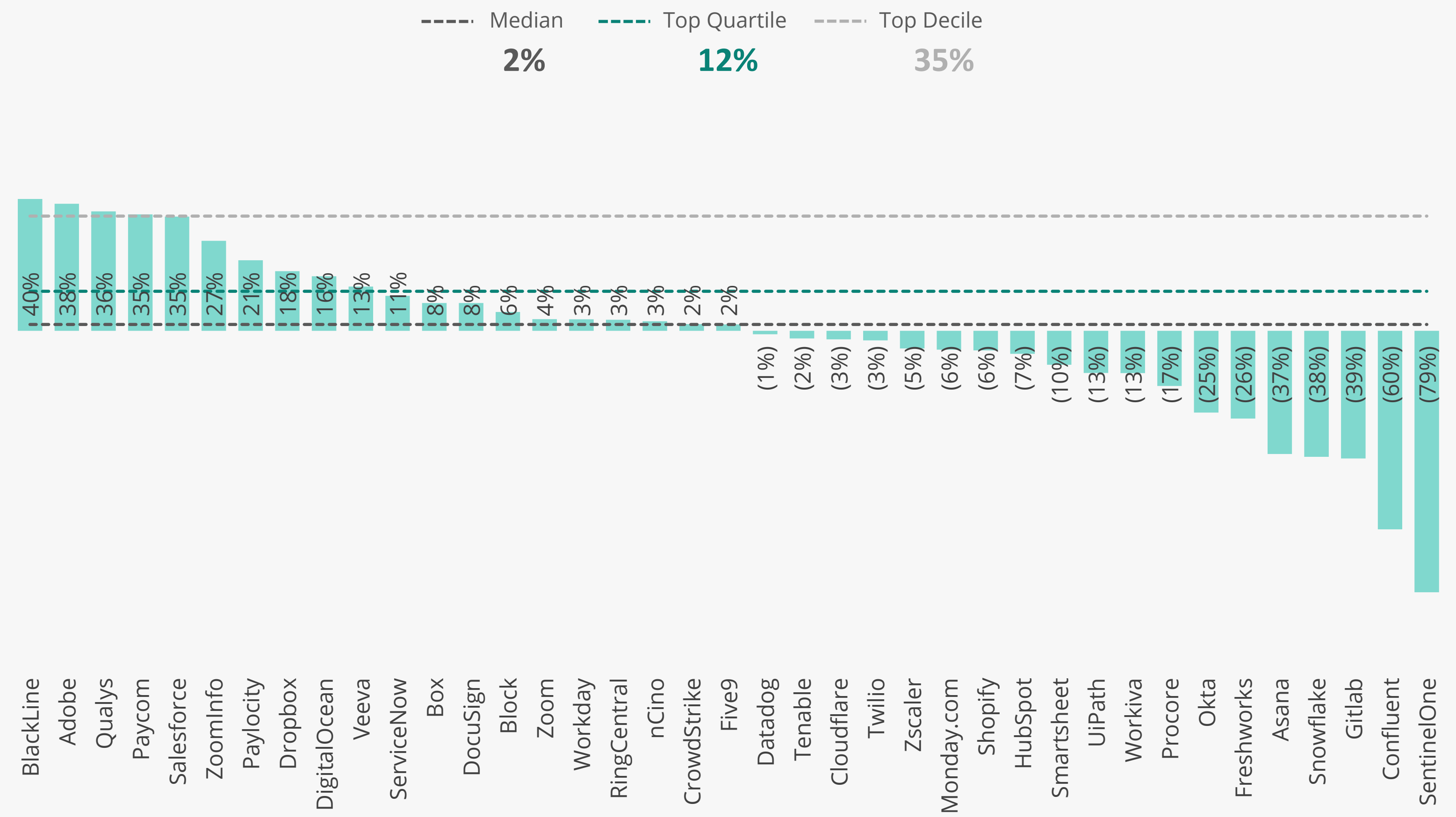
While net income is the true measure of profitability, EBITDA, or earnings before interest, taxes, depreciation, and amortization, adjusts net income to remove expenses outside of company's control and non-cash expenses from the equation. The goal of EBITDA is to get a better view of operational profitability before any cash outflows to creditors and government entities.

The higher the EBITDA margin, smaller the company's operating expenses in relation to total revenue, increasing its bottom line and leading to more profitable operations.

FORMULA

(Net Income + Interest Expense + Tax Expense + Depreciation + Amortization) / Current Quarter Revenue

11 companies reported an EBITDA margin of more than 10%



Source: FactSet, Company filings.

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Rule of 40

Rule of 40

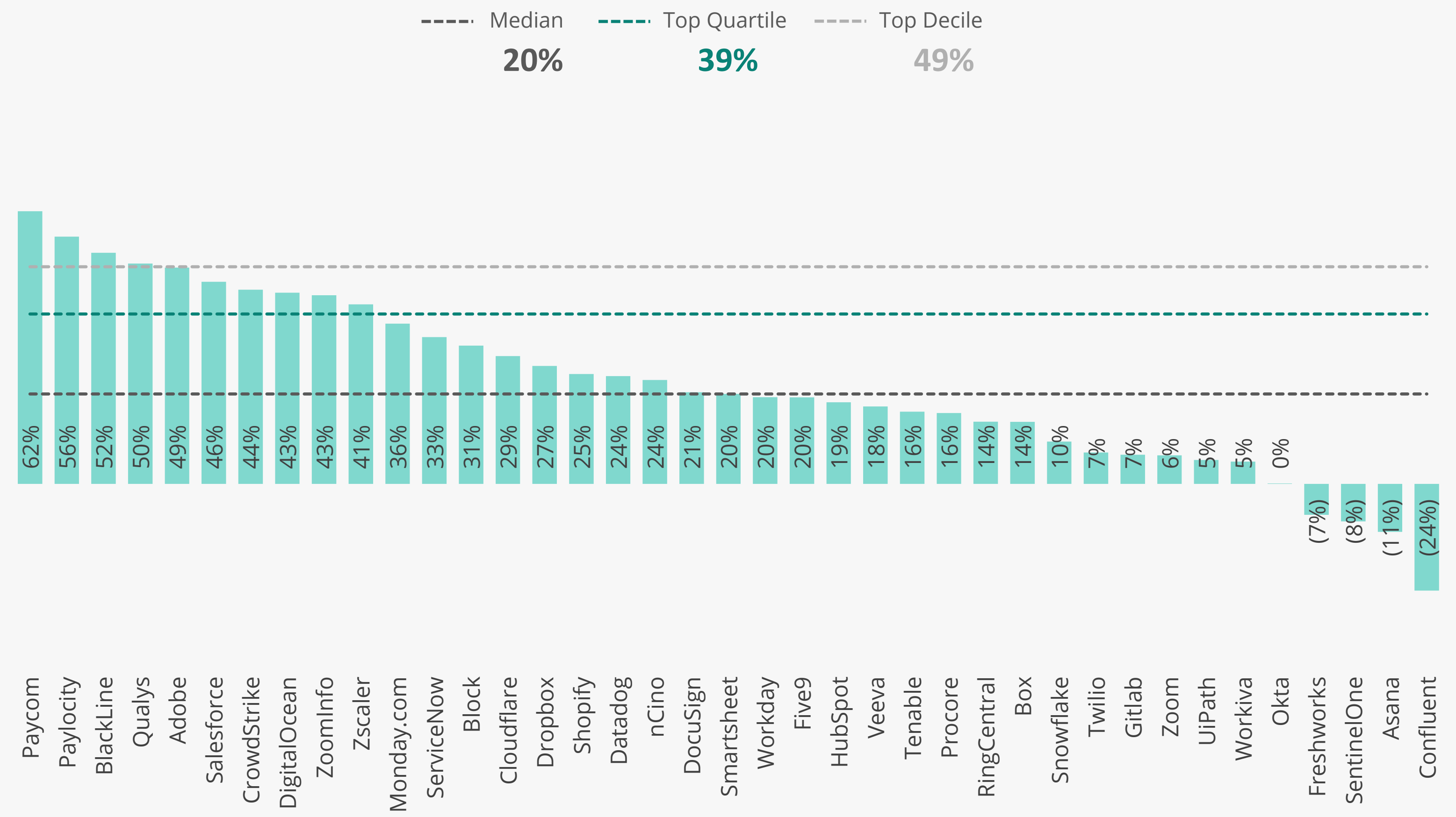
Rule of 40 is a standard metric used to measure the performance of SaaS companies. Measuring the trade-off between profitability and growth, the Rule of 40 asserts SaaS companies should be targeting their growth rate and profit margin to add up to 40% or more.

A company can reach 40% on a Rule of 40 basis in many ways: 20% / 40% / 0% Revenue Growth + 20% / 0% / 40% EBITDA Margin. The higher it is, the better for a company and vice versa.

FORMULA

Quarterly YoY Revenue Growth + Current Quarter EBITDA Margin

10 companies exceeded the 40% rate under rule of 40



Source: FactSet, Company filings.

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FCF Margin

FCF Margin

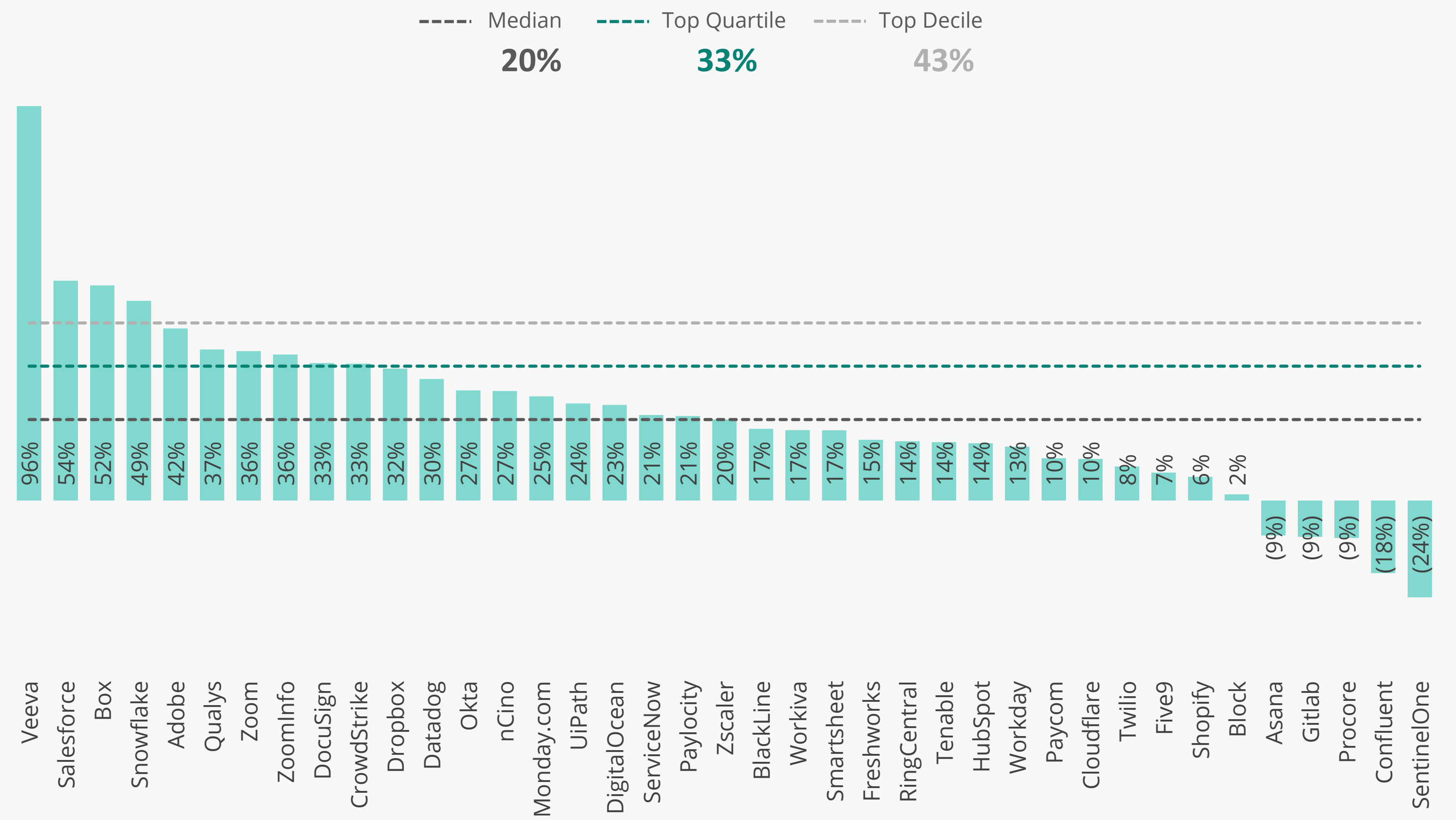
Free cash flow (FCF) margin measures the amount of cash generated by a firm as a proportion of its revenue. It returns a percentage value, with a higher number indicating a higher percentage of revenues converting to FCF.

This is helpful in comparing the free cash situation of different companies on an apple-to-apple basis. By tying FCF to a percentage of revenue, we can understand the margins profile and get context on how efficient a company is on a FCF basis.

FORMULA

(Quarterly Cash from Operations – Quarterly Capital Expenditures) / Current Quarter Revenue

24 companies reported a FCF margin of 15% or more; Veeva reported a margin of 96%



Source: FactSet, Company filings.

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Sales & Marketing Burden

Sales & Marketing Burden

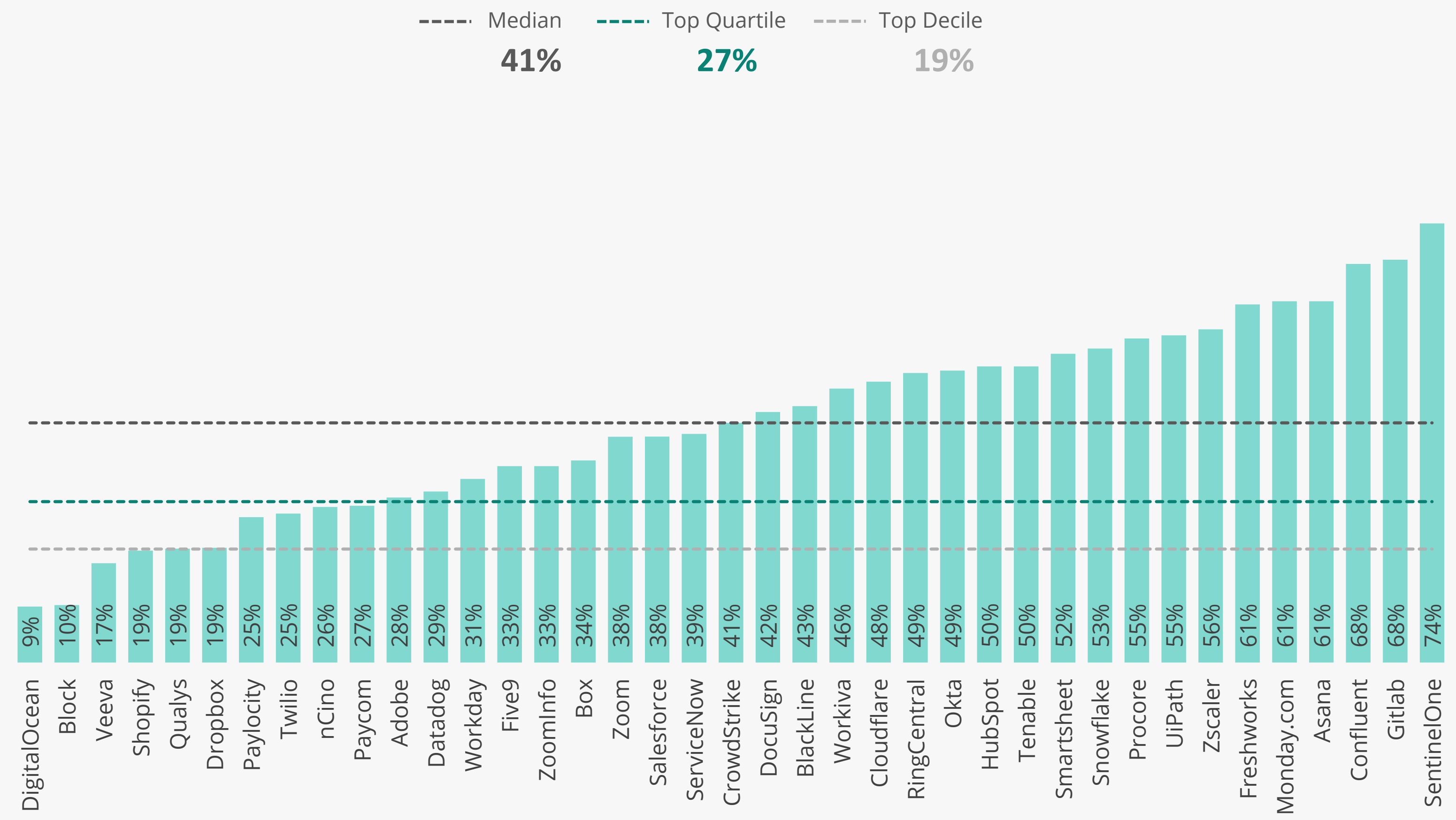
Sales & Marketing burden measures the percentage of revenue that is spent by the company on the sales & marketing efforts.

A high ratio indicates that expenses were high relative to the sales revenue generated and vice versa.

FORMULA

Sales & Marketing Expense for the Quarter / Current Quarter Revenue

The S&M burden for 8 companies was 25% or less



Source: FactSet, Company filings.

Burn Rate

Net Burn Rate

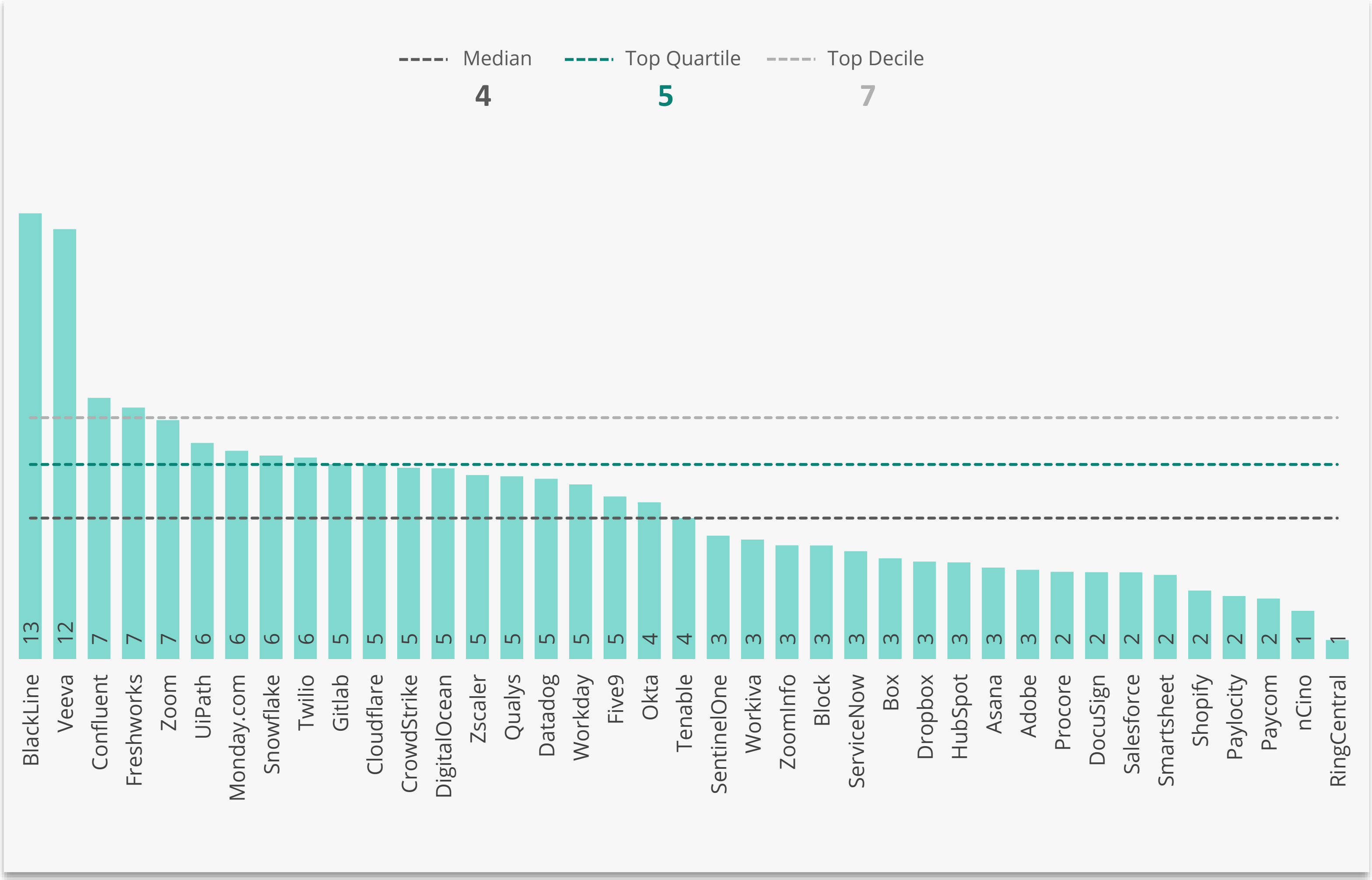
Net burn rate shows how much cash a company needs to continue operating for a period.

A higher rate represents that with the available cash, the company will be able to finance the operating expenses for a longer period and vice versa.

FORMULA

Cash[1] / Operating Expense for the Current Quarter

18 companies registered a burn rate of 5 or more



Source: FactSet, Company filings.
Note: Latest closing cash balance reported as per company filings.

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Burn Multiple

Net Burn Multiple

Burn Multiple evaluates the amount of cash a company is burning to achieve each incremental dollar of ARR. SaaS companies normally have revenue models based around subscription services and/or multi-year contracts, making the burn multiple most applicable for high growth companies.

It focuses on the ability to assess the cost at which growth is generated, rather than focusing solely on the rate of growth itself.

Where:

a) Net Burn: Current Quarter Operating Expenses - Current Quarter Revenue

b) Net New ARR: ARR as of Current Quarter – ARR as of Previous Quarter

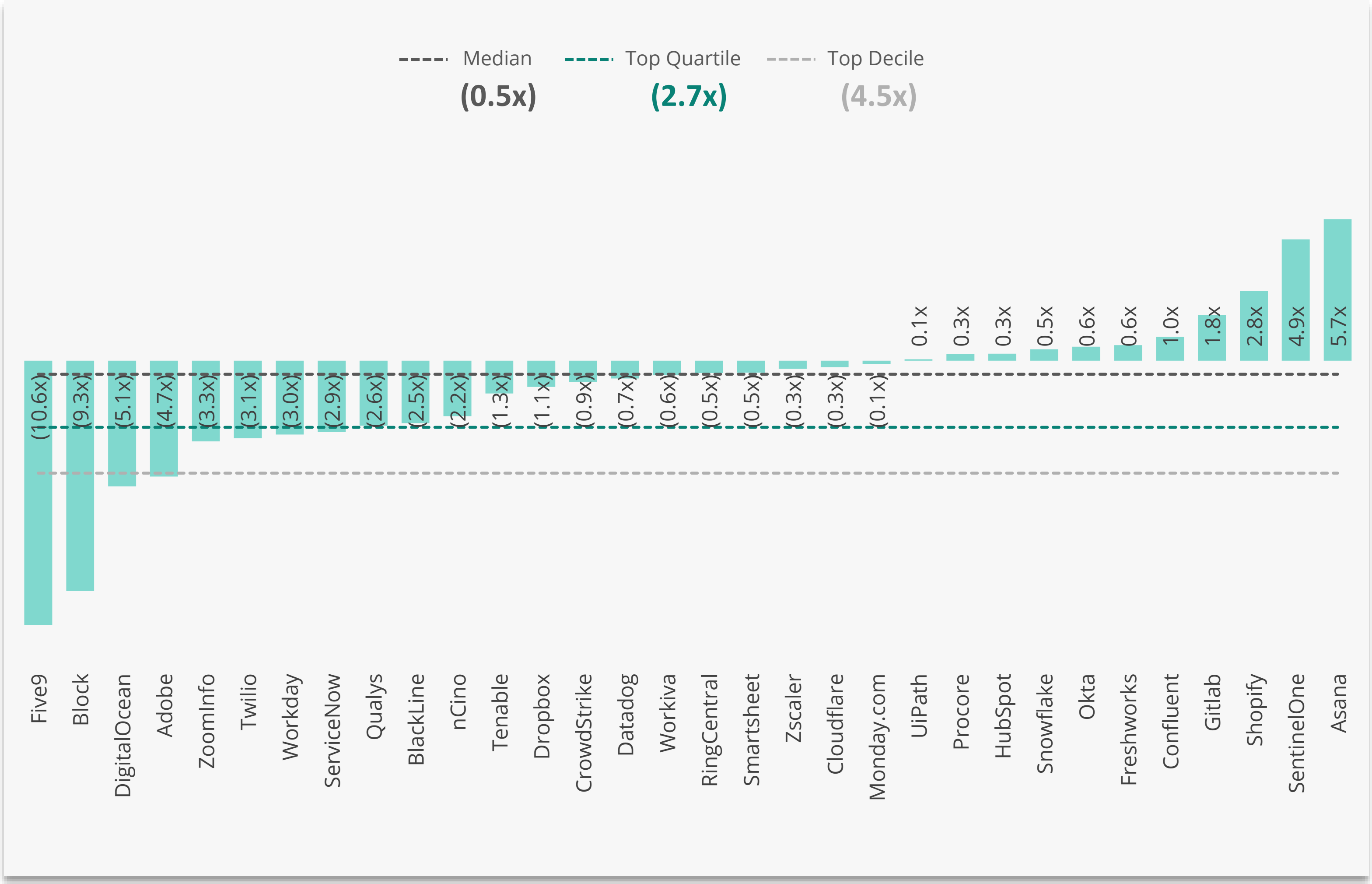
Most public companies don't generally disclose ARR, then an implied ARR metric can be used: **(Net Current Quarter Subscription Rev x 4) - (Previous Quarter Subscription Rev x 4).**

The lower the burn multiple, the more efficient the company is at achieving each incremental step of revenue growth and vice versa.

FORMULA

Net Burn / Net New Annual Recurring Revenue (ARR)

The burn multiple of 16 companies was less than (0.5x)



Source: FactSet, Company filings.
Note: Companies with a negative incremental ARR are excluded.

VALUATIONS

Valuations and Operating Metrics

					LTM Operating Metrics					EV/Revenue		EV/EBITDA	
Company	Price 30/6/2023	Mkt Cap (M)	EV (M)	% of 52 Week High	Revenue (M)	Revenue Growth	Gross Margin	EBITDA Margin	Efficiency Score	LTM	2024E	LTM	2024E
Adobe	$488.99	$225,913	$223,945	99%	$18,286	4%	87%	38%	49%	12.2x	10.2x	32.1x	21.4x
Salesforce	$211.26	$213,161	$214,063	95%	$32,188	4%	66%	26%	32%	6.7x	5.1x	25.4x	13.5x
ServiceNow	$561.97	$114,014	$111,492	98%	$8,017	11%	78%	11%	33%	13.9x	10.3x	nm	31.7x
Shopify	$64.60	$82,373	$78,990	98%	$6,303	13%	48%	(10%)	(10%)	12.5x	9.6x	nm	77.2x
Workday	$225.89	$58,506	$55,413	99%	$6,431	5%	73%	4%	22%	8.6x	5.6x	nm	19.6x
Snowflake	$175.98	$56,895	$53,214	89%	$2,267	14%	64%	(36%)	21%	23.5x	11.4x	nm	79.4x
Block	$66.57	$39,946	$38,564	74%	$19,692	12%	34%	5%	12%	2.0x	1.6x	39.0x	20.0x
CrowdStrike	$146.87	$34,629	$32,504	72%	$2,446	12%	74%	(3%)	46%	13.3x	6.8x	nm	29.0x
Datadog	$98.38	$31,402	$30,054	84%	$1,897	13%	79%	(3%)	47%	15.8x	11.8x	nm	53.0x
Veeva	$197.73	$31,290	$27,736	85%	$2,176	2%	71%	20%	36%	12.7x	8.7x	64.5x	22.8x
HubSpot	$532.09	$26,188	$25,465	100%	$1,944	12%	83%	(3%)	25%	13.1x	9.9x	nm	54.8x
Cloudflare	$65.37	$21,578	$21,567	83%	$1,127	16%	76%	0%	35%	19.1x	12.9x	nm	77.3x
Zscaler	$146.30	$20,926	$20,004	76%	$1,480	14%	78%	(7%)	38%	13.5x	8.8x	nm	43.6x
Zoom	$67.88	$19,945	$14,432	56%	$4,425	1%	72%	7%	10%	3.3x	2.9x	44.0x	7.7x
Paycom	$321.24	$18,589	$18,123	81%	$1,558	13%	76%	39%	65%	11.6x	8.8x	30.1x	21.0x
Twilio	$63.62	$11,832	$9,387	65%	$4,052	6%	47%	(9%)	(0%)	2.3x	2.1x	nm	12.5x
Okta	$69.35	$11,187	$11,183	65%	$1,961	8%	72%	(31%)	4%	5.7x	3.7x	nm	24.8x
Paylocity	$184.53	$10,317	$10,099	68%	$1,175	16%	68%	18%	55%	8.6x	6.6x	46.7x	19.7x
DocuSign	$51.09	$10,315	$9,908	67%	$2,589	4%	79%	4%	17%	3.8x	3.1x	93.0x	10.6x
ZoomInfo	$25.39	$10,259	$10,913	49%	$1,199	9%	83%	27%	71%	9.1x	8.2x	33.8x	19.1x
Confluent	$35.31	$10,218	$9,488	95%	$684	17%	67%	(68%)	(30%)	13.9x	9.6x	nm	nm

Source: FactSet, PitchBook.
Note: Market data and financials as of Jun 30, 2023. ‘nm’ implies not meaningful, i.e., 30.0x < EV/Revenue< 0.0x and 100.0x < EV/EBITDA < 0.0x.

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Valuations and Operating Metrics (contd.)

					LTM Operating Metrics					EV/Revenue		EV/EBITDA	
Company	Price 30/6/2022	Mkt Cap (M)	EV (M)	% of 52 Week High	Revenue (M)	Revenue Growth	Gross Margin	EBITDA Margin	Efficiency Score	LTM	2024E	LTM	2024E
Dropbox	$26.67	$9,318	$10,386	100%	$2,423	4%	81%	21%	20%	4.3x	4.0x	20.5x	10.2x
UiPath	$16.57	$9,223	$7,506	76%	$1,103	6%	84%	(20%)	35%	6.8x	4.3x	nm	24.1x
Procore	$65.07	$9,055	$8,546	95%	$831	15%	79%	(22%)	na	10.3x	7.5x	nm	nm
Monday.com	$171.22	$8,174	$7,262	94%	$625	20%	89%	(10%)	(50%)	11.6x	8.0x	nm	nm
Gitlab	$51.11	$7,725	$6,840	73%	$464	13%	88%	(46%)	(26%)	14.7x	7.8x	nm	nm
Five9	$82.45	$5,858	$5,989	70%	$848	9%	52%	3%	1%	7.1x	5.6x	nm	30.6x
Workiva	$101.66	$5,353	$5,260	99%	$582	8%	75%	(17%)	25%	9.0x	7.1x	nm	nm
Freshworks	$17.58	$5,082	$3,956	100%	$545	9%	82%	(35%)	(21%)	7.3x	5.5x	nm	nm
Smartsheet	$38.26	$5,044	$4,621	74%	$818	9%	79%	(18%)	19%	5.6x	3.4x	nm	25.3x
Tenable	$43.55	$4,924	$4,701	84%	$743	9%	77%	(4%)	52%	6.3x	5.2x	nm	32.4x
Qualys	$129.17	$4,826	$4,519	81%	$520	7%	79%	33%	18%	8.7x	7.3x	26.4x	17.1x
Asana	$22.04	$4,723	$4,471	77%	$579	9%	90%	(58%)	49%	7.7x	4.9x	nm	nm
SentinelOne	$15.10	$4,330	$3,639	51%	$477	18%	67%	(81%)	15%	7.6x	3.6x	nm	37.7x
Box	$29.38	$4,240	$4,777	85%	$1,004	2%	75%	10%	14%	4.8x	3.7x	45.5x	11.7x
DigitalOcean	$40.14	$3,883	$4,959	76%	$650	13%	60%	15%	18%	7.6x	6.5x	49.6x	16.0x
nCino	$30.12	$3,356	$3,353	77%	$428	8%	55%	(6%)	22%	7.8x	5.1x	nm	29.8x
BlackLine	$53.82	$3,230	$3,529	69%	$558	7%	75%	14%	na	6.3x	5.3x	46.7x	28.3x
RingCentral	$32.73	$3,122	$4,772	53%	$2,107	6%	69%	0%	15%	2.3x	2.0x	nm	8.3x
Median		**$10,259**	**$9,908**	**81%**	**$1,199**	**9%**	**75%**	**(3%)**	**21%**	**8.6x**	**6.5x**	**41.5x**	**23.5x**
Mean		**$29,768**	**$28,862**	**80%**	**$3,518**	**10%**	**72%**	**(5%)**	**22%**	**9.3x**	**6.5x**	**42.7x**	**29.1x**

Source: FactSet, PitchBook.
Note: Market data and financials as of Jun 30, 2023. 'nm' implies not meaningful, i.e., 30.0x < EV/Revenue< 0.0x and 100.0x < EV/EBITDA < 0.0x.

ABOUT SCALEVIEW

SCALEVIEW

YOU'VE BUILT AN EXCEPTIONAL COMPANY.

DON'T LEAVE YOUR EXIT TO CHANCE.

You Need An Expert For Your Company's Next Step.

We work with Exceptional Entrepreneurs

Founder Led Companies

We help founders achieve exceptional outcomes, and we specialize in bootstrapped and capital efficient businesses.

Technology Focused

From SaaS to data analytics to technology-enabled services, we are an investment bank dedicated to serving technology companies.

Guiding them to Exceptional Outcomes

Mergers & Acquisitions

Sell your company to a strategic or private equity buyer.

Growth Equity

Raise investment capital to accelerate growth and provide liquidity to founders and shareholders.

SCALEVIEW

The ScaleView Difference

We're not your typical investment bank.

360˚ Experience

For Founders, By Founders

We understand where you are because we've been there. **Our experience as founders means we know what it takes to get the job done.**

Experience from All Sides

When it comes to transactions, our partners have done it all: **we've been bankers, private equity investors, strategic acquirers, and tech entrepreneurs.**

We Do the Hard Work

You need an experienced partner, not some finance guys who just want to benefit from your hard work. **We have been in your shoes and will be the trusted partner you need to guide you across the finish line.**

Us vs. Them

ScaleView Advantage

Traditional Investment Bank	vs.	SCALEVIEW
• **Cookie cutter process**: every new client fits into a prior template		• **Ground-up, be-spoke service:** every client is different, positioning every company as a unique asset
• **Pyramid model**: senior banker sells, junior staff takes over the assignment		• **Partners lead** all engagements, junior staff supports us
• Career finance professionals with **no real-world experience**		• **360-degree experience** as bankers, PE investors, strategic executives, and software founders
• **High-volume, low-touch** business model		• Laser focused on a **small number of high-touch** engagements
• Incentive to close a deal quickly for fee and **move on to the next**		• **Long-term greedy:** work with clients for as long as necessary for maximum exit
• **Low continuity**: bankers change firms, firms get bought, clients are left behind		• **Partners are founders and owners,** building business based on reputation for the long run

CY Q2 Market Update

SCALEVIEW

Made in Austin

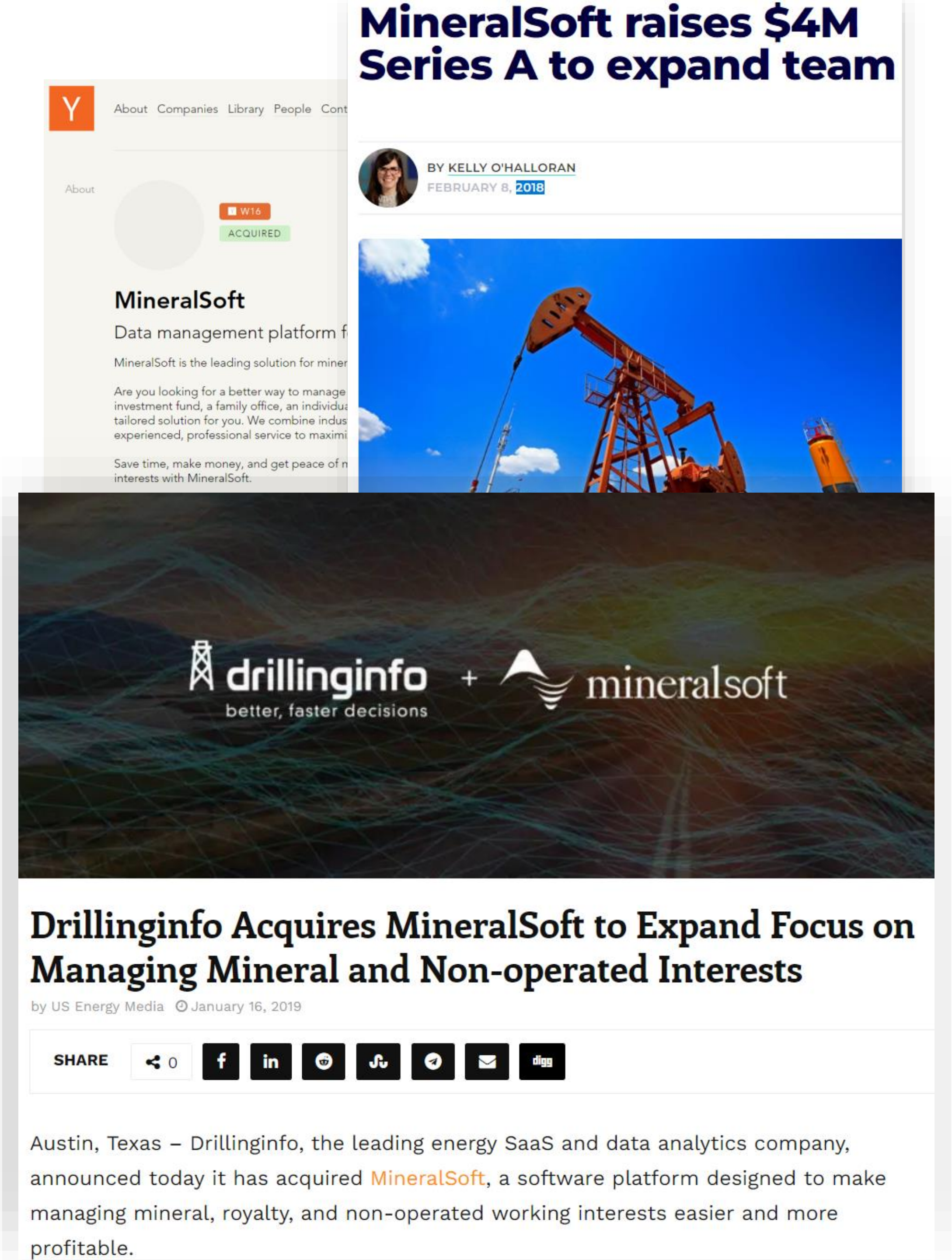
MineralSoft
Case Study

ScaleView was founded by the same team that started, scaled, and sold MineralSoft, a leading vertical SaaS company.

>100%
YoY ARR Growth from Inception to Exit

<$5M
Outside Capital Raised

15X
Revenue Multiple Achieved at Exit



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Data management platform f

MineralSoft is the leading solution for miner

Are you looking for a better way to manage investment fund, a family office, an individu tailored solution for you. We combine indus experienced, professional service to maximi

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MineralSoft raises $4M Series A to expand team

BY KELLY O'HALLORAN
FEBRUARY 8, 2018

Drillinginfo Acquires MineralSoft to Expand Focus on Managing Mineral and Non-operated Interests

by US Energy Media January 16, 2019

SHARE 0

Austin, Texas – Drillinginfo, the leading energy SaaS and data analytics company, announced today it has acquired MineralSoft, a software platform designed to make managing mineral, royalty, and non-operated working interests easier and more profitable.

Resources for Founders by Founders.

Navigating the process of scaling and selling your company can be confusing and complex. We understand what founders need because we've been there. Learn from the insights we've gleaned over decades of experience as bankers, private equity investors, strategic acquirers, and tech entrepreneurs.

- **Deciding when to sell your business**
- **Preparing for a sale**
- **Maximizing value**
- **Choosing the right buyer**
- **Surviving diligence and life post-transaction**

ACCESS FOUNDERS HUB

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THANK YOU

APPENDIX

SCALEVIEW

Appendix: Q2 2023 Performance

Company	Current Quarter Revenue Beat	Revenue Growth (Q2'23 vs Q2'22)	Revenue Change (Q2'24 vs Q2'23)	Gross Profit Margin	EBITDA Margin	FCF Margin	Rule of 40	GM Adjusted CAC Payback	Net Revenue Retention	Sales & Marketing Burden	Burn Rate	Burn Multiple
SentinelOne	(2%)	70%	32%	68%	(79%)	(24%)	(8%)	nm	>125%	74%	3	4.9x
Snowflake	2%	48%	31%	65%	(38%)	49%	10%	40	151%	53%	6	0.5x
Zscaler	2%	46%	27%	77%	(5%)	20%	41%	30	>125%	56%	5	(0.3x)
Gitlab	8%	45%	24%	89%	(39%)	(9%)	7%	46	128%	68%	5	1.8x
Monday.com	4%	42%	27%	89%	(6%)	25%	36%	27	>110%	61%	6	(0.1x)
CrowdStrike	2%	42%	29%	75%	2%	33%	44%	22	>120%	41%	5	(0.9x)
Confluent	4%	36%	26%	69%	(60%)	(18%)	(24%)	35	>130%	68%	7	1.0x
Paylocity	2%	35%	17%	68%	21%	21%	56%	nm	na	25%	2	nm
Procore	5%	33%	23%	80%	(17%)	(9%)	16%	29	na	55%	2	0.3x
Cloudflare	1%	32%	30%	76%	(3%)	10%	29%	30	115%	48%	5	(0.3x)
Shopify	4%	31%	16%	51%	(6%)	6%	25%	24	na	19%	2	2.8x
Smartsheet	3%	31%	20%	79%	(10%)	17%	20%	64	123%	52%	2	(0.5x)
DigitalOcean	(0%)	27%	11%	60%	16%	23%	43%	27	104%	9%	5	(5.1x)
Paycom	1%	27%	21%	73%	35%	10%	62%	nm	na	27%	2	nm
Asana	1%	26%	16%	90%	(37%)	(9%)	(11%)	nm	110%	61%	3	5.7x
Block	8%	26%	10%	33%	6%	2%	31%	47	na	10%	3	(9.3x)
HubSpot	5%	25%	19%	84%	(7%)	14%	19%	32	103%	50%	3	0.3x
Datadog	1%	25%	21%	80%	(1%)	30%	24%	20	>120%	29%	5	(0.7x)
Okta	1%	25%	16%	73%	(25%)	27%	0%	nm	117%	49%	4	0.6x
ServiceNow	1%	23%	22%	78%	11%	21%	33%	62	na	39%	3	(2.9x)

Top Decile   Top Quartile

Source: FactSet, Company filings.
Note: Companies are in the order of their QoQ revenue growth rate; The GM adjusted payback and burn multiple is marked as "nm" for companies having a negative incremental ARR.

SCALEVIEW

Appendix: Q2 2023 Performance (contd.)

Company	Current Quarter Revenue Beat	Revenue Growth (Q2'23 vs Q2'22)	Revenue Change (Q2'24 vs Q2'23)	Gross Profit Margin	EBITDA Margin	FCF Margin	Rule of 40	GM Adjusted CAC Payback	Net Revenue Retention	Sales & Marketing Burden	Burn Rate	Burn Multiple
nCino	1%	21%	16%	56%	3%	27%	24%	43	na	26%	1	(2.2x)
Freshworks	3%	19%	18%	83%	(26%)	15%	(7%)	43	108%	61%	7	0.6x
Tenable	3%	19%	14%	78%	(2%)	14%	16%	61	111%	50%	4	(1.3x)
UiPath	7%	18%	18%	85%	(13%)	24%	5%	55	122%	55%	6	0.1x
Workiva	1%	18%	16%	75%	(13%)	17%	5%	40	111%	46%	3	(0.6x)
Five9	4%	18%	17%	52%	2%	7%	20%	nm	112%	33%	5	(10.6x)
Workday	1%	16%	18%	75%	3%	13%	20%	61	na	31%	5	(3.0x)
ZoomInfo	(1%)	16%	5%	84%	27%	36%	43%	47	na	33%	3	(3.3x)
Qualys	1%	14%	13%	80%	36%	37%	50%	15	na	19%	5	(2.6x)
BlackLine	0%	13%	13%	74%	40%	17%	52%	46	106%	43%	13	(2.5x)
DocuSign	3%	12%	7%	79%	8%	33%	21%	nm	105%	42%	2	nm
Salesforce	1%	11%	11%	66%	35%	54%	46%	nm	na	38%	2	nm
RingCentral	1%	11%	10%	70%	3%	14%	14%	19	>99%	49%	1	(0.5x)
Adobe	1%	11%	10%	87%	38%	42%	49%	38	na	28%	3	(4.7x)
Twilio	5%	10%	6%	47%	(3%)	8%	7%	53	103%	25%	6	(3.1x)
Dropbox	1%	9%	4%	81%	18%	32%	27%	11	na	19%	3	(1.1x)
Box	1%	6%	9%	76%	8%	52%	14%	nm	106%	34%	3	nm
Veeva	2%	4%	25%	68%	13%	96%	18%	nm	na	17%	12	nm
Zoom	2%	3%	4%	76%	4%	36%	6%	nm	112%	38%	7	nm

Top Decile   Top Quartile

Source: FactSet, Company filings.
Note: Companies are in the order of their QoQ revenue growth rate; The GM adjusted payback and burn multiple is marked as "nm" for companies having a negative incremental ARR.