Presented by:
AGC Partners

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Legal & Compliance Tech Market Update

February 2022

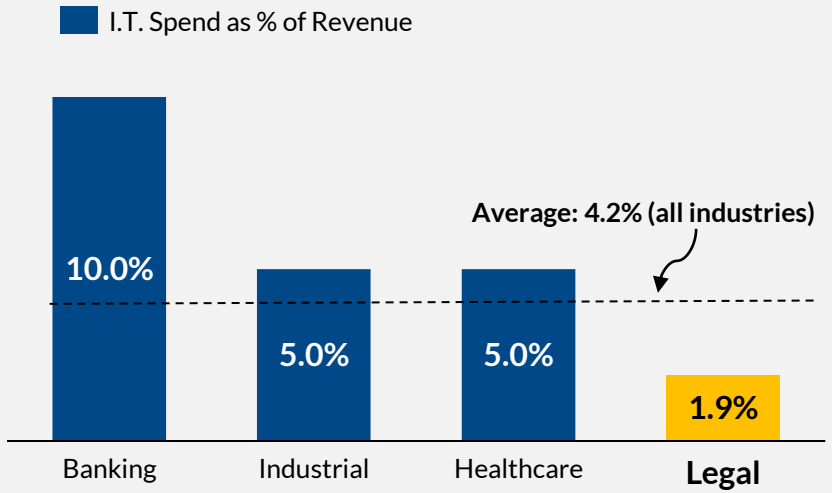
EXECUTIVE SUMMARY

- **Market Outlook:** The global legal and compliance tech market, estimated at ~$28B in revenue currently, is poised for explosive growth in the years ahead as legal and compliance teams fully embrace digitalization and automation tooling
  - IT is massively under deployed at just 1.9% of total law firm revenues. This compares to 10%+ for banking and 4.2% on average for other industry sectors
  - The growing volume of metadata and millions of documents that are managed by corporate law departments and litigators will continue to drive the need for technology adoption and increase spend as a percentage of revenue
  - Work-from-home migration during the pandemic further accelerated the digital shift, though penetration of digital tools for workflow and information management remains low
- **Market Technology Trends:** Legal tech solutions increasingly revolve around real time data access to contain costs, increase automation and improve outcomes, while Compliance tech is increasingly deployed to safeguard massive amounts of data brought about by new privacy regulations
  - AI /ML technologies, once emerging, are now entering the mainstream to automate services such as eDiscovery, Contract Management and Compliance Surveillance
- **Capital Markets & M&A Trends:** Both capital raised and M&A deals hit all time highs that far surpass the 2020 levels
  - Financing into private Legal tech companies is now pouring in with total capital raised in 2021 almost double the 2019 and 2020 totals
  - M&A activity has also seen a lockstep change to unprecedented levels over the last year with total M&A volume increased by 71% to 214 deals
  - Notable large transactions include OMER's $1.5B acquisition of Mitratech and Warburg's $1.4B deal for NetDocuments at an iconic 35x revenue multiple

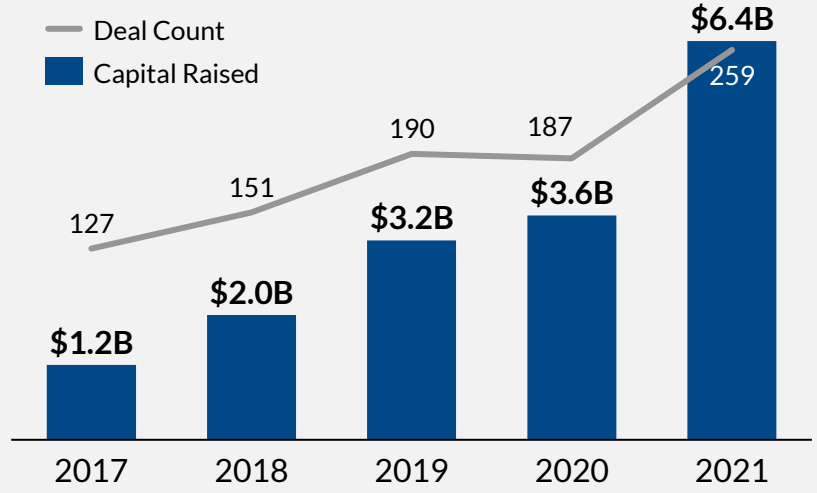
With over 300 companies identified in AGC's Legal and Compliance Tech landscape, this industry is large and growing rapidly with many new startups disrupting the status quo and a few giant incumbents competing for pole position

Sources: Flexera, Deloitte, Company Reports, PitchBook

Massive Underinvestment in Tech



Total Capital Raised & Deal Count



SETTING THE LEGAL TECH STAGE

Legal Tech Ecosystem: Segments, Criteria, Inclusion Rationale

Contract Management

- Software which enables users to manage the contract life cycle from generation to negotiation, review, execution, and eventually renewal or termination. This sub-segment includes analytics systems which use AI to review contracts and Smart Contracts which execute code when specific blockchain code is triggered.

eDiscovery

- Software which enables the identification, collection, and review of electronically stored information (ESI) for use during litigation. These programs create digital databases of evidence for both parties to view, and, by preserving the original content and metadata, eDiscovery tools can eliminate claims of evidence tampering.

Large Diversified / ELM Providers

- Products sold to in-house legal departments in the enterprise legal management (ELM) market providing a full suite of point solutions or end-to-end platforms.

Practice / Knowledge Management

- Manage a law firm's case and client records, schedules and appointments, deadlines, and spend management through handling of corporate legal expenses, timekeeper rates, and budgeting. Also knowledge management to connect users with expert content and best practices to improve outcomes.

Marketplace / DIY

- Provide individuals and small businesses with direct online access to lawyers, legal services, and forms. These products include alternative legal service providers (ALSPs), non-law firms which provide legal advice at costs lower than traditional law firms.

Research/Analytics

- Products which serve in a range of research-assisting capacities. These range from programs which help legal professionals obtain quick, accurate answers concerning specific points of the law to analytics programs which organize and derive insights from masses of structured and unstructured data.

Intellectual Property

- Helps businesses which own or aspire to acquire trademarks and patents. This software also helps attorneys and IP law firms prepare for and conduct IP filings and litigation.

Project Management

- Workflow driven software for legal teams which streamlines collaboration between in-house legal teams, outside legal counsel, cross-platform business units, and service providers. These products often help facilitate collaboration in document, matter, and case management.

LEGAL TECH LANDSCAPE BY SEGMENT

- Indicates operating subsidiary

Research/Analytics

ABBYY, AIMMS, Amenity, Arthur, ayfie, blueJ LEGAL, casetext, Clearbrief, CLARABRIDGE, DARWIN AI, DECISION LENS, Eigen Technologies, fastcase, GUROBI OPTIMIZATION, frontline MANAGED SERVICES, ism, INCENTER TECHNOLOGY, Kira, LAW BULLETIN MEDIA, Lawmatics, Megaputer, onna, PREMONITION, proxem, RIVERLOGIC, SINEQUA, tellius, ThoughtSpot, UniCourt

Practice / Knowledge Management

ABACUS DATA SYSTEMS, ACCELLIS, ALB accurate legal billing, actionstep, BigHand, bqe, BILL4TIME, BusyLamp, brightflag, CASEpeer, CaseFox, Clio, Centerbase, CourtCall, codal, Filevine, KENECT, intapp, LEXICON, Legal Back Office, MAGNA, LITIFY, mycase, Martindale-Avvo, PRACTICEPANTHER, onit, PERFECTLAW ALL-IN-ONE SOFTWARE, prosperoware, NEXA, PROCIRRUS, profitsolv, SimpleLegal, SMOKEBALL, smith, soluno, timebyping, zola media

Contract Management

Ad-Lib.io, Agiloft, Apperio, brightleaf, Chainlink, COBBLESTONE software, cognitiv+, concord, ContractPodAi, InfoTrack, Google, Ironclad, ivalua, {LawGeex}, LEGALLOGIK, LegalSifter, LINKSQUARES, MALBEK, netdocuments, nintex, Office & Dragons, OPTIMUS, Practice League Legal Technology Solutions, salesforce, seqvoia tech for funds, SirionLabs, SOLANA, synertrade econocom, ThoughtRiver, ThoughtTrace, valid.network

eDiscovery

BREAKWATER, casepoint, cloudnine, DISCO, Consilio, INNOVATIVE DRIVEN, DRIVENETS, epiq, Everlaw, IPRO, FRONTEO, exterro, KIDiscovery, HAYSTACK, logikcull, KNOVOS, MODUS, Luminance, reveal, Relativity, Tracers, X1, venio systems, ZAPPROVED

Intellectual Property

ANAQUA, CORSEARCH, Clarivate, Lex Machina, MUSIC REPORTS, Questel, Pightsline, RPX RATIONAL PATENT, Safenames, unycom

Large Diversified / ELM Providers

Bloomberg Law, LexisNexis, MITRATECH, RELX, THOMSON REUTERS, Wolters Kluwer

Market Place / DIY

Avvo, BRYTER, COGNIGY, CompleteCase.com, cognito FORMS, Divorce.com, goanswer, LegalMatch, LAWCLERK, LawDepot, LEGALZOOM, LEXLY, LEGALVISION, rasa, ROCKETLAWYER, SearchKings, ruby, surefire local, tresta, WinIt, zenbusiness

Project Management

BIA, cloudlex, elevate, File & Serve Xpress, FACTOR, How to Manage a Small Law Firm, iManage, LAWYAW, LegalFiles, LINGUA CUSTODIA, LITERA, repstor, VERITEXT LEGAL SOLUTIONS, vlex, WealthCounsel, Worldox

This is a representative list only and does not include all relevant companies. If your company is not listed and you would like it to be included in future releases, please email Jim Stone at jstone@agcpartners.com

SETTING THE COMPLIANCE TECH STAGE

Compliance Tech Ecosystem: Segments, Criteria, Inclusion Rationale

KYC & Anti-Fraud

- Facilitates counterparty due-diligence and Know Your Customer (KYC) procedures. This sub-segment also includes services such as Anti-Money Laundering (AML) solutions, protecting the integrity of financial transactions and institutions.

Compliance Management

- Enables management of processes and data for communicating, monitoring, and documenting diverse compliance activities for a full spectrum of regulations and standards throughout the enterprise, and for evaluating associated risks.

Regulatory & Tax Reporting

- Programs which provide an array of regulatory assistance, from real time monitoring and tracking of current state of compliance and upcoming regulations to enabling automated data distribution, regulatory reporting and tax reporting.

Privacy Management

- Encompasses a broad group of companies which facilitate the management of data, including Subject Rights Requests (SRRs), which enable users to change how their data is stored and used, content management which allows websites to manage their content and data preferences, and privacy management tools which ensure data compliance regulations are met.

COMPLIANCE TECH LANDSCAPE BY SEGMENT

- Indicates operating subsidiary

Regulatory / Tax Reporting

APIAX, ARAVO, ARKK, autologyx, axe trading, Avalara, b-next, BEHAVOX, BLOCKPIT, CaseWare, Chainalysis, clausematch, CSS Compliance Solutions Strategies, compliance.ai, COMPLY365, complysci, crownpeak, DATACTICS, droit, ETNA, FERNBACH, FiscalNote, FUNDAPPS, Fund Recs, Funds-Axis, FUNDSQUARE, HEXANIKA, INTEGRITY NEXT, KAIZEN REPORTING, Lombard Risk, MAP FinTech, MindBridge, POLE STAR, REG TECHNOLOGIES, Ryan, SOVOS, SteelEye, sysnet, TAINA, TORSTONE, TransFICC, Trustifi, VIGITRUST

KYC Anti-Fraud

agreement express, altares, AML Partners, BehavioSec, Comply Advantage, DueDil, DX Compliance Solutions, eastnets, ELLIPTIC, encompass, EXIGER, feedzai, fenergo:, GTREASURY, H2O.ai, iDPal, iDMISSION, ihub, INTELLIGO, iSPIRAL, jumio, kompany, Merlon.ai, NAPIER, NetGuardians, NorthRow, onfido, quantexa, RISK IDENT, SAYARI, rdc, SCORECHAIN, Shufti Pro, SIGNZY, SmartSearch, sumsub, targens, TRAPETS, truera, Trulioo

Compliance Management

360factors, ALLGRESS, AQMETRICS, ARGENT, ASC, ASCENT, AuditComply, CLOUDMARGIN, compliance risk concepts, CORLYTICS, CUBE, CyberSaint SECURITY, FEATURE SPACE, FeedStock, fiddler, finform, FIXNIX, Fyllo, GOVERNANCE.COM, guardtime, Ideagen, INVESTEDGE, KPA, LegitScript, libryo, LOGICGATE, metricstream, NAVEX GLOBAL, NextGateTech, OPENGAMMA, outsolve, performline, RECIPROCITY, Recordsure, riskonnect, RSA Archer GRC, SENSIPLE, Sparta Systems, SPITCH, superwise.ai, SureCloud, TechDemocracy, THETALAKE, VIXIO REGULATORY INTELLIGENCE, VoxSmart

Privacy Management

2B Advice, ALTR, AvePoint, BigID, Cybot, DATAGRAIL, infosistema, IntraEdge TECHNOLOGY, OneTrust, OPENRISK, Privaon, PRIVITAR, RadarFirst, securiti, SPIRION, trunomi, TrustArc, wirewheel

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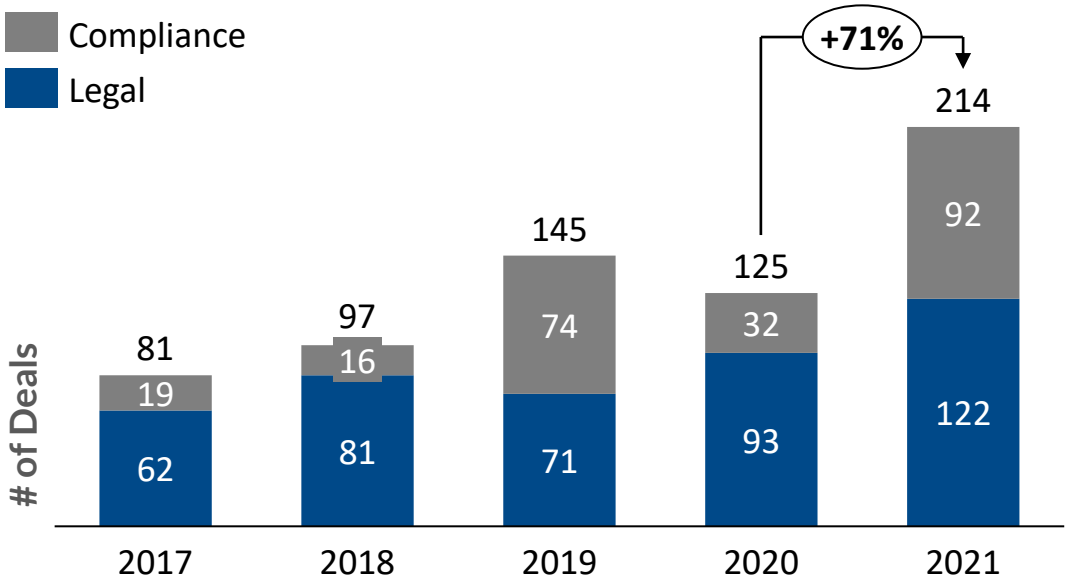
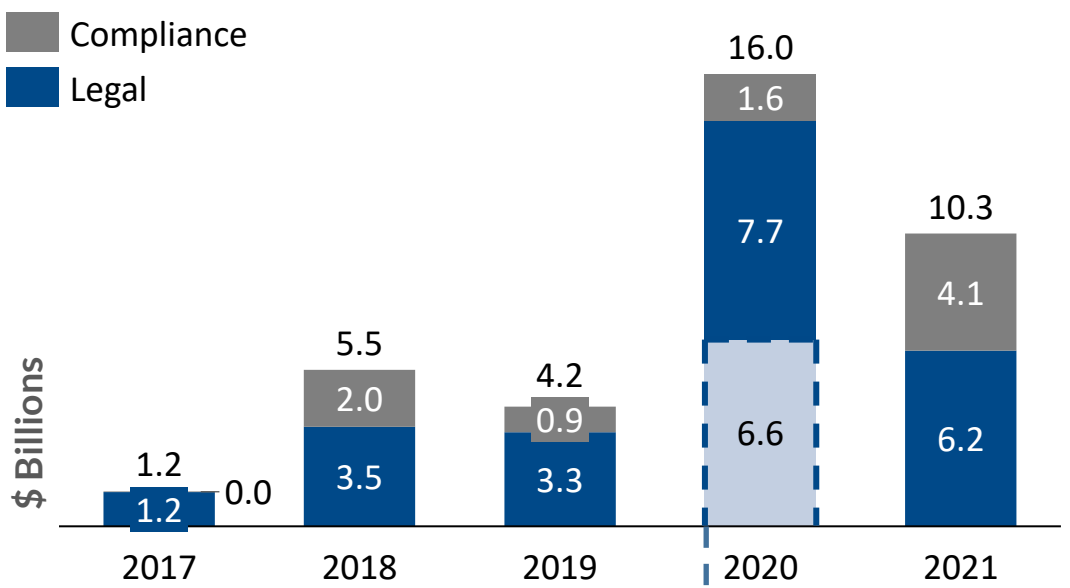
M&A ACTIVITY BY SEGMENT – LAST 5 YEARS

- There have been 672 M&A transactions and 560 funded companies; fragmentation remains with many new vendors while consolidation activity continues
- The Legal vertical has accounted for the majority of M&A with 435 transactions (64%) and $28.7B in deal value (77%)
- After a relatively stagnant 2020, the number of deals in 2021 surged by 71%
- Since the peak of the COVID-19 pandemic in 2020, median valuations and size have increased to 7.6x and $95M, respectively, from 4.3x and $75M (trailing 5 yrs)

M&A BY SEGMENT (# OF DEALS)



M&A BY SEGMENT (AGGREGATE VALUE IN $ BILLIONS)



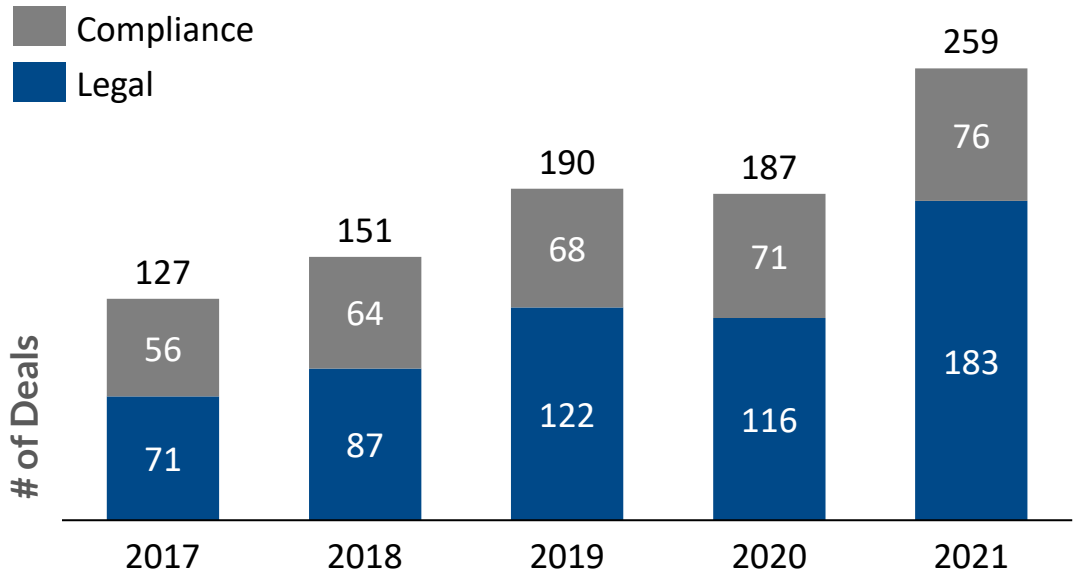
Clarivate buys IP management provider CPA Global for $6.6B and 12x revenue, the largest ever deal in the Legal Tech vertical

Sources: PitchBook. VC and PE rounds only. Exclude Angel, Seed, Accelerator and Equity Crowd Fundings.

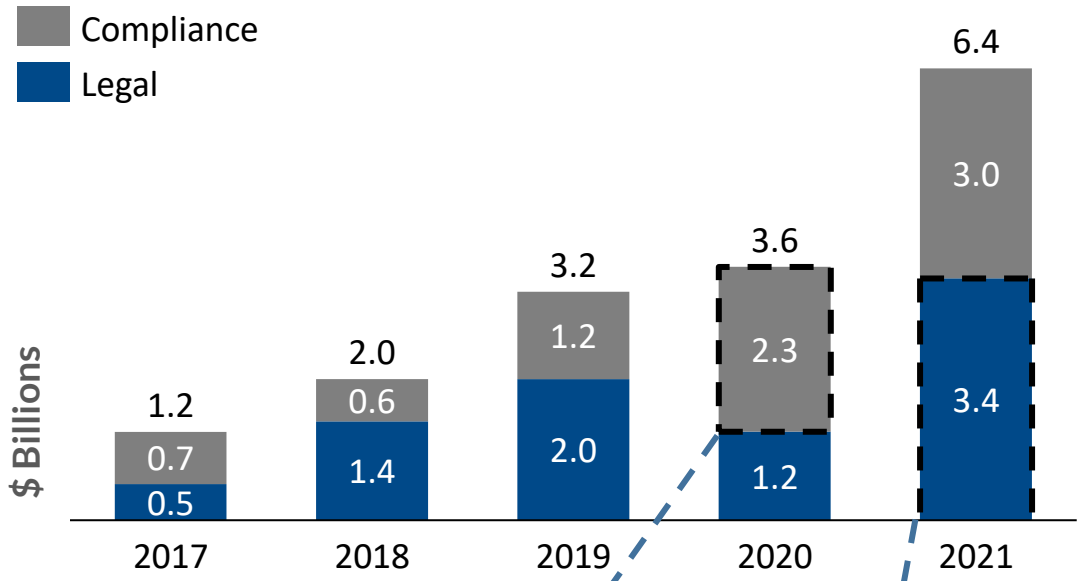
FINANCING ACTIVITY BY SEGMENT – LAST 5 YEARS

- After a relatively stagnant 2020 during COVID, the number of fundings and capital raised in 2021 surged by 38% and 78%, respectively
- Since 2017, the Legal segment has accounted for a majority of all financings with 591 deals (63%) and total capital raised of $8.9B (53%)
- Legal segment saw more headwinds initially due to COVID with a big downturn in capital raised in 2020 followed by a huge growth year in 2021
- The upward trend seen in the Compliance segment was driven by post-GDPR and CCPA investor enthusiasm
- Overall the Compliance segment is taking a bigger share of financing activity when compared to M&A as the segment is seeing significant tailwinds

FINANCING DEALS BY SEGMENT (# OF DEALS)



FINANCING DEALS BY SEGMENT (CAPITAL RAISED IN $ BILLIONS)



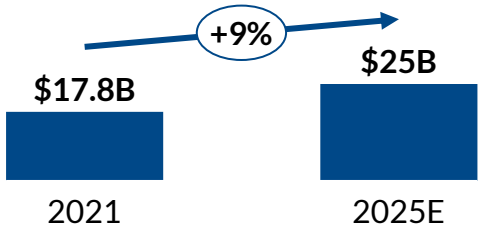
Enthusiasm around privacy management and two big rounds for OneTrust at $510M combined stoke volumes for Compliance

Legal takes back leadership

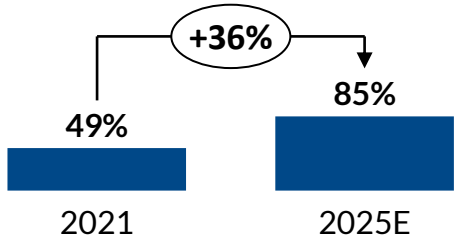
Sources: PitchBook & 451, PitchBook. VC and PE rounds only. Exclude Angel, Seed, Accelerator and Equity Crowd Fundings.

RISE IN TECH ADOPTION BY LEGAL & COMPLIANCE PROFESSIONALS

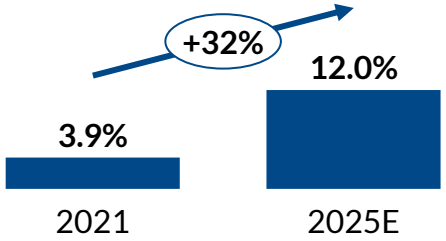
1 Legal Tech revenue size

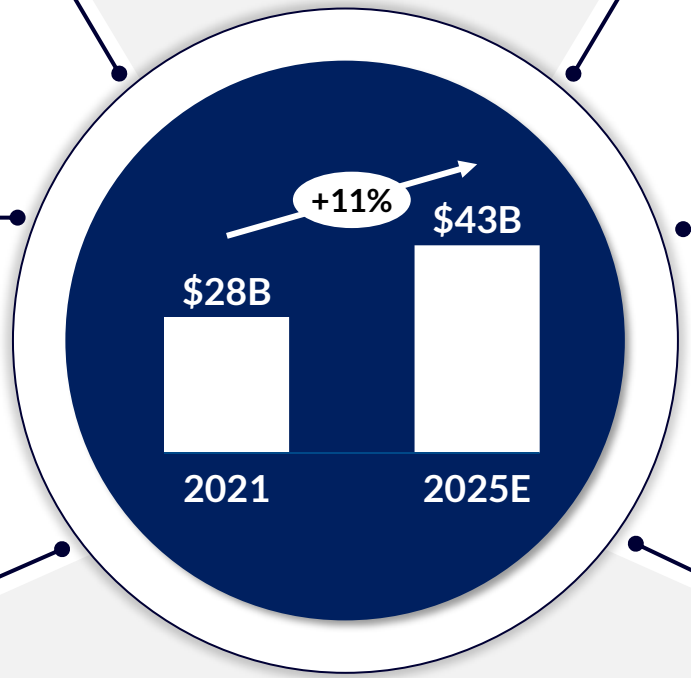


2 Legal utilization of CMS



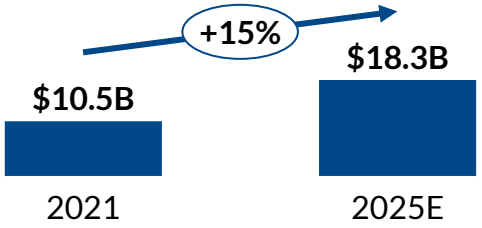
3 Increased IT spend



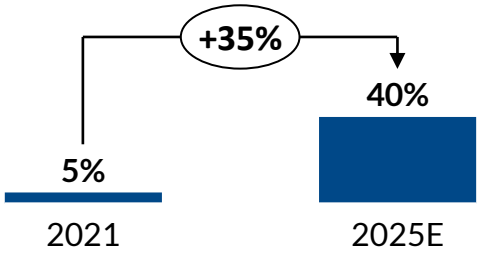


The Legal & Compliance Tech market is estimated at $28B in total revenue presently, projected to grow at an 11% CAGR through 2025

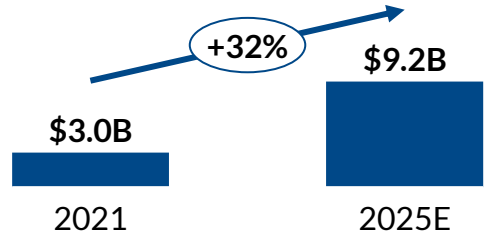
4 Compliance Tech revenue size



5 Privacy tech reliance on AI



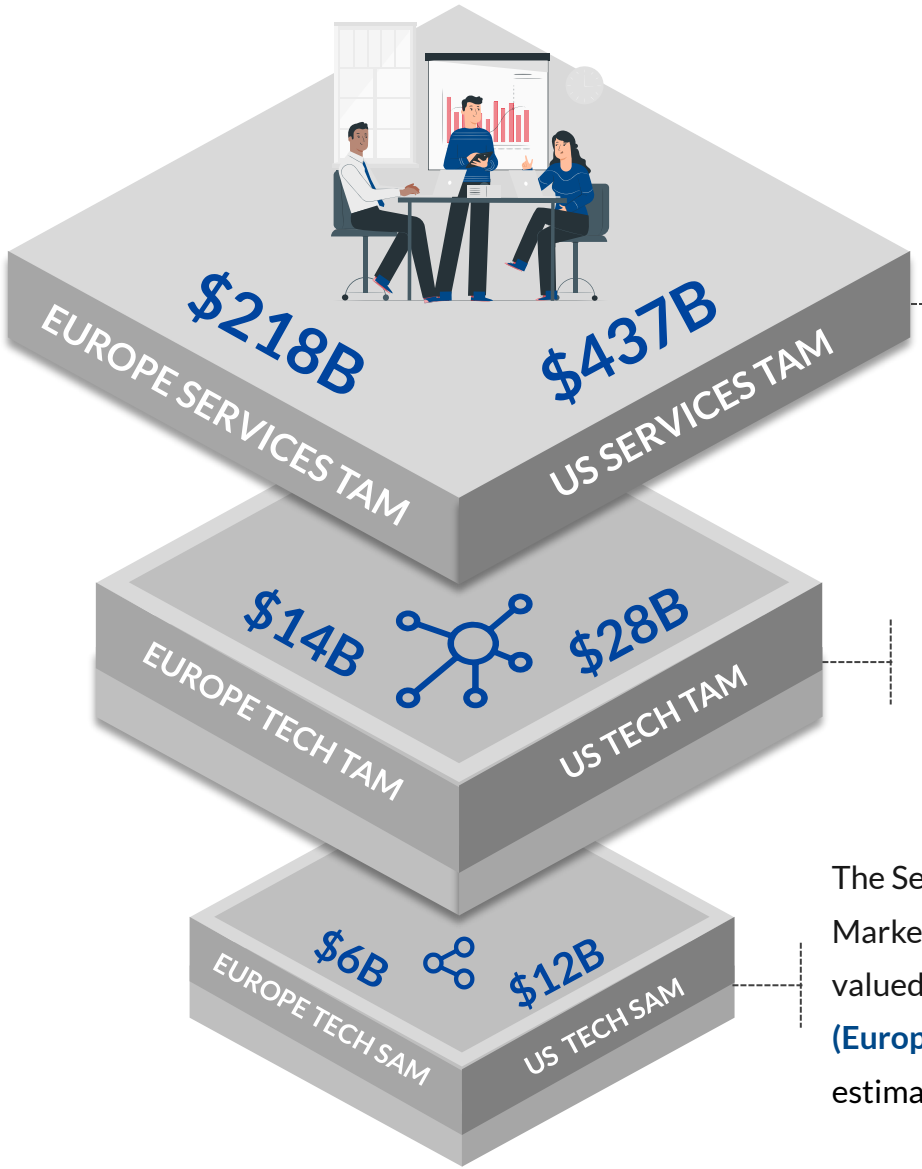
6 TAM for ESG reporting



Sources: ILTA, IDC, Statista, Gartner, Workiva, Deloitte, Data Intelo, Law.com, AGC estimates

LEGAL IS A MASSIVE MARKET WITH LOW TECHNOLOGY PENETRATION

- IT spend of 1.9% of revenue remains less than half of the 4.2% average spend across other industries
- Only 22% of legal departments and law firms say they understand the available software technologies well enough to make IT purchasing decisions
- 69% recognize the need for more IT spend and expect Big Data, Predictive Analytics and Automation technologies will have a big impact on their firms within the next three years
- A major factor driving growth is undoubtedly digital and cloud adoption spurred on by the "new normal" of work-from-home and hybrid work arrangements
- 50% of big law firms say they have accelerated their digital transformation efforts over the last year, and 51% say they use cloud services with every upgrade
- While spending in the sector lags other industries, legal tech has the potential to grow faster than the average software vertical given its low penetration rate and large addressable market



At **$437B (US) and $218B (Europe) the legal industry** is a massive market with low IT spend of 1.8% as a percentage of revenue

The Total Addressable Market (TAM) for Legal Tech is valued at **$28B (US) and $14B (Europe)** as adoption increases and the market matures

The Serviceable Addressable Market (SAM) for Legal Tech is valued at **$12B (US) and $6B (Europe)** based on the current estimated spend on software

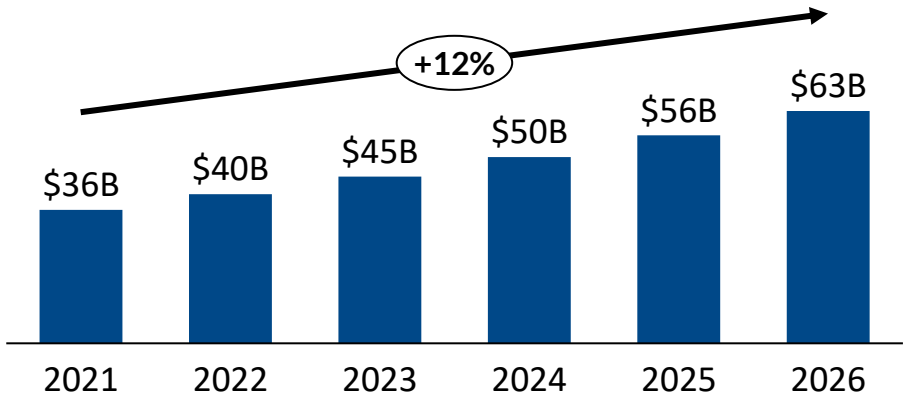
Sources: ILTA, Statista, Docusign, MarketLine, Wolters Kluwer, Legalcomplex, MarketResearch

COMPLIANCE IS A SUBSET OF THE LARGER GRC MARKET

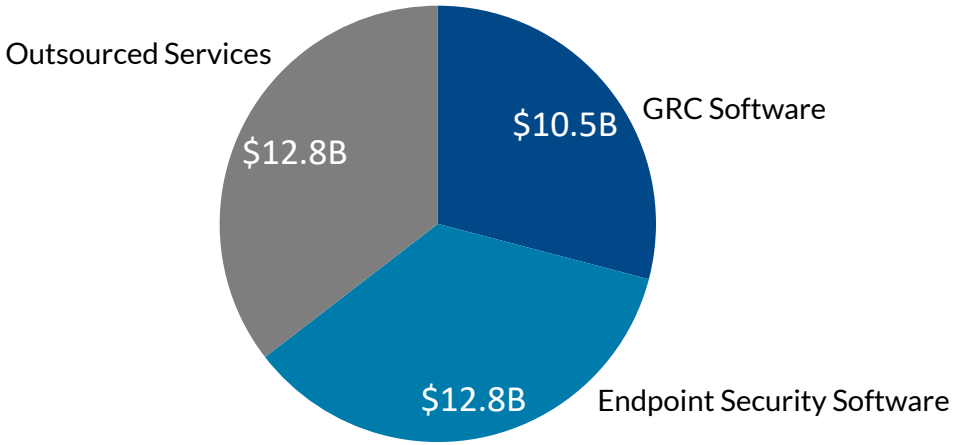
The increased complexity arising from the pandemic related regulations and new data privacy laws is driving strong growth in GRC solutions, of which Compliance is a key component

- Compliance Tech is a subset of the larger GRC (governance, risk, and compliance) market which also includes IT Risk, Operational/ Financial Risk, and parts of the Cybersecurity market
- Taken together, it is a major category that is expected to reach $62.8B in total revenue by 2026 from $36.1B presently, a CAGR of 11.7%
- Growth in the GRC market is being driven by the explosion in big data collected on markets and target clients, and a corresponding response by regulators to safeguard the privacy of "data subjects," i.e. individuals and their related personal information
- The average cost of handling a data subject access request is estimated at $1,500 per event; meanwhile, data privacy fines can run up to 4% of an organization's total revenues
- What was previously an area of corporate "best practice" and managing reputational risk is now an area of forced spending
- In this report, we exclude cyber and IT risk/ops to focus on technologies that are more likely to be influenced by C-level executives of law firms, corporate law departments and corporate compliance departments than by CISOs and CIOs

GLOBAL GRC REVENUE FORECAST



GLOBAL GRC REVENUE BREAKDOWN



Source: IDC, Inuix, MARC Group, MarketsandMarkets

LEGAL TECH: COVID FORCED ADOPTION OF EXISTING TECHNOLOGY

COVID significantly impacted the legal market, accelerating existing trends and creating new ones driven by technology. Video calls, work from home technology, automated administration and other technologies were long available, but COVID forced their immediate adoption and cemented their use for the foreseeable future:

Many law firms and corporate legal departments remain at least partially virtual today, having embraced the technological shift induced by COVID. Partners are working from their homes and many of the junior lawyers also working from home at least 2-3 days a week, with 66% of legal employees expected to continue working from home post-pandemic.

With the flexibility to work remotely increasing before COVID but suddenly becoming a necessity, lawyers turned to technology to enhance their practices and interaction with clients. Zoom took off and is now used by 83% of law firms, and Google, Microsoft and other competitors enhanced their virtual call technology, allowing for collaboration on documents, case management, and virtual courtroom appearances, among other capabilities. Virtual training has likewise become commonplace for lawyers needing to meet legal education requirements.

The emergence of workflow and workforce management platforms, which enable lawyers to handle their own administrative tasks (i.e. submitting their own time records and expenses), have caused a reduction in administrative staff. Law firms discharged 36% of support staff and furloughed another 34% early in the pandemic, and technology will likely make those budget cuts permanent.

Electronic discovery projects were negatively affected by COVID initially as courts were closed, but have since rebounded. Ediscovery firms like CS Disco are seeing an increasing percentage of their revenue coming from SaaS subscriptions, affording an opportunity to go public or consolidate at very attractive valuations for stockholders.

Millennials have become the core of the "new partners" at law firms given an average partnership track of 9 years – bringing with them enhanced expectations of technology use and acceptance, a desire for flexible work accommodations, enhanced benefits and tools for collaboration.

These trends have opened the gates for adoption of more advanced technologies including contract collaboration software, artificial intelligence in assessing legal cases and predictive analytics in case management.

Sources: Wolters Kluwer, American Bar Association

LEGAL TECH: TOP COVID DRIVERS FOR ADOPTION

Knowledge Management

To fill what became a void in professional interactions, law firms accelerated investment in Knowledge Management platforms to connect lawyers with essential knowledge and information in the same way they used to consult with colleagues having deep subject matter expertise

Legal Marketing

Analytics, email and smart marketing are emerging as more efficient ways to reach potential clients rather than in-person meetings. The use of targeted social media and lead generation technology is also growing

These trends have opened the gates for adoption of more advanced technologies including contract collaboration software, artificial intelligence in assessing legal cases and predictive analytics in case management.

"Prior to Covid, technology changes were difficult. Post-Covid technology changes are much more accepted."

– CTO of large international law firm

Hybrid Work Environment

Accelerated movement to hybrid cloud technology has driven acceptance of remote depositions/appearances, but has also required increased spend on cybersecurity and document automation. These costs are offset, however, by decreased reliance on admin support to set meetings, track billings and expenses. More lawyers are using technology to do their own support

AI Acceleration

Contract Management and Collaboration Software, Ediscovery and Data Analytics combine with Artificial Intelligence and Enhanced Research capabilities for more efficiency and utilization of data

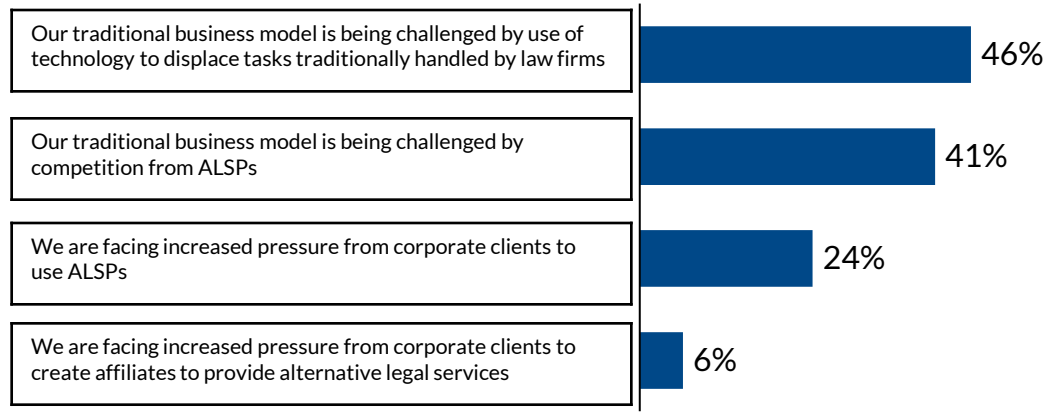
Sources: LegalWeek

LEGAL TECH: CHANGING BUSINESS MODELS PROPELLED BY TECH DISRUPTION

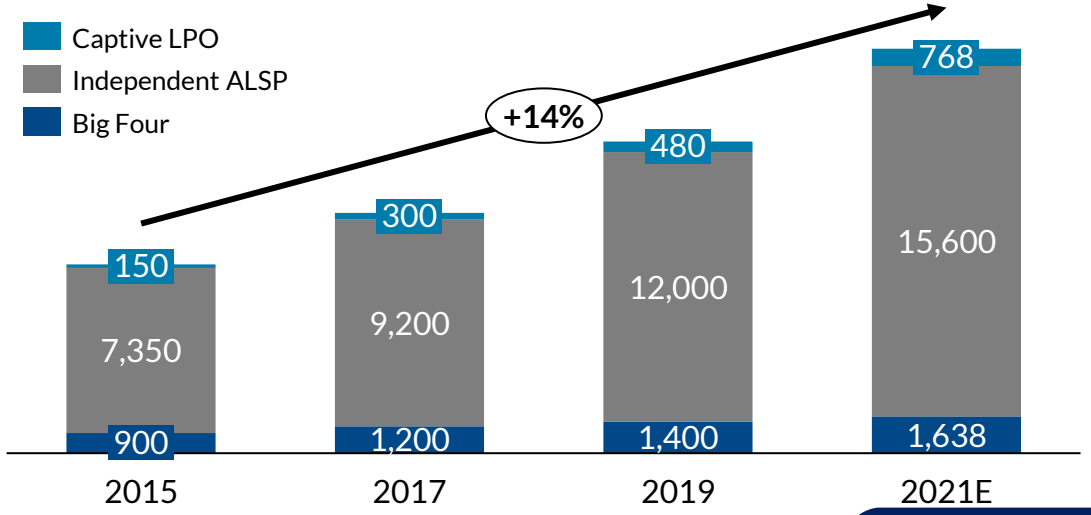
Even before the Pandemic hit, the legal business model faced growing pressure from tech-savvy alternative providers

- Traditional law firms operate under a partnership model that leverage the billable rate of lawyers at the top of the food chain and the time and cost of professionals working under them. Accumulating billable hours is at the core of that model
- By contrast, other industries have moved on to a more modern, digital and client-centric model that features on-demand delivery of goods and services in a more predictable and cost-effective manner
- Much like healthcare, legal is transitioning to a service model that emphasizes value-based outcomes while charging less for repetitive, commodity-like services
- This has led to the rise of Alternative Legal Service Providers (ALSPs) and Legal Process Outsourcing (LPOs) which at $18B in estimated revenue have grown at a 15% CAGR, more than twice as fast as the US industry overall
- At the core of the ALSP/LPO model is tech, which is used to automate or streamline tasks routinely performed by full service law firms in the past
- These include e-discovery, research services, litigation support, regulatory risk assessment, compliance services as well as more specialized services such as Intellectual Property management

ALSPS CREATING PRESSURE ON LAW FIRM BUSINESS MODEL



ALSP REVENUE GROWTH 2015-2021 ($ MLNS)

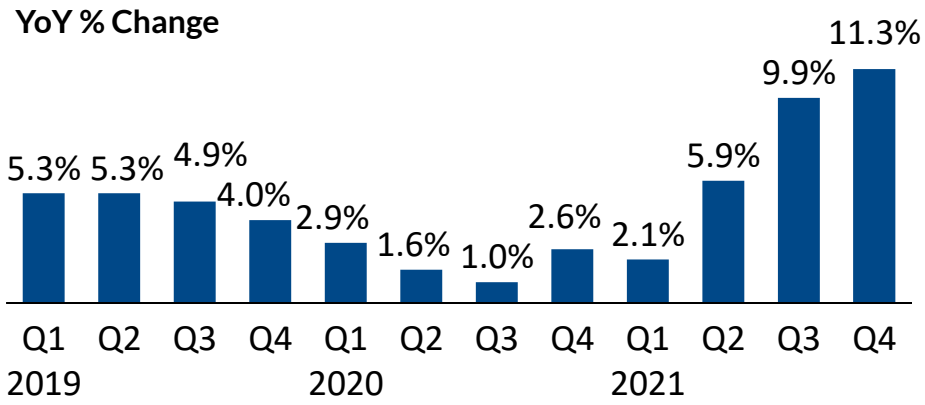


LEGAL TECH: NEED FOR EFFICIENCY WILL DRIVE GROWTH GOING FORWARD

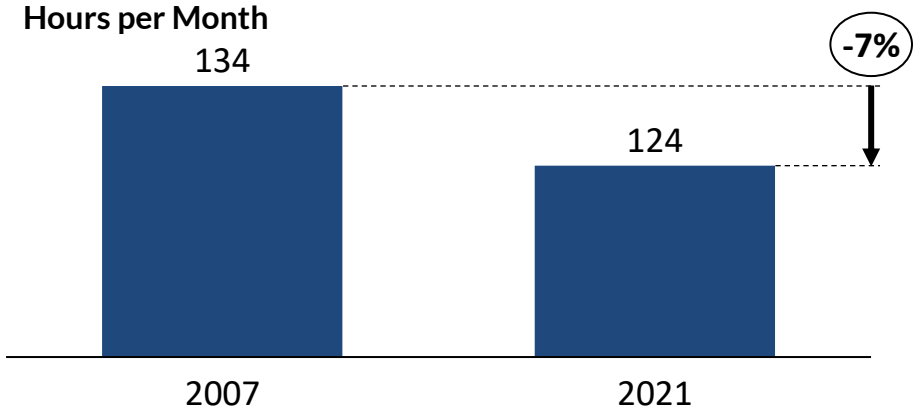
Pressures on business margins and need for improved service quality reinforce investments in legal tech

- As increased competition drives declines in billable hours worked per lawyer and legal Associate compensation continues to rise, investing in new technology will be needed to increase efficiency and preserve gross margins
- Legal Tech offers a variety of solutions to conserve or eliminate consumption of expensive professional services and improve service quality, especially in the area of AI including:
    1. Expand use cases for forensic technology to retrieve and analyze complex data sets
    2. Richer and faster AI-enabled data filtering, processing, and enrichment
    3. Improved data integration across disparate, legacy systems that cannot be easily replaced
    4. Adoption of fully connected and open project management tools that connect law firms, clients and data repositories
    5. Mainstream use of no-code / low-code platforms for vertical specific workflow and process automation
    6. Fully automated document review and contract processing
- Increased efficiency across core services and activities will drive the next major wave of technology across legal departments and law firms

ASSOCIATE COMPENSATION GROWTH



BILLABLE HOURS WORKED PER LAWYER



Source: Thomson Reuters

LEGAL TECH: IMPROVED VIEWS ON THE CLOUD

Slowly but surely, cloud computing is becoming standard among smaller firms in particular

- Cloud usage grew to 60% in 2021 according to the ABA-LTRC's annual Legal Technology Survey
- Small and medium-sized firms report the highest use of cloud services—roughly 65%; large firms are just slightly behind in reported use
- Despite the slow growth in 2021, cloud computing appears to be moving toward a standardized approach in legal technology as 62% of lawyers reported using Dropbox, a popular cloud service company

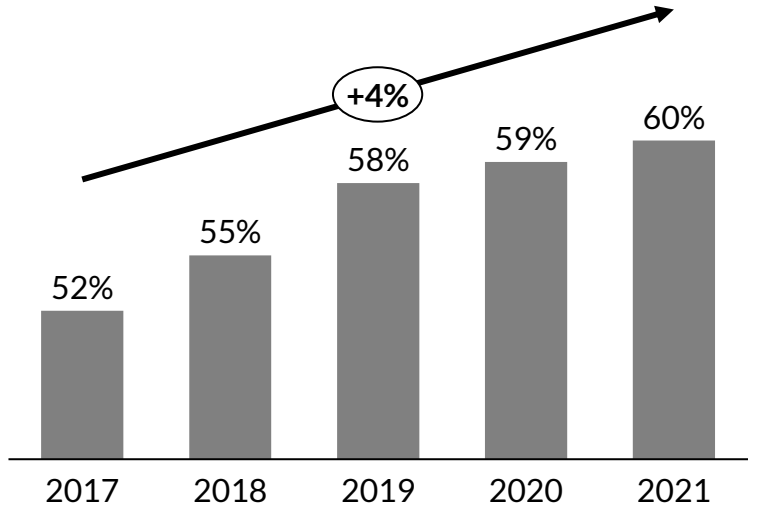
Concerns around cloud usage are shifting as the market develops

- The assimilation of tech-forward millennials into the market has made in-house legal counsels more willing than ever to embrace the cloud
- Modern cloud systems are built with secure communications protocols, giving law firm CIOs greater confidence in the cloud
- As cloud based systems expand market dominance, practices are forced to adopt cloud technology in order to competitively secure their infrastructures

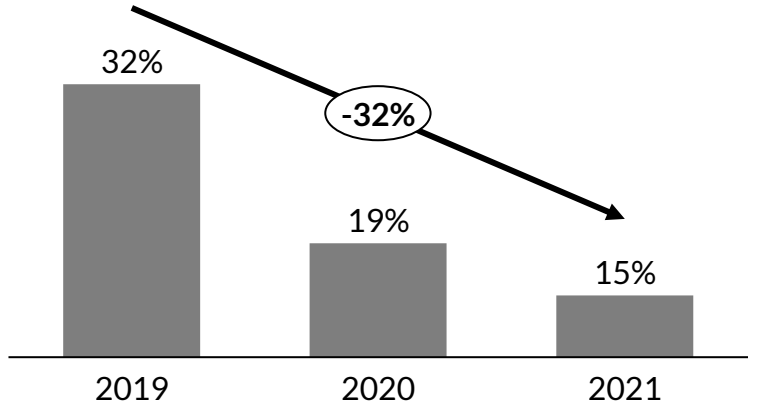
2nd generation solutions are emerging

- Centrally stored data is more efficient and effective to collect, process, host, review and produce ESI in a secure cloud environment
- Successful cloud projects have increasingly focused on integrating functions such as billing, accounting, and document management into an all in one, easy to use system
- These solutions also offer secure enhanced mobility access and are better aligned with the way that lawyers truly operate

CLOUD USAGE



ON-PREM PROJECT DEPLOYMENTS

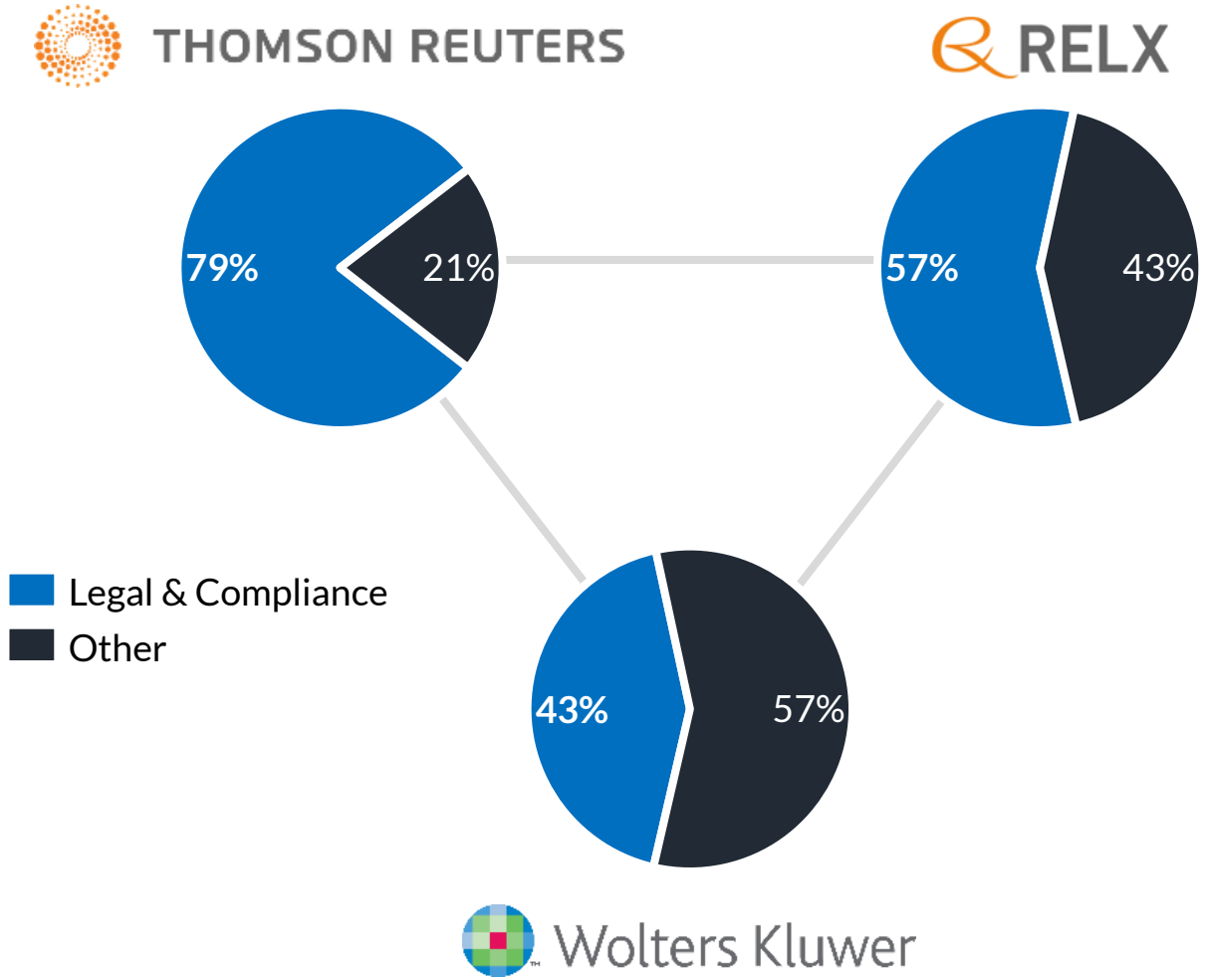


Source: Thomson Reuters, Aderant, Law Sites, ABA, Gartner

LEGAL TECH: THE BIG THREE

Revenue Breakdown

- The Big 3 in the Legal & Compliance technology and services market are projected to generate nearly $13B in revenues in 2022 from those divisions
- Prior to COVID, The Big 3 recorded an average 2019/18 revenue growth rate of 4.1%. Post COVID, growth estimates have jumped significantly to 6.9% (2022/21)
- Thomson now derives nearly ~80% of revenues from its legal and compliance tech businesses, having completed its transformation from a holding company filled with market data and other eclectic businesses to a content-driven technology company
- Thomson, RELX and Wolters have all been highly active in making strategic acquisitions in higher growth segments of Legal and Compliance Tech to compliment their existing product sets, and will likely continue to do so

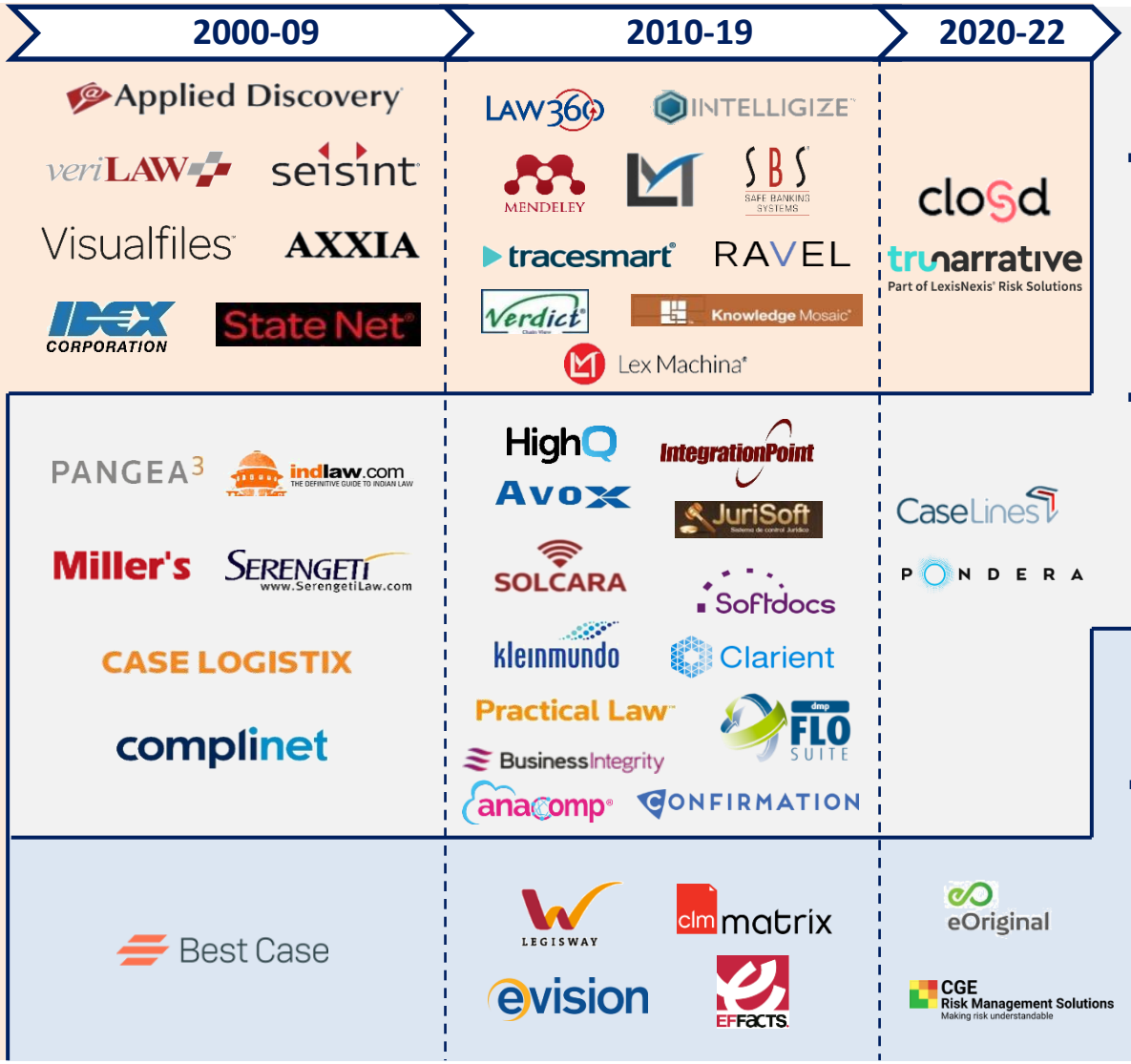


Source: Pitchbook, Company Reports

LEGAL TECH: ACQUISITION FOCUS OF BIG THREE LEGAL TECH PLAYERS

RELX

- RELX (fka Reed Elsivier) has placed an emphasis, through both R&D and M&A, on "next-generation legal research solutions that harness the power of Big Data and supporting the evolving information needs of the legal professional"
- Reed Elsevier's legal division is strongly focused on migrating off legacy infrastructure onto cloud-based subscription products, and will look to add bolt- on cloud analytics offerings to their New Lexis platform
- Its most recent legal acquisition was Closd, a legal document SaaS platform, in Dec 2021



THOMSON REUTERS

- Since shedding its market data business, Refinitiv, in 2018, Thomson Reuters has pursued its vision of becoming a top content driven technology company serving legal, accounting and tax professionals, and the corporates that employ them
- The company has since completed the acquisition of five SaaS businesses including Netmaster (court management), Pondera (anti-fraud), HighQ (legal project management), Confirmation (audit) and Integration (global trade)

Wolters Kluwer

- Wolters Kluwer has uncovered a significant gap between the emergence of legal technology and the preparedness of law firms to adopt the new technology. The company's 2018 acquisition of legal management software platform Legisway aimed to bridge this gap

Source: Company Reports

LEGAL TECH: WHERE LEGAL TECH IS HEADED AND WHAT THAT MEANS FOR THE INDUSTRY

Cost, Speed, Accuracy, Collaboration Spearhead Increased Legal Tech Spend

Ediscovery is one of the more widely used technologies and a good indicator of the adoption cycle for other Legal Tech solutions. While the technology has a relatively slow rollout and issues over security and high customer acquisition cost, it has high customer retention. The ediscovery segment is undergoing intense consolidation with larger players becoming more entrenched at existing customers and now doing land grabs for new customers through M&A.

Virtual lawyering seems here to stay with 2-3 days in the office to conduct client meetings and lawyer interaction, and 2-3 days working remotely. Younger lawyers will therefore need to keep networking remotely and increasingly push for investment in technology for efficiency and to drive top line growth.

Implications for accelerated growth in **contract management**, **cloud security** and **case management software**

Administrative staff support spend will likely not return to Pre-COVID levels. Lawyers are expected to increasingly be able to handle much of their billing, expense and time management, implying an increased use of efficiency tools to assist with this.

COMPLIANCE TECH: RATE OF REGULATORY CHANGE IS ON THE RISE GLOBALLY

EU in Full Data Protection War Mode

- The EU General Data Protection Regulation (GDPR) took effect in May 2018, since which over 900 fines have been issued across the European Economic Area and the U.K.
- GDPR fines have been rising rapidly, reaching nearly €1 billion in Q3 2021, a staggering 20x greater than Q1 and Q2 combined
- Just recently, the use of Google Analytics was found to be in breach of GDPR in France and Austria, in another broadside aimed at the big wallets of Big Tech

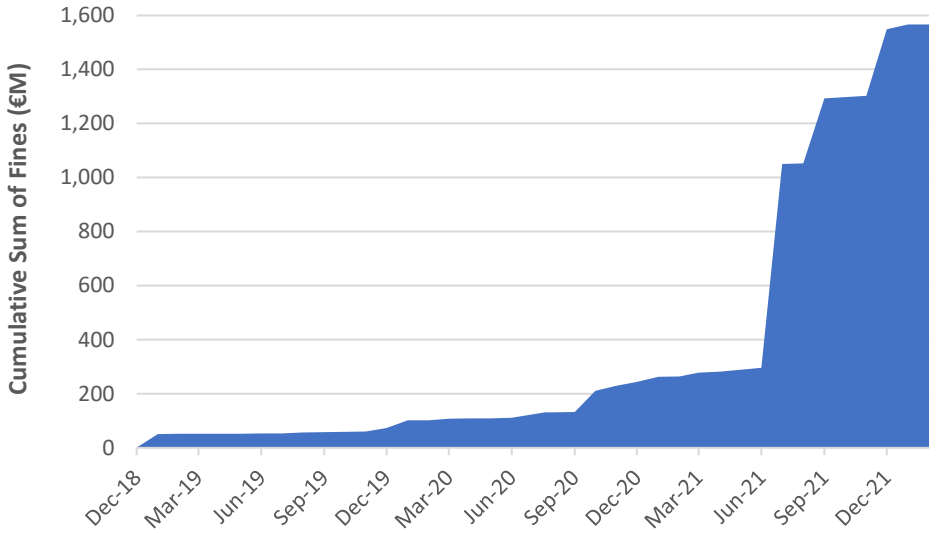
US Administration Pushes Widespread Regulatory Overhaul

- In December 2021, the Biden administration issued the Unified Agenda of Regulatory and Deregulatory Actions, aimed at protecting the public from COVID, promoting environmental regulation, and preventing housing discrimination agencies
- A total of 14 government agencies were impacted, including the Departments of Labor, Education, Housing, and the Small Business Administration, and its likely to cause significant regulatory change over the next 12 months,

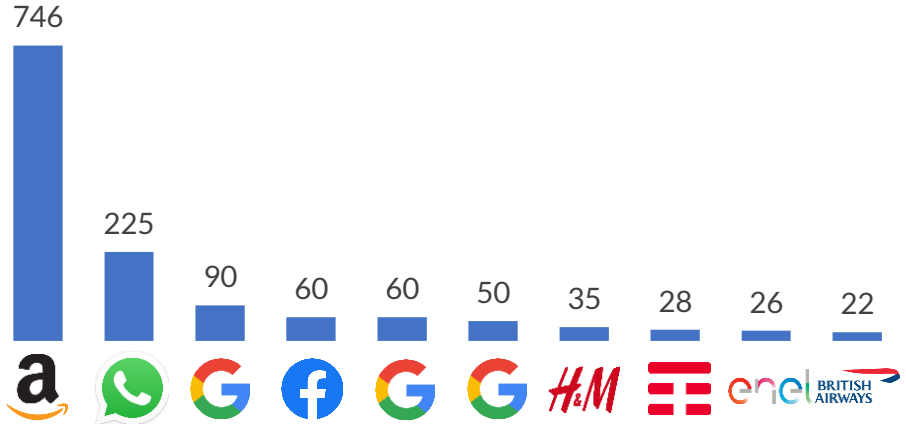
China Gets in on the Act

- In August of 2021, China created its own version of data protection regulation with the enactment of the Personal Information Protection Law (PIPL)
- It lays out for the first time comprehensive rules around data collection, retention and protection, and imposes strict conditions on transferring Chinese resident data outside of the country

COURSE OF OVERALL SUM OF EU REGULATORY FINDS



TEN LARGEST EU REGULATORY FINES SINCE 2019 (€M)



Sources: IMARC, Tessian, Office of Information and Regulatory Affairs, CMS.Law Enforcement Tracker

COMPLIANCE TECH: A WAVE OF DATA PRIVACY REGULATIONS FOLLOWING GDPR

As ongoing regulatory changes add complexity to compliance operations across the globe and across industries, GRC as part of digital transformation strategy is becoming more critical for companies to stay current

US momentum carried forward in 2021 and into 2022, with 18 states already introducing—or reintroducing, in some cases—CCPA-like privacy legislation:

- Alaska
- District of Columbia
- Florida
- Hawaii
- Kentucky
- Indiana
- Massachusetts
- Minnesota
- Nebraska
- New Jersey
- New York
- North Carolina
- Ohio
- Oklahoma
- Pennsylvania
- Vermont
- Washington
- Wisconsin

Sources: Arnold & Porter, Comforte, Forbes

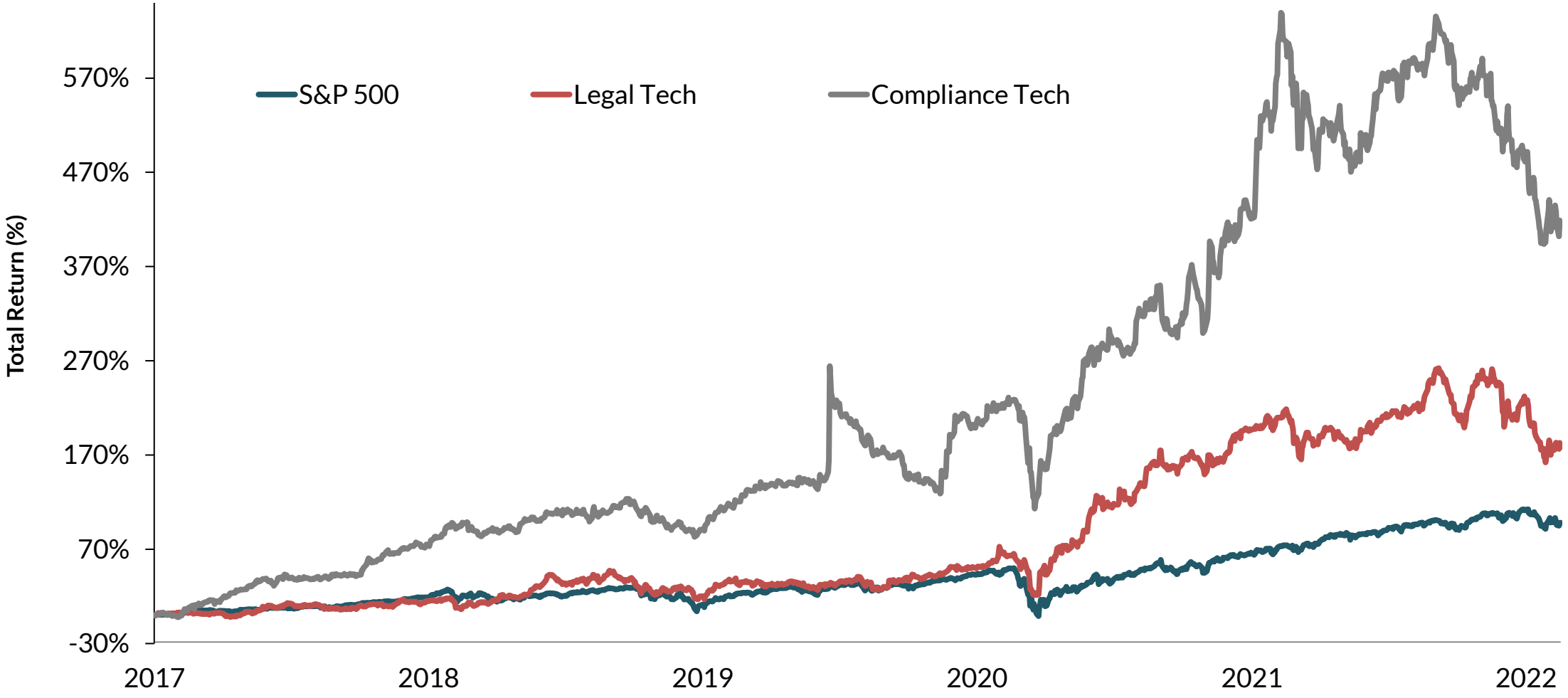
PUBLICLY TRADED LEGAL & COMPLIANCE TECH COMPANIES

($ in millions) Company	Enterprise Value	Stock Price % of 52 Week High	Enterprise Value / Revenue 2021E	Enterprise Value / Revenue 2022E	Enterprise Value / EBITDA 2021E	Enterprise Value / EBITDA 2022E	Rule of 40	Revenue Growth 2021E/2020A	Revenue Growth 2022E/2021E	2022E Margins EBITDA	2022E Margins Gross
Legal Technology											
RELX	$67,714	94%	6.8x	6.3x	18.3x	16.5x	47%	9%	9%	38%	44%
Thomson Reuters	52,702	65%	8.4x	7.9x	26.7x	22.9x	41%	4%	7%	35%	35%
Wolters Kluwer	28,385	94%	5.2x	5.0x	16.4x	15.4x	38%	3%	5%	32%	25%
Docusign	24,931	38%	11.9x	9.6x	NM	46.6x	45%	44%	25%	21%	83%
Clarivate	15,832	48%	8.4x	5.8x	19.8x	14.5x	85%	49%	45%	40%	117%
LegalZoom	3,001	41%	5.2x	4.4x	NM	46.0x	29%	23%	19%	10%	68%
Dye & Durham	2,318	45%	2.4x	2.2x	19.1x	9.3x	33%	21%	10%	24%	36%
CS Disco	2,076	59%	19.0x	14.6x	NM	NM	6%	59%	30%	(24%)	71%
Intapp	1,311	55%	5.4x	4.7x	NM	NM	7%	0%	14%	(7%)	68%
KLDiscovery	759	78%	2.4x	NA	11.2x	NM	NA	11%	NA	21%	49%
Fronteo	684	30%	6.6x	5.5x	27.9x	NM	NA	0%	21%	20%	51%
Nuix	286	11%	2.2x	2.1x	NM	NM	42%	NA	4%	38%	NA
Median	**$2,659**	**52%**	**6.0x**	**5.5x**	**19.1x**	**16.5x**	**39%**	**11%**	**14%**	**22%**	**51%**
Compliance Technology											
Avalara	$8,497	53%	12.3x	9.9x	NM	NM	24%	37%	24%	(1%)	73%
Workiva	5,745	67%	13.1x	10.8x	NM	NM	20%	25%	21%	(1%)	77%
Ideagen	1,121	75%	9.8x	7.7x	29.2x	22.7x	61%	NA	27%	34%	90%
AvePoint	882	51%	4.5x	3.5x	NM	NM	35%	NA	30%	5%	77%
EQS Group	419	81%	7.4x	5.3x	NM	45.6x	52%	31%	40%	12%	90%
Issuer Direct	81	80%	3.7x	3.3x	14.5x	13.7x	38%	17%	14%	24%	74%
Akerna	41	19%	2.0x	1.5x	NM	NM	8%	NA	33%	(26%)	63%
Median	**$882**	**67%**	**7.4x**	**5.3x**	**21.8x**	**22.7x**	**35%**	**28%**	**27%**	**5%**	**77%**
Median (All)	**$2,076**	**55%**	**6.6x**	**5.4x**	**19.1x**	**19.6x**	**38%**	**21%**	**21%**	**21%**	**70%**

Source: PitchBook

LEGAL & COMPLIANCE TECH INDEX PRICE PERFORMANCE

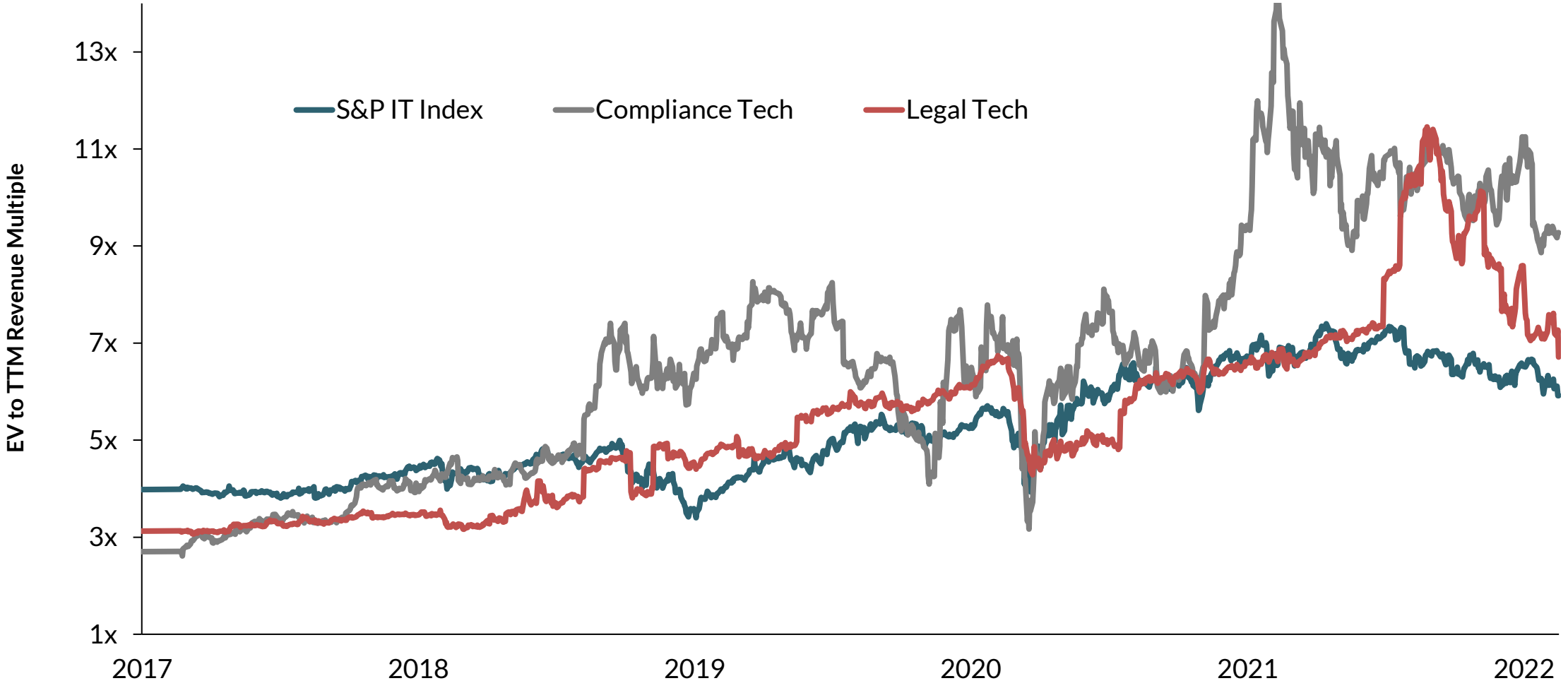
Legal & Compliance Tech Stocks Outperform Sharply – Up Three-Fold from COVID Correction Lows



Source: PitchBook

LEGAL & COMPLIANCE TECH INDEX VALUATIONS

Back In Line with Broad Tech



Source: PitchBook

PE PLATFORMS DRIVE SIGNIFICANT M&A IN LEGAL & COMPLIANCE TECH

MITRATECH

Hg · Ontario Teachers' Pension Plan

Quovant · alyne · Continuity · Acuity ELM · ContractRoom · INSZOOM · AdvanceLaw (A MITRATECH COMPANY) · TRACKER Hire Compliance · THINKSMART

The company is a provider of enterprise legal and risk management platforms. Since July 2020, it has announced or completed 8 buy-side transactions.

LITERA

Hg

prosperoware · Kira · OBJECTIVE MANAGER · Clocktimizer · ALLEGORY · Levit & James, Inc. · Doxly · bestpractix

The company is a developer of document management software primarily for legal and life sciences industries. Since March 2020, it has announced or completed 7 buy-side transactions.

Questel

IK Partners · EURAZEO

novum ip · brandstock SIMPLY CLEVER SOLUTIONS · Morningside Translations · innosabi · doeLEGAL · renewalsdesk

Questel is a developer of innovation management software intended to provide support throughout the intellectual property (IP) lifecycle.

epiq

OMERS · ARES

SimpleLegal · NuLegal · Garretson Resolution Group · H&A eDISCOVERY · BRUNEAU GROUP Better Settlement Administration · CONTROLO · HYPERIONGP

Epiq is a provider of legal process outsourcing, litigation support and document management services which enables clients to manage risks and minimize costs associated with complex litigation.

SOVOS

TA ASSOCIATES

1099 PRO · saphety · STUFENDO · petapilot Technologies · LTtax · ACCORDANCE · Foriba · trustweaver COMPLIANCE IN THE CLOUD

Sovos is a developer of e-invoicing compliance and tax reporting software intended to safeguard businesses from the burden and risk of modern transactional taxes.

Other PE Platforms to Watch

BILL4TIME · FP Francisco Partners · frontline MANAGED SERVICES · bv · LEXITAS · Apax · HAYSTACK · QUAD-C · onit · FORUM EQUITY PARTNERS · OneTrust · INSIGHT PARTNERS · netdocuments · Warburg Pincus · COVE HILL PARTNERS · BigHand · LEVINE LEICHTMAN CAPITAL PARTNERS

Sources : Pitchbook, 451 Research

NOTABLE LEGAL & COMPLIANCE SPAC PLATFORMS

Apex Technology Acquisition Corp.

AvePoint®

Ticker:	AVPT
Cash to B/S:	$252M
Stock to Sellers:	$1.4B
Cash to Sellers:	$257M
Total Deal Size:	$1.7B
EV / Rev:	11.7x
Deal Status:	Closed
Closed Date:	7/1/21

DUDDELL STREET ACQUISITION CORP

FiscalNote

Ticker:	DSAC
Cash to B/S:	$118M
Stock to Sellers:	$1.0B
Cash to Sellers:	N/A
Total Deal Size:	$1.2B
EV / Rev:	12.2x
Deal Status:	Pending
Announce Date:	11/8/21

PIVOTAL

KLDiscovery

Ticker:	KLDI
Cash to B/S:	$75M
Stock to Sellers:	$348M
Cash to Sellers:	N/A
Total Deal Size:	$1.04B
EV / Rev:	2.7x
Deal Status:	Closed
Closed Date:	12/20/19

lefteris

REDEFINING PRIVATE TO PUBLIC

$207M in Dry Powder

Ticker:	LFTR
Cash to B/S:	TBD
Stock to Sellers:	TBD
Cash to Sellers:	TBD
Total Deal Size:	TBD
EV / Rev:	TBD
Deal Status:	Pre-Deal
Deadline:	10/23/22

MTech Acquisition

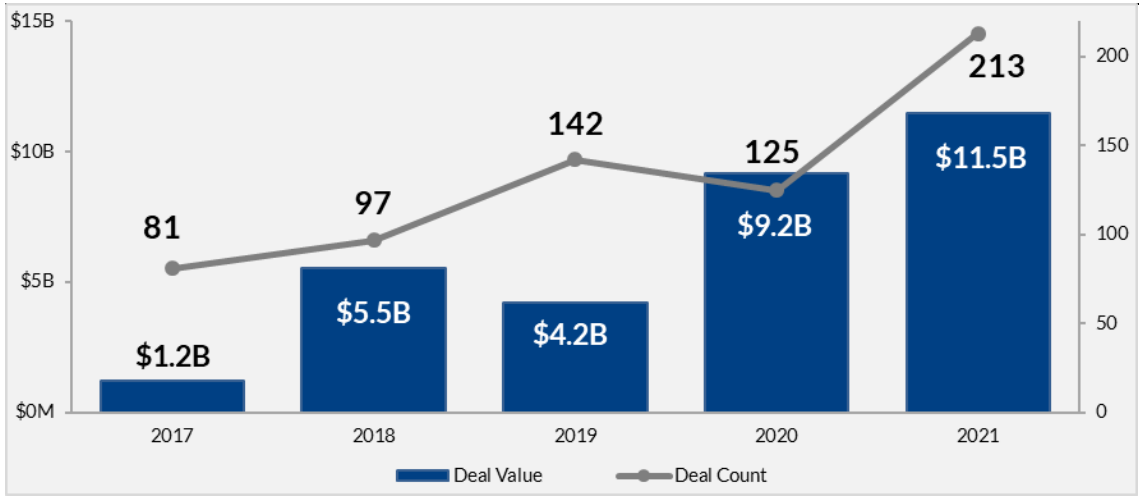
AKERNA

Ticker:	KERN
Cash to B/S:	$64M
Stock to Sellers:	$70M
Cash to Sellers:	N/A
Total Deal Size:	$82M
EV / Rev:	7.8x
Deal Status:	Closed
Closed Date:	6/17/19

Sources : Pitchbook, 451

LEGAL & COMPLIANCE TECH M&A TRENDS

M&A VALUE & DEAL COUNT



Normalized. Excludes $6.8B acquisition of CPA Global by Clarivate.

M&A COMMENTARY

- There have been 672 M&A transactions in the Legal & Compliance Tech sector since 2017 for an aggregate value of $38B
- Financial sponsors have featured prominently in the Legal & Compliance Tech space: 56% of all deals and 58% of all deal value involved PEs or SPACs as buyers
- 2021 saw a record 213 deals announced, led by the buyouts of Mitratech and NetDocuments for $1.5B and $1.4B, respectively
- It was a very busy year for PE platforms with Litera and Mitratech completing four add-on acquisitions each, and ComplySci and My Case each completing three
- K-1 completed seven acquisitions during 2021, including both platform deals and add-ons

TOP 10 M&A TRANSACTIONS OF THE LAST 5 YEARS

Date	Target	Acquirer	EV ($B)	EV/Rev
Jul-20	CPA GLOBAL	Clarivate	$6.8B	12.1x
Sep-20	RSA Archer	STG Symphony Technology Group	2.1B	ND
Mar-21	MITRATECH	Ontario Teachers' Pension Plan	1.5B	ND
May-21	netdocuments	Warburg Pincus / Cove Hill Partners	1.4B	35.6x
Jul-18	NAVEX GLOBAL	BC Partners	1.4B	ND

Date	Target	Acquirer	EV ($B)	EV/Rev
Dec-20	Sparta Systems	Honeywell	$1.3B	ND
Dec-20	Septeo	Hg	1.2	75.9x
May-21	fenergo	Bridgepoint / SilverTree	1.2	ND
Jul-20	Questel	Eurazeo / IK Investment Partners	1.1	ND
Oct-18	conga	Thoma Bravo	1.0	6.7x

Source: 451 Research, PitchBook

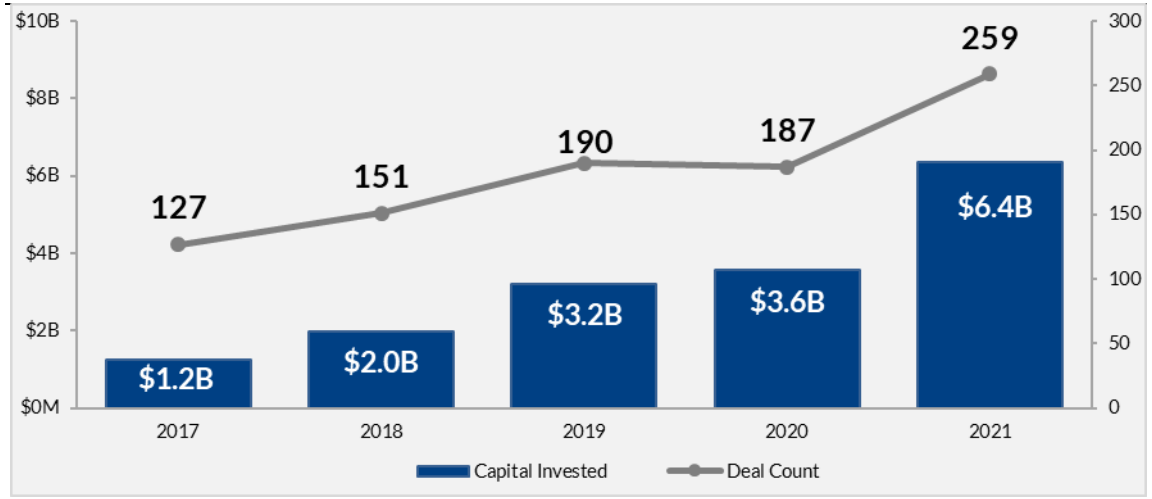
TOP ACQUIRERS (2017 –YTD 2022)

Acquirer	Number of Acquisitions	Notable Transaction	Representative Acquisitions
Questel	12	Aug-21 - NovumIP (ND)	NovumIP, Morningside Translations, doeLEGAL, RenewalsDesk, About Innovation, NRI Cyber Patent, Brandstock, O3C Konsult, Direct Validation, MultiLing, ULT Research, ITIP ProFiciency
MITRATECH	10	Jan-22 - Quovant (ND)	Quovant, Continuity, Alyne, Contract Room, Advance Law, INSZoom, Acuity, Tracker, ClusterSeven, ThinkSmart
Avalara	10	Oct-20 - Transaction Tax Resources ($367M)	3CE Technologies, Crowdreason, Track1099, DAVO Technologies, Impendulo, Business Licenses, Transaction Tax Resources, Portway International, Compli (Alcoholic Beverage Compliance), Tradestream Technologies
Ideagen	10	Nov. 21 - CompliSpace (81.81 M)	CompliSpace, Ai XPRT, Audit Analytics, Qualtrax, Qualsys, Redland Business Solutions, Scannell Solutions, InspectionXpert, Medforce Technologies, PleaseTech
epiq	9	Jun-18 - Garden City Group ($42M)	Simplex Legal, Hyperion Global, H&A eDiscovery, GRG, Bruneau Group, Controle, Garden City Group, Soliton Systems (eDiscovery business), NuLegal
SOVOS	9	Jul. 20 - Keane Unclaimed Property (ND)	1099 Pro, LTtax, Keane (unclaimed property software), Accordance Technical, Taxweb, Eagle Technology, Foriba, FiscalReps, Paperless
LITERA	9	Jan. 22 - Prosperoware (ND)	Prosperoware, Lynch Marks, Concep Group, Kira, DocsCorp, Allegory Solutions, Best Authority, Doxly, Workshare
OneTrust	8	Sept. 21 - Tugboat Logic (ND)	Planetly, Tugboat Logic, Shared Assessments, Convercent, Docuvision, Integris Software, Privacy Core, DataGuidance
Dye & Durham	6	Dec. 20 - DoProcess (417M)	GlobalX Information Services, DoProcess, Poweredbypie, Atsource Solutions, ESI Software
THOMSON REUTERS	6	Mar. 17 - Avox (ND)	CaseLines, Intelllex, HighQ Solutions, Integration Point, Avox, Clarient Global

Source: 451 Research, PitchBook. For the 5 year period ending 2/5/22

LEGAL & COMPLIANCE TECH PRIVATE PLACEMENT TRENDS

CAPITAL INVESTED & DEAL COUNT



PRIVATE PLACEMENT COMMENTARY

- There have been 931 private placement deals in the Legal and Compliance Tech sector since 2017, raising $16.8B in capital
- 2021 was the fifth consecutive year of record investment in the space, reaching $6.9B in total capital raised – a five-fold increase over 2017
- Of the ten largest private placements over the last five years, five occurred in 2021
- Notable recent venture rounds include the $394M Series D round for Trulioo at a post-money value of $1.7B and the $210M Series C round for OneTrust at a post-money value of $7.0B
- There was also a flurry of IPOs during the year highlighted by LegalZoom, DISCO and Intapp for a combined market cap of $8B

TOP 10 FINANCING TRANSACTIONS OF THE LAST 5 YEARS

Date	Size ($M)	Company	Round	Lead Investor(s)
Aug-20	$534M	Diligent	PE Growth	Blackstone, Insight Partners
Jul-18	500M	LegalZoom	Secondary	FP Francisco Partners, GPI Capital
Jun-21	394M	Trulioo	Series D	TCV
May-19	300M	netdocuments	PE Growth	Cove Hill Partners
Dec-20	300M	OneTrust	Series C	TCV

Date	Size ($M)	Company	Round	Lead Investor(s)
Sep-19	$250M	Clio	Series D	JMI, TCV
Aug-20	248M	ThoughtSpot	Series E	Lightspeed, Next Play Capital
Apr-21	223M	RocketLawyer	Series E	Vista
Jan-21	208M	DriveNets	Series B	D1 Capital Partners
Nov-21	202M	Everlaw	Series D	TPG

Note: excludes multiple large rounds by OneTrust during the same span

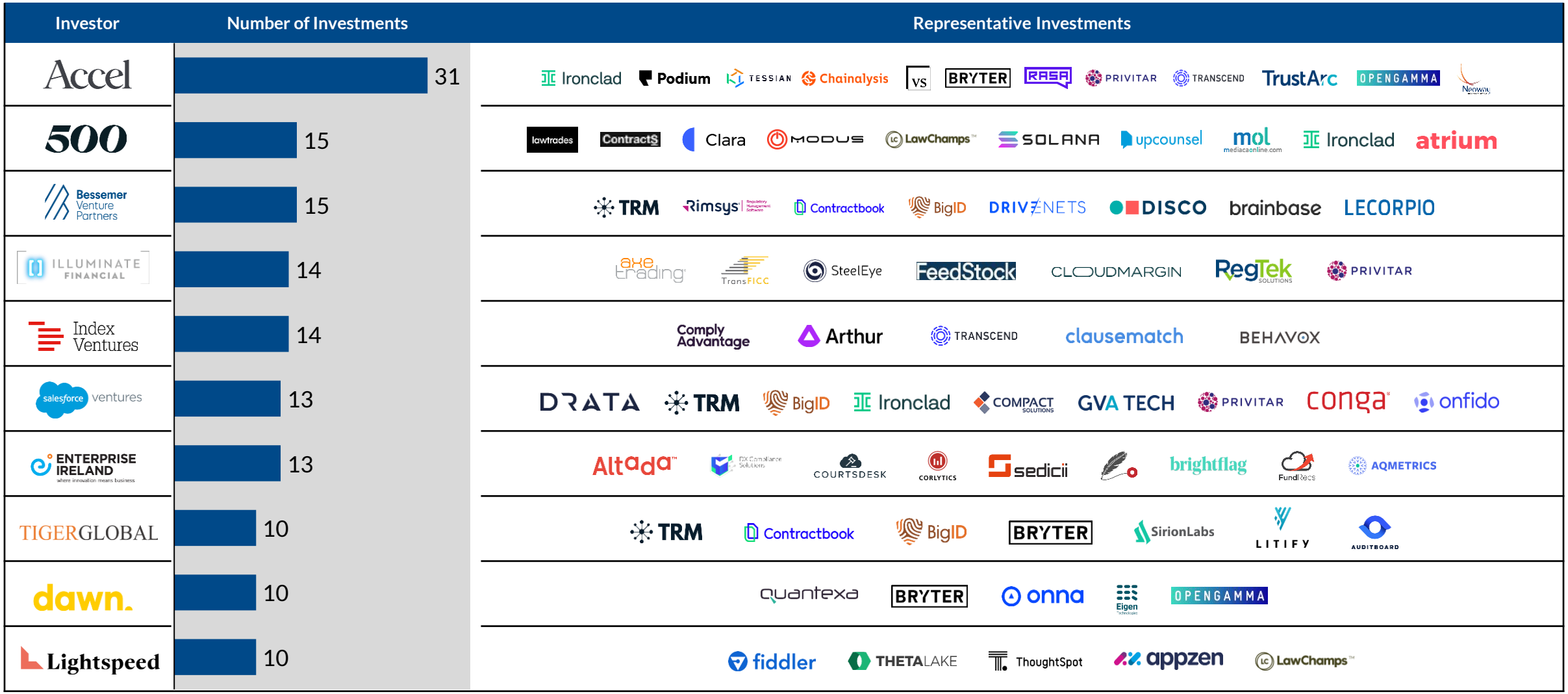
Source: PitchBook

TOP PE INVESTORS (2017 – YTD 2022)

Investor	Number of Investments	Platform	Direct	Add-Ons
Hg	44	Septeo, Citation, Litera, Mitratech	ProcessMAP, Caseware International	Quovant, Prosperoware, Legal Bricks, SpecPage, Kira, Objective Manager, Select Legal, Contract Room, AdvanceLaw, Clocktimizer, INSZoom, Acuity ELM, Allegory, Tracker, Keane Unclaimed, DPS, Eclipse Legal, Bestpractix, Taxweb, Levit & James, Doxly, Eagle, Foriba, WinJur, + 20 others
TA Associates	29	Riskconnect, LIST Group LegalZoom		Systems Integration, Legal Bricks, Compliance Solutions, BasisCode, SpecPage, Box+Dice, 1099 Pro, SimpleLTC, Select Legal, Contract Room, AdvanceLaw, ClientPay, Certent, INSZoom, Acuity ELM, Tracker, Keane Unclaimed, DPS, Eclipse Legal, Leverton, iContracts, Kinderlime, LANSA, + 2 others
Insight Partners	19	Vector Solutions, CoreLogic, Diligent	Weights & Biases, LawVu, Fiddler, Cognigy, OneTrust, ContractPod, Featurespace,Kira	CareSafely, Envisage Technologies, Steele Compliance Solutions, Securitec Screening, Lecorpio
Noble Rock	18	NAVEX Global, Mitratech		Quovant, Continuity, 1099 Pro, Contract Room, AdvanceLaw, INSZoom, Lttax, Acuity ELM, Tracker Corp, Keane Unclaimed Property, Accordance, Taxweb, ClusterSeven, Expolink Europe, Eagle Technology Management, Foriba
K1	17	ComplySci, Onit, Reveal Data	Conga, Crownpeak Technology	Micro Focus International, SecureDocs, RIA in a Box, Illumis, BusyLamp, Bodhala, Brainspace, AXDRAFT, Onit AI Center of Excellence, Digital Reasoning, SimpleLegal, Actiance
ThomaBravo	17	Riskonnect, Nintex, Conga, ICE Mortgage Tech, Veriforce, Cority	PDFTron	HomeWiseDocs, NodeGraph, SuccessEd, Complyworks, Xactium, Enviance, Global Supplier Quality Assurance, AlphaTrust, Aruvio, Qumram
Clearlake	13	RSA Security, Diligent, NetDocuments		Conduent, TransUnion Healthcare, Compliance Solution Strategies, Steele Compliance Solutions, Securitec Screening, Emenda, Closing Room, ThreadKM
Vista	12	ComplySci, Zapproved, Radar		Systems Integration, RIA in a Box, Illumis, Maize Analystics, Oyez Professional Services, Expolink Europe, SouthTech Systems, FiscalReps, Paperless Chile
Genstar Capital	10	Foreside Financial, Vector Solutions		ACA Group, BasisCode Compliance, CareSafely, Envisage Technologies, Certent, Thinkstep, SiteHawk, Connectiv
Investment Partners	10	Questel		NovumIP, Morningside Translations, doe LEGAL, Renewals Desk, About Innovation, NRI Cyber Patent, Brandstock, O3C Konsult, Direct Validation, MultiLing

Source: PitchBook. For the 5 year period ending 2/5/22

TOP VC INVESTORS (2017 – YTD 2022)



Source: PitchBook. For the 5 year period ending 2/5/22

Legal Tech

AGC Credentials

jstone@agcpartners.com
swillis@agcpartners.com

AGC PARTNERS

AGC'S LEADING LEGAL & COMPLIANCE TECH TEAM

Austin

JIM STONE
Partner

Jim brings over 25 years of Tech M&A experience to clients as a client-driven investment banker, former corporate growth executive and business lawyer. He has completed more than 70 M&A and capital raising transactions for growth companies. Prior to that, Jim was Vice President of Corporate Development at ACS (later sold to Xerox and now Conduent). Jim also worked as a corporate attorney for Kirkland and Ellis.

Denver

STEVEN WILLIS
Partner

Steven is a Partner at AGC Partners in Denver, where he focuses on advising high-growth Software companies. Recent engagements include technologies focused on Education, HR, GRC and Real Estate. Steven's experience spans the M&A universe, including acquisitions, divestitures, hostile and activist defense, strategic investments, and joint ventures, having advised on transactions with an aggregate value nearing $50 billion.

Chicago

MIKE PARKER
Partner

Mike joined AGC Partners in 2017 as Head of the Chicago Office. Over the course of his career, Mike has closed more than $20 billion in transactions. Mike is a seasoned M&A and growth capital adviser with experience advising and executing transactions for technology leaders from Fortune 500 members to high-growth bootstrapped and venture backed startups. Previously, he was an M&A banker with Lazard and Vice President and Head of Business Operations at SuccessFactors.

Dallas

TRISTAN SNYDER
Partner

Tristan has over 15 years of sector-specific investment banking experience, including Tech-Enabled Services, SaaS, and Cloud Technologies. He has completed more than 50 M&A and capital raising transactions, totaling more than $5 billion in enterprise value. Most recently, Tristan was the Co-Head of Intrepid Investment Bankers' Software & Services practice in Los Angeles.

TOP M&A MIDDLE-MARKET SOFTWARE ADVISOR – 463 CLOSED DEALS

451 Research SaaS Rankings*

	Firm	# Trans.
1.	AGC Partners	148
2.	William Blair	130
3.	Raymond James	100
4.	Morgan Stanley	81
5.	Houlihan Lokey	72
6.	Stifel	70
7.	GCA	69
8.	Jefferies	64
9.	Canaccord Genuity	63
10.	Evercore	61

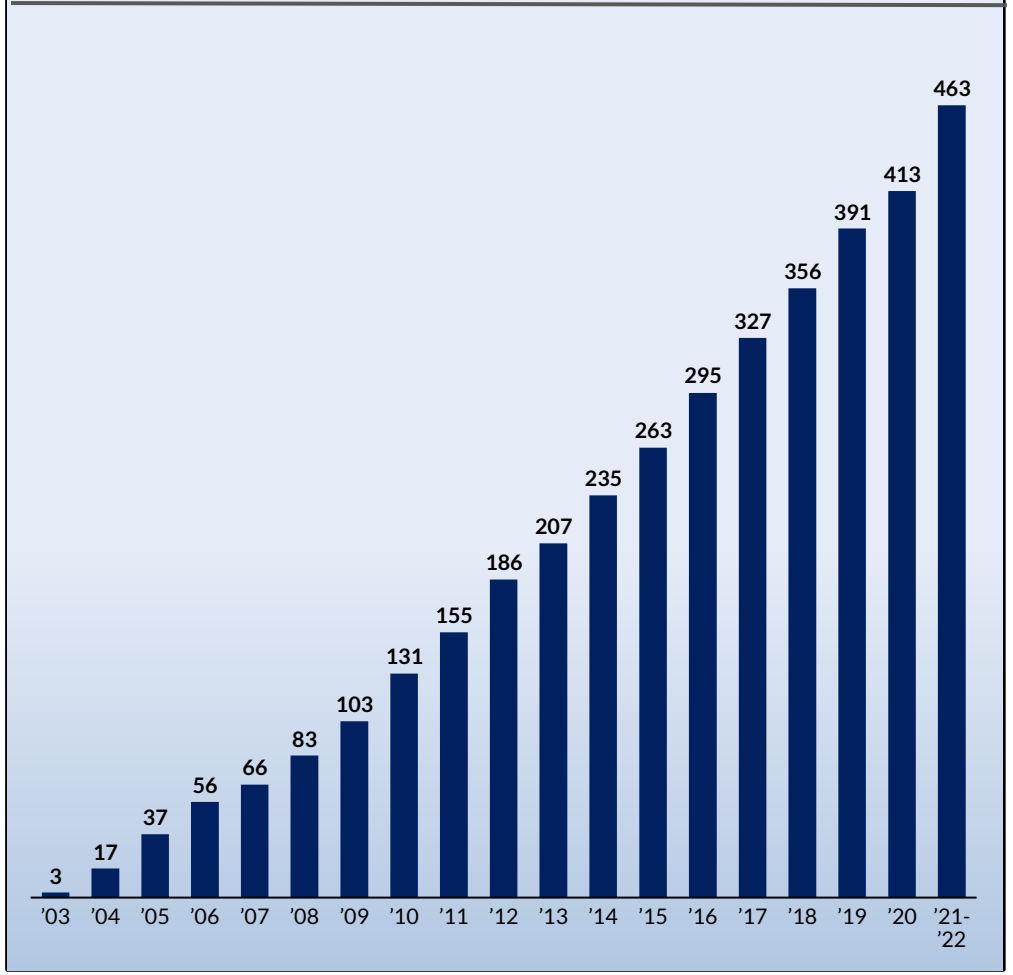
*451 Research deal count based on all SaaS related Sell-Side transactions since 2010. Excludes co-managed deals.

Top Sell-Side Tech Deal Makers in 2019-22 YTD*

	Firm	# Trans.
1.	Raymond James	76
2.	AGC Partners	75
3.	Goldman Sachs	71
4.	Canaccord Genuity	69
5.	Houlihan Lokey	69
6.	Morgan Stanley	67
7.	William Blair	66
8.	Jefferies	66
9.	Robert Baird & Co.	59
10.	GCA	58
11.	Evercore	58
12.	J.P. Morgan	57
13.	Barclays Capital	39
14.	Moelis & Company	35
15.	Qatalyst Partners	33

*451 Research deal count based on all disclosed technology related Sell-Side transactions from 2019-2021. Excludes co-managed deals.

AGC Cumulative Deal Count Since 2003



Each Engagement is Customized for Both Specific Seller and Buyers Situation

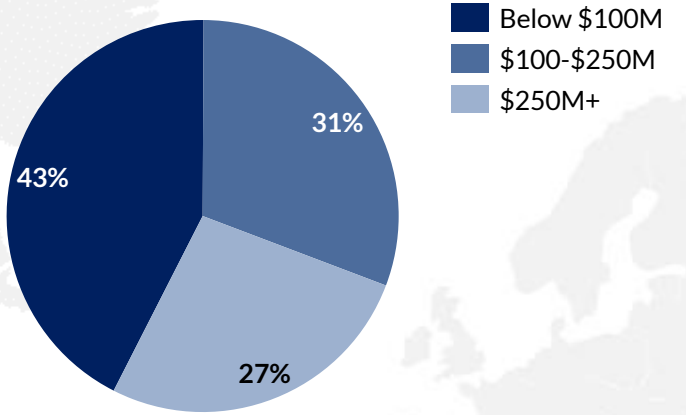
AGC'S EXPERIENCE GLOBALLY ACROSS DEALS OF ALL TYPES AND SIZES

LEADING SOFTWARE TECHNOLOGY BANK WITH GLOBAL REACH

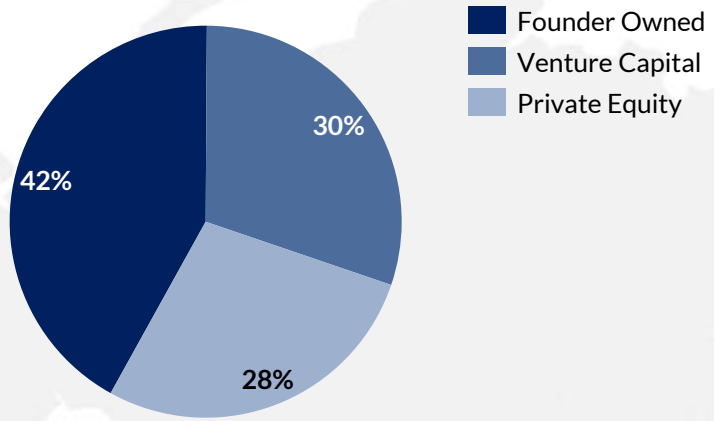
- 40+ deals closed in 2021
- 21 Partners and 50+ active engagements
- 460+ deals closed since inception
- 12 offices in the US and Europe

AGCPARTNERS

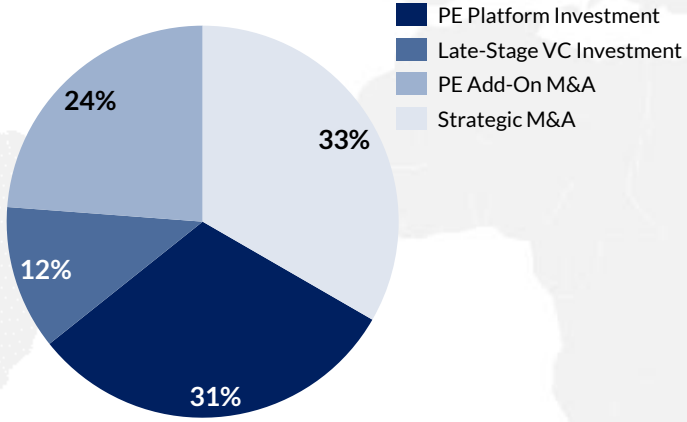
DEALS BY ENTERPRISE VALUE



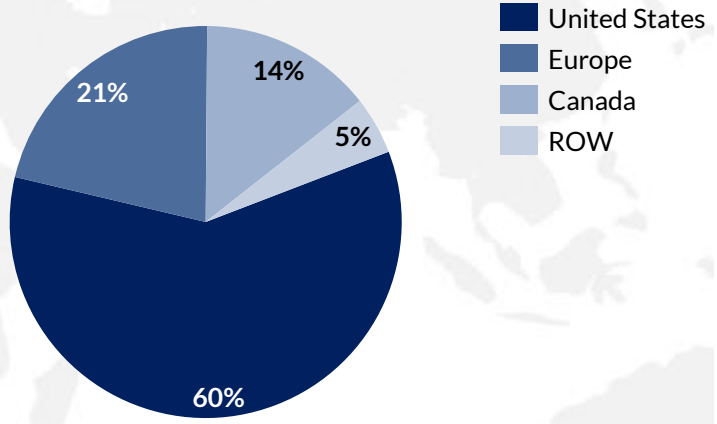
DEALS BY SELLER TYPE



DEALS BY ACQUIRER OR INVESTOR TYPE



DEALS BY CLIENT LOCATION



ZAIUS OPAQ RUCKIT dialsource Reflektive patientNOW GUIDEPOINT SECURITY QOS DEFORM DYNAMICS TASKTOP SHOOTER DETECTION SYSTEMS PDFTRON Auction mobility DOMAINTOOLS CORSAIR CAPITAL
utimaco PKWARE COMPLY365 MEMSOURCE cerdant InteliSecure EXOSTAR CounterPath di. KEYEDIN HYTRUST stitchlabs RapidVisa PROMON

Representative Recent AGC Transactions

EXTENSIVE EXPERTISE IN LEGAL & COMPLIANCE TRANSACTIONS

Selected Legal & Compliance Tech Transactions

Prosperoware / Litera *– Developer of privacy and regulatory compliance platform intended to ensure compliance for the digital legal industry. AGC acted as the sole financial advisor to Prosperoware.*

ComplySci / K1 *– Developer of web-based regulatory compliance technology intended to provide governance, risk management and compliance services. ComplySci secured a $120M growth equity investment from K1 Investment management.*

Sensage / KeyW *– Provider of enterprise event data warehouse technology for security, compliance, data retrieval and systems management. AGC drove Sensage to a $24M purchase price by highlighting key synergies.*

Saviynt / Carrick Capital Partners *– Developer of cloud security and identity governance software intended to increase operational efficiency. Saviynt secured a $40M growth equity investment from Carrick Capital Partners.*

Zapproved / Vista Equity Parners *– Developer of cloud-based software for corporate legal departments. AGC completed a rapid market test which led Vista to increase their unsolicited inbound offer by approximately one-third.*

prosperoware a portfolio company of RittenhouseVentures Sold to LITERA a portfolio company of Hg

complysci a portfolio company of Vista and edisonpartners Financed by K1

SENSAGE Sold to KEYW

SAVIYNT Financed by CARRICK investing more than capital

ZAPPROVED Financed by VISTA

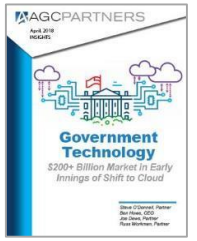
Comments

- AGC is a leader in Legal & Compliance Tech Transactions, advising leading companies including Sensage, Saviynt, Zapproved, Fox Guard, among others
- AGC was founded to bring exciting technology companies to the firm's deep network of funds in the US, Europe and Asia, including late-stage venture capital, growth equity, private equity, corporate ventures, family offices and crossover hedge funds
- AGC has published numerous whitepapers that highlight the key trends in the Legal & Compliance Tech and review the technology landscape of all of the most relevant players

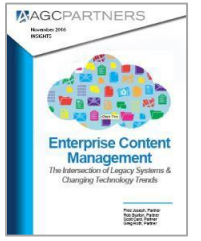
MARKET RESEARCH

LEGAL COMPLIANCE & REG TECH

LEGAL TECHNOLOGY



GOVERNMENT TECHNOLOGY



CONTENT MANAGEMENT

AGC'S LEADING LEGAL & COMPLIANCE TECHNOLOGY FRANCHISE

DELIVERING PREMIUM RESULTS FOR LEGAL TECH COMPANIES

CEO and Buyer Testimonials

*"AGC's team members were **excellent partners** in our recent sale. The team's hard work and ingenuity resulted in closing a top of the market deal in record time."*

Keith Lipman CEO | prosperoware

"I knew we needed trusted experts at our side who could help us to prepare for this journey and help us navigate our process and AGC was a perfect fit for us…AGC is truly an outstanding organization and an exceptional team."

Peter Bybee, CEO | SOD SECURITY ON-DEMAND

*"**AGC's commitment was evident** in working seemingly round-the-clock to respond to the dozens of parties involved in the deal. In the end, the board and executive team are very pleased with the outcome."*

Monica Enand, Founder & CEO | ZAPPROVED

"We are delighted with the awesomeness of Team AGC. Their ability to simplify complex issues and align parties, as well as coach us on strategy were key to our success. We started our journey as a client, we end as a family."

Tim Upton, CEO | TITUS

*"The AGC team provided sound advice throughout and always had our best interest at heart. **I would have no hesitation recommending them** to anyone considering selling their business."*

Peter Caslin, CEO | FRS

"The entire AGC team was there delivering value every step of the way from kickoff to close."

Kevin Bombino , Founder & CEO | FILES.COM

*"**The AGC team was instrumental** in driving a process that we, as business owners, don't do every day. Their expeditious mentality maintained consistent pressure on the process to ensure the deal was always moving forward."*

Marty Muscatello, President & CEO | FOXGUARD SOLUTIONS

"The AGC team worked tirelessly as our trusted advisor, and I would strongly recommend AGC as an M&A advisor."

Ben Ives , Founder & CEO | RapidVisa Immigration Streamlined™

BEST MIDDLE-MARKET GROWTH TECHNOLOGY CONFERENCES GLOBALLY

Testimonials

*"We achieved in one single day the **equivalent of 2+ weeks** of prospecting work"*

*"Excellent and **highly productive** event; AGC gathers the most relevant group of companies and PE/VC investors in one place"*

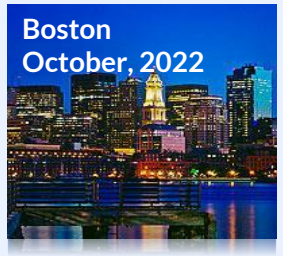
*"Superb event and opportunity for entrepreneurs to **tell their story to the investor community**"*

Premier Global Technology Conferences

- AGC Partners is one of the only investment banks to hold middle-market industry conferences solely focused on driving relationships among strategic acquirers, PEs, and emerging private growth companies spanning all major tech sectors – At our last conference pre COVID in Feb'20 we had 3,000 one-on-ones
- Offers insights from leaders in their respective industries, and direct engagement with the most active investors in the space
- Includes 500+ early and growth stage technology companies (revenues $10-$100M ARR) and 600+ private equity firms and strategic acquirers
- High caliber panels and 30-minute pre-arranged one-on-one meetings lead to hundreds of new leads, several new engagements, and drive the marketing efforts for pre-engaged clients
- **Upcoming Event: San Francisco Conference – June 6, 2022**

San Francisco Conference Stats

1,585	$1.3T	3,000
Attendees	*In AUM Represented*	*1-On-1 meetings*



	San Francisco	London	Boston	Total
Attendees	1,585	414	719	**2,718**
Private Companies	485	112	225	**822**
Investors	343	85	190	**618**
Strategics	233	26	50	**309**
Total 1-on-1 Meetings	3,000	915	2,250	**6,165**

Select Strategic Attendees

amazon · Microsoft · Google · cisco · ORACLE · IBM · now · paloalto NETWORKS

Select Private Equity Attendees

THOMABRAVO · INSIGHT VENTURE PARTNERS · VISTA EQUITY PARTNERS · SUMMIT PARTNERS · MARLIN EQUITY PARTNERS · Luminate CAPITAL PARTNERS · K1 · PROVIDENCE EQUITY · SPECTRUM EQUITY · JMI EQUITY · LEVEL EQUITY · SILVERSMITH CAPITAL PARTNERS · FRONTIER GROWTH · PAMLICO CAPITAL · updata PARTNERS · CVC · revolution growth · SEP · WARBURG PINCUS · FP FRANCISCO PARTNERS

Legal Tech

Transaction Data

jstone@agcpartners.com
swillis@agcpartners.com

AGC PARTNERS

PRECEDENT M&A TRANSACTIONS (FULLY DISCLOSED ONLY)

Date	Target	Acquirer	Size ($M)	Rev ($M)	EV / Rev	Target Description
Jan-22	Ad-Lib.io	Smartly.io	133	ND	ND	Developer of an AI-based platform designed to help global brands manage and automate the production and activation of creative assets in their digital advertising worldwide
Dec-21	TaxCycle	Xero	54	ND	ND	Provides ERP financial accounting software for bookkeepers and accountants
Dec-21	Acuant	GB Group	736	58	12.7x	Developer of a digital identity platform intended to balance security with customer experience while fighting fraud across the physical and digital world
Nov-21	Hitachi Solutions Create (Samporonia business)	Escrow Agent Japan	4	ND	ND	The Samporonia business of Hitachi Solutions Create, which provides judicial scrivener information management SaaS for businesses in the legal sector in Japan
Nov-21	Flow Commerce	Global-E Online	425	ND	ND	Provides AI-based cross-border e-commerce SaaS and related APIs for businesses globally
Nov-21	Connective	Nitro Software	81	ND	ND	Provides electronic signature (eSign) SaaS for businesses in the financial services, accounting, healthcare, government, real estate, insurance, legal, and social sectors in Europe and the US
Nov-21	CompliSpace	Ideagen	82	15	5.3x	Developer of governance, risk and compliance software intended to help organizations in highly regulated industries meet their policy management obligations
Nov-21	Micro Focus International (Digital Safe business)	Smarsh	375	109	3.4x	The Digital Safe business of Micro Focus, which provides archiving and risk management SaaS for businesses
Nov-21	Stoke Talent	Fiverr International	95	ND	ND	Provides freelancer talent management SaaS to businesses in the finance, legal, HR, and marketing sector in Israel and the US
Nov-21	Bill4Time	Francisco Partners	400	ND	ND	Developer of cloud-native SaaS time and billing software designed for lawyers, consultants, entrepreneurs and freelance professionals
Oct-21	Audit Analytics	Ideagen	45	ND	ND	Provides online subscription-based data audit, regulatory and disclosure intelligence services through www
Oct-21	AiXPRT	Ideagen	8	ND	ND	Developer of a financial platform designed to automate auditing and compliance tasks
Oct-21	TransUnion (TransUnion Healthcare business)	nThrive	1,735	ND	ND	The healthcare business of TransUnion, which provides ERP and compliance software for businesses in the healthcare sector
Oct-21	EssentialSkillz	Marlowe	34	ND	ND	Provides online safety and workforce compliance training courses through www

Source: 451 Research, PitchBook

PRECEDENT M&A TRANSACTIONS (FULLY DISCLOSED ONLY)

Date	Target	Acquirer	Size ($M)	Rev ($M)	EV / Rev	Target Description
Oct-21	Neoway	B3	330	ND	ND	Provides data analytics SaaS for businesses
Oct-21	TriLine GRC	Ansarada NewCo	4	ND	ND	Provides governance, risk, and compliance management SaaS for businesses in Australia, New Zealand, the UK, and Ireland
Oct-21	Clarabridge	Qualtrics	1,125	ND	ND	Provider of a customer experience management platform designed to assist businesses to provide better customer experiences and ensure compliance
Sep-21	Sortify.tm	QANTM Intellectual Property	8	ND	ND	Developer of a legal technology platform designed to empower trademark attorneys and registrants
Sep-21	Wolters Kluwer (US legal education business)	Transom Capital Group	88	ND	ND	The US legal education business of Wolters Kluwer Legal & Regulatory US, provides subscription-based online education, ebooks, casebooks, connected quizzing, and textbooks retailing services through www
Sep-21	Lawyaw	Themis Solutions	50	ND	ND	Provides no-code legal document automation SaaS for solo, small- and mid-sized legal practices
Aug-21	Topdocs	Class	10	ND	ND	Provides self managed super fund (SMSF), corporate, and trust documentation and compliance SaaS for businesses in the legal, finance, accounting, and other professional advisory sectors in Australia
Aug-21	Pinnacle 21	Certara	310	ND	ND	Provides open-source clinical data compliance and validation SaaS for businesses in the healthcare, biotechnology, life science, and pharmaceutical industries globally
Jul-21	tmgroup	Dye & Durham	127	ND	ND	Provides online conveyancing and property data search services for businesses in the real estate, legal sector, residential conveyancers, real estate professionals, and estate agents in the UK through www
Jul-21	GlobalX Information Services	Dye & Durham	130	74	1.8x	Developer of technology solutions and support services catering to law firms, conveyancers, financial institutions and government bodies
Jun-21	Business Keeper	EQS Group	115	ND	ND	Provides whistleblowing management SaaS for businesses in Europe
Jun-21	ComplySci	K1 Investment Management	120	ND	ND	Provides compliance monitoring SaaS to businesses in the financial services sector globally
Jun-21	Repstor	IntApp	23	ND	ND	Developer of enterprise content management (ECM) integration software and services intended to harness the value of information assets
May-21	Text IQ	Relativity ODA	100	ND	ND	Provides AI-enabled data management, discovery, and legal compliance management SaaS for the financial services, legal

Source: 451 Research, PitchBook

PRECEDENT M&A TRANSACTIONS (FULLY DISCLOSED ONLY)

Date	Target	Acquirer	Size ($M)	Rev ($M)	EV / Rev	Target Description
May-21	NetDocuments Software	Warburg Pincus / Cove Hill Partners	1,400	39	35.6x	Provides confidential document, email, and mobile device management and secure collaboration SaaS for businesses in the law and legal sectors globally
May-21	Taxamo	Vertex	200	ND	ND	Provides tax and payment automation software for e-commerce businesses and digital marketplaces globally
May-21	Fenergo	ACE, Astorg , Bridgepoint Advisers, SilverTree Equity	1,165	ND	ND	Developer of client and regulatory technology designed to provide financial institutions with financial and regulatory solutions
Mar-21	Mitratech	Ontario Teachers Pension Plan	1,550	ND	ND	Provides AI-based enterprise legal, compliance, and risk management and workflow automation SaaS for businesses globally
Mar-21	Compliancy Services	Ethos Partners	6	ND	ND	Provider of compliance consultancy and regulatory technology services committed to helping firms become authorized by the regulatory body
Mar-21	Qualtrax	Ideagen	15	5	2.9x	Provides compliance management SaaS for businesses globally
Mar-21	STP Informationstechnologie	Bregal Unternehmerkapital	21	ND	ND	Developer of lawyer software in Germany
Jan-21	Comply Path	Clinton Capital Partners, WRKR	15	ND	ND	Developer of financial and business compliance obligations technology-based in Melbourne, Australia
Jan-21	Reveal Data	K1 Investment Management	200	ND	ND	Provider of cloud-based eDiscovery and investigation software
Jan-21	Brainspace	Reveal Data	200	ND	ND	Provider of visual analytics for eDiscovery and investigations
Jan-21	ComplyAlign	HealthStream	2	ND	ND	Developer of a comprehensive cloud-based platform designed for publishing, accessing and managing organization's policies, procedures and other internal documents
Dec-20	Sparta Systems	Honeywell International	1,300	ND	ND	Provides on-site and AI-based enterprise quality management software (EQMS) and SaaS, as well as supply chain regulatory compliance and collaboration software to businesses in the life science industry
Dec-20	Septeo	HG Capital	1,206	16	75.9x	Provider of legal tech services supporting professions including notaries, law firms, corporate legal departments and real estate property managers
Dec-20	DoProcess	Dye & Durham	414	ND	ND	Provides legal practice and document management SaaS for legal professionals in Canada

Source: 451 Research, PitchBook

PRECEDENT M&A TRANSACTIONS (FULLY DISCLOSED ONLY)

Date	Target	Acquirer	Size ($M)	Rev ($M)	EV / Rev	Target Description
Dec-20	Impendulo	Avalara	18	ND	ND	Provider of insurance tax compliance solutions intended to integrate insurance tax and regulatory information into the existing IT infrastructure of the company
Nov-20	Business Licenses (assets)	Avalara	97	ND	ND	Provider of online business licensing and permit procurement and distribution services
Nov-20	Questel	Eurazeo , IK Investment Partners, Paragon Partners, RAISE	1,077	ND	ND	Provider of a SaaS based intellectual property (IP) information and management software and services headquartered in Paris, France
Oct-20	Transaction Tax Resources	Avalara	367	ND	ND	Developer and operator of a website intended for quickly finding tax answers and tax rates
Sep-20	Poweredbypie	Dye & Durham	41	ND	ND	Provider of cloud-based real estate due diligence platform based in the United Kingdom
Sep-20	Property Information Exchange	Dye & Durham	40	ND	ND	Provides due diligence, legal and document management SaaS and online services for the real estate sector in the UK
Sep-20	Franco Signor	Verisk Analytics	160	ND	ND	Acts as a Medicare Secondary Payer (MSP) compliance firm that provides related insurance claim management software and services for employers, insurers, and third party administrators in the US
Sep-20	MyCase	Apax Partners	193	29	6.7x	Provides law practice and case management SaaS for the legal industry in the United States
Sep-20	RSA Security	STG Partners	2,075	ND	ND	Provider of cybersecurity and risk management technology services
Aug-20	eQstats Pty	Citadel Group	1	ND	ND	Provides governance, risk management and compliance (GRC) and digital data analysis SaaS to healthcare organizations in Australia
Aug-20	Citation	KKR & Co.	34	ND	ND	Provides subscription-based online HR and employment law, health and safety, maternity leave, and ISO regulatory compliance analysis and reference content for businesses in the UK
Aug-20	Smartcorp	Class	3	ND	ND	Provides online document ordering, entities creation, corporate data and documentation management, and ASIC compliance management SaaS for accounting and professional services firms and financial advisory businesses
Aug-20	Qualsys	Ideagen	20	ND	ND	Provides enterprise quality management software (EQMS) SaaS, as well as compliance, document, audit, risk, supplier, issue, equipment, training record and change management SaaS for businesses
Jul-20	CPA Global	Clarivate	6,800	564	12.1x	Provides intellectual property (IP) workflow management software and outsourced BPO services, including patent portfolio optimization, patent search and analytics, contract management, trademark renewals and document review, for corporate legal departments and law firms

Source: 451 Research, PitchBook

PRECEDENT M&A TRANSACTIONS (FULLY DISCLOSED ONLY)

Date	Target	Acquirer	Size ($M)	Rev ($M)	EV / Rev	Target Description
Jun-20	Integris Software	OneTrust	25	3	8.3x	Provides AI-enabled data privacy management SaaS for enterprises
Jun-20	Eclipse Legal Systems	The Access Group	70	19	3.7x	Provider of legal software services
Jun-20	Iconic Translation Machines	RWS Holdings	22	ND	ND	Developer of a language technology platform designed to make machine translation practical for enterprises
Jun-20	Black Woodpecker Software	InsiderLog	3	ND	10.2x	Developer of regulatory technology software based in Helsinki, Finland
May-20	Seal Software	DocuSign	185	24	7.6x	Provider of contract discovery, data extraction and analytics software designed to help companies manage their contract portfolios
Mar-20	LEX247 Cloud Service	Karnov Group	2	ND	5.5x	Provider of cloud-based legal enterprise practice management solution in Stockholm, Sweden
Mar-20	Pondera Solutions	Thomson Reuters Corporation	125	10	12.5x	Provides anti-fraud SaaS and related BPO analytics services for government agencies and the healthcare sector
Mar-20	Trapets	Monterro	47	6	8.0x	Developer of automatic surveillance and compliance software for the financial industry
Mar-20	RIMES Technologies	EQT	450	63	7.2x	Provider of managed data services and regulatory technology software solutions intended to address the complex needs of leading financial institutions
Feb-20	RDC	Moody's Analytics	700	ND	ND	Provider of risk intelligence compliance screening services
Jan-20	Stratus Video	AMN Healthcare Services	475	119	4.0x	Provides American Sign Language (ASL) and foreign language interpretation services via online, live, remote video-feed and a related translation call center to enable person-to-person communication for professionals and businesses, with a focus on the healthcare and legal sectors
Jan-20	CGE Risk Management Solutions	Wolters Kluwer	22	ND	ND	Developer of risk management software and provider of risk management solutions based in Leidschendam, Netherlands
Dec-19	Ample Organics	Akerna	38	9	4.4x	Provides cannabis compliance tracking and ecommerce SaaS for licence holders, regulators, and healthcare providers in Canada and Jamaica
Dec-19	Ready Korea	WiseTech Global	9	ND	ND	Provides customs, bonded warehouse and trade compliance systems integration and IT consulting services to businesses

Source: 451 Research, PitchBook

PRECEDENT M&A TRANSACTIONS (FULLY DISCLOSED ONLY)

Date	Target	Acquirer	Size ($M)	Rev ($M)	EV / Rev	Target Description
Nov-19	ObserveIT	Proofpoint	218	ND	ND	Provider of an insider threat management platform designed to help companies identify and eliminate insider threats
Sep-19	BlueRush	Broadridge Financial Solutions	2	ND	ND	The software source code of BlueRush's DigitalReach and Broadridge's Smart Advisor SaaS, which enable personalized CRM content and communications management, analytics and reporting, and compliance for financial advisors
Aug-19	Modelity Technologies	Lucht Probst Associates	30	ND	ND	Provider of a flexible platform for financial modeling and portfolio analytics
Aug-19	eCompliance Management Solutions	Alcumus Group	30	ND	ND	Provides risk and compliance management, and environmental health and safety (EHS) SaaS for businesses
Jul-19	Portway International	Avalara	11	ND	ND	Provider of outsourcing services in Ontario, Canada
Jul-19	WatchGuard	Motorola Solutions	270	120	2.3x	Provides mobile video evidence hardware and software systems for law enforcement globally
Jun-19	Anaqua	Astorg	728	ND	ND	Developer of intellectual property management lifecycle software
Jun-19	Redland Business Solutions	Ideagen	20	5	3.8x	Provides financial regulatory, compliance and performance management SaaS for banks, investment managers, asset managers and insurance companies
Jun-19	Intelex Technologies	Industrial Scientific	570	ND	ND	Provides environmental, health, safety, and quality (EHSQ) management SaaS and related mobile application that enables regulatory compliance and incidence reporting for businesses in the US, the UK, and Canada
May-19	Litera	HG Capital	425	37	11.5x	Developer of workflow, collaboration and data management software designed to increase document productivity
May-19	KLDiscovery Ontrack	Pivotal Acquisition	799	296	2.7x	Provides E-discovery and document review software, SaaS and related outsourced services for law firms, corporations and government entities globally
May-19	CLM Matrix	Wolters Kluwer	42	3	14.0x	Developer of contract lifecycle management software based in Flower Mound, Texas
May-19	Lighthouse Technologies	Lightyear Capital	485	64	7.6x	Provider of ediscovery and advisory services intended to manage the increasingly complex landscape of enterprise data for compliance and legal teams
May-19	Complia	NIC	15	ND	ND	Provider of compliance services intended for business licensing, patient, and caregiver registration

Source: 451 Research, PitchBook

PRECEDENT M&A TRANSACTIONS (FULLY DISCLOSED ONLY)

Date	Target	Acquirer	Size ($M)	Rev ($M)	EV / Rev	Target Description
Apr-19	Web Benefits Design	CNO Financial Group	66	ND	ND	Provides employee benefits management SaaS to businesses
Apr-19	HGP	NNIT	8	8	1.0x	Provides IT compliance and quality management consultancy services for the life sciences, healthcare and pharmaceutical industries globally
Mar-19	Tax Systems	Bowmark Capital	150	ND	ND	Provides corporation tax compliance software and services to accounting firms
Mar-19	CINgroup	Bankruptcy Management Solutions	225	ND	ND	Provides bankruptcy management SaaS and software for attorneys and legal professionals in the bankruptcy market in the US
Jan-19	Catalyst Repository Systems	Open Text	75	45	1.7x	Provides data processing and e-discovery SaaS for law firms and corporate legal departments
Jan-19	Scannell Solutions	Ideagen	4	1	3.9x	Provides quality, environment, health and safety (QEHS) compliance, training and incident management SaaS for businesses
Jan-19	Wisenet Group	Adapt IT Holdings	4	3	1.3x	Provides student lifecycle management and compliance SaaS for vocational training institutions in Australia, New Zealand and Singapore
Dec-18	Garretson Firm Resolution Group	Epiq Systems	16	ND	ND	Provider of civil settlement services in the United States
Dec-18	eBrevia	Donnelley Financial Solutions	20	ND	ND	Provides AI-enabled document and contract analysis software and SaaS for the legal sector
Nov-18	Net Transcripts	VIQ Solutions	7	7	1.0x	Provides digital recordings transcription and translation online services and related app for law enforcement organizations in the US
Oct-18	eVision Industry Software	Wolters Kluwer	175	ND	ND	Developer of operational safety and control workflow software
Oct-18	Conga	Thoma Bravo	1,000	150	6.7x	Provider of a cloud-based Quote-to-Cash (QTC) software services
Sep-18	Legisway	Wolters Kluwer	20	ND	ND	Developer of an online contract management software intended to provide a suite of online legal services to its clients
Sep-18	UnitedLex	CVC Capital Partners	500	ND	ND	Provides business process outsourcing (BPO) services, including e-discovery, contract management, IP and patent management, research and secretarial, for the legal sector globally

Source: 451 Research, PitchBook

PRECEDENT M&A TRANSACTIONS (FULLY DISCLOSED ONLY)

Date	Target	Acquirer	Size ($M)	Rev ($M)	EV / Rev	Target Description
Sep-18	Ringtail	Nuix	55	ND	ND	Provides both on-premise and hosted e-discovery document review, predictive coding, data management and litigation support software and SaaS for the legal industry
Sep-18	InspectionXpert	Ideagen	6	3	2.1x	Provides digital quality inspection planning SaaS for the advanced engineering and manufacturing sector in the US
Aug-18	Practice Insight	CPA Global	7	ND	ND	The Filing Analytics and Citation Eagle products of Practice Insight, which provide patent search and intellectual property (IP) analytics SaaS and related app for IP law firms and applicants globally
Jul-18	CQ Roll Call	FiscalNote	180	ND	ND	Provides congressional and legislative news services and advocacy management SaaS for policy professionals and opinion leaders in the US
Jul-18	NAVEX Global	BC Partners	1,400	ND	ND	Provides governance, risk and compliance (GRC), analytics reporting and violation hotline management SaaS for businesses, government agencies, educational institutions and non-profit organizations globally
Jul-18	Donnelley Language Solutions	SDL	78	71	1.1x	The language solutions business and assets of Donnelley Financial Solutions, which provides modular translation management SaaS and linguistics services for the financial, legal, corporate and life science industries across the globe
Jun-18	Garden City Group	Epiq Systems	6	76	0.1x	Provides outsourced claims management and class action administrative services for the legal industry utilizing SOC 2, Type 1 certified proprietary project management system software
May-18	Tradestream Technologies	Avalara	30	ND	ND	Provider of global trade compliance services
May-18	RPX	HGGC	397	322	1.2x	Provides patent risk management advisory services, including defensive patent acquisitions, market intelligence, e-discovery and litigation insurance, for businesses
Apr-18	Agreement Express	Frontier Growth	69	10	6.9x	Developer of a SaaS-based digital onboarding platform designed to focus on streamlining and enhancing the client experience for wealth management and payments
Apr-18	Medforce Technologies	Ideagen	9	5	1.9x	Provides business process management (BPM) and document management software and SaaS for the healthcare sector
Apr-18	Avvo	Internet Brands	175	70	2.5x	Provider of an online legal marketplace intended to connect lawyers and consumers
Mar-18	Nintex	Thoma Bravo	460	89	5.2x	Developer of integrated workflow automation software intended to serve financial services, energy and life sciences industries
Mar-18	Advanced Discovery Services	Consilio	175	120	1.5x	Provides electronic data discovery, analytics and document review services for the legal sector and enterprises

Source: 451 Research, PitchBook

PRECEDENT M&A TRANSACTIONS (FULLY DISCLOSED ONLY)

Date	Target	Acquirer	Size ($M)	Rev ($M)	EV / Rev	Target Description
Mar-18	Avetta	Welsh Carson Anderson & Stowe	530	ND	ND	Provides supply chain risk management and compliance SaaS that enables suppliers to find and vet contractors
Feb-18	Lombard Risk Management	Vermeg	72	40	1.8x	Provides financial risk and regulatory compliance management and reporting software for the financial sector globally
Jan-18	InsiderLog	Euronext	9	ND	ND	Provider of securities and derivatives exchange services
Jan-18	Corsearch	Audax Group	140	ND	ND	Provider of clearance and protection services intended for trademark and brand professionals
Nov-17	Qumram	Dynatrace	26	ND	ND	Developer of cross-channel intelligence and compliance software designed to make financial services more transparent and compliant
Oct-17	JustLegal	DigitalTown	1	ND	ND	Operates an online portal that connects attorneys in Texas and Colorado to prospective clients through a marketplace setting
Oct-17	Article One Partners	RWS Holdings	8	ND	ND	Provides an online research service that enables businesses to research intellectual property and patent information for litigation, licensing, patent enforcement and IP acquisition strategy decisions at www
Aug-17	CannaRegs	MassRoots	12	ND	ND	Provides municipal, state and federal regulation aggregation SaaS for cannabis providers
Aug-17	eSentire	Warburg Pincus	150	35	4.3x	Provides managed detection and response (MDR) security services for businesses and enterprises in the financial, insurance, legal, healthcare, biopharma, engineering, technology, manufacturing industries and government agencies worldwide
May-17	Modria	Tyler Technologies	7	ND	ND	Developer of an online dispute resolution platform designed to process and resolve customer disputes related to eCommerce
May-17	Brainspace	Cyxtera Technologies	95	ND	ND	Provider of visual analytics for eDiscovery and investigations
Apr-17	REG	Disruptive Capital	25	ND	ND	Developer of online due diligence, analytics and risk management software for the global insurance and financial services market
Apr-17	Mitratech	HgCapital	650	ND	ND	Provides enterprise legal, compliance, and risk management software and SaaS for businesses
Mar-17	PleaseTech	Ideagen	12	5	2.6x	Provides collaborative document review, co-authoring, editing and redaction software and SaaS for businesses globally

Source: 451 Research, PitchBook

PRECEDENT M&A TRANSACTIONS (FULLY DISCLOSED ONLY)

Date	Target	Acquirer	Size ($M)	Rev ($M)	EV / Rev	Target Description
Mar-17	Track Group	Lifeloc Technologies	1	ND	ND	The R.A.D.A.R. product of Track Group, which develops sensor-based alcohol offender monitoring systems for law enforcement agencies. Systems provide biometric-based reporting to confirm the identity of the test subject
Mar-17	Ageras	Investcorp Strategic Capital Group	14	3	5.0x	Operator of an international matchmaking service for accounting, bookkeeping and tax preparation services
Mar-17	NetDocuments	Clearlake Capital Group	220	25	8.8x	Provides confidential document, email and mobile device management and secure collaboration SaaS to help secure documents in the cloud for law firms and corporate legal departments globally
Feb-17	TrialWorks	Ridge Road Partners	11	ND	ND	Developer of case management software designed to manage legal cases and automate the handling of caseloads
	MEDIAN:		**$74**		**4.3x**	
	AVERAGE:		**$296**		**7.3x**	

Source: 451 Research, PitchBook

PRIVATE PLACEMENT TRANSACTIONS ($35M+)

Date	Company	Round	($M)	Lead Investor	Target Description
Feb-22	Icertis	Later Stage VC	80	SAP	Developer of a contract intelligence platform designed to structure and connect every kind of contract
Jan-22	Atlas Health	Series A	42	Felicis Ventures	Developer of a financial aid platform designed to optimize patient assistance and health equity programs
Jan-22	Ironclad	Series E	150	Franklin Templeton	Developer of a contracting platform intended to transform contract processes by automating workflows and approvals
Jan-22	Filevine	Series D	38	ND	Developer of legal case management software designed to offer text-to-case-file, threaded tasks, auto-tagging, and reports
Dec-21	TRM Labs	Series B	60	Tiger Global Management	Developer of a regulatory technology platform designed to address compliance in the cryptocurrency industry
Nov-21	Podium	Series D	201	Y Combinator	Developer of an enterprise-class customer review management platform designed to change the way businesses communicate with their customers
Nov-21	ThoughtSpot	Series F	100	March Capital	Developer of enterprise analytics platform designed to easily analyze complex, large-scale enterprise data with an automatic, relational search engine
Nov-21	ZenBusiness	Series C1	200	Oak HC/FT	Developer of an online business development platform designed to help people in establishing and filling of company
Nov-21	Zenwork	PE Growth	163	Spectrum Equity	Developer of cloud-based software designed for regulatory reporting requirements
Nov-21	Drata	Series B	100	ICONIQ Capital	Developer of a security and compliance automation platform designed to achieve continuous SOC 2 compliance
Nov-21	H2O.ai	Series E	100	Commonwealth Bank of Australia	Developer of an open-source machine learning automation platform designed to democratize artificial intelligence
Nov-21	Litera	PE Growth	39	HG Capital	Developer of workflow, collaboration and data management software designed to increase document productivity
Nov-21	Everlaw	Series D	202	TPG	Developer of a cloud-based litigation platform designed to improve the practice of law for corporate counsels, litigators, and government attorneys
Oct-21	Ontra	Series B	200	Blackstone	Developer of an online legal management platform intended to automate and enhance high-volume legal processes easily

Source: PitchBook

PRIVATE PLACEMENT TRANSACTIONS ($35M+)

Date	Company	Round	($M)	Lead Investor	Target Description
Oct-21	Fyllo	Series C	40	Eminence Capital	Developer of a compliance cloud platform designed to offer a suite of data, media, retail and regulatory services that help businesses to streamline compliance and scale with speed
Oct-21	Weights & Biases	Series C	135	Bond Capital , Coatue Management, Felicis Ventures, Insight Partners, Qualcomm Ventures	Developer of a dataset optimization tool intended to build quality software tools for deep learning practitioners
Oct-21	Elliptic	Series C	60	Evolution Equity Partners	Provider of blockchain analytics and compliance services designed to help manage financial crime risk, achieve regulatory compliance and grow with confidence
Sep-21	ContractPod	Series C	115	SoftBank Investment Advisers	Developer of contract management software designed to assemble, automate, sign, and manage all contracts and documents
Sep-21	Sayari	Series C	39	Centana Growth Partners	Developer of a commercial intelligence platform designed to navigate the complexity of global corporate ownership and commercial relationships
Aug-21	Aumni	Series B	50	J.P. Morgan	Developer of an investment analytics platform intended to provide strategic insights related to the economic position and legal rights of investors
Aug-21	Tessian	Series C	75	March Capital	Developer of a next-generation email security platform intended to detect and prevent inadvertent data loss
Jul-21	Time by Ping	Series B	37	PROOF	Developer of a timekeeping software platform designed to track the activities of lawyers
Jul-21	LinkSquares	Series B	40	Sorenson Capital	Developer of a legal document analytics platform designed to identify key data and liabilities in contracts
Jul-21	Quantexa	Series D	153	Warburg Pincus	Developer of entity resolution and network analytics technology designed to help organizations to improve operational and data-driven decisions
Jun-21	LogicGate	Series C	90	Providence Strategic Growth	Developer of a risk management platform designed to transform mission-critical risk and compliance activities
Jun-21	Chainalysis	Series E	100	Coatue Management	Developer of a cryptocurrency investigation and compliance software designed to protect the junction between finance and the decentralized internet
Jun-21	Justpoint	Early Stage VC	50	Beresford Ventures	Developer of an AI algorithm-based platform designed for analysis of individual medical malpractice claims
Jun-21	Trulioo	Series D	394	TCV	Developer of electronic identity verification platform designed for businesses to assess the risks associated with digital identities

Source: PitchBook

PRIVATE PLACEMENT TRANSACTIONS ($35M+)

Date	Company	Round	($M)	Lead Investor	Target Description
Jun-21	ComplySci	PE Growth	120	K1 Investment Management	Developer of web-based regulatory compliance technology intended to provide governance, risk management and compliance services
Jun-21	Cognigy	Series B	$44	Insight Partners	Developer of a conversational AI platform designed to automate customer and employee communications
May-21	ComplianceMetrix	PE Growth	50	Morgan Stanley Expansion Capital	Developer of cloud-based Enterprise Quality Management Software (EQMS) designed to manage supply chain partners, products and locations
May-21	Scailex	Early Stage VC	121	ND	Developer of a legal-tech platform designed to implement automation for handling legal processes
May-21	ComplyAdvantage	Series C1	102	Ontario Teachers' Pension Plan	Developer of a financial crime risk data and detection platform designed to neutralize the risk of money laundering, terrorist financing, corruption, and other financial crimes
Apr-21	Clio (Business/Productivity Software)	Series E	110	OMERS Growth Equity, T. Rowe Price	Developer of a cloud-based practice management platform designed to provide legal client management remedies
Apr-21	BigID	Series D	100	Salesforce Ventures, Tiger Global Management	Developer of data-driven protection and privacy compliance platform designed to transform how enterprises protect and manage the privacy of personal data
Apr-21	Rocket Lawyer	Series E	223		Provider of online legal services intended to help users meet the legal needs of their family and business
Apr-21	OneTrust	Series C	210	SoftBank Investment Advisers	Developer of a technology platform designed for tackling privacy management
Mar-21	Chainalysis	Series D	100	Paradigm	Developer of a cryptocurrency investigation and compliance software designed to protect the junction between finance and the decentralized internet
Mar-21	Notarize	Series D	130	Canapi Ventures	Developer of a digital notarization platform designed to help people to get their documents legally notarized online
Mar-21	Solana Labs	Early Stage VC	40	Abstract, Block Dream, Evangelion, Insignius, K300, Kintsugi, Kosmos, Notation, OnBlock, Semantic	Developer of decentralized blockchain platform designed to deliver a scalable blockchain network
Mar-21	Feedzai	Series D	200	Kohlberg Kravis Roberts	Developer of a risk management platform designed to create a seamless and safe customer experience
Mar-21	Jumio	PE Growth	150	Great Hill Partners	Developer of digital identity management and authentication platform designed to reduce business fraud and financial crimes

Source: PitchBook

PRIVATE PLACEMENT TRANSACTIONS ($35M+)

Date	Company	Round	($M)	Lead Investor	Target Description
Mar-21	BRYTER	Series B	60	Tiger Global Management	Developer of a no-code automation platform intended to help consulting firms, banks, corporates, and public administration across the globe to digitize and scale their services
Mar-21	Icertis	Series F	80	B Capital Group	Developer of a contract intelligence platform designed to structure and connect every kind of contract
Feb-21	Behavox	Later Stage VC	50	SoftBank Investment Advisers	Developer of a people analytics platform designed to search and interrogate huge amounts of employee-generated data in real-time
Feb-21	Evisort	Series B	35	General Atlantic	Developer of contract management platform designed to change the way companies interact with their legal documents
Feb-21	Ageras	PE Growth	73	Luxor Capital Group	Operator of an international matchmaking service for accounting, bookkeeping and tax preparation services
Feb-21	Tealium	Series G	96	Georgian, Silver Lake	Developer of web analytics and digital marketing software designed to make data actionable, in real-time, across every customer experience touchpoint
Feb-21	Weights & Biases	Series B	45	Insight Partners	Developer of a dataset optimization tool intended to build quality software tools for deep learning practitioners
Jan-21	Drivenets	Series B	208	D1 Capital Partners	Developer of cloud-based software designed to facilitate networking and communication in the cloud
Jan-21	Ironclad	Series D	100	Bond Capital	Developer of a contracting platform intended to transform contract processes by automating workflows and approvals
Dec-20	OneTrust	Series C	300	TCV	Developer of a technology platform designed for tackling privacy management
Nov-20	Chainalysis	Series C	100	Addition	Developer of a cryptocurrency investigation and compliance software designed to protect the junction between finance and the decentralized internet
Nov-20	ZenBusiness	Series B	55	Cathay Innovation	Developer of an online business development platform designed to help people in establishing and filling of company
Sep-20	Actionstep	PE Growth	37	Serent Capital	Provider of cloud-based legal practise management system based in New Zealand
Sep-20	DISCO (NYS: LAW)	Series F	60	Georgian	CS Disco Inc provides a cloud-native, artificial intelligence-powered legal solution that simplifies discovery, legal document review, and case management for enterprises, law firms, legal services providers, and governments

Source: PitchBook

PRIVATE PLACEMENT TRANSACTIONS ($35M+)

Date	Company	Round	($M)	Lead Investor	Target Description
Sep-20	Everlaw	Series C	78	CapitalG, Menlo Ventures	Developer of a cloud-based litigation platform designed to improve the practice of law for corporate counsels, litigators, and government attorneys
Aug-20	ThoughtSpot	Series E	248	Lightspeed Venture Partners, Next Play Capital	Developer of enterprise analytics platform designed to easily analyze complex, large-scale enterprise data with an automatic, relational search engine
Aug-20	Agiloft	PE Growth	45	FTV Capital	Developer and provider of contract management software designed for automating the processes for competing vendors
Aug-20	Diligent	PE Growth	536	Blackstone , Clearlake Capital Group, Insight Partners, Norwest Venture Partners	Developer of secure corporate governance and collaboration software
Jul-20	Quantexa	Series C	64	Evolution Equity Partners	Developer of entity resolution and network analytics technology designed to help organizations to improve operational and data-driven decisions
Jul-20	ACA Group	PE Growth	40	Starr Investment Holdings	Provider of governance, risk and compliance (GRC) financial advisory services intended to empower clients to reimagine GRC and protect and grow their business
Jun-20	Privitar	Series C	87	Warburg Pincus, WP Global Partners	Developer of a data privacy platform designed to offer enterprise-wide privacy protection
May-20	SirionLabs	Series C	44	Avatar Growth Capital, Tiger Global Management	Developer of a contract management platform designed to offer enterprise supplier management services
May-20	Featurespace	Series G	37	Chrysalis Investments	Developer of an adaptive behavioral analytics platform designed to bring new insights through new ways of treating data
Apr-20	Onfido	Series C3	104	TPG	Developer of a verification platform intended to automate the identity verification process
Apr-20	Notarize	Series C	35	Adam Lisagor, Camber Creek, Polaris Partners	Developer of a digital notarization platform designed to help people to get their documents legally notarized online
Apr-20	Podium	Series C	125	Y Combinator	Developer of an enterprise-class customer review management platform designed to change the way businesses communicate with their customers
Mar-20	Eigen Technologies	Series B	42	Dawn Capital, Lakestar	Developer of a natural language processing technology designed to read complex documents
Feb-20	Behavox	Series B1	100	SoftBank Investment Advisers	Developer of a people analytics platform designed to search and interrogate huge amounts of employee-generated data in real-time

Source: PitchBook

PRIVATE PLACEMENT TRANSACTIONS ($35M+)

Date	Company	Round	($M)	Lead Investor	Target Description
Feb-20	OneTrust	Series B	210	Coatue Management, Insight Partners	Developer of a technology platform designed for tackling privacy management
Feb-20	Fenergo	PE Growth	80	ABN AMRO Ventures, DXC Technology	Developer of client and regulatory technology designed to provide financial institutions with financial and regulatory solutions
Jan-20	Securiti	Series B	50	General Catalyst	Developer of privacy management software designed to ensure data privacy and security
Jan-20	AvePoint (NAS: AVPT)	PE Growth	200	Sixth Street Partners	AvePoint Inc is a Microsoft 365 data management solutions provider, offering a full suite of SaaS solutions to migrate, manage and protect data
Jan-20	BigID	Series C	50	Bessemer Venture Partners	Developer of data-driven protection and privacy compliance platform designed to transform how enterprises protect and manage the privacy of personal data
Dec-19	Flow Commerce	Series B	37	New Enterprise Associates	Provider of a cross-border e-commerce platform designed to facilitate the complexity of selling internationally to help e-commerce teams maximize cross-border revenue
Sep-19	Trulioo	Series C	53	Goldman Sachs Growth Equity	Developer of electronic identity verification platform designed for businesses to assess the risks associated with digital identities
Sep-19	AppZen	Series C	50	Coatue Management	Developer of an artificial intelligence platform designed to automate manual processes, uncover problems, and optimize decision-making for modern finance teams
Sep-19	Clio (Business/Productivity Software)	Series D	250	JMI Equity, TCV	Developer of a cloud-based practice management platform designed to provide legal client management remedies
Sep-19	Digital Reasoning	Series D1	44	BNP Paribas	Developer of an artificial intelligence cognitive computing platform intended for businesses
Aug-19	Notarize	Series B	37	Polaris Partners	Developer of a digital notarization platform designed to help people to get their documents legally notarized online
Aug-19	H2O.ai	Series D	73	Goldman Sachs Growth Equity, Ping An Insurance Company of China	Developer of an open-source machine learning automation platform designed to democratize artificial intelligence
Aug-19	Ironclad	Series C	48	Y Combinator	Developer of a contracting platform intended to transform contract processes by automating workflows and approvals
Jul-19	Legalist	Early Stage VC	100	ND	Provider of litigation financing services intended to help companies mitigate risk, pay legal fees and win cases

Source: PitchBook

PRIVATE PLACEMENT TRANSACTIONS ($35M+)

Date	Company	Round	($M)	Lead Investor	Target Description
Jul-19	Icertis	Series E	75	Greycroft, Premji Invest	Developer of a contract intelligence platform designed to structure and connect every kind of contract
Jul-19	Fenergo	Corporate	74	DXC Technology	Developer of client and regulatory technology designed to provide financial institutions with financial and regulatory solutions
Jul-19	OneTrust	Series A	200	Insight Partners	Developer of a technology platform designed for tackling privacy management
Jul-19	ContractPod	Series B	55	Insight Partners	Developer of contract management software designed to assemble, automate, sign, and manage all contracts and documents
Jul-19	Ontra	Series A	40	Battery Ventures	Developer of an online legal management platform intended to automate and enhance high-volume legal processes easily
Jun-19	TrustArc	Series D	70	Bregal Sagemount	Developer of cloud-based software designed to facilitate privacy compliance and risk management for GDPR, CCPA and other regulations
Jun-19	Privitar	Series B	40	Accel	Developer of a data privacy platform designed to offer enterprise-wide privacy protection
Jun-19	Litify	Series A	50	Tiger Global Management	Developer of a business transformation platform designed to automate business processes to offer better insights and transparency
May-19	Ivalua	PE Growth	60	Ardian, Tiger Global Management	Developer of web-based spend management software intended to unlock maximum procurement value through realizing savings
May-19	PDFTron	PE Growth	76	Silversmith Capital Partners	Developer of digital document processing tools intended for software developers, OEM's, enterprise customers across a broad spectrum of industries
May-19	NetDocuments	PE Growth	300	Cove Hill Partners	Developer of cloud-based document management, email management and collaboration software for the legal industry
May-19	Tealium	Series F	55	Silver Lake	Developer of web analytics and digital marketing software designed to make data actionable, in real-time, across every customer experience touchpoint
Apr-19	Onfido	Series C2	86	K50 Ventures	Developer of a verification platform intended to automate the identity verification process
Mar-19	Chainalysis	Series B	49	Accel	Developer of a cryptocurrency investigation and compliance software designed to protect the junction between finance and the decentralized internet

Source: PitchBook

PRIVATE PLACEMENT TRANSACTIONS ($35M+)

Date	Company	Round	($M)	Lead Investor	Target Description
Feb-19	Drivenets	Series A	118	Bessemer Venture Partners, Pitango Venture Capital	Developer of cloud-based software designed to facilitate networking and communication in the cloud
Jan-19	DISCO (NYS: LAW)	Series E	83	Georgian	CS Disco Inc provides a cloud-native, artificial intelligence-powered legal solution that simplifies discovery, legal document review, and case management for enterprises, law firms, legal services providers, and governments
Jan-19	Tessian	Series B	41	Sequoia Capital	Developer of a next-generation email security platform intended to detect and prevent inadvertent data loss
Jan-19	Onit	PE Growth	200	K1 Investment Management	Developer of enterprise workflow software and artificial intelligence platforms intended for the legal, compliance, sales, IT, HR and finance departments
Dec-18	Onfido	Series C2	36	Acequia Capital, AfterWork Ventures, Fin Venture Capital, Plug and Play Tech Center	Developer of a verification platform intended to automate the identity verification process
Oct-18	ThoughtSpot	Series D	145	Australia Future, Decacorn, Dragon, General Catalyst, Khosla, Late Stage, Lightspeed, Sapphire, SharesPost	Developer of enterprise analytics platform designed to easily analyze complex, large-scale enterprise data with an automatic, relational search engine
Sep-18	Atrium (Legal Services (B2B))	Series B	64	Andreessen Horowitz	Provider of an online legal platform designed to offer legal services for fast-growing companies
Sep-18	Kira Systems	Series A	50	Insight Partners	Developer of an AI-driven contract analytics software designed to enable enterprises to easily find and use trusted information and answers from their documents
Aug-18	AuditBoard	Series B	40	Battery Ventures	Developer of a cloud-based audit automation platform designed to revolutionize the way risk and compliance is managed, solved and reported
Jul-18	LegalZoom	Secondary Transaction - Private	500	Francisco Partners, GPI Capital	LegalZoom
Jul-18	AppZen	Series B	35	Lightspeed Venture Partners	Developer of an artificial intelligence platform designed to automate manual processes, uncover problems, and optimize decision-making for modern finance teams
Jul-18	Exiger	PE Growth	80	Carrick Capital Partners	Provider of a global regulatory and sustainable compliance service intended to fight against fraud and financial crime
Jun-18	Podium	Series B	60	IVP	Developer of an enterprise-class customer review management platform designed to change the way businesses communicate with their customers
May-18	Exterro	PE Growth	150	Leeds Equity Partners	Developer of an electronic discovery and information governance software

Source: PitchBook

PRIVATE PLACEMENT TRANSACTIONS ($35M+)

Date	Company	Round	($M)	Lead Investor	Target Description
Feb-18	Icertis	Series D	50	Meritech Capital Partners	Developer of a contract intelligence platform designed to structure and connect every kind of contract
Nov-17	Behavox	Series B	70	Citigroup	Developer of a people analytics platform designed to search and interrogate huge amounts of employee-generated data in real-time
Nov-17	H2O.ai	Series C	40	NVIDIA GPU Ventures, Wells Fargo Strategic Capital	Developer of an open-source machine learning automation platform designed to democratize artificial intelligence
Oct-17	MetricStream	PE Growth	65	Clearlake Capital Group	Provider of a cloud and enterprise based governance, risk and compliance (GRC) platform designed to manage regulatory and industry-mandated compliance and corporate governance
Oct-17	Feedzai	Series C	50	Omega Venture Partners, Sapphire Ventures	Developer of a risk management platform designed to create a seamless and safe customer experience
Sep-17	GTreasury	PE Growth	42	Mainsail Partners	Provider of a SaaS-based treasury management software for the digital treasurer
Sep-17	Conga	Series E	55	Premji Invest	Provider of a cloud-based Quote-to-Cash (QTC) software services
Aug-17	ThoughtSpot	Series C1	60	Lightspeed Venture Partners	Developer of enterprise analytics platform designed to easily analyze complex, large-scale enterprise data with an automatic, relational search engine
Jul-17	Crownpeak Technology	PE Growth	50	K1 Investment Management	Developer of SaaS-based web content management systems providing digital experience solutions
Apr-17	Ivalua	PE Growth	70	Kohlberg Kravis Roberts	Developer of web-based spend management software intended to unlock maximum procurement value through realizing savings
Mar-17	Neoway	Series B	45	QMS Capital Management	Developer of a business intelligence platform designed to make big data easily navigable
Jan-17	Centauri Health Solutions	PE Growth	98	SV Health Investors	Developer of cloud-based data management software platform focused on charting a new path in healthcare with power to solve and passion to serve
	MEDIAN:		**$7**		
	AVERAGE:		**$24**		

Note: Median and Average shown are for all deals including <$35M in size

Source: PitchBook

DISCLOSURE

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