

FOCUS

Investment Banking

Telecom Technology and Services Group

Enterprise-Focused Telecom Technology Quarterly



Investment Banking and Advisory Services

FOCUS Investment Banking LLC is a leading investment bank with specialized telecom technology and services expertise, concentrating on providing highly tailored services to emerging middle market and larger organizations in this sector:

- Mergers & Acquisition Advisory
- Corporate Development Consulting
- Strategic Partnering & Alliances
- Capital Financing, Debt & Equity
- Corporate Valuations

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Enterprise-Focused Telecom Technology Quarterly

By **Richard Pierce**, FOCUS Managing Director and Telecom Technology and Services Team Leader

FOCUS believes that the Enterprise-Focused Telecom Technology sector is one of the most exciting in Telecom. Businesses today have an unprecedented opportunity to enhance operating efficiency and reduce costs by converging separate voice and data networks, empowering remote and mobile workers, extending communications to harsh outdoor and industrial environments, enhancing customer service and moving applications to a hosted or “cloud” environment. However, to achieve these benefits organizations must overcome a host of non-trivial challenges including bandwidth management, quality of service prioritization and monitoring, device proliferation and network security. While many of the largest players in the communications equipment industry are indeed helping to meet these challenges, we believe there is significant innovation among middle market technology providers and ample opportunities for them to create meaningful value for their shareholders. FOCUS is proud of its commitment to the Enterprise-Focused Telecom Technology sector and we are excited about the prospects for middle market companies in this space.

The FOCUS Telecom Technology and Services group consists of two professionals with a combined 30+ years of transaction experience across a wide variety of telecommunications-related companies. The FOCUS Telecom team is uniquely qualified to help middle market clients reach their strategic objectives because the group:

- Devotes significant senior level resources to executing transactions for lower middle market clients,
- Has a breadth of knowledge that covers most segments of the telecom industry,

- Has seasoned bankers with decades of telecom industry experience,
- Has a proven transaction methodology for delivering results,
- Is equally comfortable with buy side and sell side M&A,
- Leverages an experienced team of research professionals,
- Has a national presence with coverage of both East and West coasts.

Sub Sector Definitions

Enterprise Networking: Enterprise-grade switches and routers (wireline and wireless), enterprise CPE and application and bandwidth management tools such as WAN optimization and application acceleration

Industrial Networking and M2M: Ruggedized equipment designed for communications in harsh environments as well as equipment utilized for machine-to-machine communications

Network Management: Software used by enterprises to manage and monitor their voice communications and data networks

Network Security: Software applications designed to identify and protect against a wide variety of network security-related threats

Unified Communications and Contact Center: PBXs, videoconferencing-related products and software products designed to enhance the efficiency of contact center networks.

Summary Comments

Public Markets

While sector performance has cooled off significantly since our last report, the FOCUS Enterprise-Focused Telecom Technology Index (EFTTI) still managed to deliver a positive return of 1.5% in this most recent three-month period. The sector underperformed the broader indices over this time frame as it lagged both the S&P 500 (up 4.8%) and the NASDAQ (up 5.6%). The situation looks better when measured over the full year as the EFTTI is up 37.8% in the past 12 months. While this still lags the 39.2% gain in the S&P 500 and the 39.6% gain in the NASDAQ, the gap is extremely narrow. Multiples are up strongly compared to this time last year. The sub sector revenue multiple closed out the period at 7.0x (up from 5.3x a year ago) while the EBITDA multiple ended up at 27.0x (up from 19.9x a year ago).

Enterprise Networking

The Enterprise Networking sub sector inched up 1.0% in our fall reporting period. A10 Networks and Aerohive Networks were both standouts with gains of 46.4% and 35.2%, respectively. These were counterbalanced by double digit losses at both Accton and Extreme Networks, as well as a relatively anemic 1.1% gain at Cisco. The sub sector is still up more than 50% over the past 12 months. Gains were broad-based as 10 of the 12 stocks in the index boasted double digit gains over the past year. Sub sector multiples shot up from 2.9x revenue and 9.4x EBITDA at this time last year to 4.5x revenue and 15.2x EBITDA at the close of the current reporting period.

Industrial and M2M

The Industrial and M2M sub sector was the second-best performing sub sector in the EFTTI this period with a three-month gain of 4.3%. Belden, CalAmp, Digi International and Lantronix were all up sharply, but a 53.1% loss at Inseego weighed heavily on the sub sector. The sub sector is also up just shy of 50% over the past year, with Inseego once again serving as a significant drag on performance. Over the past year the sub sector revenue multiple increased from 1.4x to 1.8x, while the sub sector EBITDA multiple grew from 17.0x to 18.4x.

Network Management

For the second straight reporting period the Network Management sub sector was the only EFTTI sub sector in negative territory with a loss of 20.0%. This brings the sub sector's streak of reporting periods with a negative return to four. Not surprisingly, year-over-year returns are also abysmal with a 12-month decline of 43.1%. Solar Winds continues to encounter difficulties in the market as its stock has shed more than 60% of its value over the past year. Sub sector multiples fell from 5.1x revenue and 22.5x EBITDA a year ago to only 3.1x revenue and 16.3x EBITDA currently.

Network Security

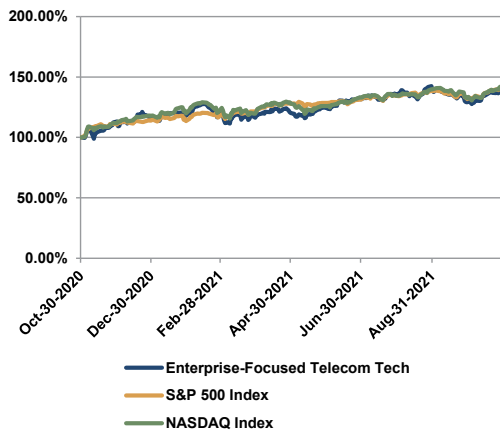
The Network Security sub sector retained its position as the top performing sub sector in the EFTTI as it turned in a gain of 18.2% in our fall reporting period. 11 of the 15 stocks in the index delivered a positive return, including nine that boasted a double-digit return. There was also an IPO this period with the entry of ForgeRock onto the public markets. The sub sector is also up 99.5% over the past year, so just shy of doubling in value. All but one company in the index was in positive territory over this time frame, and five companies (CrowdStrike, Fortinet, Palo Alto Networks, Rapid7 and Zscaler) had gains of 100% or more. As one might expect, sub sector multiples are also significantly higher than at this time last year and closed out the period at 15.0x revenue and 82.6x EBITDA. Both of these compare favorably to year-ago multiples of 8.2x revenue and 44.2x EBITDA.

Unified Communications and the Contact Center

The Unified Communications and the Contact Center sub sector continued its zig zag course, following up last period's strong gain with a 25.1% loss this period. This easily made it the worst performing sub sector in the EFTTI this period. Losses were broad-based, as eight of the 10 stocks in the sub sector were in the red this period. A significant reason for this period's decline was the return of Zoom to negative territory with a loss of 27.4% in the past three months. The sub sector also dipped into negative territory for the full year with a loss of 34.8%. Zoom once again was a major factor in this decline with a drop of 40.4% over the past year. Sub sector multiples are much lower than they were a year ago. The revenue multiple dropped from 22.8x to 10.7x, and the EBITDA multiple fell from 140.5x to 51.4x.

Enterprise-Focused Telecom Technology: Public Market Summary

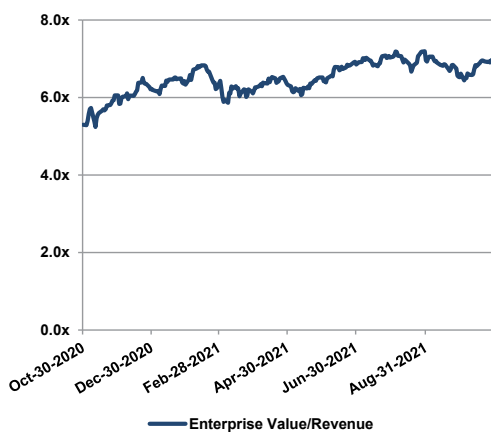
Twelve Month Index Returns



Sector and Sub Sector Returns

	12 Month	3 Month
Enterprise-Focused Telecom Tech	37.8%	1.5%
Enterprise Networking	53.6%	1.0%
Industrial and M2M	49.7%	4.3%
Network Management	-43.1%	-20.0%
Network Security	99.5%	18.2%
Unified Comms & Contact Center	-34.8%	-25.1%
S&P 500	39.2%	4.8%
NASDAQ	39.6%	5.6%

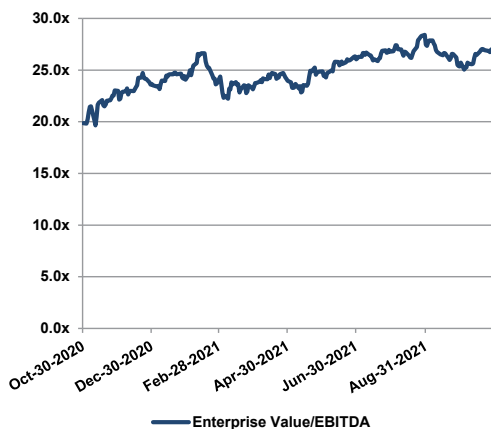
Revenue Multiple Trends



Sector and Sub Sector Revenue Multiples

	10/31/2021	10/31/2020
Enterprise-Focused Telecom Tech	7.0x	5.3x
Enterprise Networking	4.5x	2.9x
Industrial and M2M	1.8x	1.4x
Network Management	3.1x	5.1x
Network Security	15.0x	8.2x
Unified Comms & Contact Center	10.7x	22.8x

EBITDA Multiple Trends



Sector and Sub Sector EBITDA Multiples

	10/31/2021	10/31/2020
Enterprise-Focused Telecom Tech	27.0x	19.9x
Enterprise Networking	15.2x	9.4x
Industrial and M2M	18.4x	17.0x
Network Management	16.3x	22.5x
Network Security	82.6x	44.2x
Unified Comms & Contact Center	51.4x	140.5x

Source: Capital IQ

M&A Summary Comments

M&A

While not as active as the 80 total transactions that we counted last period, the 56 total transactions in the past three months certainly equates to a very active period by any historical measure. We were also active from a total announced transaction dollar volume standpoint at just shy of \$11 billion. For the first 10 months of the year we are at 208 total transactions. This is already good enough to make 2021 the most active year for M&A in the 10+ years that we have been putting this report together. Total announced transaction dollar volume is also at record levels at nearly \$43 billion. Note that our dollar volume for the year is actually slightly lower than in our summer report due to the cancellation of the Zoom/Five9 transaction and its removal from the dollar volume total.

Enterprise Networking

The Enterprise Networking sub sector remained relatively active with four transactions this period. Extreme Networks added to its SD-WAN capabilities with its acquisition of the Ipanema division of Infovista for \$73 million. In addition, Progress Software acquired load balancing specialist Kemp Technologies for \$285 million. The other two transactions in the space were the acquisition of cloud-routing company Volta Networks by IBM and Kaspersky's acquisition of open source SD-WAN and NFV company Brain4Net.

Industrial and M2M

There were no transactions in the Industrial and M2M sub sector this period.

Network Management

For the second straight reporting period the Network Management sub sector had a total of six transactions. Two of these transactions, the NetApp acquisition of CloudCheckr and the PacketFabric acquisition of Rstor, involved companies that assist with the management of IT assets in the cloud. In the final transaction that we will specifically highlight, Test and Measurement vendor Keysight Technologies acquired SCALABLE Network to bolster its capabilities in the area of analyzing and designing communications networks.

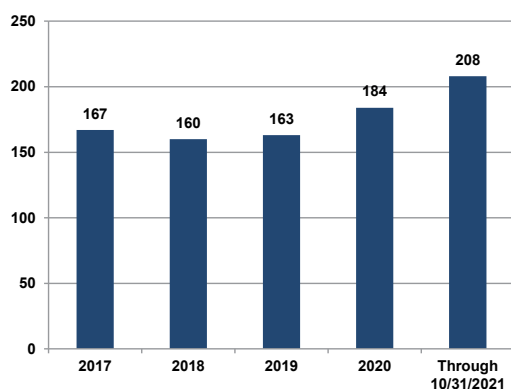
Network Security

The Network Security sub sector continued to be the sub sector with far and away the most deal activity with 39 total transactions in the past three months. This included the NortonLifeLock acquisition of Avast Software, which at \$7.7 billion was the largest transaction this period. Another sizable transaction was the Kape Technologies acquisition of Express VPN International for \$936 million. Other well-known acquirers that made acquisitions this period included Checkpoint Software Technologies,

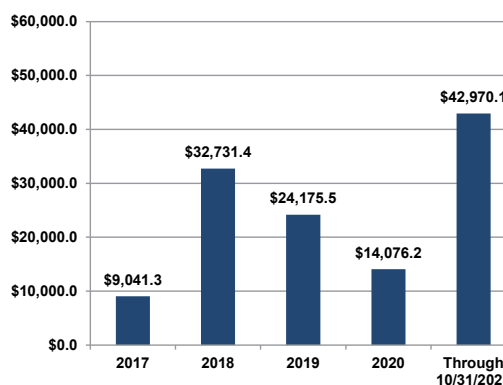
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Enterprise-Focused Telecom Technology: M&A Summary

M&A Activity: Number of Transactions



M&A Activity (\$ Value of Transactions in Millions)



HelpSystems (which closed two acquisitions), Forcepoint, F5 Networks, Sophos, Tenable Network Security and Qualys. Finally, we noted that private equity remained active in the space with platform acquisitions by Audax Group, Marlin Equity Partners, Summit Partners and Thoma Bravo.

Unified Communications and the Contact Center

Activity dropped off somewhat in the Unified Communications and the Contact Center sub sector compared to the record levels in our summer report, but the sub sector was still active with seven total transactions. Most of these deals involved smaller companies. We did note that Avaya acquired contact center software vendor CTIntegrations. In addition, CallMiner was once again active in the deal market with its acquisition of call recording company Orecx.

Transactions with Announced Multiples

As might be expected, the transactions with the two highest announced multiples were both in the Network Security space. These were the NortonLifeLock acquisition of Avast Software for 8.2x revenue and 15.6x EBITDA and the Linewize acquisition of Smoothwall for 4.6x revenue and 19.5x EBITDA. In the Unified Communications and the Contact Center sub sector, the LoopUp Group's purchase of SyncRTC weighed in at 2.2x revenue and 9.2x EBITDA. Finally, in the Enterprise Networking sub sector, the Ipanema division of Infovista went for a 3.0x revenue multiple in its sale to Extreme Networks. No EBITDA multiple was available for that transaction.

M&A Announced Transactions (8/1/21 – 10/31/21)

Acquiror	Target	Sector	Date Announced	Purchase Price	Description
VoiceSage	2sms	Unified Comms & Contact Center	10/29/21	NA	Enterprise SMS platform serving the U.S. market.
Clavister	Omen Technologies	Security	10/28/21	\$1.8	Cybersecurity solutions including fault and intrusion detection, predictive maintenance and system-validation services.
SUSE	NeuVector	Security	10/28/21	\$133.0	Cloud-native full lifecycle container application security SaaS for businesses.
Help/Systems	Digital Guardian	Security	10/27/21	NA	Inside and outside threat management, data loss protection and compliance protection SaaS.
Kaspersky	Brain4Net	Enterprise Networking	10/27/21	NA	Open source SDN and NFV-based networking SaaS and related systems integration and consulting services.
Aizan Technologies	MessageKite	Unified Comms & Contact Center	10/25/21	NA	Business messaging SaaS with features for two-way messaging, scheduled messaging, message templates and group texting.
Sysxnet	SecureTrust	Security	10/24/21	\$80.0	SSL certificates, digital e-mail identification, PCI compliance and security compliance for businesses.
Plurilock Security	CloudCodes Software	Security	10/21/21	\$1.7	Cloud security management SaaS for access control, identity management and data loss prevention.
Summit Partners	Invicti Security	Security	10/20/21	\$625.0	Web application vulnerability testing and remediation security SaaS that enables the automated scanning of application vulnerability.
Help/Systems	PhishLabs	Security	10/19/21	NA	AI-based cyber threat intelligence and mitigation SaaS with features including digital risk protection and e-mail incident response.
IBM Corporation	Volta Networks	Enterprise Networking	10/19/21	NA	Cloud-based routing-as-a-service control plane for building networking infrastructures.
CallMiner	OrecX	Unified Comms & Contact Center	10/18/21	NA	Provides audio capture software to contact centers and telephony providers.
Keysight Technologies	SCALABLE Network Technologies	Network Management	10/18/21	NA	SaaS for communication network analysis, design, data collection, visualization and research and development.
Nordsec	Peakstar Technologies	Security	10/15/21	NA	VPN and cybersecurity software with features for content access, anti-malware, data breach monitoring and safe browsing.
Forcepoint	Bitglass	Security	10/11/21	NA	Cloud application control and threat management SaaS for enterprises.
NetApp	CloudCheckr	Network Management	10/4/21	NA	Cloud management software solutions that help manage and automate cost and security for public cloud environments.
PacketFabric	Rstor	Network Management	10/4/21	NA	Cloud management SaaS for multi-cloud and hybrid IT environments that determines the most efficient path for workloads.
Quest Software	OneLogin	Security	10/4/21	NA	Single sign-on and identity management SaaS to secure applications for users on all devices.
ScienceLogic	Restorepoint	Network Management	9/30/21	NA	Network configuration and change management SaaS and related APIs.
Akamai	Guardicore	Security	9/29/21	\$600.0	Datacenter and enterprise cloud security software and SaaS that enables firewall protection, compliance and workload protection.
LoopUp Group	SyncRTC	Unified Comms & Contact Center	9/29/21	\$4.5	Offers a cloud-based video collaboration platform for B2B customers.
Marlin Equity Partners	ProcessUnity	Security	9/28/21	NA	Security vendor risk management SaaS that enables automated assessments and monitoring.
Ping Identity Corporation	Singular Key	Security	9/27/21	NA	No-code identity and security orchestration software for identity verification, fraud, access management and identity governance.
Progress Software	Kemp Technologies	Enterprise Networking	9/24/21	\$258.0	Network application performance and delivery, load balancer management and analytics systems and software.
EasyVista	Coservit	Network Management	9/21/21	NA	AI-based IT monitoring management with features for network performance and application performance management.
archTIS	Cipherpoint	Security	9/20/21	\$1.0	Access, compliance, data and encryption management SaaS for the education, healthcare, financial services and public sectors.
F5 Networks	Threat Stack	Security	9/20/21	\$68.0	Cloud infrastructure security SaaS that monitors software-defined infrastructure and identifies insider threats and external attacks.
Cytracom	OmniNet	Security	9/16/21	NA	Security-as-a-service based unified threat management platform.

M&A Announced Transactions (8/1/21 – 10/31/21) continued

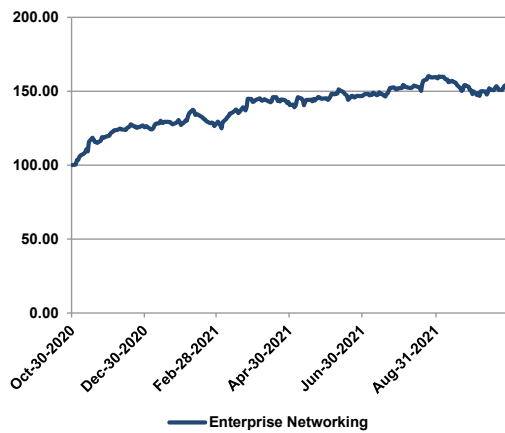
Acquiror	Target	Sector	Date Announced	Purchase Price	Description
SecurityTrails	Surface.io	Security	9/14/21	NA	Asset surface monitoring security solution.
symplr	Halo Health	Unified Comms & Contact Center	9/14/21	NA	Team collaboration and unified communications SaaS for healthcare providers.
BitSight Technologies	Cyber Assessments	Security	9/13/21	NA	Cybersecurity monitoring SaaS for unified threat management, endpoint integrity assurance, detection and remediation.
Kape Technologies	Express VPN International	Security	9/13/21	\$936.0	VPN and cybersecurity SaaS with features for privacy and security, encryption and leak proofing.
Tenable Network Security	Accurics	Security	9/13/21	\$160.0	Cloud-native security for DevOps and security teams.
Medican Campus	Labocanna	Unified Comms & Contact Center	9/10/21	NA	Call center support services and tools for the telemarketing industry.
FireMon	DisruptOps	Security	9/8/21	NA	Security management SaaS that enables DevOps teams to monitor, alert and respond to security risk in cloud infrastructure.
Thoma Bravo	Intel 471	Security	9/8/21	NA	Cyberthreat intelligence and security management SaaS with features for adversary, threat, malware and vulnerability intelligence.
Inetum	Ilex	Security	9/6/21	NA	Identity and access management software solutions.
LogPoint	SecBI	Security	9/1/21	NA	Cybersecurity advanced threat detection software that enables machine learning for autonomous investigations and response.
Avaya	Journey AI	Security	8/31/21	NA	Trusted identity platform that provides security and privacy solutions to the contact center industry.
Check Point Software Technologies	Avanan	Security	8/30/21	\$234.0	Cloud email security platform that prevents sophisticated attacks.
Elastic	CmdWatch	Security	8/25/21	NA	Endpoint integrity assurance software for Linux systems administrators.
ServiceAide	SunView Software	Network Management	8/24/21	NA	IT service management software for change, configuration and incident management and problem resolution.
SGT Capital	Utimaco	Security	8/13/21	NA	Hardware security module systems, software, and SaaS for data security, encryption and retention.
Tevano Systems	Illuria Security	Security	8/12/21	\$3.0	Tools and technology for detecting, tracking, deceiving and trapping attackers and for protecting critical network systems.
Extreme Networks	Infovista (Ipanema Technologies Division)	Enterprise Networking	8/10/21	\$73.0	SD-WAN optimization SaaS with features for acceleration, governance, application, traffic, workload and network management.
Mandiant	Intrigue	Security	8/10/21	NA	Enterprise surface attack management SaaS that detects network vulnerabilities and enables organizations to map their assets.
NortonLifeLock	Avast Software	Security	8/10/21	\$7,655.6	AI-based PC, Mac and mobile anti-virus, anti-spam and firewall SaaS and software for consumers and businesses.
Avaya	CTIntegrations	Unified Comms & Contact Center	8/9/21	NA	Specializes in contact center software development and system integration.
Data443 Risk Mitigation	Centurion Technologies (Certain Assets)	Security	8/9/21	NA	Ransomware protection and workstation security, digital loss prevention and related management software.
Qualys	TotalCloud	Security	8/9/21	NA	Workflow-based and no-code AWS cloud security automation and management SaaS for managed services and DevOps businesses.
Linewize Limited	Smoothwall	Security	8/6/21	\$104.7	Web filtering, safeguarding and Internet security solutions software for the public and private sectors.
J&T Private Equity Group	H-Square ICT Solutions	Security	8/5/21	NA	Network security, endpoint security, cloud, devOps, IOT, e-mail, zero trust and vulnerability management.
Audax Group	Team Cymru	Security	8/4/21	NA	Cybersecurity and threat identification SaaS that enables businesses to identify and trace malicious infrastructure.
Feedzai	Revelock	Security	8/4/21	NA	Fraud detection and response SaaS that creates a defense system to intercept malware, redirect phishing and protect accounts.
Sophos	Refractr IT	Security	8/3/21	NA	Security orchestration automation and response automation SaaS to enable cybersecurity.
Ivanti	RiskSense	Security	8/2/21	NA	Software designed to monitor an organization's cyber risk exposure, shorten time to remediation and strengthen vulnerabilities.

M&A Announced Transactions with Revenue Multiples (11/1/20 – 10/31/21)

Acquiror	Target	Sector	Date Announced	Purchase Price	Revenue Multiple	EBITDA Multiple	Description
LoopUp Group	SyncRTC	Unified Comms & Contact Center	9/29/21	\$4.5	2.2 x	9.2 x	Offers a cloud-based video collaboration platform for B2B customers.
Extreme Networks	Infovista (Ipanema Technologies Division)	Enterprise Networking	8/10/21	\$73.0	3.0 x	NA	SD-WAN optimization SaaS with features for acceleration, governance, application, traffic, workload and network management.
NortonLifeLock	Avast Software	Security	8/10/21	\$7,655.6	8.2 x	15.6 x	AI-based PC, Mac and mobile anti-virus, anti-spam and firewall SaaS and software for consumers and businesses.
Linewize Limited	Smoothwall	Security	8/6/21	\$104.7	4.6 x	19.5 x	Web filtering, safeguarding and Internet security solutions software for the public and private sectors.
Rapid7	IntSights Cyber Intelligence	Security	7/19/21	\$335.0	12.4 x	NA	Cloud-native, external and internal threat detection, intelligence, vulnerability assessment and remediation SaaS.
Zoom Video Communications	Five9	Unified Comms & Contact Center	7/18/21	\$14,290.9	29.9 x	576.2 x	Cloud-based contact center software that provides contact center as a service solutions.
Enea	Adaptive Mobile Security	Security	7/15/21	\$53.2	2.9 x	NA	Mobile safeguard and security solutions to protect services on fixed and mobile networks through in-network and cloud solutions.
Safe-T Group	CyberKick	Security	7/1/21	\$12.7	3.0 x	NA	Software that avoids security and data threats and provides online cyber security and online privacy protection services.
Lantronix	Communications Systems (Transition Networks and Net2Edge Businesses)	Industrial and M2M	4/29/21	\$25.0	0.7 x	19.2 x	IoT connectivity products including switching, power over Ethernet and media conversion and adapter products.
Thoma Bravo	Proofpoint	Security	4/26/21	\$11,072.2	10.5 x	283.8 x	Email security, threat detection and data loss prevention SaaS for businesses.
Symphony Technology Group	McAfee (Enterprise Division)	Security	3/8/21	\$4,000.0	3.0 x	NA	Network anti-malware and PC security software for enterprises globally.
Cipherpoint	Brace168	Security	1/21/21	\$4.0	4.2 x	NA	Develops IT and cyber security solutions for medium to large-scale businesses and enterprises.
Crescent Acquisition	LiveVox	Unified Comms & Contact Center	1/14/21	\$840.0	8.2 x	NA	Provides predictive and automatic dialing, business intelligence and call recording SaaS for call center clients.
Cyber Security Cloud	Softec	Security	12/11/20	\$4.0	1.5 x	NA	Software for vulnerability management and information distribution.
Alianza	CounterPath	Unified Comms & Contact Center	12/7/20	\$27.1	2.1 x	37.1 x	VoIP communications and collaboration software that enables team messaging, video conferencing, provisioning, billing and analytics.
LeadDesk	Loxyssoft	Unified Comms & Contact Center	11/30/20	\$16.3	2.0 x	NA	Contact center management and customer service automation SaaS that integrates enterprise telephony with computer systems.
Palo Alto Networks	Expanse	Security	11/11/20	\$800.0	11.9 x	NA	Tracking and monitoring of Internet assets, vulnerability management, inventory management and network monitoring.

Sub Sector Analysis: Enterprise Networking

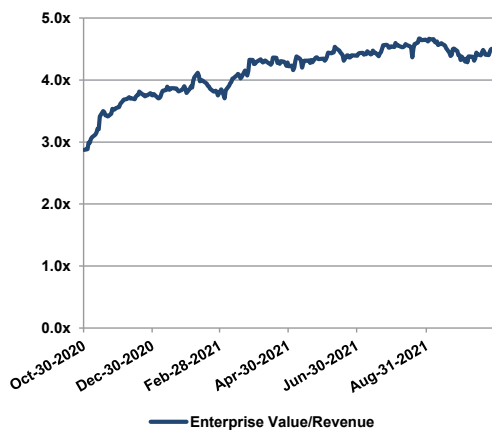
Twelve Month Index Returns



Company Returns

	12 Month	3 Month
Enterprise Networking Index	53.6%	1.0%
A10 Networks	177.3%	46.4%
Accton	20.5%	-25.1%
Aerohive Networks	819.6%	35.2%
Arista Networks	96.1%	7.7%
Cisco	55.9%	1.1%
Citrix	-16.4%	-6.0%
D-Link	16.3%	6.3%
Extreme Networks	142.1%	-10.7%
F5 Networks	58.8%	2.2%
NetGear	-6.5%	-15.8%
Radware	57.5%	9.9%
Unizyx Holding (Zyxel)	42.0%	14.8%

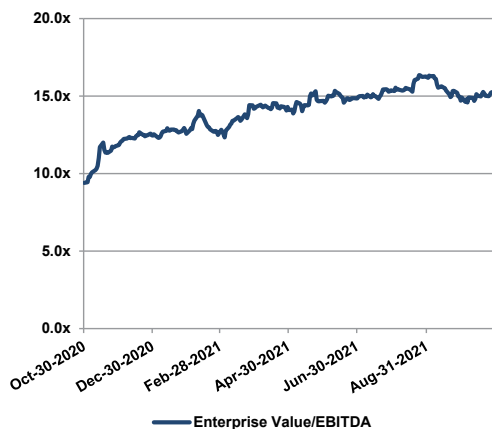
Revenue Multiple Trends



Company Revenue Multiples

	10/31/2021	10/31/2020
Enterprise Networking Index	4.5x	2.9x
A10 Networks	5.3x	1.7x
Accton	2.2x	2.1x
Aerohive Networks	14.0x	4.6x
Arista Networks	10.2x	5.9x
Cisco	4.5x	2.9x
Citrix	4.7x	4.6x
D-Link	0.6x	0.6x
Extreme Networks	1.4x	0.8x
F5 Networks	4.8x	3.2x
NetGear	0.5x	0.6x
Radware	4.5x	3.0x
Unizyx Holding (Zyxel)	0.5x	0.4x

EBITDA Multiple Trends



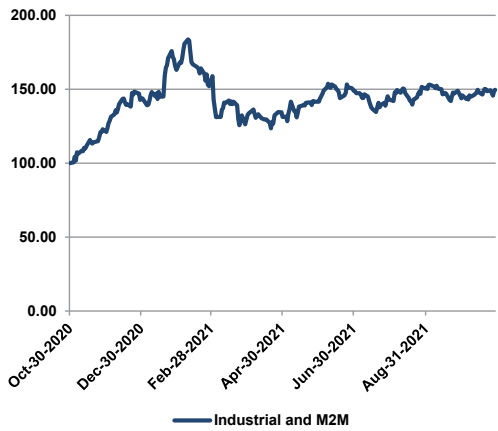
Company EBITDA Multiples

	10/31/2021	10/31/2020
Enterprise Networking Index	15.2x	9.4x
A10 Networks	33.0x	16.2x
Accton	18.9x	17.0x
Aerohive Networks	13.7x	6.9x
Arista Networks	31.2x	18.1x
Cisco	14.5x	9.0x
Citrix	24.9x	19.1x
D-Link	41.3x	71.8x
Extreme Networks	13.2x	21.7x
F5 Networks	19.5x	14.9x
NetGear	5.4x	10.3x
Radware	44.7x	38.3x
Unizyx Holding (Zyxel)	6.0x	12.2x

Source: Capital IQ

Sub Sector Analysis: Industrial and M2M

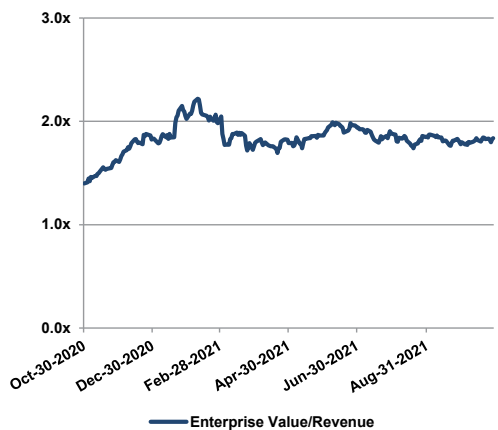
Twelve Month Index Returns



Company Returns

	12 Month	3 Month
Industrial and M2M Index	49.7%	4.3%
Belden	95.0%	85.4%
CalAmp	35.9%	21.9%
Digi International	46.3%	76.9%
Inseego	-28.7%	-53.1%
Lantronix	124.0%	141.3%
Sierra Wireless	50.6%	22.1%

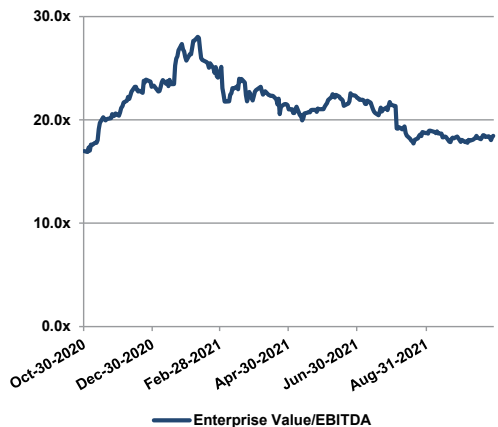
Revenue Multiple Trends



Company Revenue Multiples

	10/31/2021	10/31/2020
Industrial and M2M Index	1.8x	1.4x
Belden	1.7x	1.3x
CalAmp	1.4x	1.3x
Digi International	2.2x	1.7x
Inseego	2.8x	3.6x
Lantronix	4.0x	1.9x
Sierra Wireless	1.1x	0.6x

EBITDA Multiple Trends



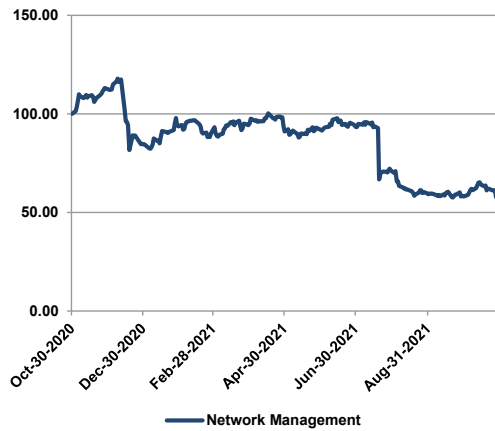
Company EBITDA Multiples

	10/31/2021	10/31/2020
Industrial and M2M Index	18.4x	17.0x
Belden	11.3x	10.4x
CalAmp	18.5x	17.9x
Digi International	18.0x	14.0x
Inseego	NM	NM
Lantronix	147.5x	NM
Sierra Wireless	NM	NM

Source: Capital IQ

Sub Sector Analysis: Network Management

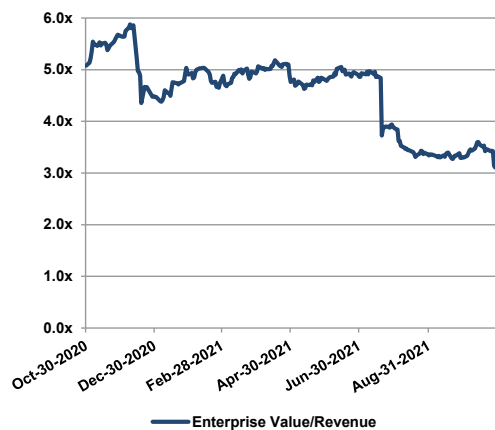
Twelve Month Index Returns



Company Returns

	12 Month	3 Month
Network Management Index	-43.1%	-20.0%
NetScout	31.9%	-5.9%
SolarWinds	-60.6%	-28.4%

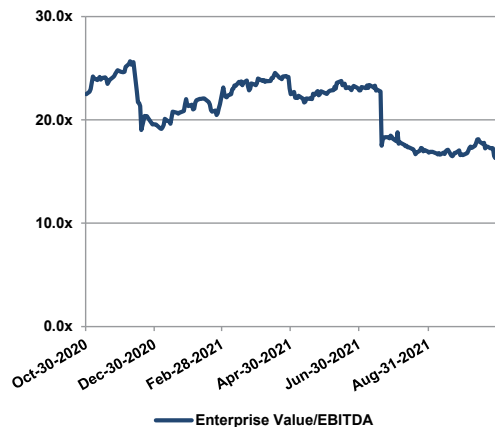
Revenue Multiple Trends



Company Revenue Multiples

	10/31/2021	10/31/2020
Network Management Index	3.1x	5.1x
NetScout	2.3x	1.8x
SolarWinds	3.8x	8.0x

EBITDA Multiple Trends



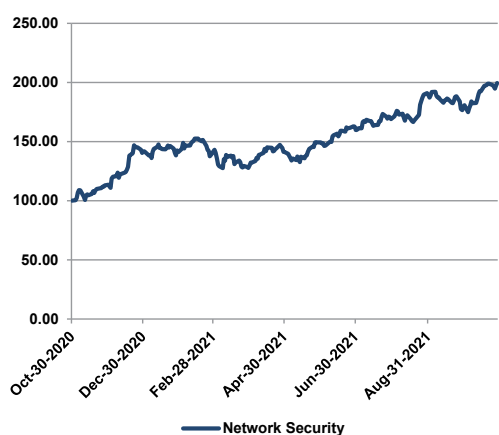
Company EBITDA Multiples

	10/31/2021	10/31/2020
Network Management Index	16.3x	22.5x
NetScout	12.9x	10.5x
SolarWinds	23.7x	33.9x

Source: Capital IQ

Sub Sector Analysis: Network Security

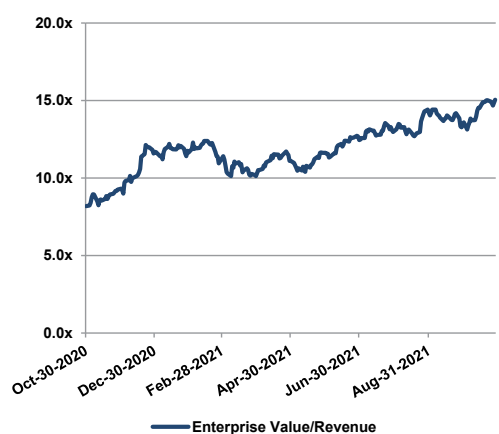
Twelve Month Index Returns



Company Returns

	12 Month	3 Month
Network Security Index	99.5%	18.2%
Checkpoint	5.3%	-5.9%
Cheetah Mobile	-12.0%	-17.2%
CrowdStrike	127.6%	11.1%
CyberArk	81.7%	26.8%
ForgeRock	NA	NA
Fortinet	204.7%	23.5%
NortonLifeLock	23.7%	2.5%
Palo Alto Networks	130.2%	27.6%
Ping Identity	2.3%	28.4%
Qualys	41.7%	22.6%
Rapid7	107.9%	13.2%
SecureWorks	77.1%	-8.2%
Tenable	56.1%	24.4%
Trend Micro	0.8%	8.7%
Zscaler	134.9%	35.2%

Revenue Multiple Trends



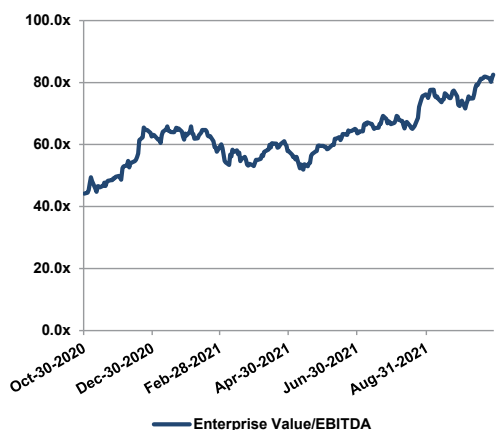
Company Revenue Multiples

	10/31/2021	10/31/2020
Network Security Index	15.0x	8.2x
Checkpoint	5.7x	5.9x
Cheetah Mobile	NM	NM
CrowdStrike	55.6x	40.0x
CyberArk	13.1x	7.2x
ForgeRock	16.6x	NA
Fortinet	16.9x	6.6x
NortonLifeLock	6.5x	6.0x
Palo Alto Networks	11.9x	6.1x
Ping Identity	8.2x	8.9x
Qualys	11.2x	8.7x
Rapid7	15.1x	8.5x
SecureWorks	2.5x	1.2x
Tenable	10.8x	7.9x
Trend Micro	3.6x	3.7x
Zscaler	64.9x	40.8x

Source: Capital IQ

Sub Sector Analysis: Network Security (continued)

EBITDA Multiple Trends

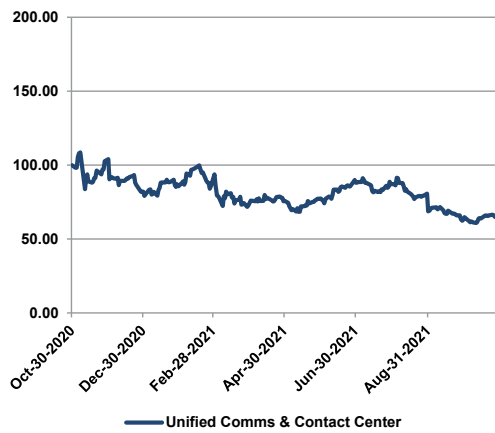


Company EBITDA Multiples

	10/31/2021	10/31/2020
Network Security Index	82.6x	44.2x
Checkpoint	12.9x	13.1x
Cheetah Mobile	NM	NM
CrowdStrike	NM	NM
CyberArk	NM	133.9x
ForgeRock	NM	NA
Fortinet	78.2x	31.6x
NortonLifeLock	13.6x	16.1x
Palo Alto Networks	NM	11520.1x
Ping Identity	NM	1423.8x
Qualys	37.3x	24.8x
Rapid7	NM	NM
SecureWorks	NM	65.3x
Tenable	NM	NM
Trend Micro	9.9x	10.9x
Zscaler	NM	NM

Sub Sector Analysis: Unified Communications and the Contact Center

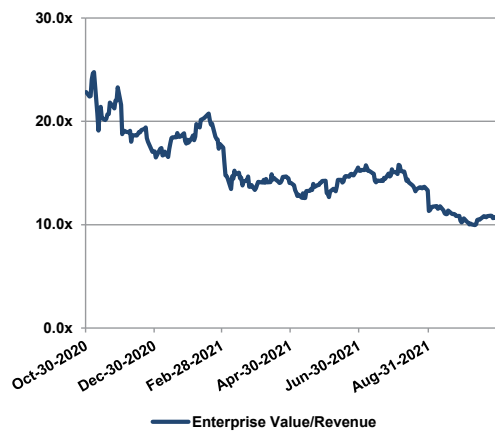
Twelve Month Index Returns



Company Returns

	12 Month	3 Month
Unified Comms & Contact Center Index	-34.8%	-25.1%
Avaya	8.3%	-23.1%
ClearOne	-3.1%	-44.6%
eGain	-34.9%	-11.6%
Enghouse Systems	-12.9%	-4.1%
Five9	4.1%	-21.5%
Livestorm	-3.6%	-19.1%
LiveVox	-39.2%	-20.7%
Sangoma Technologies	59.8%	31.6%
Verint	-4.0%	9.2%
Zoom	-40.4%	-27.4%

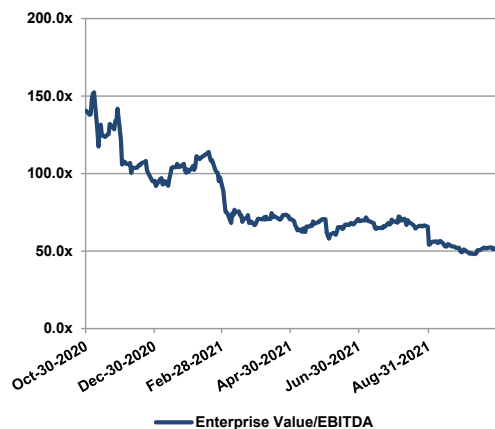
Revenue Multiple Trends



Company Revenue Multiples

	10/31/2021	10/31/2020
Unified Comms & Contact Center Index	10.7x	22.8x
Avaya	1.4x	1.4x
ClearOne	1.2x	1.1x
eGain	3.3x	6.0x
Enghouse Systems	6.0x	7.1x
Five9	19.3x	24.8x
Livestorm	7.8x	10.3x
LiveVox	3.9x	NA
Sangoma Technologies	3.7x	2.4x
Verint	2.8x	3.5x
Zoom	21.1x	96.3x

EBITDA Multiple Trends



Company EBITDA Multiples

	10/31/2021	10/31/2020
Unified Comms & Contact Center Index	51.4x	140.5x
Avaya	8.8x	9.2x
ClearOne	NM	NM
eGain	42.9x	48.5x
Enghouse Systems	18.7x	27.0x
Five9	1101.7x	846.9x
Livestorm	NM	NM
LiveVox	NM	NM
Sangoma Technologies	33.6x	18.0x
Verint	21.0x	19.0x
Zoom	70.6x	537.1x

Source: Capital IQ

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