



Evolve Capital Partners

Everbridge

September 2016

Summary of Initial Public Offering



**SPECIALIZED INVESTMENT BANKERS AT
THE INTERSECTION OF FINANCE & TECHNOLOGY**

Everbridge IPO – Executive Summary

Initial Public Offering Overview



NASDAQ: EVBG



Description

Everbridge, a global software company, provides critical communications and enterprise safety applications, enabling its users to automate and accelerate the process of keeping people safe and keeping businesses running during critical events.



Use of Proceeds

The company intended to use the proceeds to pay all outstanding obligations to Western Alliance Bank, to acquire or make strategic investments in complementary businesses/technologies and to invest in R&D.

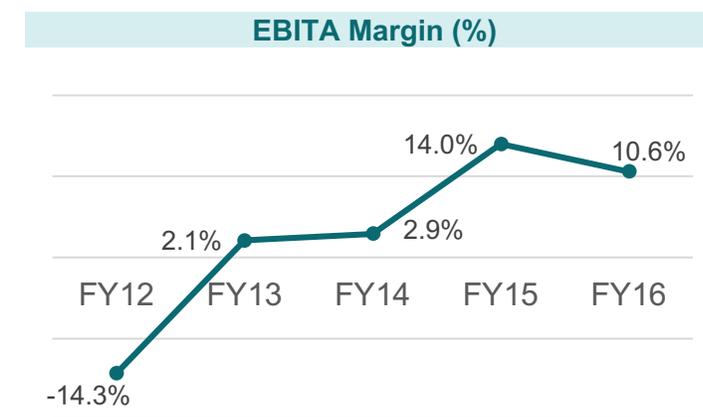
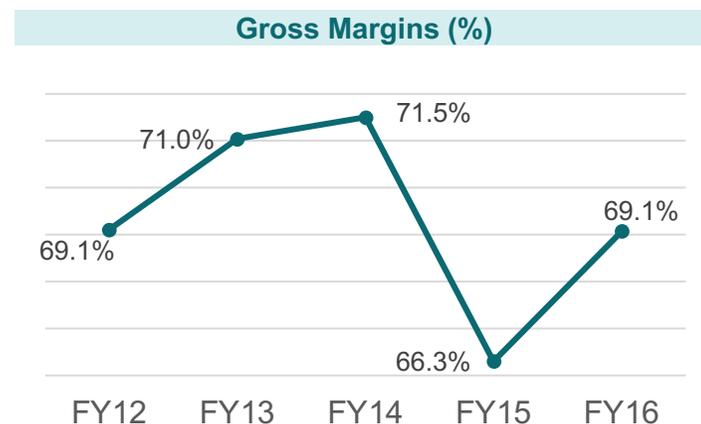
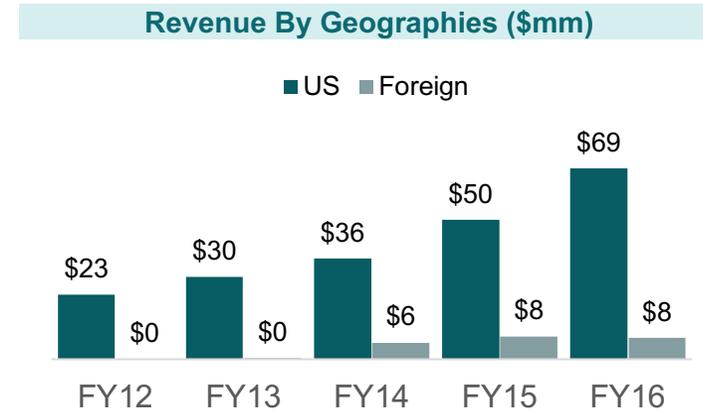
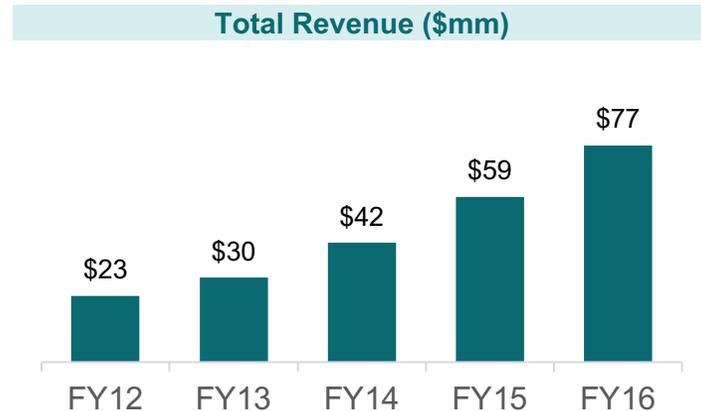
	Headquarters	Burlington, MA
	Founded	2002
	Employees	467
	Trading Date	9/16/2016
	Lead Underwriters	Pacific Crest SECURITIES CREDIT SUISSE Bank of America Merrill Lynch STIFEL CANACCORD Genuity William Blair RAYMOND JAMES®
	Offering Price	\$12.00 (filing range of \$11.00 to \$13.00)
	Shares Offered	7,500,000
	Gross Proceeds	\$90 million

Source(s): NASDAQ, Company website, Everbridge S-1, Pitchbook

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Key Metrics – IPO

Shares Offered at the time of IPO	6,250,000
Issue Price	\$12.00
Total Shares Outstanding after IPO	26,923,604
Market Value ⁽¹⁾	\$650 million
Enterprise Value ⁽²⁾	\$698 million
EV / Revenue ⁽³⁾	6.7x
Trading Date	9/16/2016
First Day Closing Price	\$15.25
Listing Discount	\$0.30



Source(s): Company website, Pitchbook, Capital IQ

(1) Market Value based Pitchbook as on 12/7/2017

(2) Enterprise Value based on market value, and total debt and cash in Pitchbook as on 12/7/2017

(3) EV/Revenue multiplier is calculated as on 12/7/2017

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Company Overview

BUSINESS OVERVIEW

- Everbridge, a global software company, provides enterprise software applications that automate and accelerate an organization's operational response to critical events.
- The company offers a SaaS-based platform that automates the following key steps for responding to a critical event;
 - It aggregates and assesses threat data from internal and external sources.
 - It enables users to locate people at risk, automate the execution of pre-defined communications processes.
 - It facilitates incident response and after-action analysis into one cohesive suite of technology.
- Everbridge provides a mechanism to address both the emergency and operational components of a critical communications program.

KEY STATISTICS



The company has sent close to 4 billion messages since 2012



It has sent secure confirmed delivery notifications in 200+ countries



The company has managed over 140 million contacts



Customer base of the company is 3,400 and growing



The company has achieved an up-time of 99.99%



The company has access to 100+ different communication devices

Source(s): Company website, Everbridge S-1

Everbridge IPO – Executive Summary

Key Offerings

The company's critical communications and enterprise safety applications include the following:

- **Safety Connection:** This application enables organizations to send notifications based on last known location of an individual, while actively incorporating threat data for relevant communications.
- **Mass Notification:** This application enables organizations to send awareness notifications to individuals or groups to keep them informed before, during and after natural or man-made disasters and other emergencies.
- **Incident Management:** This application enables organizations to automate workflows and make their communications relevant using drag and drop business rules to determine who should be contacted, how they should be contacted and what information is required.
- **IT Alerting:** This application enables IT professionals to alert and communicate with key members of their teams during an IT incident or outage.
- **Community Engagement:** This application integrates emergency management by providing organizations with a unified solution to connect residents to public safety departments, public information resources, and neighbors via social media and mobile applications.
- **Crisis Commander:** This application enable the response team to effectively collaborate, share status updates and keep key stakeholders informed whenever an emergency plan is activated.
- **Visual Command Center:** This platform for risk intelligence is used in organizational functions such as business continuity, security, supply chain and operations to mitigate or eliminate the impact of risk.
- **Internet of Things:** This application enables the technicians, during a critical equipment malfunction, to automatically alert the IT team to minimize downtime and avoid revenue loss or business disruptions.

Source(s): Company website, Everbridge S-1

Everbridge IPO – Executive Summary

Customer Case Studies

Ericsson



- Ericsson is a multinational provider of communication technology and services. Ericsson's services include the Ericsson MediaFirst TV Platform, a software-defined, media-optimized platform for the creation, management and delivery of next-generation Pay TV.
- The company required a robust critical communication and IT Alerting solution that would enable the customers to alert key members of the teams, and consumers, in case any IT issues occurred with their telecom operators.
- **Solution**
 - Everbridge provides Ericsson with an IT Alerting solution to ensure that the right IT experts are engaged as quickly as possible during an incident.
 - The solution allows Ericsson to notify and inform millions of end-consumers, improving transparency and maintaining the brand experience.
 - The application is used to communicate internally. Whenever something goes wrong, there'll be an alert that comes in via Everbridge.

Morrison County



- Morrison County, Minnesota, established in 1856, is the 17th largest county in the state and has a population of more than 33,000 residents. It occupies an area of 1,125 square miles.
- Morrison County needed a mass notification system to alert its fire departments, first responders, and residents about severe weather and other emergencies. The county officials have implemented Everbridge for emergency alerts for its emergency services personnel and residents.
- **Solution**
 - Everbridge provides Morrison County with the ability to notify large groups of emergency services personnel and residents, during critical situations via text messages, emails, and voice messages.
 - Morrison County now leverages Everbridge and its ability to send alerts to multiple contact paths to send resident alerts for any incidents that citizens need to be aware of.

Source(s): Company Website

Everbridge IPO – Executive Summary

Customer Case Studies

Ricoh



- Ricoh is a trusted technology leader and has a large number of offsite employees due to the location of their hardware, making critical communication a fundamental facet of their business operations.
- Ricoh has over 2,600 employees in the UK, including 1,200 field-based employees, covering the UK.
- The Company needs to be able to maintain critical communication with office-based staff. Ricoh needed a solution that ensures it knows how to keep in touch, and for recipients to confirm receipt of messages.
- **Solution**
 - Everbridge Platform provides Ricoh with a state-of-the-art multi-modal critical communication solution.
 - The platform enables Ricoh to set up custom message templates so notifications can be sent with a single click as opposed to being created on the fly.
 - Ricoh can also set up custom groups so essential staff are only being alerted with notifications that directly apply to them, reducing notification fatigue.

Source(s): Company Website

The Children’s Hospital of Philadelphia



- The Children’s Hospital of Philadelphia (CHOP) is the first hospital in the United States devoted exclusively to the care of children, and features one of the largest pediatric research programs in the country.
- CHOP utilizes communications such as code alerts and emergency messaging in order to ensure effective healthcare professional and patient communications.
- CHOP required a method to efficiently target and communicate with more than 18,000 employees in critical situations in order to prevent loss of life or damage to hospital property.
- **Solution**
 - Everbridge has integrated with CHOP’s HR software enabling the HR team to filter data by job role, department, location and other specifications in order to show different views and data as needed to alert different groups.
 - CHOP also integrated the Everbridge application with the existing in-patient hospital paging system, which is often used a lot for backup medical emergency paging and peer- to-peer paging in the hospital.

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Market Opportunity

Evolution of critical communications solutions

According to Gartner, Inc, **\$1.5 trillion, or 42.5%, of information technology, or IT, expenditure** was for communications in 2015. The adoption of targeted and contextually-aware critical communications solutions continues to expand and take hold across a broader cross-section of organizations and industry verticals.

Proliferation of mobile and digital communications

The proliferation of mobile and digital communications, as well as the emergence of the IoT, has accelerated the speed at which people communicate, exponentially increasing the volume of communications that individuals must process.

Increased terrorism, violence and natural disasters

Governmental entities and enterprises face increasing threats, which are causing disruption in their business activities. According to the Global Terrorism Database, the number of global fatalities and injuries from terrorist acts has increased **400% from 2005 to 2015**.

\$31.9 billion	The market for critical communication is expected to grow to \$31.9 billion in 2020 at a CAGR of 15.4%.
\$4.4 billion	The aggregate market for mass notification software and services is expected to grow at a CAGR of 20.9% to \$4.4 billion in 2020.
32.7%	The market for IT service alerting is projected to grow at a CAGR of 32.7% to \$753 million in 2020.
\$14.8 billion	The market for safety and physical security and information management is projected to grow at a CAGR of 8.9% to \$14.8 billion in 2020.

Source(s): Everbridge S-1. Markets and Markets, Frost & Sullivan

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Financing History

Date	Series/Type	Amount (mm)	Investors	Transaction Notes
1/9/2015	Later Stage VC	\$2	Undisclosed	The company raised \$2 million of venture funding.
9/4/2011	Later Stage VC	Undisclosed		The company received an undisclosed amount of venture funding.
4/29/2010	Later Stage VC	\$3		The company raised \$3 million of venture funding from Eastward Capital Partners and undisclosed investors.
1/29/2009	Series A	\$9		The company raised \$9 million in Series A from ABS Ventures and several undisclosed investors also participated in the round.

Source(s): Pitchbook*

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