



Clearlake Capital to Acquire Global Cybersecurity, Data Intelligence and IT Operations Management Software Leader Quest from Francisco Partners

Investment to Accelerate Growth and Drive Continued SaaS Bookings Momentum in One Identity/OneLogin, the Industry's Most Comprehensive Unified Identity Cybersecurity Software Platform

New Platform Investment to Drive Robust Buy-and-Build Strategy and Support Quest Customers and Partners through Digital Transformation in Cybersecurity, Data Intelligence, and IT Operations

SANTA MONICA, CA and ALISO VIEJO, CA – November 29, 2021 – [Quest Software](#) (“Quest” or the “Company”), a global cybersecurity, data intelligence, and IT operations management software provider, announced it signed a definitive agreement with Clearlake Capital Group, L.P. (together with certain of its affiliates, “Clearlake”) to acquire the Company from Francisco Partners. Patrick Nichols, current CEO of Quest, will continue to lead the Company supported by the existing executive management team. Upon closing of the transaction, Clearlake will become the majority shareholder in Quest. The terms of the transaction were not disclosed.

“We have long admired Quest as a leading identity-centric cybersecurity, data intelligence, and IT operations management software platform and the Company’s software solutions that help secure enterprise IT environments,” said Behdad Eghbali, Co-Founder and Managing Partner at Clearlake. “We are excited to partner with Patrick and Carolyn McCarthy, Quest’s CFO, to utilize Clearlake’s O.P.S.® framework to help the Company strengthen its strategic growth plans including best practices to accelerate cloud/SaaS adoption and support its buy-and-build strategy.”

“IT teams worldwide rely on Quest to help them solve critical challenges that enable business growth and address crucial strategic initiatives. Quest has evolved to become a market leader in identity-centric cybersecurity, data intelligence, and IT operations management and I want to thank Francisco Partners for helping Quest realize this vision,” said Patrick Nichols, CEO of Quest. “Our new partnership with Clearlake will accelerate Quest's momentum as a leader and innovator as we increase our investment pace in our core product roadmaps, cloud/SaaS offerings, and global presence. We will continue to expand our customer base as computing environments and related management, modernization, and security challenges, become more complex.”

“We are proud of the tremendous progress Quest has made since re-launching as an independent company, and I want to recognize Patrick Nichols and the management team for strong execution,” said Dipanjan “DJ” Deb, Co-Founder and CEO of Francisco Partners. “We have a long and successful track record executing divisional carve-out transactions and are grateful to have had the opportunity to work with the Quest team to create value for the company, its customers, and its partners. We wish the Quest organization well in their new partnership with Clearlake.”

Founded in 1987, Quest Software has built a reputation over three decades as a critical software solution provider for security-sensitive customers and a leader of innovation addressing rapidly evolving risks and security threats. Quest enables today's edgeless IT ecosystem – across people, applications, and data to



endpoints – allowing customers to maintain controls, mitigate and contain security threats proactively, and maintain operational up-time while decreasing costs.

Quest's key business segments include:

- One Identity and OneLogin, making Quest the only identity-centric cybersecurity software vendor providing industry-recognized leading solutions across all aspects of a unified identity security and management approach crucial to taming identity sprawl and addressing identity-based attacks.
- Platform Management for Microsoft®, which provides software for IT operations resilience and flexibility while enabling organizations to stay in control by securing and managing Active Directory.
- Information Management and erwin by Quest, a pioneer and leading provider of data operations and intelligence software solutions that modernize infrastructure, optimize performance and deliver applications faster, with offerings including Toad for Oracle®, erwin Data Modeler, erwin Data Intelligence, Foglight, ApexSQL and SharePlex®.
- Data protection and endpoint management software solutions to control data growth and optimize system availability with NetVault, QoreStore, and Kace® offerings.

“It has been a pleasure partnering with Patrick and the entire management team at Quest in scaling the business both organically and through strategic acquisitions,” said Brian Decker, Partner and Christine Wang, Principal at Francisco Partners. “Since our partnership with the Company, Quest has evolved to become an innovative leader in the cybersecurity, data intelligence and IT operations management markets delivering significant value to its customers and partners.”

“With a robust portfolio of market-leading software and SaaS solutions alongside a rich history of product innovation, we believe Quest is well positioned to capitalize on emerging growth trends in identity-centric cybersecurity, data intelligence and IT operations management software markets,” said Prashant Mehrotra, Partner, and Paul Huber, Principal at Clearlake. “Now with significant scale and completely independent, Quest is strategically differentiated in the market as a buy-and-build platform and industry consolidator, and we’re thrilled to partner with Patrick, Carolyn and the management team to help Quest accelerate growth organically and through M&A.”

The transaction is expected to close in the first quarter of 2022, pending customary regulatory approvals and closing conditions. Goldman Sachs acted as sole lead financial advisor to Quest. J.P. Morgan also acted as financial advisor and Paul Hastings LLP acted as legal advisor to Quest.

Silicon Valley Tech Investment Bank and Morgan Stanley along with BoA Securities, Barclays, Evercore, and William Blair acted as financial advisors to Clearlake. Sidley Austin LLP acted as legal advisor to Clearlake.

Goldman Sachs, Morgan Stanley, BoA Securities, Barclays, Credit Suisse, BMO Capital Markets and Citigroup provided committed debt financing for the transaction.

About Quest

Quest creates software solutions that make the benefits of new technology real in an increasingly complex IT landscape. Quest helps customers solve their next IT challenge, from database and systems



management to Active Directory and Office 365 management and cybersecurity resilience. Around the globe, managing over 250 million identities, more than 100,000 customers, 15,000 partners and 97 of the Fortune 100 count on Quest to deliver proactive management and monitoring for the next enterprise initiative, find the next solution for complex Microsoft challenges, and stay ahead of the next threat. Quest Software. Where next meets now. For more information, visit www.quest.com.

About Clearlake

Clearlake Capital Group, L.P. is an investment firm founded in 2006 operating integrated businesses across private equity, credit and other related strategies. With a sector-focused approach, the firm seeks to partner with experienced management teams by providing patient, long-term capital to dynamic businesses that can benefit from Clearlake's operational improvement approach, *O.P.S.*® The firm's core target sectors are technology, industrials and consumer. Clearlake currently has approximately \$55 billion of assets under management and its senior investment principals have led or co-led over 300 investments. The firm has offices in Santa Monica and Dallas. More information is available at www.clearlake.com and on Twitter @ClearlakeCap.

About Francisco Partners

Francisco Partners is a leading global investment firm that specializes in partnering with technology and technology-enabled businesses. Since its launch over 20 years ago, Francisco Partners has invested in more than 300 technology companies, making it one of the most active and longstanding investors in the technology industry. With more than \$30 billion in assets under management, the firm invests in opportunities where its deep sectoral knowledge and operational expertise can help companies realize their full potential. For more information on Francisco Partners, please visit www.franciscopartners.com.

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