

EQUITY RESEARCH

January 5, 2023

Industry Update

Restructuring At Atos – Bits & Bytes Weekly

Partnerships Critical To Meet Evolving Customer Expectations

Our Conclusion

As companies evolve to stay competitive in a fast-changing digital environment, consistent traits of successful businesses in the IT ecosystem include strategic partnerships and high value engagement with customers. Many companies in our coverage universe rely on partnerships to blend teams and technologies to deliver solutions across a wide range of vertical and horizontal markets that a single firm would be unable deliver on its own. We highlight Atos' partnership with Airbus to develop cyber solutions and the more recent speculation that Airbus plans to acquire a minority stake in Atos' business as an illustrative example of the how these partnerships can evolve.

Key Points

It has been a solid week for ATOS stock, with the shares trading up 25% on news that Airbus SE is in talks to acquire a minority stake in its cybersecurity division. The news comes after Atos revealed in December that it has initiated exploratory discussions with prospective shareholders for its spinoff company that was announced in June 2022. The spinoff will consist of the cybersecurity, big data, and supercomputing services while the legacy business will retain the IT infrastructure management business.

Airbus' interest in Atos' cybersecurity business isn't new. In early 2022 it was reported that Airbus was eyeing the company's cybersecurity business, although Atos reported at the time that the division was not for sale. We see an investment in Atos' cyber business as on strategy for Airbus' defense and space unit, which includes security operations centers, incident response services, and cryptography for NATO countries. The two companies have a long history of partnering together through strategic agreements relating to the research and development of a range of cybersecurity solutions.

Partnerships and interoperability of solutions continues to be a key customer priority, with the IDC predicting that by 2024 half of global 2000 enterprises will base their infrastructure selection on an established partner ecosystem. As customer expectations for end-to-end, integrated, tailored experiences have increased, the demand for partners has followed suit. Recent Accenture research suggested that 77% of ecosystem partners reported that they have more choices of provider today than they did three years ago. 70% of the ecosystem partners believe that influence has shifted from vendors selecting partners to partners selecting vendors in the post-covid world. The partners cited 1) ability to innovate as the top criterion in choosing a particular provider, followed by 2) brand reputation and 3) technology compatibility.

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Sector:
Information Technology

Opportunities For Partners In 2023 And Beyond

We took a look at the TD Synnex Europe Technology Benchmarks Report, which presents a tech ecosystem survey, highlighting expectations of increased managed services demand and increasing demand for XaaS (flexible IT consumption models). Key takeaways from the report include the following:

- European partners project IP sales to increase by 30% as part of their business mix in the next three years.
- 74% of European partners expect to sell more managed services in the next three years.
- 17% of partners have plans to offer metaverse technology solutions.
- When combined, 43% of partners say security, servers and storage are the top revenue drivers, and 40% say these technologies are the most profitable.
- The single most profitable technology for European partners is security.
- 25% of the total partners surveyed identified hybrid cloud as a top-three revenue driver.

Exhibit 1: TD Synnex – Technology Ecosystem Benchmark Report, Top Revenue Drivers for Partners

Top Revenue Drivers	Servers + Storage	51%
	Security * Most Profitable --22%	49%
	Endpoint Devices	48%

Source: TD Synnex and CIBC World Markets Inc.

News Impacting Our Coverage

Research Highlight: Software Valuation Monthly – December 2022

December started out strong but market sentiment quickly turned bearish when the Fed's hawkish tone warned of the possibility of further rate hikes and a higher-than-forecast terminal rate to get inflation under control. The S&P 500 Software index wiped away its November gains, ending the month down 6.2%, roughly in line with the TSX. Our coverage outperformed the broader market, with a 3.2% average return in December. [Link To Note](#)

Telus International Completes Acquisition of WillowTree

The transaction of WillowTree announced by TIXT on Oct 27, 2022 was completed on January 4, 2023.

Constellations Subsidiary Offers Utility Clients New Platform on IBM Cloud

SmartWorks, a division of Harris, announced a highly scalable cloud-based SmartWorks Compass platform hosted on IBM Cloud. SmartWorks will offer utility clients a highly secure solution with rapid scalability, high availability, streamlined processes and reduced costs.

Exhibit 2: CIBC Coverage – Price Returns, 1/5/2022 - 1/5/2023

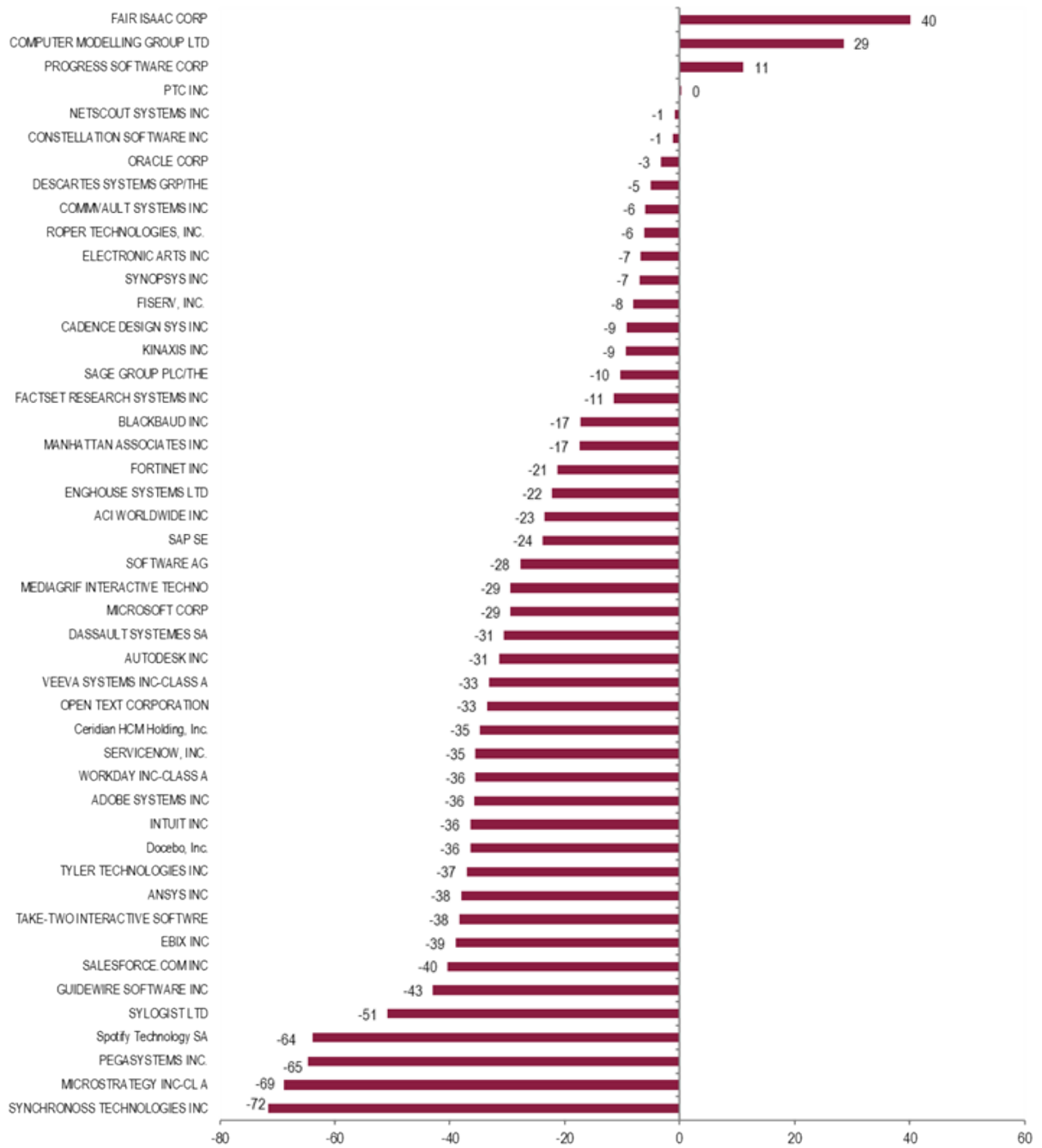
Software & Systems	Price	1 Week	1 Month	3 Month	6 Month	1 Year	YTD	52W High	52W Low
Constellation Software Inc	2,173.62	1.8	3.1	11.6	12.3	(1.1)	2.8	2309.63	1783.98
Descartes Systems	67.36	1.0	(1.4)	(4.0)	3.6	(11.1)	(3.3)	79.08	56.19
Enghouse Systems Limited	35.33	2.2	12.6	20.6	19.6	(22.2)	(1.8)	46.68	23.96
Open Text Corp	30.26	7.8	7.3	8.7	(21.4)	(33.5)	2.1	48.46	24.91
Kinaxis	149.80	3.7	(0.9)	4.7	6.4	(9.3)	(1.4)	173.45	119.48
Docebo, Inc.	44.80	7.5	6.7	13.8	17.2	(36.4)	0.1	80.37	31.66
Magnet Forensics	38.85	7.7	(3.2)	63.9	119.0	30.3	4.6	44.11	14.89
Q4 Inc.	2.50	(11.4)	14.2	(34.7)	(43.3)	NA	(22.1)	8.70	1.88
Average		2.5	4.8	10.6	14.2	(11.9)	(2.4)		

Business Services	Price	1 Week	1 Month	3 Month	6 Month	1 Year	YTD	52W High	52W Low
CGI Group Inc	115.08	(1.6)	(2.6)	6.9	11.6	5.2	(1.4)	120.82	95.45
Converge Technologies	4.48	0.9	(8.4)	(36.9)	(15.0)	(57.1)	(2.4)	11.59	3.60
Softchoice Corporation	18.02	3.0	23.3	(12.9)	(19.8)	(14.8)	(1.3)	28.66	13.57
Telus International	26.43	(1.8)	(5.2)	(30.2)	(20.7)	(34.1)	(1.1)	41.76	24.11
Average		0.1	1.8	(18.3)	(11.0)	(25.2)	(1.6)		

Indices	Price	1 Week	1 Month	3 Month	6 Month	1 Year	YTD
S&P/TSX Composite Index	19,476.32	(0.0)	(3.8)	1.3	3.4	(7.4)	0.5
S&P 500 Index	3,807.57	(1.1)	(4.8)	0.6	(0.6)	(19.0)	(0.8)
S&P/TSX Software Index	138.75	1.2	(2.8)	7.1	4.7	(29.8)	1.7
S&P500 Software Index	3,889.98	(5.4)	(8.0)	(7.4)	(12.3)	(28.7)	(5.0)

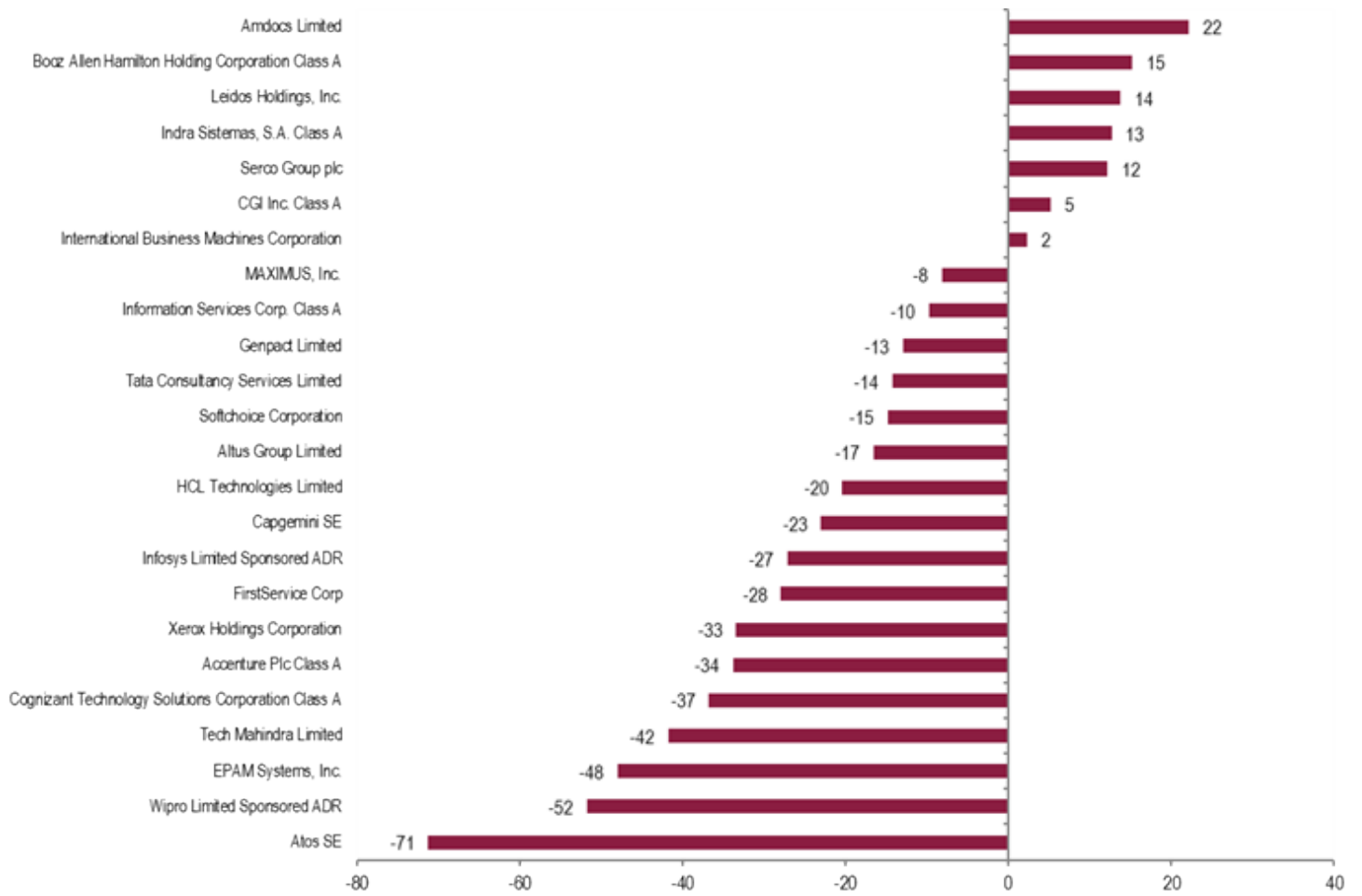
Source: Company reports and CIBC World Markets Inc.

Exhibit 3: Software Stocks – Return Performance (%), 1/5/2022 - 1/5/2023



Source: FactSet and CIBC World Markets Inc.

Exhibit 4: Business Services Stocks – Return Performance (%), 1/5/2022 - 1/5/2023



Source: FactSet and CIBC World Markets Inc.

Exhibit 5: Software Stocks – Comp Table, 2022 – 2024E

	Enterprise Value	EV/S			EV/EBITDA			P/E		
		C22	C23E	C24E	C22	C23E	C24E	C22	C23E	C24E
Enterprise Application Software										
Constellation Software Inc.*	35,414	5.4x	4.8x	4.1x	21.6x	18.7x	16.0x	29.1x	27.5x	23.1x
BlackBerry Limited*	1,918	2.8x	2.0x	1.7x	NEG	NEG	44.5x	NEG	NEG	NEG
Sage Group plc	8,457	4.2x	3.9x	3.6x	18.5x	16.2x	14.7x	28.3x	24.2x	21.4x
Tyler Technologies, Inc.	13,952	7.5x	7.0x	6.3x	29.3x	27.9x	24.2x	40.9x	40.1x	34.6x
Roper Technologies, Inc.	54,240	10.1x	9.1x	8.7x	24.6x	22.4x	20.5x	31.0x	27.4x	25.6x
Enghouse Systems Limited	1,744	4.1x	4.03x	3.97x	12.6x	12.1x	11.97x	17.8x	25.0x	24.71x
Oracle Corporation	282,748	6.1x	5.5x	5.1x	12.1x	10.9x	9.7x	17.1x	15.8x	13.8x
SAP SE	127,374	4.0x	3.8x	3.6x	14.8x	13.2x	11.5x	22.6x	18.7x	16.2x
Enterprise Application Software Average		5.5x	5.0x	4.6x	19.1x	17.3x	19.1x	26.7x	25.5x	22.8x
Extended ERP										
Adobe Incorporated	152,186	8.6x	7.8x	7.0x	17.5x	16.2x	14.5x	23.9x	21.4x	18.7x
Open Text Corporation	10,948	3.1x	3.0x	2.9x	9.0x	8.1x	7.9x	10.0x	8.8x	8.6x
Manhattan Associates, Inc.	7,055	9.4x	8.7x	7.8x	35.8x	32.7x	28.3x	47.7x	44.8x	38.6x
Pegasystems Inc.	3,139	2.5x	2.2x	2.0x	>50	38.2x	18.1x	>50	>50	26.3x
Software AG	1,551	1.7x	1.5x	1.4x	7.7x	6.8x	5.9x	17.4x	14.6x	12.1x
Fiserv, Inc.	84,369	5.0x	4.7x	4.4x	11.6x	10.8x	10.0x	15.3x	13.6x	12.0x
Extended ERP Average		5.0x	4.7x	4.2x	16.3x	18.8x	14.1x	22.9x	20.6x	19.4x
Software As A Service										
Descartes Systems Group Inc.	5,476	11.3x	10.2x	9.3x	25.5x	23.0x	20.8x	>50	>50	48.1x
Kinaxis, Inc.*	2,910	7.9x	7.2x	6.0x	39.4x	38.9x	31.7x	>50	>50	>50
Docebo, Inc.*	879	6.1x	4.6x	3.5x	NEG	>50	>50	>50	>50	>50
Lightspeed Commerce Inc*	1,358	2.0x	1.5x	1.2x	NEG	NEG	32.9x	NEG	NEG	>50
Veeva Systems Inc Class A	22,793	10.8x	9.5x	8.2x	27.2x	24.7x	20.7x	38.9x	35.8x	30.7x
Shopify, Inc. Class A	35,567	6.4x	5.4x	4.3x	NEG	>50	>50	NEG	>50	>50
Q4 Inc*	38	0.7x	0.7x	0.6x	NEG	NEG	NEG	NEG	NEG	NEG
Magnet Forensics, Inc.*	1,057	10.9x	8.1x	6.2x	>50	36.0x	25.6x	>50	>50	>50
Ceridian HCM Holding, Inc.	10,126	8.2x	7.0x	6.0x	43.1x	34.0x	25.8x	>50	>50	46.9x
ServiceNow, Inc.	73,606	10.2x	8.3x	6.8x	33.1x	26.5x	21.1x	>50	40.5x	32.6x
Workday, Inc. Class A	39,532	6.5x	5.5x	4.7x	25.3x	20.8x	16.9x	44.8x	35.1x	28.1x
Software As A Service Average		7.4x	6.2x	5.2x	32.3x	29.1x	24.4x	41.9x	37.1x	37.3x
Infrastructure Vendors										
Microsoft Corporation	1,636,512	8.0x	7.2x	6.4x	16.3x	14.8x	12.7x	23.8x	21.5x	18.2x
Infrastructure Vendors Average		8.0x	7.2x	6.4x	16.3x	14.8x	12.7x	23.8x	21.5x	18.2x
Software Average										
		6.3x	5.5x	4.8x	22.4x	21.6x	19.4x	27.2x	25.9x	25.3x

*Share Price Converted to USD

Source: FactSet and CIBC World Markets Inc.

Exhibit 6: Business Services Stocks – Comp Table, 2022 - 2024E

Enterprise Value (\$mlns.)	EV/EBIT	EV/EBITDA				P/E			EV/S			
	C21	C22	C23E	C24E	C22	C23E	C24E	C22	C23E	C24E		
Business & IT Services												
CGI Inc. Class A	30,416	12.3x	11.8x	11.2x	10.8x	18.5x	17.1x	16.1x	2.3x	2.2x	2.2x	
TELUS International (CDA), Inc.	5,999	11.1x	9.9x	8.7x	8.1x	16.4x	13.7x	12.7x	2.4x	2.2x	2.0x	
Accenture Plc Class A	168,345	17.5x	14.6x	13.8x	12.8x	23.9x	22.2x	20.1x	2.7x	2.6x	2.4x	
Booz Allen Hamilton	15,905	17.8x	16.0x	15.1x	13.9x	23.2x	21.3x	19.1x	1.8x	1.6x	1.5x	
CACI International Inc Class A	9,232	12.4x	13.7x	12.7x	12.0x	17.1x	16.2x	14.7x	1.4x	1.4x	1.3x	
DXC Technology Co.	9,860	4.9x	4.0x	4.0x	4.0x	7.9x	6.4x	5.5x	0.7x	0.7x	0.7x	
Genpact Limited	9,437	14.6x	12.2x	10.9x	9.9x	16.7x	15.1x	13.6x	2.2x	2.0x	1.9x	
International Business Machines	175,327	13.0x	11.4x	11.5x	10.9x	15.5x	14.7x	14.1x	2.9x	2.9x	2.8x	
Atos SE	3,013	2.9x	3.1x	2.9x	2.5x	NEG	13.0x	4.1x	0.3x	0.3x	0.3x	
Capgemini SE	33,768	11.7x	9.6x	9.0x	8.2x	15.1x	14.1x	12.7x	1.6x	1.5x	1.4x	
Sopra Steria Group SA	4,262	8.1x	7.1x	6.5x	6.0x	10.7x	9.7x	8.8x	0.8x	0.8x	0.8x	
Converge Technology Solutions C	1,137	12.1x	8.4x	6.3x	5.6x	30.8x	24.4x	20.2x	0.5x	0.4x	0.3x	
Business & IT Services Average		11.5x	10.3x	9.7x	9.0x	16.5x	14.9x	12.9x	1.7x	1.6x	1.6x	
HR Outsourcing												
		EV/EBIT	EV/EBITDA				P/E			EV/S		
		C21	C22	C23E	C24E	C22	C23E	C24E	C22	C23E	C24E	
Ceridian HCM Holding, Inc.	10,126	>50	43.1x	34.0x	25.8x	>50	>50	46.9x	8.2x	7.0x	6.0x	
Willis Towers Watson	27,366	12.3x	11.8x	11.1x	10.1x	18.3x	16.2x	13.9x	3.1x	3.0x	2.8x	
Aon Plc Class A	71,562	18.7x	18.4x	17.2x	16.2x	22.8x	20.6x	18.5x	5.7x	5.5x	5.2x	
Automatic Data Processing, Inc.	98,758	25.7x	21.5x	19.3x	17.8x	30.8x	27.3x	24.4x	5.7x	5.3x	5.0x	
Paychex, Inc.	40,833	24.7x	18.9x	17.6x	16.3x	28.2x	25.9x	24.1x	8.5x	7.9x	7.5x	
HR Outsourcing Average		20.4x	22.7x	19.8x	17.2x	25.0x	22.5x	25.6x	6.2x	5.7x	5.3x	
Information Services												
		EV/EBIT	EV/EBITDA				P/E			EV/S		
		C21	C22	C23E	C24E	C22	C23E	C24E	C22	C23E	C24E	
Broadridge Financial Solutions, Inc.	19,504	16.8x	14.9x	13.8x	13.2x	19.9x	18.5x	17.1x	3.3x	3.1x	3.0x	
Dye & Durham Ltd.	2,098	13.2x	13.2x	10.9x	9.3x	0.1x	0.1x	0.1x	4.3x	4.3x	3.8x	
Deluxe Corporation	2,243	6.1x	5.4x	5.5x	5.0x	4.5x	4.6x	3.6x	1.0x	1.0x	1.0x	
Information Services Average		12.0x	11.2x	10.1x	9.2x	8.1x	7.7x	6.9x	2.9x	2.8x	2.6x	
Financial Services Technology												
		EV/EBIT	EV/EBITDA				P/E			EV/S		
		C21	C22	C23E	C24E	C22	C23E	C24E	C22	C23E	C24E	
Fidelity National Information Services	59,270	9.7x	9.5x	9.1x	8.5x	10.2x	10.2x	9.1x	4.1x	3.9x	3.7x	
Fiserv, Inc.	84,369	15.2x	11.6x	10.8x	10.0x	15.3x	13.6x	12.0x	5.0x	4.7x	4.4x	
Jack Henry & Associates, Inc.	12,861	18.5x	20.2x	18.4x	16.6x	35.2x	33.3x	30.1x	6.4x	5.9x	5.5x	
ACI Worldwide, Inc.	3,999	10.9x	10.8x	10.1x	9.6x	19.6x	21.3x	18.9x	2.9x	2.8x	2.7x	
Temenos AG	4,994	9.1x	13.9x	12.9x	11.0x	20.1x	18.5x	15.5x	5.2x	5.0x	4.5x	
Global Payments Inc.	37,930	10.4x	9.7x	9.1x	8.3x	10.9x	9.8x	8.6x	4.7x	4.4x	4.1x	
Financial Services Technology Average		12.3x	12.6x	11.7x	10.7x	18.6x	17.8x	15.7x	4.7x	4.5x	4.2x	
Diversified Real Estate Services												
		EV/EBIT	EV/EBITDA				P/E			EV/S		
		C21	C22	C23E	C24E	C22	C23E	C24E	C22	C23E	C24E	
Colliers International Group Inc.	4,776	8.7x	7.5x	7.0x	6.6x	12.9x	12.5x	11.4x	1.1x	1.0x	1.0x	
CBRE Group, Inc. Class A	26,375	12.3x	9.1x	9.6x	8.6x	13.9x	14.4x	12.4x	0.9x	0.8x	0.8x	
Jones Lang LaSalle Incorporated	9,523	6.5x	7.2x	7.7x	6.9x	9.9x	10.1x	8.8x	0.5x	0.4x	0.4x	
Diversified Real Estate Services Average		9.2x	7.9x	8.1x	7.3x	12.2x	12.3x	10.8x	0.8x	0.8x	0.7x	
Software Focused IT Solutions/VARs												
		EV/EBIT	EV/EBITDA				P/E			EV/S**		
		C21	C22	C23E	C24E	C22	C23E	C24E	C22	C23E	C24E	
Softchoice Corporation* USD	867	35.5x	10.6x	9.3x	8.5x	21.1x	16.2x	15.3x	2.7x	2.5x	2.3x	
Softcat Plc*	2,357	14.0x	14.2x	13.2x	12.3x	19.2x	18.6x	17.7x	6.0x	5.3x	4.9x	
Crayon Group Holding ASA*	10,156	>50	>50	>50	>50	>50	>50	>50	24.1x	20.7x	17.8x	
Bytes Technology Group Plc*	845	17.4x	13.0x	11.5x	10.3x	17.9x	16.8x	15.1x	NA	NA	NA	
SoftwareONE Holding Ltd.*	1,667	10.1x	6.8x	5.8x	5.1x	15.2x	13.4x	11.5x	1.6x	1.4x	1.3x	
Bytes Technology Group Plc* Average		19.2x	11.2x	10.0x	9.0x	18.3x	16.3x	14.9x	8.6x	7.5x	6.5x	
Business Services Average		13.6x	12.7x	11.6x	10.5x	17.0x	15.7x	14.9x	3.9x	3.6x	3.3x	

*Share Price Converted to USD

**Software Focused IT Solutions/VARs uses EV/GP metric.

Source: FactSet and CIBC World Markets Inc.

Exhibit 7: SaaS Stocks – Comp Table, 2022 - 2024E

	LTM Revenue	LTM FCF	NTM Revenue	NTM FCF	LTM Rule	NTM Rule	Enterprise	EV/S	
	Growth	Margin	Growth	Margin	Of 40	Of 40		Value (\$MM)	C21
Tier 1 SaaS (Rule of 40 > 60)									
Zoom Video Communications	11%	28%	4%	27%	39%	30%	14,452	5.5x	3.3x 3.2x 3.0x
CrowdStrike Holdings, Inc.	58%	30%	36%	29%	88%	65%	23,241	26.6x	10.7x 8.0x 6.1x
Shopify, Inc.	25%	-4%	21%	-10%	21%	11%	34,038	7.4x	6.2x 5.1x 4.1x
Zscaler, Inc.	60%	23%	34%	21%	82%	55%	15,407	22.9x	12.1x 9.0x 7.0x
Lightspeed Commerce Inc*	72%	-18%	25%	-4%	53%	21%	1,345	6.1x	2.0x 1.5x 1.2x
DocuSign, Inc.	25%	18%	8%	18%	42%	26%	11,394	7.8x	4.6x 4.3x 3.9x
Veeva Systems Inc	18%	38%	12%	36%	56%	48%	23,590	16.1x	11.1x 9.9x 8.5x
Atlassian Corp. Plc	34%	26%	22%	21%	59%	43%	32,154	15.4x	10.2x 8.2x 6.5x
Twilio, Inc.	43%	-7%	17%	-3%	36%	14%	5,535	1.9x	1.5x 1.3x 1.1x
ServiceNow, Inc.	25%	27%	21%	30%	53%	50%	78,621	13.3x	10.8x 8.9x 7.3x
HubSpot, Inc.	38%	16%	19%	11%	53%	31%	13,835	10.6x	8.1x 6.7x 5.4x
Tier 1 SaaS (Rule of 40 > 60) Average								12.1x	7.3x 6.0x 4.9x

	LTM Revenue	LTM FCF	NTM Revenue	NTM FCF	LTM Rule	NTM Rule	Enterprise	EV/S	
	Growth	Margin	Growth	Margin	Of 40	Of 40		Value (\$MM)	C21
Tier 2 SaaS (Rule of 40 b/w 40-60)									
Docebo, Inc.*	46%	0%	29%	-4%	46%	25%	897	8.6x	6.3x 4.7x 3.6x
Qualys, Inc.	18%	38%	17%	35%	56%	52%	3,901	9.4x	8.0x 6.9x 6.1x
Descartes Systems	17%	37%	9%	38%	54%	47%	5,640	13.3x	11.6x 10.5x 9.6x
Five9, Inc.	32%	1%	16%	7%	33%	22%	5,237	8.6x	6.8x 5.8x 4.9x
Dropbox, Inc.	9%	34%	6%	34%	43%	39%	8,925	4.1x	3.8x 3.6x 3.4x
Wix.com Ltd.	12%	-1%	8%	4%	10%	12%	4,185	3.3x	3.0x 2.8x 2.4x
Workday, Inc.	21%	21%	17%	21%	42%	38%	42,456	9.9x	6.9x 5.9x 5.0x
VMware, Inc.	4%	25%	5%	30%	30%	35%	62,408	5.3x	4.7x 4.5x 4.2x
Tier 2 SaaS (Rule of 40 b/w 40-60) Average								7.8x	6.4x 5.6x 4.9x

	LTM Revenue	LTM FCF	NTM Revenue	NTM FCF	LTM Rule	NTM Rule	Enterprise	EV/S	
	Growth	Margin	Growth	Margin	Of 40	Of 40		Value (\$MM)	C21
Tier 3 SaaS (Rule of 40 b/w 28-40)									
BlackLine, Inc.	23%	9%	18%	4%	32%	22%	4,039	9.5x	7.7x 6.6x 5.6x
MongoDB, Inc.	53%	-1%	26%	3%	51%	28%	12,382	21.0x	10.1x 7.9x 6.3x
LivePerson, Inc.	15%	-30%	4%	-4%	-15%	0%	897	1.9x	1.7x 1.6x 1.5x
Rapid7 Inc.	31%	4%	17%	10%	35%	27%	2,780	5.2x	4.1x 3.5x 2.9x
Paylocity Holding Corp.	36%	17%	28%	16%	53%	44%	10,899	17.1x	11.0x 8.7x 7.2x
Q2 Holdings, Inc.	16%	3%	13%	1%	19%	15%	1,834	3.7x	3.2x 2.8x 2.5x
Akamai Technologies, Inc.	6%	24%	3%	22%	30%	25%	15,282	4.4x	4.3x 4.1x 3.7x
Tier 3 SaaS (Rule of 40 b/w 28-40) Average								9.0x	6.0x 5.0x 4.2x

	LTM Revenue	LTM FCF	NTM Revenue	NTM FCF	LTM Rule	NTM Rule	Enterprise	EV/S	
	Growth	Margin	Growth	Margin	Of 40	Of 40		Value (\$MM)	C21
Tier 4 SaaS (Rule of 40 <28)									
RingCentral, Inc.	29%	7%	17%	11%	36%	28%	4,577	2.9x	2.3x 2.0x 1.7x
Teradata Corporation	-6%	20%	0%	24%	14%	23%	3,456	1.8x	1.9x 1.9x 1.8x
Zuora, Inc.	14%	3%	9%	0%	17%	9%	725	2.4x	1.9x 1.7x 1.4x
New Relic, Inc.	19%	3%	15%	2%	22%	17%	3,642	5.5x	4.1x 3.6x 3.1x
Kinaxis, Inc.*	44%	3%	19%	10%	46%	29%	2,995	11.9x	8.1x 7.4x 6.2x
Yext, Inc.	5%	4%	3%	-1%	8%	2%	633	1.8x	1.6x 1.5x 1.4x
Splunk Inc.	31%	9%	17%	18%	40%	35%	16,368	7.3x	4.8x 4.1x 3.5x
Tier 4 SaaS (Rule of 40 <28) Average								4.8x	3.5x 3.2x 2.7x

SaaS Average								8.9x	6.0x 5.1x 4.3x
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*Share Price Converted to USD

Source: Company reports, FactSet and CIBC World Markets Inc.

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