

## EQUITY RESEARCH

August 17, 2023

Industry Update

**Privacy Please – Bits & Bytes Weekly**

## Meta Fined Again As Regulators Crack Down On Data Privacy

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**Our Conclusion**

Norway's data regulator, Datatilsynet, imposed fines of \$99K per day on Meta in the social media company's most recent clash with European data privacy regulators. Big tech companies have amassed some of the largest collections of personal data in the world and have come under fire from a litany of regulators in recent years, particularly in Europe. As legislation around the world evolves to address the complex privacy issues that have arisen from data collection, Big Tech has been forced to continuously adapt to avoid fines and retain their ability to legally use their stores of data.

**Key Points**

**Meta Asks Permission:** Datatilsynet has banned Meta from collecting user data in Norway and using it for targeted advertising. Beginning August 14, Meta is paying a daily fine of \$99K to the regulator, which will run until November 3. After Datatilsynet issued its ruling in early August, Meta announced that it plans to ask users in the EU for their consent before allowing targeted ads, but this wasn't enough to address the Norwegian regulator's concerns. It will continue to fine Meta until the consent mechanism is implemented, which Meta estimates will take several months. Why ask for consent from EU users rather than just Norway? Datatilsynet could choose to escalate the case to the European Data Protection Board (EDPB), which has the power to expand the decision to the rest of Europe and to extend the duration of the existing fine.

**Not Their First Fine:** Europe has led the charge against data privacy violations. The EDPB and Data Protection Commission (DPC) made headlines in May this year after handing down the largest ever fine under Europe's General Data Protection Regulation (GDPR) – close to \$1.3 billion – to Meta, for its practice of exporting EU user data to the US for processing. Prior to this, the largest fine was \$887 million to Amazon in 2021 for misusing user data for targeted ads. Europe's first major cross-border fine was \$547K to Twitter for failing to give appropriate notice of a data breach.

**Big Tech Treads Carefully In Europe:** The EU's Digital Markets Act came into effect in November 2022, making the region a difficult regulatory environment for big tech. Topping the regulators' list of concerns are antitrust and data privacy. Meta's Threads app, which was launched in most countries in early July, has delayed launch in the EU and other European countries due to privacy concerns.

*All figures in U.S. unless otherwise stated.*

For required regulatory disclosures please refer to "Important Disclosures" beginning on page 10.

**Sector:**

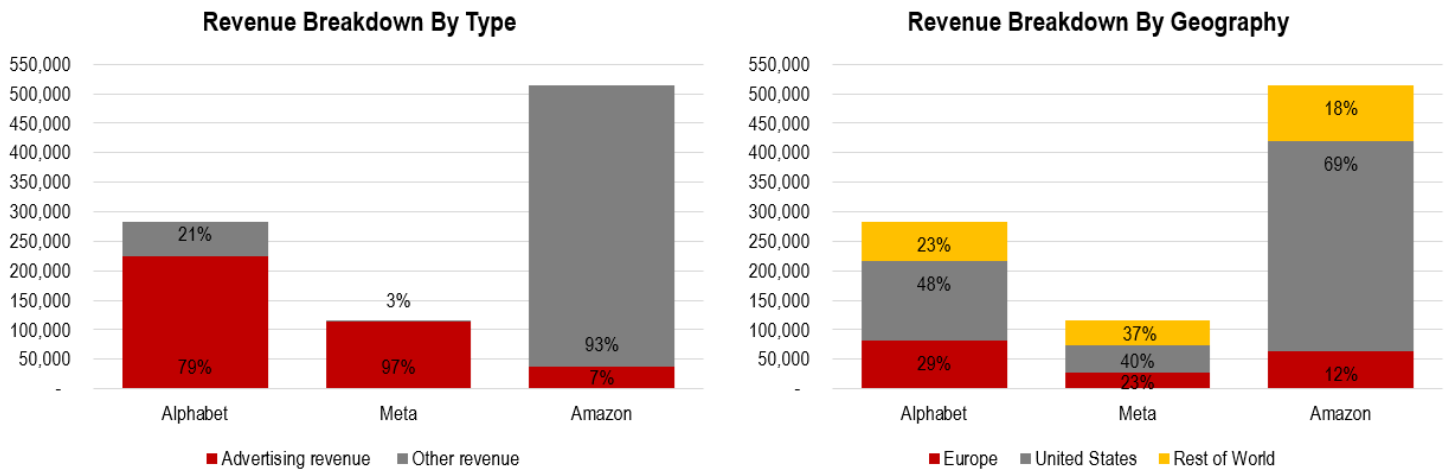
Information Technology

## Turning Data Into Dollars

The clash between big tech and European privacy law is a long and ongoing saga, but critics argue that the fines are too small to be meaningful. Largely as a result of its recent European fines, Meta recorded \$1.9 billion in accrued legal expenses last quarter, but relative to annual revenue in excess of \$100 billion, the impact to date has not been material.

Perhaps more impactful than the fines themselves is the potential for European revenue to be negatively impacted. Amid investor concerns around Meta’s regulatory difficulties and ability to continue displaying target ads, Meta noted on its Q1 earnings call that ~10% of its global ad revenue comes from ads delivered to Facebook users in EU countries. In F2022, 97% of Meta’s \$116.6 billion of revenue was advertising, implying ~\$11 billion in European ad revenue – much larger than the fine itself. It is also worth noting that the 10% figure disclosed by Meta refers to Facebook users, but its other platforms may face similar regulatory risk in the future. In F2022, 23% of Meta’s total revenue came from Europe. Other big tech companies also generate significant portions of their revenue from advertising, including Alphabet (79% of F2022 revenues). Amazon’s ad revenue is still a relatively small portion of its overall business (7% of F2022 revenues), but has been increasing in recent years.

**Exhibit 1: Revenue Breakdown At Big Tech Companies, F2022**



Note: Europe is defined as follows: Alphabet – Europe, Middle East, and Africa; Meta – Europe, including Russia and Turkey, excluding Middle East; Amazon – Germany and UK.  
 Source: Company reports, FactSet and CIBC World Markets Inc.

## News Impacting Our Coverage

### Research Highlights

#### [CSU - Company Declares Warrant Dividend](#)

Constellation announced a warrant dividend to all common shareholders of record on August 24, 2023, with payment on August 29, 2023. The warrants are exercisable only if Constellation exercises its call option on the Series 1 debentures and we do not believe the warrants will ever be exercisable. Instead, we believe they were issued to make the company's new \$700MM debenture offering more marketable, removing investor concern around Constellation potentially calling the debentures early. With the warrants, Constellation has no incentive to call the Series 1 debentures early, given that the warrants allow investors to receive a Series 2 debenture (with no call option) for each Series 1 debenture Constellation called.

#### [KXS - Phased Deals Driving Reduced Sales Cycles](#)

With an in-line quarter and an unchanged 2023 outlook, Kinaxis' Q2 did not change our overall positive outlook on the business. The pipeline continues to grow, although the procurement process remains extended for some larger deals, with the company noting one large automotive win that slipped out of Q2. Enterprises have also been opting for smaller initial deals, leading to the slower ARR growth in Q2. Amid this environment, we have reduced our 2023E SaaS growth to the lower end of Kinaxis' guidance range and remain comfortable at this level given significant contracted backlog, which represents ~90% of F23 SaaS guidance. We see Kinaxis as well positioned as the macro environment improves, with supply chains a C-suite focus and Kinaxis' growth in new verticals (consumer, QSR) and mid-market adding company-specific tailwinds.

#### [DCBO - Expanding The TAM](#)

Docebo reported an in-line quarter, with adjusted EBITDA margin that was 70 bps above consensus as the company continues to focus on profitability. The macroenvironment appears unchanged, with Docebo continuing to see contracting delays within its enterprise customers. That being said, the multiple use cases of Docebo's solution continue to resonate, and the company signed a significant customer win with a Big 5 U.S. technology leader subsequent to Q2. We continue to foresee upside from Docebo's partner relationships, with SI Partners driving the major client win and Docebo's expansion into the U.S. government, announcing a win with the State of Georgia in the quarter. Docebo is positioning itself well for future growth, although we have reduced our 2024 revenue estimate slightly given the macroenvironment.

#### [SFTC - A Focus On Profitability And Organic Investment](#)

Softchoice reported a mixed Q2, with net revenue that was 18% below consensus, but adj. EBITDA that was 14% above. The overall demand environment remained relatively consistent in Q2, with customers continuing to pull back hardware spending, while cloud and software demand remained strong. The revenue mix (skewed to higher-margin cloud/software) and expense management efforts have helped profitability year to date, despite salesforce headcount that was up in H1 and expected to increase further in H2.

#### [DHT.UN - Royalty Portfolio Remains Healthy](#)

On the heels of yesterday's \$130MM Orserdu II acquisition, DRI's second-quarter earnings were mostly a non-event. Total income was higher than expectations due to one-time fee-related income on the CTI loan receivable repayment and royalty cash receipts were generally in line with our expectations. On the earnings call, management remained very positive on the pipeline and the broader royalty investing space, referring to the current

market as a “generational growth opportunity.” While there are clearly a number of attractive opportunities available to DRI, the Orserdu II deal pushes leverage close to the upper end of management’s target range and, as such, we expect a short-term pause in royalty acquisitions, particularly with regards to larger deals that have been more common for DRI in 2023.

#### **CARE - Q2/23 First Look; No Impact Given Pending Acquisition**

Dialogue reported Q2 results that were in line with guidance on revenue and adjusted EBITDA and slightly ahead on gross margins. The company provided no updates on its pending acquisition by Sun Life, and we continue to see no major hurdles to the deal closing at some point in Q4. A special shareholder vote on the transaction is scheduled for September 19 where a ‘majority of the minority’ shareholders (excluding Sun Life and certain members of management) will need to approve the transaction.

#### **CGI Opens Onshore Delivery Centre In Tennessee**

CGI announced this week the opening of a new delivery centre in Knoxville, the latest addition to its U.S. onshore delivery centres. To meet the growing demand from the region’s tech community, CGI plans to create 300 jobs in Knoxville in addition to the ~100 professionals currently employed.

**Exhibit 2: CIBC Coverage – Price Returns, For The Period Ending August 17, 2023**

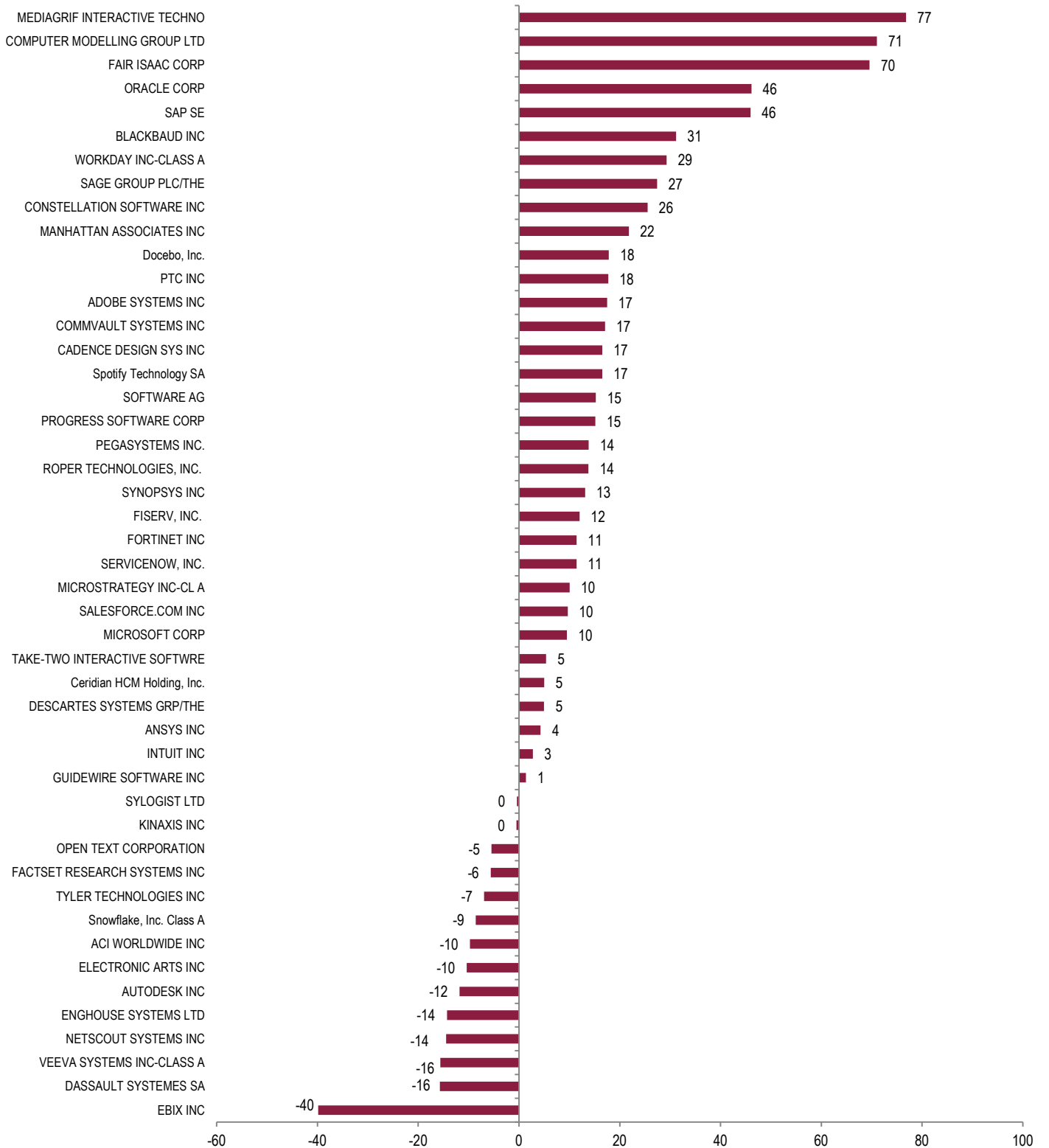
Software & Systems	Price	1 Week	1 Month	3 Month	6 Month	1 Year	YTD	52W High	52W Low
Constellation Software Inc	2,675.00	(3.5)	(2.8)	2.3	12.8	25.5	29.2	2829.34	1747.83
Descartes Systems	72.07	(0.6)	(10.2)	(6.7)	(4.1)	0.4	3.5	82.02	61.26
Enghouse Systems Limited	28.41	3.6	(11.2)	(23.9)	(33.1)	(14.3)	(21.0)	44.59	27.30
Open Text Corp	37.16	(0.6)	(11.3)	(9.1)	5.6	(5.4)	25.4	43.25	24.91
Kinaxis	163.62	4.3	(12.9)	(10.3)	2.9	(0.5)	7.7	191.80	124.90
Docebo, Inc.	52.13	8.7	0.8	20.5	2.5	17.8	16.5	55.72	31.66
Dye & Durham	17.98	(4.8)	(10.9)	6.7	(14.3)	1.9	9.6	23.14	11.62
Altus Group	49.26	14.0	12.2	20.4	(17.6)	(9.4)	(8.8)	61.60	40.00
Q4 Inc.	4.05	(0.7)	13.8	23.1	52.8	NA	26.2	4.64	1.88
<b>Average</b>		<b>2.3</b>	<b>(3.6)</b>	<b>2.6</b>	<b>0.8</b>	<b>2.0</b>	<b>9.8</b>		

Business Services	Price	1 Week	1 Month	3 Month	6 Month	1 Year	YTD	52W High	52W Low
CGI Group Inc	135.52	(1.4)	(3.6)	(3.2)	7.7	22.2	16.1	142.31	100.74
Converge Technologies	2.52	(2.7)	(25.0)	(25.9)	(48.9)	(63.9)	(45.1)	7.18	2.47
Information Services Corp	24.00	(1.3)	(5.3)	14.2	6.4	0.0	(0.7)	26.98	20.16
Softchoice Corporation	15.23	(0.1)	(12.3)	(10.8)	(14.0)	(31.1)	(16.6)	22.90	13.57
Telus International	11.32	(6.6)	(13.6)	(50.1)	(61.5)	(71.7)	(57.7)	40.12	11.28
<b>Average</b>		<b>(2.7)</b>	<b>(13.6)</b>	<b>(22.5)</b>	<b>(29.2)</b>	<b>(36.1)</b>	<b>(25.8)</b>		

Indices	Price	1 Week	1 Month	3 Month	6 Month	1 Year	YTD
S&P/TSX Composite Index	19,940.40	(2.0)	(1.4)	(1.8)	(2.8)	(1.2)	2.9
S&P 500 Index	4,404.11	(1.4)	(2.6)	5.9	8.0	3.0	14.7
S&P/TSX Software Index	177.41	(2.3)	(8.9)	(3.8)	12.7	22.8	30.1
S&P500 Software Index	5,462.90	(1.1)	(7.2)	4.8	22.5	10.4	33.4

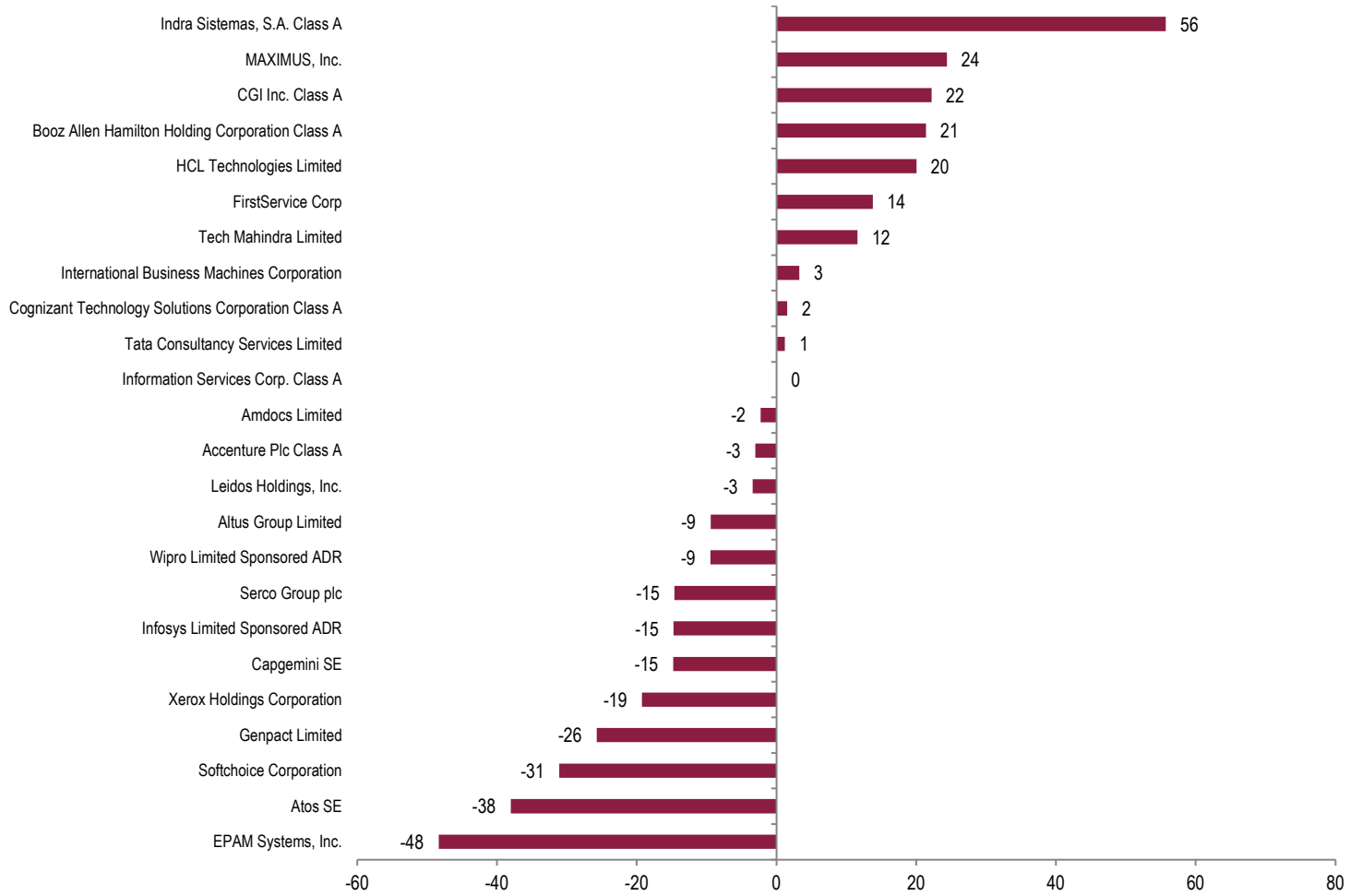
Source: Company reports, FactSet and CIBC World Markets Inc.

**Exhibit 3: Software Stocks – Return Performance (%), 8/17/2022 - 8/17/2023**



Source: Company reports and CIBC World Markets Inc.

**Exhibit 4: Business Services Stocks – Return Performance (%), 8/17/2022 - 8/17/2023**



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

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

	Enterprise Value (\$mlns.)	EV/S			EV/EBITDA			P/E		
		C22	C23E	C24E	C22	C23E	C24E	C22	C23E	C24E
<b>Enterprise Application Software</b>										
Constellation Software Inc.*	44,191	6.7x	5.5x	4.8x	26.0x	21.4x	18.7x	34.7x	37.0x	28.0x
BlackBerry Limited*	2,563	3.8x	2.2x	2.5x	NEG	>50	>50	NEG	NEG	NEG
Sage Group plc	10,356	5.2x	4.7x	4.3x	22.6x	19.9x	17.8x	34.9x	29.1x	26.0x
Tyler Technologies, Inc.	16,674	9.0x	8.5x	7.8x	35.1x	34.1x	30.2x	>50	49.0x	43.2x
Roper Technologies, Inc.	58,778	10.9x	9.7x	9.1x	26.8x	23.7x	22.2x	34.6x	30.0x	27.7x
<b>Enghouse Systems Limited</b>	<b>1,353</b>	<b>3.2x</b>	<b>3.00x</b>	<b>2.98x</b>	<b>9.8x</b>	<b>10.7x</b>	<b>9.68x</b>	<b>14.3x</b>	<b>26.4x</b>	<b>22.04x</b>
Oracle Corporation	399,619	8.5x	7.6x	7.1x	17.2x	15.2x	13.6x	23.0x	21.5x	19.2x
SAP SE	156,359	4.7x	5.0x	4.6x	19.8x	17.5x	15.2x	30.5x	24.3x	20.3x
<b>Enterprise Application Software Average</b>		<b>6.5x</b>	<b>5.8x</b>	<b>5.4x</b>	<b>22.5x</b>	<b>20.4x</b>	<b>18.2x</b>	<b>28.7x</b>	<b>31.1x</b>	<b>26.6x</b>
<b>Extended ERP</b>										
Adobe Incorporated	232,987	13.1x	11.9x	10.6x	26.7x	24.3x	22.3x	37.1x	32.4x	28.5x
<b>Open Text Corporation</b>	<b>18,100</b>	<b>5.1x</b>	<b>3.3x</b>	<b>3.0x</b>	<b>14.6x</b>	<b>10.9x</b>	<b>7.8x</b>	<b>11.8x</b>	<b>11.3x</b>	<b>6.9x</b>
Manhattan Associates, Inc.	11,364	14.8x	12.7x	11.4x	>50	46.6x	40.8x	>50	>50	>50
Pegasystems Inc.	4,238	3.2x	3.1x	2.8x	>50	23.8x	16.1x	>50	32.8x	21.0x
Software AG	2,555	2.7x	2.6x	2.4x	14.4x	14.4x	12.2x	34.7x	22.0x	18.2x
Fiserv, Inc.	95,513	5.7x	5.3x	4.9x	13.2x	11.8x	10.9x	18.8x	16.4x	14.3x
<b>Extended ERP Average</b>		<b>7.4x</b>	<b>6.5x</b>	<b>5.9x</b>	<b>17.2x</b>	<b>22.0x</b>	<b>18.4x</b>	<b>25.6x</b>	<b>23.0x</b>	<b>17.8x</b>
<b>Software As A Service</b>										
Descartes Systems Group Inc.	5,956	12.3x	10.6x	9.6x	27.7x	24.3x	21.3x	>50	>50	46.1x
Kinaxis, Inc.*	3,184	8.7x	7.5x	6.2x	40.1x	49.9x	40.8x	>50	>50	>50
Docebo, Inc.*	1,023	7.2x	5.7x	4.5x	>50	>50	35.1x	>50	NEG	>50
Lightspeed Commerce Inc*	1,547	2.3x	1.8x	1.4x	NEG	NEG	38.2x	NEG	>50	>50
Veeva Systems Inc Class A	27,386	12.9x	11.7x	9.8x	33.3x	32.9x	26.4x	44.9x	41.8x	35.2x
<b>Shopify, Inc. Class A</b>	<b>66,740</b>	<b>11.9x</b>	<b>9.6x</b>	<b>8.1x</b>	<b>&gt;50</b>	<b>&gt;50</b>	<b>&gt;50</b>	<b>&gt;50</b>	<b>&gt;50</b>	<b>&gt;50</b>
Q4 Inc*	99	1.8x	1.8x	1.6x	NEG	NEG	NEG	NEG	NEG	NEG
Ceridian HCM Holding, Inc.	11,892	9.5x	7.9x	6.9x	47.5x	30.7x	25.3x	>50	>50	43.8x
ServiceNow, Inc.	109,223	15.1x	12.3x	10.1x	47.8x	39.0x	31.0x	>50	>50	44.5x
Workday, Inc. Class A	56,473	9.2x	7.9x	6.8x	36.0x	29.6x	24.3x	>50	43.9x	36.2x
<b>Software As A Service Average</b>		<b>9.1x</b>	<b>7.7x</b>	<b>6.5x</b>	<b>38.7x</b>	<b>34.4x</b>	<b>30.3x</b>	<b>&gt;50</b>	<b>&gt;50</b>	<b>&gt;50</b>
<b>Infrastructure Vendors</b>										
Microsoft Corporation	2,339,537	11.4x	10.5x	9.3x	23.1x	21.1x	18.4x	33.6x	30.7x	26.9x
<b>Infrastructure Vendors Average</b>		<b>11.4x</b>	<b>10.5x</b>	<b>9.3x</b>	<b>23.1x</b>	<b>21.1x</b>	<b>18.4x</b>	<b>33.6x</b>	<b>30.7x</b>	<b>26.9x</b>
<b>Software Average</b>		<b>8.0x</b>	<b>6.9x</b>	<b>6.1x</b>	<b>26.8x</b>	<b>25.1x</b>	<b>22.7x</b>	<b>29.4x</b>	<b>29.9x</b>	<b>28.2x</b>

\*Share Price Converted to USD

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



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

	Enterprise Value (\$mlns.)	EV/EBITDA			P/E			EV/S		
		C22	C23E	C24E	C22	C23E	C24E	C22	C23E	C24E
<b>Business &amp; IT Services</b>										
<b>CGI Inc. Class A</b>	<b>34,192</b>	<b>13.2x</b>	<b>11.9x</b>	<b>11.3x</b>	<b>21.6x</b>	<b>19.1x</b>	<b>18.0x</b>	<b>2.6x</b>	<b>2.4x</b>	<b>2.3x</b>
<b>TELUS International (CDA), Inc.</b>	<b>4,063</b>	<b>6.7x</b>	<b>7.0x</b>	<b>5.8x</b>	<b>6.8x</b>	<b>8.9x</b>	<b>7.4x</b>	<b>1.6x</b>	<b>1.5x</b>	<b>1.4x</b>
Accenture Plc Class A	200,651	17.4x	16.7x	15.4x	28.1x	26.0x	24.0x	3.2x	3.1x	2.9x
Booz Allen Hamilton	18,271	18.4x	16.7x	15.4x	26.6x	24.2x	21.7x	2.0x	1.8x	1.7x
CACI International Inc Class A	9,602	14.2x	13.0x	12.1x	18.3x	17.3x	15.9x	1.5x	1.4x	1.3x
DXC Technology Co.	7,762	3.2x	3.6x	3.6x	6.0x	6.4x	5.5x	0.5x	0.6x	0.6x
Genpact Limited	7,573	9.6x	9.1x	8.2x	13.1x	12.3x	10.9x	1.7x	1.6x	1.5x
International Business Machines	174,863	11.0x	11.8x	11.2x	15.6x	14.9x	14.1x	2.9x	2.8x	2.7x
Atos SE	2,516	2.9x	2.2x	2.3x	NEG	2.9x	2.3x	0.2x	0.2x	0.2x
Capgemini SE	32,935	9.4x	9.1x	8.4x	13.8x	14.1x	12.9x	1.5x	1.4x	1.4x
Sopra Steria Group SA	5,341	9.0x	7.8x	7.2x	14.6x	11.8x	10.1x	1.0x	0.9x	0.9x
<b>Converge Technology Solutions Corp</b>	<b>878</b>	<b>6.1x</b>	<b>5.2x</b>	<b>4.7x</b>	<b>23.9x</b>	<b>&gt;50</b>	<b>19.1x</b>	<b>0.4x</b>	<b>0.3x</b>	<b>0.3x</b>
<b>Business &amp; IT Services Average</b>		<b>10.5x</b>	<b>9.9x</b>	<b>9.2x</b>	<b>16.5x</b>	<b>14.3x</b>	<b>13.0x</b>	<b>1.7x</b>	<b>1.6x</b>	<b>1.5x</b>
<b>HR Outsourcing</b>										
<b>Ceridian HCM Holding, Inc.</b>	<b>11,892</b>	<b>47.5x</b>	<b>30.7x</b>	<b>25.3x</b>	<b>&gt;50</b>	<b>&gt;50</b>	<b>43.8x</b>	<b>9.5x</b>	<b>7.9x</b>	<b>6.9x</b>
Willis Towers Watson	25,007	10.5x	10.6x	9.8x	14.8x	14.3x	12.5x	2.8x	2.7x	2.5x
Aon Plc Class A	76,284	19.2x	17.6x	16.4x	24.2x	22.9x	20.2x	6.1x	5.7x	5.4x
Automatic Data Processing, Inc.	105,494	22.8x	20.2x	18.6x	33.1x	29.1x	26.3x	6.1x	5.7x	5.3x
Paychex, Inc.	43,642	20.3x	18.8x	17.5x	30.3x	27.4x	25.3x	9.0x	8.4x	7.9x
<b>HR Outsourcing Average</b>		<b>24.1x</b>	<b>19.6x</b>	<b>17.5x</b>	<b>25.6x</b>	<b>23.4x</b>	<b>25.6x</b>	<b>6.7x</b>	<b>6.1x</b>	<b>5.6x</b>
<b>Information Services</b>										
Broadridge Financial Solutions, Inc.	24,845	18.9x	17.2x	15.9x	26.9x	24.8x	22.5x	4.2x	4.0x	3.7x
<b>Dye &amp; Durham Ltd.</b>	<b>2,244</b>	<b>14.1x</b>	<b>12.8x</b>	<b>11.5x</b>	<b>&gt;50</b>	<b>NEG</b>	<b>NEG</b>	<b>4.7x</b>	<b>4.9x</b>	<b>4.7x</b>
Deluxe Corporation	2,254	5.4x	5.5x	5.4x	5.0x	6.2x	6.2x	1.0x	1.0x	1.0x
<b>Information Services Corp</b>	<b>465</b>	<b>7.2x</b>	<b>6.5x</b>	<b>5.2x</b>	<b>12.0x</b>	<b>11.8x</b>	<b>9.6x</b>	<b>2.4x</b>	<b>2.2x</b>	<b>2.0x</b>
<b>Information Services Average</b>		<b>11.4x</b>	<b>10.5x</b>	<b>9.5x</b>	<b>14.6x</b>	<b>14.3x</b>	<b>12.8x</b>	<b>3.1x</b>	<b>3.0x</b>	<b>2.9x</b>
<b>Financial Services Technology</b>										
Fidelity National Information Services	51,849	8.4x	8.5x	8.1x	8.5x	9.4x	8.8x	3.6x	3.5x	3.4x
Fiserv, Inc.	95,513	13.2x	11.8x	10.9x	18.8x	16.4x	14.3x	5.7x	5.3x	4.9x
Jack Henry & Associates, Inc.	11,840	18.8x	17.6x	16.5x	32.1x	31.9x	30.0x	5.9x	5.5x	5.2x
ACI Worldwide, Inc.	3,561	9.5x	9.2x	8.5x	18.8x	24.3x	16.1x	2.5x	2.5x	2.3x
Temenos AG	5,874	16.0x	15.0x	13.4x	24.2x	22.2x	19.5x	6.2x	5.9x	5.4x
Global Payments Inc.	44,981	11.5x	10.4x	9.5x	13.4x	12.0x	10.5x	5.6x	5.2x	4.8x
<b>Financial Services Technology Average</b>		<b>12.9x</b>	<b>12.1x</b>	<b>11.2x</b>	<b>19.3x</b>	<b>19.4x</b>	<b>16.5x</b>	<b>4.9x</b>	<b>4.7x</b>	<b>4.3x</b>
<b>Diversified Real Estate Services</b>										
Colliers International Group Inc.	6,499	10.3x	9.7x	8.7x	15.3x	15.9x	13.8x	1.5x	1.5x	1.3x
<b>Altus Group Limited</b>	<b>2,399</b>	<b>17.7x</b>	<b>16.5x</b>	<b>13.8x</b>	<b>25.9x</b>	<b>27.3x</b>	<b>26.2x</b>	<b>3.3x</b>	<b>3.0x</b>	<b>2.7x</b>
CBRE Group, Inc. Class A	28,004	9.6x	11.4x	9.8x	14.6x	19.1x	15.1x	0.9x	0.9x	0.8x
Jones Lang LaSalle Incorporated	10,320	8.3x	11.1x	8.1x	10.5x	16.9x	10.6x	0.5x	0.5x	0.5x
<b>Diversified Real Estate Services Average</b>		<b>11.5x</b>	<b>12.2x</b>	<b>10.1x</b>	<b>16.6x</b>	<b>19.8x</b>	<b>16.4x</b>	<b>1.5x</b>	<b>1.5x</b>	<b>1.3x</b>
<b>Software Focused IT Solutions/VARs</b>										
<b>Softchoice Corporation* USD</b>	<b>757</b>	<b>9.3x</b>	<b>8.9x</b>	<b>7.9x</b>	<b>14.1x</b>	<b>14.4x</b>	<b>12.4x</b>	<b>2.4x</b>	<b>2.3x</b>	<b>2.2x</b>
Softcat Plc*	2,791	16.2x	14.3x	13.0x	21.7x	20.0x	18.8x	6.7x	5.7x	5.1x
Crayon Group Holding ASA*	10,970	>50	>50	>50	>50	>50	>50	24.8x	20.8x	18.0x
Bytes Technology Group Plc*	1,109	16.2x	14.0x	12.3x	21.7x	19.7x	17.6x	NA	NA	NA
<b>Software Focused IT Solutions/VARs Average</b>		<b>13.9x</b>	<b>12.4x</b>	<b>11.1x</b>	<b>19.1x</b>	<b>18.0x</b>	<b>16.3x</b>	<b>11.3x</b>	<b>9.6x</b>	<b>8.4x</b>
<b>Business Services Average</b>		<b>13.5x</b>	<b>12.3x</b>	<b>11.1x</b>	<b>18.3x</b>	<b>17.5x</b>	<b>16.3x</b>	<b>4.1x</b>	<b>3.7x</b>	<b>3.4x</b>

\*Share Price Converted to USD

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

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

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