

EQUITY RESEARCH

June 9, 2022

Industry Update

Culture Clash – Bits & Bytes Weekly

Employers Double Down On Return-to-office Mandates

Our Conclusion

After more than two years of remote work, the debate over the return to office has started to intensify as employees push back against recent mandates. Return-to-office mandates are seeing mass pushback with low employment and a record of unfilled positions, due in part to an aging population. While the Great Resignation did give workers additional leverage, recent hiring freezes in the tech sector and recessionary concerns are starting to put some of that leverage back in the hands of management.

Key Points

Recently, Tesla made headlines after CEO Elon Musk mandated employees to return to the office for a minimum of 40 hours/week, appearing to have little patience for remote work. On the other hand, Apple indefinitely delayed its return-to-office plans after losing a key executive and facing wider backlash from employees over its 3x/week work from the office policy. The movement, known as 'Apple Together,' criticized the mandate, calling it inflexible and inefficient. It has been a similar story at Discovery where a majority of the workforce is strongly against a return-to-office mandate, a challenge for new leadership as it tries to win over the WarnerMedia staff.

The message is clear – employee preferences have changed dramatically during the pandemic, but in the wake of hiring freezes and downsizings, some employees might just have to live with the mandates. The common argument that collaboration and creativity has suffered as a result of remote work was strongly refuted by Apple employees in an open letter to management, declaring that "Office-bound work is a technology from the last century, from the era before ubiquitous video-call-capable internet and everyone being on the same internal chat application."

While many employees have grown comfortable working remotely, there certainly are some downsides. Work and life are blending together in a way where 9-5 are no longer the "office hours." According to a Microsoft study, the average Teams user sends 42% more chats after hours and people have 250% more meetings than they did pre-pandemic, pushing other work to later hours. The remaining challenge is to find a balance between worker flexibility while also making sure that work is not on 24/7, leading to burnout. The study also found that in-person conversations were not replaced by Zoom meetings but instead with emails and instant chats, negatively impacting collaboration and personal connectivity.

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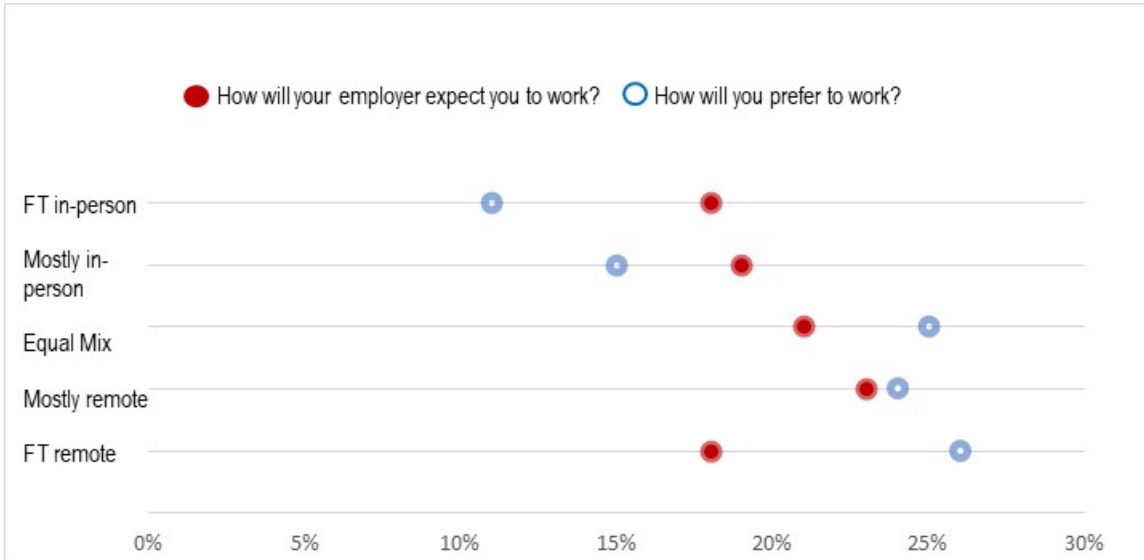
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Sector:
Information Technology

Preferences For Working Arrangements

According to a recent survey from PwC, 62% of respondents prefer a mix of in-person and remote work, and expect their company to offer that kind of approach in the next 12 months. This compares to 72% in the 2021 survey, indicating that employees are less confident today that their workplace will provide flexible solutions that suit them. On the extremes, 26% of employees would prefer full-time remote work, and 18% believe that their employer is likely to require full-time in-person work, which only 11% of employees prefer.

Exhibit 1: Remote Work – Employee Expectations, Next 12 Months



Source: PwC and CIBC World Markets Inc.

News Impacting Our Coverage

Descartes Acquires XPS Technologies For \$65MM

Headquartered in Utah, XPS provides e-commerce multi-carrier parcel shipping solutions and complements Descartes' existing e-commerce suite of solutions. The acquisition also brings a community of more than 10,000 customers to add to Descartes' GLN network. The cash deal of \$65MM includes performance-based earn-outs, with a maximum payable amount of \$75MM, based on XPS achieving revenue-based targets in each of the first two years post-acquisition. [Link to Note](#)

ACCC Delays Release Of Decision On Proposed Acquisition Of Link Group

The Australian Competition and Consumer Commission (ACCC) has advised that it has delayed the release of its decision as to whether to provide notification it will not oppose the proposed acquisition of Link Administration by Dye & Durham Corporation. The decision is now expected for June 16, 2022.

Descartes Announces TSX Acceptance Of Normal Course Issuer Bid

Under the bid, the company is allowed to repurchase up to 7,389,623 common shares, representing approximately 8.7% of the issued and outstanding common shares and approximately 10% of the "public float" on the open market, between June 10, 2022 and June 9, 2023.

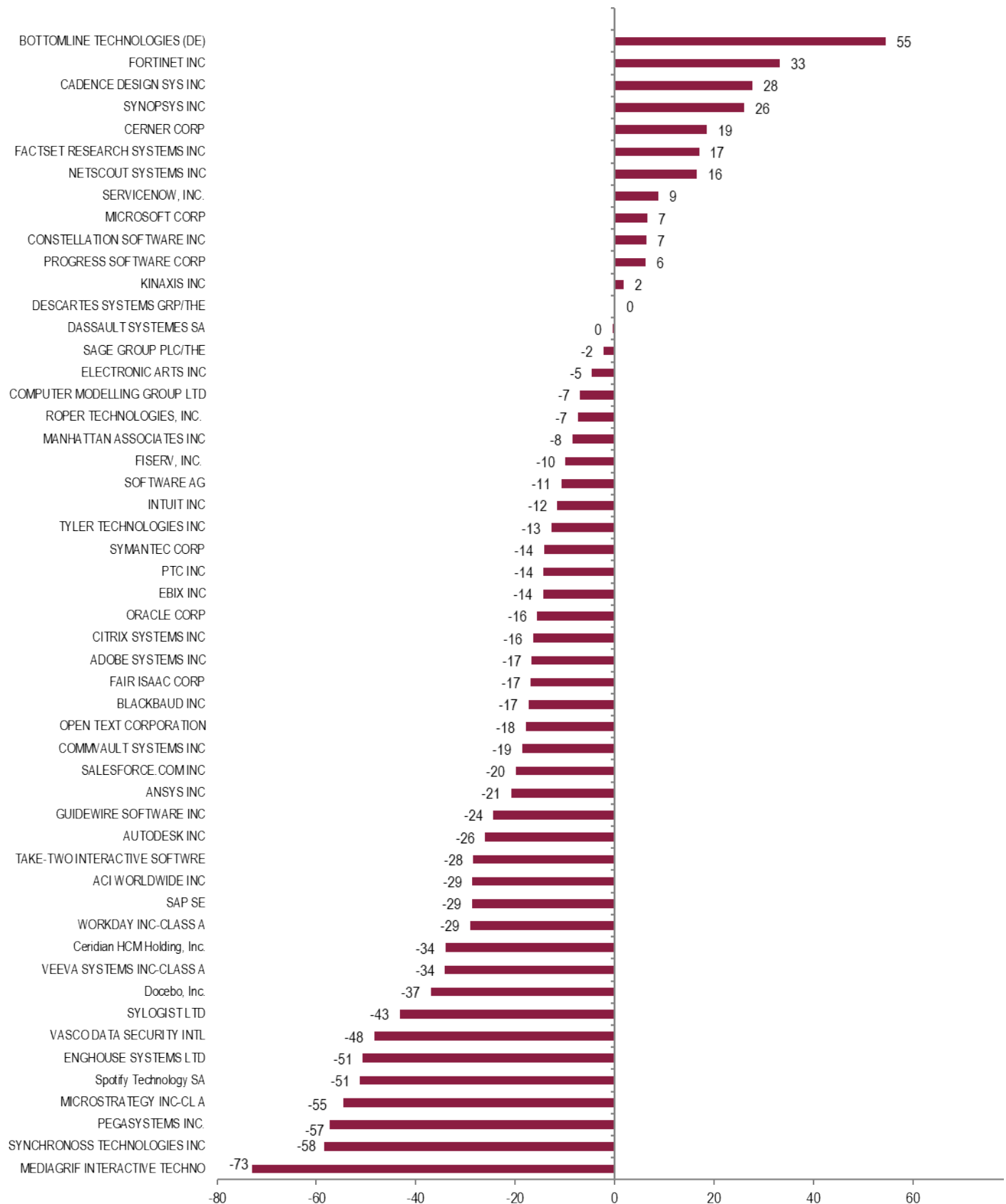
Exhibit 2: CIBC Software/Services – Coverage Performance, 6/9/2021 - 6/9/2022

Software & Systems	Price	1 Week	1 Month	3 Month	6 Month	1 Year	YTD	52W High	52W Low
Constellation Software Inc	1,888.00	(3.4)	(1.8)	(11.0)	(13.3)	6.5	(19.6)	2385.80	1743.61
Descartes Systems	64.02	5.0	12.7	(13.0)	(17.0)	(2.6)	(22.6)	91.39	56.19
Dye & Durham	22.49	3.7	41.1	(20.0)	(50.1)	NA	(49.9)	50.49	12.95
Enghouse Systems Limited	26.54	(19.4)	(18.5)	(31.4)	(47.6)	(50.7)	(45.2)	64.42	27.00
Open Text Corp	40.37	0.2	9.5	(6.3)	(15.2)	(17.9)	(15.0)	55.25	35.04
Kinaxis	138.18	(0.3)	4.5	(12.4)	(24.5)	1.8	(22.1)	229.98	127.24
Docebo, Inc.	41.22	0.6	(13.9)	(29.1)	(51.0)	(37.0)	(51.4)	117.55	37.57
Magnet Forensics	16.22	3.1	(18.7)	(37.2)	(46.5)	(39.9)	(50.7)	65.80	15.42
Q4 Inc.	4.83	(0.2)	7.3	(12.0)	(46.6)	NA	(43.2)	12.05	4.03
Average		(1.2)	2.5	(19.2)	(34.6)	(20.0)	(35.5)		

Business Services	Price	1 Week	1 Month	3 Month	6 Month	1 Year	YTD	52W High	52W Low
CGI Group Inc	104.93	(2.4)	2.3	1.2	(2.2)	(3.5)	(6.2)	116.88	98.77
Converge Technologies	6.97	(5.9)	(7.9)	(26.2)	(40.5)	(19.7)	(35.9)	13.09	5.88
Softchoice Corporation	21.16	(0.9)	(2.3)	(12.3)	(1.3)	5.7	(0.9)	45.74	17.94
Telus International	31.60	(0.8)	13.1	2.1	(24.8)	(15.9)	(24.4)	49.43	26.75
Average		(2.5)	1.3	(8.8)	(17.2)	(8.3)	(16.8)		

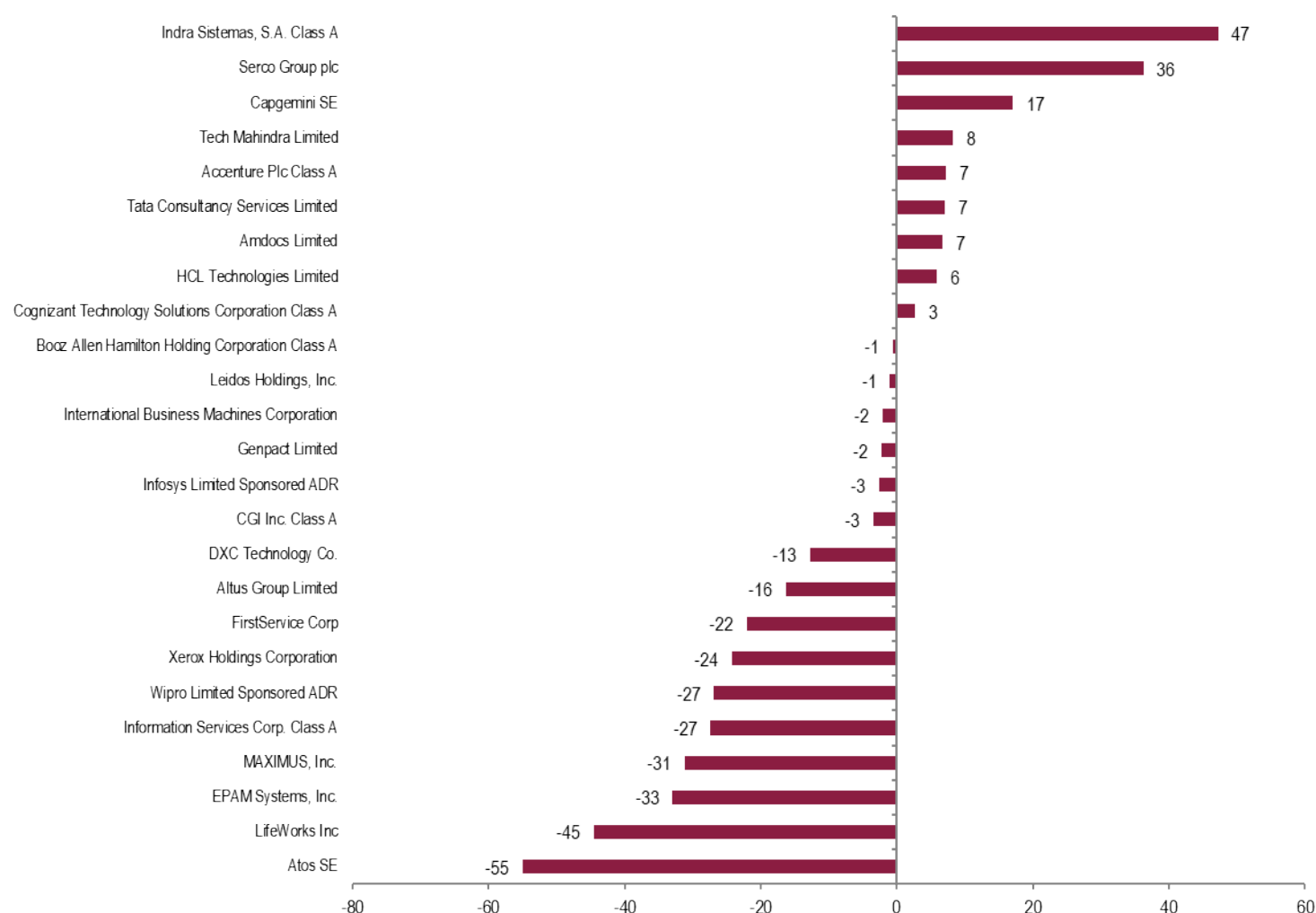
Indices	Price	1 Week	1 Month	3 Month	6 Month	1 Year	YTD
S&P/TSX Composite Index	20,709.67	(1.5)	3.5	(3.6)	(1.0)	3.5	(2.4)
S&P 500 Index	4,101.99	(1.8)	2.8	(4.1)	(12.1)	(2.8)	(13.9)
S&P/TSX Software Index	136.64	(2.8)	5.4	(15.7)	(35.7)	(29.8)	(35.6)
S&P500 Software Index	4,592.79	(2.2)	4.7	(6.7)	(21.5)	(1.0)	(21.5)

Source: FactSet and CIBC World Markets Inc.

Exhibit 3: Software Stocks – Return Performance (%), 6/9/2021 - 6/9/2022

Source: FactSet and CIBC World Markets Inc.

Exhibit 4: Business Services Stocks – Return Performance (%), 6/9/2021 - 6/9/2022



Source: FactSet and CIBC World Markets Inc.

Exhibit 5: Software Stocks – Comp Table, 2021 - 2023E

	Ticker	FactSet	Price	Dividend	FCF	Shares	Market	Net Debt	Enterprise	EV/S			EVEBITDA			P/E		
			6/9/2022	Yield	Yield	Out	Cap	(\$mlns.)	Value	C21A	C22E	C23E	C21A	C22E	C23E	C21A	C22E	C23E
Enterprise Application Software																		
Constellation Software Inc.*	CSU	CSU-CA	1,503.68	0.21%	3.88%	21	31,865	447	32,312	6.3x	5.0x	4.4x	21.4x	18.7x	15.7x	48.3x	26.9x	23.2x
BlackBerry Limited*	BB	BB-CA	5.97	0.00%	-0.95%	576	3,444	(111)	3,333	3.4x	3.9x	3.6x	42.7x	NEG	NEG	>50	NEG	NEG
Sage Group plc	SGE	SGE-GB	6.38	2.49%	4.86%	1,018	6,492	13	6,505	3.5x	3.3x	3.1x	15.7x	13.9x	12.6x	24.4x	23.7x	21.0x
Tyler Technologies, Inc.	TYL	TYL-US	363.45	0.00%	2.25%	41	15,074	1,084	16,157	10.1x	8.7x	7.9x	45.9x	33.5x	30.5x	>50	47.8x	44.0x
Roper Technologies, Inc.	ROP	ROP-US	418.06	0.47%	4.44%	106	44,278	4,217	48,495	8.4x	7.9x	7.4x	21.9x	20.5x	19.1x	40.6x	27.0x	25.0x
Enghouse Systems Limited	ENGH	ENGH-CA	26.08	1.19%	7.90%	56	1,449	(191)	1,258	2.7x	2.9x	2.9x	7.7x	8.7x	8.4x	15.6x	18.8x	18.2x
Oracle Corporation	ORCL	ORCL-US	71.38	1.32%	6.38%	2,668	190,453	55,024	245,477	6.1x	5.6x	5.4x	13.1x	11.0x	10.4x	15.7x	14.2x	13.0x
SAP SE	SAP	SAP-DE	92.40	1.56%	2.90%	1,229	113,514	10,047	123,561	4.4x	4.1x	3.8x	17.2x	13.8x	12.5x	20.7x	18.4x	16.1x
Enterprise Application Software Average										5.6x	5.2x	4.8x	23.2x	17.2x	15.6x	27.5x	25.3x	22.9x
Extended ERP																		
Adobe Incorporated	ADBE	ADBE-US	428.84	0.00%	3.34%	473	202,627	(36)	202,591	12.8x	11.2x	9.8x	30.3x	23.0x	20.0x	42.8x	31.0x	26.3x
Open Text Corporation	OTEX	OTEX-US	40.37	1.51%	7.36%	270	10,919	2,849	13,769	4.0x	3.8x	3.7x	10.8x	10.8x	10.0x	12.7x	12.7x	11.6x
Manhattan Associates, Inc.	MANH	MANH-US	126.81	0.00%	2.22%	63	8,003	(188)	7,815	11.8x	10.8x	9.7x	>50	42.6x	36.9x	>50	>50	>50
Pegasystems Inc.	PEGA	PEGA-US	54.25	0.11%	0.65%	82	4,439	355	4,793	4.0x	3.3x	2.8x	NEG	44.2x	26.0x	NEG	>50	39.7x
Software AG	SOW	SOW-DE	32.18	2.17%	4.41%	74	2,381	(343)	2,038	2.4x	2.2x	2.0x	13.2x	10.7x	8.6x	28.4x	21.1x	16.7x
Fiserv, Inc.	FISV	FISV-US	100.13	0.00%	4.44%	646	64,723	20,207	84,930	5.2x	5.1x	4.8x	15.3x	12.0x	10.9x	>50	15.5x	13.5x
Extended ERP Average										6.7x	6.1x	5.5x	17.4x	23.9x	18.7x	28.0x	20.1x	21.6x
Software As A Service																		
Descartes Systems Group Inc.	DSGX	DSGX-US	64.02	0.00%	3.10%	85	5,428	(202)	5,226	12.3x	10.9x	10.2x	28.2x	25.0x	22.6x	>50	>50	>50
Kinaxis, Inc.*	KXS	KXS-CA	109.83	0.00%	0.54%	28	3,030	(191)	2,839	11.3x	8.1x	7.2x	>50	44.4x	35.5x	>50	>50	>50
Docebo, Inc.*	DCBO	DCBO-CA	32.27	0.00%	-0.38%	33	1,061	(208)	853	8.2x	5.8x	4.3x	NEG	NEG	>50	NEG	NEG	NEG
Lightspeed Commerce Inc*	LSPD	LSPD-CA	25.95	0.00%	-2.56%	149	3,864	(895)	2,969	13.4x	4.2x	3.2x	NEG	NEG	NEG	NEG	NEG	NEG
Nuvei Corporation*	NVEI	NVEI-CA	49.86	0.00%	3.63%	141	7,050	(222)	6,828	9.4x	7.1x	5.5x	28.2x	16.4x	12.4x	>50	23.7x	18.2x
Dye & Durham Ltd.	DND	DND-CA	22.03	0.12%	4.66%	69	1,522	(970)	552	1.5x	1.0x	0.8x	2.6x	1.8x	1.5x	>50	35.2x	13.5x
Salesforce, Inc.	CRM	CRM-US	189.19	0.00%	3.30%	994	188,039	872	188,911	8.9x	6.0x	5.1x	43.3x	20.2x	17.2x	43.2x	39.8x	33.0x
Veeva Systems Inc Class A	VEEV	VEEV-US	191.45	0.00%	NA	155	29,645	(2,784)	26,861	18.3x	12.5x	10.7x	>50	31.6x	27.1x	>50	46.6x	40.5x
Shopify, Inc. Class A	SHOP	SHOP-US	391.47	0.00%	0.91%	126	49,382	(6,051)	43,331	9.4x	7.5x	5.7x	>50	>50	>50	17.1x	>50	>50
Ceridian HCM Holding, Inc.	CDAY	CDAY-US	56.90	0.00%	-0.17%	153	8,685	910	9,595	9.4x	7.9x	6.7x	>50	48.3x	38.7x	NEG	>50	>50
ServiceNow, Inc.	NOW	NOW-US	505.42	0.00%	1.75%	200	101,316	(1,814)	99,502	16.9x	13.4x	10.7x	>50	43.1x	34.2x	>50	>50	>50
Workday, Inc. Class A	WDAY	WDAY-US	160.04	0.00%	3.41%	254	40,650	(1,882)	38,768	9.0x	6.3x	5.3x	>50	25.3x	20.5x	NEG	46.2x	36.8x
Software As A Service Average										10.7x	7.6x	6.3x	25.6x	28.5x	23.3x	30.2x	38.3x	28.4x
Infrastructure Vendors																		
Citrix Systems, Inc.	CTXS	CTXS-US	98.74	1.56%	4.72%	127	12,499	2,740	15,239	4.7x	4.6x	4.4x	21.7x	14.4x	13.7x	40.5x	>50	31.0x
Microsoft Corporation	MSFT	MSFT-US	270.41	0.83%	2.73%	7,479	2,022,405	(26,712)	1,995,693	11.9x	9.4x	8.2x	24.7x	18.6x	16.1x	33.6x	27.0x	23.2x
Infrastructure Vendors Average										8.3x	7.0x	6.3x	23.2x	16.5x	14.9x	37.1x	27.0x	27.1x
Software Average										8.2x	6.5x	5.7x	22.5x	23.0x	19.2x	29.5x	28.0x	24.4x

*Share Price Converted to USD

Source: FactSet and CIBC World Markets Inc.

Exhibit 6: Business Services Stocks – Comp Table, 2021 - 2023E

	Ticker	Price	Dividend	FCF	Shares	Market	Net Debt	Enterprise	EV/EBITDA			P/E			EV/S		
		6/9/2022	Yield	Yield	Out	Cap	(\$mlns.)	Value	C21A	C22E	C23E	C21A	C22E	C23E	C21A	C22E	C23E
Business & IT Services																	
CGI Inc. Class A	GIB.A	104.95	0.00%	7.51%	240	25,152	2,674	27,826	11.2x	10.7x	10.2x	18.7x	16.7x	15.6x	2.3x	2.1x	2.0x
Accenture Plc Class A	ACN	302.64	1.05%	4.29%	633	191,692	(1,919)	189,773	19.7x	15.9x	14.6x	33.1x	26.9x	24.1x	3.8x	3.0x	2.7x
TELUS International (CDA), Inc.	TIXT	25.29	0.00%	2.71%	266	6,728	936	7,664	16.5x	12.3x	10.5x	>50	21.1x	17.6x	3.5x	3.0x	2.6x
Booz Allen Hamilton	BAH	86.93	1.75%	5.60%	132	11,491	2,404	13,894	15.6x	14.4x	13.6x	19.9x	20.1x	18.4x	1.8x	1.6x	1.5x
CACI International Inc Class A	CACI	282.72	0.00%	8.38%	23	6,619	2,061	8,680	11.7x	12.7x	11.9x	15.4x	15.0x	13.8x	1.4x	1.4x	1.3x
DXC Technology Co.	DXC	35.24	0.00%	19.25%	231	8,129	3,496	11,625	5.7x	4.6x	4.4x	NEG	9.2x	7.5x	0.7x	0.8x	0.8x
Genpact Limited	G	44.565	0.81%	7.45%	185	8,251	1,358	9,610	14.9x	11.9x	10.7x	23.3x	16.6x	14.7x	2.4x	2.2x	2.0x
International Business Machines	IBM	140.83	4.90%	8.43%	899	126,667	46,777	173,444	12.9x	10.5x	10.2x	22.2x	14.5x	13.3x	3.0x	2.9x	2.8x
Atos SE	ATO	23.95	0.00%	3.20%	111	2,653	1,805	4,458	4.2x	4.1x	3.6x	NEG	10.1x	7.0x	0.4x	0.4x	0.4x
Capgemini SE	CAP	176.15	1.11%	7.15%	172	30,367	5,872	36,239	12.5x	10.7x	9.8x	26.5x	17.5x	15.5x	2.0x	1.8x	1.6x
Sopra Steria Group SA	SOP	162.9	2.03%	1.51%	21	3,347	493	3,840	7.3x	6.3x	5.8x	17.7x	12.1x	10.7x	0.8x	0.8x	0.7x
Business & IT Services Average									12.0x	10.4x	9.6x	22.1x	16.3x	14.4x	2.0x	1.8x	1.7x
Human Capital Service Providers																	
LifeWorks Inc	LWRK	17.99	3.06%	8.92%	69	1,248	583	1,831	9.4x	9.1x	8.5x	NEG	22.3x	19.0x	1.8x	1.7x	1.6x
Ceridian HCM Holding, Inc.	CDAY	56.9	0.00%	-0.17%	153	8,685	910	9,595	>50	48.3x	38.7x	NEG	>50	>50	9.4x	7.9x	6.7x
Aon Plc Class A	AON	266.8	0.66%	3.39%	212	56,664	10,219	66,883	17.5x	16.5x	15.5x	48.1x	20.2x	18.2x	5.5x	5.2x	5.0x
Automatic Data Processing, Inc.	ADP	218.9501	1.86%	3.11%	418	91,466	1,777	93,242	24.3x	21.0x	19.1x	36.1x	29.8x	26.6x	6.2x	5.5x	5.1x
Paychex, Inc.	PAYX	125.6	2.49%	2.52%	361	45,344	(524)	44,820	27.1x	21.3x	19.8x	41.4x	32.0x	29.7x	11.0x	9.5x	8.9x
Human Capital Service Providers Average									19.6x	23.2x	20.3x	41.9x	26.1x	23.4x	6.8x	6.0x	5.5x
Information Services																	
Broadridge Financial Solutions, Inc.	BR	145.49	1.42%	3.43%	117	17,055	4,175	21,230	18.3x	16.2x	15.3x	31.3x	21.6x	19.9x	4.1x	3.7x	3.5x
Dye & Durham Ltd.	DND	22.03	0.12%	4.66%	69	1,522	982	2,504	15.8x	11.1x	8.9x	>50	35.2x	13.5x	6.7x	4.4x	3.8x
Deluxe Corporation	DLX	22.57	3.74%	10.52%	43	970	1,559	2,530	6.9x	5.8x	5.6x	15.5x	4.9x	4.6x	1.3x	1.2x	1.1x
Information Services Corp.	ISV	21.43	3.16%	15.23%	18	375	26	402	5.9x	7.3x	6.8x	10.4x	12.2x	12.3x	2.4x	2.3x	2.3x
Information Services Average									11.7x	10.1x	9.1x	19.1x	18.5x	12.6x	3.6x	2.9x	2.7x
Software Focused IT Solutions/VARS																	
Softcat Plc (€)	SCT	13.72	1.08%	3.26%	199	2,735	(46)	2,689	21.6x	19.3x	18.2x	28.4x	25.8x	25.3x	NA	NA	NA
Crayon Group Holding ASA (NOK)	CRAYN	136.8	0.00%	4.20%	88	11,992	1,518	13,510	25.0x	14.7x	11.7x	>50	25.1x	19.2x	NA	NA	NA
Bytes Technology Group Plc (€)	BYT	4.35	1.35%	4.83%	239	1,042	(94)	948	25.2x	18.7x	17.0x	>50	27.1x	25.9x	NA	NA	NA
SoftwareONE Holding Ltd. (CHF)	SWON	12.33	1.67%	7.49%	159	1,955	(549)	1,407	9.3x	5.8x	5.0x	15.9x	14.9x	12.5x	NA	NA	NA
Converge Technology Solutions Corp. (CHF)		6.91	0.00%	5.78%	215	1,485	(209)	1,276	13.6x	8.8x	7.2x	>50	36.2x	22.3x	NA	NA	NA
Softchoice Corporation*	SFTC	16.79	1.19%	5.01%	63	1,064	108	1,173	17.0x	12.4x	10.4x	26.0x	23.3x	19.2x	NA	NA	NA
Software Focused IT Solutions/VARS Average									18.6x	13.3x	11.6x	23.5x	25.4x	20.7x	NA	NA	NA
Diversified Real Estate Services																	
Colliers International Group Inc.	CIGI	117.53	0.14%	3.50%	44	5,178	1,167	6,345	11.6x	10.0x	9.0x	-12.9x	15.9x	14.5x	1.6x	1.4x	1.3x
Altus Group Limited	AIF	48.03	0.85%	2.42%	44	2,134	327	2,461	22.4x	18.6x	16.4x	25.2x	30.7x	20.3x	3.9x	3.3x	3.2x
CBRE Group, Inc. Class A	CBRE	78.35	0.00%	8.77%	331	25,908	2,580	28,488	13.3x	8.9x	8.1x	14.5x	12.6x	11.4x	1.0x	0.9x	0.8x
Jones Lang LaSalle Incorporated	JLL	185.07	0.00%	9.03%	50	9,181	3,052	12,233	8.4x	8.1x	7.7x	10.0x	9.1x	8.4x	0.6x	0.6x	0.5x
Diversified Real Estate Services Average									13.9x	11.4x	10.3x	9.2x	17.1x	13.7x	1.8x	1.5x	1.4x
Business Services Average									16.3x	14.8x	13.1x	22.2x	19.9x	16.6x	4.3x	3.7x	3.4x
*Share Price Converted to USD																	

Source: FactSet and CIBC World Markets Inc.

Exhibit 7: SaaS Stocks – Comp Table, 2021 - 2023E

	LTM Revenue Growth	LTM FCF Margin	NTM Revenue Growth	NTM FCF Margin	LTM Rule Of 40	NTM Rule Of 40	Enterprise Value (\$MM)	EV/S		
								C21A	C22E	C23E
Tier 1 SaaS (Rule of 40 > 60)										
Lightspeed POS, Inc.*	137%	-17%	37%	-8%	120%	29%	2,969	13.4x	4.2x	3.2x
Nuvei*	70%	35%	30%	32%	105%	61%	6,828	9.4x	7.1x	5.5x
CrowdStrike Holdings, Inc.	66%	31%	48%	30%	97%	78%	40,125	45.9x	18.8x	13.7x
Zoom Video Communication	29%	36%	11%	29%	65%	41%	28,818	10.9x	6.4x	5.7x
Zscaler, Inc.	61%	22%	41%	21%	83%	62%	22,707	33.7x	18.3x	13.7x
Veeva Systems Inc	26%	44%	17%	36%	70%	53%	26,861	18.3x	12.5x	10.7x
Magnet Forensics*	37%	31%	46%	26%	68%	72%	410	5.8x	4.4x	3.4x
DocuSign, Inc.	45%	23%	17%	19%	68%	37%	18,090	12.4x	7.4x	6.3x
Shopify, Inc.	40%	5%	28%	0%	45%	28%	43,331	9.4x	7.5x	5.7x
HubSpot, Inc.	47%	17%	30%	13%	64%	43%	16,759	12.9x	9.7x	7.6x
Tier 1 SaaS (Rule of 40 > 60) Average								17.2x	9.6x	7.6x
	LTM Revenue Growth	LTM FCF Margin	NTM Revenue Growth	NTM FCF Margin	LTM Rule Of 40	NTM Rule Of 40	Enterprise Value (\$MM)	EV/S		
								C21A	C22E	C23E
Tier 2 SaaS (Rule of 40 b/w 41-60)										
Descartes Systems	22%	40%	12%	35%	62%	48%	5,226	12.3x	10.9x	10.2x
Atlassian Corp. Plc	33%	29%	26%	22%	62%	48%	51,303	24.6x	16.3x	12.7x
ServiceNow, Inc.	29%	31%	26%	30%	61%	56%	99,502	16.9x	13.4x	10.7x
Twilio, Inc.	57%	-4%	32%	-2%	53%	31%	15,744	5.5x	4.1x	3.1x
Qualys, Inc.	15%	46%	18%	31%	61%	49%	4,726	11.4x	9.7x	8.4x
Docebo, Inc.*	54%	-3%	40%	-4%	50%	37%	853	8.2x	5.8x	4.3x
MongoDB, Inc.	48%	1%	37%	0%	49%	37%	19,778	33.5x	16.8x	12.7x
Dropbox, Inc.	12%	34%	7%	34%	47%	41%	9,490	4.4x	4.1x	3.8x
Workday, Inc.	21%	26%	20%	18%	47%	38%	38,768	9.0x	6.3x	5.3x
Tier 2 SaaS (Rule of 40 b/w 41-60) Average								14.0x	9.7x	7.9x
	LTM Revenue Growth	LTM FCF Margin	NTM Revenue Growth	NTM FCF Margin	LTM Rule Of 40	NTM Rule Of 40	Enterprise Value (\$MM)	EV/S		
								C21A	C22E	C23E
Tier 3 SaaS (Rule of 40 b/w 25-40)										
Avalara Inc	38%	6%	22%	2%	44%	24%	7,291	10.4x	8.4x	6.9x
Zendesk, Inc.	31%	12%	26%	12%	43%	38%	10,132	7.6x	6.0x	4.8x
Paylocity Holding Corp.	32%	16%	25%	14%	48%	39%	10,150	16.0x	10.8x	8.9x
RingCentral, Inc.	35%	7%	24%	8%	42%	32%	7,320	4.6x	3.6x	2.9x
VMware, Inc.	8%	28%	7%	27%	36%	34%	63,610	5.4x	4.7x	4.4x
BlackLine, Inc.	21%	11%	24%	6%	32%	30%	4,923	11.6x	9.4x	7.7x
Rapid7 Inc.	32%	6%	26%	9%	38%	35%	4,846	9.1x	7.0x	5.8x
Five9, Inc.	37%	0%	24%	3%	37%	27%	7,363	12.1x	9.5x	7.7x
Akamai Technologies, Inc.	7%	25%	6%	23%	32%	30%	18,890	5.5x	5.2x	4.7x
Wix.com Ltd.	22%	1%	12%	2%	23%	14%	3,451	2.7x	2.4x	2.1x
Tier 3 SaaS (Rule of 40 b/w 25-40) Average								8.5x	6.7x	5.6x
	LTM Revenue Growth	LTM FCF Margin	NTM Revenue Growth	NTM FCF Margin	LTM Rule Of 40	NTM Rule Of 40	Enterprise Value (\$MM)	EV/S		
								C21A	C22E	C23E
Tier 4 SaaS (Rule of 40 <28										
Ceridian HCM Holding, Inc.	30%	-1%	17%	8%	29%	25%	9,595	9.4x	7.9x	6.7x
Q4 Inc.	26%	-27%	40%	-11%	-1%	29%	90	1.6x	1.3x	1.1x
Anaplan, Inc.	32%	-5%	26%	-1%	27%	25%	9,286	20.7x	12.7x	10.2x
Teradata Corporation	2%	25%	-7%	21%	26%	14%	4,212	2.2x	2.3x	2.2x
Q2 Holdings Inc.	21%	3%	17%	2%	24%	19%	2,884	5.8x	5.0x	4.2x
Splunk Inc.	24%	7%	23%	14%	30%	37%	19,673	8.8x	6.0x	4.9x
Zuora, Inc.	14%	7%	20%	0%	20%	20%	1,118	3.7x	2.8x	2.4x
LivePerson, Inc.	24%	-18%	17%	-12%	6%	5%	1,471	3.1x	2.7x	2.3x
Yext, Inc.	10%	4%	4%	-1%	14%	3%	582	1.6x	1.4x	1.3x
Kinaxis, Inc.*	21%	5%	19%	1%	26%	20%	2,839	11.3x	8.1x	7.2x
New Relic, Inc.	18%	-1%	18%	0%	17%	18%	3,214	4.8x	3.6x	3.1x
Tier 4 SaaS (Rule of 40 <28 Average								6.6x	4.9x	4.1x
SaaS Average								11.4x	7.6x	6.2x

* Share Price Converted to USD

Source: FactSet and CIBC World Markets Inc.

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