

## EQUITY RESEARCH

January 26, 2023

Industry Update

**Right To Repair – Bits & Bytes Weekly**

Kicking Off 2023 With Some Wins For Repair Advocates

**Our Conclusion**

The concept of [‘right-to-repair’](#) has been a popular topic for the Biden administration, as advocates for right-to-repair legislation argue that it reduces both costs to the consumer and unnecessary waste. Manufacturers – with tech companies some of the loudest voices – have pushed back against right-to-repair, arguing that repairs done by consumers and independent repair shops pose cybersecurity and IP theft risks, while also risking manufacturers’ reputations. In the U.S., the recent passing of multiple right-to-repair bills illustrates that there is broad support for the concept, support that will likely extend outside of the U.S.

**Key Points**

Big Tech has typically tried to prevent hardware from being repaired by consumers and third parties, achieved in some cases by sealing devices, requiring bespoke repair tools, and/or strict terms-of-service stipulations. Proponents of right-to-repair note that an open market for repairs would naturally lower repair prices while likely reducing new hardware sales, as customers opt to repair rather than replace. With increasingly complex hardware, detailed manuals and specific tools are needed to repair or replace gadgets. Right-to-repair bills aim to enact laws that will require manufacturers to support consumers by allowing them – and unaffiliated repair shops – access to the required information and parts.

Public discussion of the topic increased after a 2021 FTC report that found minimal evidence to support manufacturers’ justification for repair restrictions. Following the report there was a unanimous vote by the commission to approve a policy on increased enforcement against unlawful repair restrictions. In 2022, Apple along with other manufacturers, announced a new program to allow customers to make common repairs to iPhone 12/13 with a plan to extend the program to other products. However, critics claimed that the program was highly limited and the costs associated would often make it cheaper to replace the products altogether.

Right-to-repair momentum has been increasing in 2023 as state legislatures have introduced a variety of bills in recent weeks, all aimed at providing consumers a way to repair everything from tablets to farm equipment. New York signed the “Digital Fair Repair Act” into law, requiring equipment manufacturers to make diagnostic and repair information and parts readily available for consumers and independent repair providers. On January 8, the American Farm Bureau also signed a memo to provide farmers the right to repair their own equipment including access to repair codes, manuals and specialized parts. There has also been activity on the topic in Canada with bill C-244, an attempt to amend the copyright act, currently under discussion in the House of Commons.

*All figures in Canadian dollars unless otherwise stated.*

For required regulatory disclosures please refer to "Important Disclosures" beginning on page 11.

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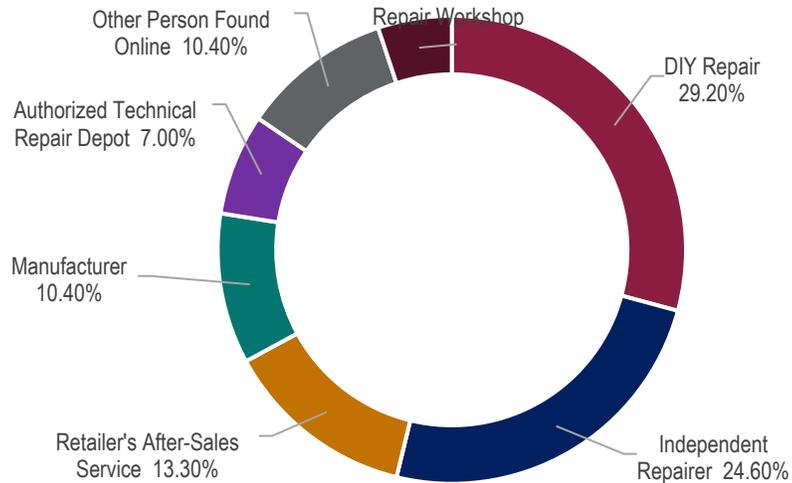
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**Sector:**  
Information Technology

## How Canadians Approach Repairs

A report from Canadian non-profit Equiterre included a number of statistics addressing how Canadians approach the repair of their home appliances and electronics. In 2020-2021, less than 19% of Canadians opted to repair a broken appliance, with 61% of the replacers not even considering the repair route. When Canadians did opt to repair their goods, DIY repair was the most common approach, followed by independent repairers. Users clearly prefer to repair their own goods or turn to a more convenient/affordable independent repairer rather than rely on the manufacturer or approved after-sales servicers. Looking at this data (see chart in Exhibit 1) makes it easy to understand why right-to-repair legislation has enjoyed broad levels of support.

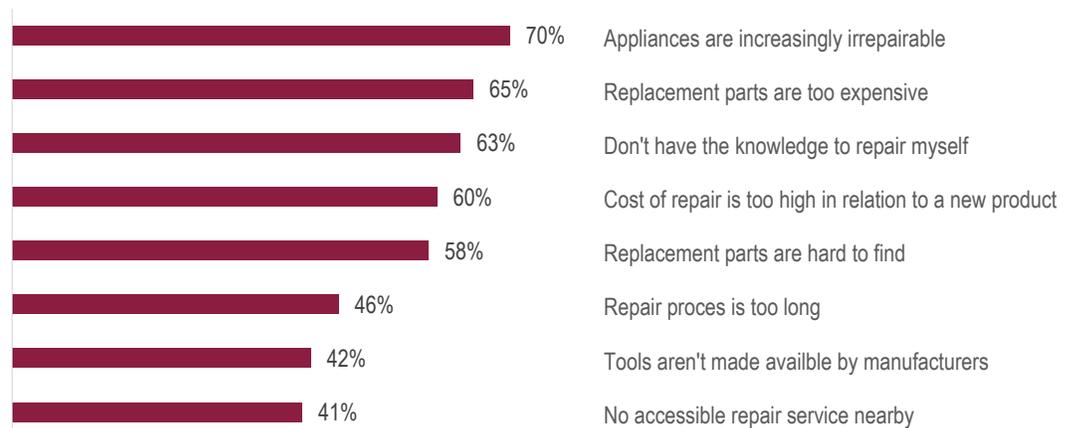
**Exhibit 1: How Canadians Are Repairing Their Appliances & Electronics**



Source: Equiterre and CIBC World Markets Inc.

The report also included data on why Canadian consumers avoid repairing their devices, with the fact that devices are increasingly irreparable topping the list of concerns (see chart in Exhibit 2). Right-to-repair legislation may address some of the concerns around repairability and access to tools/information, but some of the financial and logistical concerns that come with repairing a product will be difficult to legislate away.

**Exhibit 2: Why Canadian's Aren't Getting Appliances & Electronics Repaired**



Source: Equiterre and CIBC World Markets Inc.

## News Impacting Our Coverage

### **CGI Federal Announces Electronic Records Management Solutions For Federal Agencies**

CGI has been awarded the Electronic Records Management (ERM) special item number that enables federal agencies to transition to digital information management solutions that are modern and compliant. As federal agencies continue their digital transformation, they will seek solutions that can manage large volumes of electronic data, with compliance as a top priority.

### **Q4/22 Software Preview – A Focus On The 2023 Outlook & Recent M&A**

Q4 is typically a seasonally strong quarter in the tech sector and consensus is forecasting revenue for our coverage universe to be up 19% Y/Y and EBITDA to be up 14% Y/Y, on average. We expect the focus will remain on the demand environment and the outlook for F2023. Post Q3, earnings revisions were relatively modest, with consensus 2023 revenue estimates down 2%, highlighting the resiliency of most of our coverage's enterprise/recurring revenue base. We remain watchful for commentary on lengthening sales cycles and particularly European demand. [Link to note](#)

### **Dye & Durham To Acquire Insight Legal Software**

Dye & Durham announced the acquisition of Insight Legal Software, a U.K.-based provider of legal practice management software. Terms of the acquisition were not announced, although we expect the business is generating revenue in the mid-single-digit millions. While the deal itself will not make a material contribution to DND's 2023 revenue, the acquisition (and CEO Matt Proud's comments on the deal) appears to signal a focus on smaller tuck-in acquisitions after the year-long pursuit of Link Group ended unsuccessfully. With leverage at the business remaining elevated and floating rate debt putting pressure on free cash flow as housing sales remain depressed into 2023, we take a positive view of DND's focus on smaller acquisitions. [Link to note](#)

### **Dialogue – Preliminary Q4 Results and OHS Divestiture Model Update**

Dialogue provided positive preliminary Q4 results on January 25, with revenue at the upper end of the guidance range and adjusted EBITDA and gross margins exceeding guidance totals. The slightly better-than-expected results are an encouraging sign in the midst of a challenging macroeconomic environment, potentially alleviating some concerns around shrinking corporate health and wellness budgets as companies look to manage expenses. We also update our model for the divestiture of the German Occupational Health & Safety business, which results in a lower revenue and gross margin forecast for 2023 but an improvement in the forecasted adjusted EBITDA loss. We retain our Neutral rating and \$3.50 price target after CARE shares have rallied off of lows to start the year, reaching a level we see as more reasonable. [Link To Note](#)

### **Topps Tiles Transforms Fleet Delivery Operations With Descartes**

Topps Tiles, the leading U.K. tile retailer, is optimising its fleet delivery capabilities with Descartes' cloud-based route planning and optimisation solution. By working with Descartes, Topps Tiles is decreasing the average kilometers driven per delivery route by two percent and gaining a better understanding of the potential impact of changes to its delivery strategies.

**Mitel Enters Exclusive Negotiations with Atos to Acquire its Unified Communications & Collaboration Business (Unify),**

Mitel, a leader in business communications, announced exclusive negotiations with Atos to acquire Unify, the Unified Communications and Collaboration (UCC) and Communication and Collaboration Services businesses (CCS) of the Atos group. The proposed transaction is subject to regulatory approvals, with closing expected in H2'2023. Together, Mitel and Unify would hold a collective customer base of more than 75M users in over 100 countries and a channel community of more than 5,500 global partners.

## Exhibit 3: CIBC Coverage – Price Returns, 1/26/2022 – 1/26/2023

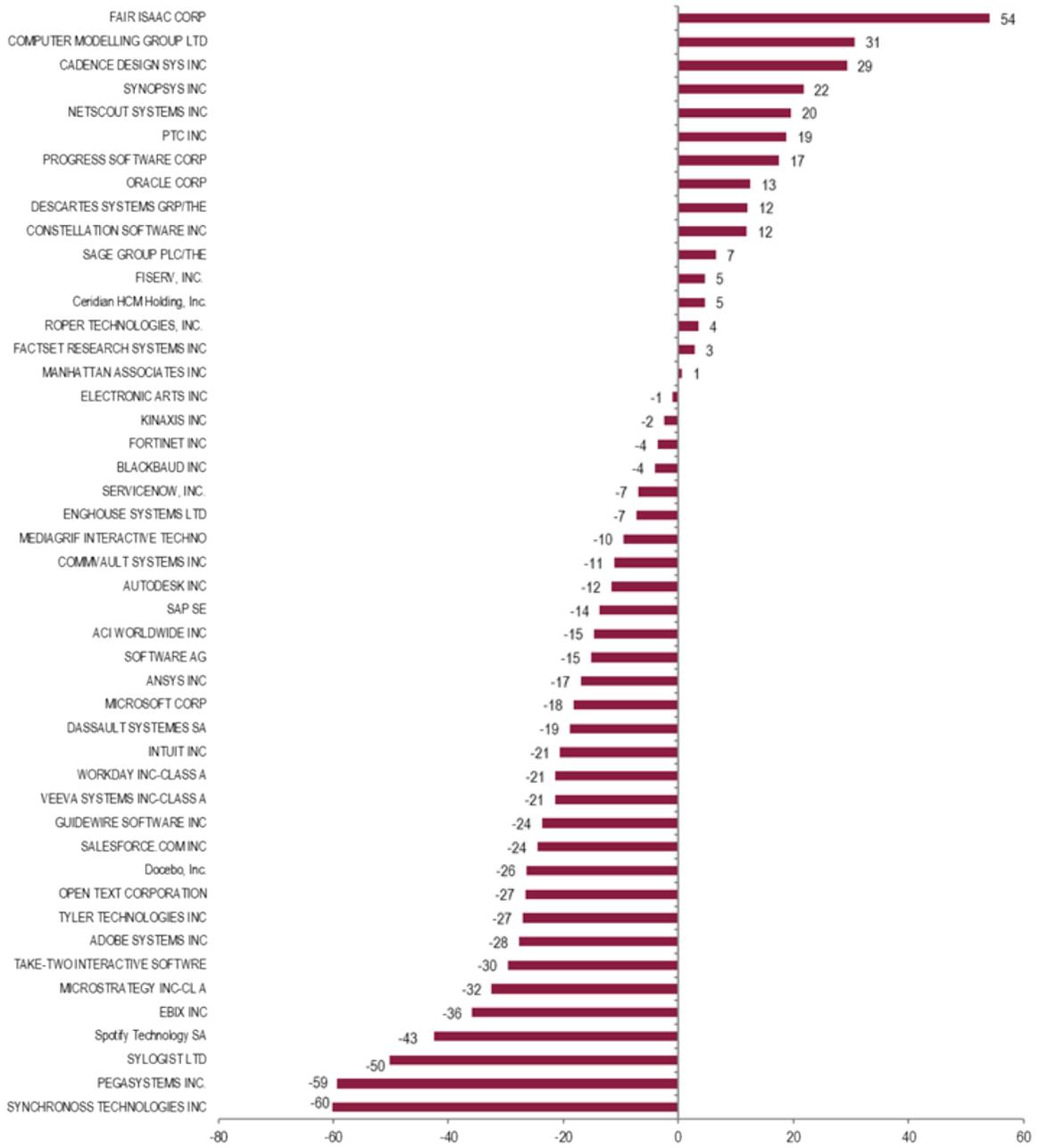
Software & Systems	Price	1 Week	1 Month	3 Month	6 Month	1 Year	YTD	52W High	52W Low
Constellation Software Inc	2,314.04	1.7	8.8	17.7	12.5	11.9	9.5	2358.45	1783.98
Descartes Systems	71.84	0.9	4.9	5.9	10.2	6.2	3.1	79.08	56.19
Enghouse Systems Limited	39.55	(0.7)	13.5	32.2	26.0	(7.3)	10.0	44.99	23.96
Open Text Corp	33.51	2.2	15.7	15.6	(13.9)	(26.6)	13.0	48.46	24.91
Kinaxis	146.79	(2.2)	(0.1)	4.8	(0.8)	(2.4)	(3.4)	173.45	119.48
Docebo, Inc.	48.91	2.6	13.0	22.4	31.7	(26.4)	9.3	73.06	31.66
Magnet Forensics	43.71	8.3	22.7	68.8	118.9	77.3	17.7	44.34	14.89
Q4 Inc.	2.45	5.0	(22.5)	(23.0)	(46.6)	NA	(23.7)	6.69	1.88
<b>Average</b>		<b>2.2</b>	<b>7.0</b>	<b>18.1</b>	<b>17.2</b>	<b>4.7</b>	<b>4.4</b>		

Business Services	Price	1 Week	1 Month	3 Month	6 Month	1 Year	YTD	52W High	52W Low
CGI Group Inc	113.05	(2.7)	(3.2)	2.7	5.7	10.2	(3.1)	120.82	95.45
Converge Technologies	5.40	(1.8)	20.0	(20.0)	0.2	(39.9)	17.6	11.59	3.60
Softchoice Corporation	17.25	(5.7)	(0.6)	(8.3)	(24.0)	(22.9)	(5.5)	28.66	13.57
Telus International	30.48	1.4	15.7	(13.3)	(12.9)	(9.3)	14.0	40.55	24.11
<b>Average</b>		<b>(2.2)</b>	<b>8.0</b>	<b>(9.7)</b>	<b>(7.8)</b>	<b>(15.5)</b>	<b>5.8</b>		

Indices	Price	1 Week	1 Month	3 Month	6 Month	1 Year	YTD
S&P/TSX Composite Index	20,567.07	1.1	5.4	6.7	8.4	(0.1)	6.1
S&P 500 Index	4,017.49	3.0	4.5	4.9	2.5	(7.6)	4.6
S&P/TSX Software Index	153.81	5.6	14.0	20.3	16.6	(11.7)	12.8
S&P500 Software Index	4,271.94	5.1	4.9	6.3	(1.3)	(15.5)	4.3

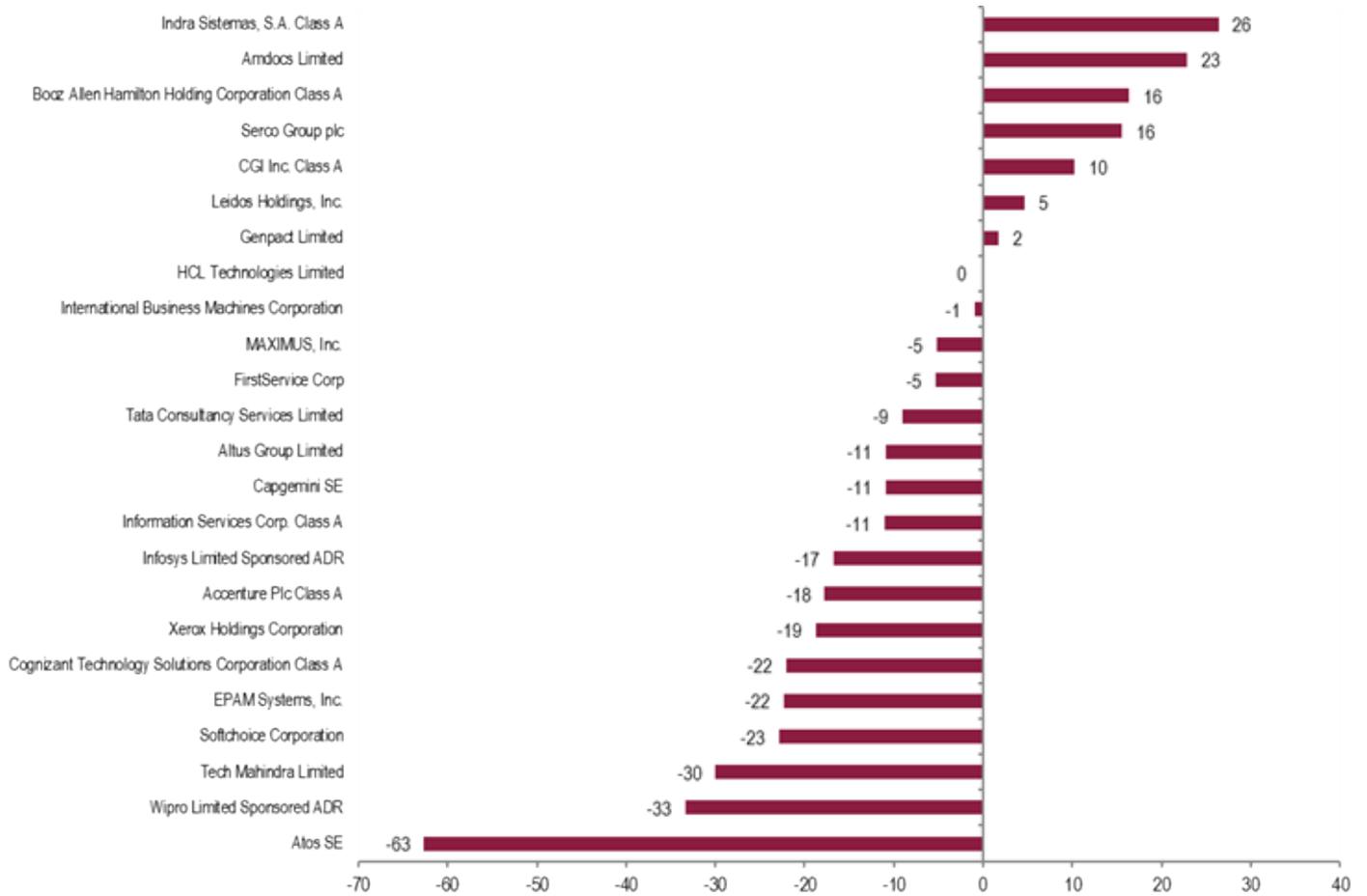
Source: Factset and CIBC World Markets Inc.

Exhibit 4: Software Stocks – Return Performance (%), 1/26/2022 – 1/26/2023



Source: FactSet and CIBC World Markets Inc.

**Exhibit 5: Business Services Stocks – Return Performance (%), 1/26/2022 – 1/26/2023**



Source: FactSet and CIBC World Markets Inc.

## Exhibit 6: Software Stocks – Comp Table, 2022 – 2024E

	Enterprise Value	EV/S			EV/EBITDA			P/E		
		C22	C23E	C24E	C22	C23E	C24E	C22	C23E	C24E
<b>Enterprise Application Software</b>										
Constellation Software Inc.*	37,933	5.8x	5.1x	4.4x	23.1x	20.0x	17.1x	31.3x	29.6x	24.8x
BlackBerry Limited*	2,304	3.4x	2.4x	2.0x	NEG	NEG	>50	NEG	NEG	NEG
Sage Group plc	8,510	4.3x	3.9x	3.6x	18.6x	16.5x	15.0x	28.5x	24.5x	21.8x
Tyler Technologies, Inc.	14,310	7.7x	7.2x	6.5x	30.1x	28.6x	24.8x	42.0x	41.2x	35.5x
Roper Technologies, Inc.	54,717	10.2x	9.2x	8.7x	24.8x	22.5x	20.8x	31.3x	27.7x	25.8x
Enhouse Systems Limited	1,981	4.7x	4.58x	4.51x	14.4x	13.7x	13.60x	20.0x	28.1x	27.72x
Oracle Corporation	299,222	6.4x	5.8x	5.3x	12.9x	11.6x	10.4x	18.3x	16.9x	14.8x
SAP SE	132,657	3.9x	4.0x	3.7x	15.8x	14.1x	12.2x	25.8x	19.3x	16.6x
<b>Enterprise Application Software Average</b>		<b>5.8x</b>	<b>5.3x</b>	<b>4.8x</b>	<b>20.0x</b>	<b>18.2x</b>	<b>16.3x</b>	<b>28.2x</b>	<b>26.8x</b>	<b>23.9x</b>
<b>Extended ERP</b>										
Adobe Incorporated	164,370	9.3x	8.5x	7.6x	18.9x	17.4x	15.7x	26.2x	23.4x	20.5x
Open Text Corporation	11,825	3.3x	3.2x	3.2x	9.7x	8.7x	8.6x	11.0x	9.8x	9.5x
Manhattan Associates, Inc.	7,563	10.1x	9.3x	8.4x	38.4x	35.2x	30.5x	>50	48.2x	41.8x
Pegasystems Inc.	3,424	2.7x	2.5x	2.2x	>50	36.9x	18.2x	>50	>50	25.7x
Software AG	1,641	1.7x	1.6x	1.5x	8.1x	7.2x	6.1x	17.6x	15.5x	12.6x
Fiserv, Inc.	87,617	5.2x	4.9x	4.6x	12.1x	11.2x	10.3x	16.1x	14.4x	12.6x
<b>Extended ERP Average</b>		<b>5.4x</b>	<b>5.0x</b>	<b>4.6x</b>	<b>17.4x</b>	<b>19.4x</b>	<b>14.9x</b>	<b>17.7x</b>	<b>22.3x</b>	<b>20.4x</b>
<b>Software As A Service</b>										
Descartes Systems Group Inc.	5,861	12.1x	11.0x	9.9x	27.3x	24.6x	22.3x	>50	>50	>50
Kinaxis, Inc.*	2,875	7.8x	7.1x	5.9x	38.9x	38.4x	31.3x	>50	>50	>50
Docebo, Inc.*	989	6.9x	5.2x	3.9x	NEG	>50	>50	>50	>50	>50
Lightspeed Commerce Inc*	1,701	2.5x	1.9x	1.5x	NEG	NEG	39.6x	NEG	NEG	>50
Veeva Systems Inc Class A	24,230	11.4x	10.2x	8.7x	28.9x	26.3x	22.2x	41.2x	38.1x	32.7x
Shopify, Inc. Class A	47,240	8.6x	7.1x	5.7x	NEG	>50	>50	NEG	>50	>50
Q4 Inc*	37	0.7x	0.6x	0.6x	NEG	NEG	NEG	NEG	NEG	NEG
Ceridian HCM Holding, Inc.	11,937	9.7x	8.3x	7.1x	>50	40.1x	30.9x	>50	>50	>50
ServiceNow, Inc.	89,210	12.3x	10.1x	8.3x	39.1x	32.4x	25.7x	>50	48.9x	39.6x
Workday, Inc. Class A	43,945	7.2x	6.1x	5.2x	28.2x	23.2x	18.8x	49.6x	39.0x	31.3x
<b>Software As A Service Average</b>		<b>7.9x</b>	<b>6.8x</b>	<b>5.7x</b>	<b>32.5x</b>	<b>30.9x</b>	<b>27.3x</b>	<b>45.4x</b>	<b>42.0x</b>	<b>34.5x</b>
<b>Infrastructure Vendors</b>										
Microsoft Corporation	1,780,775	8.7x	8.0x	7.1x	17.8x	16.3x	14.1x	26.1x	23.9x	20.6x
<b>Infrastructure Vendors Average</b>		<b>8.7x</b>	<b>8.0x</b>	<b>7.1x</b>	<b>17.8x</b>	<b>16.3x</b>	<b>14.1x</b>	<b>26.1x</b>	<b>23.9x</b>	<b>20.6x</b>
<b>Software Average</b>										
		<b>6.7x</b>	<b>5.9x</b>	<b>5.2x</b>	<b>22.6x</b>	<b>22.3x</b>	<b>19.4x</b>	<b>27.5x</b>	<b>28.0x</b>	<b>24.3x</b>

\*Share Price Converted to USD

Source: FactSet and CIBC World Markets Inc.

## Exhibit 7: 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
<b>Business &amp; IT Services</b>											
<b>CGI Inc. Class A</b>	<b>29,933</b>	<b>12.1x</b>	<b>11.6x</b>	<b>11.0x</b>	<b>10.7x</b>	<b>18.2x</b>	<b>16.8x</b>	<b>15.8x</b>	<b>2.3x</b>	<b>2.2x</b>	<b>2.1x</b>
<b>TELUS International (CDA), Inc.</b>	<b>6,904</b>	<b>12.8x</b>	<b>11.4x</b>	<b>10.0x</b>	<b>9.4x</b>	<b>19.2x</b>	<b>16.1x</b>	<b>15.0x</b>	<b>2.8x</b>	<b>2.5x</b>	<b>2.3x</b>
Accenture Plc Class A	174,161	18.1x	15.1x	14.3x	13.2x	24.7x	22.9x	20.7x	2.8x	2.6x	2.4x
Booz Allen Hamilton	15,358	17.2x	15.5x	14.6x	13.4x	22.2x	20.6x	18.4x	1.7x	1.6x	1.5x
CACI International Inc Class A	9,060	12.2x	13.5x	12.5x	11.7x	16.7x	15.9x	14.5x	1.4x	1.3x	1.3x
DXC Technology Co.	9,964	4.9x	4.1x	4.1x	4.0x	8.1x	6.5x	5.7x	0.7x	0.7x	0.7x
Genpact Limited	9,934	15.4x	12.8x	11.5x	10.4x	17.6x	16.0x	14.4x	2.3x	2.1x	2.0x
International Business Machines	165,430	12.3x	11.4x	10.9x	10.4x	14.6x	14.0x	13.3x	2.7x	2.7x	2.6x
Atos SE	3,079	2.9x	3.1x	2.8x	2.6x	13.3x	6.2x	3.8x	0.3x	0.3x	0.3x
Capgemini SE	35,261	12.2x	10.0x	9.5x	8.6x	15.9x	15.0x	13.5x	1.6x	1.5x	1.4x
Sopra Steria Group SA	4,373	8.3x	7.2x	6.6x	6.1x	11.1x	10.0x	9.1x	0.9x	0.8x	0.8x
<b>Converge Technology Solutions C</b>	<b>1,331</b>	<b>14.2x</b>	<b>9.6x</b>	<b>7.2x</b>	<b>6.4x</b>	<b>34.0x</b>	<b>27.0x</b>	<b>22.7x</b>	<b>0.5x</b>	<b>0.4x</b>	<b>0.4x</b>
<b>Business &amp; IT Services Average</b>		<b>11.7x</b>	<b>10.5x</b>	<b>9.8x</b>	<b>9.1x</b>	<b>16.5x</b>	<b>14.5x</b>	<b>13.1x</b>	<b>1.8x</b>	<b>1.7x</b>	<b>1.6x</b>
<b>HR Outsourcing</b>											
		EV/EBIT	EV/EBITDA			P/E			EV/S		
		C21	C22	C23E	C24E	C22	C23E	C24E	C22	C23E	C24E
Ceridian HCM Holding, Inc.	11,937	>50	>50	40.1x	30.9x	>50	>50	>50	9.7x	8.3x	7.1x
Willis Towers Watson	28,177	12.6x	12.2x	11.3x	10.3x	18.9x	16.7x	14.4x	3.2x	3.1x	2.9x
Aon Plc Class A	76,555	20.0x	19.0x	17.7x	16.6x	24.7x	22.1x	19.9x	6.1x	5.8x	5.5x
Automatic Data Processing, Inc.	96,439	25.1x	20.9x	18.8x	17.2x	30.2x	26.9x	24.2x	5.6x	5.2x	4.9x
Paychex, Inc.	41,071	24.9x	19.0x	17.7x	16.4x	28.4x	26.1x	24.3x	8.5x	8.0x	7.5x
<b>HR Outsourcing Average</b>		<b>20.7x</b>	<b>17.8x</b>	<b>21.1x</b>	<b>18.3x</b>	<b>25.5x</b>	<b>22.9x</b>	<b>20.7x</b>	<b>6.6x</b>	<b>6.1x</b>	<b>5.6x</b>
<b>Information Services</b>											
		EV/EBIT	EV/EBITDA			P/E			EV/S		
		C21	C22	C23E	C24E	C22	C23E	C24E	C22	C23E	C24E
Broadridge Financial Solutions, Inc.	21,488	18.5x	16.4x	15.3x	14.6x	22.4x	20.8x	19.2x	3.6x	3.4x	3.3x
<b>Dye &amp; Durham Ltd.</b>	<b>2,335</b>	<b>14.7x</b>	<b>14.7x</b>	<b>12.1x</b>	<b>10.4x</b>	<b>0.1x</b>	<b>0.1x</b>	<b>0.1x</b>	<b>4.8x</b>	<b>4.8x</b>	<b>4.2x</b>
Deluxe Corporation	2,304	6.2x	5.6x	5.7x	5.2x	4.8x	4.9x	3.8x	1.0x	1.0x	1.0x
<b>Information Services Average</b>		<b>13.1x</b>	<b>12.2x</b>	<b>11.0x</b>	<b>10.0x</b>	<b>9.1x</b>	<b>8.6x</b>	<b>7.7x</b>	<b>3.2x</b>	<b>3.1x</b>	<b>2.8x</b>
<b>Financial Services Technology</b>											
		EV/EBIT	EV/EBITDA			P/E			EV/S		
		C21	C22	C23E	C24E	C22	C23E	C24E	C22	C23E	C24E
Fidelity National Information Services	62,605	10.2x	10.1x	9.6x	9.0x	11.1x	11.2x	10.0x	4.3x	4.2x	4.0x
Fiserv, Inc.	87,617	15.8x	12.1x	11.2x	10.3x	16.1x	14.4x	12.6x	5.2x	4.9x	4.6x
Jack Henry & Associates, Inc.	13,230	19.0x	20.8x	19.1x	17.2x	36.3x	34.5x	31.1x	6.6x	6.1x	5.7x
ACI Worldwide, Inc.	4,102	11.2x	11.1x	10.4x	9.8x	20.3x	22.1x	19.6x	2.9x	2.9x	2.8x
Temenos AG	5,532	10.1x	15.4x	14.5x	12.3x	22.6x	20.8x	17.5x	5.8x	5.5x	5.0x
Global Payments Inc.	40,583	11.1x	10.4x	9.8x	8.9x	11.9x	10.7x	9.4x	5.0x	4.8x	4.4x
<b>Financial Services Technology Average</b>		<b>12.9x</b>	<b>13.3x</b>	<b>12.4x</b>	<b>11.3x</b>	<b>19.7x</b>	<b>18.9x</b>	<b>16.7x</b>	<b>5.0x</b>	<b>4.7x</b>	<b>4.4x</b>
<b>Diversified Real Estate Services</b>											
		EV/EBIT	EV/EBITDA			P/E			EV/S		
		C21	C22	C23E	C24E	C22	C23E	C24E	C22	C23E	C24E
<b>Colliers International Group Inc.</b>	<b>5,213</b>	<b>9.5x</b>	<b>8.3x</b>	<b>7.8x</b>	<b>7.3x</b>	<b>14.4x</b>	<b>14.2x</b>	<b>13.1x</b>	<b>1.2x</b>	<b>1.1x</b>	<b>1.1x</b>
CBRE Group, Inc. Class A	27,756	13.0x	9.7x	10.5x	9.2x	14.8x	15.7x	13.3x	0.9x	0.9x	0.8x
Jones Lang LaSalle Incorporated	10,311	7.1x	8.0x	8.6x	7.6x	11.0x	11.6x	9.9x	0.5x	0.5x	0.5x
<b>Diversified Real Estate Services Average</b>		<b>9.9x</b>	<b>8.6x</b>	<b>9.0x</b>	<b>8.0x</b>	<b>13.4x</b>	<b>13.8x</b>	<b>12.1x</b>	<b>0.9x</b>	<b>0.8x</b>	<b>0.8x</b>
<b>Software Focused IT Solutions/VARs</b>											
		EV/EBIT	EV/EBITDA			P/E			EV/S**		
		C21	C22	C23E	C24E	C22	C23E	C24E	C22	C23E	C24E
<b>Softchoice Corporation* USD</b>	<b>840</b>	<b>34.4x</b>	<b>10.3x</b>	<b>9.0x</b>	<b>8.2x</b>	<b>20.5x</b>	<b>15.6x</b>	<b>14.8x</b>	<b>2.6x</b>	<b>2.4x</b>	<b>2.2x</b>
Softcat Plc*	2,289	13.6x	13.6x	12.5x	11.5x	18.4x	17.5x	16.5x	5.7x	5.0x	4.6x
Crayon Group Holding ASA*	9,945	>50	>50	>50	>50	>50	>50	>50	23.2x	19.9x	17.3x
Bytes Technology Group Plc*	891	18.3x	13.5x	11.9x	10.6x	18.5x	17.3x	15.5x	NA	NA	NA
SoftwareONE Holding Ltd.*	1,852	11.2x	7.0x	6.2x	5.6x	16.3x	14.4x	12.3x	1.8x	1.6x	1.4x
<b>Bytes Technology Group Plc* Average</b>		<b>19.4x</b>	<b>11.1x</b>	<b>9.9x</b>	<b>9.0x</b>	<b>18.4x</b>	<b>16.2x</b>	<b>14.8x</b>	<b>8.3x</b>	<b>7.2x</b>	<b>6.4x</b>
<b>Business Services Average</b>		<b>14.0x</b>	<b>12.1x</b>	<b>12.1x</b>	<b>10.9x</b>	<b>17.5x</b>	<b>16.0x</b>	<b>14.4x</b>	<b>4.0x</b>	<b>3.7x</b>	<b>3.4x</b>

\*Share Price Converted to USD

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

Source: FactSet and CIBC World Markets Inc.

## Exhibit 8: SaaS Stocks – Comp Table, 2022 – 2024E

	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 C21	EV/S C22 C23E C24E		
<b>Tier 1 SaaS (Rule of 40 &gt; 60)</b>											
Zoom Video Communications	11%	28%	4%	27%	39%	30%	14,814	5.6x	3.4x	3.2x	3.0x
CrowdStrike Holdings, Inc.	58%	30%	36%	29%	88%	65%	22,410	25.6x	10.4x	7.7x	6.0x
<b>Shopify, Inc.</b>	<b>25%</b>	<b>-4%</b>	<b>21%</b>	<b>-10%</b>	<b>21%</b>	<b>11%</b>	<b>44,635</b>	<b>9.7x</b>	<b>8.1x</b>	<b>6.7x</b>	<b>5.4x</b>
Zscaler, Inc.	60%	23%	34%	21%	82%	55%	16,607	24.7x	13.0x	9.7x	7.6x
<b>Lightspeed Commerce Inc*</b>	<b>72%</b>	<b>-18%</b>	<b>25%</b>	<b>-4%</b>	<b>53%</b>	<b>21%</b>	<b>1,667</b>	<b>7.5x</b>	<b>2.4x</b>	<b>1.9x</b>	<b>1.5x</b>
DocuSign, Inc.	25%	18%	8%	18%	42%	26%	11,607	8.0x	4.7x	4.3x	4.0x
Veeva Systems Inc	18%	38%	13%	36%	56%	48%	24,172	16.5x	11.4x	10.1x	8.7x
Atlassian Corp. Plc	34%	26%	22%	21%	59%	43%	38,677	18.5x	12.3x	9.9x	7.8x
Twilio, Inc.	43%	-7%	17%	-3%	36%	14%	6,354	2.2x	1.7x	1.4x	1.2x
ServiceNow, Inc.	25%	27%	21%	30%	53%	50%	88,783	15.1x	12.3x	10.0x	8.2x
HubSpot, Inc.	38%	16%	19%	11%	53%	31%	16,490	12.7x	9.7x	8.0x	6.5x
<b>Tier 1 SaaS (Rule of 40 &gt; 60) Average</b>								<b>13.3x</b>	<b>8.1x</b>	<b>6.7x</b>	<b>5.4x</b>
	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 C21	EV/S C22 C23E C24E		
<b>Tier 2 SaaS (Rule of 40 b/w 40-60)</b>											
<b>Docebo, Inc.*</b>	<b>46%</b>	<b>0%</b>	<b>29%</b>	<b>-4%</b>	<b>46%</b>	<b>25%</b>	<b>966</b>	<b>9.3x</b>	<b>6.7x</b>	<b>5.0x</b>	<b>3.8x</b>
Qualys, Inc.	18%	38%	17%	35%	56%	52%	3,861	9.4x	7.9x	6.8x	6.0x
<b>Descartes Systems</b>	<b>17%</b>	<b>37%</b>	<b>8%</b>	<b>38%</b>	<b>54%</b>	<b>46%</b>	<b>5,868</b>	<b>13.8x</b>	<b>12.1x</b>	<b>11.0x</b>	<b>10.0x</b>
Five9, Inc.	32%	1%	16%	7%	33%	22%	5,821	9.5x	7.5x	6.5x	5.4x
Dropbox, Inc.	9%	34%	6%	34%	43%	39%	8,983	4.2x	3.9x	3.7x	3.5x
Wix.com Ltd.	12%	-1%	8%	4%	10%	12%	4,732	3.7x	3.4x	3.1x	2.8x
Workday, Inc.	21%	21%	17%	21%	42%	38%	43,283	10.1x	7.1x	6.0x	5.1x
VMware, Inc.	4%	25%	5%	30%	30%	35%	63,310	5.4x	4.8x	4.5x	4.2x
<b>Tier 2 SaaS (Rule of 40 b/w 40-60) Average</b>								<b>8.2x</b>	<b>6.7x</b>	<b>5.8x</b>	<b>5.1x</b>
	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 C21	EV/S C22 C23E C24E		
<b>Tier 3 SaaS (Rule of 40 b/w 28-40)</b>											
BlackLine, Inc.	23%	9%	18%	4%	32%	22%	3,952	9.3x	7.6x	6.5x	5.5x
MongoDB, Inc.	53%	-1%	26%	3%	51%	28%	12,931	21.9x	10.5x	8.3x	6.5x
LivePerson, Inc.	15%	-30%	4%	-4%	-15%	0%	957	2.0x	1.8x	1.7x	1.6x
Rapid7 Inc.	31%	4%	17%	10%	35%	27%	2,760	5.2x	4.1x	3.5x	2.9x
Paylocity Holding Corp.	36%	17%	28%	16%	53%	44%	10,749	16.9x	10.9x	8.6x	7.1x
Q2 Holdings, Inc.	16%	3%	13%	1%	19%	15%	2,001	4.0x	3.5x	3.1x	2.7x
Akamai Technologies, Inc.	6%	24%	3%	22%	30%	25%	15,401	4.4x	4.3x	4.1x	3.8x
<b>Tier 3 SaaS (Rule of 40 b/w 28-40) Average</b>								<b>9.1x</b>	<b>6.1x</b>	<b>5.1x</b>	<b>4.3x</b>
	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 C21	EV/S C22 C23E C24E		
<b>Tier 4 SaaS (Rule of 40 &lt; 28)</b>											
RingCentral, Inc.	29%	7%	17%	10%	36%	28%	4,779	3.0x	2.4x	2.1x	1.8x
Teradata Corporation	-6%	20%	-1%	24%	14%	23%	3,437	1.8x	1.9x	1.9x	1.8x
Zuora, Inc.	14%	3%	9%	0%	17%	9%	811	2.7x	2.1x	1.9x	1.6x
New Relic, Inc.	19%	3%	15%	2%	22%	17%	3,689	5.5x	4.2x	3.6x	3.1x
<b>Kinaxis, Inc.*</b>	<b>44%</b>	<b>3%</b>	<b>19%</b>	<b>10%</b>	<b>46%</b>	<b>29%</b>	<b>2,803</b>	<b>11.2x</b>	<b>7.6x</b>	<b>6.9x</b>	<b>5.8x</b>
Yext, Inc.	5%	4%	3%	-1%	8%	2%	683	1.9x	1.7x	1.6x	1.5x
Splunk Inc.	31%	9%	17%	18%	40%	35%	16,808	7.5x	4.9x	4.2x	3.6x
<b>Tier 4 SaaS (Rule of 40 &lt; 28) Average</b>								<b>4.8x</b>	<b>3.5x</b>	<b>3.2x</b>	<b>2.7x</b>
<b>SaaS Average</b>								<b>9.4x</b>	<b>6.4x</b>	<b>5.4x</b>	<b>4.5x</b>

\*Share Price Converted to USD

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

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