

EQUITY RESEARCH

January 6, 2022

Industry Update

Green Cloud – Bits & Bytes Weekly

CIOs Are Leading Sustainability Efforts

Our Conclusion

A Chief Information Officer likely isn't the first person that comes to mind when picturing a champion of sustainability, but a recent study from IBM found that 42% of a group of 5,000 CIOs believe that sustainability was an area where technology would have the biggest impact on their organizations. CIOs are becoming recognized as one of the key drivers of corporate ESG initiatives, tasked with everything from developing new technology solutions and data platforms to reducing the company's IT/digital infrastructure footprint and monitoring progress against ESG KPIs.

Key Points

The proliferation of data within organizations and the acceleration of corporate digitization has led to an increase in the carbon footprint of data storage, and data centers are now estimated to make up approximately 1% of global electricity usage, according to a 2020 study by the journal *Science*. One way that companies are looking to reduce that burden is by shifting to cloud-hosted environments, as the scale provided by hyperscalers leads to more efficient data centers/servers and provides easier access to renewable energy. One 2019 survey by 451 Research noted that a company relying on cloud storage could reduce its data storage carbon footprint by up to 88%. The cloud is often touted as a solution that provides a number of operational and financial benefits, but it appears clear that we can add environmental benefits to the list of reasons to migrate to the cloud.

For a number of reasons, some organizations aren't able to host their data and applications on the cloud but there are still options to reduce the carbon footprint of those on-premise data centers. Some companies look to locate their data centers in cold-weather locations where cooling costs and energy requirements are naturally lower in the winter months, while other organizations look to write "green code" that is designed to optimize server performance and keep electricity usage minimized.

Data centers aren't the only area where technology is helping improve sustainability efforts. Air-conditioning units used during temperature-controlled transportation are also an area for technological improvement. World Courier Corp, a global specialty logistics business, developed an insulated container that is 30% better than comparable products. In addition, advanced data analytics help to further optimize logistics planning in determining where the containers should be deployed. Data analytics employed by grocers such as Kroger help reduce food waste, where unsold products are often donated to local food banks.

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Sector:
Information Technology

Ample Sustainability Opportunities From Technology Investments

An IBM survey of 5,000 CIOs noted that 42% of respondents expected technology to have the greatest impact on sustainability initiatives within their firms. A recent IBV research study corroborated these results, with 70% of executives expecting that sustainability development goals will translate to operational effectiveness and yield a net benefit to the business.

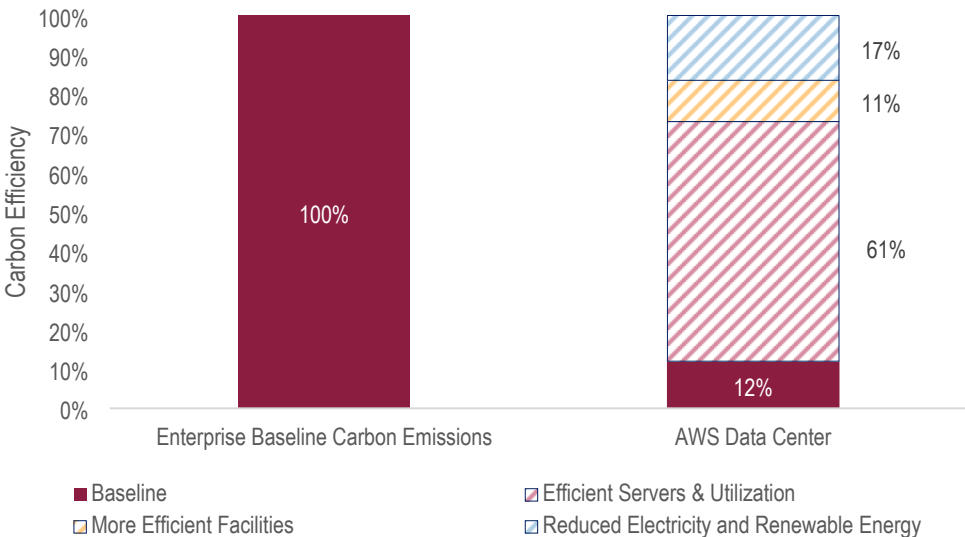
Exhibit 1: IBM CIO Survey – Where Will Tech Have The Greatest Impact? – 2021



Source: IBM and CIBC World Markets Inc.

Large-scale cloud providers not only provide energy efficiency benefits for their datacenter clients, they are also committed to becoming carbon neutral or carbon negative using renewable energy resources. A 451 Research study commissioned by AWS in 2019 found that strategies including improved resource allocation, lower power consumption and increased renewable energy sources resulted in an 88% reduction in carbon efficiency for cloud operations compared to traditional on-premise enterprise datacenters.

Exhibit 2: Information Technology - Hyperscaler Impact On Carbon Footprint - 2019



Source: 451 Research and CIBC World Markets Inc.

News Impacting Our Coverage

Docebo Announces At-the-market Equity Offering Program For Intercap

Docebo announced a new at-the-market equity offering program allowing selling shareholder Intercap Equity Inc. to sell up to US\$200 million of shares at the seller's discretion. Docebo will not receive any proceeds from the ATM program. No sale will be made through Canadian stock exchanges. The program is not expected to begin at least until March 2022 financial results are released.

Research Highlight: Software Valuation Monthly – December

After a challenging November that saw share prices and valuations fall in response to macro factors, December was a less volatile month. However, both our coverage and overall software markets underperformed the S&P 500 and the TSX once again, as investors appear to be more interested in value over growth. The preference for value over growth extended to software, with a basket of mature software stocks outperforming the SaaS names by 440 bps. With markets expecting central banks to raise rates multiple times in 2022, the preference for stable tech investments may be a narrative that defines technology markets in 2022. We also saw a similar dynamic continue to play out in the SaaS market, as unprofitable SaaS names saw a -6% return in the month, while EBITDA-positive SaaS names were only down 1% in the month. Within the current environment, we see Kinaxis as attractive (now trading below its two-year average EV/Sales), and see Constellation as a more defensive option (~70% recurring maintenance revenue) and upside from larger M&A transactions. [Link to note](#)

Research Highlight: Dye & Durham Announces Proposal To Acquire Link Group

With the proposed acquisition of Link Group for \$3.2 billion, DND has announced \$3.7 billion in acquisitions in the past month and committed to ~\$125 million in synergy realization versus its current adjusted LTM EBITDA of \$166 million. If successful, we see significant upside for DND. However, the aggressive deal-making carries notable integration risks and results in increased leverage (we estimate ~5x post Link). Link Group administers financial ownership data across several divisions, the largest of which are retirement and superannuation solutions and corporate markets. The company also has two divisions, Fund Solutions and Banking & Credit Management, which DND considers noncore and will look to divest. Link owns a 43% interest in e-conveyancer PEXA. Link operates primarily in Australia, the U.K. and Ireland. [Link to note](#)

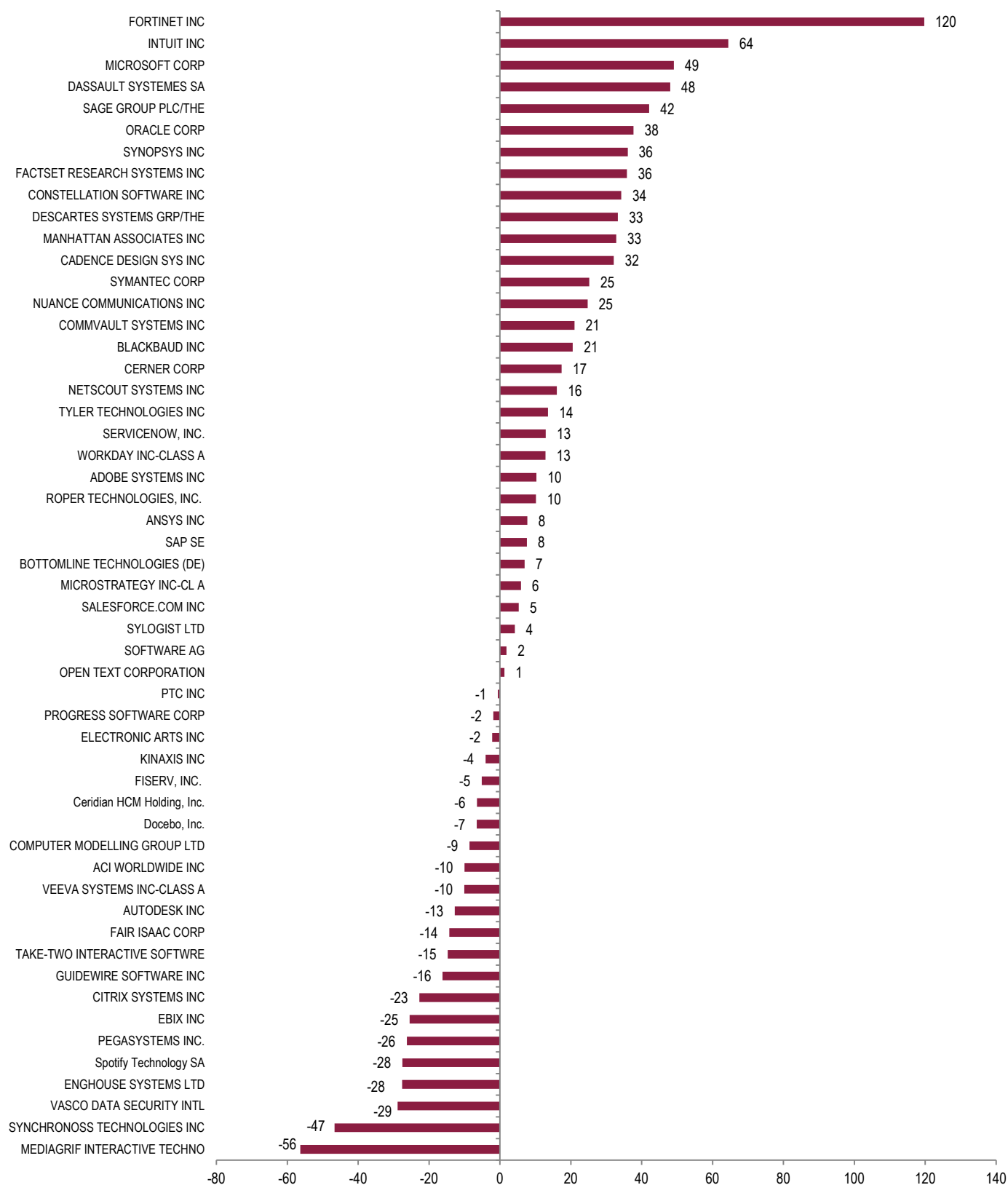
Exhibit 3: CIBC Software/Services – Coverage Performance, 1/6/2021 - 1/6/2022

Software & Systems	Price	1 Week	1 Month	3 Month	6 Month	1 Year	YTD	52W High	52W Low
Constellation Software Inc	2,198.74	(7.2)	0.5	6.1	16.0	34.3	(6.3)	2385.80	1530.35
Descartes Systems	75.75	(8.1)	(1.8)	(3.5)	7.4	32.4	(8.4)	91.39	56.55
Dye & Durham	42.17	(7.4)	(0.2)	3.1	(9.6)	NA	(6.0)	53.13	35.51
Enghouse Systems Limited	45.39	(7.2)	(15.7)	(17.2)	(20.2)	(27.6)	(6.3)	66.66	43.31
Open Text Corp	45.47	(4.5)	(4.3)	(6.1)	(11.2)	1.3	(4.2)	55.25	43.68
Kinaxis	165.18	(7.5)	(10.9)	(7.5)	(1.5)	(4.0)	(6.9)	229.98	124.05
Docebo, Inc.	70.47	(17.7)	(14.6)	(22.0)	(11.6)	(6.5)	(17.0)	117.55	47.22
Q4 Inc.	8.66	7.0	(5.9)	NA	NA	NA	NA	12.05	7.90
Average		(6.6)	(6.6)	(6.7)	(4.4)	5.0	(7.9)		

Business Services	Price	1 Week	1 Month	3 Month	6 Month	1 Year	YTD	52W High	52W Low
Altus Group Ltd	69.46	(1.7)	8.5	9.9	17.3	43.7	(2.1)	72.33	47.57
CGI Group Inc	109.43	(2.8)	(0.6)	1.4	(3.3)	9.7	(2.2)	116.88	93.88
Converge Technologies	10.45	(4.6)	(5.8)	11.6	(3.6)	104.9	(3.9)	13.09	4.58
Information Services Corp	26.03	2.9	0.1	(5.3)	(14.1)	17.4	(0.8)	33.87	20.26
LifeWorks Inc	25.44	(0.4)	0.8	(19.3)	(25.1)	(18.4)	(0.4)	37.56	24.20
Softchoice Corporation	21.16	(1.5)	(6.6)	(27.4)	NA	NA	NA	45.74	19.71
Telus International	40.11	(5.1)	(5.5)	(8.7)	1.1	NA	NA	49.43	34.00
Average		(1.9)	(1.3)	(5.4)	(4.6)	31.5	(1.9)		

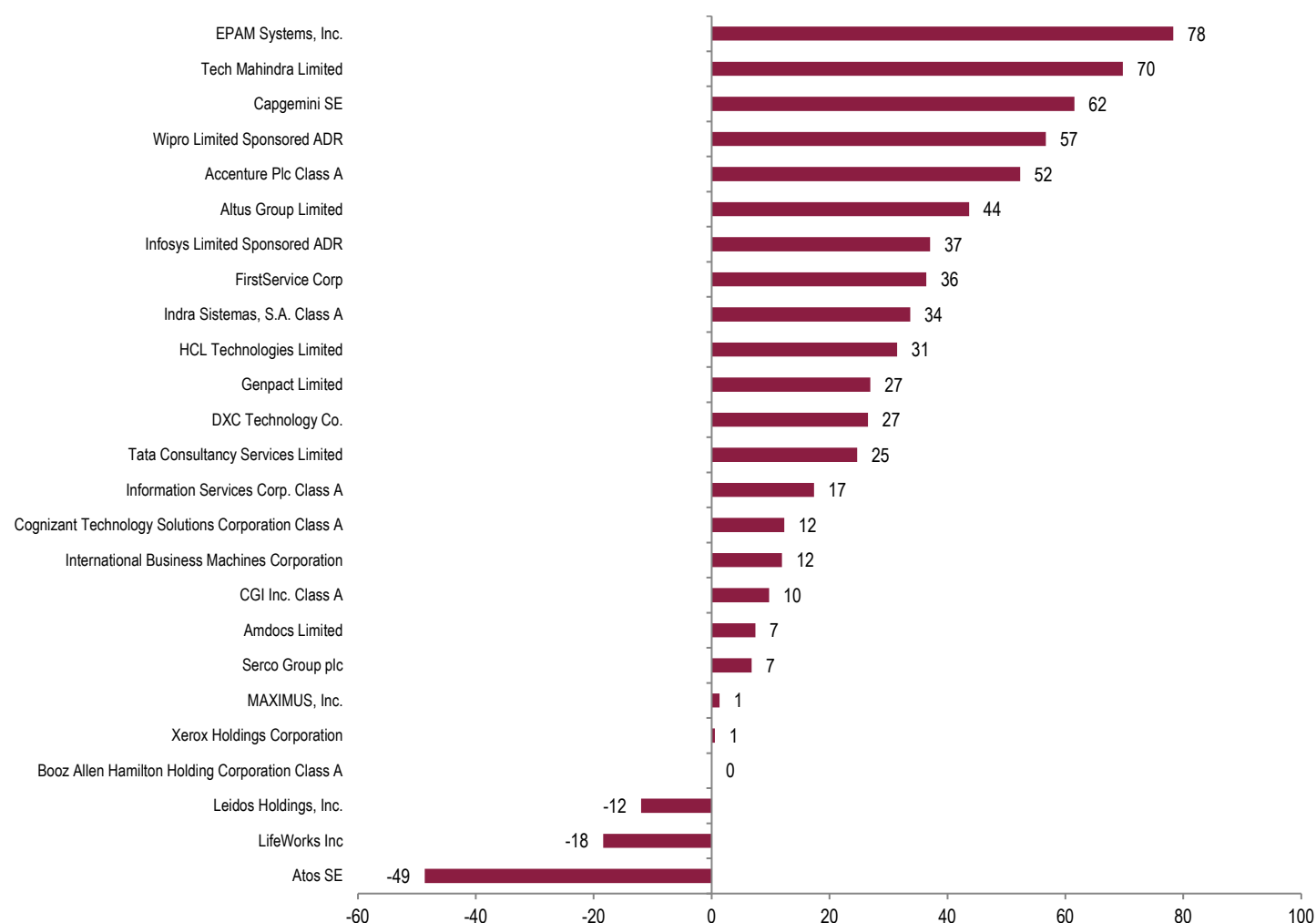
Indices	Price	1 Week	1 Month	3 Month	6 Month	1 Year	YTD
S&P/TSX Composite Index	21,039.66	(1.2)	0.9	4.2	3.6	18.0	(0.9)
S&P 500 Index	4,700.58	(1.6)	2.4	7.7	8.2	25.4	(1.4)
S&P/TSX Software Index	197.64	(8.3)	(7.8)	(9.3)	(9.6)	11.0	(6.9)
S&P500 Software Index	5,459.58	(7.3)	(4.8)	2.7	7.8	36.0	(6.6)

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

Exhibit 4: Software Stocks – Return Performance (%), 1/6/2021 - 1/6/2022

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

Exhibit 5: Business Services Stocks – Return Performance (%), 1/6/2021 - 1/6/2022



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

Exhibit 6: Software Stocks – Comp Table, 2020 - 2022E

	Enterprise Value	EV/S			EV/EBITDA			P/E		
		C20	C21E	C22E	C20	C21E	C22E	C20	C21E	C22E
Enterprise Application Software										
Constellation Software Inc.*	36,648	9.2x	7.2x	6.1x	29.8x	24.6x	20.9x	43.9x	>50	31.3x
BlackBerry Limited*	5,172	5.4x	5.3x	5.0x	25.9x	>50	NEG	36.8x	>50	NEG
Sage Group plc	8,673	4.6x	4.7x	4.4x	18.6x	20.4x	19.1x	31.5x	34.9x	31.0x
Tyler Technologies, Inc.	19,531	17.5x	12.3x	10.5x	>50	45.1x	38.7x	>50	>50	>50
Roper Technologies, Inc.	58,754	10.6x	10.0x	9.6x	29.5x	26.4x	25.0x	36.6x	33.0x	30.6x
Enghouse Systems Limited	2,348	4.6x	5.1x	4.7x	12.5x	14.2x	13.7x	22.7x	27.1x	27.2x
Oracle Corporation	270,487	6.8x	6.5x	6.2x	13.7x	13.3x	12.8x	19.9x	18.1x	16.9x
SAP SE	156,725	5.7x	5.7x	5.4x	16.7x	17.8x	17.0x	22.3x	18.9x	22.5x
Enterprise Application Software Average		8.1x	7.1x	6.5x	21.0x	23.1x	21.0x	30.5x	26.4x	26.6x
Extended ERP										
Adobe Inc.	243,641	18.6x	15.3x	13.4x	38.0x	30.7x	27.6x	49.9x	40.9x	36.7x
Open Text Corporation	14,667	4.4x	4.3x	4.1x	11.5x	11.5x	10.9x	14.0x	14.5x	13.2x
Manhattan Associates, Inc.	8,783	15.0x	13.4x	12.4x	>50	49.6x	>50	>50	>50	>50
Pegasystems Inc.	8,074	7.9x	6.5x	5.4x	>50	>50	>50	NEG	>50	>50
Software AG	2,271	2.7x	2.7x	2.6x	11.8x	13.2x	11.2x	19.9x	24.1x	19.8x
Fiserv, Inc.	91,917	6.6x	6.0x	5.6x	16.9x	14.3x	13.0x	24.5x	19.4x	16.8x
Extended ERP Average		9.2x	8.0x	7.3x	19.5x	23.9x	15.7x	27.1x	24.7x	21.6x
Software As A Service										
Descartes Systems Group Inc.	6,292	18.0x	14.8x	13.3x	44.4x	34.0x	31.0x	>50	>50	>50
Kinaxis, Inc.*	3,358	15.0x	13.5x	10.8x	>50	>50	>50	>50	>50	>50
Docebo, Inc.*	1,603	25.5x	15.3x	10.6x	NEG	NEG	NEG	NEG	NEG	NEG
Lightspeed Commerce Inc*	4,741	24.1x	10.4x	7.1x	NEG	NEG	NEG	NEG	NEG	NEG
Veeva Systems Inc Class A	35,544	24.8x	19.6x	16.6x	>50	46.8x	42.2x	>50	>50	>50
Shopify, Inc. Class A	143,991	49.2x	31.4x	23.6x	>50	>50	>50	>50	>50	>50
Q4 Inc*	221	5.5x	4.0x	3.1x	NEG	NEG	NEG	NEG	NEG	NEG
Ceridian HCM Holding, Inc.	14,590	17.3x	14.3x	12.2x	>50	>50	>50	>50	>50	>50
ServiceNow, Inc.	113,020	25.0x	19.2x	15.3x	>50	>50	48.2x	>50	>50	>50
Workday, Inc. Class A	60,764	14.3x	12.0x	10.1x	>50	41.7x	41.5x	>50	>50	>50
Software As A Service Average		21.9x	15.5x	12.3x	44.4x	40.8x	40.7x	>50	>50	>50
Infrastructure Vendors										
Citrix Systems, Inc.	13,225	4.1x	4.1x	4.0x	11.6x	12.3x	12.7x	15.9x	19.7x	18.4x
Microsoft Corporation	2,327,319	14.9x	12.8x	11.1x	31.3x	25.8x	22.2x	46.0x	36.9x	32.0x
Infrastructure Vendors Average		9.5x	8.5x	7.5x	21.4x	19.0x	17.4x	31.0x	28.3x	25.2x
Software Average										
		13.7x	10.6x	9.0x	22.3x	26.0x	24.0x	29.5x	26.1x	24.7x

*Share Price Converted to USD

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

Exhibit 7: Business Services Stocks – Comp Table, 2020 - 2022E

	Enterprise Value	EV/EBITDA			P/E			EV/S		
		C20	C21E	C22E	C20	C21E	C22E	C20	C21E	C22E
Business & IT Services										
CGI Inc. Class A	28,351	11.6x	11.5x	11.2x	21.9x	19.8x	18.3x	2.3x	2.3x	2.2x
TELUS International (CDA), Inc.	9,314	23.6x	17.2x	14.7x	44.3x	32.0x	26.0x	5.6x	4.2x	3.7x
Accenture Plc Class A	256,811	29.6x	25.5x	22.3x	>50	42.4x	36.4x	5.5x	4.8x	4.2x
Booz Allen Hamilton	13,562	16.5x	14.9x	14.0x	23.8x	21.3x	19.4x	1.7x	1.6x	1.5x
CACI International Inc Class A	8,503	13.7x	12.5x	12.0x	17.8x	15.0x	14.3x	1.4x	1.4x	1.3x
DXC Technology Co.	12,442	4.6x	4.6x	4.4x	10.4x	9.9x	8.1x	0.7x	0.7x	0.8x
Genpact Limited	11,133	16.4x	15.0x	13.7x	24.7x	21.5x	19.5x	3.0x	2.8x	2.5x
International Business Machines	176,150	11.6x	9.7x	9.3x	16.7x	13.8x	12.6x	2.4x	2.4x	2.5x
Atos SE	6,083	4.2x	5.3x	4.7x	5.8x	10.2x	8.0x	0.5x	0.5x	0.5x
Capgemini SE	40,678	16.4x	13.7x	12.5x	27.9x	24.2x	20.9x	2.6x	2.2x	2.1x
Sopra Steria Group SA	4,454	9.7x	8.6x	7.7x	20.3x	14.7x	12.4x	1.0x	1.0x	0.9x
Business & IT Services Average		14.3x	12.6x	11.5x	21.4x	20.4x	17.8x	2.4x	2.2x	2.0x
HR Outsourcing		EV/EBITDA			P/E			EV/S		
LifeWorks Inc	2,307	11.5x	11.3x	10.5x	31.9x	NEG	30.2x	2.4x	2.2x	2.1x
Ceridian HCM Holding, Inc.	14,590	>50	>50	>50	>50	>50	>50	17.3x	14.3x	12.2x
Willis Towers Watson	34,122	13.8x	13.3x	14.0x	20.3x	18.5x	17.2x	3.6x	3.6x	3.6x
Aon Plc Class A	72,188	22.0x	18.7x	17.5x	29.9x	25.2x	22.4x	6.5x	5.9x	5.5x
Automatic Data Processing, Inc.	103,282	28.2x	26.0x	23.8x	40.7x	38.0x	34.1x	7.0x	6.6x	6.2x
Paychex, Inc.	47,351	28.1x	25.6x	23.3x	43.5x	38.9x	34.9x	11.7x	11.0x	10.2x
HR Outsourcing Average		20.7x	19.0x	17.8x	33.2x	30.1x	27.8x	8.1x	7.3x	6.6x
Information Services		EV/EBITDA			P/E			EV/S		
Broadridge Financial Solutions, Inc.	24,604	23.2x	21.0x	18.6x	33.1x	29.4x	26.3x	5.2x	4.6x	4.3x
Dye & Durham Ltd.	3,066	NEG	19.5x	14.0x	NEG	>50	>50	35.2x	8.1x	5.2x
Deluxe Corporation	2,026	5.6x	5.0x	4.5x	6.4x	6.6x	6.4x	1.1x	1.0x	0.9x
Information Services Corp	507	10.6x	7.7x	7.6x	17.9x	13.8x	13.0x	3.7x	3.1x	3.0x
Information Services Average		13.1x	13.3x	11.2x	19.2x	16.6x	15.2x	11.3x	4.2x	3.4x
Financial Services Technology		EV/EBITDA			P/E			EV/S		
Fidelity National Information Services	89,620	17.0x	14.6x	13.3x	21.3x	17.8x	15.8x	7.1x	6.4x	6.0x
Fiserv, Inc.	91,917	16.9x	14.3x	13.0x	24.5x	19.4x	16.8x	6.6x	6.0x	5.6x
Jack Henry & Associates, Inc.	12,913	23.2x	21.7x	19.9x	43.3x	39.1x	35.0x	7.5x	7.0x	6.5x
ACI Worldwide, Inc.	5,150	14.3x	13.5x	12.7x	>50	30.9x	26.8x	4.0x	3.8x	3.6x
Temenos AG	9,882	24.4x	23.0x	20.3x	35.2x	31.0x	27.6x	11.0x	10.1x	9.1x
Global Payments Inc.	50,742	16.9x	14.0x	12.5x	22.9x	17.9x	15.3x	7.5x	6.6x	6.0x
Bottomline Technologies	2,554	26.2x	24.8x	22.7x	48.3x	49.4x	46.2x	5.6x	5.1x	4.6x
Financial Services Technology Average		19.8x	18.0x	16.3x	32.6x	29.4x	26.2x	7.0x	6.4x	5.9x
Diversified Real Estate Services		EV/EBITDA			P/E			EV/S		
Colliers International Group Inc.	7,275	20.1x	14.0x	12.6x	33.8x	24.5x	22.9x	2.6x	1.9x	1.8x
Altus Group Limited	3,222	32.6x	30.4x	25.5x	41.9x	42.3x	49.7x	5.7x	5.2x	4.5x
CBRE Group, Inc. Class A	37,891	20.4x	13.6x	12.8x	32.6x	20.0x	18.6x	1.6x	1.4x	1.2x
Jones Lang LaSalle Incorporated	15,672	18.2x	11.5x	11.0x	27.7x	15.0x	14.2x	1.8x	1.5x	1.4x
Diversified Real Estate Services Average		22.8x	17.4x	15.5x	34.0x	25.4x	26.3x	2.9x	2.5x	2.2x
Software Focused IT Solutions/VARs		EV/EBITDA			P/E			EV/GP		
Softchoice Corporation*	1,488	22.7x	22.4x	14.9x	33.0x	37.6x	25.9x	6.2x	5.4x	4.7x
Softcat Plc*	3,177	25.5x	18.5x	18.0x	34.3x	24.8x	24.4x	10.7x	8.3x	7.6x
Crayon Group Holding ASA*	13,763	>50	>50	>50	>50	>50	>50	>50	40.3x	30.8x
Bytes Technology Group Plc*	1,264	30.6x	20.9x	19.3x	41.5x	27.6x	26.0x	12.9x	9.0x	8.2x
SoftwareONE Holding Ltd.*	2,540	13.2x	9.6x	8.1x	15.9x	20.5x	16.3x	11.4x	2.7x	2.4x
Bytes Technology Group Plc* Average		23.0x	17.8x	15.1x	31.2x	27.6x	23.1x	10.3x	13.2x	10.7x
Business Services Average		18.3x	15.8x	14.2x	27.9x	24.6x	22.4x	6.2x	5.5x	4.9x

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

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

Exhibit 8: SaaS Stocks – Comp Table, 2020 - 2022E

	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		
								C20	C21E	C22E
Tier 1 SaaS (Rule of 40 > 60)										
Zoom Video Communications	100%	43%	15%	33%	143%	48%	47,924	19.3x	12.1x	10.2x
CrowdStrike Holdings, Inc.	69%	33%	43%	27%	102%	70%	39,987	47.5x	28.9x	20.5x
Shopify, Inc.	71%	11%	33%	15%	82%	48%	143,991	49.2x	31.4x	23.6x
Zscaler, Inc.	58%	27%	43%	22%	86%	66%	36,210	67.9x	44.5x	31.5x
Lightspeed POS, Inc.	142%	-29%	58%	-5%	113%	54%	4,741	24.1x	10.4x	7.1x
DocuSign, Inc.	51%	23%	27%	20%	74%	47%	28,670	20.3x	14.1x	11.2x
Veeva Systems Inc	28%	44%	18%	38%	72%	56%	35,544	24.8x	19.6x	16.6x
Atlassian Corp. Plc	31%	37%	21%	27%	68%	48%	78,141	42.1x	33.3x	26.7x
Twilio, Inc.	65%	-2%	34%	-2%	63%	32%	39,516	22.4x	14.3x	10.8x
ServiceNow, Inc.	31%	29%	26%	31%	60%	57%	113,020	25.0x	19.2x	15.3x
HubSpot, Inc.	45%	18%	32%	12%	63%	45%	23,770	26.9x	18.4x	14.3x
Tier 1 SaaS (Rule of 40 > 60) Average								33.6x	22.4x	17.1x
	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		
								C20	C21E	C22E
Tier 2 SaaS (Rule of 40 b/w 40-60)										
Docebo, Inc.	55%	4%	46%	-3%	58%	44%	1,603	25.5x	15.3x	10.6x
Qualys, Inc.	13%	43%	13%	37%	56%	50%	4,543	12.5x	11.1x	9.8x
Descartes Systems	20%	41%	14%	38%	60%	52%	6,292	19.3x	18.0x	14.8x
Avalara Inc	40%	7%	24%	1%	47%	24%	9,370	18.7x	13.6x	11.1x
Five9, Inc.	41%	0%	25%	4%	41%	29%	9,115	21.0x	15.2x	12.2x
Dropbox, Inc.	13%	34%	10%	32%	47%	42%	9,292	4.9x	4.3x	4.0x
Mimecast Limited	20%	28%	14%	23%	47%	37%	5,231	10.8x	9.2x	7.9x
Wix.com Ltd.	34%	6%	18%	4%	40%	22%	8,353	8.4x	6.6x	5.5x
Workday, Inc.	18%	28%	19%	23%	46%	42%	60,764	14.3x	12.0x	10.1x
VMware, Inc.	9%	33%	7%	27%	43%	35%	52,127	4.5x	4.1x	3.8x
Tier 2 SaaS (Rule of 40 b/w 40-60) Average								14.0x	10.9x	9.0x
	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		
								C20	C21E	C22E
Tier 3 SaaS (Rule of 40 b/w 28-40)										
BlackLine, Inc.	21%	17%	20%	11%	38%	32%	5,548	15.8x	13.1x	10.8x
Zendesk, Inc.	28%	12%	28%	9%	40%	37%	11,914	11.6x	8.9x	7.1x
MongoDB, Inc.	43%	-4%	37%	-2%	39%	35%	28,707	49.8x	34.6x	25.6x
LivePerson, Inc.	30%	-3%	24%	-15%	27%	9%	2,250	6.1x	4.8x	3.8x
Rapid7 Inc.	27%	8%	24%	2%	35%	27%	6,339	15.4x	12.0x	9.7x
Paylocity Holding Corp.	19%	16%	26%	14%	36%	40%	11,377	19.0x	15.6x	12.5x
Q2 Holdings, Inc.	25%	-3%	18%	2%	22%	20%	4,308	10.6x	8.6x	7.4x
Akamai Technologies, Inc.	9%	21%	8%	23%	30%	31%	20,442	6.4x	5.9x	5.4x
Tier 3 SaaS (Rule of 40 b/w 28-40) Average								16.8x	12.9x	10.3x
	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		
								C20	C21E	C22E
Tier 4 SaaS (Rule of 40 <28)										
RingCentral, Inc.	34%	3%	26%	5%	38%	31%	16,868	14.3x	10.7x	8.5x
Teradata Corporation	5%	20%	0%	20%	26%	20%	4,737	2.6x	2.5x	2.4x
Anaplan, Inc.	30%	0%	24%	1%	30%	25%	6,057	13.8x	10.6x	8.5x
Zuora, Inc.	13%	5%	15%	0%	18%	15%	2,004	6.6x	5.8x	5.0x
New Relic, Inc.	12%	-3%	18%	4%	8%	22%	6,072	9.3x	8.1x	7.0x
Kinaxis, Inc.	-1%	10%	25%	13%	9%	38%	3,358	15.0x	13.5x	10.8x
Yext, Inc.	11%	-2%	12%	-1%	9%	11%	1,068	3.1x	2.8x	2.4x
Splunk Inc.	11%	-2%	13%	5%	9%	19%	18,663	8.3x	7.4x	6.3x
Tier 4 SaaS (Rule of 40 <28) Average								9.1x	7.7x	6.4x
SaaS Average								19.4x	14.1x	11.1x

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

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Neutral	NT	Stock is expected to perform in line with similar stocks in the coverage universe during the next 12-18 months.
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