

SEQUITY RESEARCH

April 14, 2022

Industry Update

Capturing Carbon – And ESG Investors - Bits & Bytes Weekly

Environment Coming Into Focus For Tech Investing

Sector:
Information Technology

Our Conclusion

Stripe, Alphabet, and Meta (along with Shopify and McKinsey) jointly announced the launch of Frontier this week, a joint venture which aims to purchase US\$925M worth of carbon removal from companies developing the technology over nine years. We see Frontier as an extension of tech companies' focus on the "E" in ESG, where the sector has historically scored well given their relatively light carbon footprint. We see demand for climate tech investments continuing to increase, with climate-tech start-ups raising US\$53.7 billion in 2021.

Key Points

Frontier is committing nearly \$1 billion to spur the carbon-capture market. Stripe is also providing customers to Frontier through its Stripe Climate program, which allows online sellers to devote a portion of sales to carbon removal. Given the rise of net-zero pledges as part of corporate ESG strategies, we believe demand for carbon capture is poised to increase. As we highlighted in our [ESG In Tech](#) note, two companies within our coverage have pledged carbon emissions targets (either carbon neutral or net zero).

Carbon capture is now increasingly seen as a viable technology to lower GHG emissions for the energy industry. CIBC's energy and ESG team recently published a [report](#) on the topic of carbon capture, utilization and storage (CCUS). To put the market potential in perspective, Bloomberg estimates capital investments associated with CCUS could reach \$1.2 trillion and, according to our energy team, the first phase of CCUS projects could reduce Canadian oil sands emission intensity by 14%. The Canadian government has also announced tax credits on CCUS, ranging between 37.5% for storage to 60% for direct carbon capture. These policies will partially de-risk and incentivize large-scale projects to move forward.

Last year saw record-breaking venture capital funding associated with climate tech. Talent is also flowing into the growing space. For example, Daniel Friedmann, former CEO of aerospace company MDA, is now at the helm at direct air carbon capture provider Carbon Engineering. Facebook's former CTO Mike Schroepfer recently announced his plan to invest in climate tech. As technologies mature and government incentives start to kick in, we expect the climate tech start-ups to continue to grow.

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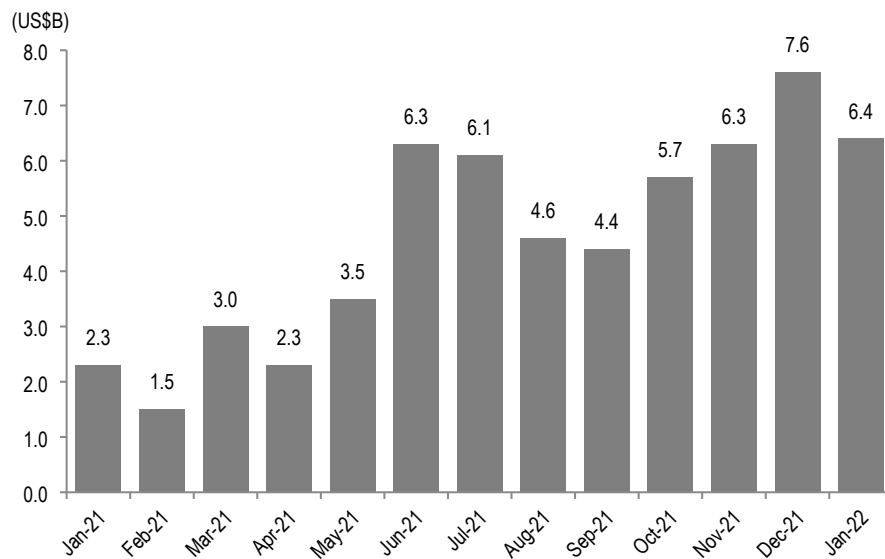
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Interest In Climate Tech On The Rise

In 2021, climate-tech start-ups raised US\$53.7B from venture capital and private equity, according to Bloomberg. Bloomberg defines climate tech as businesses focused on decarbonization across six key sectors: energy, transportation, building and infrastructure, carbon and climate, industry, and agriculture. Of the total, US\$22B was invested in the transportation sector, including technologies such as electric aviation and lithium-ion batteries. Start-ups in the transport segment raised US\$4.5B of capital in December and January, including the US\$939M in capital raised by the Chinese electric vehicle battery maker SVOLT. Swiss carbon sequestration company Climeworks recently raised US\$650M during the latest funding round in April.

As of January 2022, Climate Tech VC has tracked more than 900 climate-tech deals across 1,700 investors in the past 18 months. There was notable acceleration in capital deployment in H2/21. Funding rounds are increasing Y/Y across the board and “graduation rates” between funding stages are said to be healthy as companies prove out their business models and continue to attract additional capital. All signs point to a burgeoning industry that will continue to grow given healthy tailwinds.

Exhibit 1: CIBC Software & Services – Venture Capital & Private Equity Funding For Climate Tech, January 2021 To January 2022



Source: BloombergNEF, PitchBook and CIBC World Markets Inc.

News Impacting Our Coverage

Research Highlight – Dialogue Health: Acquiring Tictrac: Moving Into The Wellness Space

Dialogue's acquisition of corporate wellness provider Tictrac is an on-strategy deal that looks to be a clear fit with Dialogue's goal of using M&A to expand the continuum of care on its integrated health platform (IHP). With the two companies sharing similar go-to-market strategies that rely on insurance partners and a direct sales force, little to no overlap from a product perspective, and an expanded geographic footprint, we see the deal as a good strategic fit. Tictrac's 90% gross margin profile is significantly higher than Dialogue's current consolidated gross margin profile of ~45%, and the deal should help accelerate the path to profitability. ([Link to report](#))

Dye & Durham Announces Departure Of CFO

Dye & Durham recently announced the departure of CFO Avjit Kamboj, who has decided to return to his consulting practice. Kamboj will continue to be involved with the company in a consulting capacity. The company has undertaken a search for his successor.

Enghouse Partners With Switchio

Enghouse recently announced a partnership with Switchio to expand its transit customer payment offering. Switchio is headquartered in Czech Republic and is a software platform that allows public transit operators to manage multiple electronic payments under a single system, giving businesses the ability to partner with the acquirer and hardware provider of their choice.

Magnet Forensics Launches New Product Offering

Magnet announced the launch of Magnet IGNITE, a cloud-based triage solution allowing business to accelerate response to cyber-attacks by triaging multiple remote endpoints at once and subsequently sharing and export findings to other Magnet tools to begin full forensic analysis of endpoints. Since March 2021, 263 users have tested Magnet IGNITE, including professional service providers and other Fortune 500 companies in the telecommunications, healthcare and technology sectors.

Q4 Inc. Launches Video Earnings Product

Q4 Inc. recently launched its newest video earnings product powered through Zoom, that aims to make it easier for management teams and their research analysts to join earnings events, deliver prepared remarks either live, or in a pre-recorded video, and engage with analysts, face-to-face, during video Q&A.

WELL Health Makes Strategic Investment In Tali.ai

WELL entered into an agreement with Tali.ai, allowing WELL to use Tali's voice-based AI technology across WELL's EMR portfolio, which enables doctors to retrieve information from the EMR software using voice commands powered by Natural Language Processing algorithms. In exchange for the use of technology, WELL has made a minority investment through its WELL Ventures subsidiary.

Exhibit 2: CIBC Software/Services – Coverage Performance, 4/14/2021 - 4/14/2022

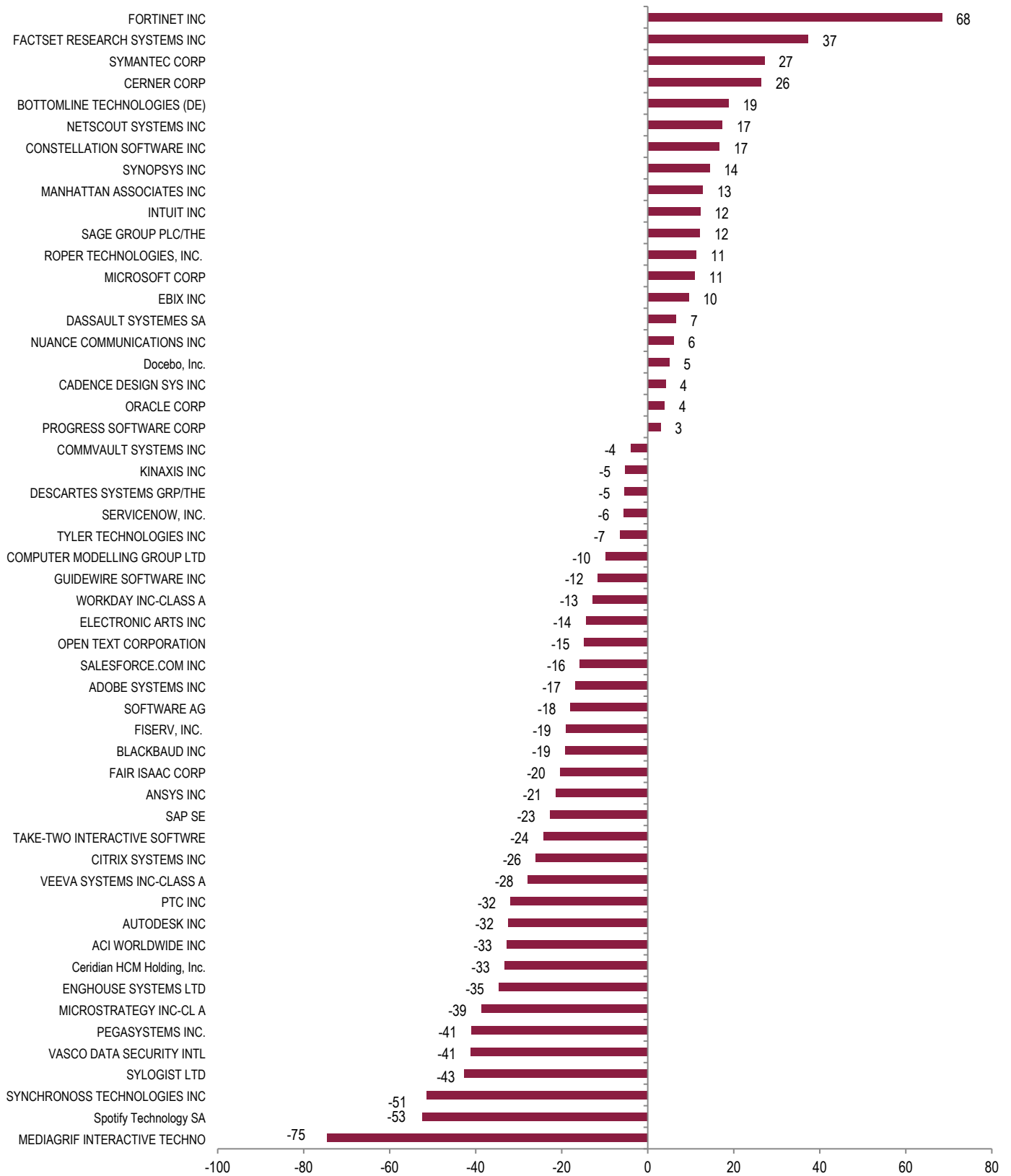
Software & Systems	Price	1 Week	1 Month	3 Month	6 Month	1 Year	YTD	52W High	52W Low
Constellation Software Inc	2,207.49	0.3	8.3	3.8	1.6	16.7	(5.9)	2385.80	1677.44
Descartes Systems	61.83	(9.7)	(13.4)	(12.1)	(26.7)	(6.0)	(25.2)	91.39	56.78
Dye & Durham	21.33	(11.1)	(18.2)	(48.7)	(40.7)	NA	(52.5)	50.49	21.00
Enghouse Systems Limited	38.29	(1.0)	(3.1)	(17.4)	(31.5)	(34.7)	(20.9)	64.42	34.21
Open Text Corp	42.17	1.3	2.8	(11.1)	(16.0)	(14.8)	(11.2)	55.25	40.59
Kinaxis	149.04	(10.5)	(3.4)	(5.1)	(21.8)	(5.3)	(16.0)	229.98	130.88
Docebo, Inc.	61.93	3.2	25.4	(11.7)	(35.6)	5.0	(27.0)	117.55	49.11
Magnet Forensics	26.85	(1.7)	7.7	(3.3)	(32.2)	NA	(18.3)	65.80	20.92
Q4 Inc.	5.02	13.6	(2.5)	NA	NA	NA	NA	12.05	4.40
Average		(1.7)	0.4	(13.2)	(25.4)	(6.5)	(22.1)		

Business Services	Price	1 Week	1 Month	3 Month	6 Month	1 Year	YTD	52W High	52W Low
Altus Group Ltd	50.75	0.9	7.9	(23.1)	(20.8)	(17.4)	(28.5)	72.33	44.88
CGI Group Inc	102.06	(0.6)	(0.5)	(5.2)	(8.5)	(4.8)	(8.8)	116.88	98.77
Converge Technologies	8.96	(9.0)	(2.0)	(5.1)	(8.8)	62.9	(17.6)	13.09	5.16
Information Services Corp	23.18	(4.6)	2.3	(12.2)	(12.3)	(8.1)	(11.7)	33.87	20.67
LifeWorks Inc	19.44	(6.9)	4.0	(25.9)	(39.0)	(38.3)	(23.9)	37.56	18.55
Softchoice Corporation	25.49	0.0	7.5	20.9	NA	NA	NA	45.74	18.63
Telus International	30.07	0.9	5.1	(18.4)	(32.6)	NA	NA	49.43	28.61
Average		(2.7)	3.5	(9.8)	(20.3)	(1.1)	(18.1)		

Indices	Price	1 Week	1 Month	3 Month	6 Month	1 Year	YTD
S&P/TSX Composite Index	21,868.97	0.2	3.2	2.4	5.0	14.1	3.0
S&P 500 Index	4,429.17	(1.6)	6.1	(5.0)	(0.2)	7.4	(7.1)
S&P/TSX Software Index	159.98	(3.8)	5.5	(16.0)	(29.0)	(17.9)	(24.6)
S&P500 Software Index	4,832.16	(5.2)	3.3	(9.8)	(12.4)	3.9	(17.4)

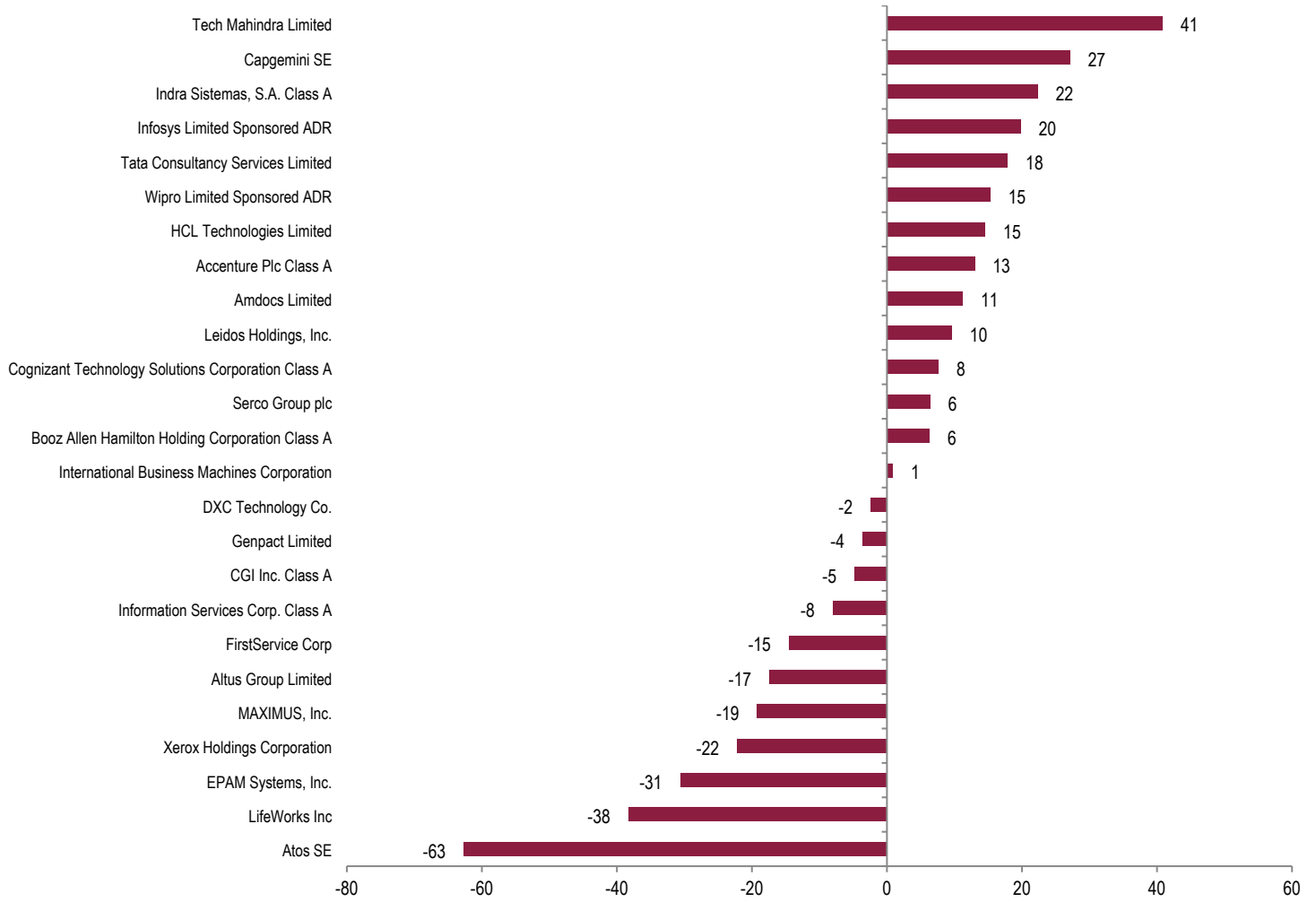
Source: Company reports, FactSet and CIBC World Markets Inc.

Exhibit 3: Software Stocks – Return Performance (%), 4/14/2021 - 4/14/2022



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

Exhibit 4: Business Services Stocks – Return Performance (%), 4/14/2021 - 4/14/2022



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

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

	Enterprise Value (\$mlns.)	EV/S			EV/EBITDA			P/E		
		C21	C22E	C23E	C21	C22E	C23E	C21	C22E	C23E
Enterprise Application Software										
Constellation Software Inc.*	37,626	7.4x	7.4x	6.3x	24.9x	24.9x	21.5x	>50	>50	31.8x
BlackBerry Limited*	3,796	4.3x	5.5x	4.1x	>50	NEG	NEG	NEG	NEG	NEG
Sage Group plc	7,591	4.1x	3.9x	3.6x	18.3x	16.4x	14.9x	27.5x	27.0x	24.0x
Tyler Technologies, Inc.	18,191	11.4x	9.8x	9.0x	>50	37.7x	34.1x	>50	>50	>50
Roper Technologies, Inc.	57,074	9.9x	9.3x	8.7x	25.8x	24.0x	22.4x	45.3x	30.2x	28.0x
Enghouse Systems Limited	1,954	4.3x	4.3x	4.1x	12.0x	12.0x	11.7x	22.9x	22.9x	23.3x
Oracle Corporation	253,481	6.3x	5.8x	5.5x	13.6x	11.4x	10.8x	17.6x	15.9x	14.5x
SAP SE	122,743	4.4x	3.7x	3.9x	17.1x	13.8x	12.4x	21.8x	18.3x	16.6x
Enterprise Application Software Average		6.5x	6.2x	5.7x	18.6x	20.0x	18.3x	27.0x	22.9x	23.0x
Extended ERP										
Adobe Incorporated	199,442	12.6x	11.0x	9.6x	29.9x	22.6x	19.7x	42.3x	30.6x	26.1x
Open Text Corporation	13,700	4.0x	4.0x	3.7x	10.7x	10.7x	10.3x	13.3x	13.3x	12.8x
Manhattan Associates, Inc.	8,425	12.7x	11.9x	10.6x	>50	48.4x	41.5x	>50	>50	>50
Pegasystems Inc.	6,475	5.3x	4.4x	3.7x	NEG	>50	32.8x	NEG	>50	>50
Software AG	1,937	2.3x	2.1x	1.9x	12.5x	9.6x	8.0x	26.7x	18.6x	15.1x
Fiserv, Inc.	86,463	5.3x	5.2x	4.9x	15.6x	12.2x	11.2x	>50	15.6x	13.6x
Extended ERP Average		7.1x	6.4x	5.7x	17.2x	20.7x	20.6x	27.4x	19.5x	16.9x
Software As A Service										
Descartes Systems Group Inc.	5,038	11.9x	11.9x	10.6x	27.2x	27.2x	24.7x	>50	>50	>50
Kinaxis, Inc.*	3,077	12.3x	12.3x	9.4x	>50	>50	>50	>50	>50	>50
Docebo, Inc.*	1,400	13.4x	13.4x	9.6x	NEG	NEG	NEG	NEG	NEG	NEG
Lightspeed Commerce Inc*	2,973	6.4x	4.3x	3.2x	NEG	NEG	NEG	NEG	NEG	NEG
Veeva Systems Inc Class A	27,548	18.8x	12.9x	11.0x	>50	32.6x	27.9x	>50	48.5x	41.9x
Shopify, Inc. Class A	67,370	14.6x	11.1x	8.4x	>50	>50	>50	25.7x	>50	>50
Q4 Inc*	65	1.2x	1.2x	0.9x	NEG	NEG	NEG	NA	NEG	NEG
Magnet Forensics, Inc.*	737	7.9x	7.9x	6.1x	>50	>50	38.0x	>50	>50	>50
Ceridian HCM Holding, Inc.	10,108	9.9x	8.4x	7.1x	>50	>50	42.0x	NEG	>50	>50
ServiceNow, Inc.	101,823	17.3x	13.8x	11.0x	>50	42.8x	33.9x	>50	>50	>50
Workday, Inc. Class A	55,330	12.9x	9.1x	7.5x	>50	36.2x	29.0x	NEG	>50	>50
Software As A Service Average		11.5x	9.7x	7.7x	27.2x	34.7x	32.6x	25.7x	48.5x	41.9x
Infrastructure Vendors										
Citrix Systems, Inc.	15,850	4.9x	4.8x	4.5x	22.5x	15.0x	14.2x	41.8x	19.1x	17.1x
Microsoft Corporation	2,077,681	12.4x	9.8x	8.6x	25.7x	19.4x	16.9x	35.2x	28.1x	24.2x
Infrastructure Vendors Average		8.6x	7.3x	6.6x	24.1x	17.2x	15.5x	38.5x	23.6x	20.6x
Software Average		8.8x	7.7x	6.6x	19.7x	23.2x	22.7x	29.1x	24.0x	22.2x

*Share Price Converted to USD

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

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

	Enterprise Value (\$mlns.)	EV/EBITDA			P/E			EV/S		
		C21	C22E	C23E	C21	C22E	C23E	C21	C22E	C23E
Business & IT Services										
CGI Inc. Class A	26,731	10.8x	10.8x	10.5x	18.2x	18.2x	16.6x	2.2x	2.2x	2.1x
TELUS International (CDA), Inc.	7,304	NA	13.5x	11.7x	NA	23.6x	19.8x	3.3x	3.3x	2.8x
Accenture Plc Class A	198,941	20.7x	16.7x	15.3x	35.1x	28.6x	25.6x	3.9x	3.1x	2.8x
Booz Allen Hamilton	13,416	15.0x	14.0x	13.2x	20.2x	19.6x	17.7x	1.7x	1.5x	1.4x
CACI International Inc Class A	9,055	12.2x	13.0x	12.4x	16.3x	15.6x	14.4x	1.5x	1.4x	1.3x
DXC Technology Co.	11,703	5.8x	4.3x	4.1x	NEG	7.6x	6.3x	0.7x	0.7x	0.7x
Genpact Limited	9,026	14.0x	11.1x	9.8x	22.4x	16.2x	14.3x	2.2x	2.1x	1.9x
International Business Machines	162,551	12.1x	9.8x	9.3x	20.1x	13.0x	12.0x	2.8x	2.7x	2.6x
Atos SE	4,249	4.0x	4.0x	3.5x	NEG	9.9x	6.8x	0.4x	0.4x	0.4x
Capgemini SE	38,452	13.3x	11.8x	10.8x	28.9x	19.6x	17.4x	2.1x	1.9x	1.8x
Sopra Steria Group SA	4,739	9.0x	7.8x	7.2x	18.5x	12.7x	11.2x	1.0x	0.9x	0.9x
Business & IT Services Average		11.7x	10.6x	9.8x	22.5x	16.8x	14.8x	2.0x	1.8x	1.7x
HR Outsourcing										
LifeWorks Inc	1,898	9.7x	9.7x	9.5x	NEG	NEG	29.5x	1.9x	1.9x	1.8x
Ceridian HCM Holding, Inc.	10,108	>50	>50	42.0x	NEG	>50	>50	9.9x	8.4x	7.1x
Willis Towers Watson	27,431	12.3x	11.2x	10.3x	7.2x	17.5x	15.0x	3.0x	3.0x	2.8x
Aon Plc Class A	80,349	21.0x	19.8x	18.5x	>50	25.0x	22.5x	6.6x	6.2x	5.9x
Automatic Data Processing, Inc.	98,555	25.7x	22.5x	20.4x	38.3x	32.3x	28.9x	6.6x	5.8x	5.4x
Paychex, Inc.	49,548	30.0x	23.4x	21.8x	45.4x	35.1x	32.6x	12.2x	10.4x	9.8x
HR Outsourcing Average		19.7x	17.3x	20.4x	30.3x	27.4x	25.7x	6.7x	5.9x	5.5x
Information Services										
Broadridge Financial Solutions, Inc.	22,115	19.0x	16.7x	15.7x	33.5x	23.3x	21.6x	4.3x	3.8x	3.7x
Dye & Durham Ltd.	1,645	10.4x	10.4x	7.7x	>50	>50	34.1x	4.4x	4.4x	2.9x
Deluxe Corporation	2,727	7.4x	6.2x	5.9x	20.4x	6.0x	5.6x	1.3x	1.2x	1.2x
Information Services Corp	416	6.1x	6.1x	7.4x	11.3x	11.3x	14.2x	2.5x	2.5x	2.4x
Information Services Average		10.7x	9.8x	9.2x	21.7x	13.5x	18.9x	3.1x	3.0x	2.5x
Financial Services Technology										
Fidelity National Information Services	81,569	13.3x	12.2x	11.2x	>50	14.1x	12.5x	5.9x	5.5x	5.1x
Fiserv, Inc.	86,463	15.6x	12.2x	11.2x	>50	15.6x	13.6x	5.3x	5.2x	4.9x
Jack Henry & Associates, Inc.	14,695	21.1x	22.9x	20.9x	48.6x	39.9x	36.7x	8.4x	7.3x	6.9x
ACI Worldwide, Inc.	4,129	11.2x	10.1x	9.4x	25.2x	20.8x	18.0x	3.0x	2.9x	2.8x
Temenos AG	7,495	13.7x	15.7x	13.8x	37.3x	22.0x	19.1x	7.8x	7.1x	6.4x
Global Payments Inc.	50,240	13.8x	12.5x	11.3x	42.9x	14.8x	12.7x	5.9x	5.9x	5.4x
Financial Services Technology Average		14.8x	14.3x	13.0x	38.5x	21.2x	18.7x	6.0x	5.7x	5.2x
Diversified Real Estate Services										
Colliers International Group Inc.	6,328	11.6x	10.3x	9.3x	-13.7x	17.7x	16.2x	1.5x	1.4x	1.3x
Altus Group Limited	2,406	23.2x	22.7x	19.1x	34.4x	34.4x	36.3x	3.9x	3.9x	3.4x
CBRE Group, Inc. Class A	30,584	14.3x	9.3x	8.6x	16.0x	14.2x	12.7x	1.1x	0.9x	0.9x
Jones Lang LaSalle Incorporated	13,202	9.0x	8.8x	8.3x	12.3x	11.5x	10.6x	0.7x	1.1x	1.0x
Diversified Real Estate Services Average		14.5x	12.8x	11.3x	12.3x	19.5x	19.0x	1.8x	1.8x	1.7x
Software Focused IT Solutions/VARs										
Softchoice Corporation*	1,603	23.2x	23.2x	16.0x	39.4x	39.4x	34.5x	5.6x	5.6x	5.0x
Softcat Plc*	2,889	17.2x	16.0x	15.0x	22.3x	21.8x	21.2x	7.7x	6.9x	6.3x
Crayon Group Holding ASA*	13,200	>50	>50	>50	>50	>50	>50	>50	28.2x	23.7x
Bytes Technology Group Plc*	1,159	23.8x	18.3x	17.1x	25.5x	23.9x	22.8x	NA	NA	NA
SoftwareONE Holding Ltd.*	1,615	9.8x	6.2x	5.4x	17.4x	15.0x	12.6x	7.7x	1.6x	1.4x
Bytes Technology Group Plc* Average		18.5x	15.9x	13.4x	26.2x	25.0x	22.8x	7.0x	10.6x	9.1x
Business Services Average		14.5x	13.0x	12.7x	24.8x	20.0x	19.0x	4.1x	4.3x	3.9x

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

Source: Company reports, 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		
								C21	C22E	C23E
Tier 1 SaaS (Rule of 40 > 60)										
Zoom Video Communications	55%	36%	11%	32%	91%	43%	29,043	11.0x	6.4x	6.4x
CrowdStrike Holdings, Inc.	66%	31%	48%	29%	97%	78%	54,130	61.9x	25.9x	25.9x
Shopify, Inc.	57%	10%	31%	5%	67%	36%	69,578	15.1x	11.5x	11.5x
Zscaler, Inc.	60%	26%	43%	23%	86%	65%	33,496	49.8x	27.8x	27.8x
Lightspeed POS, Inc.	159%	-22%	40%	-12%	137%	28%	3,056	13.8x	4.4x	4.4x
DocuSign, Inc.	45%	23%	17%	19%	68%	37%	20,873	14.4x	8.5x	8.5x
Veeva Systems Inc	26%	38%	17%	36%	64%	53%	28,118	19.2x	13.1x	13.1x
Atlassian Corp. Plc	35%	35%	21%	25%	70%	46%	70,433	33.7x	23.1x	23.1x
Twilio, Inc.	61%	-3%	36%	-2%	58%	34%	22,423	7.9x	5.8x	5.8x
ServiceNow, Inc.	30%	31%	26%	31%	61%	57%	104,120	17.7x	14.1x	14.1x
HubSpot, Inc.	47%	18%	33%	14%	66%	46%	21,647	16.6x	12.5x	12.5x
Tier 1 SaaS (Rule of 40 > 60) Average								23.7x	13.9x	13.9x
	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		
								C21E	C22E	C22E
Tier 2 SaaS (Rule of 40 b/w 40-60)										
Docebo, Inc.	55%	-4%	42%	-4%	51%	38%	1,428	13.7x	13.7x	9.8x
Qualys, Inc.	14%	43%	17%	34%	56%	51%	5,484	13.3x	11.3x	11.3x
Descartes Systems	22%	40%	12%	37%	62%	50%	5,233	12.3x	12.3x	11.1x
Avalara Inc	40%	6%	23%	0%	45%	23%	7,769	11.1x	9.1x	9.1x
Five9, Inc.	40%	-2%	24%	5%	38%	29%	8,425	13.8x	11.1x	11.1x
Dropbox, Inc.	13%	34%	8%	33%	47%	41%	9,365	4.3x	4.0x	4.0x
Mimecast Limited	19%	28%	15%	23%	48%	38%	5,287	10.5x	7.9x	7.9x
Wix.com Ltd.	28%	5%	15%	2%	33%	16%	5,219	4.1x	3.6x	3.6x
Workday, Inc.	20%	27%	20%	19%	47%	40%	55,846	13.0x	9.1x	9.1x
VMware, Inc.	9%	31%	7%	28%	40%	35%	58,221	4.9x	4.3x	4.3x
Tier 2 SaaS (Rule of 40 b/w 40-60) Average								10.1x	8.6x	8.1x
	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		
								C21E	C22E	C22E
Tier 3 SaaS (Rule of 40 b/w 28-40)										
BlackLine, Inc.	21%	18%	23%	2%	39%	25%	4,161	9.8x	8.0x	8.0x
Zendesk, Inc.	30%	12%	26%	10%	42%	37%	15,606	11.6x	9.2x	9.2x
MongoDB, Inc.	48%	1%	35%	0%	49%	35%	28,819	48.8x	24.9x	24.9x
LivePerson, Inc.	28%	-8%	18%	-12%	20%	6%	1,963	4.2x	3.5x	3.5x
Rapid7 Inc.	30%	8%	28%	7%	39%	35%	7,454	13.9x	10.9x	10.9x
Paylocity Holding Corp.	25%	16%	25%	15%	41%	40%	11,188	17.6x	12.1x	12.1x
Q2 Holdings, Inc.	24%	2%	16%	2%	26%	18%	3,517	7.1x	6.1x	6.1x
Akamai Technologies, Inc.	8%	25%	8%	24%	33%	33%	20,959	6.1x	5.6x	5.6x
Tier 3 SaaS (Rule of 40 b/w 28-40) Average								14.9x	10.0x	10.0x
	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		
								C21E	C22E	C22E
Tier 4 SaaS (Rule of 40 <28)										
RingCentral, Inc.	35%	6%	26%	7%	41%	33%	11,593	7.3x	5.8x	5.8x
Teradata Corporation	4%	23%	1%	21%	27%	22%	4,931	2.6x	2.5x	2.5x
Anaplan, Inc.	32%	-5%	26%	0%	27%	26%	9,559	21.3x	13.0x	13.0x
Zuora, Inc.	14%	7%	16%	0%	20%	16%	1,703	5.6x	4.3x	4.3x
New Relic, Inc.	15%	-4%	17%	4%	11%	22%	4,585	6.9x	5.2x	5.2x
Kinaxis, Inc.	4%	7%	36%	9%	11%	45%	3,112	12.4x	12.4x	9.5x
Yext, Inc.	10%	4%	4%	-1%	14%	3%	706	2.0x	1.7x	1.7x
Splunk Inc.	20%	4%	23%	12%	24%	35%	24,467	11.0x	7.6x	7.6x
Tier 4 SaaS (Rule of 40 <28) Average								8.6x	6.6x	6.2x
SaaS Average								14.9x	10.1x	9.9x

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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