

TECH TRACKER

An Insight Into Trends And Deals In The Tech Space

Edition 1
Generative AI

FOREWORD

Generative AI (GenAI) is one of the most significant subjects of discussion in the technology realm today, attracting interest from the public and the business world alike. It has the potential to bring transformative value to entire ecosystems and rewrite the future of work and productivity.

In the first edition of the Tech Tracker, we spotlight GenAI and the key factors driving its estimated 34% CAGR growth over the next years as well as key players in the current GenAI landscape. It also touches upon some of the applications of GenAI across select industries and some recent developments in IT services owing to GenAI.

The publication also covers some of the most funded AI companies highlighting how GenAI is garnering monetary attention from venture capital firms, technology behemoths as well as technology veterans like Bill Gates and Eric Schmidt. This is further underscored by a section on the IT sectors' M&A and PE transactions announced in the recent past, followed by market data that offers insights into the current valuations across sub-sectors of the technology industry.

This edition of the newsletter aims to capture the insights and trajectory of the investment landscape against the backdrop of the fast-evolving GenAI technology.

We hope you find this publication a useful and insightful read.

We would love to hear your feedback at marketing@bdo.in



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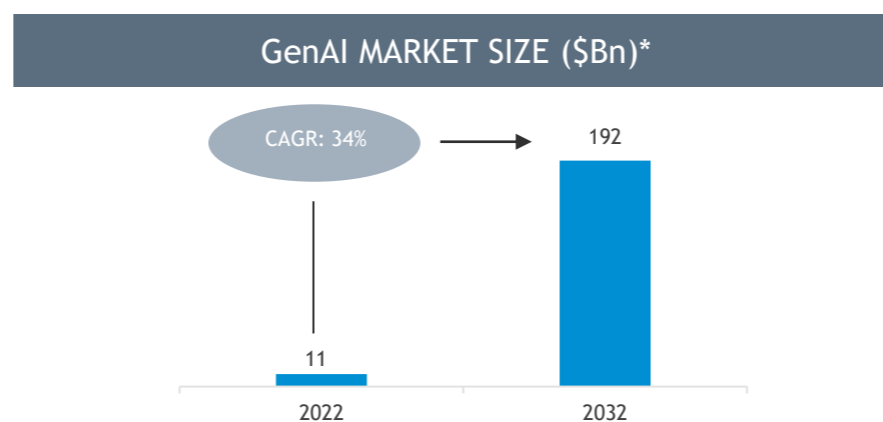
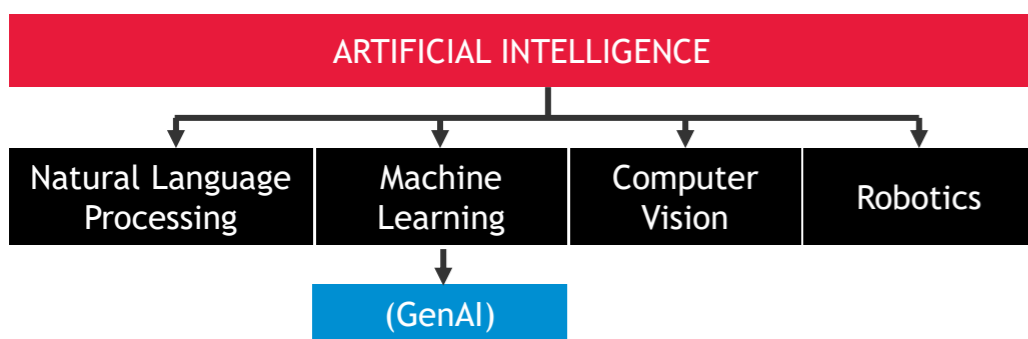


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TECHNOLOGY IN FOCUS: GENERATIVE AI

Driven by widespread industry demand Generative AI (GenAI) is poised to witness a robust ~34% CAGR from 2022 to 2032

While natural language processing has been witnessing steady developments since 2010, 2022 saw a breakthrough year for GenAI. Ever since the launch of ChatGPT by OpenAI, GenAI has quickly caught the attention of people and businesses.



Globally, Artificial Intelligence investments are projected to hit USD 200bn by 2025, which will be primarily driven by GenAI and the development of technologies related to it.

SCALE OF INVESTMENT AND NUMBER OF PLAYERS IN GenAI SPACE*

- 550+ active GenAI start-ups worldwide

- USD 48bn valuation of top 100 GenAI start-ups

- 14 unicorn GenAI start-ups, around 50% in 2022 itself

- 65% global investments flowing into text and visual media applications

What is Generative AI?

GenAI is a type of Artificial Intelligence that can generate a wide variety of data, such as videos, images, text, audio, and 3D models. It falls under the umbrella of machine learning and sits at the crossroads of deep learning and natural language processing.

It functions by learning patterns from existing data and leverages this knowledge to generate new and unique outputs. The technology has led to quick and efficient automated generation of content, insights and innovation. Recent breakthroughs in the field, like GPT (Generative Pre-trained Transformer) and Midjourney, have significantly advanced the capabilities of GenAI.

How does it work?

GenAI works by using the Machine Learning model to learn relationships and patterns. It often uses deep learning algorithms such as generative adversarial networks (GANs) and variational auto-encoders (VAEs) to generate content which closely resembles input data. These models learn the underlying structures and patterns of the training data and generate new content based on knowledge.

*Source: Nasscom - Generative AI (A 2023 Snapshot), McKinsey - (The Economic Potential of Generative AI, Grand View Research, Alliedmarketresearch



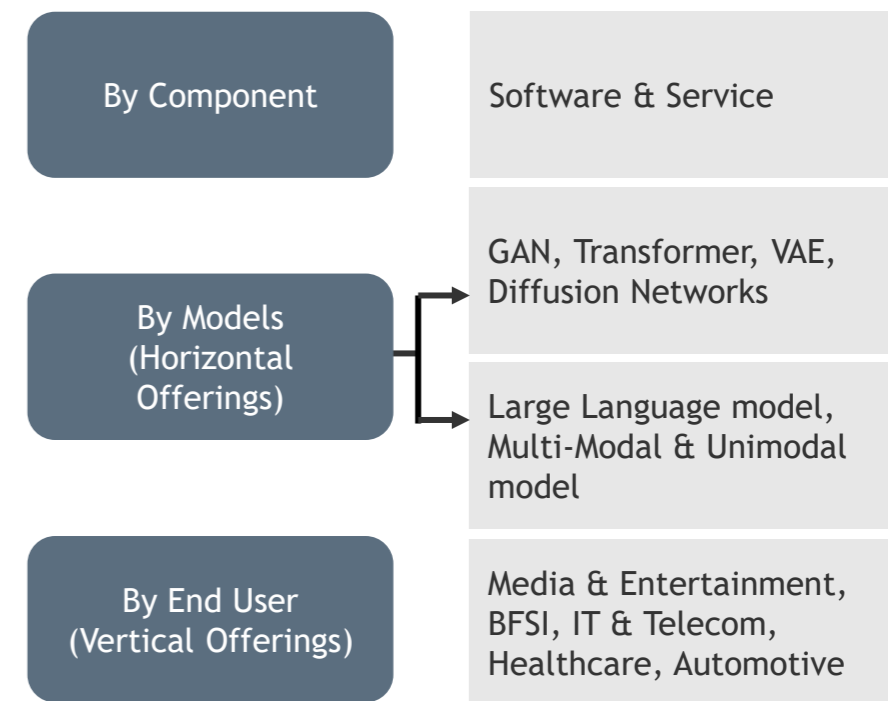
GenAI - KEY GROWTH DRIVERS

The unlimited potential use cases of GenAI is driving its growth

GROWTH DRIVERS OF GenAI

Large number of use cases of GenAI solutions	GenAI significantly impacts various avenues of business segments disrupting industries & redefining their operations. For ex, gaming industry is expected to soar with the usage of GenAI. After deep rooted horizontal growth, the scope for vertical penetration will be attracting even more use cases.
Increases productivity and cost reduction	Companies are looking to leverage GenAI to streamline business workflows, automate routine tasks & give rise to new stream of business operations which will lead towards cost savings and increase in labour productivity.
Large investment in the GenAI segment	Both corporates and funds are looking at the space to be a lucrative investment opportunity, evident from the pouring in investments of VCs and PEs. Companies are re-evaluating and partnering with academia, investing more, reskilling the staff to match short-term skill mismatches.
Advancements in GenAI Technology	GenAI is evolving & becoming user friendly as companies are incorporating it in their services. Generative Adversarial Networks (GAN) & Variational Autoencoders (VAE) have revolutionized it by generating realistic, high-quality synthetic data & facilitating smooth interpolation between data points

SEGMENTS OF GenAI MARKET*



KEY PLAYERS*

INFRASTRUCTURE
(Chips & Cloud providers)



Samsung, NVIDIA, Microsoft Azure, Apple, Google, Huawei

FOUNDATION MODELS
(NLP, Image, Video models & Tool providers)



Google, Open AI, Hugging Face, Amazon, Humanloop, Microsoft

APPLICATIONS
(General search, Full stack & Chatbot providers)

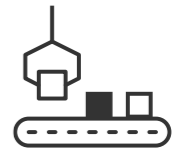


Jasper, Tabnine, Sembly, Cresta, Rephrase.ai, Harvey

*Source: Nasscom - Generative AI (A 2023 Snapshot), McKinsey - (The Economic Potential of Generative AI, Grand View Research

CREATING VALUE ACROSS INDUSTRY SEGMENTS

GenAI empowers companies to streamline their processes, increase efficiency and deliver innovative solutions



BANKING & FINANCIAL SERVICES	RETAIL & CPG	PHARMACEUTICALS	TRAVEL & LOGISTICS	AGRICULTURE	MANUFACTURING
<p>GenAI bots trained on proprietary knowledge such as policies, research, and customer interaction could provide deep technical support.</p>	<p>Retailers can combine existing solutions and GenAI to enhance chatbot capabilities to better mimic the interaction style of human agents and grasp clients' attitude.</p>	<p>GenAI supports chemical manufacturers by forecasting whether a reaction will occur or uses a categorisation model to forecast the kind of response that will occur.</p>	<p>Logistic providers can accurately predict future demand, enabling them to make informed decisions about resource allocation, inventory management and transportation planning.</p>	<p>By utilising data on soil qualities, weather patterns, and drones, GenAI enables farmers to maximise agricultural yield and help in detecting plants' sicknesses and nutrient shortages.</p>	<p>By feeding parameters and requirements into generative design software, companies can obtain optimised design solutions. These designs can then be tested and refined in the metaverse.</p>
<p>Morgan Stanley</p>	<p>Stitch Fix</p>	<p>Entos</p>	<p>Valerann</p>	<p>NatureSweet</p>	<p>Amazon</p>
<p>Example: Morgan Stanley built an AI assistant using GPT-4, with the aim of helping wealth managers quickly find and synthesise answers.</p>	<p>Example: Stitch Fix (uses algorithms to suggest style choices to its customers) experimented with DALL-E to visualise products based on customer preferences on colour, fabric, etc.</p>	<p>Example: Entos has paired GenAI with automated synthetic development tools to design small-molecule therapeutics.</p>	<p>Example: Valerann's Smart Road System is a GenAI traffic management platform that delivers information about road conditions to autonomous vehicles and users.</p>	<p>Example: With the help of Machine Learning and cameras, NatureSweet tracks all sorts of emerging problems in plants.</p>	<p>Examples: Amazon has designed and manufactured smart products and distributed billions of products through its globally connected distribution network using GenAI.</p>

KEY TRANSACTIONS

Strong interest from corporates and funds to invest in companies focused on providing GenAI solutions

TARGET	HQ	DESCRIPTION	INVESTORS	TOTAL FUNDING (\$MN)
Inflection	USA	Specialises in creating personal AIs for everyone	Greylock Partners, Horizons Ventures, NVIDIA, Microsoft	1,525
Anthropic	USA	Specialises in developing general AI systems and language models with a focus on safety	Spark Capital, Google, Salesforce, SAP, Zoom	1,656
Open AI	USA	AI research and deployment company - developer of ChatGPT	Tiger Global, Sequoia, Microsoft, Thrive Capital	11,300
Cohere	Canada	Developing an AI model ecosystem for enterprises	Tiger Global, Inovia Capital, Radical Ventures, SAP, Oracle	435
ADEPT	USA	Building an AI model that can turn a text command into sets of actions	Greylock Partners, General Catalyst, Atlassian, Workday, Microsoft	415
Mistral AI	France	Building, training and application of text-based GenAI models	La Famigila (VC), Lightspeed, Redpoint Ventures, Bpifrance, Sofina	113
Jasper	USA	Helping writers with books, blogs, etc. by giving content recommendations	Hubspot Ventures, Bessemer Venture Partners, Foundation Capital, Circle Capital, Insight Partners	143
Hugging Face	USA	Platform offering frameworks for implementation and development of ML and NLP models	Sequoia, Salesforce, Qualcomm, NVIDIA, Amazon	400

Source: Tracxn, News articles

NEW GROWTH FRONTIER FOR IT SERVICES PROVIDERS

IT Services providers are making significant investments to help their customers capture opportunities presented by GenAI

Companies across industry segments are looking to adopt GenAI solutions to enhance their productivity and offer new services to their customers. This presents a huge opportunity to IT service providers going forward.

Leading IT services players have announced huge investments in GenAI and are partnering with hyper-scalers particularly with Google to expand their capabilities and offerings.

SEGMENTS OF IT SERVICES IMPACTED BY GENAI	COMPANIES FOCUSED ON THESE SEGMENTS	EXAMPLES OF IT SERVICE PROVIDERS LEVERAGING GENAI
Software Development Rather than coding, IT professionals now have the flexibility to quickly develop solutions by explaining the AI model about what they want.	Happiest Minds, EPAM	EPAM launched its AI-powered DIAL Orchestration Platform that combines the power of Large Language Models (LLMs) with specific codes.
Data Synthesis & Augmentation The artificial data set generated by GenAI can be supplemented with original data to build and train sophisticated AI/ ML models.	Tredence, ZS Associates, LatentView	LatentView Analytics is looking to leverage GenAI to provide more insights and analysis from the existing curated data sets of clients.
Infrastructure & Operations In various areas of hybrid infrastructures and cybersecurity, GenAI helps in root cause analysis (RCA), troubleshooting and remediation or restoration.	TCS, Wipro, IBM	Wipro has launched Wipro ai360 to build its capabilities on AI and GenAI. It is looking to invest USD 1bn in Wipro ai360.
Business Process Management GenAI can analyse historical data, identify patterns and bottlenecks. It helps in repetitive tasks and enhances better collaboration between humans and machines.	Firstsource, WNS, Teleperformance	Firstsource Solutions recently launched its AI engine - FirstSense AI that leverages GenAI to enhance the customer experience.
Product Engineering GenAI facilitates designing, building, and planning the requirements through feasibility analysis, testing and optimising code, and providing automated support.	Capgemini, HCL, UST	HCL Tech has expanded its strategic partnership with Microsoft and Google to develop joint industry specific solutions by leveraging GenAI.

ALONG WITH DOMAIN EXPERTISE, COST COMPETITIVENESS WILL ALSO BE IMPORTANT FOR IT SERVICE PROVIDERS TO ACCELERATE THE ADOPTION OF GenAI

RECENT DEALS IN TECHNOLOGY

M&A Deals

DATE	BUYER	TARGET	HQ	TARGET DESCRIPTION	SEGMENT	DEAL SIZE (\$MN)
Aug - 23	Cegeka	Computer Task Group (CTG)	USA	IT services company offering solutions in advisory & planning, application services, quality assurance, and strategic staffing	IT services	170
Aug - 23	Ascendion	Nitor Infotech	India	Software product development and product engineering services provider	ER&D	NA
Aug - 23	Alten	Accord Software & Systems	India	Software engineering services, embedded systems, and digital technology service company	ER&D	NA
Jul - 23	Bain & Company	MaxKelsen	Australia	ML systems, AI powered applications, and advisory services provider for business	AI & ML	NA
Jul - 23	Engineering Ingegneria Informatica	Extrared	Italy	Provider of Dev Ops, cloud management, big data analytics and digital transformation services	IT services	NA
Jul - 23	Accenture	Strongbow Consulting Group	USA	Consultancy firm providing hybrid cloud, networking and data center services	Consultancy	NA
Jul - 23	Isocrates	Sigma Data Insights	USA	Analytics, strategy, and marketing tech services to power growth and acquisition for clients	Data Analytics	NA
Jul - 23	Premier International	Information Asset	USA	Consulting and implementation services on data risk, privacy, security and governance	IT services	NA
Jul - 23	Tietoevry	Mentormate	USA	Digital Engineering services company with presence in Bulgaria, Paraguay, US, catering to Healthcare, Manufacturing, Education and Finance sectors	Digital Native	NA

RECENT DEALS IN TECHNOLOGY

M&A Deals

DATE	BUYER	TARGET	HQ	TARGET DESCRIPTION	SEGMENT	DEAL SIZE (\$MN)
Jul - 23	Mastek	Bizanalytica	USA	Leading provider of data management services	Data Analytics	17
Jul - 23	Mphasis	Kore.ai	USA	Conversational AI platform transforming enterprises by automating customer and employee experiences	AI & ML	60
Jul - 23	Global Logic	Sidero	Ireland	Cloud-native software development service company	Digital Native	NA
Jul - 23	Ness	MVP Factory	Germany	Enabling digital transformation and helping companies build better software and products	ER&D	NA
Jul - 23	HCL Tech	ASAP Gruppe	Germany	Automotive engineering firm focused on autonomous driving, e-mobility and connectivity	ER&D	277
Jun - 23	Infosys	Danske IT	India	IT consulting services company, a fully owned subsidiary of Danske Bank	IT services	NA
Jun - 23	Velotio	R Systems	India	Product engineering and digital solutions service company	ER&D	33.7
Jun - 23	Deloitte	Enforce Consulting	USA	Workforce management and payroll cloud partner	IT services	NA
Jun - 23	Allata	3XM Group	USA	IT consulting services in the areas of custom software development and data analytics	Digital Native	NA

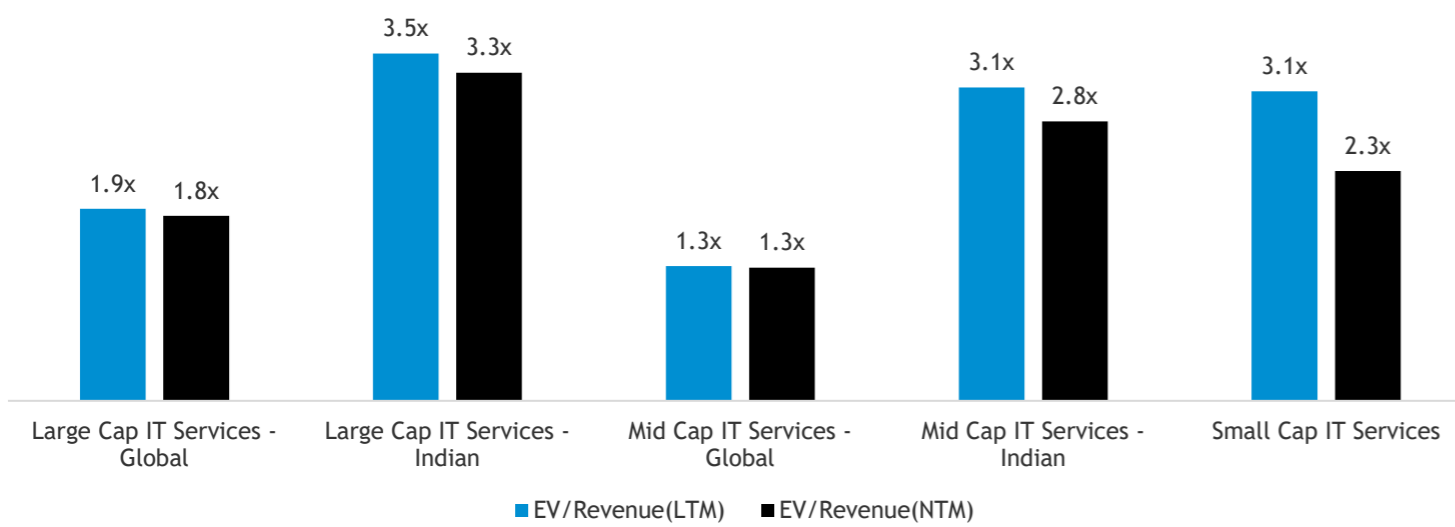
RECENT DEALS IN TECHNOLOGY

PE Deals

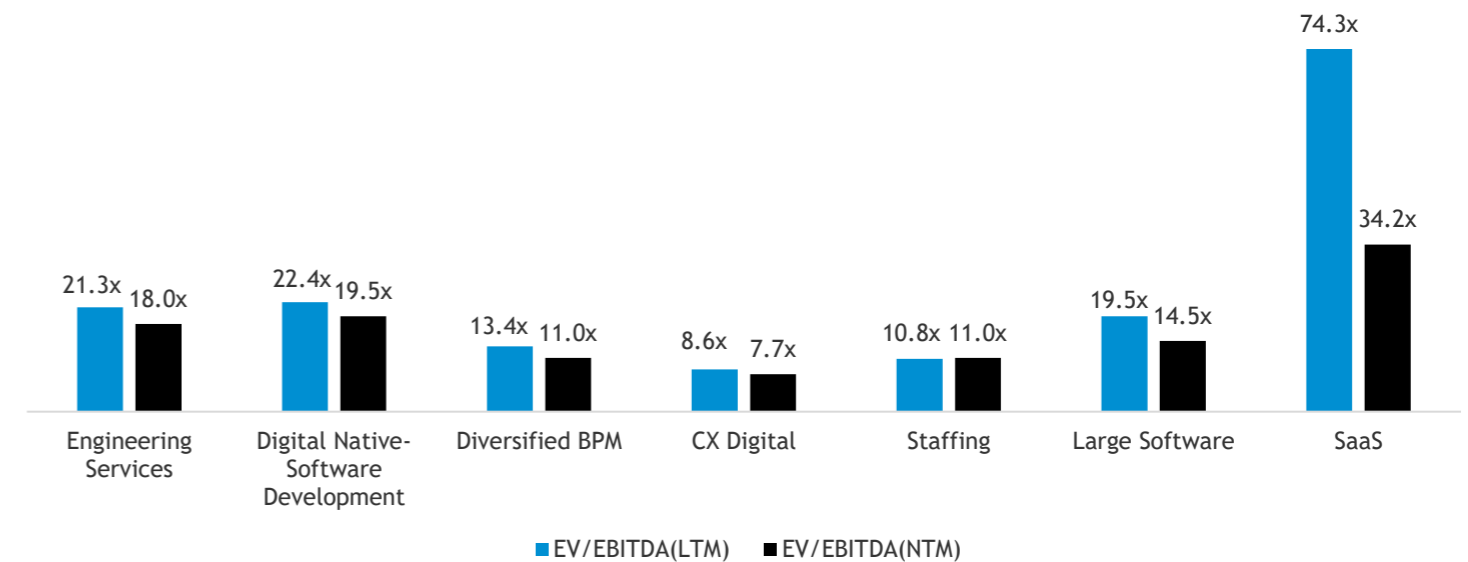
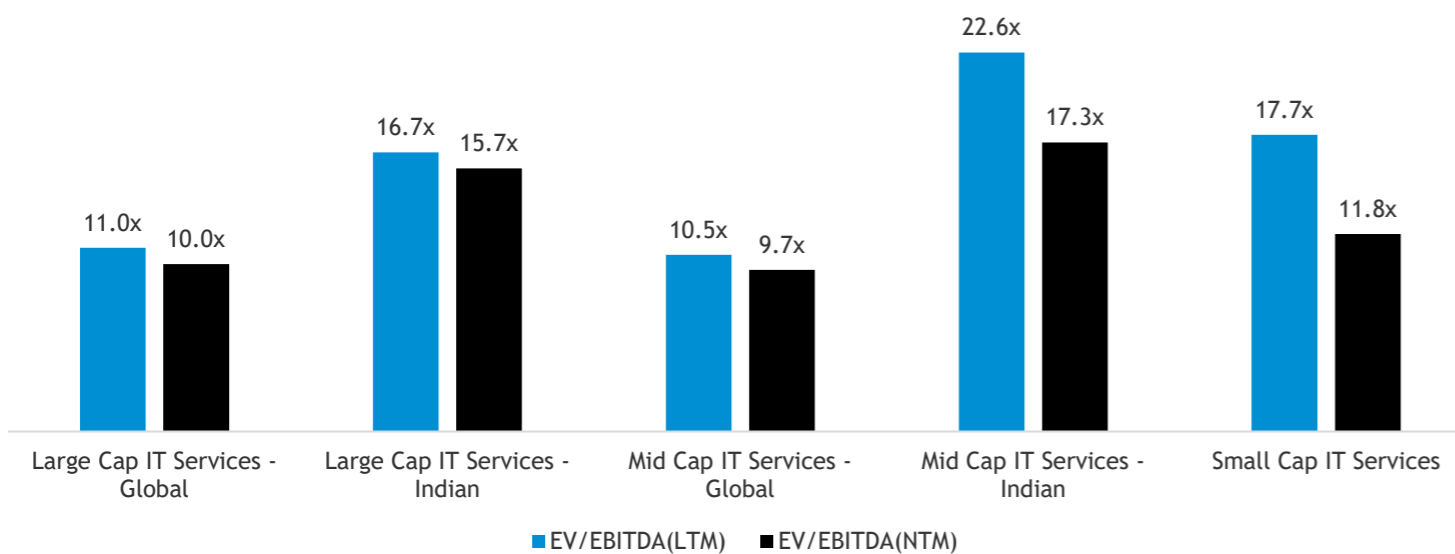
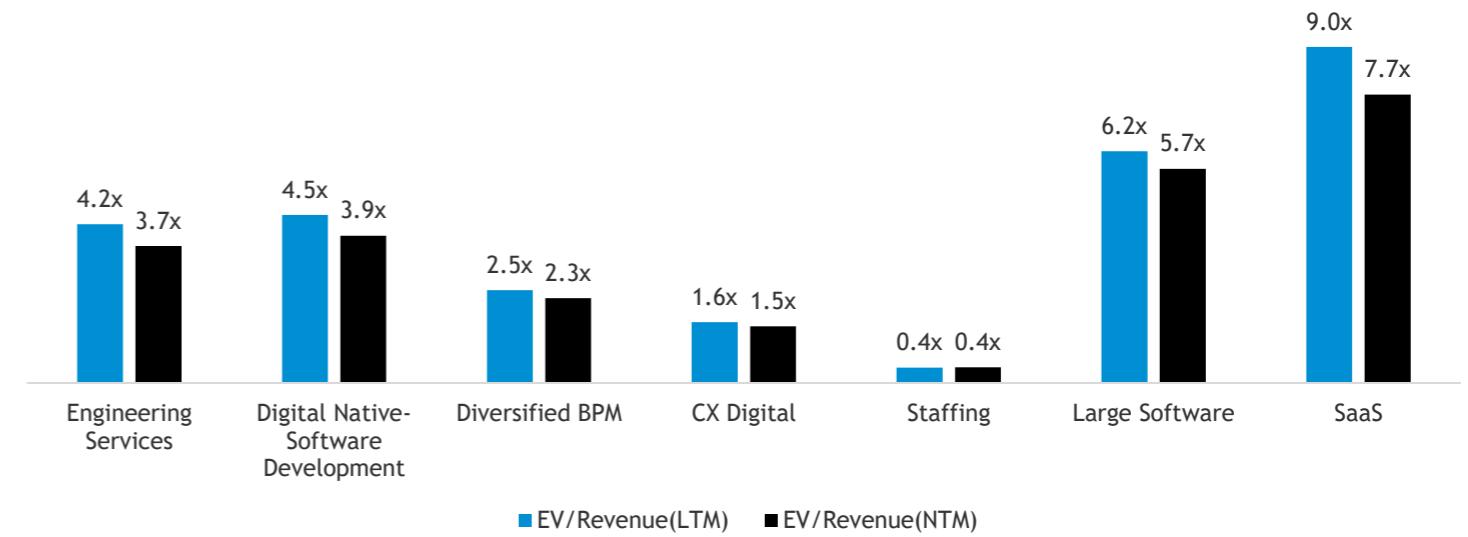
DATE	BUYER	TARGET	HQ	TARGET DESCRIPTION	SEGMENT	DEAL SIZE (\$MN)
Sep - 23	Kedaara Capital	Perfios	India	B2B SaaS Fintech company with presence in India, Middle East and Southeast Asia	SaaS	229
Sep - 23	Motilal Oswal	VVDN Technologies	India	Product engineering and manufacturing of electronic solutions with help in end-to-end design and development	ER&D	31
Aug - 23	Gallant Capital	Dyntek	USA	Builds tech solutions through cloud, on-premise, or hybrid to support client's key business initiatives	IT Services	NA
Aug - 23	The Carlyle Group	Quest Global	Singapore	Global product engineering services company	ER&D	~500
Jul - 23	Sapphire Ventures, Insight Partners	Weights & Biases	USA	Develops a dataset optimisation tool for machine-learning developers	AI & ML	50
Jul - 23	A91 Partners	Kaar Technologies	India	SAP consultancy services company	IT Services	30
Jun - 23	Morgan Stanley	INRIX	USA	Big data technology company, provides real-time and predictive traffic information	Data Analytics	70
Jul - 23	Interlock Equity, Databricks	Lovelytics	USA	Data and Analytics consultancy company	Data Analytics	NA
Jul - 23	General Atlantic	o9 Solutions	USA	Develops and operates a cloud-based tool for business and operational planning and management	SaaS	116

TECHNOLOGY COMPANIES TRADING MULTIPLES

BASED ON SIZE



BASED ON OFFERINGS



Source: CapIQ; Market data as on 5 October 2023
 Note: NTM multiples are based on multiples of companies for which information was available

LARGE CAP IT SERVICES TRADING MULTIPLES

GLOBAL

Name	Market Cap	EV	Revenue (LTM)	EBITDA (LTM)	3-Yr CAGR (%)	EBITDA Margin (%)	LTM			1 Yr Forward		
							EV/Revenue	EV/EBITDA	P/E	EV/Revenue	EV/EBITDA	P/E
Accenture PLC	1,95,162	1,90,027	64,112	12,154	13%	19%	3.0x	14.7x	28.7x	2.9x	15.1x	25.4x
Capgemini SE	29,740	34,716	24,818	3,352	16%	14%	1.5x	9.8x	17.2x	1.4x	9.6x	13.6x
CGI	22,702	24,377	10,600	1,869	5%	18%	2.4x	12.8x	20.3x	2.3x	11.9x	19.1x
Cognizant Technology Solutions	34,110	33,496	19,394	3,464	5%	18%	1.7x	9.0x	15.8x	1.7x	9.9x	15.4x
DXC Technology	4,339	8,574	14,169	501	(10%)	4%	0.6x	8.8x	NM	0.6x	3.8x	6.0x
IBM	1,28,516	1,72,592	60,525	12,985	(7%)	21%	2.9x	12.2x	59.7x	2.7x	10.9x	14.4x
NTT Data Inc	18,047	35,460	26,474	3,862	19%	15%	1.4x	9.4x	19.5x	1.2x	8.6x	18.5x
				Mean	6%	15%	1.9x	11.0x	26.9x	1.8x	10.0x	16.1x
				Median	5%	18%	1.7x	9.8x	19.9x	1.7x	9.9x	15.4x

INDIAN

Name	Market Cap	EV	Revenue (LTM)	EBITDA (LTM)	3-Yr CAGR (%)	EBITDA Margin (%)	LTM			1 Yr Forward		
							EV/Revenue	EV/EBITDA	P/E	EV/Revenue	EV/EBITDA	P/E
HCL Technologies Ltd	40,168	38,412	12,761	2,651	9%	21%	3.1x	14.2x	22.1x	2.8x	13.1x	20.7x
Infosys Ltd	72,733	71,659	18,385	4,280	13%	23%	4.0x	16.4x	24.8x	3.8x	16.1x	23.9x
LTI Mindtree	18,568	17,748	4,172	718	45%	17%	4.3x	24.0x	34.8x	3.9x	20.6x	30.1x
Tata Consultancy Services Ltd	1,57,718	1,51,980	28,280	7,212	14%	26%	5.5x	20.8x	30.0x	5.1x	19.5x	28.0x
Tech Mahindra Ltd	12,759	12,314	6,549	865	13%	13%	1.9x	13.8x	24.3x	1.9x	14.4x	23.5x
Wipro Ltd	25,455	22,494	11,185	2,017	14%	18%	2.0x	10.9x	19.3x	2.0x	10.6x	18.2x
				Mean	18%	20%	3.5x	16.7x	25.9x	3.3x	15.7x	24.1x
				Median	13%	19%	3.5x	16.7x	25.9x	3.3x	15.7x	24.1x

MID CAP IT SERVICES TRADING MULTIPLES

GLOBAL

Name	Market Cap	EV	Revenue (LTM)	EBITDA (LTM)	3-Yr CAGR (%)	EBITDA Margin (%)	LTM			1 Yr Forward		
							EV/Revenue	EV/EBITDA	P/E	EV/Revenue	EV/EBITDA	P/E
ASGN	3,837	4,836	4,608	482	7%	10%	1.0x	9.3x	16.8x	1.1x	9.5x	13.5x
Beyondsoft Corporation	973	782	913	46	19%	5%	0.9x	14.4x	24.1x	0.8x	10.6x	14.7x
Nagarro SE	986	1,224	1,002	128	25%	13%	1.3x	8.4x	14.2x	1.2x	9.1x	15.9x
Perficient Inc	2,026	2,388	923	179	17%	19%	2.6x	12.4x	20.4x	2.7x	12.2x	14.7x
Sopra Steria	4,021	5,110	5,892	559	7%	9%	0.9x	8.2x	15.4x	0.8x	7.0x	10.0x
				Mean	15%	11%	1.3x	10.5x	18.2x	1.3x	9.7x	13.8x
				Median	15%	11%	1.0x	9.3x	16.8x	1.1x	9.5x	14.7x

INDIAN

Name	Market Cap	EV	Revenue (LTM)	EBITDA (LTM)	3-Yr CAGR (%)	EBITDA Margin (%)	LTM			1 Yr Forward		
							EV/Revenue	EV/EBITDA	P/E	EV/Revenue	EV/EBITDA	P/E
Birla Soft	1,697	1,586	597	62	13%	10%	2.7x	24.4x	40.8x	2.5x	15.9x	24.1x
Coforge Limited	3,848	3,856	1,024	146	25%	14%	3.8x	25.8x	45.7x	3.3x	18.7x	30.7x
Mphasis Ltd	5,598	5,399	1,662	272	15%	16%	3.3x	18.8x	28.7x	3.2x	17.4x	27.8x
Persistent Systems Limited	5,055	5,033	1,072	182	33%	17%	4.8x	27.1x	46.8x	4.1x	22.6x	38.0x
Sonata Software	1,726	1,685	937	73	26%	8%	1.8x	22.4x	31.0x	1.5x	16.0x	23.9x
Zensar Technologies Ltd	1,459	1,351	594	72	6%	12%	2.3x	17.4x	29.9x	2.2x	13.0x	21.3x
				Mean	20%	13%	3.1x	22.6x	37.1x	2.8x	17.3x	27.6x
				Median	20%	13%	3.0x	23.4x	35.9x	2.8x	16.7x	25.9x

SMALL CAP IT SERVICES TRADING MULTIPLES

SMALL CAP IT SERVICES

Name	Market Cap	EV	Revenue (LTM)	EBITDA (LTM)	3-Yr CAGR (%)	EBITDA Margin (%)	LTM			1 Yr Forward		
							EV/Revenue	EV/EBITDA	P/E	EV/Revenue	EV/EBITDA	P/E
Axiscades	242	269	104	19	11%	19%	2.6x	14.1x	63.9x	NM	NM	NM
CI&T	841	992	488	82	18%	17%	2.0x	11.4x	24.5x	2.2x	11.2x	18.8x
Infobeans Tech	135	126	46	7	30%	15%	2.8x	15.6x	40.7x	NM	NM	NM
Mastek	882	909	331	58	31%	17%	2.8x	16.0x	25.7x	2.5x	13.7x	21.6x
R Systems	722	687	196	26	25%	13%	3.6x	25.2x	46.8x	NM	NM	NM
Saksoft	406	389	85	14	25%	16%	4.6x	27.0x	41.2x	NM	NM	NM
Sasken	218	207	54	10	(2%)	18%	3.9x	21.0x	16.7x	NM	NM	NM
The Hackett Group	648	687	285	58	5%	20%	2.4x	11.5x	19.0x	2.3x	10.5x	14.9x
				Mean	18%	17%	3.1x	17.7x	34.8x	2.3x	11.8x	18.4x
				Median	21%	17%	2.8x	15.8x	33.2x	2.3x	11.2x	18.8x

All figures are in USD million
 Source: CapIQ; Market data as on 5 October 2023

ER&D TRADING MULTIPLES

ENGINEERING SERVICES

Name	Market Cap	EV	Revenue (LTM)	EBITDA (LTM)	3-Yr CAGR (%)	EBITDA Margin (%)	LTM			1 Yr Forward		
							EV/Revenue	EV/EBITDA	P/E	EV/Revenue	EV/EBITDA	P/E
AFRY	1,331	2,026	2,381	217	9%	9%	0.9x	7.7x	12.1x	0.8x	7.6x	11.3x
Alten SA	4,345	4,248	4,372	423	16%	10%	1.0x	8.9x	9.7x	0.9x	7.7x	13.2x
Assystem SA	597	722	583	33	4%	6%	1.3x	17.7x	15.8x	1.2x	12.7x	12.6x
Bertrandt	463	631	1,231	84	4%	7%	0.5x	6.0x	15.9x	0.5x	4.9x	11.3x
Cyient Ltd	2,235	2,285	787	122	14%	16%	2.9x	17.2x	32.7x	2.6x	13.8x	22.4x
KPIT	3,761	3,726	462	91	21%	20%	8.2x	41.4x	73.6x	6.5x	32.5x	56.4x
L&T Technology Services	5,890	5,610	1,012	201	14%	20%	5.6x	26.8x	40.8x	4.7x	23.8x	37.1x
Tata Elxsi	5,414	5,294	399	115	26%	29%	13.5x	45.2x	59.7x	12.1x	40.6x	55.5x
				Mean	13%	14%	4.2x	21.3x	32.5x	3.7x	18.0x	27.5x
				Median	14%	13%	2.1x	17.4x	24.3x	1.9x	13.2x	17.8x

DIGITAL NATIVE - SOFTWARE DEVELOPMENT

Name	Market Cap	EV	Revenue (LTM)	EBITDA (LTM)	3-Yr CAGR (%)	EBITDA Margin (%)	LTM			1 Yr Forward		
							EV/Revenue	EV/EBITDA	P/E	EV/Revenue	EV/EBITDA	P/E
Endava	3,208	3,087	1,010	181	31%	18%	3.1x	15.7x	27.0x	3.2x	19.2x	28.6x
EPAM	14,004	12,337	4,839	745	25%	15%	2.5x	15.2x	26.9x	2.6x	15.4x	24.2x
Globant	8,366	8,268	1,920	300	38%	16%	4.3x	24.6x	57.4x	3.6x	17.3x	30.9x
Happiest Minds	1,528	1,447	182	40	28%	22%	8.1x	34.0x	53.0x	6.4x	26.1x	44.2x
				Mean	31%	18%	4.5x	22.4x	41.1x	3.9x	19.5x	32.0x
				Median	30%	17%	3.7x	20.2x	40.0x	3.4x	18.2x	29.8x

All figures are in USD million
Source: CapIQ; Market data as on 5 October 2023

BPM & CX DIGITAL TRADING MULTIPLES

DIVERSIFIED BPM

Name	Market Cap	EV	Revenue (LTM)	EBITDA (LTM)	3-Yr CAGR (%)	EBITDA Margin (%)	LTM			1 Yr Forward		
							EV/Revenue	EV/EBITDA	P/E	EV/Revenue	EV/EBITDA	P/E
EXL Service Holding	4,586	4,621	1,542	272	16%	18%	3.0x	15.5x	27.3x	2.7x	12.6x	NM
Genpact Ltd	6,504	7,609	4,408	710	6%	16%	1.7x	9.7x	16.5x	1.6x	8.0x	11.6x
WNS Ltd	3,327	3,566	1,255	211	11%	17%	2.8x	14.8x	26.5x	2.6x	12.4x	23.3x
				Mean	11%	17%	2.5x	13.4x	23.4x	2.3x	11.0x	17.5x
				Median	11%	17%	2.8x	14.8x	26.5x	2.5x	12.4x	17.5x

CX DIGITAL

Name	Market Cap	EV	Revenue (LTM)	EBITDA (LTM)	3-Yr CAGR (%)	EBITDA Margin (%)	LTM			1 Yr Forward		
							EV/Revenue	EV/EBITDA	P/E	EV/Revenue	EV/EBITDA	P/E
Concentrix	4,071	5,932	6,525	1,002	12%	15%	0.9x	5.9x	12.0x	0.6x	3.7x	6.0x
eClerx Services Ltd	1,164	1,105	331	92	24%	28%	3.4x	12.2x	19.1x	3.2x	11.7x	19.2x
First Source Solutions Ltd	1,338	1,486	741	91	13%	12%	2.0x	14.2x	22.0x	1.9x	12.4x	20.2x
TaskUS	872	1,027	939	163	26%	17%	1.1x	5.7x	23.5x	1.2x	5.2x	8.0x
Telus International	2,005	3,776	2,598	457	16%	18%	1.5x	7.3x	19.8x	1.3x	5.9x	7.5x
TTEC Holdings	1,215	2,161	2,484	288	13%	12%	0.9x	6.6x	18.9x	0.8x	7.2x	10.5x
				Mean	17%	17%	1.6x	8.6x	19.2x	1.5x	7.7x	11.9x
				Median	15%	16%	1.3x	6.9x	19.4x	1.3x	6.6x	9.2x

STAFFING TRADING MULTIPLES

STAFFING

Name	Market Cap	EV	Revenue (LTM)	EBITDA (LTM)	3-Yr CAGR (%)	EBITDA Margin (%)	LTM			1 Yr Forward		
							EV/Revenue	EV/EBITDA	P/E	EV/Revenue	EV/EBITDA	P/E
Adecco	6,605	10,523	26,360	995	4%	4%	0.4x	8.4x	19.0x	0.4x	10.5x	12.0x
Hays	2,048	2,114	9,637	278	9%	3%	0.2x	6.6x	12.4x	0.2x	7.3x	14.4x
Kelly Services	658	600	4,887	90	3%	2%	0.1x	5.1x	NM	0.1x	4.6x	10.9x
Manpower Group	3,616	4,632	19,219	632	1%	3%	0.2x	5.9x	12.4x	0.2x	9.0x	12.9x
Qness Corp	755	822	2,166	76	17%	4%	0.4x	10.9x	28.0x	0.3x	9.4x	21.4x
Randstad Holdings	9,546	10,825	29,524	1,240	7%	4%	0.4x	8.1x	11.4x	0.4x	8.5x	11.3x
Robert Half Inc	7,751	7,246	6,916	718	7%	10%	1.0x	8.8x	14.6x	1.2x	13.9x	22.0x
Team Lease	533	493	995	15	17%	2%	0.5x	33.5x	37.0x	0.4x	24.9x	32.2x
				Mean	8%	4%	0.4x	10.9x	19.2x	0.4x	11.0x	17.1x
				Median	7%	3%	0.4x	8.3x	14.6x	0.4x	9.2x	13.7x

All figures are in USD million
 Source: CapIQ; Market data as on 5 October 2023

LARGE SOFTWARE TRADING MULTIPLES

LARGE SOFTWARE

Name	Market Cap	EV	Revenue (LTM)	EBITDA (LTM)	3-Yr CAGR (%)	EBITDA Margin (%)	LTM			1 Yr Forward		
							EV/Revenue	EV/EBITDA	P/E	EV/Revenue	EV/EBITDA	P/E
Amazon	13,10,354	14,20,670	5,38,046	63,431	19%	12%	2.6x	18.9x	100.4x	2.4x	13.3x	50.9x
Google	17,14,327	16,25,427	2,89,531	91,374	20%	32%	5.6x	17.1x	28.6x	5.1x	12.4x	21.8x
Microsoft Corporation	23,69,760	23,37,945	2,11,915	1,02,023	14%	48%	11.0x	22.3x	32.9x	9.9x	20.0x	29.0x
Oracle Corporation	2,93,332	3,70,661	50,962	19,638	9%	39%	7.3x	18.0x	31.8x	6.8x	13.0x	18.8x
SAP SE	1,49,318	1,45,911	34,809	6,665	4%	19%	4.4x	21.3x	62.9x	4.5x	13.9x	24.0x
				Mean	13%	30%	6.2x	19.5x	51.3x	5.7x	14.5x	28.9x
				Median	14%	32%	5.6x	18.9x	32.9x	5.1x	13.3x	24.0x

All figures are in USD million
 Source: CapIQ; Market data as on 5 October 2023

SAAS COMPANIES TRADING MULTIPLES

SAAS

Name	Market Cap	EV	Revenue (LTM)	EBITDA (LTM)	3-Yr CAGR (%)	EBITDA Margin (%)	LTM			1 Yr Forward		
							EV/Revenue	EV/EBITDA	P/E	EV/Revenue	EV/EBITDA	P/E
Atlassian Corporation	48,861	47,983	3,535	(187)	30%	(5%)	13.6x	NM	NM	11.6x	59.0x	86.9x
Guidewire Software	7,265	6,898	905	(135)	7%	(15%)	7.6x	NM	NM	7.0x	80.1x	117.2x
Paylocity	10,505	10,286	1,175	184	28%	16%	8.8x	51.7x	75.4x	7.3x	22.0x	32.3x
Salesforce.com Inc	1,96,420	1,97,924	33,071	7,704	19%	23%	6.0x	22.8x	126.5x	5.4x	15.3x	23.1x
ServiceNow Inc	1,12,069	1,09,534	8,017	996	27%	12%	13.7x	98.2x	78.7x	11.1x	33.7x	50.4x
Twilio	10,191	7,719	4,052	(449)	43%	(11%)	1.9x	NM	NM	1.9x	11.0x	33.1x
Veeva Systems Inc	32,208	28,398	2,232	426	20%	19%	12.7x	64.0x	60.4x	10.9x	28.9x	38.4x
Workday Inc	54,855	51,467	6,716	225	19%	3%	7.7x	135.2x	NM	6.6x	23.8x	35.3x
				Mean	24%	5%	9.0x	74.3x	85.3x	7.7x	34.2x	52.1x
				Median	23%	8%	8.2x	64.0x	77.1x	7.2x	26.4x	36.8x

All figures are in USD million
Source: CapIQ; Market data as on 5 October 2023

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