



**Evolve**  
Capital Partners

# QUARTERLY DEALS & MARKET ROUNDUP

## Business Process Outsourcing (BPO)

January 2019



*Customer Experience*



*IT / Consulting*



*Operations*



*HR / Payroll*



*Healthcare Industry*

# Overview of Evolve Capital Partners

## ABOUT EVOLVE CAPITAL PARTNERS

- Evolve Capital Partners (Evolve) is a specialized investment bank focused on businesses serving industries at the intersection of finance and technology.
- We are dedicated investment bankers focused on evolving industries, and we support sustainable growth through transformational M&A / financing transactions.
- Evolve is a dedicated, creative, and fully independent investment bank that advises private and public companies on merger, divestiture and acquisition transactions, and capital raising through private placements.
- We also provide structured financial advisory services — our investment banking practice provides a comprehensive suite of solutions to businesses.
- With over 30 engagements executed by its leaders, Evolve has served as a proud partner, bringing renewed value to companies at the intersection of finance and technology.
- Founded in 2012 and based in New York, NY.

## HIGH-TOUCH INVESTMENT BANKING

*Few investment banks have transaction experience across both corporate and asset finance.*



### Our Clients

- Corporations
- Management Teams
- VC & PE Backed Companies
- Independent Directors / Boards



### Investment Banking Advisory

- M&A
- Strategic Alliances
- Capital Raises and Asset Finance
- Financial Restructuring



### Industry Focus

*Finance and Technology Firms*

**Securities**

**Financial Services**

**Financial Management**

**Specialty Finance**

**Enterprise Software**

**Analytics**

**Payments**

**Lending**

**Insurance**

**BPO**

**IoT**

**B2B**

# We Focus Exclusively on Finance and Technology-Related Firms

## Securities



## Payments



## Insurance



## BPO



## Capabilities

### M&A Advisory

*Sales / Recaps*

*Acquisitions*

*Divestiture*

*Strategic Advisory*

## Specialty Finance / Alternative Lending



## Enterprise Software / Data & Analytics



## Bank Technology / Solutions



## Healthcare Tech



## Financing

*Private Placements*

*Debt Capital*

*Restructuring*

## Financial Management Solutions



# Market Summary and Key Multiples

## Industry Stock Market Performance of Evolve Sector Coverage

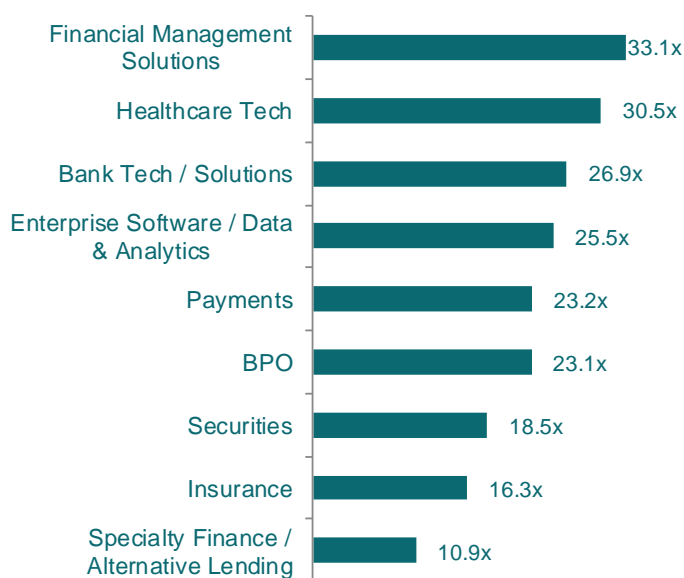
### Indexed Price Performance \*

Sector	3 Months	1 Year	3 Years
Bank Tech / Solutions	(14.0%)	(5.6%)	37.6%
BPO	(13.1%)	6.8%	54.2%
Enterprise Software / Data & Analytics	(14.8%)	0.9%	39.6%
Financial Management Solutions	(14.5%)	9.8%	55.9%
Healthcare Tech	(19.6%)	4.3%	50.7%
Insurance	(11.3%)	(4.4%)	35.5%
Payments	(20.4%)	3.0%	58.1%
Securities	(13.1%)	(14.1%)	15.7%
Specialty Finance / Alternative Lending	(22.9%)	(18.7%)	26.6%

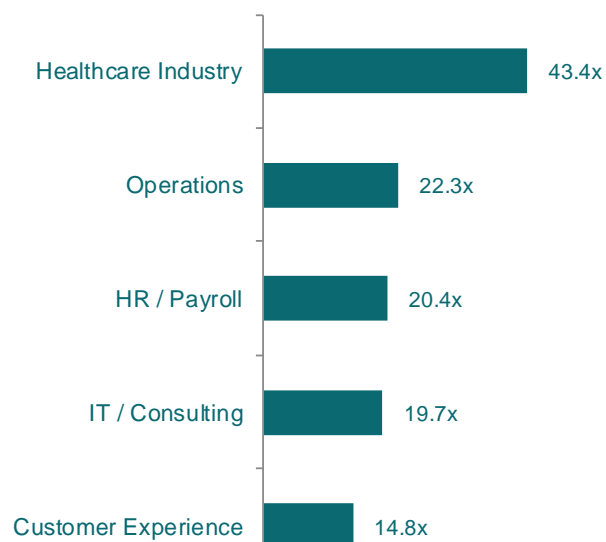
\* Equal weighting method.

## Industry-wide Multiples and Subsector Multiples

### Sector 2020E Price / Earnings Multiples



### Business Process Outsourcing 2020E Price / Earnings Multiples



Data as of January 1, 2019  
Source: Pitchbook



## Stock Comparables – Business Process Outsourcing Sub-Sectors (2/2)

(All figures in millions of USD, except per share data. Data as of January 1, 2019)

Operations																				
	Stock Price	% of 52-Wk. High	Market Value	Enterprise Value	LTM		Growth Rates:			LTM Margins:			EV / Revenue			EV / EBITDA				
					Revenue	EBITDA	Revenue:		Earnings	LT	Gross	EBITDA	LTM	CY 2019		CY 2020	LTM	CY 2019		CY 2020
							CY 2019	CY 2020						CY 2019	CY 2020			CY 2019	CY 2020	
CGI Group	\$61.31	92.1%	\$16,920	\$17,919	\$8,965	\$1,518	5%	5%	7%	19%	17%	2.0x	2.0x	1.9x	11.8x	11.0x	10.5x			
Genpact	\$26.99	77.6%	\$5,130	\$6,080	\$2,900	\$476	9%	17%	12%	36%	16%	2.1x	2.0x	1.7x	12.8x	11.3x	9.3x			
Mphasis	\$14.39	78.7%	\$2,678	\$2,305	\$1,072	\$209	10%	13%	14%	42%	20%	2.1x	2.2x	1.9x	11.0x	NA	NA			
Capita	\$1.42	39.9%	\$2,385	\$3,622	\$5,544	(\$512)	(4%)	(13%)	NA	24%	(9%)	0.7x	0.7x	0.8x	NMF	9.3x	6.8x			
Firstsource Solutions	\$0.70	56.2%	\$481	\$536	\$538	\$77	4%	2%	15%	31%	14%	1.0x	1.0x	1.0x	7.0x	NA	NA			
iEnergizer	\$1.39	82.8%	\$266	\$282	\$163	\$47	NA	7%	36%	33%	29%	1.7x	1.7x	1.6x	6.0x	NA	5.6x			
PRGX Global	\$9.47	91.9%	\$224	\$231	\$169	\$18	9%	(1%)	NA	38%	11%	1.4x	1.3x	1.3x	12.7x	9.4x	9.2x			
<b>MEAN</b>							<b>5%</b>	<b>4%</b>	<b>17%</b>	<b>32%</b>	<b>14%</b>	<b>1.6x</b>	<b>1.6x</b>	<b>1.5x</b>	<b>10.2x</b>	<b>10.2x</b>	<b>8.3x</b>			
<b>MEDIAN</b>							<b>7%</b>	<b>5%</b>	<b>14%</b>	<b>33%</b>	<b>16%</b>	<b>1.7x</b>	<b>1.7x</b>	<b>1.6x</b>	<b>11.4x</b>	<b>10.2x</b>	<b>9.2x</b>			

Source: Pitchbook

## IPO Activity Summary

Company	IPO Date	Amount Raised (\$mm)	IPO Price	Current Market Price	Total Return
 CERIDIAN	4/26/2018	\$462	\$22.00	\$34.49	57%
	5/24/2017	\$75	\$12.00	\$26.71	123%
 CONDUENT	12/29/2016	\$386	\$14.85	\$10.63	(28%)
 BLACKLINE	10/27/2016	\$146	\$17.00	\$40.95	141%
 coupa	10/5/2016	\$133	\$18.00	\$62.86	249%
	7/14/2016	\$185	\$10.61	\$24.65	132%
 BLACK KNIGHT <sup>®</sup> FINANCIAL SERVICES	5/19/2015	\$441	\$24.50	\$45.06	84%
 HealthEquity <sup>®</sup>	7/30/2014	\$127	\$14.00	\$59.65	326%
 Five9 <sup>™</sup>	4/3/2014	\$70	\$7.00	\$43.72	525%
 TriNet	3/26/2014	\$240	\$16.00	\$41.95	162%
 castlight <sup>®</sup> HEALTH	3/13/2014	\$178	\$16.00	\$2.17	(86%)
 BENEFITFOCUS <sup>®</sup>	9/17/2013	\$131	\$26.50	\$45.72	73%
 evertec <sup>®</sup>	4/11/2013	\$505	\$20.00	\$28.70	44%

Market data as of January 1, 2019  
Source: Pitchbook

# Appendix – Coverage Universe Components

The coverage universe for various sectors is as follows:

- 1 Payments:**  
PINX:EDNMY, NYS:ADS, NYS:FLT, NYS:WEX, NYS:SHOP, NAS:PYPL, NYS:SQ, PINX:ADYYF, LON:BOKU, NYS:PAGS, NAS:STNE, NYS:EB, NAS:PYPL, NYS:AXP, NYS:MA, NYS:V, NAS:PMTS, NAS:CATM, NYS:DBD, NYS:EVRI, BSP:CIEL3, PAR:WLN, NAS:NEWT, NAS:QIWI, NAS:UEPS, ETR:WDI, NYS:DLX, NYS:EVTC, NYS:GPN, TKS:3769, LON:PAY, NYS:TSS, NAS:IIIV, NAS:EVOP, NAS:ACIW, NAS:EPAY, NAS:FISV, NAS:JKHY, NYS:FIS, GREY:INGIF, HKG:327, SHE:2152, NYS:NCR, NYS:PAR, TSE:LSPD, IDX:MCAS, NAS:EEFT, NAS:MGI, NYS:GDOT, ASX:OFX, NYS:WU
- 2 Bank Technology Solutions:**  
NAS:INTC, NAS:PYPL, NYS:AXP, NYS:IBM, BOM:532466, BOM:538835, NAS:EPAY, NAS:FISV, NAS:JKHY, PINX:CSVI, SWX:CLXN, NYS:FIS, TKS:6457, NYS:QTWO, SES:5CP, SWX:TEMN, STO:INTRUM, NYS:EFX, LON:EXPN, NYS:FICO, NYS:TRU, NAS:ASPS, NAS:CSGP, NAS:RDFN, NAS:RP, NAS:ZG, NYS:BKI, NYS:CLGX, NYS:FNJ, TSE:REAL, NYS:STC, AMS:WKL, PAR:SOP, NAS:MITK, NAS:NTWK, NAS:PEGA, PINX:ASOZY
- 3 Specialty Finance / Alternative Lending:**  
NAS:ASFI, NAS:PCPG, NAS:NAVI, NAS:PFMT, NAS:PRAA, NAS:PRGX, NYS:NNI, NAS:CPSS, NAS:CACC, LON:FCH, NAS:MRLN, TSE:CHW, NYS:CIT, ASX:Z1P, NAS:ATLC, NAS:EZPW, NYS:AAN, NAS:FCFS, NAS:SLM, NAS:TBBK, NAS:WRLD, TSE:ECN, NYS:CURO, NAS:GSKY, NYS:AAN, NYS:COF, NYS:DFS, LON:IPF, NYS:OMF, LON:PFG, NYS:RM, NYS:SC, NYS:SYF, LON:TCS, NAS:RCII, NYS:AL, NYS:CAI, TSE:EFN, ASX:FXL, NYS:FLY, NYS:TGH, NYS:URI, NAS:CASH, PINX:DHCPQ, NYS:OCN, NYS:PFSI, NAS:TREE, ETR:FRU, STU:MBC, NYS:XRF, NYS:ELVT, NYS:ENVA, NYS:LC, NYS:ONDK, NYS:YRD
- 4 Securities:**  
AMS:FLOW, PAR:VIL, IEXG:IBKR, NAS:BGCP, NAS:TW, NAS:VIRT, LON:IGG, NYS:LM, NYS:IVZ, NAS:WETF, NYS:BLK, NYS:BEN, NYS:AB, MEX:FINAMEXO, NAS:INTL, SWX:CFT, MIL:MB, PAR:BNP, NSE:ICIBANK, NSE:IIFL, PINX:HSNGY, ETR:COM, NYS:AXP, NYS:BAC, LON:BARC, TSE:BMO, TSE:CM, NYS:C, LON:CBG, ASX:CBA, SES:D05, NYS:FII, LON:HSBA, NYS:JPM, NYS:BAC, NYS:HSBC, LON:LLOY, NYS:MTB, ASX:NAB, NYS:PNC, TSE:RY, LON:RBS, TSE:TD, NYS:USB, NYS:WFC, LON:BME, BSP:B3SA3, PAR:ENX, NAS:CME, NAS:NDAQ, PINX:HKXCY, ETR:DB1, ASX:ASX, BATS:CBOE, NYS:ICE, LON:LSE, SES:S68, TSE:X, NAS:VALU, NAS:MORN, NSE:CRISIL, NYS:FDS, NYS:INFO, NYS:MCO, NYS:MSCI, NYS:IT, NAS:FORR, NYS:RELX, NYS:SPGI, TSE:TRI, LON:NUM, NAS:COWN, ETR:DBK, SWX:CSGN, NYS:GHL, NYS:JPM, NYS:JMP, ASE:LTS, NYS:LAZ, ASX:MQG, NYS:MS, TKS:8604, NYS:PJC, NYS:RFJ, NYS:SF, NYS:GS, SWX:UBSG, NYS:AB, NYS:AMP, NYS:APAM, NYS:BLK, NYS:BK, NYS:CNS, NYS:BEN, LON:HL, NYS:IVZ, NYS:JHG, NAS:NTRS, NAS:SEIC, NAS:UMBF, NYS:MTB, NAS:TROW, NAS:VRTS, NYS:WDR, NAS:WETF, NYS:SCHW, LON:CMCX, NAS:ETFC, NYS:GCAP, NAS:MKTX, TKS:8628, NAS:VIRT, IEXG:IBKR, NAS:TIGR, NAS:FHL, TKS:8698, LON:PLUS, SWX:SQN, NAS:AMTD, NAS:YIN, AMS:KA, NAS:LPLA, NYS:AMK, NAS:SEIC, ASX:BVS, NYS:BR, ASX:CPU, NYS:ENV, LON:SNN, NYS:STT, LON:TCAP, PINX:FDRVF, LON:SOG, CSE:SIM, PAR:LIN, NAS:SSNC, LON:ALFA, ASX:IRE, SWX:TEMN
- 5 Insurance:**  
NAS:BNFT, NAS:HQY, NAS:PAYX, NAS:WDAY, NYS:NSP, NYS:TNET, NAS:VRSK, NYS:RAMP, LON:REL, NYS:CLGX, NYS:FICO, NAS:WLTW, NYS:AON, NYS:AJG, NYS:BRO, NYS:MMC, NAS:GSHD, PINX:AZSEY, PINX:AXAHY, NYS:ALL, NYS:AFG, NYS:AIG, SWX:ZURN, NAS:EVER, NAS:EHTH, NAS:QNST, LON:GOCO, ASX:ISU, LON:MONY, NAS:CINF, NAS:SIGI, NAS:STFC, NYS:CB, NYS:EIG, NYS:MCY, NYS:PGR, LON:RSA, NYS:THG, NYS:HIG, NYS:TRV, HKG:6060, NAS:AMSF, NAS:GBLI, NYS:ARGO, NYS:AIZ, NYS:MKL, NYS:PRA, NYS:RLI, NYS:WRB, NAS:SPNS, NAS:MJCO, NAS:EBIX, NYS:CRD.B, NYS:GWRE, NYS:FNJ, NYS:FAF, NYS:ORI, NYS:STC, PINX:AEQOF, NAS:ANAT, NAS:PFG, NYS:AFL, LON:AV, NYS:CI, TSE:GWO, LON:HSD, LON:LGEN, NYS:LNC, TSE:MFC, NYS:MET, NYS:PRI, NYS:PRU, LON:SLA, TSE:SLF, SWX:SLHN, NYS:GL
- 6 BPO:**  
PINX:TLFPY, NAS:SYKE, NAS:TTEC, BSP:QUAL3, NAS:CPSI, NAS:HMSY, NAS:HQY, NAS:MDRX, NAS:NXGN, NAS:RCM, NYS:CSLT, NAS:BNFT, NAS:ADP, NAS:CSOD, NAS:PAYX, NYS:NSP, NYS:TNET, MIL:BET, BOM:507685, NYS:ATO, PINX:CGEMY, NAS:OSPN, NAS:CTSH, NAS:DOX, NAS:EXLS, TSE:OTEX, NAS:VRTU, NSE:HCLTECH, NSE:HEXAWARE, NSE:INFY, NSE:MINDTREE, NSE:TCS, NSE:TECHM, NYS:ACN, LON:APTD, NYS:CACI, NYS:DXC, NYS:UIS, NYS:WNS, LON:IBPO, BOM:526299, BOM:532809, NAS:PRGX, LON:CPI, TSE:GIB.A, NYS:G
- 7 Financial Management Solutions:**  
NAS:BL, NAS:COUP, NAS:INTU, ASX:RKN, NAS:DOCU, LON:SGE, NYS:AVLR, ASX:XRO, NAS:MSTR, NAS:SPLK, NYS:TDC, NAS:AMSWA, NAS:APPN, NAS:EPAY, NYS:PLAN, PINX:BPRMF, LON:APTD, NAS:PEGA, NAS:QADA, NSE:RAMCOSYS, ASX:TNE, BSP:TOTS3, NYS:TYL, NAS:ADP, NAS:CSOD, NYS:CDAY, NAS:PAYX, NAS:PCTY, NAS:WDAY, NYS:HRB, NYS:NSP, NYS:PAYC
- 8 Enterprise Software / Data & Analytics:**  
ETR:SAP, NAS:VERI, NAS:MSTR, TSE:OTEX, NAS:SPLK, PINX:STWRY, NYS:AYX, NAS:WDAY, NYS:MDLA, NAS:CDLX, NYS:CLDR, LON:EXPN, NYS:FICO, NYS:NEWR, NYS:ORCL, NYS:CRM, NYS:VMW, HEL:NOKIA, GREY:SSNLF, NAS:AMBA, NAS:AMZN, NAS:CMCSA, NAS:GOOGL, NAS:GRMN, NAS:IDCC, NAS:LOGM, NAS:MSFT, NAS:QCOM, NAS:SLAB, NAS:TMUS, NYS:T, NYS:FIT, NYS:GLOB, NYS:S, NYS:VZ, ETR:SAP, NYS:ZUO, NYS:ORCL, NYS:IBM, NYS:CRM, NAS:ADBE, NAS:MSFT, NYS:VMW, NAS:SYMC, NAS:PEGA, NAS:FORR, NAS:VRNT, NAS:VRSK, TSE:AIM, NYS:CLGX, NYS:EFX, NYS:IT, NYS:IBM, NYS:RAMP, LON:REL, NYS:TDC, NYS:NLSN, NYS:TRU
- 9 Healthcare Tech:**  
LON:EMIS, NAS:CERN, NAS:CPSI, NAS:HSTM, NAS:MDRX, NAS:NXGN, ETR:COP, NAS:NH, NYS:EVH, NAS:HIIQ, NAS:MGLN, NAS:NUAN, NYS:ANTM, NYS:CNC, NYS:HUM, NYS:MMS, NYS:MOH, NYS:GTS, NYS:UNH, NYS:WCG, NAS:STRM, NAS:TRHC, NAS:HCAT, NAS:INOV, NAS:OMCL, NYS:VCRA, LON:CRW, NAS:STRM, NYS:PHR, NAS:HMSY, NAS:CHNG, NAS:RCM, NAS:SREV





## DISCLAIMER

The principals of Evolve Capital Partners are registered representatives of BA Securities, LLC Member FINRA SIPC, located at Four Tower Bridge, 200 Barr Harbor Drive, Suite 400 W. Conshohocken, PA 19428. Evolve Capital Partners and BA securities, LLC are unaffiliated entities. All investment banking services are offered through BA Securities, LLC, Member FINRA SIPC. This presentation is for informational purposes only and does not constitute an offer, invitation or recommendation to buy, sell, subscribe for or issue any securities or a solicitation of any such offer or invitation and shall not form the basis of any contract with BA Securities, LLC.

The information in this presentation is based upon Evolve Capital Partners estimates and reflects prevailing conditions and our views as of this date, all of which are accordingly subject to change. In preparing this presentation, we have relied upon and assumed, without independent verification, the accuracy and completeness of information available from public sources. In addition, our analyses are not and do not purport to be appraisals of the assets, stock, or business of the Company or any other entity. Neither BA Securities, LLC nor Evolve Capital Partners makes any representations as to the actual value which may be received in connection with a transaction nor the legal, tax or accounting effects of consummating a transaction. BA Securities, LLC and Evolve Capital Partners do not render legal or tax advice, and the information contained in this communication should not be regarded as such.

The information in this presentation does not take into account the effects of a possible transaction or transactions involving an actual or potential change of control, which may have significant valuation and other effects.

If you are not the intended recipient or an authorized representative of the intended recipient, you are hereby notified that any review, dissemination or copying of this presentation is prohibited.

## KEY SENIOR PROFESSIONAL

### Alexander Koles

Founder, CEO, Managing Director  
akoles@evolve-capital.com

Mr. Koles has over 15 years of financial advisory experience including advising middle-market and multinational firms on merger and acquisition strategies and execution, restructurings and capital raises. Prior to founding Evolve Capital Partners, he worked at a number of leading investment banks in leadership roles focused on restructuring transactions. He started his career at Merrill Lynch as an investment banker in the corporate finance group.

## CONTACT

Evolve Capital Partners  
1350 Avenue of the Americas  
2nd Floor  
New York, NY 10019  
T: (646) 688-2792  
[evolve-capital.com](http://evolve-capital.com)