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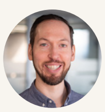

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EMERGING TECH RESEARCH

Q3 2023 IPO and S1 Navigator: Essential Data and Valuation Trends

PitchBook is a Morningstar company providing the most comprehensive, most accurate, and hard-to-find data for professionals doing business in the private markets.

Key takeaways

- **Instacart and Birkenstock raise questions about an IPO market that appeared open to fast growers with a path to profitability:** Following robust IPO outcomes in September, Instacart and Birkenstock have underperformed. As a result, the IPO market feels as if it is more in limbo than before. Prior to October's softness, IPOs had shown that the market was open to premium fast-growth companies such as Klaviyo, Oddity, and CAVA. In addition, Instacart demonstrated that a public offering is possible if investors accept a steep valuation cut. Instacart's last private market valuation, which was $39.0 billion, declined to about $9.9 billion in its IPO.

- **Path to profitability relevant in today's environment:** Klaviyo, Oddity, CAVA, and Instacart are close to becoming consistently profitable, which we think helped investors develop a degree of comfort about investing in them. Their path to profitability contrasts with 2019-2021's SPACs—many of which are expected to lose money through 2025 and even beyond.

- **IPO prospects are dampened by further market decline and higher rates:** Successful IPOs at robust valuations will be slightly harder to achieve given the recent decline in public market valuations. The Nasdaq is down 5.7% from its peak to October 17 after the Fed signaled higher rates for longer. Market corrections typically hit fast-growth companies harder.

- **Elevated legacy late-stage valuations are hindering IPOs:** Late-stage investors are hesitant to push portfolio companies to IPO and move closer to a loss. VCs will likely recoup more capital if they wait for portfolio companies to grow into their valuations, although revenue growth at most firms has slowed.

- **Decelerating revenue growth a challenge:** IPOs are also being suppressed by decelerating revenue growth, which means it will take longer for startups to grow into their elevated valuations of 2020-2021. Exemplifying this, estimated median revenue growth at the 70+ public SaaS companies we track is expected to decline from 2022's +25% YoY to 2023's +17% YoY. The same is likely true for most late-stage privates. It will take some companies several years to grow into their valuations, and some may never succeed. Expanding market multiples would help, of course.

- **Recent IPO performance is mixed:** The seven largest US-listed IPOs of the last four months had mixed performance. Performance relative to the Nasdaq from IPO to October 17, are as follows: Klaviyo (+6.9%), Instacart (-17.2%), RayzeBio (+16.3%), Arm (+12.8%), Oddity Tech (-12.5%), Birkenstock (-15.1%) and CAVA (+61.2%). Oddity's underperformance might be partly explained by the decision to upsize its initial IPO price range from $27-$30 to $32-$34 and to price at $35, one dollar above the high end of the range.

- **Klaviyo's IPO is largely attributable to strong revenue growth:** Klaviyo achieved a respectable valuation (close to its last private valuation) in its IPO, even after upsizing its initial range. It trades at 18.5x TTM gross income versus Braze's 16.9x, and like all fast-growth companies will need to continue to grow and increase EBITDA to maintain its multiple. Klaviyo's next three years of revenue growth will be important for determining how fast it can reach $1 billion and then $2 billion of annual revenue. Enterprise and SMB SaaS businesses often see decelerating revenue between $500 million to $1 billion as the law of large numbers catches up and they book the largest and easiest customers to close. Keys to growth for most companies, including Klaviyo, will include new product launches and international expansion.

- **Arm's promise of growth lands it a full valuation:** Reports from Arm's roadshow indicate the company expects to grow revenue 11% in fiscal year 2023 and around 25% in fiscal year 2024.[1] This revenue growth is expected to yield adjusted EBITDA of around $1.5 billion, producing an EV/NTM EBITDA multiple at 34.0x, a slight premium to its peers, including Cadence Design Systems, Marvell, Nvidia, and Synopsys. The company will need continued margin growth in both gross margins and operating margins to realize this forecast.

- **Instacart faces a revenue growth challenge and opportunity:** Instacart will have to work hard and be creative to maintain revenue growth, as its US online grocery sales dropped by 1.9% to $47.4 billion in the first half of 2023 compared to the same period in 2022. Newer advertising revenue compensated for some of the decline, and they will look to continue leveraging advertising to tap new revenue streams.

- **Gamer Pakistan:** Gamer Pakistan's $15.3 million IPO values the company at $107.5 million pre-money. Mobile Global Esports listed publicly for $6.0 million and had a market cap of $16.8 million in September 2022, despite contracting 80% YoY to $7.7 million since debuting. Public market performance for other esports companies has produced mixed results. FaZe Clan, one of the more visible companies in the segment, has shed nearly all (98.6%) of its market cap since its SPAC in 2022. Other publicly traded esports and events companies have not fared well in public markets, with a median revenue growth of -2.2%.

- **IPOs on the horizon—BrightSpring Health Services:** In September, KKR confidentially filed to take BrightSpring Health Services public and raise $1.0

1: "Arm's Full-Year Revenue Fell 1% Ahead of IPO—Source," Reuters, Anirban Sen and Manya Saini, August 18, 2023.

billion following an aborted 2022 IPO. KKR has assembled BrightSpring, which began as a Medicaid home- and community-based services provider, into an integrated home-based care delivery platform that also offers Medicare home health and hospice as well as a specialty pharmacy.

IPO performance analysis*

Company	Initial price range	Final price range	Date: opening trade	IPO investor price	Current stock price	Stock performance since IPO pricing	Change in Nasdaq over same time period	Day 1 stock price close	Shares offered (M)	Estimated amount raised ($M)	Estimated fully diluted valuation at IPO price ($M)	Estimated fully diluted valuation today's stock price ($M)
Birkenstock	$44-$49	$44-$49	10/11/23	$46.00	$38.50	-16.3%	-1.1%	$37.62	32.2	$1,480	$8,640	$7,231
Klaviyo	$25-$27	$27-$29	9/20/23	$30.00	$30.67	2.2%	-1.1%	$32.76	19.2	$345	$9,237	$9,443
Instacart	$26-$28	$28-$30	9/19/23	$30.00	$25.41	-15.3%	-2.7%	$33.70	22.0	$660	$9,900	$8,385
RayzeBio	$16-$18	$16-$18	9/15/23	$18.00	$20.25	12.5%	-2.9%	$24.00	19.9	$358	$996	$1,121
ARM	$47-$51	$47-$51	9/14/23	$51.00	$51.90	1.8%	-4.4%	$63.59	95.5	$4,870	$53,999	$54,952
Oddity	$27-$30	$32-$34	7/19/23	$35.00	$27.67	-20.9%	-7.3%	$47.53	12.1	$425	$7,805	$6,170
CAVA	$17-$19	$19-$20	6/15/23	$22.00	$33.78	53.5%	-3.4%	$43.78	14.4	$318	$2,498	$3,835

Source: PitchBook • Geography: Global
*As of October 18, 2023

Klaviyo IPO valuation analysis

Klaviyo went public on September 20 and has risen by 7.4% from its pre-IPO price and outperformed the Nasdaq by 6.4%. Strong revenue growth has allowed it to grow in its last private market valuation, making the IPO attractive for certain investors. Investors in the last two rounds likely came in flat to slightly down.

Braze is a good comparable for Klaviyo: Klaviyo generated $585.0 million of revenue and $441.0 million of gross income in the 12 months ending in June, compared to Braze, one of its closest peers, with $402.0 million of trailing-12-month (TTM) revenue and $273.0 million of TTM gross income. The companies have similar gross profit margins—Klaviyo's is a little higher—simplifying the comparison of their top-line revenue metrics. Klaviyo is both larger and expanding faster than Braze. The company grew revenue 54% YoY in the first half of 2023 after a price increase in September 2022. Braze's revenue growth is slower but still quite strong at +31% YoY for Q1 (February-April 2023) and +40% YoY for Q4.

Strong revenue growth at Klaviyo: Klaviyo's 50%+ revenue growth is in the top decile among publicly traded SaaS companies, and with virtually all fast-growth SaaS businesses experiencing revenue declines in 2023, makes it stand out even more. Klaviyo went public on September 20 at a valuation of around $9 billion on a fully diluted basis, close to its last private round. We view this as a meaningful success in light of the current market environment.

Comparing Klaviyo and Braze's valuations: The company was valued at $9.15 billion in May 2021 and at an estimated $9.4 billion in July 2022, which represented an estimated 25x TTM revenue and 35x TTM gross income for 2022, according to PitchBook data. Braze is currently trading at an EV of $4.77 billion, 8.4x next-12-month (NTM) revenue, 12.2x NTM gross income, 11.5x TTM revenue, and 16.9x TTM gross income.

Public SaaS multiples decline since last Klaviyo private round: Public market valuations have declined since Klaviyo's last capital raise in July 2022. Public SaaS EV/NTM revenue multiples are down through September compared to 2022's average. Nevertheless, high revenue growth (20%+) and high gross margin SaaS businesses trade at more than 10x NTM revenue. Seven of the 70 public SaaS companies we track are valued at more than 10x NTM top-line revenue. That number was 14 in 2022 and 42 in 2021.

Investors ascribe a premium to Klaviyo: Investors say Klaviyo should trade at a higher multiple because it is growing faster, but net revenue retention and logo retention are also key SaaS metrics. Braze's TTM net revenue retention was 122% compared to Klaviyo's 119% net dollar retention. Braze and Klaviyo do not disclose logo retention, but they do share customer counts. Braze has 1,866 customers (the company targets enterprise and mid-market segments), and Klaviyo, which focuses more on small and medium-size businesses, has 133,000. We believe it is easier to start with SMB customers and move up to enterprise than it is to do the opposite.

Klaviyo and peer valuations*

Company	Enterprise value ($M)	TTM gross income ($M)	EV / TTM gross income	2022 YoY gross profit growth	2020 gross profit ($M)	2021 gross profit ($M)	2022 gross profit ($M)	Q2 2023 gross profit ($M)	Q2 2023 YoY gross profit growth	NTM gross income ($M)	EV / NTM gross income
Klaviyo	$8,968	$441	20.3x	67%	N/A	$206	$345	N/A	N/A	N/A	N/A
Braze	$4,181	$278	15.0x	67%	$61	$96	$160	$80	35%	$344	12.2x
DoubleVerify Holdings	$4,506	$410	11.0x	35%	$208	$278	$375	$108	18%	$538	8.4x
Integral Ad Science	$1,981	$2,126	5.6x	24%	$200	$269	$333	$90	9%	$407	4.9x
The Trade Desk	$36,454	$1,411	25.8x	33%	$657	$975	$1,297	$378	22%	$1,847	19.7x

Source: PitchBook • Geography: Global
*As of October 18, 2023

Klaviyo's cap table*

Deal type	Raise date	Round size ($M)	Raised to date ($M)	Pre-money valuation ($M)	Post-money valuation ($M)	Select investors and notes
IPO	September 20, 2023	$576	$1,120	N/A	N/A	N/A
Series E	July 28, 2022	$100	$779	$9,200	$9,500	Cross Creek Advisors, Shopify, W Ventures
Series D	May 10, 2021	$320	$679	$9,150	$9,470	Accel, ClearBridge Advisors, Counterpoint Global, Lone Pine Capital, Morgan Stanley
Series C	November 17, 2020	$200	$359	$3,950	$4,150	Accel, Summit Partners
Series B	April 8, 2019	$150	$159	N/A	N/A	Acadian Software, Maiden Lane, Patrick Oreilly, Summit Partners, Whitney Sorenson
Series A	March 7, 2016	$7	$9	$50	$57	Astral Capital, SXM Global
Seed	June 22, 2015	$2	$2	N/A	N/A	Elias Torres, David Cancel, Accomplice VC

Source: PitchBook • Geography: Global
*As of October 18, 2023

Instacart IPO valuation analysis

Maplebear, (DBA Instacart) a grocery technology company that provides grocery ordering and delivery services, debuted on the Nasdaq stock exchange on September 19, 2023. We compare it to the greater food delivery space and to DoorDash, a competitor in the food ordering and delivery space.

DoorDash a good comparable: According to the company's S-1, over the 12-month period ending in June, Instacart generated $1.5 billion of revenue and $1.1 billion of gross income, compared to DoorDash's $7.7 billion of TTM revenue and $3.5 billion of TTM gross income. Instacart achieved a gross margin of 72.0% in 2022, while DoorDash's gross margin was only 45.5% during the same time frame.

Instacart has experienced strong revenue growth, driven by diversification efforts such as the expansion into grocery tech hardware, advertising, and partnerships with more stores. Despite facing challenges in sustaining order volume after the pandemic peak, Instacart's strategic moves, including the introduction of food-stamp payments and the Instacart+ membership program, have propelled its success. Instacart's IPO capitalizes on its scale, profitability, and management team.

Strong revenue growth generated by advertising: Platform ads serve as virtual slotting fees that enable consumer packaged goods companies to achieve prime placement. This revenue stream has very high margins compared to the core delivery model and has grown to account for around 30% of total revenue. In the first half of 2023, Instacart's revenue growth rate of 31.0% was higher than DoorDash's growth rate of 18.4%. Despite total US online grocery sales dropping by 1.9% to $47.4 billion in the first half of 2023 compared to the same period in 2022, Instacart continued to experience growth. However, the stagnant market growth is a cause for concern regarding the company's long-term prospects.

Valuation comparison: DoorDash is currently trading at an enterprise value of $27.1 billion, 3.9x TTM revenue, 3.9x TTM gross income, 2.9x forward revenue, and 21.4x EV to NTM EBITDA, compared to Instacart's public enterprise value of $8.1 billion, according to most estimates, which represents an estimated 2.8x TTM revenue and 3.7x TTM gross income.

Instacart and peer valuations*

Company	Enterprise value ($M)	TTM gross income ($M)	EV / TTM gross income	2022 YoY gross profit growth	2020 gross profit ($M)	2021 gross profit ($M)	2022 gross profit ($M)	Q2 2023 gross profit ($M)	Q2 2023 YoY gross profit growth	NTM gross income ($M)	EV / NTM gross income
Instacart	$8,100	$2,171	3.7x	49%	$879	$1,226	$1,831	N/A	N/A	$2,480	3.7x
DoorDash	$26,354	$3,538	3.4x	17%	$1,518	$2,550	$2,995	$998	37%	$4,566	3.5x
Meituan	$82,272	$11,596	7.1x	39%	$4,929	$6,578	$9,170	$3,624	54%	$15,850	7.1x
Delivery Hero	$10,903	$2,872	3.8x	58%	$563	$1,487	$2,347	N/A	N/A	$3,521	3.9x
Zomato	$11,195	$772	14.5x	100%	$351	$242	$485	$226	50%	$1,133	14.6x
Deliveroo	$1,666	$856	1.9x	16%	$446	$681	$793	N/A	N/A	$948	1.9x
Just Eat Takeaway.com	$3,060	$2,386	1.3x	N/A	$1,279	$1,859	N/A	N/A	N/A	$2,836	1.3x
Uber	$94,533	$13,749	6.9x	51%	$5,985	$8,104	$12,218	$3,715	27%	$17,479	7.1x
Lyft	$3,313	$1,768	1.9x	10%	$917	$1,506	$1,659	$422	20%	$1,998	2.0x

Source: PitchBook • Geography: Global
*As of October 18, 2023

Instacart's cap table*

Deal type	Raise date	Round size ($M)	Raised to date ($M)	Pre-money valuation ($M)	Post-money valuation ($M)	Number of investors	Select investors and notes
Series I	March 2, 2021	$265.0	$2,686.1	$38.7	$41.4	38	A16z, Fidelity, FJ Labs, T Rowe Price, Sequoia
Series H	October 8, 2020	$200.0	$2,421.1	$17.5	$19.9	6	D1 Capital Partners, Fidelity, InvestX, Light Street Investments, Valiant Capital Partners
Series G	July 3, 2020	$325.0	$2,221.1	$13.5	$15.7	8	T. Rowe Price, General Catalyst, DST Global, D1 Capital Partners
Series F	December 13, 2018	$871.0	$1,896.1	$7.0	$8.9	13	Tiger Global, Coatue, Base10 Partners, D17 Capital, Plus Capital
Series E	April 5, 2018	$350.0	$1,025.1	$4.0	$5.0	2	Coatue, Glade Brook Capital Partners
Series D	March 15, 2017	$400.0	$675.1	$3.0	$3.7	12	A16z, Initialized, Y Combinator, Thrive Capital, Sequoia, Kleiner Perkins
Series C	January 14, 2015	$220.2	$275.1	$1.8	$2.1	15	Sequoia, Kleiner Perkins, A16z, Khosla Ventures, Thrive Capital
Series B	June 16, 2014	$44.0	$55.0	$310.0	$310.1	7	Amex Ventures, A16z, Sam Altman, Sequoia, Canaan Partners
Series A	July 10, 2013	$10.8	$11.0	$14.6	$14.6	16	Khosla Ventures, Sequoia, Haystack, Canaan Partners
Accelerator	August 13, 2012	$0.17	$0.17	N/A	N/A	2	Y Combinator, Start Fund

Source: PitchBook • Geography: Global
*As of October 18, 2023

Arm IPO valuation analysis

Arm achieves full valuation by flexing future growth: Arm's IPO shows the challenge and opportunity of valuing future AI expectations. Arm is a semiconductor design company with significant exposure to AI via research & development into AI processors. The company achieved a $52.3 billion valuation in the its September 13 listing despite only reaching $2.7 billion in revenue in FY 2022 with declining revenue growth. Arm initially targeted a $60 to $70 billion valuation in this IPO but revised its price range downward upon meeting with investors.[2] The lowered price range relative to the initial target shows that investors are exercising caution in assigning expectations for AI growth and comparing the company closely to its semiconductor design and electronic design automation software peers.

Forward EBITDA multiples offering comparisons to incumbents: Arm's outsized valuation owes to strategic investors and expectations for future revenue growth. Arm's revenue for FY 2022 declined 1% to $2.7 billion. We believe the decline owes to weakness in global smartphone shipments. Reports from the company's roadshow indicate the company expects to grow revenue 11% FY 2023 and around 25% in FY 2024.[3] This revenue growth is expected to yield adjusted EBITDA of around $1.5 billion, producing an EV/NTM EBITDA multiple at 34.0x with a slight premium to its peers, including Cadence Design Systems, Marvell, Nvidia, and Synopsys. The company will need continued margin growth in both gross margins and operating margins to realize this forecast.

AI provides promise, but the space is competitive: We believe part of these growth estimates stems from the opportunity in AI. Arm does not offer a pure-play AI processor opportunity, given the company's focus on edge CPUs and microcontrollers, which leaves the company relatively underexposed to data center training underlying the current GPU boom. The current wave of large language models may pass Arm by given its existing investments in legacy neural network optimization on decentralized devices. The company's AI research has focused on compression of legacy neural network models for speech recognition and object detection on small devices and does not bring general-purpose innovations to complex platform technologies such as workstations and mobile phones. We believe that ambient AI computing will require advanced devices capable of running large models in the future, yet Arm faces strong competition. Numerous startup challengers are developing novel CPU architectures optimized for transformer models, including Tenstorrent, which leverages competing RISC-V designs, and d-Matrix. Application-specific architectures will likely take advantage of the novel innovations in transformer models from leading research labs, creating an innovator's dilemma for Arm and its existing product suite.

Corporate investors supporting Arm's valuation: As a complement to this growth story, strategic investors supported the IPO valuation given Arm's central role in the processor design ecosystem. Bloomberg reported that chip leaders including Apple, Nvidia, Intel, Samsung, AMD, Cadence Design Systems, Google, and Synopsys invested amounts ranging from $25 million to $100 million.[4] Strategic investors are

2: "Softbank's Arm Ltd Targets Valuation up to $70 Billion in September IPO, Bloomberg Reports," Reuters, August 2, 2023.
3: "Arm's Full-Year Revenue Fell 1% Ahead of IPO—Source," Reuters, Anirban Sen and Manya Saini, August 18, 2023.
4: "SoftBank Lines up Apple, Nvidia, Intel as Strategic Investors for Arm IPO as Chipmaker Rides AI Wave," Fortune, Amy Or et al., September 2, 2023.

central to high valuations among private companies, as evidenced by megadeals from Microsoft for OpenAI and Amazon for Anthropic. Corporate investors have also supported private semiconductor companies and are likely to be long-term shareholders to influence corporate strategy. Their incentives may not be aligned with financial investors, as they benefit from Arm's current royalty-based business model staying in place.

Arm and peer valuations*

Company	Enterprise value ($M)	TTM gross income ($M)	EV / TTM gross income	2022 YoY gross profit growth	2020 gross profit ($M)	2021 gross profit ($M)	2022 gross profit ($M)	Q2 2023 gross profit ($M)	Q2 2023 YoY gross profit growth	NTM gross income ($M)	EV / NTM gross income
ARM	$51,427	$2,550	20.2x	37%	N/A	$1,882	$2,572	$644	-3%	$3,183	N/A
Nvidia	$1,037,172	$21,120	49.1x	68%	$6,768	$10,396	$17,475	$9,462	225%	$51,595	20.1x
Marvell International	$48,373	$2,529	19.1x	39%	$1,357	$1,488	$2,064	$521	-34%	$3,753	12.9x
Cadence Design Systems	$66,787	$3,398	19.7x	19%	$2,377	$2,681	$3,190	$880	15%	$3,999	16.7x
Synopsys	$72,768	$4,355	16.7x	20%	$2,891	$3,342	$4,018	$1,180	21%	$5,285	13.8x

Source: PitchBook • Geography: Global
*As of October 18, 2023

Arm's cap table*

Deal type	Date	Size ($/£B)	Notes
IPO	September 13, 2023	$4.9	The company completed its initial public offering on the Nasdaq stock exchange under the ticker symbol of ARM on September 13, 2023. A total of 95,500,000 ADS were sold at $51 per share. After the offering, there were 1,026,078,866 outstanding shares at $51 per share, valuing the company at $52.33 billion. The company did not issue any shares and will not receive any proceeds from the offering. The total proceeds, before expenses, to the selling shareholders is $4.857 billion. The underwriters were granted an option to purchase up to an additional 7,000,000 ADS from the selling shareholders to cover-allotments, if any.
Buyout	September 5, 2016	£24.35	The company was acquired by SoftBank Group through a GBP 24.35 billion public-to-private LBO on September 5, 2016. Mizuho Bank provided an undisclosed amount of debt to support the transaction.
IPO	April 24, 1998	£0.067	The company raised GBP 67.4 million in its initial public offering on the Nasdaq under the ticker symbol of ARMHY and on the London stock exchange under the ticker symbol of ARM on April 24, 1998. A total of 11,730,000 shares were sold at a price of GBP 5.75 per share.
Joint Venture	November 1, 1990	N/A	The company was formed as a joint venture between Apple, Acorn Group, and VLSI Technology in November 1990.

Source: PitchBook • Geography: Global
*As of October 18, 2023

Gamer Pakistan IPO valuation analysis

Gamer Pakistan and Mobile Global Esports facilitate esports tournaments and gaming-related events alongside offering merchandise and other physical goods in South Asia. Gamer Pakistan's proposed IPO for $15.3 million values the company at $107.5 million pre-money. Mobile Global Esports listed publicly for $6.0 million and had a market cap of $16.8 million in September 2022, despite contracting 80% YoY to $7.7 million since debuting. Public market performance for other esports companies has produced mixed results. FaZe Clan, one of the more visible companies in the segment, has shed nearly all (98.6%) of its market cap since its SPAC in 2022. Other publicly traded esports and events companies have not fared well in public markets, with a median revenue growth of -2.2%.

Neither Gamer Pakistan nor Mobile Global Esports reported any TTM revenue. Mobile Global Esports has a relatively healthier balance sheet with a current ratio of 25.9x compared to 1.1x for Gamer Pakistan.

Mobile Global Esports is trading at an enterprise value of $1.8 million, down from $42.9 million during the same period last year, and with a 0.37x forward-revenue ratio as well as an EV-to-assets ratio of 0.24x. We note that public market valuations have declined since Mobile Global Esports listed publicly, but the company's EV likely represents the high-end outcome for Gamer Pakistan. Further, none of the seven additional esport event companies that could be considered competitors has a market capitalization in excess of $18.0 million, and all have fallen YTD, painting a challenging near-term outlook for Gamer Pakistan.

BrightSpring IPO and S1 insights

In September KKR confidentially filed to take BrightSpring Health Services public and raise $1.0 billion following an aborted 2022 IPO. KKR has assembled BrightSpring, which began as a Medicaid home- and community-based services (HCBS) provider, into an integrated home-based care delivery platform that also offers Medicare home health and hospice as well as a specialty pharmacy. BrightSpring's closest public comp, Amedisys, is under agreement to be acquired by Optum after an initial bid from infusion provider Option Care Health and currently trades at 1.5x EBITDA. However, Amedisys is a Medicare-focused provider, and BrightSpring's valuation multiple will depend on its revenue mix. In the current environment, the TTM EBITDA multiple for an HCBS provider might be in the high single digits to low teens; low to mid-teens for home health and hospice; and mid- to high teens for specialty pharmacy. In 2021, the company's revenue was reportedly $4.5 billion.