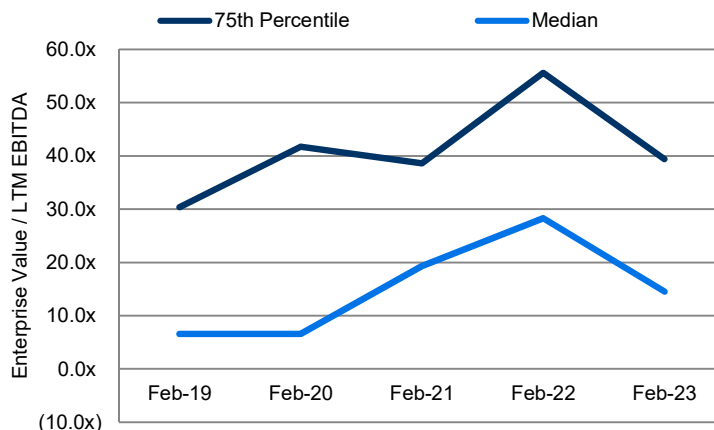


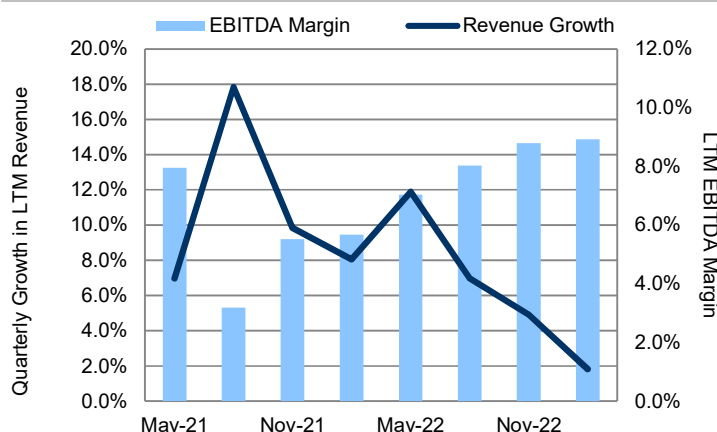
M&A Activity

- After Global M&A witnessed a record setting 2021, buoyed to some extent from delayed deals related to COVID-19, 2022 deal making snapped back to reality. 2022 witnessed geopolitical tension, inflation, rising interest rates, an increase in the cost of capital, and souring equity markets which suppressed deal value, though deal count and overall activity remained fairly healthy by historical standards. The M&A outlook for 2023 remains encouraging, despite some political and economic pressures, as private buyers remain motivated to capture value with over \$1.0 trillion of dry powder. Megadeals and the use of leverage can be expected to come under some pressure in 2023 as borrowing becomes more expensive. Additionally global real GDP is expected to slow from 3.1% in 2022 to approximately 2.0% in 2023, the lowest level since the global financial crisis in 2008.

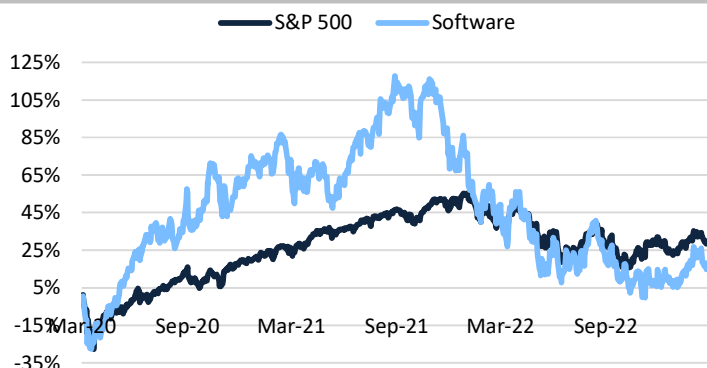
Trend in Industry EBITDA Multiples¹



Trends in Revenue Growth and EBITDA Margins¹



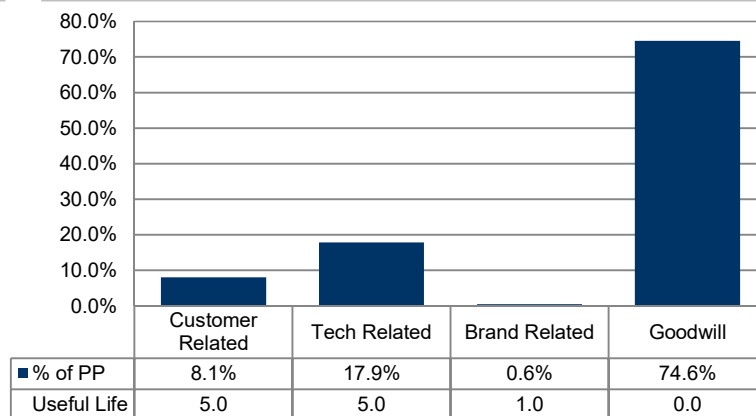
Relative Stock Price Returns¹



¹ Calculated using OTEX, TSX:CSU, WDAY, CTXS, SPLK, COUP, SNPS, PAYC, TSX:LSPD, DOCU, TEAM, ADSK, ZM, DBX NOW, ZEN, BOX, DDOG

² Software Industry is a custom, equal-weighted index constructed with the aforementioned companies.

Purchase Price Allocation (PPA) % from Recent Transactions



Notable M&A Deals



On February 28, 2023, Coupa Software, a leader in Business Spend Management, announced the completion of its acquisition by Thoma Bravo, a leading software investment firm, in an all-cash transaction valued at approximately \$8.0 billion. The transaction includes a significant minority investment from a wholly owned subsidiary of the Abu Dhabi Investment Authority.



On January 31, 2023, OpenText™ announced that it closed the previously announced \$6.4 billion acquisition of Micro Focus International plc, a leading provider of mission-critical software technology and services that help customers accelerate digital transformation. Micro Focus International plc operates in the enterprise software business and offers infrastructure software products.



On November 11, 2022, Zendesk, Inc. announced the completion of its acquisition by an investor group led by Hellman & Friedman and Permira in an all-cash transaction that values the company at approximately \$10.1 billion. Zendesk will operate as a privately held company and will remain headquartered in San Francisco.