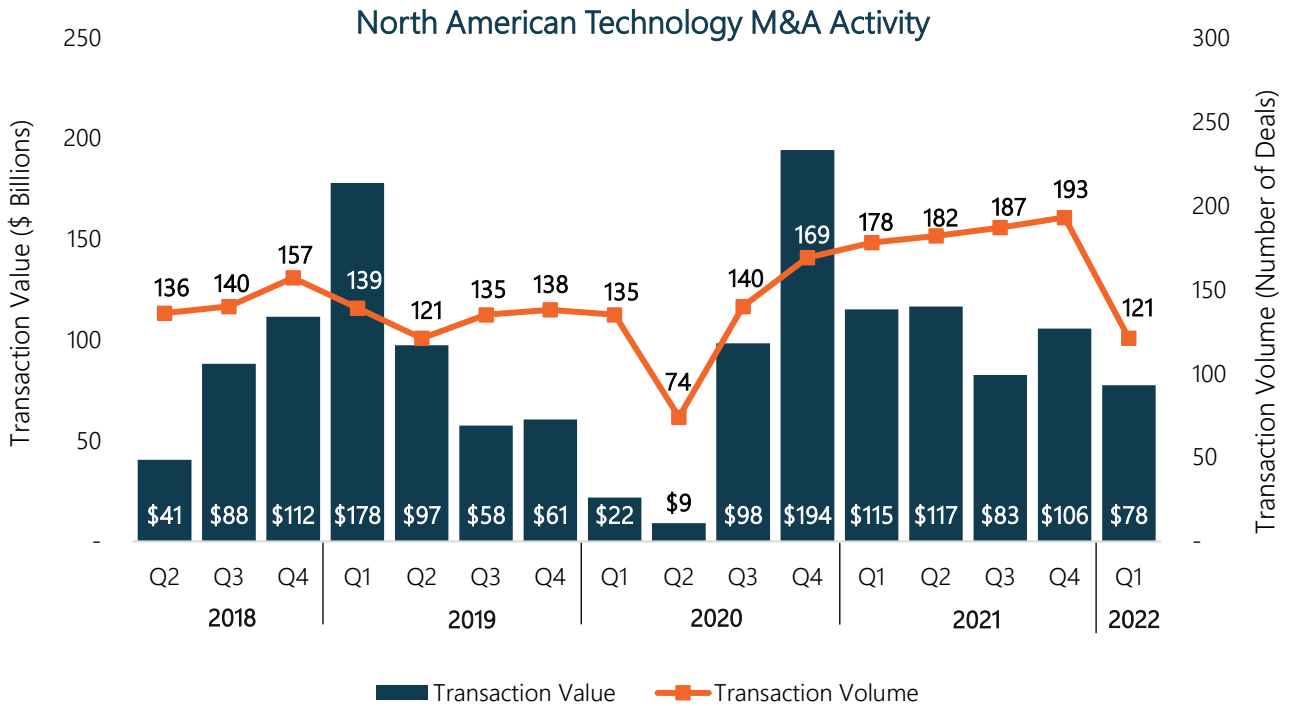


Technology

Quarterly Update | Q1 2022





Source: Capital IQ. Data as of March 31, 2022.

All figures are in CAD unless otherwise stated.

Transaction value is only inclusive of total transaction values which have been disclosed within Capital IQ.

Technology includes companies classified as: Software & Services, Technology Hardware & Equipment, and Semiconductors & Semiconductor Equipment.

Q1 Transactions 121 (-37.3% vs. Q4 2021)	Q1 Transaction Value \$78 billion (-26.6% vs. Q4 2021)	YTD22 Transactions 121 (-32.0% vs. YTD21)	YTD22 Transaction Value \$78 billion (-32.6% vs. YTD21)
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M&A Market Update – Q1 2022

- The technology industry experienced a notable decrease in both transaction volume and value in Q1 2022 relative to the prior quarter. Total transaction volume decreased from 193 to 121 deals, while transaction value fell from \$106 billion to \$78 billion. This represents a 37% and 27% decline, respectively. It is evident that technology industry dealmaking activity has slowed down after a robust post-COVID period beginning in Q3 2020.
- Of the 121 reported transactions for which transaction value was reported, there were 28 disclosed EV/Revenue metrics and 6 disclosed EV/EBITDA metrics. Of these disclosures, the median EV/Revenue was 2.1x and the median EV/EBITDA was 13.2x.
- The NASDAQ-100 fell 8.9% in Q1 2022, negatively impacted by rising bond yields and fears of a slowing economy.
- As the Bank of Canada and the Federal Reserve are raising interest rates to combat high inflation, valuations of technology companies have been negatively impacted. This may be one factor driving lower overall transaction values in the industry. Additionally, rising uncertainty in geopolitics, COVID-19 resurgences, and the high inflationary environment may have led some buyers to take more conservative approaches to dealmaking.

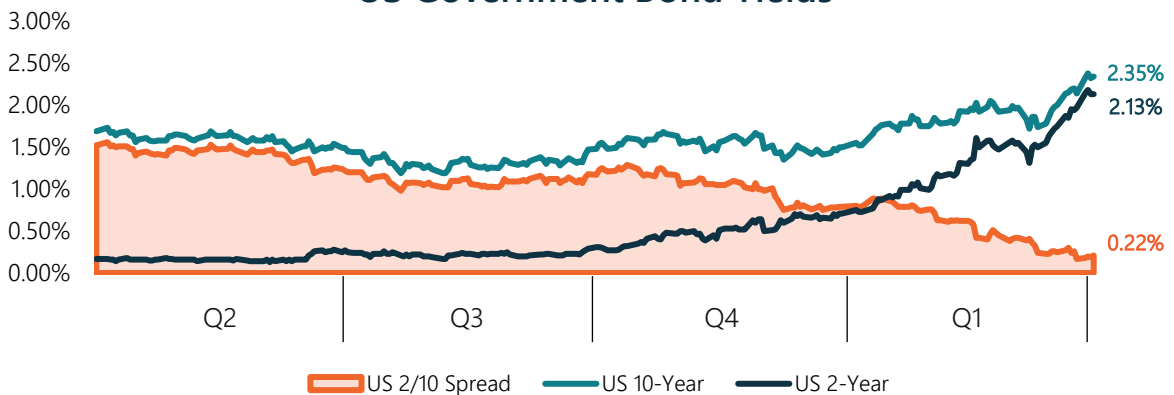
Key external drivers that affect the technology industry include changes to inflation rates and treasury yields. The market outlook for inflation rates are a key metric. Interest rates are expected to increase in the short term for both Canada and US to combat inflationary pressures which have driven yields higher. Higher yields impact the cost of capital for companies, economic growth, and investor demand for higher risk assets such as technology stocks.

Inflation in Canada reached a 31-year high of 6.7% in Q1 2022, while in the US it increased to 8.5%. Both Canadian and US 10-year government bond yields have increased in Q1 2022 to 2.40% and 2.35%, respectively.

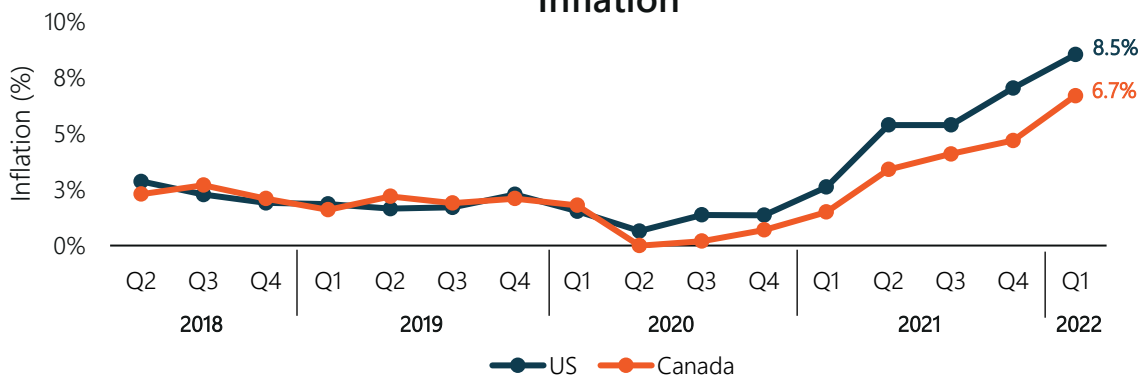
Canadian Government Bond Yields



US Government Bond Yields



Inflation



Select Recent M&A Transactions



Announced	Feb 15, 2022
EV	\$7.91 billion
EV/EBITDA	12.2x
EV/Revenue	3.6x

Intel Corporation (NASDAQ: INTC) announced the acquisition of **Tower Semiconductor Inc.** (NASDAQ: TSEM) on February 15, 2022 in an all-cash transaction. Tower Semiconductor Inc. manufactures and markets analog intensive mixed-signal semiconductor devices. The total consideration is approximately \$7.91 billion, a 60% premium over its last closing price prior to announcement.



Announced	Mar 28, 2022
EV	\$4.37 billion
EV/EBITDA	15.7x
EV/Revenue	1.9x

HP Inc. (NYSE:HPQ) announced its acquisition of **Plantronics Inc.** (NYSE: POLY) on March 28, 2022 in an all-cash transaction. Plantronics Inc. manufactures video and audio communication equipment such as headsets, webcams, and business phones. The total consideration is approximately \$4.37 billion, a 53% premium over its last closing price prior to the announcement.



Announced	Mar 15, 2022
EV	\$1.12 billion
EV/EBITDA	Not disclosed
EV/Revenue	8.8x

Zebra Technologies Canada, ULC, a subsidiary of Zebra Technologies Corporation (NASDAQ: ZBRA), announced the acquisition of **Matrox Imaging Ltd.** ("Matrox") on March 15, 2022. Matrox designs software and hardware solutions in the fields of graphics, video editing, and image processing. Matrox Graphics Inc. is not part of the transaction. The total consideration is approximately \$1.12 billion.



Closed	Jan 1, 2022
EV	\$173.29 million
EV/EBITDA	Not disclosed
EV/Revenue	Not disclosed

Telus Corporation (TSX: T) closed the acquisition of **FULLYMANAGED INC.** on January 1, 2022, and later announced it on February 10, 2022. FULLYMANAGED INC. is a technology and IT support service company. Its offerings include managed IT services, ServiceNow solutions, and Digital Health for senior care. The total consideration is approximately \$173.29 million.

Public Comparable Analysis

Trading Multiples & Operating Statistics

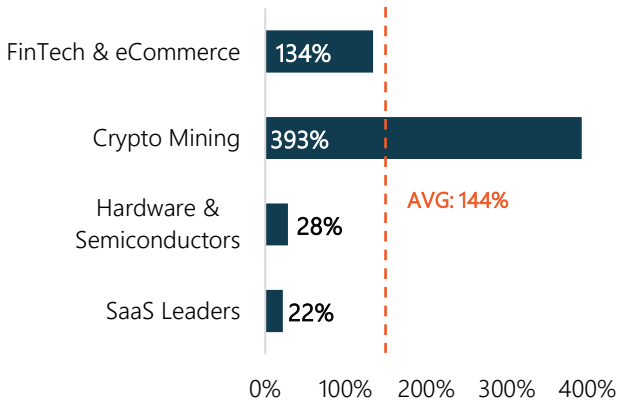
(Figures in CAD millions, except percentages and ratios)

Company	Market Cap	Enterprise Value	LTM Operating Figures				NTM Consensus		Valuation	
			Revenue	Revenue Growth	EBITDA	EBITDA Margin	Revenue Growth	EBITDA Margin	LTM EV/EBITDA	LTM EV/REV
SaaS Leaders										
Constellation Software Inc.	\$45,286	\$46,609	\$6,462	28.6%	\$1,515	23.4%	20.5%	29.1%	30.8x	7.2x
Open Text Corporation	\$14,277	\$18,001	\$4,348	4.1%	\$1,462	33.6%	7.7%	36.2%	12.5x	4.2x
The Descartes Systems Group Inc.	\$7,758	\$7,501	\$541	21.8%	\$228	42.1%	13.7%	43.9%	32.9x	13.9x
Topicus.com Inc.	\$7,453	\$12,241	\$1,069	50.3%	\$256	23.9%	NM	N/A	47.9x	11.5x
BlackBerry Limited	\$5,342	\$5,166	\$910	(19.6%)	(\$79)	(8.6%)	(2.7%)	(6.8%)	NM	5.7x
Kinaxis Inc.	\$4,496	\$4,271	\$317	11.8%	\$16	5.2%	36.5%	17.4%	NM	13.5x
Enghouse Systems Limited	\$2,195	\$2,005	\$459	(10.4%)	\$143	31.1%	3.4%	34.5%	14.1x	4.4x
Docebo Inc.	\$2,123	\$1,856	\$132	65.7%	(\$14)	(10.5%)	43.7%	(1.6%)	NM	14.1x
Dye & Durham Limited	\$1,776	\$2,714	\$376	331.5%	\$163	43.5%	50.6%	56.7%	16.6x	7.2x
Median	\$5,342	\$5,166	\$541	21.8%	\$163	23.9%	17.1%	31.8%	23.7x	7.2x
Mean	\$10,079	\$11,151	\$1,624	53.8%	\$410	20.4%	21.7%	26.2%	25.8x	9.1x
Hardware & Semiconductors										
Celestica Inc.	\$1,851	\$2,367	\$7,449	5.3%	\$417	5.6%	11.0%	6.0%	6.0x	0.3x
Evertz Technologies Limited	\$1,162	\$1,162	\$418	22.4%	\$105	25.0%	7.9%	23.2%	11.1x	2.8x
Meta Materials Inc.	\$594	\$636	\$5	263.8%	(\$43)	NM	245.7%	NM	NM	NM
Vecima Networks Inc.	\$370	\$365	\$143	34.2%	\$10	6.7%	33.1%	14.4%	38.0x	2.5x
Sangoma Technologies Corporation	\$366	\$446	\$235	70.1%	\$20	8.4%	43.6%	17.6%	22.7x	1.9x
POET Technologies Inc.	\$332	\$307	\$0	-	(\$22)	NM	867.8%	NM	NM	NM
Median	\$482	\$541	\$189	28.3%	\$15	7.5%	38.3%	16.0%	16.9x	2.2x
Mean	\$779	\$881	\$1,375	66.0%	\$81	11.4%	201.5%	15.3%	19.4x	1.9x
Crypto Mining										
Hut 8 Mining Corp.	\$1,181	\$1,082	\$174	326.9%	\$75	43.1%	56.4%	51.3%	14.5x	6.2x
HIVE Blockchain Technologies Ltd.	\$1,090	\$1,021	\$242	396.9%	\$255	105.2%	8.5%	87.0%	4.0x	4.2x
Bitfarms Ltd.	\$948	\$896	\$214	388.4%	\$117	54.4%	40.8%	N/A	7.7x	4.2x
BIGG Digital Assets Inc.	\$193	\$144	\$12	547.9%	(\$8)	(67.8%)	113.1%	25.9%	NM	12.2x
Median	\$1,019	\$958	\$194	392.7%	\$96	48.7%	48.6%	51.3%	7.7x	5.2x
Mean	\$853	\$786	\$161	415%	\$110	33.7%	54.7%	54.7%	8.7x	6.7x
FinTech & eCommerce										
Shopify Inc.	\$106,292	\$98,032	\$5,836	57.4%	\$505	8.6%	32.5%	8.3%	196.9x	17.0x
Nuvei Corporation	\$13,443	\$13,155	\$917	92.6%	\$316	34.5%	35.3%	43.0%	41.6x	14.3x
Lightspeed Commerce Inc.	\$5,659	\$4,514	\$613	175.7%	(\$152)	(24.8%)	41.7%	(7.5%)	NM	7.4x
WeCommerce Holdings Ltd.	\$377	\$411	\$39	81.3%	\$3	9.0%	46.4%	22.1%	118.2x	10.7x
Tenet Fintech Group Inc.	\$371	\$349	\$87	183.4%	\$1	1.3%	125.3%	12.0%	NM	4.0x
Payfare Inc.	\$341	\$300	\$44	225.5%	(\$20)	NM	123.4%	(7.3%)	NM	6.8x
Median	\$3,018	\$2,463	\$350	134.2%	\$2	8.6%	44.1%	10.1%	118.2x	9.0x
Mean	\$21,080	\$19,460	\$1,256	136.0%	\$109	5.7%	67.4%	11.8%	118.9x	10.0x

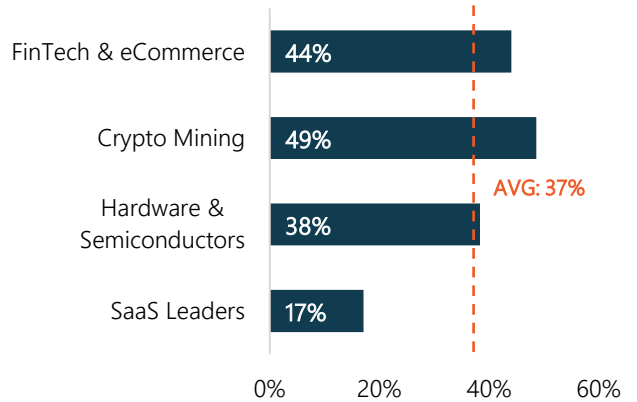
Public Comparable Analysis

Growth, Margins & Multiples

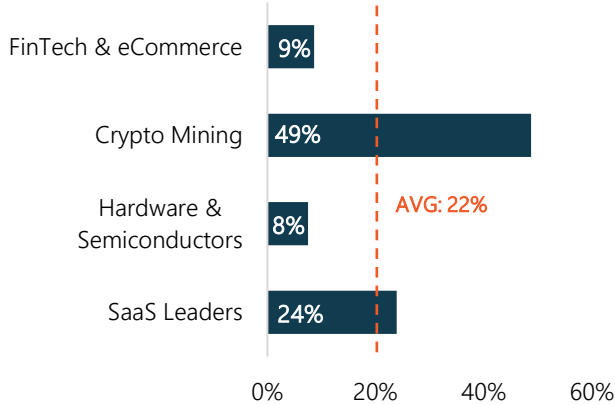
LTM REVENUE GROWTH



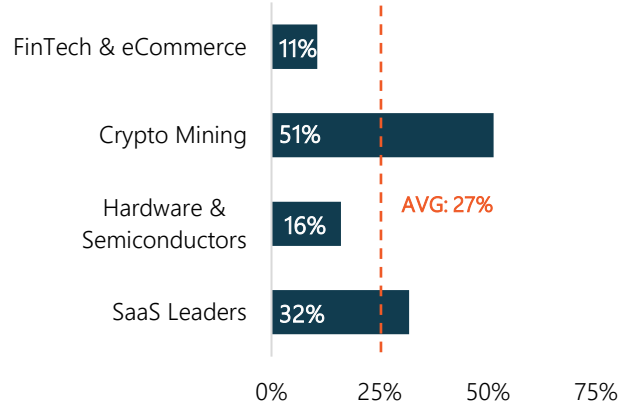
NTM REVENUE GROWTH



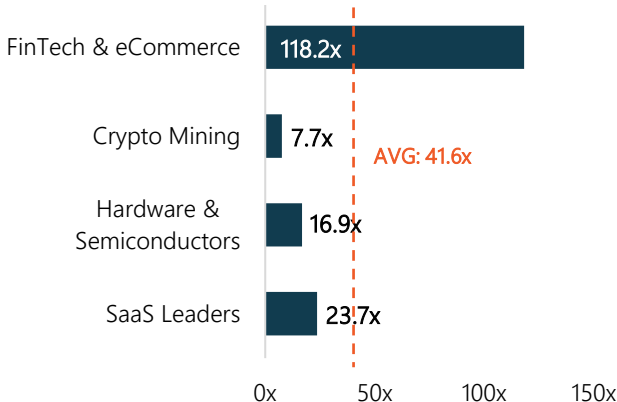
LTM EBITDA MARGIN



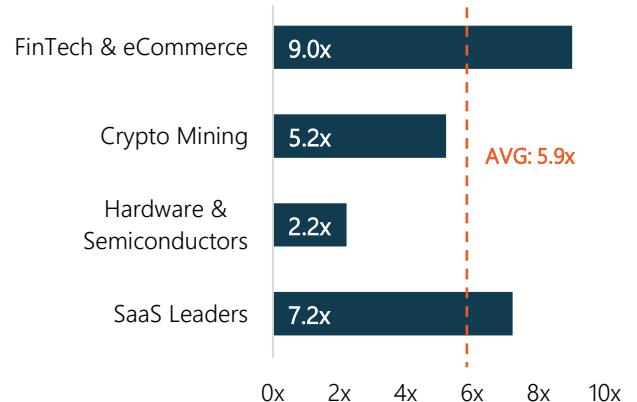
NTM EBITDA MARGIN



LTM EV/EBITDA



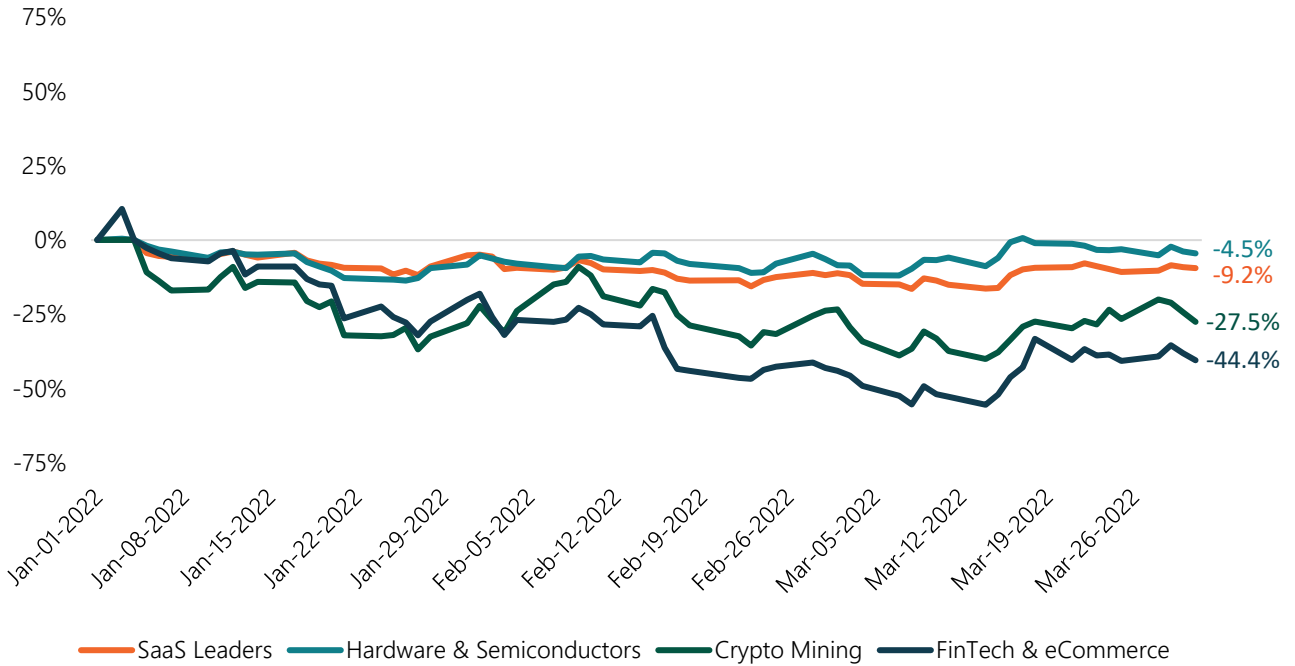
LTM EV/REVENUE



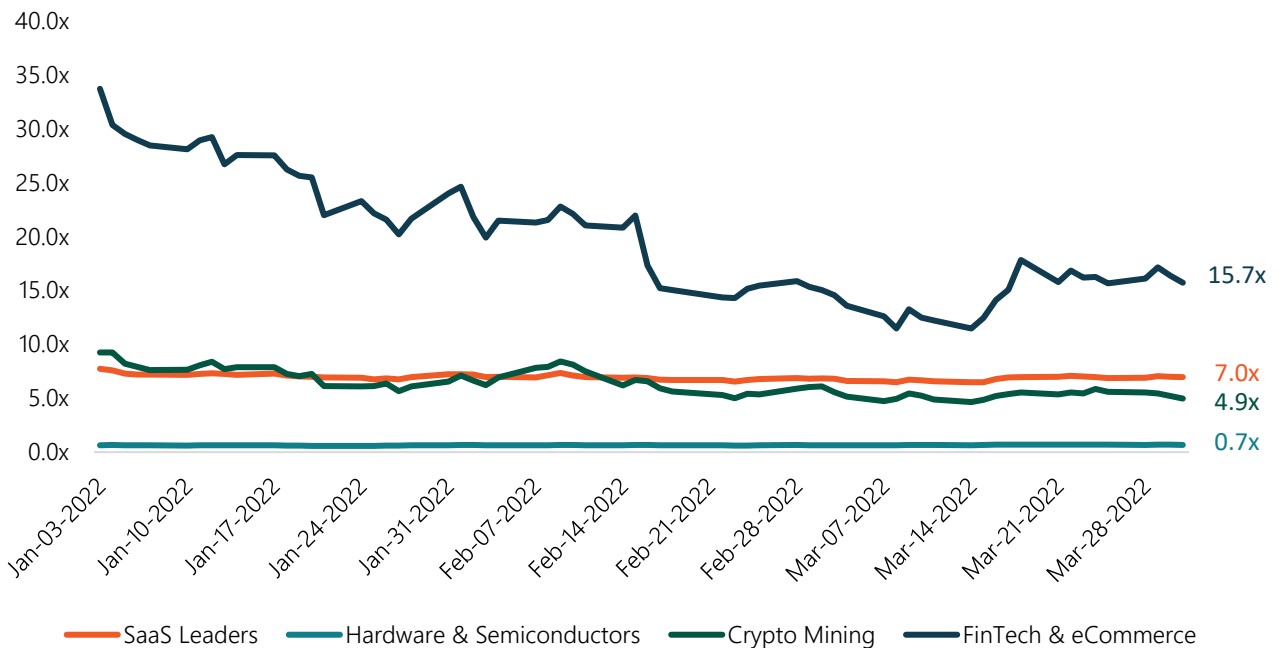
Public Comparable Analysis

Peer Group Performance

Share Price Performance – Q1



EV/Revenue Multiple Performance – Q1



About Us



MNP Corporate Finance (MNPCF) has a dedicated team of over 100 M&A and due diligence professionals across Canada. MNPCF works with clients in virtually all industries as they prepare, plan and execute transactions.

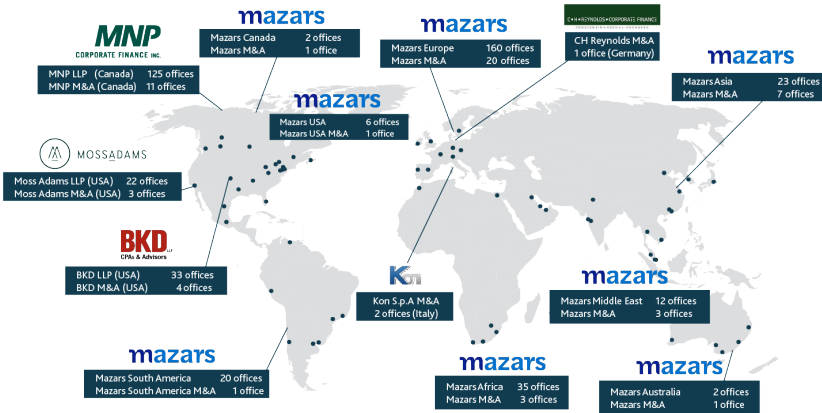
Our typical transactions range in value between \$3 million and \$300 million.

Local and International Reach

MNP is a participating firm within Praxity, a unique global alliance of independent accounting/advisory firms created to answer global business needs. As a member of Praxity, we are able to offer access to corporate finance, accounting and tax advisory services worldwide. We are also affiliated with Corporate Finance Cross Border, which consists of 250+ M&A professionals in more than 30 countries.



CFxBorder - Global reach with local relationships
 Our corporate finance team through CFxBorder consists of 250 plus M&A professionals in more than 30 countries



Services

- Divestitures
- Acquisitions
- Debt Financing
- Due Diligence
- Transaction Advisory Services

Recently Closed Deals (National)

has acquired

MNP Corporate Finance Inc. provided financial and tax due diligence services to Environmental 360 Solutions Ltd.

has acquired

MNP Corporate Finance Inc. acted as exclusive financial advisor to Duchesne et al. Inc. in structuring and negotiating this transaction.

has acquired

MNP Corporate Finance Inc. acted as exclusive financial advisor to Outillage King Canada Inc. in structuring and negotiating this transaction.

has acquired

MNP Corporate Finance Inc. acted as exclusive financial advisor to Young Motors (1971) Ltd. in structuring and negotiating this transaction.

has acquired

MNP Corporate Finance Inc. provided financial and tax due diligence services to Environmental 360 Solutions Ltd.

has invested in

MNP Corporate Finance Inc. provided financial and tax due diligence services to PPM Capital Inc. and Roynat Equity Partners

has acquired

MNP Corporate Finance Inc. provided financial and tax due diligence services to Environmental 360 Solutions Inc.

has acquired

MNP Corporate Finance Inc. acted as exclusive financial advisor to Dramis Communications Solutions Ltd. in structuring and negotiating this transaction.

has acquired

MNP Corporate Finance Inc. acted as exclusive financial advisor to Caloheo Waste Disposal and Meridian Waste Disposal in structuring and negotiating this transaction.

has acquired the net operating assets of

MNP Corporate Finance Inc. acted as exclusive financial advisor to Process Flow Systems Ltd. in structuring and negotiating this transaction.

About Us

Deal Experience

Since our inception, our team has advised on hundreds of transactions, in a wide range of industries with diverse enterprise values. In the past eight years alone we have completed over 200 transactions worth over \$3.5 billion (not including due diligence engagements).

Industry Experience

- Food & Beverage
- Retail & Distribution
- Manufacturing
- Agriculture
- Automotive
- Materials
- Health Care
- Pharmaceutical
- Transportation
- Construction
- Software
- Financial Services
- Technology
- Energy
- Oilfield Services
- Real Estate

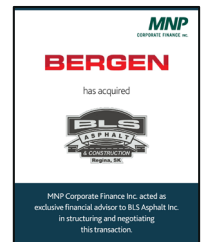
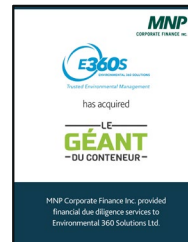
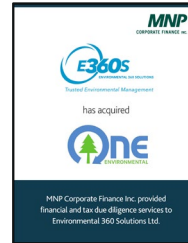
Hands-on Approach

Current M&A transactions require a hands-on approach from start to finish including the active engagement of senior resources. Our senior resources are dedicated to our clients and are available as necessary and appropriate. We keep our clients regularly informed of the engagement status, issues we are encountering, successes and overall progress.

Integrated Service Offering

We draw on the vast experience and deep specialist knowledge network of our partners locally, nationally and internationally as specialty issues arise, such as pre-transaction tax planning, transaction structuring, estate planning, valuation, due diligence, performance improvement and risk management.

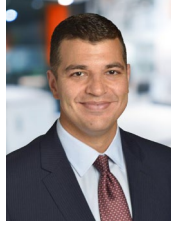
Recently Closed Deals (National)



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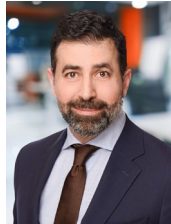
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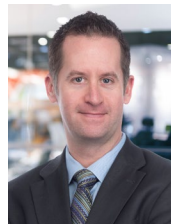


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