North American Software & Technology

2022 Annual Market Report

*All dollar values in this report are USD, except where noted CAD.

2022
Macro Round-Up

2022 Macro Round-Up

- Policymakers, central banks, and businesses faced several economy-altering events throughout the year. Below are some of the main factors and events that influenced economic and M&A deal making activity in 2022, and will likely continue to influence the way governments and businesses conduct themselves in 2023:

Russian Invasion of Ukraine:

- In February, Russia invaded Ukraine, resulting in a humanitarian crisis not seen in Europe since WW2.
- The impact of the war rippled through public markets and resulted in higher energy costs for consumers throughout Europe, as well as higher food costs for consumers globally.
- The conflict also resulted in a number of supply chain issues in the region, further hampering the flow of critical goods in and out of the area.
- Public markets dropped by the highest level in over a year in response to the conflict. At the same time, oil prices soared.
- The war continues to have a wide ranging impact, from commodity prices to food prices globally.

Inflation and Rising Interest Rates:

- Driven by a combination of demand and supply-side factors, global inflation has risen to its highest levels since the 1970s.
- In response, the Federal Reserve and other central banks around the world raised interest rates. The Fed raised rates seven times throughout 2022. The last increase of 2022 increase was announced on December 14th, with the Fed raising interest rates 50 basis points (bps) to a range of 4.25% to 4.5%, the highest rate in 15 years.
- The Bank of Canada also raised interest rates seven times throughout the year. Its last of the year was in December, which saw the BoC increase rates by 50 bps to 4.25%.
- While experts have determined that US inflation likely peaked in June at 9.1%, prices for goods and services remain high.
- Declines in inflation in recent months has largely been driven by lower costs for goods, as well as decreased gas prices. The costs of services, on the other hand, have not responded to the recent interest rate hikes as quickly.
- By December, US inflation had slowed to 6.5%.

Source: OECD, Apollo Global Management, MIT Sloan School of Management

2022 Macro Round-Up

Employment:

- US unemployment peaked at 14.8% in April 2020 due to the COVID-19 pandemic.
- Since then, US employment figures have steadily improved, with unemployment reaching a rate of 3.5% in December 2022.
- Maintaining strong employment figures despite the impact of interest rate hikes on consumer spending and businesses has been a key priority for governments around the world.
- Accompanying low unemployment figures have been low unemployment-to-job vacancy ratios in many markets.
- At the same time, wages have continued to rise in many countries, including Canada, where hourly wages were up 5.1% YoY in December.

Supply Chains

- To the content of many readers, research suggests that many of the supply chains that were disrupted throughout the pandemic are on the mend. However, significant disruptions persist, which impacted the prices of commodities and goods in 2022.
- Throughout the year, ports steadily became less congested, ocean freight times normalized, and, overall, freight rates have fallen.
- Ocean freight costs on busy China-US West Coast trading routes returned to the pre-pandemic levels.
- The recent end to China’s COVID-zero policy will likely further alleviate supply chain concerns.
- Trucking and air freight costs have also come down. Air freight costs, however, remain high when compared to pre-pandemic levels.
- Decreased container costs will likely result in lower good and commodity prices in 2023, barring other disruptions.
- Logistical issues have resulted in large organizations looking to vertically integrate their respective supply chains through M&A over the course of the past few years.

Source: Washington Post, US Bureau of Labor Statistics, Statistics Canada, CBC, Bank of Canada, Apollo Global Management

2022 Macro Round-Up

Lack of Access to Public Capital

- Raising capital on Wall Street is becoming increasingly challenging as market gyrations close the door on initial public offerings and equity issuances. The Federal Reserve's stringent monetary policy has forced companies to pay up to borrow through the debt markets. US government bond yields rose to their highest level in nearly three years.
- As a result, public lenders have been extremely cautious when it comes to approving loans for risky mergers and acquisitions. A prominent example occured during March 2022, banks led by RBC Capital Markets pulled a $1.7bn loan deal to fund SS&C Technologies' takeover of software company Blue Prism.
- 2022 has proven to be a year where cheap capital is scarce and many companies nearing the end of their cash runway or hitting multiple maturity walls are pressured to turn to divestitures of non-core assets, junior debt funding, minority equity transactions, or move up their M&A timeline.

Impact on Public Markets

- 2022 has been a year of significant market volatility driven by a variety of macroeconomic and geopolitical factors.
- The S&P 500 peaked on 2022's first day of trading and never came close to that level again.
- In the first six months of the year, the S&P 500 fell by 21%, its worth H1 performance since 1970.
- Inflation and rate hikes continued to cause market shocks, with the S&P dropping 4% on September 13th following a bleak report on the rising prices of goods and services. On the other hand, the S&P jumped 5.5% on November 10th following the release of October's inflation report.
- Overall, the S&P 500 dropped ~19% in 2022.
- As a result of lower valuations in public equity markets, most notably in the technology sector, 2022 saw a significant increase in the number of take-private transactions. US private equity firms spent a record $195.1B across 47 deals, amounting to 19% of the total capital deployed by US PE's last year.

Source: JP Morgan, The Washington Post

2022 Macro Round-Up

Key Takeaways:

- Western governments have sought to engineer a “soft landing” through a series of rate hikes aimed to tame runaway inflation while keeping their economies at full employment.
- Currently, all signs point to central banks being able to achieve their goals. As a result, IJW anticipates that western economies will enter a modest recession at some point in 2023.
- While it may take several years for inflation to reach the Fed’s target rate of 2%, inflation will likely cool in 2023, resulting in fewer rate hikes.
- However, the pathway to 2% may be further complicated by other macroeconomic shocks, including continued geopolitical tensions in Ukraine and Europe, persisting inflation, as well as labour market and supply chain disruptions, among other factors.

Source: JP Morgan, The Washington Post

Vertical Specific Commentary

Artificial Intelligence & Machine Learning:

- The recent advancements in artificial intelligence and machine learning as it relates to the fields of computer vision and deep learning techniques have widened the scope for artificial intelligence automation systems in various industries, including healthcare, robotics, retail, manufacturing, and security & surveillance, among others.
- OpenAI/ChatGPT is becoming more prevalent in different end markets, leading to increased consumer attention to artificial intelligence solutions and as a result, strategic acquirers are expected to be active from an acquisition perspective as they look to acquire robust proprietary technology solutions to meet customer demands.

Cybersecurity:

- Cybersecurity M&A has evolved as not only large providers look to consolidate their positioning in the market but also customer data-centric companies look to acquire customer data protection capabilities, leading to unprecedented demands for M&A within the sector.
- Valuations in the cybersecurity sector have also been moving in the opposite direction of the broader SaaS market. Cybersecurity providers in 2022 recorded an elevated level of valuation at 6.2x median EV/revenue multiple compared to the observed 5.2x in 2021, while the rest of the SaaS market has largely experienced a decline in valuation multiples.

PropTech:

- From property listing and search unicorns such as Zoopla and Zillow, all the way to disruptive technologies such as Airbnb and up-and-coming deep-tech companies ranging from AI-driven market intelligence to smart home device networks, the sector has broadened its reach and multiplied its value through continuous additions to the value ecosystem.
- The sector is expected to continue to be active in terms of M&A as the current ecosystem is highly fragmented and there is no shortage of new market entrants looking to disrupt the traditional real estate sector through new technology.

MarTech & AdTech:

- While Google's 2023 ban on third-party cookies has been delayed until 2024, the sector continues to transition to a "cookieless" future. These new requirements have spurred a need for data collection and targeting substitutes that do not rely on the use of third-party cookies.
- As browser and device-supplied knowledge is fading out, developing or acquiring first-party data collection solutions, as well as customer data platforms, will become the top priority for existing players in the space. This has led to many new market entrants looking to fill the gap in technology. M&A activity is expected to follow the growing demand for regulatory compliant MarTech and AdTech solutions in the coming quarters.

Source: PitchBook

2022
M&A Highlights

M&A Highlights

Notable Strategic M&A Transactions

TARGET	Activision Blizzard	vmware	Twitter	XILINX
ACQUIRER	Microsoft	BROADCOM	Elon Musk	AMD
DETAILS	▪ Based in Santa Monica, CA, Activision Blizzard is a PC and console video game publisher. ▪ Transaction value: **$75.0B** ▪ EV/ Revenue: **8.5x** ▪ EV/ EBITDA: **20.2x**	▪ Based in Palo Alto, CA, VMware is a cloud computing and virtualization technology company. ▪ Transaction value: **$61.0B** ▪ EV/ Revenue: **4.7x** ▪ EV/ EBITDA: **18.3x**	▪ Based in San Francisco, CA, Twitter is an operator of social media platform. ▪ Transaction value: **$44.0B** ▪ EV/ Revenue: **9.3x** ▪ EV/ EBITDA: **82.7x**	▪ Based in San Jose, CA, Xilinx is a technology and semiconductor company. ▪ Transaction value: **$35.0B** ▪ EV/ Revenue: **9.5x** ▪ EV/ EBITDA: **28.8x**

Source: PitchBook

$932B Capital invested in 2022

5,800 Transactions in 2022

4.5x Median EV / Revenue

M&A Highlights

Notable Private Equity M&A Transactions

TARGET	athenahealth	CITRIX	CyrusOne	McAfee
ACQUIRER	BainCapital Hellman & Friedman	Vista Equity Partners Elliott	KKR Global Infrastructure Partners	Advent International Global Private Equity
DETAILS	▪ Based in Watertown, MA, AthenaHealth is a developer of medical practice automation and claims management software. ▪ Transaction value: **$17.0B** ▪ Undisclosed Valuation Multiples	▪ Based in Fort Lauderdale, FL, Citrix Systems is a provider of virtualization software, virtual apps, and desktop virtualization solutions. ▪ Transaction value: **$16.5B** ▪ EV/ Revenue: **5.0x** ▪ EV/ EBITDA: **27.1x**	▪ Based in Dallas, TX, CyrusOne is a global provider of data center and connectivity solutions. ▪ Transaction value: **$15.0B** ▪ EV/ Revenue: **12.4x** ▪ EV/ EBITDA: **25.7x**	▪ Based in San Jose, CA, McAfee is a developer of cybersecurity software designed to protect, detect and manage security threats. ▪ Transaction value: **$14.0B** ▪ EV/ Revenue: **7.3x** ▪ EV/ EBITDA: **28.5x**

Source: PitchBook

$385B Capital invested in 2022

2,508 Transactions in 2022

4.1x Median EV / Revenue

M&A Highlights

Notable Canadian M&A Transactions

TARGET	Hotspot	Freedom	Sierra Wireless	matrox
ACQUIRER	IBI GROUP	VIDEOTRON	SEMTECH	ZEBRA
DETAILS	▪ Based in Fredericton, NB, Hotspot is a developer of a parking payment application designed to make payments for parking and transits. ▪ Transaction value: **$4.5B** ▪ Undisclosed valuation multiples	▪ Based in Toronto, ON, Freedom Mobile is a provider of mobile and wireless mobile services. ▪ Transaction value: **$2.2B** ▪ Undisclosed valuation multiples	▪ Based in Richmond, BC, Sierra Wireless is a designer and provider or wireless communication equipment. ▪ Transaction value: **$1.2B** ▪ EV/ Revenue: **2.0x** ▪ EV/ EBITDA: **NM**	▪ Based in Dorval, QC, Matrox is a developer of graphics, imaging, and video solutions. ▪ Transaction value: **$878.0M** ▪ EV/ Revenue: **8.8x** ▪ EV/ EBITDA: **NM**

Source: PitchBook

$19.7B Capital invested in 2022

571 Transactions in 2022

$34.5M Average Deal Size

Top Technology Transactions in 2022

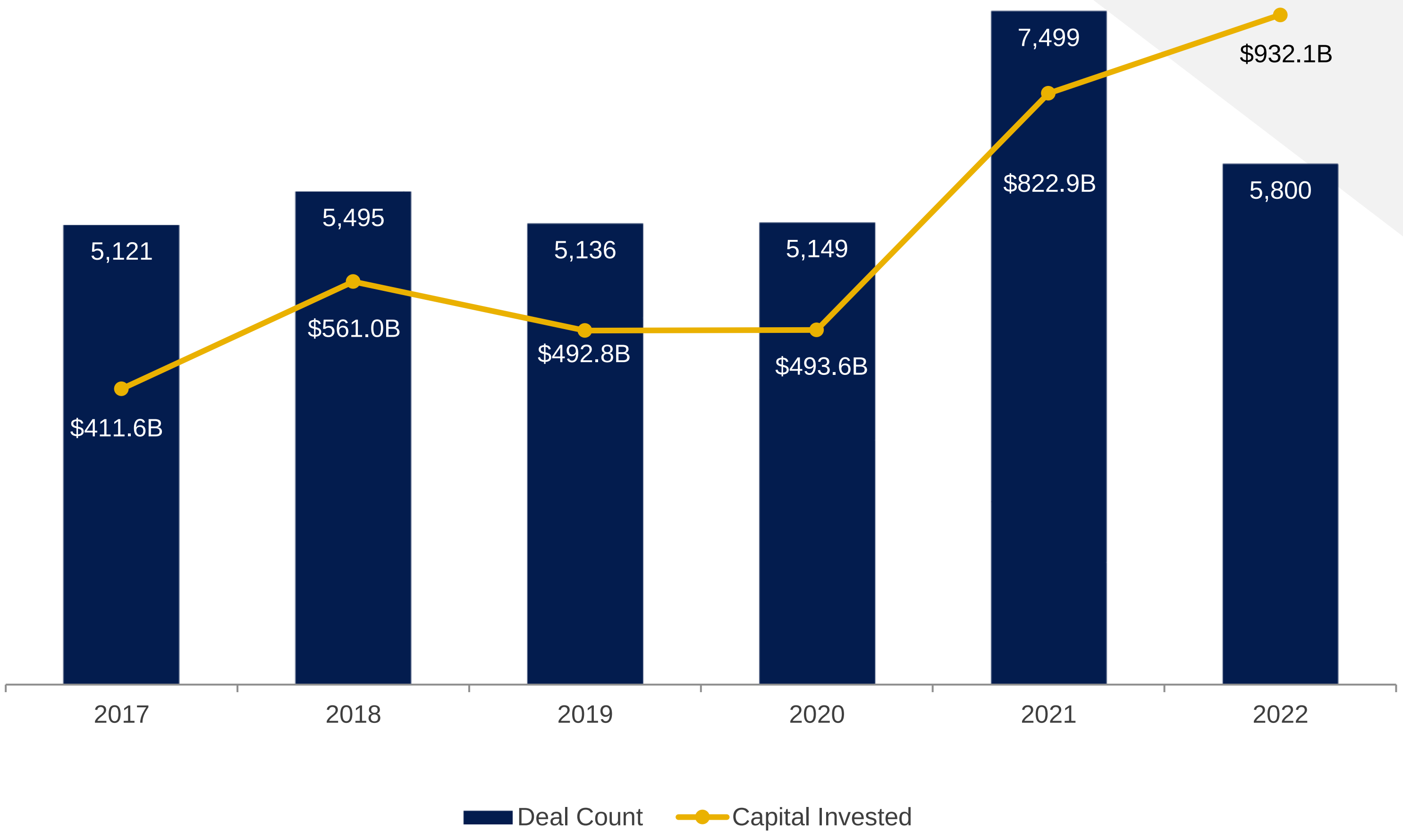
Date	Target	Acquirer	EV ($B)	Revenue Multiple	Sector
Jan-22	Activision Blizzard	Microsoft	$75.0B	8.5x	Gaming
May-22	vmware	BROADCOM	$61.0B	4.7x	Infrastructure/Cloud
Oct-22	Twitter	Elon Musk	$44.0B	9.3x	Social Media
Feb-22	XILINX	AMD	$35.0B	9.8x	Semi-Conductor
Jun-22	Cerner	ORACLE	$28.2B	4.9x	Healthcare/Cloud
Sep-22	Figma	Adobe	$20.0B	50.0x	Software
Mar-22	NUANCE	Microsoft	$18.8B	14.1x	Artificial Intelligence
Feb-22	athenahealth	Consortium of PE	$17.0B	N/A	Healthcare/Software
Sep-22	CITRIX	Consortium of PE	$16.5B	5.0x	Software
Mar-22	CyrusOne	Consortium of PE	$15.0B	12.4x	Data Center

Date	Target	Acquirer	EV ($B)	Revenue Multiple	Sector
Mar-22	McAfee	Consortium of PE	$14.0B	7.3x	Cyber Security
May-22	Black Knight	ICE	$13.1B	8.7x	Software
May-22	zynga	T2	$12.7B	4.5x	Gaming
May-22	aspentech	EMERSON	$11.2B	29.4x	Industrial/Software
Dec-22	switch	DIGITALBRIDGE	$11.0B	16.5x	Data Center
Jun-22	Anaplan	THOMABRAVO	$10.7B	16.9x	Software
Nov-22	zendesk	Consortium of PE	$10.2B	6.4x	Software
Oct-22	Avalara	VISTA Equity Partners	$8.4B	10.6x	Financial/Software
Jul-22	CDK Global	Brookfield Business Partners	$8.3B	4.7x	Automotive/Software
Dec-22	coupa	Consortium of PE	$8.0B	9.8x	Software

Source: PitchBook

M&A Deal Volume & Capital Invested

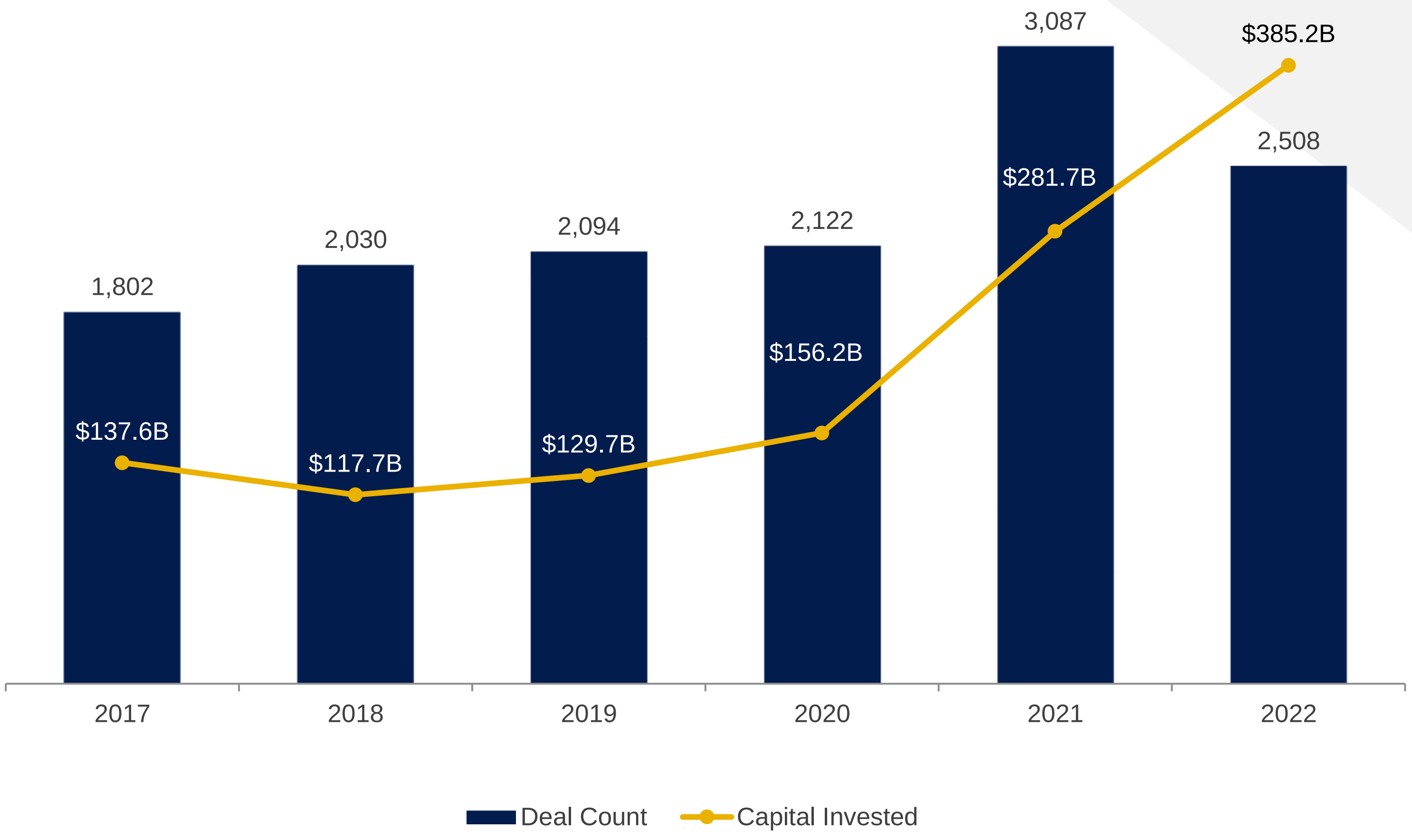
- 2022 has seen 5,800 M&A deals in North America, with $932B in capital deployed alongside these deals.
- Although deal flow has dropped significantly since 2021, overall capital deployed surpassed last year's total of $823B. Both deal volume and deal value remain high when compared to historical levels.
- Several factors such as poor macroeconomic conditions, characterized by high inflation and interest rate hikes, contributed to the slowdown in M&A activity from 2021.
- While landmark transactions experienced a drop-off towards the end of 2022, middle market M&A activity remained high as large strategic buyers continued to purchase undervalued assets in the middle market. Well capitalized strategics continued to take advantage of more favorable multiples and leveraged their balance sheet to fund acquisitions.



Source: PitchBook

PE Deal Volume & Capital Invested

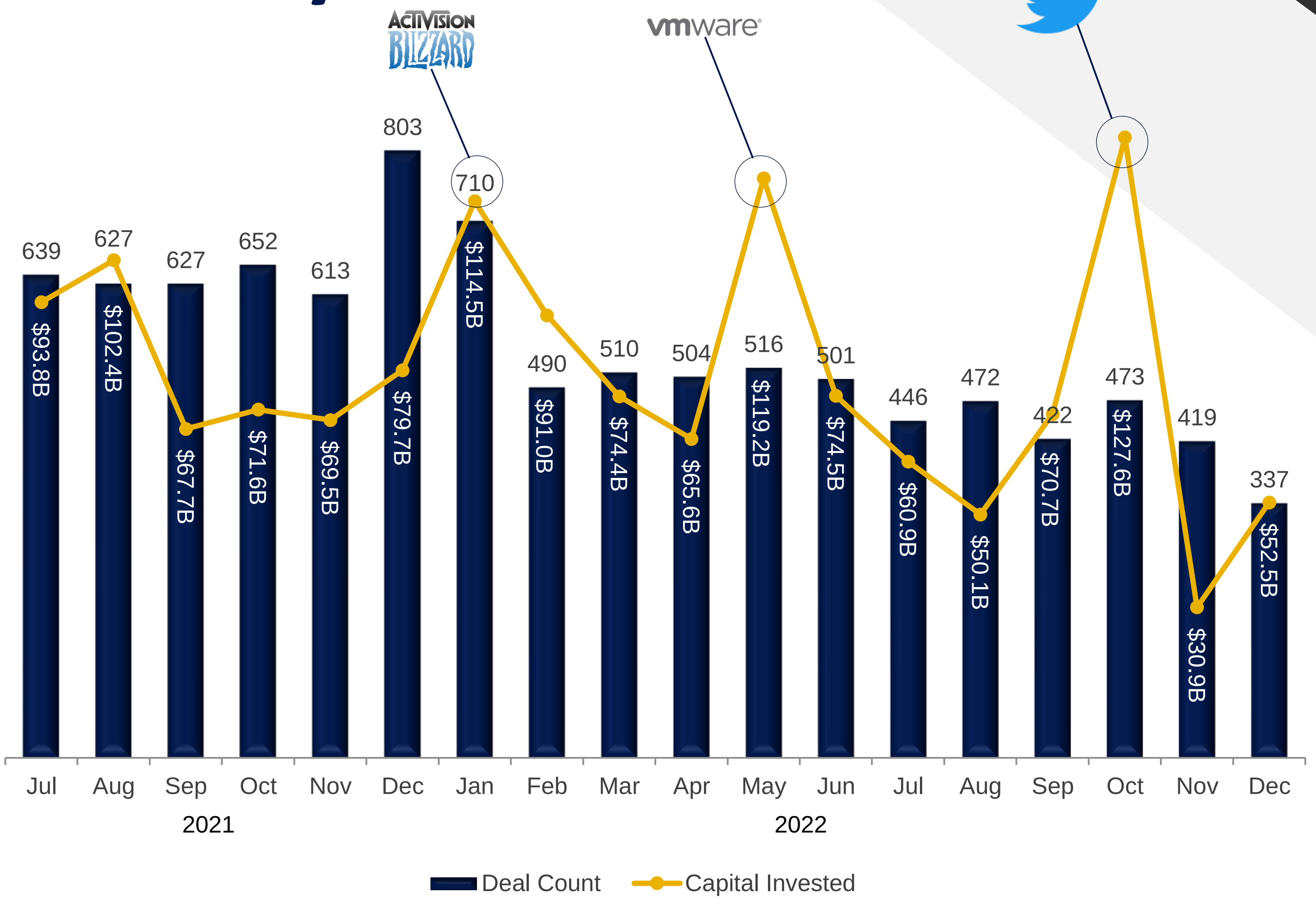
- Following a period of unprecedented activity from 2021 through early 2022, private equity (PE) activity slowed markedly in the second half of 2022, resulting in an overall slowdown compared to 2021.
- The slowdown reflects the uncertainty and disruption driven by inflation, rising interest rates, shuttered debt markets, and geopolitical turmoil.
- While PE deal volume has declined, deal value increased in 2022 when compared to 2021. With a record \$3.6T of dry powder, PE continue to deploy capital, creating competitive bidding processes for attractive assets.
- With interest hikes throughout 2022, funds have been feeling the pressure to source, exercise diligence, and deliver higher quality deals and value creation opportunities. This is reflected as PE firms become more selective in their deal processes and focus on strategic add-ons across their portfolio companies as earnings will be a main driver of returns instead of multiple expansion.



Source: PitchBook

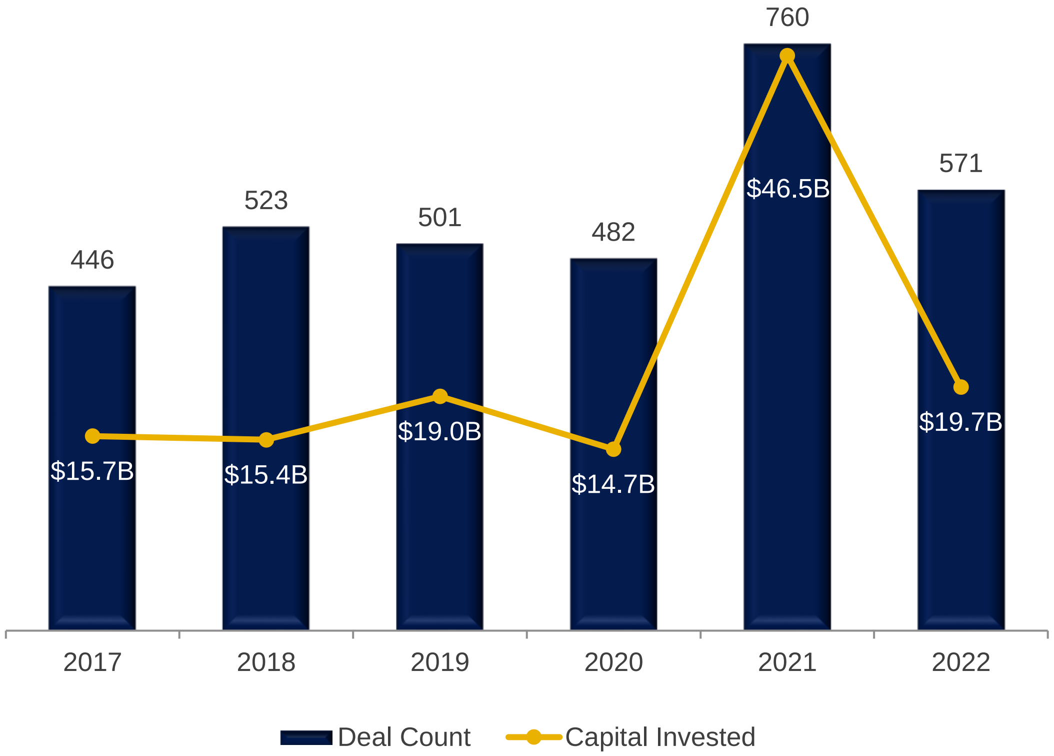
Monthly M&A Deal Activity

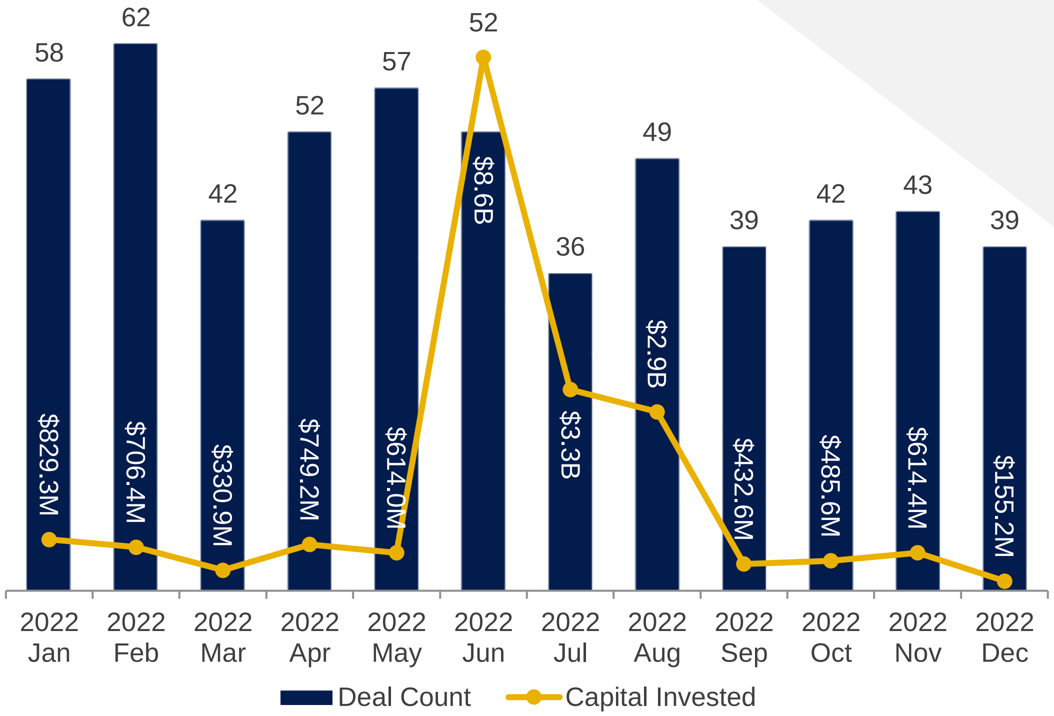
- M&A deal flow across the technology and software sector steadily declined throughout the months in 2022 as interest rate hikes were introduced and economic uncertainty began to loom over the market.
- December 2022 finished with only 337 deals, a 53% decrease relative to December 2021. Similarly, deal value also decreased by ~54.1% relative to December 2021.
- In Q4 2022, the level of capital deployed was largely driven in part due to several mega deals, including Elon Musk's acquisition of Twitter, Digital Bridge's acquisition of Switch, and Vista Equity's acquisition of Avalara.
- However, mega deals were not as prevalent and were smaller on average compared to the mega deals witnessed in Q1 and Q2 of 2022.



Source: PitchBook

2022 M&A Deal Volume - Canada





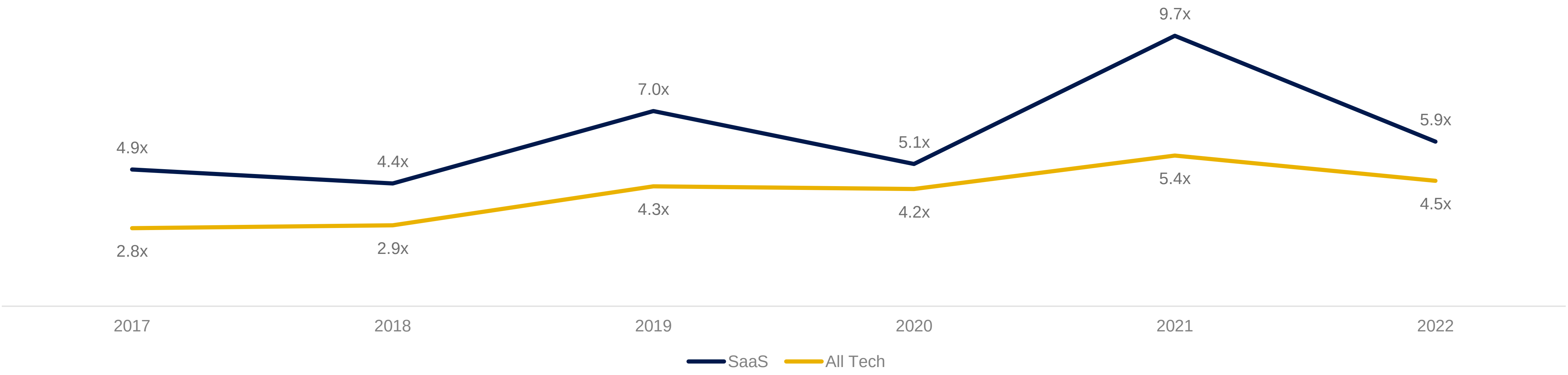
- 2022 has seen 571 M&A deals in Canada, with $19.7B in capital deployed alongside these deals.
- While deal flow has declined by 24.8% since 2021, it remains high when compared to historical levels.
- However, overall capital deployed dropped by 57.6% compared to last year, implying smaller transactions compared to 2021 as acquirers moved into the middle market.

- While not as active when compared to the first half of 2022, Canadian M&A deal volumes remained stable across the last quarter.
- However, in Q4, deal value declined significantly compared to previous months, with only $155.2M of capital invested in December 2022 across 39 deals.
- This indicates that, although deal flow remained stable, the total value of Canadian deals were at a low compared to the first half of 2022.

Source: PitchBook

Median SaaS vs All-Tech Revenue Multiples

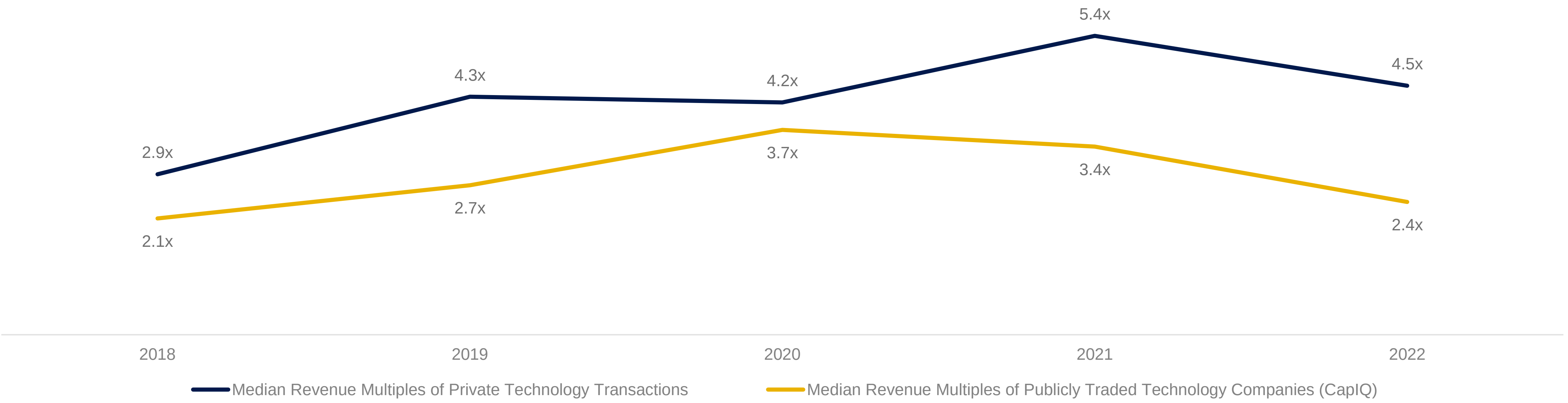
- Median SaaS revenue multiples have contracted by a magnitude of 3.9x since the record multiples seen throughout the sector in 2021.
- Despite the retreat observed YTD, a 5.9x SaaS median revenue multiple remains strong related to historical standards.
- Median revenue multiples throughout the broader technology industry (which include SaaS), on the other hand, have remained relatively strong when compared to historical levels, with companies transacting at a median 4.5x revenue.
- Despite the shifting priorities of some strategic acquirers, who have changed their focus away from M&A initiatives to shoring up their balance sheets and protecting their bottom line, there continues to be significant dry powder sitting on the sidelines, with well-capitalized private equity and strategic buyers experiencing pressure to deploy capital.
- As a result, revenue multiples have remained relatively high throughout the SaaS and broader technology industry. Given the macroeconomic headwinds, the gap between SaaS and technology revenue multiples are expected to remain tight until interest rates and other economic factors stabilize.



Source: PitchBook

Private vs Public Tech Revenue Multiples

- Public trading revenue multiples have contracted by a magnitude of 0.9x since the record levels of revenue multiples seen throughout the sector in 2020 and decreased by 0.6x since 2021.
- Interestingly, 2022 has been a record year where the gap between private transactions and public valuations had been the largest, sitting at a delta of 2.1x vs a delta of 2.0x in 2021.
- The depressed performance of publicly traded technology companies led to a general decline in their public market valuations. However, it is evident that the underperformance of the public market did not severely impact the private markets as private transactions continue to transact at strong multiples when compared to historical levels.
- As a result, the market can expect to see growing interest from buyers in take-privates of undervalued publicly traded technology companies and continued interest of sellers in the private market to explore exits through M&A before further decline in valuations.



Source: PitchBook, CapIQ

2022
Capital Raise Highlights

2022 Capital Raise Highlights

Notable Growth Equity Transactions

TARGET	Internet Brands	Fanatics	exterro	Unanet
LEAD INVESTOR	KKR Warburg Pincus	BlackRock MSD	Coller Capital Glendower Capital	ONEX Monroe Capital
DETAILS	▪ Based in El Segundo, CA, Internet Brands is an operator of online media, community, and e-commerce websites. ▪ Transaction value: **$2.0B**	▪ Based in Jacksonville, FL, Fanatics is an operator of a multi-channel sports merchandise retail platform. ▪ Transaction value: **$1.5B**	▪ Based in Beaverton, OR, Exterro is a developer of governance, risk management and compliance (GRC) software. ▪ Transaction value: **$1.0B**	▪ Based in Dulles, VA, Unanet is a developer of enterprise resource planning and customer relationship management software. ▪ Transaction value: **$450.0M**

Source: PitchBook

$43B Capital invested in 2022

735 Transactions in 2022

6.8x Median EV / Revenue

2022 Capital Raise Highlights

Notable North American VC Transactions

TARGET	EPIC GAMES	SPACEX	gopuff	ANDURIL
LEAD INVESTOR	KIRKBI, SONY	D_, MIRAE ASSET Venture Investments	GUGGENHEIM	VALOR EQUITY PARTNERS, andreessen horowitz
DETAILS	▪ Based in Cary, NC, Epic Games is a publisher of gaming software and applications. ▪ Later Stage VC ▪ Transaction value: **$2.0B**	▪ Based in Hawthorne, CA, SpaceX is a developer of rockets and spacecrafts. ▪ Later Stage VC ▪ Transaction value: **$1.7B**	▪ Based in Philadelphia, PA, Gopuff is an operator of a go-to instant commerce platform. ▪ Later Stage VC ▪ Transaction value: **$1.5B**	▪ Based in Costa Mesa, CA, Anduril is a developer of artificial intelligence-based hardware and software technology. ▪ Later Stage VC ▪ Transaction value: **$1.5B**

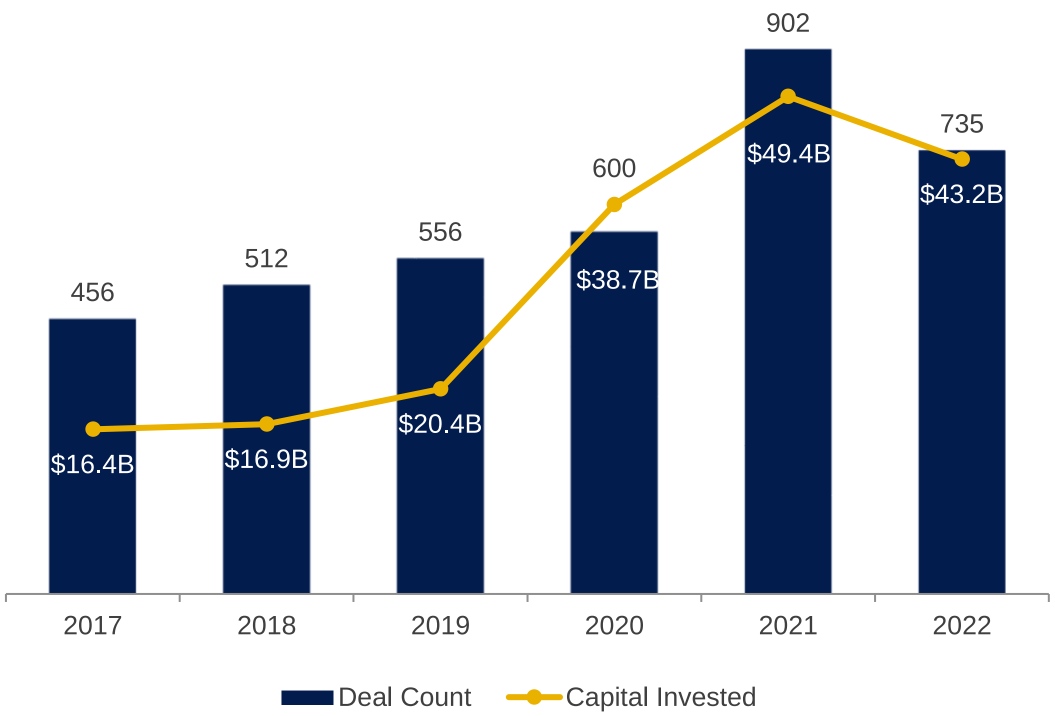
Source: PitchBook

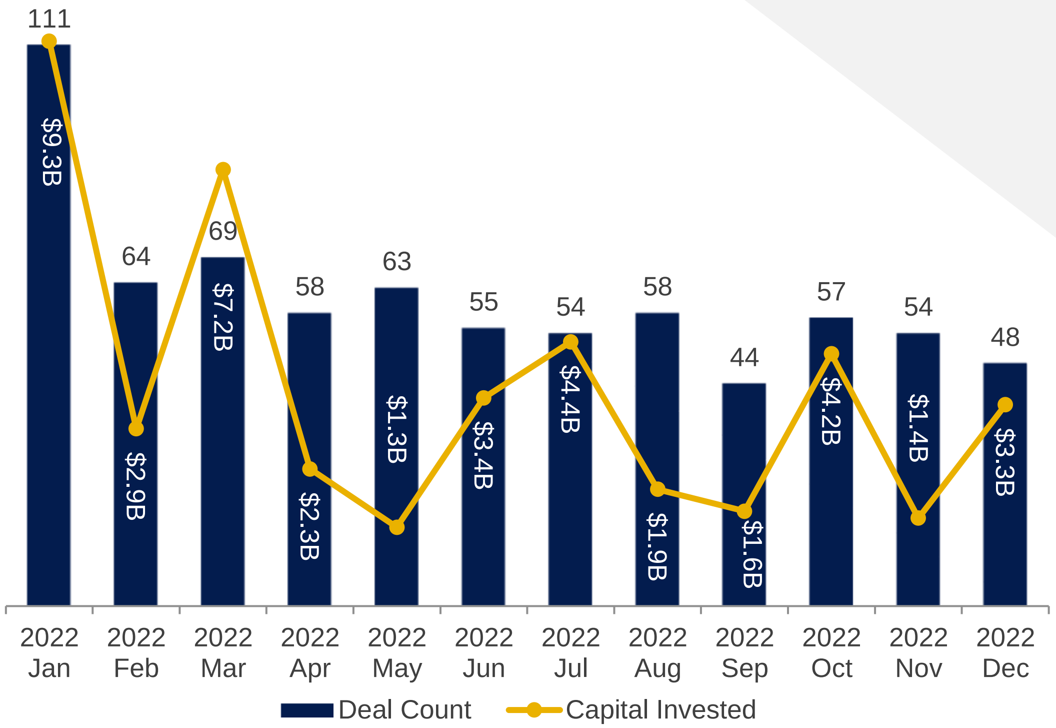
$222B Capital invested in 2022

15,267 Transactions in 2022

$14.5M Average Capital Invested

Growth Equity Investment



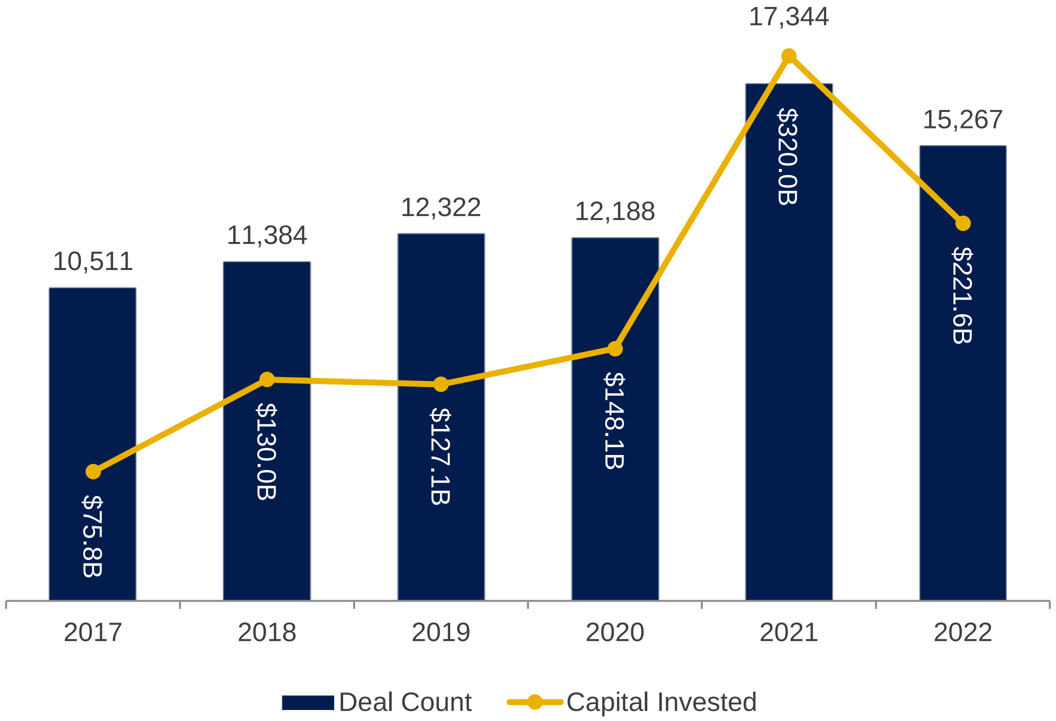


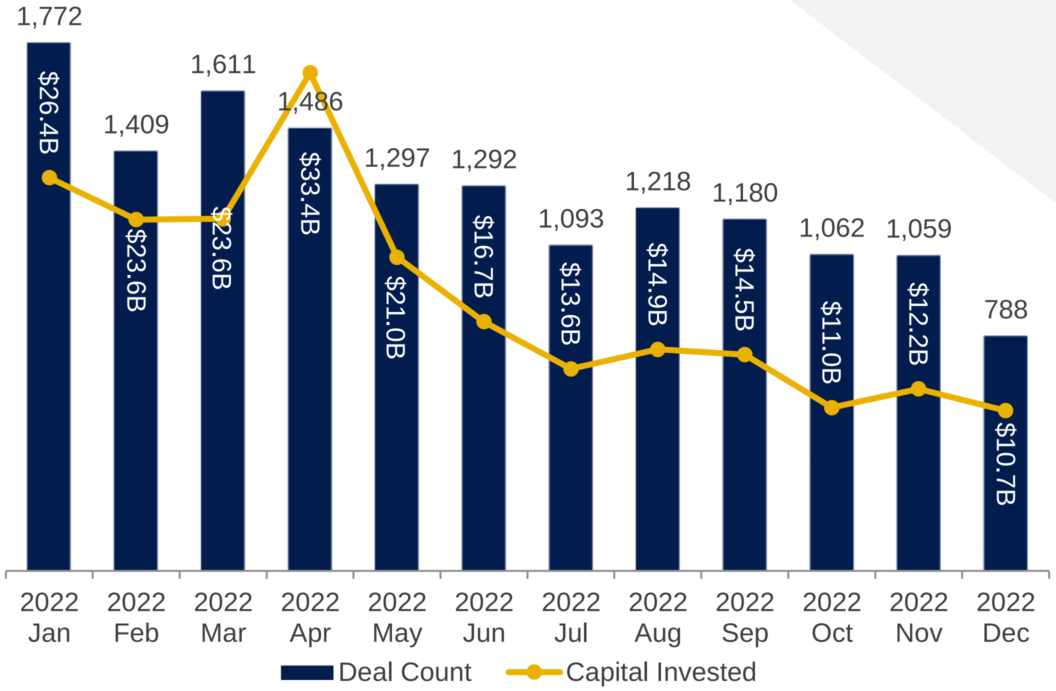
- 2022 has seen 735 growth equity deals in North America, with $43.2B in capital deployed alongside these deals.
- While deal flow has declined by 18.5% since 2021, it remains high when compared to historical levels as more growth stage companies that are at an inflection point turns to growth equity and alternative forms of funding due to the decline in VC investments and commitment.

- While not as active when compared to the first half of 2022, growth equity deal volumes remained stable across the last quarter of 2022.
- However, Q4-2022 saw strong deal value when compared to previous months, with $3.3B of capital invested in December 2022 across just 48 deals.
- This indicates that, although deal flow remained stable towards the end of 2022, the total value of growth equity deals were at a high compared to rest of 2022.

Source: PitchBook

VC Investment





- 2022 has seen 15,267 venture deals in North America, with $221.6B in capital deployed alongside these deals.
- While deal flow has declined by 12.0% and overall capital deployed dropped by 30.8% since 2021, it remains high when compared to historical levels.
- VC investors are transitioning away from seed stage investments and generally moving into later or multi-stage investments due to the tough market conditions for seed stage start-ups.

- Compared to the first half of 2022, venture deal volumes steadily declined across the last quarter of 2022.
- Similarly, in Q4 2022, deal value declined significantly compared to previous months, with only $10.7B of capital invested in December 2022 across 788 deals.
- This indicates that VC investors are becoming more selective with capital deployment and are generally investing less to limit their exposure to each investment.

Source: PitchBook

2023 Outlook

2023 Outlook

Creative Capital Deployment, Pressure to Raise Capital, and Protecting Core Assets:

- For many PE firms, the central theme in 2023 will revolve around creative ways to deploy dry powder to drive returns while minimizing risk from traditional buy-out deals.
- The market can expect more creative approaches from private equity, growth equity, and other financial investors to deploy capital through minority investments, all-equity deals, and private placement of debt as many larger funds are well-capitalized. A broader recovery in investment activity is also expected either as inflation is tamed or asset valuations are sufficiently depressed.
- As the looming recession creates a tough capital raising environment for early-stage companies in a cash-burn position, companies will likely turn to M&A by either moving up their exit timelines or raising through creative capital injections such as growth equity or private placements.
- For large corporations, the market can expect more divestitures of non-core assets as strategic players look to trim off under-performing assets and preserve their core business. This will translate to more take-privates, corporate carveouts, and spinoff transactions as opportunistic investors look to turn-around underperforming assets.
- Overall, in 2023, it is expected that distressed sales, undervalued targets, and divestitures will drive some dealmaking activity.

Resilience from Recession-Proof Tech Subsectors:

- During a recessionary environment, the broader technology sector will likely suffer from depressed valuations due to its vulnerability to rising interest rates and reduced business spending. However, certain recession-proof subsectors are expected to be resilient in their secular performance and continue to grow and become attractive targets for M&A.
- Aside from those previously mentioned in the report, subsectors such as EdTech, HealthTech, supply chain tech, industrial tech, and energy tech are examples of subsectors that serve defensive end-markets or are highly mission-critical.
- These subsectors are expected to continue to transact and consolidate amid strong interest from both strategic and financial acquirers as quality tech investments become scarce, and defendable tech businesses yield competition among bidders.

Source: PitchBook, JPM, Deloitte, KPMG

2023 Outlook

Downsizing of Transactions:

- The higher cost of financing will continue to make larger M&A transactions more difficult. In the first half of 2022, the market saw several mega deals with enterprise values in excess of $50B, such as Microsoft's acquisition of Activision Blizzard and Broadcom's acquisition of VMware. However, the mega deal activity came to an abrupt halt as a mix of financing costs, scrutiny from regulators, and investor pessimism yielded tough hurdles on execution. These obstacles are expected to continue in the first half of 2023.
- While the deceleration of activity is most evident at the high end of the market as public, market participants can expect to find opportunities for hostile takeovers as public sector discounts make underperforming mid-cap companies vulnerable and attractive to activist-type investors.
- Moreover, within the middle and early-stage markets, many venture-backed companies will look to the next best option now that traditional venture capital funding and cheap debt is tough to come by. IJW anticipates that the average transaction in 2023 will be smaller than in 2021 and 2022, however, the market should remain active.

Potential Catalysts:

- Recent data has shown that U.S. inflation is declining. After topping a 9.1% annual rate in June, December CPI showed inflation at 6.5%. While the decline is nowhere near the Fed's target inflation rate, it is a good sign that the series of interest rate hikes throughout 2022 should be coming to an end by early or mid 2023. Assuming no other economic shocks impact the rate environment, broader M&A activity and leveraged buyouts should make a return by late 2023 or early 2024.
- As China lifts its "Covid-Zero" policy, a return to production is expected, which may lead to several implications for North American markets. One potential impact could be an increase in cross-border M&A activity, as Chinese companies look to expand their operations and market share globally, and as foreign companies look to gain a foothold in the Chinese market. This could lead to increased competition for assets and companies in the U.S. and other markets.
- Hit by multiple supply chain disruptions due to the continued geopolitical tension are set to continue in 2023, companies will look to acquire proprietary capabilities to boost their operational resilience. Vulnerabilities that continue to deliver distressed deal flow in the worst-affected sectors will also be potential catalysts for businesses to reinvent their own supply chain networks through integration of technology, automation, and inventory management.

Source: PitchBook, JPM, Deloitte, KPMG

About IJW & Co.

Notable Technology Clientele

sweet IQ
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Fluence Technologies
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DEALMAKER
RISE VISION
auvik
OSSIACO
Dataperformers
COLAB
cardata

Team

Ian Wooden, CBV, MRICS – CEO and Managing Director

Ian is the Founder of IJW & Co. and serves as Managing Director and CEO of the firm. Ian has advised hundreds of corporations around the globe across numerous industries on matters of corporate divestitures, mergers and acquisitions, negotiation strategy and business valuation. Ian has developed a specialization in the technology sector and has been fortunate enough to work on transactions along side some of North America's top tech companies. Ian is also the co-founder and board member of the M&A Club, a networking group comprising of 15 chapters with over 400 M&A professionals. He also sits on the board of various technology and consumer product-based companies. In 2013, Ian was awarded the prestigious Top 40 Under 40 by the M&A Advisor, winning in the dealmaker category.

Ian holds an undergraduate degree from the John Molson School of Business with a major in Finance, graduating with distinction, holds the Chartered Business Valuator (CBV) designation, and is a Member of the Royal Institution of Chartered Surveyors (MRICS).

Giancarlo Petroro, LL.B., J.D., LL.M. – Managing Director

Giancarlo is a Managing Director overseeing the Investment Banking Division at IJW & Co. Giancarlo provides middle-market corporate finance and mergers & acquisitions advisory services to corporations in both the public and private sectors. He offers expertise and insights on deal structuring and negotiation strategy with a focus on cross-border transactions. He has completed transactions in a broad range of industries including software, healthcare, manufacturing, business services, and consumer products.

Giancarlo holds a Bachelor of Laws degree and a Juris Doctor, North American Common Law from the Université de Montréal. He also holds a Master of Laws in Banking and Financial Law from Boston University School of Law. He is a member of the New York State Bar Association.

Drew Stuart Dorweiler, MBA, CPA (IL), CPA•ABV, FCBV, ASA, CFE, CBA, CVA, FRICS – Managing Director

Drew is the Managing Director of IJW & Co.'s valuation practice and oversees the firm's Asian operations under the IJW Dorweiler brand. Drew has over 34 years of experience advising on hundreds of valuation, M&A, corporate finance and litigation-support mandates globally. He formerly held the positions of VP at RSM Richter, Sr. Manager of Financial Advisory Services at BDO, Principal at Wise Blackman and worked in various other capacities with Lazard, Merrill Lynch and Deloitte in New York City.

Drew holds a dual MBA in Corporate Finance and Accounting from Lubin Graduate School of Business at Pace University and received a Bachelor degree in Economics from Dartmouth College. He is also a Trustee of The Appraisal Foundation in Washington DC and a Fellow of the Royal Institution of Chartered Surveyors and of the CICBV.

Team

John Lee, Bambini Partners LLC an Affiliate of IJW & Co. – Senior Advisor

John is currently Co-Founder and General Partner of Bambini Partners LLC, an IJW & Co. affiliate, with a focus on kids, family, and general consumer products and media. Prior to forming Bambini Partners, John was Co-Founder and President of Learning Curve International, a global manufacturer of leading development toy brands, including Lamaze and Thomas & Friends. In addition to co-founding Learning Curve, John has more than twenty years of "C" level experience in consumer goods, retail, and digital media. John has served on a number of for profit and non-profit boards, including Fat Brain Toys, Mellissa & Doug, Vyond, Winona Capital Advisor Board, The Eric Carle Museum of Children's Story Book Art, and Kids-In-Distressed-Situations. John received his bachelor's degree in consumer psychology and marketing from the College of New Jersey.

Sami Kabir, CFA, MBA – Vice President, Investment Banking

Sami is a Vice President with the Investment Banking division at IJW & Co. Sami joined IJW & Co. in 2019 after spending nearly three years at two different boutique investment banks in Ottawa. Prior to investment banking, Sami held corporate finance roles at Brookfield Asset Management and its subsidiary, Brookfield Renewable Energy, and at Scotiabank as an Analyst within their Commercial Bank.

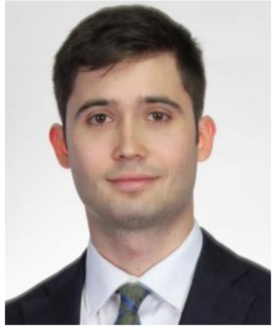
Sami recently completed and attained his Chartered Financial Analyst (CFA) designation and holds a Bachelors Degree in Commerce, majoring in Accounting, from the Sprott School of Business at Carleton University. Sami is currently enrolled at the Smith School of Business at Queen's University where he is completing his MBA.

Gabrielle Desjardins – Senior Analyst, Investment Banking

Gabrielle is a Senior Analyst within the Mergers & Acquisition advisory practice at IJW & Co. Gabrielle joined IJW & Co. in the Fall of 2019 after having graduated from the Rowe School of Business at Dalhousie University. Gabrielle holds a Bachelor's Degree in Commerce, majoring in Finance with Distinction. Gabrielle was inducted into the Golden Key Society in 2015 and was an active member in Dalhousie's Investment Society and the Rowe Woman in Business Association.

Prior to investment banking, Gabrielle held two different roles as part of her Commerce Co-op program, the first being a Business Strategy & Support Analyst at Export Development Canada, and the second being an Asset Management Administrator at a Real Estate Private Equity group in Ottawa, Ontario.

Team



Simon Cinq-Mars – Deal Origination Lead

Simon is the Deal Origination Lead at IJW & Co. Prior to joining the firm. Simon worked at Modaxo, a Constellation Software portfolio company, where he was a Business Development Analyst on their M&A team. He has previously worked as an intern in private equity and management consulting.

Simon holds a bachelor's degree in Economics with a minor in Finance from McGill University. Following his undergrad, Simon pursued a master's degree in Management with a specialization in Finance from Imperial College Business School, which he completed in 2020. Simon is also a CFA Level I Candidate.

In his spare time, Simon is an avid skier and sports fan.

Sarina Gill – Senior Analyst, Investment Banking

Sarina is a Senior Analyst within the Mergers & Acquisitions advisory practice at IJW & Co. Sarina joined IJW & Co. in the Fall of 2021, having recently completed her Bachelor of Commerce Degree from the Joseph L. Rotman School of Management at the University of Toronto with a specialization in both finance and economics. Sarina has also enrolled in the CFA program and is currently a Level I Candidate.

During her undergraduate studies, Sarina worked as a Research Assistant where she analyzed patent data alongside faculty members. In 2020, Sarina joined a financial commentary blog as an Equity Research Analyst and has also held the role of an Economic Development Student Intern for her municipality's Enterprise Centre in Oakville, Ontario.

In her spare time, Sarina is an avid swimmer and golfer.

William Robinson – Analyst, Investment Banking

William is an Investment Banking Analyst at IJW & Co. William joined IJW & Co. in March 2022 after completing his MBA at the Smith School of Business at Queen's University, where he specialized in Finance. William was a member of his school's Tri-Colour Venture Fund, completing due diligence work and successfully investing in an early-stage biotech company out of the USA. William also has experience performing management consulting work for a Technology start-up based in Seattle.

Prior to completing his MBA, William spent three years with TD Bank as a people manager and bank manager. William has supported personal and commercial clients with their most important business needs and was responsible for leading bank strategy. William holds a Bachelor's Degree (Honours) from the University of Western Ontario.

Team

Bronte Macfarlane – Analyst, Investment Banking

Bronte is an Investment Banking Analyst at IJW & Co. Since graduating from the John Molson School of Business at Concordia University, Bronte has spent three years working in various finance roles, including as an Analyst at Novartis, an Analyst at State Street, and most recently, an Analyst at a single-family office here in Montreal.

Bronte holds a Bachelor's Degree in Commerce, majoring in Finance. She is currently pursuing her MBA in Investment Management and is a Level II candidate for the Chartered Financial Analyst (CFA) designation.

In her spare time, Bronte enjoys skiing, hiking and yoga.

Eric Wu – Analyst, Investment Banking

Eric is completing an investment banking internship at IJW & Co. Eric is an Honours Business Administration Candidate at Ivey Business School at the University of Western Ontario. Before the HBA program, Eric studied Economics.

Prior to joining IJW, Eric completed two internships in software M&A at Constellation Software and Valsoft Corporation.

Outside of class, Eric started a charity fund and donated to various non-profit organizations in the London, Ontario community. He also enjoys playing basketball and is a huge Toronto Raptors fan.

Thank You.

Sami Kabir, CFA, MBA
Vice President

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