

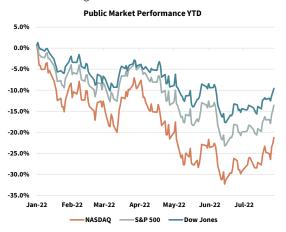


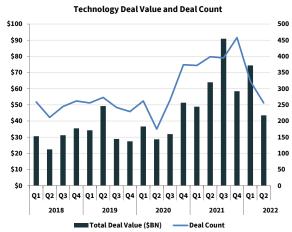
MERIDIAN CAPITAL

Summer 2022 | Tech M&A Remains Resilient

Despite Public Market Volatility, Technology M&A Activity Remains Robust

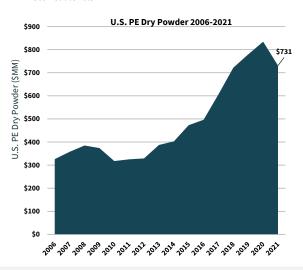
- Stocks suffered their worst first half of the year since 1970 with the S&P 500 and Dow Jones down -13.6% and -9.6% YTD, respectively
- Tech stocks have fared worse, with the Nasdaq down -21.2% YTD, and nearly every subvertical facing significant multiple contraction
- Technology M&A has cooled off since the highs in 2021; however, Q2'22 deal value and deal count remained elevated compared to historical averages

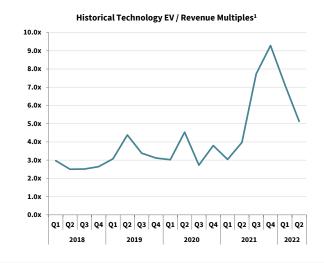




Significant PE Dry Powder Should Continue to Support Technology M&A

- Dry powder amongst U.S. private equity firms, ~\$731MM going into 2022, should continue to support M&A activity, especially for high-quality tech companies that can demonstrate growth and profitability
- While investors have begun taking a more cautious approach to valuation, deals are still getting done at a premium when compared to historical levels





Advice for Clients Navigating Uncertainty

- For technology companies considering a sale, we would encourage those who are able to demonstrate continued growth and strong pricing power to explore a transaction in the near-term while interest in tech buyouts remains strong
- Regardless of appetite for M&A, it's prudent for business owners to prepare their business for the potential recession and upcoming downturn in the business cycle
- As trusted advisors for 25+ years, Meridian is well-positioned to help you navigate these uncertain times and any challenges your business may be facing