



# Becoming a North American Leader in Public eProcurement

*Acquisition of Periscope Intermediate Corp.*

August 11, 2021

A preliminary short form prospectus containing important information relating to the securities described in this document has not yet been filed with the securities regulatory authorities in each of the provinces of Canada. A copy of the preliminary short form prospectus is required to be delivered to any investor that received this document and expressed an interest in acquiring the securities. There will not be any sale or any acceptance of an offer to buy the securities until a receipt for the final short form prospectus has been issued. This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the preliminary short form prospectus, final short form prospectus and any amendment, for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

# Disclaimer

In this presentation, “mdf commerce”, the “Corporation” or the words “we”, “our” and “us” refer, depending on the context, either to mdf commerce inc. or to mdf commerce inc. together with its subsidiaries and entities in which it has an economic interest.

This presentation is dated August 11, 2021 and, unless specifically stated otherwise, all information disclosed herein is provided as at June 30, 2021, the end of the most recent quarter of the Corporation.

## **No Investment Advice:**

This presentation is not, and is not intended to be, an advertisement, prospectus or offering memorandum, and is made available on the express understanding that it does not contain all information that may be required to evaluate, and will not be used by readers in connection with, the purchase of or investment in any securities of any entity. This presentation accordingly should not be treated as giving investment advice and is not intended to form the basis of any investment decision. It does not, and is not intended to, constitute or form part of, and should not be construed as, any recommendation or commitment by mdf commerce or any of its directors, officers, employees, direct or indirect shareholders, agents, affiliates, advisors or any other person, or as an offer or invitation for the sale or purchase of, or a solicitation of an offer to purchase, subscribe for or otherwise acquire, any securities, businesses and/or assets of any entity, nor shall it or any part of it be relied upon in connection with or act as any inducement to enter into any contract or commitment or investment decision whatsoever.

Readers should not construe the contents of this presentation as legal, tax, regulatory, financial or accounting advice and are urged to consult with their own advisers in relation to such matters.

## **Financial Information and Non-IFRS Measures:**

The Corporation reports its financial results in accordance with International Financial Reporting Standards (IFRS). Periscope reports its financial results in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”). For this presentation, such financial results and information have been presented in IFRS.

This presentation contains references to certain non-IFRS measures and key performance indicators that are used by the Corporation and/or Periscope as indicators of financial performance measures which do not have standardized meanings under IFRS and are not likely to be comparable to similarly designated measures reported by other corporations. The Corporation believes that these measures are useful supplemental information that may assist investors in assessing their investment in the subscription receipts.

Investors are cautioned that these measures are being reported in order to complement, and not replace, the analyses of financial results in accordance with IFRS. In this presentation, we use non-IFRS measures, including EBITDA, adjusted EBITDA, combined revenues, combined adjusted EBITDA, combined cash flow per share, recurring revenue, combined recurring revenues and constant currency. Other than as provided in this presentation, the terms and definitions associated with non-IFRS measures as well as a reconciliation to the most comparable IFRS measures, and key performance indicators are presented in the section “Non-IFRS Financial Measures and Key Performance Indicators” in Management’s Discussion and Analysis (MD&A) for the first quarter ended June 30, 2021 and for the year ended March 31, 2021. See the appendix to this presentation for the definition and reconciliation of the non-IFRS measures used by the Corporation and Periscope in this presentation.

## **External Information:**

Where this presentation quotes any information or statistics from any external source (including Periscope), it should not be interpreted that the Corporation has adopted or endorsed such information or statistics as being accurate. As it relates to information provided by Periscope, while the Corporation, after conducting due diligence that it believes to be a prudent and thorough level of investigation, believes it to be accurate in all material respects, an unavoidable level of risk remains regarding the accuracy and completeness of such information. The Corporation also advises investors that some of the information presented herein is based on or derived from statements by third parties, has not been independently verified by or on behalf of the Corporation, and that no representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of this information or any other information or opinions contained herein, for any purpose whatsoever.

## **Comparables:**

The comparable information about other issuers in this presentation was obtained from public sources and has not been verified by us. “Comparable” means information that compares an issuer to other issuers. The information has been included to provide the prospective investor with information related to issuers that are expected to be comparable issuers. The comparables are considered to be an appropriate basis for comparison with the Corporation based on their industry, size, nature of business and additional criteria. The comparable issuers may face different risks from those applicable to the Corporation. Investors are cautioned that there are risks inherent in making an investment decision based on the comparables, that past performance is not indicative of future performance and that the performance of the Corporation may be materially different from the comparable issuers. If the comparables contain a misrepresentation, investors do not have a remedy under securities legislation in any province in Canada. Accordingly, investors are cautioned not to put undue reliance on the comparables in making an investment decision.

# Disclaimer (Cont'd)

## Currency:

The financial information of Periscope was converted into Canadian dollars, using the following US dollar (USD) / Canadian dollar (CAD) exchange rates:

- The revenues of Periscope for the six-month periods ended June 30, 2021 and June 30, 2020 and the twelve-month period ended December 31, 2020 were converted using exchange rates of 1 USD = 1.2471, 1 USD = 1.3646 CAD (using constant currency) and 1 USD = 1.3415, respectively, which represent, in each case, the average daily exchange rate of the Bank of Canada for the six months ended June 30, 2021 and June 30, 2020 and the twelve months ended December 31, 2020, respectively.
- Consideration to be paid was converted using an exchange rate of 1 USD = 1.2540 CAD which represents the daily exchange rate of the Bank of Canada on August 10, 2021.

## U.S. Non-Solicitation:

This presentation is not an offer of securities for sale in the United States and is not an offer to sell or solicitation of an offer to buy any securities of mdx commerce, nor shall it form the basis of, or be relied upon in connection with any contract for purchase or subscription. The subscription receipts of mdx commerce will only be offered in the provinces of Canada by means of a short form prospectus. Securities may not be offered or sold in the United States absent registration under the United States Securities Act of 1933 (the "U.S. Securities Act") or an exemption from registration thereunder. These securities have not been and will not be registered under the U.S. Securities Act or the securities laws of any state and may not be offered or sold in the United States absent registration under the U.S. Securities Act and applicable state securities laws or pursuant to an applicable exemption therefrom.

Additional information about mdx commerce, including the Corporation's audited consolidated financial statements for the fiscal year ended March 31, 2021 and related Management's Discussion and Analysis, its consolidated financial statements for the three-month period ended June 30, 2021 and related Management's Discussion and Analysis and its Annual Information Form for the fiscal year ended March 31, 2021 are available on [www.mdxcommerce.com](http://www.mdxcommerce.com) and have been filed with SEDAR at [www.sedar.com](http://www.sedar.com).

# Forward-Looking Information

This presentation contains “forward-looking information” within the meaning of applicable securities legislation, including those regarding the acquisition (the “Acquisition”) of Periscope Intermediate Corp. (“Periscope”). Forward-looking information also includes, but is not limited to, statements regarding mdm commerce’s business objectives, expected growth, results of operations, performance and financial results, statements with respect to the expected timing and completion of the Acquisition, and statements with respect to the anticipated benefits of the Acquisition and mdm commerce’s ability to successfully integrate Periscope’s business, which include, without limitation, cost saving synergies, annual revenue synergies, future revenues, adjusted EBITDA, adjusted EBITDA margin, cash flow per share, recurring revenue, leverage post-Acquisition, management strategy and growth prospect following the Acquisition. The pro forma information set forth in this presentation should not be considered as a prediction of what the actual financial position or other results of operation of the Corporation would have necessarily been had the Acquisition been completed as, at, or for the periods stated. This presentation also contains forward-looking information with respect to the public offering of subscription receipts of mdm commerce (the “Offering”), the private placement of subscription receipts of mdm commerce and the indebtedness to be incurred under an amended and upsized credit facilities and the aggregate purchase price payable in connection with the Acquisition of Periscope (including the rollover shares and retention bonus). Although the forward-looking information is based on what the Corporation believes are reasonable assumptions, current expectations and estimates, investors are cautioned from placing undue reliance on this information as actual results may vary from the forward-looking information. Forward-looking information may be identified by the use of forward-looking terminology such as “believe”, “forecast”, “synergies”, “intend”, “may”, “will”, “expect”, “estimate”, “anticipate”, “continue” or similar terms, variations of those terms or the negative thereof, and the use of the conditional tense as well as similar expressions.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this presentation. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about, the Corporation’s ability to retain its customers, the Corporation’s ability to implement its growth strategy through acquisition, the Corporation’s response to the industry’s rapid pace of change, the competitive environment, the Corporation’s ability to protect its computer environment and deal with defects in software or failures in processing transactions, the Corporation’s use of “open source” software, intellectual property and other proprietary rights, the Corporation’s management and employees, the Corporation’s cyber security, regulatory changes, the Corporation’s ability to do business in emerging countries, the Corporation’s ability to execute its strategic plan, the effect of the COVID-19 global pandemic, foreign currency, liquidity, credit, current global financial conditions, additional financing and dilution and market liquidity of the common shares of the Corporation, all as further and more fully described in the “Risk Factors and Uncertainties” section of the Corporation’s annual information form dated June 9, 2021 for the fiscal year ended March 31, 2021, management’s discussion and analysis of financial condition and results of operation of the Corporation dated June 9, 2021, as at and for the years ended March 31, 2021 and 2020, management’s discussion and analysis of financial condition and results of operation of the Corporation dated August 11, 2021, as at and for the three-month period ended June 30, 2021 and elsewhere in the Corporation’s filings with the Canadian securities regulators, as applicable. In relation to the Acquisition and the Offering, mdm commerce makes the following material assumptions, without limitation: availability of capital resources, performance of operating facilities, strength of market conditions, customer demand and satisfaction of customary closing conditions, including antitrust approvals and receipt of regulatory approval with respect to the Offering. If these assumptions are inaccurate, mdm commerce’s or the combined entity’s actual results could differ materially from those expressed or implied in such forward-looking information.

The Corporation cautions readers against placing undue reliance on forward-looking statements when making decisions, as the actual results could differ considerably from the opinions, plans, projections, objectives, expectations, forecasts, estimates and intentions expressed in such forward-looking statements due to various risk factors. These risk factors include, but are not limited to: the possible failure to realize anticipated benefits of the Acquisition or to achieve the full amount of anticipated cost saving synergies and revenue synergies, failure to close the Acquisition, changes in the terms of the Acquisition, increased indebtedness, transitional risks, Acquisition integration related risks, loss of certain key personnel of Periscope, potential undisclosed costs or liabilities associated with the Acquisition, the information provided by Periscope not being accurate or complete, changes in interest rates, inflation levels and general economic conditions, legislative and regulatory developments and changes in competition. Although the Corporation has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended.

These forward-looking information is used to assist readers in obtaining a better understanding of mdm commerce’s business, current objectives, strategic priorities, expectations and plans, including following the Acquisition, and may not be appropriate for other purposes. Such forward-looking information that is not historical fact, including statements based on management’s belief and assumptions cannot be considered as guarantees of future performance. The forward-looking information contained herein reflect mdm commerce’s expectations and beliefs as at the date hereof, and are subject to change after this date. The Corporation undertakes no obligation to update publicly any forward-looking information whether as a result of new information, future events or otherwise, other than as required by applicable legislation. All subsequent forward-looking statements made by mdm commerce or any of its directors, officers or employees or any persons authorized to be acting on their behalf, whether written or oral, are expressly qualified in their entirety by the foregoing cautionary statements. Financial outlook information contained in this presentation about prospective results of operations, financial position or cash flows is based on assumptions about future events and management’s assessment of the relevant information available as of the date of this presentation. Readers are cautioned that such financial outlook information contained in this presentation should not be used for the purposes other than for which it is disclosed herein or therein, as the case may be.



mdf commerce delivers on its **vision** to become a **leading player** enabling the flow of commerce for **B2B** and **B2G** markets

**C\$115.7M**

*Combined  
Revenues<sup>(1)</sup>*

**C\$8.3M**

*Combined  
Adj. EBITDA<sup>(2)</sup>*

**~87%**

*Combined Strategic Sourcing and  
Unified Commerce Contributions<sup>(3)</sup>*

The acquisition of Periscope marks a turning point in mdf commerce's transformation plan and solidifies its commitment to profitable growth

(1) Combined revenues is a non-IFRS measure. Refer to the "Disclaimer-Financial Information and Non-IFRS Measures" section and appendix for definitions and reconciliation. Combined revenues are derived from the summation of the mdf commerce's revenues for its fiscal year ended March 31, 2021 combined with Periscope's revenues for its fiscal year ended December 31, 2020 without any pro forma or other adjustments.

(2) Combined adjusted EBITDA is a non-IFRS measure. Refer to the "Disclaimer-Financial Information and Non-IFRS Measures" section and appendix for definitions and reconciliation. Combined adjusted EBITDA is derived from the summation of mdf commerce's adjusted EBITDA calculated based on mdf commerce's financial information for its fiscal year ended March 31, 2021 combined with Periscope's adjusted EBITDA for its fiscal year ended December 31, 2020 before giving effect to the Acquisition and the Offering and without any pro forma or other adjustments.

(3) Based on percentage of total combined revenues based on mdf commerce's revenues for its fiscal year ended March 31, 2021 and Periscope's revenues for its fiscal year ended December 31, 2020; assumes Periscope contributes 100% toward mdf commerce's Strategic Sourcing platform.

# Becoming a Leading Player in Public eProcurement

**mdf**  
commerce

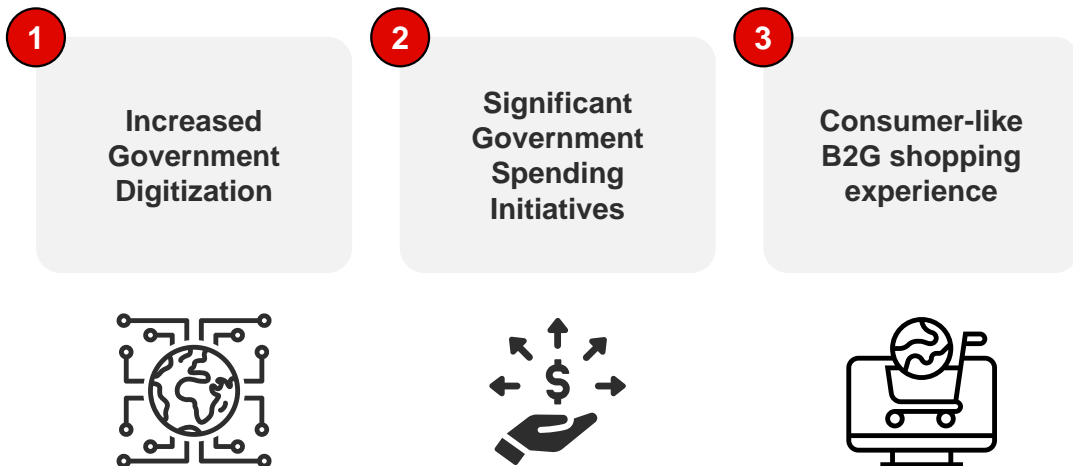


**Periscope**  
HOLDINGS INC

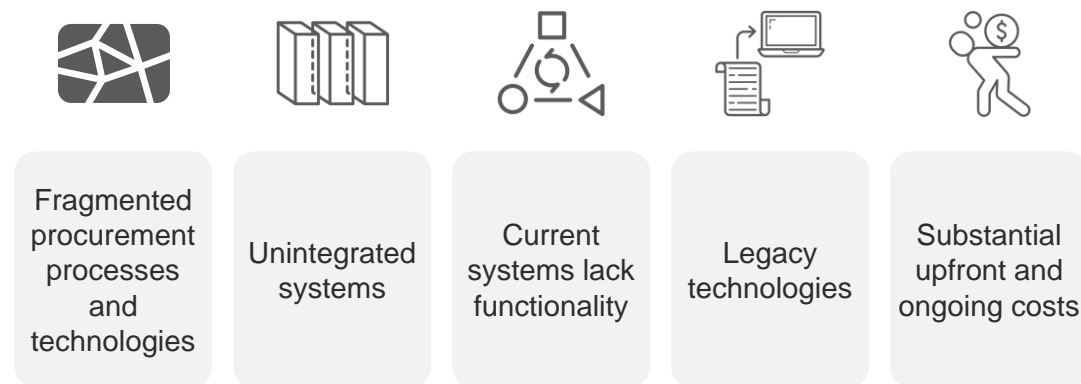
- 1 **Becoming a Public eProcurement Leader in North American Market with Untapped Opportunities**
- 2 **Fully Integrated, End-to-End Solution Servicing the Full Spectrum of Government Agencies**
- 3 **Innovative Transaction Fee Solution Providing Highly Scalable and Attractive Economics**
- 4 **Highly Synergistic Acquisition Expected to Provide Significant Revenue and Cost Saving Opportunities**
- 5 **Compelling Combined Financial Profile Positioned for Enhanced Growth**

# Significant Market Opportunity Driven by Unmet Needs

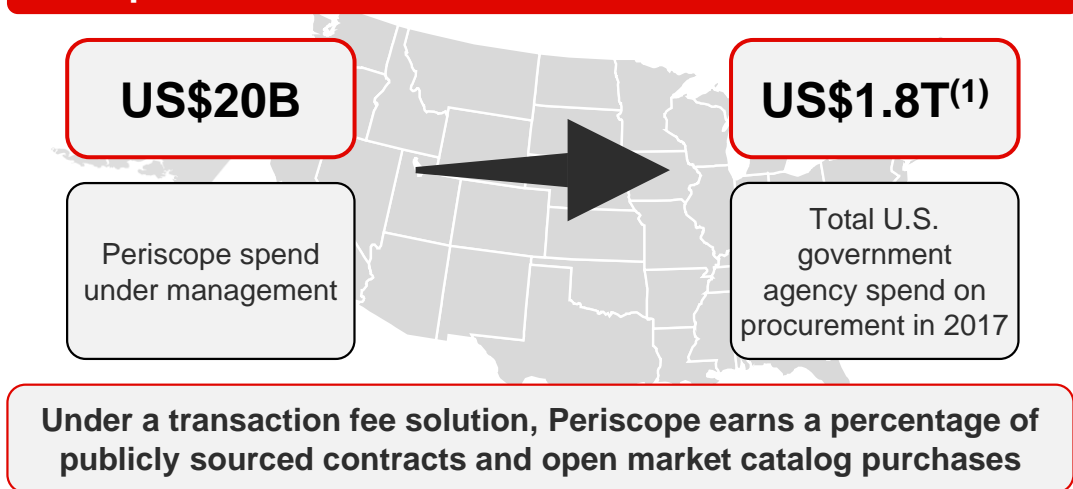
## Significant Industry Tailwinds



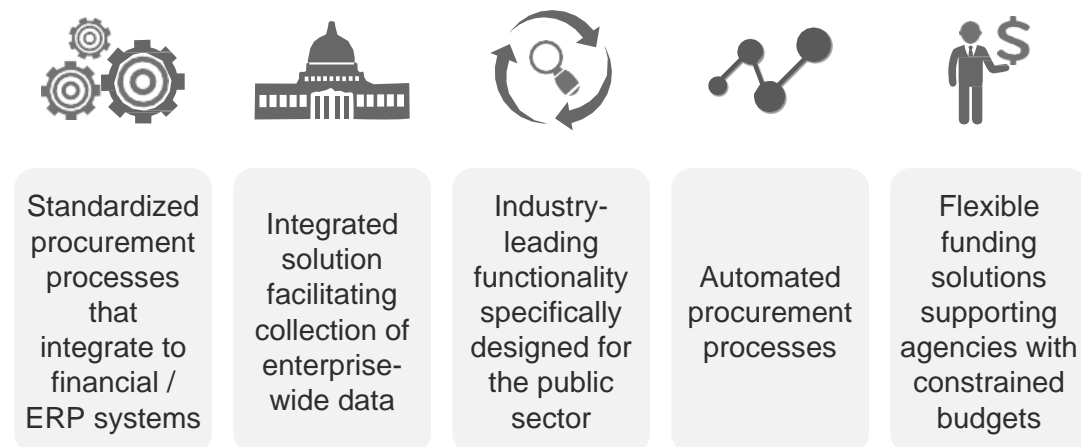
## Government Agency Needs Remain Largely Unmet



## Ample Room to Grow Within U.S. Public Procurement



## Periscope's eProcurement Solutions Meet Those Needs

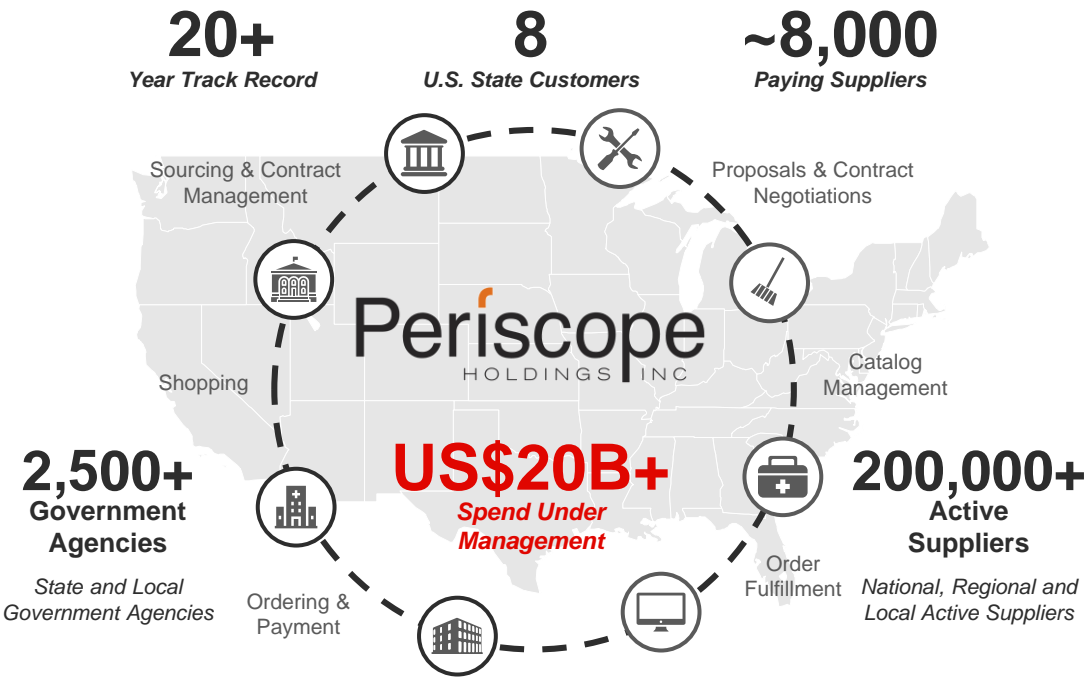


(1) Source: Open Contracting Partnership and Spend Network.



# Periscope at a Glance

Periscope is a fully integrated end-to-end eProcurement solution designed specifically for state and local government agencies



- ✓ Fully integrated, end-to-end eProcurement solution
- ✓ Large network of agencies and suppliers across the U.S.
- ✓ Innovative transaction fee funding solution

## Agency Solutions



Fully integrated, cloud-based solution automating the full eProcurement process from sourcing to payments management



SaaS tool for agencies to electronically create, manage and award solicitations, as well as manage suppliers



Reseller of SaaS tool automating contract creation, review, approval, execution and renewal process



License the National Institute for Government Purchasing's NIGP Commodity / Services Code and NIGP Consulting program

## Agency / Supplier Solution



SaaS tool allowing government agencies to shop publicly sourced contracts and open market catalogs through a consumer-like shopping platform



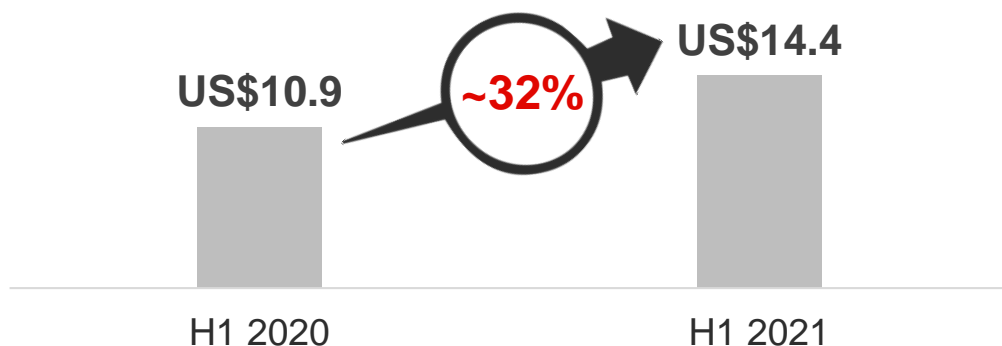
SaaS bid notification tool for suppliers of public sector suppliers to identify / respond to bid opportunities



# Compelling Growth Trajectory

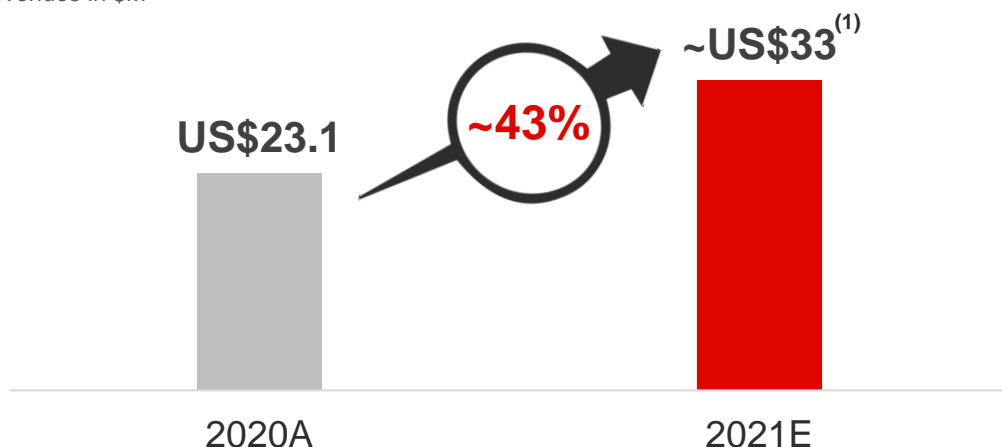
## Significant momentum in the first half of 2021...

Revenues in \$M



## ...underpins strong forecasted growth for the full year

Revenues in \$M



- Successful onboarding of new customers on SaaS and transaction fee solutions has driven increased growth
- Strong 2021 year-to-date performance and high near-term visibility for contracted revenue and pipeline developments provide comfort for full-year 2021
- Industry tailwinds, including current trends toward eProcurement adoption, support growth

**Periscope enhances mdf commerce's existing Strategic Sourcing operations to achieve significant long-term growth**

Note: Figures presented on a December 31 fiscal year end

(1) Based on management estimates of Periscope's expected revenues up to the end of fiscal 2021.

# Transaction Summary

## Purchase Price

- Offer to acquire 100% of Periscope Intermediate Corp. (“Periscope”) for ~C\$260M (US\$207.3M)
  - Cash-free debt-free basis, to be paid in cash (C\$263M) and in rollover shares (C\$4M), as well as the creation of a C\$4M retention bonus payable in March 2022 and March 2023
  - Represents ~6.3x Periscope’s calendar year 2021E revenue forecasted to be approximately US\$33M
  - Represents ~4.6x including C\$15M in estimated annual revenue synergies

## Financing

- Acquisition to be financed through a combination of cash on hand, debt and equity
  - C\$92M of available cash on hand
  - C\$50M of incremental debt under the amended and upsized credit facility (to C\$70M); closing debt to capitalization of 15.8%, well within covenant
  - C\$53M private placement of subscription receipts to *Fonds de solidarité FTQ* and *Investissement Québec*
  - C\$68M public bought deal offering of subscription receipts
  - C\$4M in rollover shares, as well as the creation of a C\$4M retention bonus

## Financial Impact

- Acquisition is expected to contribute positively to combined cash flow per share<sup>(1)</sup>

## Synergies

- Estimated annual revenue synergies of at least C\$15M within 3 years
- Estimated annual cost saving synergies of approximately C\$5M within 3 years

## Closing Conditions & Timing

- Conditional to regulatory approval, including HSR
- Expected to close in Q2 of mdf commerce’s 2022 fiscal year

**Highly synergistic transaction implies post-synergy acquisition multiple of ~4.6x 2021E revenue**

Note: Figures translated in C\$ at a USD / CAD exchange rate of 1.2540 (as of August 10, 2021)

(1) Combined cash flow per share is a non-IFRS measure. Combined cash flow per share is based on mdf commerce’s combined adjusted EBITDA with certain adjustments. Refer to the “Disclaimer-Financial Information and Non-IFRS Measures” section and appendix for definition.

# Key Pillars Underpinning Our Strategic Rationale



**The acquisition of Periscope enables mdm commerce to become a leading public eProcurement player**

(1) Combined revenues is a non-IFRS measure. Refer to the "Disclaimer-Financial Information and Non-IFRS Measures" section and appendix for definitions and reconciliation. Combined revenues are derived from the summation of mdm commerce's revenues for its fiscal year ended March 31, 2021 combined with Periscope's revenues for its fiscal year ended December 31, 2020 without any pro forma or other adjustments. (2) Historical revenue growth calculation is based on the combined revenues of mdm commerce, which are derived from the summation of mdm commerce and Periscope's revenues for the last six months ended June 30, 2021 without any pro forma or other adjustments as compared to the first six months ended June 30, 2020 using constant currency (average USD / CAD exchange rate of 1.2471 for the six months ended June 30, 2021). Combined revenues is a non-IFRS measure. Refer to the "Disclaimer-Financial Information and Non-IFRS Measures" section and appendix for definitions. (3) Recurring revenue is a key performance indicator and a non-IFRS measure. Refer to the "Disclaimer-Financial Information and Non-IFRS Measures" section and appendix for definition. Increase calculation is based on the summation of mdm commerce's recurring revenues for its fiscal year ended March 31, 2021 combined with Periscope's recurring revenues for its fiscal year ended December 31, 2020 without any pro forma or other adjustments.

# 1 Becoming a Public eProcurement Leader in North American Market with Untapped Opportunities

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3,500+

Government  
Agencies

2

Province  
Customers

300,000+

Active Suppliers

Periscope  
HOLDINGS INC

2,500+

Government  
Agencies

8

U.S. State  
Customers

200,000+

Active Suppliers

**mdf**  
commerce



Periscope  
HOLDINGS INC

6,000+

Government  
Agencies

8 + 2

U.S. State +  
Province Customers

~500,000

Active Suppliers

40 + 10

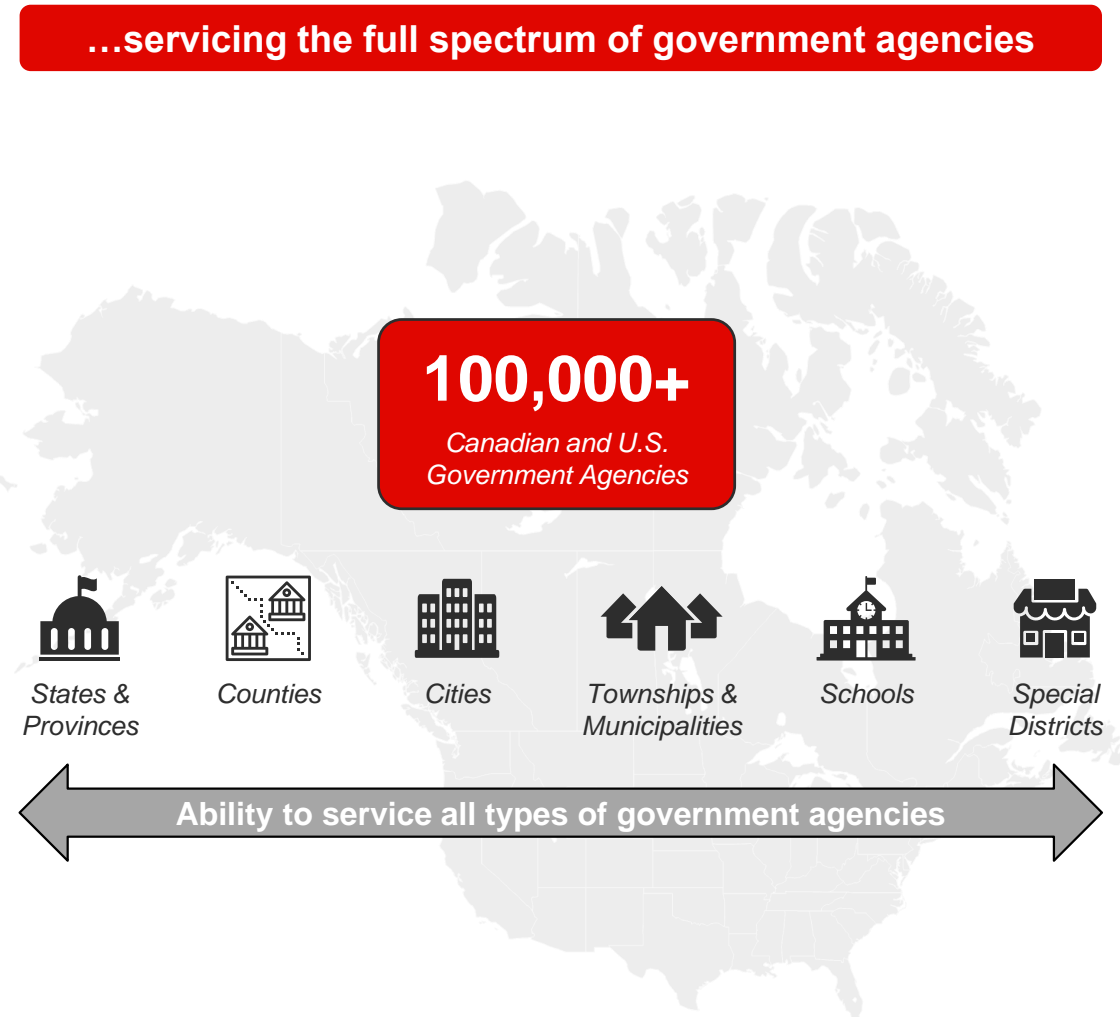
Presence in U.S.  
States + Provinces

Momentum from Network Expansion

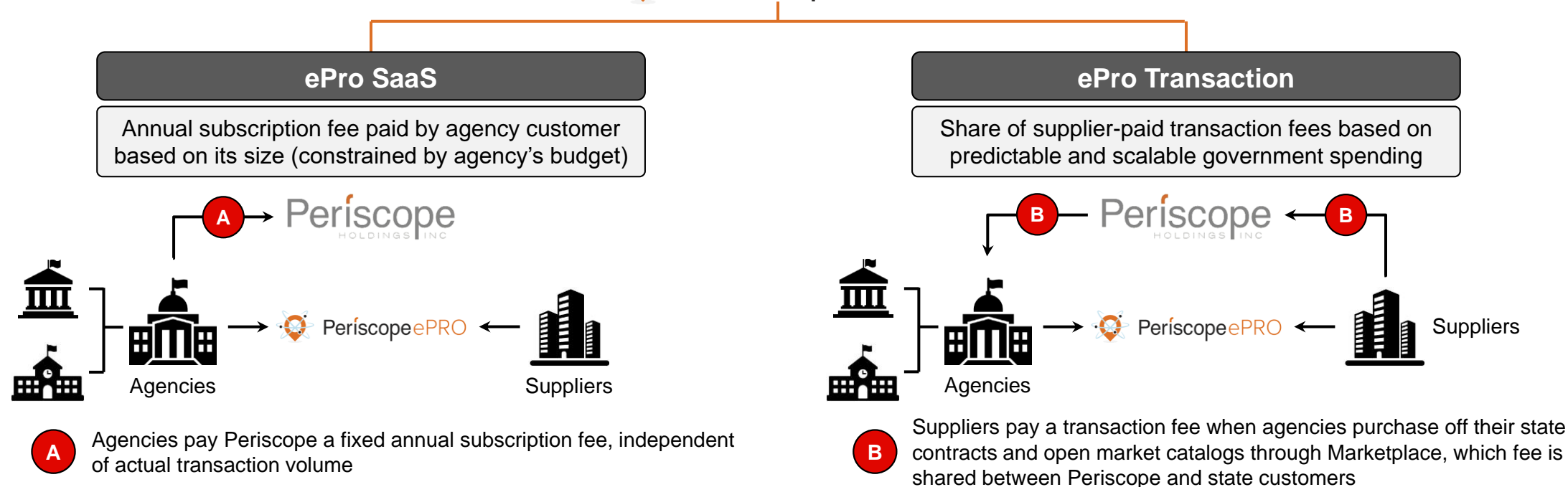
Acquisition generates significant momentum, strengthening mdf commerce's position in the North American public eProcurement market

# 2 Fully Integrated, End-to-End Solution Servicing the Full Spectrum of Government Agencies

Fully integrated, end-to-end solution...				
eProcurement		mdf commerce	Periscope HOLDINGS INC.	Combined
Source-to-Contract	Strategic Sourcing	✓	✓	✓
	Supplier Relationship Management	✓	✓	✓
	Contract Lifecycle Management	✓	✓	✓
Procure-to-Pay	Requisition Creation & Approval		✓	✓
	Purchase Order Management		✓	✓
	Invoice Receipt and Processing		✓	✓
	Payments Management		✓	✓
				✓



### 3 Innovative Transaction Fee Solution Providing Highly Scalable and Attractive Economics



#### Key Benefits of the Transaction Fee Solution



No upfront investment or ongoing budget for government agency



Generates revenues via supplier-paid fees on statewide contracts



Creates network effect between government agencies and suppliers

Highly predictable and scalable solution with the potential to generate significant upside as statewide government spend grows

# 4 Highly Synergistic Acquisition Expected to Provide Significant Revenue and Cost Saving Opportunities

## Revenue Synergies



Synergies primarily driven by opportunities relating to ePro and Marketplace under a transaction fee solution



Offer ePro to additional U.S. states and Canadian provinces



Offer Marketplace to our combined network of over 3,500 government agencies and 300,000 active suppliers

**Expecting at least C\$15M  
within 3 years**

## Cost Synergies



Workforce-related initiatives alleviating the need to hire additional talent in sales & marketing, product development and other key functions



Efficiencies relating to content aggregation systems and processes



Product integration eliminating reliance on third parties

**Expecting approximately C\$5M  
within 3 years**



# 5 Compelling Combined Financial Profile Positioned for Enhanced Growth

In C\$M, unless otherwise indicated

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LTM March 31, 2021 in C\$

+

**Periscope**  
HOLDINGS INC

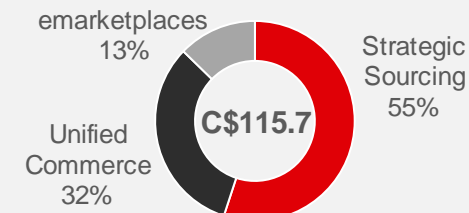
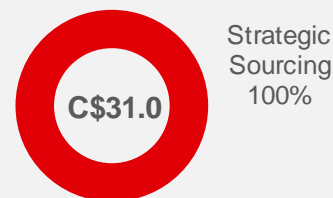
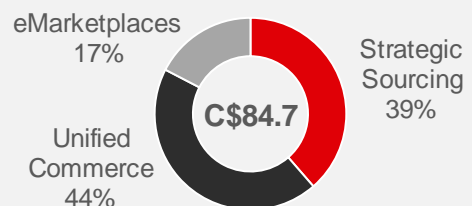
LTM December 31, 2020 in C\$

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Combined<sup>(5)</sup>

Historical  
Revenue by  
Platform



Historical  
Revenue  
Growth<sup>(1)</sup>

13.1%

32.1%

18.0%<sup>(2)</sup>

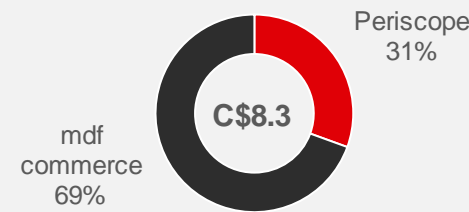
Percentage of  
Recurring  
Revenues<sup>(3)</sup>

76%

89%

80%

Historical  
Adj. EBITDA<sup>(4)</sup>



**Acquisition of Periscope bolsters mdf commerce's scale while enhancing its growth potential and recurring revenue profile**

Note: mdf commerce's figures presented on a fiscal year ended March 31, 2021, combined with Periscope's figures presented on a fiscal year ended December 31, 2020; (1) Historical revenue growth is presented for the last six months ended June 30, 2021 compared to the first six months ended June 30, 2020; (2) Using constant currency (average USD / CAD exchange rate of 1.2471 for the six months ended June 30, 2021); (3) Recurring revenue is a key performance indicator and a non-IFRS measure. Refer to the "Disclaimer-Financial Information and Non-IFRS Measures" section and appendix for definition; (4) Adjusted EBITDA is a non-IFRS measure. Refer to the "Disclaimer-Financial Information and Non-IFRS Measures" section and appendix for definitions and reconciliation; (5) Combined metrics, other than for historical revenue growth, are based on the summation of mdf commerce's financial information for its fiscal year ended March 31, 2021 combined with Periscope's financial information for its fiscal year ended December 31, 2020 before giving effect to the Acquisition and the Offering without any pro forma or other adjustments. Historical revenue growth calculation is based on the combined revenues of mdf commerce, which are derived from the summation of mdf commerce and Periscope's revenues for the last six months ended June 30, 2021 without any pro forma or other adjustments as compared to the first six months ended June 30, 2020 using constant currency (average USD / CAD exchange rate of 1.2471 for the six months ended June 30, 2021).

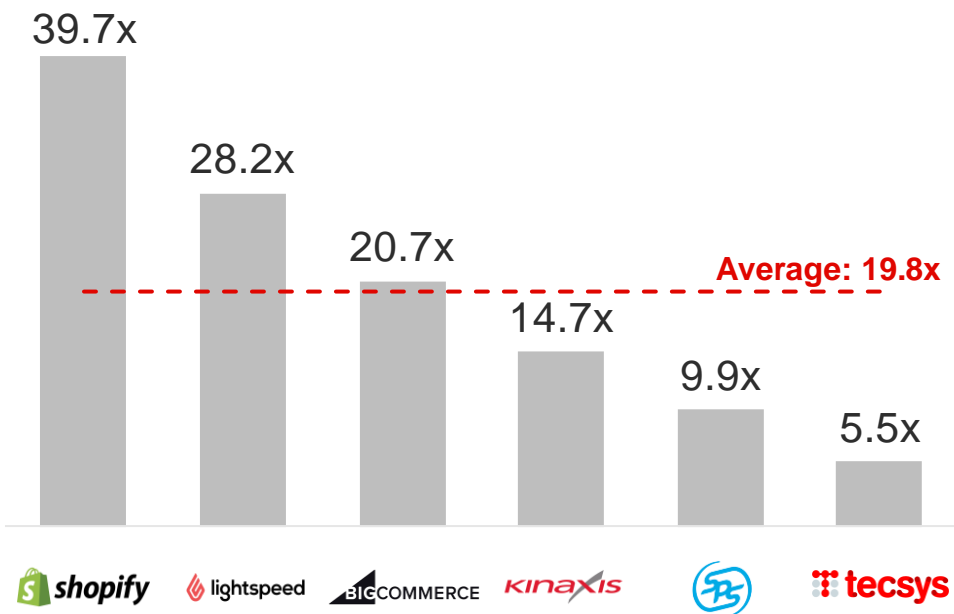
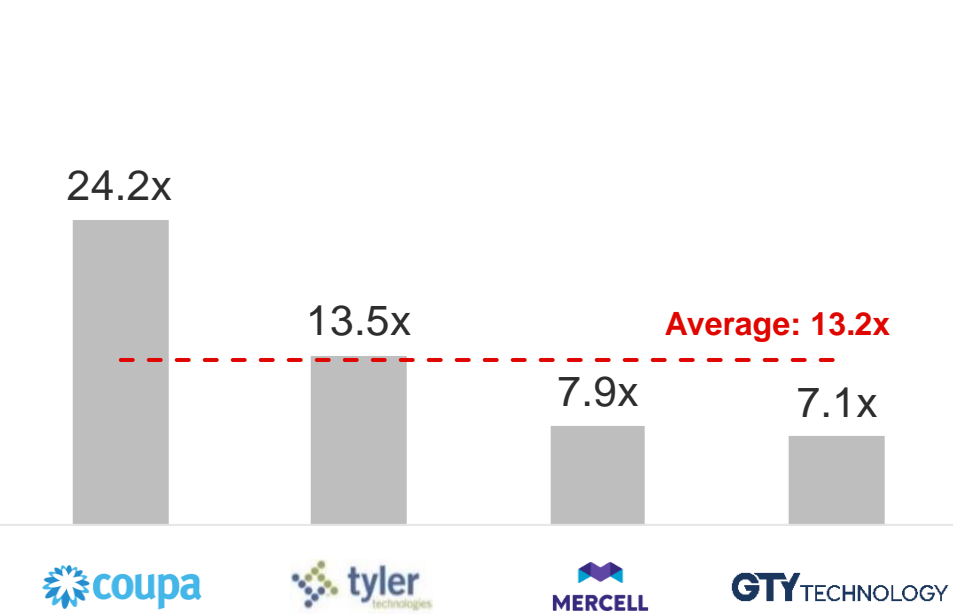
# Trading at a Substantial Discount to Publicly Traded Peers

Strategic Sourcing and Unified Commerce platforms constitute ~87% of mdf commerce’s combined revenues<sup>(1)</sup>

## Procurement Software Suppliers

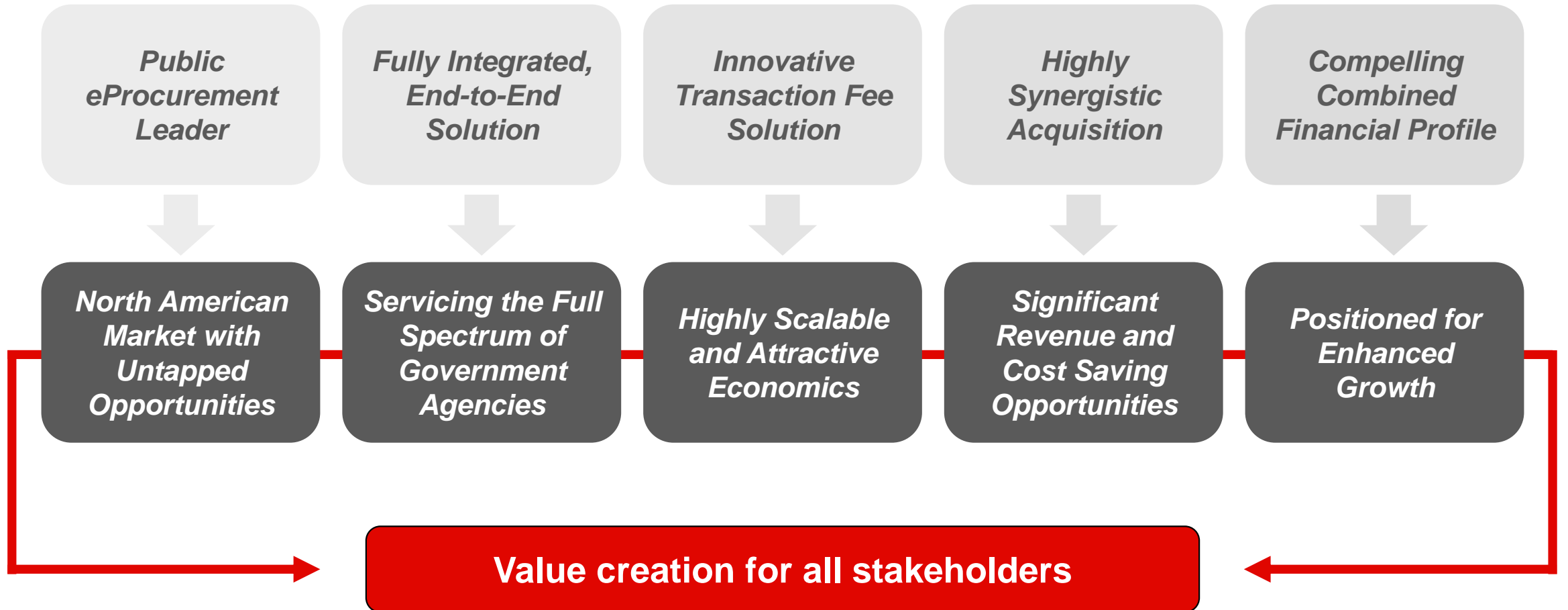
## Digital Commerce Software Suppliers

EV / 2021E Revenue



Sources: Capital IQ, Public filings  
Note: Data as of market close on August 10, 2021; All figures are presented on a calendar year basis  
(1) Based on percentage of total combined revenues based on mdf commerce’s revenues for its fiscal year ended March 31, 2021 and Periscope’s revenues for its fiscal year ended December 31, 2020; assumes Periscope contributes 100% toward mdf commerce’s Strategic Sourcing platform

# Expecting Value Creation for All Stakeholders



The background is a complex, abstract composition of black and white geometric shapes. It features a grid of squares, some of which contain circles or arcs. There are also clusters of small dots arranged in a grid pattern. The overall effect is a high-contrast, minimalist design.

# Appendix

# Definitions of Non-IFRS Measures

References to non-IFRS measures and key performance indicators used throughout this presentation and have the following meaning:

**“EBITDA”** of mdf commerce is calculated as profit (loss) before interest, taxes, depreciation and amortization.

**“EBITDA”** of Periscope is calculated as profit (loss) before interest, taxes, depreciation and amortization.

**“Adjusted EBITDA”** of mdf commerce or Periscope, as applicable, is calculated as profit (loss) before interest, taxes, depreciation and amortization, adjusted according to the foreign exchange gain (loss), the gain (loss) on the sale of a subsidiary and the compensation under mdf commerce’s stock option plan, acquisition related costs and restructuring costs.

**“Combined revenues”** means the summation of the mdf commerce’s revenues for its fiscal year ended March 31, 2021 combined with Periscope’s revenues for its fiscal year ended December 31, 2020 without any pro forma or other adjustments.

**“Combined adjusted EBITDA”** means the summation of mdf commerce’s adjusted EBITDA calculated based on mdf commerce’s financial information for its fiscal year ended March 31, 2021 combined with Periscope’s adjusted EBITDA for its fiscal year ended December 31, 2020 before giving effect to the Acquisition and the Offering and without any pro forma or other adjustments.

**“Combined cash flow per share”** is composed of combined adjusted EBITDA less mdf commerce and Periscope combined capital expenditures divided by the total number of outstanding shares of mdf commerce and including management’s estimate of year 3 revenue and cost synergies.

**“Recurring revenues”** of mdf commerce is composed of subscription and support revenues that are recurring in nature. Therefore, they exclude onetime fees and professional fees and other types of non-recurring revenues.

**“Recurring revenues”** of Periscope is composed of subscription and support revenues that are recurring in nature.

**“Combined recurring revenues”** means the summation of mdf commerce’s recurring revenues for its fiscal year ended March 31, 2021 combined with Periscope’s recurring revenues for its fiscal year ended December 31, 2020 without any pro forma or other adjustments.

**“Constant currency,”** certain revenue figures and changes from prior period are analyzed and presented on a constant currency basis and are obtained by translating revenues from the comparable period of the prior year denominated in foreign currencies at the foreign exchange rates of the current period.

# Reconciliation of Non-IFRS Measures

	mdf commerce	Periscope	
	LTM Mar. 2021 in C\$	LTM Dec. 2020 in C\$	Combined
<b>(Loss) profit</b>	(\$7,591.0)	(\$779.0)	(\$8,370.0)
Impairment loss of assets charge	-	-	-
Income tax (recovery) expense	(\$1,618.0)	\$50.3	(\$1,567.7)
Depreciation of property and equipment and amortization of intangible assets	\$4,217.0	\$1,945.0	\$6,162.0
Amortization of acquired intangible assets	\$3,815.0	-	\$3,815.0
Amortization of right of use assets	\$1,735.0	\$208.8	\$1,943.8
Amortization of deferred financing costs	\$135.0	(\$150.0)	(\$15.0)
Interest on lease liability	\$381.0	\$99.6	\$480.6
Interest on long-term debt	\$536.0	\$974.7	\$1,510.7
Interest revenue	(\$61.0)	(\$5.1)	(\$66.1)
<b>EBITDA</b>	<b>\$1,549.0</b>	<b>\$2,344.4</b>	<b>\$3,893.4</b>
Foreign exchange loss (gain)	\$1,427.0	-	\$1,427.0
Loss (gain) on sale of a subsidiary	-	-	-
Share-based compensation	\$467.0	\$24.2	\$491.2
Restructuring costs	\$1,966.0	\$158.3	\$2,124.3
Acquisition related costs	\$337.0	-	\$337.0
<b>Adjusted EBITDA</b>	<b>\$5,746.0</b>	<b>\$2,526.8</b>	<b>\$8,272.8</b>

**mdf**  
commerce