Dear Shareholders,

I have never felt better about the future of OpenText, the relevancy of our technology and expertise, the intrepidness of our people and roadmap, the transformative nature of our mission to elevate all organizations of all sizes to gain the information advantage, and the value we are creating through the OpenText Business System of Total Growth, Cash Flow Expansion, and Capital Efficiency.

Fiscal 2022 was a year of resilience and growth. Each one of us has been affected by the pandemic, and we've emerged more focused, stronger, and more connected—more connected as humans, more connected as machines. As The Information Company, we power and protect information and our purpose is to elevate every person and every organization to gain the information advantage in the OpenText Cloud.

Fiscal 2022 was also a year of significant strategic progress for OpenText. We delivered another banner year based on the bedrock of our 4Cs: Customer Success, Cloud, Cash Flow and Capital Efficiency Strength.

FISCAL 2022 HIGHLIGHTS

- Delivered record results
- Acquired Zix for $894.5 million
- Strengthened our relationships with Google and Microsoft
- Named SAP Pinnacle Partner of the Year, our 17th Pinnacle Award in 14 years
- Extended our debt maturity profile and raised $650 million in new debt. Approximately 75% of our debt is now fixed at a 4% weighted average interest rate and a weighted average maturity of more than 7 years

RECORD FINANCIAL RESULTS

- Revenue was a record $3.5 billion, up 3.2% as reported and 4.3% in constant currency
- Cloud revenue was a record of $1.5 billion, an increase of 9.1% as reported and 9.8% in constant currency, this is the 6th consecutive quarter of y/y cloud organic growth in constant currency
- Enterprise cloud bookings[(1)] were $466 million
- ARR was a record $2.9 billion, up 4.5% as reported and 5.5% in constant currency or 82% of total revenue, it was the sixth consecutive quarter of positive organic ARR growth in constant currency



- Cloud and off-cloud renewal rates of 94% and 94% respectively
- GAAP-based net income of $397 million, up 27.8% y/y, GAAP-based net income margin of 11.4%
- A-EBITDA[(2)] of $1.3 billion for an upper quartile margin[(2)] of 36.2%
- Operating cash flows of $982 million, up 12.1%
- Free cash flows[(2)] of $889 million or 25% of total revenue, up 9.4% y/y; Return on Invested Capital of 18.1%[(2)]
- We returned over $415 million to shareholders via dividends and buybacks including the purchase and cancellation of more than 3.8 million shares during the year
- We ended the year with $1.7 billion of cash, $2.4 billion of available liquidity and a net leverage ratio of 2x

INFORMATION MANAGEMENT: THE CLOUD OPPORTUNITY

The need for Information Management is strategic and essential and has never been more urgent. This is a $92 billion market that is growing and accelerating into the cloud which affords us the opportunity to grow even faster. There is an immediate need for OpenText to help our customers navigate through these turbulent times.

For our customers, the move to digital technology is paramount, and our demand drivers are very clear:

- Converting our off-cloud install base to the OpenText Cloud
- The continued value realization of digitizing all transactions and repeatable work
- The overhaul of supply chains for regionalization, insight, and mitigating ongoing disruptions
- The exploding growth in security, data trust and compliance regulations
- The need for information and process insights to remove cost and do more with less
- The transition to the green agenda: new ESG audits, new trading partners, new manufacturing, de-carbonization, and 2030 pledges to be Climate Innovators

It is time to standardize on the companies built for the long-term, like OpenText. We remain focused on the acceleration of our large off-cloud customer base moving to the OpenText Cloud. Scaling of our private cloud business while expanding options and opportunities for customers to deploy in public clouds.

HELPING CUSTOMERS WIN

Like other premier technology companies, we are managing through the macro issues: the pandemic continues, high inflation, the strength of the USD, Russia's war on Ukraine, the energy crisis in Europe, and recessionary indicators. This is a very real context, a context that requires every company to think uniquely about their business, and to act pre-emptively and boldly.

OpenText has a long history of standing tall with our customers regardless of economic, geopolitical, health or other crises and we see a real opportunity to help organizations of all sizes to use digital technology to overcome today's challenges, emerge stronger, and outcompete their rivals. We are very proud at OpenText to have helped our customers be agile, responsive, and resilient during these times of uncertainty. OpenText is fantastically positioned to help organizations deliver on their digital imperatives – to innovate, to grow, to connect people / organizations / systems, to be well run, and to do more with less.

With disruption accelerating, now more than ever, the world's largest companies are relying on OpenText to solve their largest challenges. From climate innovation, security, and compliance to the green bottom line, we are here to help equip organizations of all sizes gain the Information Advantage. I want to highlight some of our customers' successes this year:

Bayer, a life science company with core competencies in the areas of health care and agriculture, is contributing to finding solutions to some of the major challenges of our time. The company has selected OpenText to consolidate integration activities onto one single platform. This will enable Bayer to release several global integration providers and, therefore, harmonize and simplify their system landscape and increase agility within their IT environment.

The Bank of New York Mellon's Pershing LLC provides clearing, brokerage custody and other related services. Pershing selected OpenText Exstream Cloud Native to modernize their Customer Communications Management (CCM) process. The solution will enhance user functionality, improve creation & delivery of mission-critical client communications, and drive cost savings by migrating applications off the mainframe.

BDO, the 5th largest accounting firm in the world by revenue, provides a range of services within the areas of audit, accounting, consultancy, and taxation and duties. BDO wanted to improve their information governance by centralizing their various content management systems into one single platform on Extended ECM for Microsoft Office 365 to share, collaborate, approve, and process documents via workflows.

Novartis Pharmaceuticals brings innovative medicines to market to enhance health outcomes for patients and offer solutions to the healthcare providers who treat them. The company selected OpenText Intelligent Capture to capture, digitize and analyze content using AI, content analytics and auto-classification in their business processes.

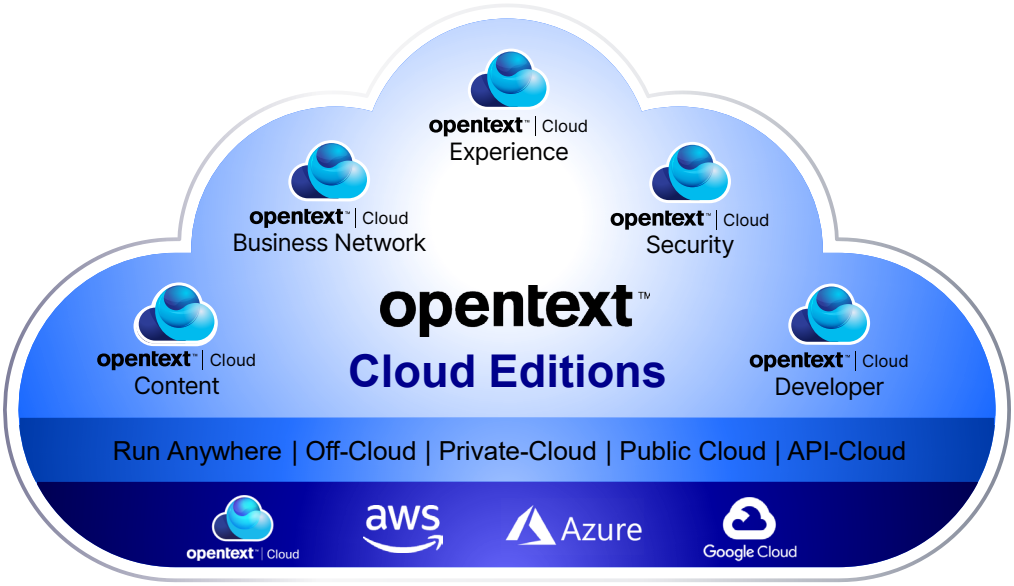
Hydro-Québec has been generating, transmitting and distributing electricity for over 75 years. They do their utmost to provide a reliable supply of electricity services at competitive prices while making use of clean, renewable energy sources. Over the past ten years, they've stored an impressive number of HR-related documents for easy retrieval and review using Document Access for SAP. Moving to Extended ECM for SuccessFactors will keep this functionality and enable more self-service transactions, allowing HR to focus on people instead of technology.



PRODUCT UPDATE

Cloud has grown from $0 in Fiscal 2012 to $1.5 billion in revenue in Fiscal 2022 and now is our biggest business. OpenText's five Cloud offerings empower customers to be more intelligent, connected, and responsible. Our products are consistently recognized by industry analysts for our category leadership. OpenText Cloud offerings can be deployed in the infrastructure framework of the customer's choice including off-cloud, private cloud, or public cloud including our partners' clouds. OpenText Cloud Editions allows customers to leverage our full cloud suites, with less friction and less professional services, and seamlessly going from one module to all modules.

Cloud Editions is the largest, most comprehensive suite in our history – including more features and deeper integrations with leading business applications. The innovations in Cloud Editions provide customers with a complete set of tools to harness the power of information and manage it collectively, securely, and intelligently.



- **Content Cloud:** We released deeper integrations with Salesforce and Microsoft Teams for our Core Content offering. The deeper integrations enable us to deliver more content capabilities to two fast-growing software platforms.
- **Business Network Cloud:** We released our BN Cloud Foundations offering - a SaaS-based, self-service product offering that meaningfully expands the reach of our trading network. Many of the same market-leading services used and trusted by 40 of the 50 largest supply chains in the world are now available to businesses of all sizes. BN Foundations is off to a fast start with several major customer wins already secured.
- **Experience Cloud:** We released integration between the Google Marketing Platform and OpenText™ Experience CDP (Customer Data Platform), OpenText™ Exstream, and OpenText™ TeamSite.
- **Security Cloud:** We announced the release of OpenText's Digital Evidence Center, a cloud-based solution that helps law enforcement agencies close cases faster by centralizing the collection, analysis and storage of rich media and digital evidence.
- **Developer Cloud:** We expanded access to our API Services beyond North America so developers can commercialize their applications and extend OpenText Core Content subscriptions within Europe and the EU Data Protection Zone.

PROJECT TITANIUM

Over 80% of our investments will be in cloud technologies through a framework we call Project Titanium that will evolve our already robust capabilities and accelerate customer adoption of the cloud. We chose the name Titanium because it reflects our cloud fundamentals: strong, light weight, industrial strength, corrosion resistant. Titanium is both new products and new routes to market. Through these key investments, we expect to deliver:

- A common platform for all OpenText software
- An open and integrated data and processing platform
- A growing library of APIs, open to customers and 3rd parties for increased agility and flexibility
- A new digital resource center for customers to try, buy, renew, and be supported, digitally through automation and self-service. We call this service the OpenText ZONE

We're planning to deliver new capabilities every 90 days, with a compelling private cloud experience as well as new features in public cloud, including releasing many new innovations into our product line over the next 4 product releases. Project Titanium is expected to enhance all our clouds with end-to-end Information Management solutions including:

- Content Cloud – to modernize work and automate processes with a next generation digital fabric
- Business Network Cloud – to digitize supply chain and connect ecosystems with global scale
- Experience Cloud – to create unified communication-centric customer experiences
- Security Cloud – to build a resilient and safer world with prevention, compliance, governance, and remediation
- Developer Cloud – to win the next generation platform and future workloads from customers, partners, and embedded IP partners through our APIs. Eco-systems will be built around our API-based Developer Cloud

ZIX AND SMB&C

The acquisition of Zix in December 2021 significantly enhanced our Small to Medium Businesses & Consumer (SMB&C) portfolio in data protection, threat management and e-mail security. In a little over 2 years, our SMB&C business has grown to nearly $700 million in annualized revenue. With the acquisition of Carbonite in 2019 and Zix in 2021, OpenText offers one of the market's most comprehensive cyber resilience offerings for SMB&C partners and customers. Zix has brought best-in-class cloud innovation, an opportunity for cross-selling within our combined MSP channel, a 20-year Microsoft partnership that enhances and expands OpenText's existing relationship, geographic expansion opportunities and the opportunity to build strategic partnerships that leverage our SMB&C cloud platform.

PARTNERS: A FORCE MULTIPLIER

OpenText is committed culturally and strategically to be a partner embracing company. Our partnerships with companies such as SAP SE, Google Cloud, AWS, Microsoft Corporation, Oracle Corporation, Salesforce.com Corporation, and others serve as examples of how we are working together with our partners to create next-generation Information Management solutions and deliver them to market.

Global Partner Program
Our Global Partner Program enables us to extend market coverage, build stronger relationships and provide enterprise customers with a more complete local ecosystem of partners to meet their needs. The Program is expected to lead to greater distribution and cross-selling opportunities which further help us to achieve organic growth.

Global System Integrators (GSIs)
GSIs provide customers with digital transformational services around OpenText technologies. Our GSIs include Accenture plc, ATOS International S.A.S., Capgemini Technology Services SAS, Cognizant Technology Solutions U.S. Corp., Deloitte Consulting LLP, and Tata Consultancy Services (TCS).

Managed Service Providers (MSPs)
Our network of 22,000 MSPs is a key go-to-market channel for SMB&C. Our partner program enables MSPs to deploy OpenText solutions at scale, helping us grow cloud-based cybersecurity, threat intelligence as well as backup and recovery solutions aimed at the SMB&C markets. We are a top Cloud Solution Partner with Microsoft.

Hyperscaler Partners
Our solutions can be deployed off-cloud, in the OpenText Cloud, in hybrid scenarios or other clouds, including through our hyperscaler partners: Google Cloud Platform (GCP), AWS and Microsoft Azure. The combination of OpenText cloud-native applications and managed services, together with the scalability and performance of our partner public cloud providers, offer more secure, reliable, and compliant solutions to customers wanting to deploy cloud-based Information Management applications.

TOTAL GROWTH STRATEGY

Our unique "Grow, Retain and Acquire" framework is at the heart of our Total Growth strategy. With our sales coverage goals, we are deeply focused on cross-selling and upselling Cloud Editions into our existing customer base, focusing on our account knowledge and the opportunity to introduce new applications that manage new information workloads. Our global renewals organization continues to deliver greater than 90% renewal rates while driving growth through consumption and expansion.



Future Acquisitions
We have $2.4 billion in cash and committed liquidity. We have the management bandwidth and financial strength to execute our M&A strategy. Acquisition valuations are coming more in line with our playbook of growth at a reasonable price. We believe that our M&A pipeline is stronger than it has been in previous years.

THE OPENTEXT BUSINESS SYSTEM: OUR VALUE CREATION FRAMEWORK

OpenText believes in creating near and long-term shareholder value through a balanced combination of Total Growth, Capital Efficiency, and Profitability. We will control what we can control – and we aspire to perform well in every scenario. We make long-term decisions; we are purposeful in balancing profits and growth.

Leveraging the OpenText Business System, our vision of the future of operations at OpenText includes:

- How we invest in innovation
- How we engage with customers
- How we operate our business
- How we attract and retain talent, and
- How we create value



From a business model perspective, what this means is that we are accelerating into the cloud led by bookings to cash while expecting to deliver upper quartile A-EBITDA results in any economic scenario.

CORPORATE CITIZENSHIP

Over the past year, we have embraced new expectations, new rules, and new investments as we imagine how people and organizations can build a better future. What has become abundantly clear is that the future of growth must be both inclusive and sustainable, and in our third Corporate Citizenship Report, we share the strides we have made over the last year as part of our commitment to advancing our Environmental, Social and Governance (ESG) goals.

Companies have a tremendous opportunity and responsibility to create long-term value and impact for customers, employees, and society. That is why we are introducing the OpenText Zero-In Initiative, a new framework that encompasses all our ESG commitments and programs. Our framework is based on three pillars that focus on measurable, values-driven goals under the pillars of Zero Footprint, Zero Barriers and Zero Compromise.

Zero Footprint: OpenText embraces the opportunity to reduce our footprint in every possible way, and help our customers do the same. We are committing to a science-based emissions target of 50% reduction by 2030, and net-zero by 2040, and zero operational waste by 2030. The goal is to eliminate emissions to the greatest extent possible, send no waste to landfills, incinerators, or oceans, and promote a circular economy, where resources are put back into the system to be used over again.

Zero Barriers: Our goal is to have a majority ethnically diverse workforce by 2030. We have committed to a 50/50 gender parity within key roles by 2030, and 40% women in leadership positions at all management levels, because for consistent equity, we must create a culture that values differences starting with a top-down approach.

Zero Compromise: We intend to reach our Zero Footprint and Zero Barriers goals with the same values-based approach that we bring to work every day – with zero compromise. It is about elevating our people and our organization, and zeroing-in on what matters most. We are committed to transparency and holding ourselves accountable to our ESG goals and continuing to foster our culture of Technology for the Good.

IN SUMMARY

As I reflect on our Fiscal 2022 accomplishments, I am very proud of what we, as a team, have accomplished:

- We took pre-emptive actions to address the global macro environment
- We continued to invest in talent and innovation
- We have incredible products that customers use to create an Information Advantage
- We have a fantastic install base of customers that we will accelerate into the cloud
- We delivered upper quartile profitability and an incredibly strong balance sheet

OpenText is an all-weather company ready for what is ahead. We recognize the many macro issues facing all businesses, and OpenText is ready. We are built to navigate times like these. Our target capital allocation strategy delivers shareholder returns via dividends and share buybacks. We are investing in systems to achieve non-linear scaling of costs, while positioning ourselves to capture future growth and market share. OpenText remains committed to our Total Growth Strategy and expect to create value through growth, profitability, and capital efficiency.

We have a seasoned proven management team and our employees delivered record results throughout the pandemic. We are hiring smartly, we are investing in Project Titanium and helping our customers accelerate their transition to the OpenText Cloud. As we begin Fiscal Year 2023, we remain committed to balancing our operational discipline with continued investments in key strategic areas to drive future total growth, expansion of free cash flows and capital efficiency.

Our products are strategic and vital to our customers. The need for OpenText to help our customers navigate through these turbulent times has never been higher. Information Management is strategic and essential. We will stand tall with our customers. We intend to grow, and we intend to take share while also continuing to generate upper quartile profitability and significant value creation for our shareholders.

Customers fortified their commitment to the OpenText Cloud with $466 million of new value in enterprise cloud bookings, and we expect this to grow 15%+ in Fiscal 2023. Increased cloud bookings are key to driving organic cloud revenue growth and we believe one of the best ways for investors to measure the future performance of OpenText's growth going forward is to focus on both our enterprise bookings and total revenue growth performance.

LOOKING AHEAD TO OUR LONG-TERM ASPIRATIONS

- We intend on doubling the company through organic growth and acquisitions
- We intend on being #1 in every cloud
- We look to generate over $6 billion in cumulative free cash flows

OpenText's employees have delivered on another strong year of results, and I want to thank them for all their contributions. In this dynamic environment, we saw strong demand, took share and fortified an increased customer commitment to our cloud platform. OpenText's best days are in front of us. I am an optimist, and deeply believe the future is brighter than today. The leadership at OpenText is committed to ensuring that our growth is based on inclusivity and sustainability. What an amazing time to be The Information Company, to be the company providing both a process advantage and an Information Advantage, to our customers.

I would like to thank our employees, our customers, our partners and our shareholders for their continued trust and confidence in OpenText. We are humbled and proud to help advance your mission and goals and work – and - to make OpenText and the world better for everyone.

May the one that brings peace, bring peace for all.

Sincerely,



Mark J. Barrenechea

OpenText CEO and CTO

(1) Enterprise cloud bookings is defined as the total value from cloud services and subscription contracts, entered into in the fiscal year that are new, committed and incremental to our existing contracts, excluding the impact of Carbonite and Zix.
(2) Please refer to "Use of Non-GAAP Financial Measures" at the end of this presentation and "Reconciliation of selected GAAP-based measures to Non-GAAP-based measures" included within our current and historical filings on Forms 10-Q, 10-K and 8-K.
(3) Upper quartile is based on comparing OpenText against 170+ selected technology and software peers. A-EBITDA margin data sourced from Bloomberg (July 2022).

CONFERENCE CALL INFORMATION

OpenText posted our quarterly shareholder letter and investor presentation on its Investor Relations website at http://investors.opentext.com and invites the public to listen to the earnings conference call on August 4, 2022 at 5:00 p.m. ET by dialing 1-800-319-4610 (toll-free) or +1-604-638-5340 (international). Please dial-in 10 minutes ahead of time to ensure proper connection. Alternatively, a live webcast of the earnings conference call will be available on the Investor Relations section of the Company's website at http://investors.opentext.com/investor-events-and-presentations.

A replay of the call will be available beginning August 4, 2022 at 7:00 p.m. ET through 11:59 p.m. on August 18, 2022 and can be accessed by dialing 1-855-669-9658 (toll-free) or +1-604-674-8052 (international) and using passcode 9157 followed by the number sign.

Please see Appendix below for our uses of non-GAAP based financial measures and a reconciliation of U.S. GAAP-based financial measures used in this Shareholder Letter, to Non-GAAP-based financial measures. Refer to our Form 10-K or press release for a discussion of our financial results for the three and twelve months ended June 30, 2022.

Note: All dollar amounts in this Appendix are in thousands of U.S. Dollars unless otherwise indicated.

ABOUT OPENTEXT

OpenText, The Information Company™, enables organizations to gain insight through market leading information management solutions, powered by OpenText Cloud Editions. For more information about OpenText (NASDAQ: OTEX, TSX: OTEX) visit opentext.com.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this document, including statements about the focus of Open Text Corporation ("OpenText" or "the Company") in our fiscal year ending June 30, 2023 (Fiscal 2023) on growth, future cloud growth and market share gains, future organic growth initiatives and deployment of capital, intention to maintain a dividend program, potential share repurchases pursuant to its share repurchase plans, future tax rates, new platform and product offerings and associated benefits to customers, scaling OpenText, and other matters, which may contain words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates", "may", "could", "would", "might", "will" and variations of these words or similar expressions are considered forward-looking statements or information under applicable securities laws. In addition, any information or statements that refer to expectations, beliefs, plans, projections, objectives, performance or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking, and based on our current expectations, forecasts and projections about the operating environment, economies and markets in which we operate. Forward-looking statements reflect our current estimates, beliefs and assumptions, which are based on management's perception of historic trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances, such as certain assumptions about the economy, as well as market, financial and operational assumptions. Management's estimates, beliefs and assumptions are inherently subject to significant business, economic, competitive and other uncertainties and contingencies regarding future events and, as such, are subject to change. We can give no assurance that such estimates, beliefs and assumptions will prove to be correct. Such forward-looking statements involve known and unknown risks and uncertainties such as those relating to the duration and severity of the COVID-19 pandemic, including any new strains or resurgences, as well as our ability to develop, protect and maintain our intellectual property and proprietary technology and to operate without infringing on the proprietary rights of others. For additional information with respect to risks and other factors which could occur, see the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and other securities filings with the Securities and Exchange Commission (SEC) and other securities regulators. Readers are cautioned not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. Unless otherwise required by applicable securities laws, the Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

For more information, please contact:

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APPENDIX

OPEN TEXT CORPORATION
CONSOLIDATED BALANCE SHEETS
(In thousands of U.S. dollars, except share data)

	June 30, 2022	June 30, 2021
ASSETS		
Cash and cash equivalents	$ 1,693,741	$ 1,607,306
Accounts receivable trade, net of allowance for credit losses of $16,473 as of June 30, 2022 and $22,151 as of June 30, 2021	426,652	438,547
Contract assets	26,167	25,344
Income taxes recoverable	18,255	32,312
Prepaid expenses and other current assets	120,552	98,551
Total current assets	2,285,367	2,202,060
Property and equipment	244,709	233,595
Operating lease right of use assets	198,132	234,532
Long-term contract assets	19,719	19,222
Goodwill	5,244,653	4,691,673
Acquired intangible assets	1,075,208	1,187,260
Deferred tax assets	810,154	796,738
Other assets	256,987	208,894
Long-term income taxes recoverable	44,044	35,362
Total assets	$ 10,178,973	$ 9,609,336
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	$ 448,607	$ 423,592
Current portion of long-term debt	10,000	10,000
Operating lease liabilities	56,380	58,315
Deferred revenues	902,202	852,629
Income taxes payable	51,069	17,368
Total current liabilities	1,468,258	1,361,904
Long-term liabilities:		
Accrued liabilities	18,208	28,830
Pension liability	60,951	74,511
Long-term debt	4,209,567	3,578,859
Long-term operating lease liabilities	198,695	224,453
Long-term deferred revenues	91,144	98,989
Long-term income taxes payable	34,003	34,113
Deferred tax liabilities	65,887	108,224
Total long-term liabilities	4,678,455	4,147,979
Shareholders' equity:		
Share capital and additional paid-in capital		
269,522,639 and 271,540,755 Common Shares issued and outstanding at June 30, 2022 and June 30, 2021, respectively; authorized Common Shares: unlimited	2,038,674	1,947,764
Accumulated other comprehensive income (loss)	(7,659)	66,238
Retained earnings	2,160,069	2,153,326
Treasury stock, at cost (3,706,420 and 1,567,664 shares at June 30, 2022 and June 30, 2021, respectively)	(159,966)	(69,386)
Total OpenText shareholders' equity	4,031,118	4,097,942
Non-controlling interests	1,142	1,511
Total shareholders' equity	4,032,260	4,099,453
Total liabilities and shareholders' equity	$ 10,178,973	$ 9,609,336

OPEN TEXT CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
(In thousands of U.S. dollars, except share and per share data)
(unaudited)

	Three Months Ended June 30,	
	2022	2021
Revenues:		
Cloud services and subscriptions	$ 411,595	$ 360,160
Customer support	328,339	334,256
License	94,688	132,541
Professional service and other	67,832	66,570
Total revenues	902,454	893,527
Cost of revenues:		
Cloud services and subscriptions	133,785	127,583
Customer support	30,571	32,938
License	2,595	4,315
Professional service and other	55,436	53,662
Amortization of acquired technology-based intangible assets	46,274	53,215
Total cost of revenues	268,661	271,713
Gross profit	633,793	621,814
Operating expenses:		
Research and development	118,931	117,235
Sales and marketing	185,985	183,237
General and administrative	85,958	73,019
Depreciation	22,706	21,021
Amortization of acquired customer-based intangible assets	56,341	52,469
Special charges (recoveries)	26,281	3,152
Total operating expenses	496,202	450,133
Income from operations	137,591	171,681
Other income (expense), net	(19)	45,017
Interest and other related expense, net	(40,342)	(37,550)
Income before income taxes	97,230	179,148
Provision for income taxes	(5,005)	(2,215)
Net income for the period	$ 102,235	$ 181,363
Net (income) loss attributable to non-controlling interests	(39)	(80)
Net income attributable to OpenText	$ 102,196	$ 181,283
Earnings per share—basic attributable to OpenText	$ 0.38	$ 0.66
Earnings per share—diluted attributable to OpenText	$ 0.38	$ 0.66
Weighted average number of Common Shares outstanding—basic (in '000's)	270,152	272,892
Weighted average number of Common Shares outstanding—diluted (in '000's)	270,394	273,981

OPEN TEXT CORPORATION

CONSOLIDATED STATEMENTS OF INCOME
(In thousands of U.S. dollars, except share and per share data)

	Year Ended June 30,		
	2022	2021	2020
Revenues:			
Cloud services and subscriptions	$ 1,535,017	$ 1,407,445	$ 1,157,686
Customer support	1,330,965	1,334,062	1,275,586
License	358,351	384,711	402,851
Professional service and other	269,511	259,897	273,613
Total revenues	3,493,844	3,386,115	3,109,736
Cost of revenues:			
Cloud services and subscriptions	511,713	481,818	449,940
Customer support	121,485	122,753	123,894
License	13,501	13,916	11,321
Professional service and other	216,895	197,183	212,903
Amortization of acquired technology-based intangible assets	198,607	218,796	205,717
Total cost of revenues	1,062,201	1,034,466	1,003,775
Gross profit	2,431,643	2,351,649	2,105,961
Operating expenses:			
Research and development	440,448	421,447	370,411
Sales and marketing	677,118	622,221	585,044
General and administrative	317,085	263,521	237,532
Depreciation	88,241	85,265	89,458
Amortization of acquired customer-based intangible assets	217,105	216,544	219,559
Special charges (recoveries)	46,873	1,748	100,428
Total operating expenses	1,786,870	1,610,746	1,602,432
Income from operations	644,773	740,903	503,529
Other income (expense), net	29,118	61,434	(11,946)
Interest and other related expense, net	(157,880)	(151,567)	(146,378)
Income before income taxes	516,011	650,770	345,205
Provision for (recovery of) income taxes	118,752	339,906	110,837
Net income	$ 397,259	$ 310,864	$ 234,368
Net loss attributable to non-controlling interests	(169)	(192)	(143)
Net income attributable to OpenText	$ 397,090	$ 310,672	$ 234,225
Earnings per share—basic attributable to OpenText	$ 1.46	$ 1.14	$ 0.86
Earnings per share—diluted attributable to OpenText	$ 1.46	$ 1.14	$ 0.86
Weighted average number of Common Shares outstanding—basic (in '000's)	271,271	272,533	270,847
Weighted average number of Common Shares outstanding—diluted (in '000's)	271,909	273,479	271,817

OPEN TEXT CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands of U.S. dollars)

	Year Ended June 30,		
	2022	2021	2020
Net income	$ 397,259	$ 310,864	$ 234,368
Other comprehensive income (loss)—net of tax:			
Net foreign currency translation adjustments	(78,724)	42,440	(7,784)
Unrealized gain (loss) on cash flow hedges:			
Unrealized gain (loss) - net of tax expense (recovery) effect of ($671), $1,532, and ($599) for the year ended June 30, 2022, 2021 and 2020, respectively	(1,859)	4,246	(1,662)
(Gain) loss reclassified into net income - net of tax (expense) recovery effect of $134, ($1,182) and $355 for the year ended June 30, 2022, 2021 and 2020, respectively	373	(3,280)	985
Actuarial gain (loss) relating to defined benefit pension plans:			
Actuarial gain (loss) - net of tax expense (recovery) effect of $1,866, $990 and $1,219 for the year ended June 30, 2022, 2021 and 2020, respectively	5,595	3,987	1,245
Amortization of actuarial (gain) loss into net income - net of tax (expense) recovery effect of $290, $379 and $520 for the year ended June 30, 2022, 2021 and 2020, respectively	718	1,020	917
Total other comprehensive income (loss) net	(73,897)	48,413	(6,299)
Total comprehensive income	323,362	359,277	228,069
Comprehensive (income) loss attributable to non-controlling interests	(169)	(192)	(143)
Total comprehensive income attributable to OpenText	$ 323,193	$ 359,085	$ 227,926

OPEN TEXT CORPORATION
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(In thousands of U.S. dollars and shares)

	Common Shares and Additional Paid in Capital		Treasury Stock		Retained Earnings	Accumulated Other Comprehensive Income	Non-Controlling Interests	Total
	Shares	Amount	Shares	Amount				
Balance as of June 30, 2019	**269,834**	**$1,774,214**	**(803)**	**$ (28,766)**	**$2,113,883**	**$ 24,124**	**$ 1,215**	**$3,884,670**
Issuance of Common Shares								
Under employee stock option plans	1,530	41,282	—	—	—	—	—	41,282
Under employee stock purchase plans	499	17,757	—	—	—	—	—	17,757
Share-based compensation	—	29,532	—	—	—	—	—	29,532
Purchase of treasury stock	—	—	(300)	(12,424)	—	—	—	(12,424)
Issuance of treasury stock	—	(11,008)	481	17,582	—	—	—	6,574
Dividends declared ($0.6984 per Common Share)	—	—	—	—	(188,712)	—	—	(188,712)
Other comprehensive income - net	—	—	—	—	—	(6,299)	—	(6,299)
Non-controlling interest	—	—	—	—	—	—	(39)	(39)
Net income	—	—	—	—	234,225	—	143	234,368
Balance as of June 30, 2020	**271,863**	**$1,851,777**	**(622)**	**$ (23,608)**	**$2,159,396**	**$ 17,825**	**$ 1,319**	**$4,006,709**
Adoption of ASU 2016-13 - cumulative effect	—	$ —	—	$ —	$ (2,450)	$ —	$ —	$ (2,450)
Issuance of Common Shares								
Under employee stock option plans	1,605	49,565	—	—	—	—	—	49,565
Under employee stock purchase plans	573	22,307	193	6,690	—	—	—	28,997
Share-based compensation	—	51,969	—	—	—	—	—	51,969
Purchase of treasury stock	—	—	(1,455)	(64,847)	—	—	—	(64,847)
Issuance of treasury stock	—	(12,379)	316	12,379	—	—	—	—
Common Shares repurchased	(2,500)	(15,475)	—	—	(103,630)	—	—	(119,105)
Dividends declared ($0.7770 per Common Share)	—	—	—	—	(210,662)	—	—	(210,662)
Non-controlling interest	—	—	—	—	—	—	—	—
Other comprehensive income - net	—	—	—	—	—	48,413	—	48,413
Net income	—	—	—	—	310,672	—	192	310,864
Balance as of June 30, 2021	**271,541**	**$1,947,764**	**(1,568)**	**$ (69,386)**	**$2,153,326**	**$ 66,238**	**$ 1,511**	**$4,099,453**
Issuance of Common Shares								
Under employee stock option plans	950	32,714	—	—	—	—	—	32,714
Under employee stock purchase plans	842	33,806	—	—	—	—	—	33,806
Share-based compensation	—	69,556	—	—	—	—	—	69,556
Purchase of treasury stock	—	—	(2,630)	(111,593)	—	—	—	(111,593)
Issuance of treasury stock	—	(21,013)	492	21,013	—	—	—	—
Common Shares repurchased	(3,810)	(24,295)	—	—	(152,692)	—	—	(176,987)
Dividends declared ($0.8836 per Common Share)	—	—	—	—	(237,655)	—	—	(237,655)
Non-controlling interest	—	—	—	—	—	—	—	—
Other comprehensive income (loss) - net	—	—	—	—	—	(73,897)	—	(73,897)
Distribution to non-controlling interest	—	142	—	—	—	—	(538)	(396)
Net income	—	—	—	—	397,090	—	169	397,259
Balance as of June 30, 2022	**269,523**	**$2,038,674**	**(3,706)**	**$(159,966)**	**$2,160,069**	**$ (7,659)**	**$ 1,142**	**$4,032,260**

OPEN TEXT CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands of U.S. dollars)
(unaudited)

	Three Months Ended June 30,	
	2022	**2021**
Cash flows from operating activities:		
Net income for the period	$ 102,235	$ 181,363
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization of intangible assets	125,321	126,705
Share-based compensation expense	24,464	13,350
Pension expense	1,723	1,946
Amortization of debt issuance costs	1,486	1,153
Write off of right of use assets	17,707	—
Loss on sale and write down of property and equipment	198	792
Deferred taxes	(79,420)	(7,805)
Share in net (income) loss of equity investees	401	(42,877)
Changes in operating assets and liabilities:		
Accounts receivable	13,413	(26,118)
Contract assets	(10,758)	(10,298)
Prepaid expenses and other current assets	1,768	40,261
Income taxes	45,824	(23,169)
Accounts payable and accrued liabilities	41,561	53,415
Deferred revenue	(30,878)	(23,305)
Other assets	771	11,149
Operating lease assets and liabilities, net	(3,876)	(373)
Net cash provided by operating activities	251,940	296,189
Cash flows from investing activities:		
Additions of property and equipment	(38,172)	(27,408)
Purchase of Bricata Inc.	174	—
Purchase of Dynamic Solutions Group Inc.	—	(600)
Other investing activities	—	(2,550)
Net cash used in investing activities	(37,998)	(30,558)
Cash flows from financing activities:		
Proceeds from issuance of Common Shares from exercise of stock options and ESPP	10,738	34,287
Repayment of long-term debt and Revolver	(2,500)	(2,500)
Debt issuance costs	—	—
Repurchase of Common Shares	(40,869)	(119,105)
Purchase of treasury stock	(35,933)	—
Payments of dividends to shareholders	(59,042)	(54,374)
Net cash provided by (used in) financing activities	(127,606)	(141,692)
Foreign exchange gain (loss) on cash held in foreign currencies	(26,276)	7,181
Increase (decrease) in cash, cash equivalents and restricted cash during the period	60,060	131,120
Cash, cash equivalents and restricted cash at beginning of the period	1,635,851	1,478,680
Cash, cash equivalents and restricted cash at end of the period	$ 1,695,911	$ 1,609,800

OPEN TEXT CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands of U.S. dollars)

Reconciliation of cash, cash equivalents and restricted cash:	**June 30, 2022**	**June 30, 2021**
Cash and cash equivalents	$ 1,693,741	$ 1,607,306
Restricted cash [(1)]	2,170	2,494
Total cash, cash equivalents and restricted cash	$ 1,695,911	$ 1,609,800

[(1)] Restricted cash is classified under the Prepaid expenses and other current assets and Other assets line items on the Consolidated Balance Sheets.

OPEN TEXT CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands of U.S. dollars)

	Year Ended June 30,		
	2022	**2021**	**2020**
Cash flows from operating activities:			
Net income for the period	$ 397,259	$ 310,864	$ 234,368
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization of intangible assets	503,953	520,605	514,734
Share-based compensation expense	69,556	51,969	29,532
Pension expense	6,606	6,616	5,802
Amortization of debt issuance costs	5,422	4,548	4,633
Write off of right of use assets	17,707	—	36,864
Loss on extinguishment of debt	27,413	—	17,854
Loss on sale and write down of property and equipment	294	2,771	9,714
Deferred taxes	(36,088)	73,039	51,388
Share in net (income) loss of equity investees	(58,702)	(62,897)	(8,700)
Changes in operating assets and liabilities:			
Accounts receivable	81,841	60,954	84,499
Contract assets	(37,966)	(39,333)	(40,301)
Prepaid expenses and other current assets	(13,954)	37,733	(6,897)
Income taxes	34,589	(140,763)	(35,086)
Accounts payable and accrued liabilities	(24,177)	26,088	30,613
Deferred revenue	(5,236)	39,295	25,306
Other assets	17,297	11,914	1,127
Operating lease assets and liabilities, net	(4,004)	(27,283)	(914)
Net cash provided by operating activities	981,810	876,120	954,536
Cash flows from investing activities:			
Additions of property and equipment	(93,109)	(63,675)	(72,709)
Purchase of Zix Corporation, net of cash acquired	(856,175)	—	—
Purchase of Bricata Inc.	(17,753)	—	—
Purchase of XMedius	—	444	(73,335)
Purchase of Carbonite, Inc., net of cash and restricted cash acquired	—	—	(1,305,097)
Purchase of Dynamic Solutions Group Inc.	—	(971)	(4,149)
Other investing activities	(3,922)	(4,568)	(14,127)
Net cash used in investing activities	(970,959)	(68,770)	(1,469,417)
Cash flows from financing activities:			
Proceeds from issuance of Common Shares from exercise of stock options and ESPP	67,215	80,067	66,600
Proceeds from long-term debt and Revolver	1,500,000	—	3,150,000
Repayment of long-term debt and Revolver	(860,000)	(610,000)	(1,713,631)
Debt extinguishment costs	(24,969)	—	(11,248)
Debt issuance costs	(17,159)	—	(21,806)
Repurchase of Common Shares	(176,987)	(119,105)	—
Purchase of treasury stock	(111,593)	(64,847)	(12,424)
Distribution to non-controlling interest	(396)	—	—
Payments of dividends to shareholders	(237,655)	(210,662)	(188,712)
Net cash provided by (used in) financing activities	138,456	(924,547)	1,268,779
Foreign exchange gain (loss) on cash held in foreign currencies	(63,196)	29,734	(178)
Increase (decrease) in cash, cash equivalents and restricted cash during the period	86,111	(87,463)	753,720
Cash, cash equivalents and restricted cash at beginning of the period	1,609,800	1,697,263	943,543
Cash, cash equivalents and restricted cash at end of the period	$ 1,695,911	$ 1,609,800	$ 1,697,263

OPEN TEXT CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands of U.S. dollars)
(unaudited)

Reconciliation of cash, cash equivalents and restricted cash:	**June 30, 2022**	**June 30, 2021**	**June 30, 2020**
Cash and cash equivalents	$ 1,693,741	$ 1,607,306	$ 1,692,850
Restricted cash [(1)]	2,170	2,494	4,413
Total cash, cash equivalents and restricted cash	$ 1,695,911	$ 1,609,800	$ 1,697,263

[(1)] Restricted cash is classified under the Prepaid expenses and other current assets and Other assets line items on the Consolidated Balance Sheets.

Notes

(1) All dollar amounts in this document are in U.S. Dollars unless otherwise indicated.

(2) Use of Non-GAAP Financial Measures: In addition to reporting financial results in accordance with U.S. GAAP, the Company provides certain financial measures that are not in accordance with U.S. GAAP (Non-GAAP). These Non-GAAP financial measures have certain limitations in that they do not have a standardized meaning and thus the Company's definition may be different from similar Non-GAAP financial measures used by other companies and/or analysts and may differ from period to period. Thus it may be more difficult to compare the Company's financial performance to that of other companies. However, the Company's management compensates for these limitations by providing the relevant disclosure of the items excluded in the calculation of these Non-GAAP financial measures both in its reconciliation to the U.S. GAAP financial measures and its consolidated financial statements, all of which should be considered when evaluating the Company's results.

The Company uses these Non-GAAP financial measures to supplement the information provided in its consolidated financial statements, which are presented in accordance with U.S. GAAP. The presentation of Non-GAAP financial measures is not meant to be a substitute for financial measures presented in accordance with U.S. GAAP, but rather should be evaluated in conjunction with and as a supplement to such U.S. GAAP measures. OpenText strongly encourages investors to review its financial information in its entirety and not to rely on a single financial measure. The Company therefore believes that despite these limitations, it is appropriate to supplement the disclosure of the U.S. GAAP measures with certain Non-GAAP measures defined below.

Non-GAAP-based net income and Non-GAAP-based EPS, attributable to OpenText, are consistently calculated as GAAP-based net income or earnings per share, attributable to OpenText, on a diluted basis, excluding the effects of the amortization of acquired intangible assets, other income (expense), share-based compensation, and special charges (recoveries), all net of tax and any tax benefits/expense items unrelated to current period income, as further described in the tables below. Non-GAAP-based gross profit is the arithmetical sum of GAAP-based gross profit and the amortization of acquired technology-based intangible assets and share-based compensation within cost of sales. Non-GAAP-based gross margin is calculated as Non-GAAP-based gross profit expressed as a percentage of total revenue. Non-GAAP-based income from operations is calculated as GAAP-based income from operations, excluding the amortization of acquired intangible assets, special charges (recoveries), and share-based compensation expense.

Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA) is consistently calculated as GAAP-based net income, attributable to OpenText, excluding interest income (expense), provision for income taxes, depreciation and amortization of acquired intangible assets, other income (expense), share-based compensation and special charges (recoveries). Adjusted EBITDA margin is calculated as adjusted EBITDA expressed as a percentage of total revenue.

The Company's management believes that the presentation of the above defined Non-GAAP financial measures provides useful information to investors because they portray the financial results of the Company before the impact of certain non-operational charges. The use of the term “non-operational charge” is defined for this purpose as an expense that does not impact the ongoing operating decisions taken by the Company's management. These items are excluded based upon the way the Company's management evaluates the performance of the Company's business for use in the Company's internal reports and are not excluded in the sense that they may be used under U.S. GAAP.

The Company does not acquire businesses on a predictable cycle, and therefore believes that the presentation of Non-GAAP measures, which in certain cases adjust for the impact of amortization of intangible assets and the related tax effects that are primarily related to acquisitions, will provide readers of financial statements with a more consistent basis for comparison across accounting periods and be more useful in helping readers understand the Company’s operating results and underlying operational trends. Additionally, the Company has engaged in various restructuring activities over the past several years, primarily due to acquisitions and most recently in response to our return to office planning, that have resulted in costs associated with reductions in headcount, consolidation of leased facilities and related costs, all which are recorded under the Company’s “Special charges (recoveries)” caption on the Consolidated Statements of Income. Each restructuring activity is a discrete event based on a unique set of business objectives or circumstances, and each differs in terms of its operational implementation, business impact and scope, and the size of each restructuring plan can vary significantly from period to period. Therefore, the Company believes that the exclusion of these special charges (recoveries) will also better aid readers of financial statements in the understanding and comparability of the Company's operating results and underlying operational trends.

In summary, the Company believes the provision of supplemental Non-GAAP measures allow investors to evaluate the operational and financial performance of the Company's core business using the same evaluation measures that management uses, and is therefore a useful indication of OpenText's performance or expected performance of future operations and facilitates period-to-period comparison of operating performance (although prior performance is not necessarily indicative of future performance). As a result, the Company considers it appropriate and reasonable to provide, in addition to U.S. GAAP measures, supplementary Non-GAAP financial measures that exclude certain items from the presentation of its financial results.

The following charts provide unaudited reconciliations of U.S. GAAP-based financial measures to Non-GAAP-based financial measures for the following periods presented.

Reconciliation of selected GAAP-based measures to Non-GAAP-based measures for the three months ended June 30, 2022

(In thousands, except for per share data)

	Three Months Ended June 30, 2022					
	GAAP-based Measures	GAAP-based Measures % of Total Revenue	Adjustments	Note	Non-GAAP-based Measures	Non-GAAP-based Measures % of Total Revenue
Cost of revenues						
Cloud services and subscriptions	$ 133,785		$ (2,213)	(1)	$ 131,572	
Customer support	30,571		(768)	(1)	29,803	
Professional service and other	55,436		(1,465)	(1)	53,971	
Amortization of acquired technology-based intangible assets	46,274		(46,274)	(2)	—	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	633,793	70.2%	50,720	(3)	684,513	75.9%
Operating expenses						
Research and development	118,931		(7,186)	(1)	111,745	
Sales and marketing	185,985		(7,251)	(1)	178,734	
General and administrative	85,958		(5,582)	(1)	80,376	
Amortization of acquired customer-based intangible assets	56,341		(56,341)	(2)	—	
Special charges (recoveries)	26,281		(26,281)	(4)	—	
GAAP-based income from operations / Non-GAAP-based income from operations	137,591		153,361	(5)	290,952	
Other income (expense), net	(19)		19	(6)	—	
Provision for income taxes	(5,005)		40,090	(7)	35,085	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	102,196		113,290	(8)	215,486	
GAAP-based earnings per share / Non-GAAP-based earnings per share-diluted, attributable to OpenText	$ 0.38		$ 0.42	(8)	$ 0.80	

(1) Adjustment relates to the exclusion of share-based compensation expense from our Non-GAAP-based operating expenses as this expense is excluded from our internal analysis of operating results.

(2) Adjustment relates to the exclusion of amortization expense from our Non-GAAP-based operating expenses as the timing and frequency of amortization expense is dependent on our acquisitions and is hence excluded from our internal analysis of operating results.

(3) GAAP-based and Non-GAAP-based gross profit stated in dollars and gross margin stated as a percentage of total revenue.

(4) Adjustment relates to the exclusion of special charges (recoveries) from our Non-GAAP-based operating expenses as special charges (recoveries) are generally incurred in the periods relevant to an acquisition and include certain charges or recoveries that are not indicative or related to continuing operations, and are therefore excluded from our internal analysis of operating results.

(5) GAAP-based and Non-GAAP-based income from operations stated in dollars.

(6) Adjustment relates to the exclusion of other income (expense) from our Non-GAAP-based operating expenses as other income (expense) generally relates to the transactional impact of foreign exchange and is generally not indicative or related to continuing operations and is therefore excluded from our internal analysis of operating results. Other income (expense) also includes our share of income (losses) from our holdings in investments as a limited partner. We do not actively trade equity securities in these privately held companies nor do we plan our ongoing operations based around any anticipated fundings or distributions from these investments. We exclude gains and losses on these investments as we do not believe they are reflective of our ongoing business and operating results.

(7) Adjustment relates to differences between the GAAP-based tax provision rate of approximately 5% and a Non-GAAP-based tax rate of approximately 14%; these rate differences are due to the income tax effects of items that are excluded for the purpose of calculating Non-GAAP-based adjusted net income. Such excluded items include amortization, share-based compensation, special charges (recoveries) and other income (expense), net. Also excluded are tax benefits/expense

items unrelated to current period income such as changes in reserves for tax uncertainties and valuation allowance reserves, and "book to return" adjustments for tax return filings and tax assessments. Included is the amount of net tax benefits arising from the internal reorganization that occurred in Fiscal 2017 assumed to be allocable to the current period based on the forecasted utilization period. In arriving at our Non-GAAP-based tax rate of approximately 14%, we analyzed the individual adjusted expenses and took into consideration the impact of statutory tax rates from local jurisdictions incurring the expense.

(8) Reconciliation of GAAP-based net income to Non-GAAP-based net income:

	Three Months Ended June 30, 2022	
		Per share diluted
GAAP-based net income, attributable to OpenText	$ 102,196	$ 0.38
Add:		
Amortization	102,615	0.38
Share-based compensation	24,465	0.09
Special charges (recoveries)	26,281	0.10
Other (income) expense, net	19	—
GAAP-based provision for income taxes	(5,005)	(0.02)
Non-GAAP-based provision for income taxes	(35,085)	(0.13)
Non-GAAP-based net income, attributable to OpenText	$ 215,486	$ 0.80

Reconciliation of Adjusted EBITDA

	Three Months Ended June 30, 2022
GAAP-based net income, attributable to OpenText	$ 102,196
Add:	
Provision for income taxes	(5,005)
Interest and other related expense, net	40,342
Amortization of acquired technology-based intangible assets	46,274
Amortization of acquired customer-based intangible assets	56,341
Depreciation	22,706
Share-based compensation	24,464
Special charges (recoveries)	26,281
Other (income) expense, net	19
Adjusted EBITDA	$ 313,618
GAAP-based net income margin	11.3 %
Adjusted EBITDA margin	34.8 %

Reconciliation of Free cash flows

	Three Months Ended June 30, 2022
GAAP-based cash flows provided by operating activities	$ 251,940
Add:	
Capital expenditures [(1)]	(38,172)
Free cash flows	$ 213,768

[(1)] Defined as "Additions of property and equipment" in the Consolidated Statements of Cash Flows.

Reconciliation of selected GAAP-based measures to Non-GAAP-based measures for the year ended June 30, 2022

(In thousands, except for per share data)

	Year Ended June 30, 2022					
	GAAP-based Measures	GAAP-based Measures % of Total Revenue	Adjustments	Note	Non-GAAP-based Measures	Non-GAAP-based Measures % of Total Revenue
Cost of revenues						
Cloud services and subscriptions	$ 511,713		$ (5,285)	(1)	$ 506,428	
Customer support	121,485		(2,399)	(1)	119,086	
Professional service and other	216,895		(3,740)	(1)	213,155	
Amortization of acquired technology-based intangible assets	198,607		(198,607)	(2)	—	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	2,431,643	69.6%	210,031	(3)	2,641,674	75.6%
Operating expenses						
Research and development	440,448		(17,122)	(1)	423,326	
Sales and marketing	677,118		(22,628)	(1)	654,490	
General and administrative	317,085		(18,382)	(1)	298,703	
Amortization of acquired customer-based intangible assets	217,105		(217,105)	(2)	—	
Special charges (recoveries)	46,873		(46,873)	(4)	—	
GAAP-based income from operations / Non-GAAP-based income from operations	644,773		532,141	(5)	1,176,914	
Other income (expense), net	29,118		(29,118)	(6)	—	
Provision for income taxes	118,752		23,913	(7)	142,665	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	397,090		479,110	(8)	876,200	
GAAP-based earnings per share / Non-GAAP-based earnings per share-diluted, attributable to OpenText	$ 1.46		$ 1.76	(8)	$ 3.22	

(1) Adjustment relates to the exclusion of share-based compensation expense from our Non-GAAP-based operating expenses as this expense is excluded from our internal analysis of operating results.

(2) Adjustment relates to the exclusion of amortization expense from our Non-GAAP-based operating expenses as the timing and frequency of amortization expense is dependent on our acquisitions and is hence excluded from our internal analysis of operating results.

(3) GAAP-based and Non-GAAP-based gross profit stated in dollars and gross margin stated as a percentage of total revenue.

(4) Adjustment relates to the exclusion of special charges (recoveries) from our Non-GAAP-based operating expenses as special charges (recoveries) are generally incurred in the periods relevant to an acquisition and include certain charges or recoveries that are not indicative or related to continuing operations, and are therefore excluded from our internal analysis of operating results.

(5) GAAP-based and Non-GAAP-based income from operations stated in dollars.

(6) Adjustment relates to the exclusion of other income (expense) from our Non-GAAP-based operating expenses as other income (expense) generally relates to the transactional impact of foreign exchange and is generally not indicative or related to continuing operations and is therefore excluded from our internal analysis of operating results. Other income (expense) also includes our share of income (losses) from our holdings in investments as a limited partner. We do not actively trade equity securities in these privately held companies nor do we plan our ongoing operations based around any anticipated fundings or distributions from these investments. We exclude gains and losses on these investments as we do not believe they are reflective of our ongoing business and operating results.

(7) Adjustment relates to differences between the GAAP-based tax provision rate of approximately 23% and a Non-GAAP-based tax rate of approximately 14%; these rate differences are due to the income tax effects of items that are excluded for the purpose of calculating Non-GAAP-based adjusted net income. Such excluded items include amortization, share-based compensation, special charges (recoveries) and other income (expense), net. Also excluded are tax benefits/expense

items unrelated to current period income such as changes in reserves for tax uncertainties and valuation allowance reserves, and "book to return" adjustments for tax return filings and tax assessments. Included is the amount of net tax benefits arising from the internal reorganization that occurred in Fiscal 2017 assumed to be allocable to the current period based on the forecasted utilization period. In arriving at our Non-GAAP-based tax rate of approximately 14%, we analyzed the individual adjusted expenses and took into consideration the impact of statutory tax rates from local jurisdictions incurring the expense.

(8) Reconciliation of GAAP-based net income to Non-GAAP-based net income:

	Year Ended June 30, 2022	
		Per share diluted
GAAP-based net income, attributable to OpenText	$ 397,090	$ 1.46
Add:		
Amortization	415,712	1.52
Share-based compensation	69,556	0.26
Special charges (recoveries)	46,873	0.17
Other (income) expense, net	(29,118)	(0.11)
GAAP-based provision for income taxes	118,752	0.44
Non-GAAP-based provision for income taxes	(142,665)	(0.52)
Non-GAAP-based net income, attributable to OpenText	$ 876,200	$ 3.22

Reconciliation of Adjusted EBITDA

	Year Ended June 30, 2022
GAAP-based net income, attributable to OpenText	$ 397,090
Add:	
Provision for income taxes	118,752
Interest and other related expense, net	157,880
Amortization of acquired technology-based intangible assets	198,607
Amortization of acquired customer-based intangible assets	217,105
Depreciation	88,241
Share-based compensation	69,556
Special charges (recoveries)	46,873
Other (income) expense, net	(29,118)
Adjusted EBITDA	$ 1,264,986
GAAP-based net income margin	11.4 %
Adjusted EBITDA margin	36.2 %

Reconciliation of Free cash flows

	Year Ended June 30, 2022
GAAP-based cash flows provided by operating activities	$ 981,810
Add:	
Capital expenditures [(1)]	(93,109)
Free cash flows	$ 888,701

[(1)] Defined as "Additions of property and equipment" in the Consolidated Statements of Cash Flows.

Reconciliation of selected GAAP-based measures to Non-GAAP-based measures for the three months ended March 31, 2022

(In thousands, except for per share data)

	Three Months Ended March 31, 2022					
	GAAP-based Measures	GAAP-based Measures % of Total Revenue	Adjustments	Note	Non-GAAP-based Measures	Non-GAAP-based Measures % of Total Revenue
Cost of revenues						
Cloud services and subscriptions	$ 136,020		$ (1,268)	(1)	$ 134,752	
Customer support	31,763		(501)	(1)	31,262	
Professional service and other	56,693		(907)	(1)	55,786	
Amortization of acquired technology-based intangible assets	46,564		(46,564)	(2)	—	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	608,047	68.9%	49,240	(3)	657,287	74.5%
Operating expenses						
Research and development	117,730		(4,350)	(1)	113,380	
Sales and marketing	180,955		(5,761)	(1)	175,194	
General and administrative	88,137		(3,961)	(1)	84,176	
Amortization of acquired customer-based intangible assets	56,215		(56,215)	(2)	—	
Special charges (recoveries)	11,031		(11,031)	(4)	—	
GAAP-based income from operations / Non-GAAP-based income from operations	131,609		130,558	(5)	262,167	
Other income (expense), net	24,392		(24,392)	(6)	—	
Provision for income taxes	41,041		(9,971)	(7)	31,070	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	74,681		116,137	(8)	190,818	
GAAP-based earnings per share / Non-GAAP-based earnings per share-diluted, attributable to OpenText	$ 0.28		$ 0.42	(8)	$ 0.70	

(1) Adjustment relates to the exclusion of share-based compensation expense from our Non-GAAP-based operating expenses as this expense is excluded from our internal analysis of operating results.

(2) Adjustment relates to the exclusion of amortization expense from our Non-GAAP-based operating expenses as the timing and frequency of amortization expense is dependent on our acquisitions and is hence excluded from our internal analysis of operating results.

(3) GAAP-based and Non-GAAP-based gross profit stated in dollars and gross margin stated as a percentage of total revenue.

(4) Adjustment relates to the exclusion of special charges (recoveries) from our Non-GAAP-based operating expenses as special charges (recoveries) are generally incurred in the periods relevant to an acquisition and include certain charges or recoveries that are not indicative or related to continuing operations, and are therefore excluded from our internal analysis of operating results.

(5) GAAP-based and Non-GAAP-based income from operations stated in dollars.

(6) Adjustment relates to the exclusion of other income (expense) from our Non-GAAP-based operating expenses as other income (expense) generally relates to the transactional impact of foreign exchange and is generally not indicative or related to continuing operations and is therefore excluded from our internal analysis of operating results. Other income (expense) also includes our share of income (losses) from our holdings in investments as a limited partner. We do not actively trade equity securities in these privately held companies nor do we plan our ongoing operations based around any anticipated fundings or distributions from these investments. We exclude gains and losses on these investments as we do not believe they are reflective of our ongoing business and operating results.

(7) Adjustment relates to differences between the GAAP-based tax provision rate of approximately 35% and a Non-GAAP-based tax rate of approximately 14%; these rate differences are due to the income tax effects of items that are excluded for the purpose of calculating Non-GAAP-based adjusted net income. Such excluded items include amortization, share-

based compensation, special charges (recoveries) and other income (expense), net. Also excluded are tax benefits/expense items unrelated to current period income such as changes in reserves for tax uncertainties and valuation allowance reserves, and "book to return" adjustments for tax return filings and tax assessments. Included is the amount of net tax benefits arising from the internal reorganization that occurred in Fiscal 2017 assumed to be allocable to the current period based on the forecasted utilization period. In arriving at our Non-GAAP-based tax rate of approximately 14%, we analyzed the individual adjusted expenses and took into consideration the impact of statutory tax rates from local jurisdictions incurring the expense.

(8) Reconciliation of GAAP-based net income to Non-GAAP-based net income:

	Three Months Ended March 31, 2022	
		Per share diluted
GAAP-based net income, attributable to OpenText	$ 74,681	$ 0.28
Add:		
Amortization	102,779	0.38
Share-based compensation	16,748	0.06
Special charges (recoveries)	11,031	0.04
Other (income) expense, net	(24,392)	(0.09)
GAAP-based provision for income taxes	41,041	0.15
Non-GAAP-based provision for income taxes	(31,070)	(0.12)
Non-GAAP-based net income, attributable to OpenText	$ 190,818	$ 0.70

Reconciliation of Adjusted EBITDA

	Three Months Ended March 31, 2022
GAAP-based net income, attributable to OpenText	$ 74,681
Add:	
Provision for income taxes	41,041
Interest and other related expense, net	40,238
Amortization of acquired technology-based intangible assets	46,564
Amortization of acquired customer-based intangible assets	56,215
Depreciation	22,370
Share-based compensation	16,748
Special charges (recoveries)	11,031
Other (income) expense, net	(24,392)
Adjusted EBITDA	$ 284,496
GAAP-based net income margin	8.5 %
Adjusted EBITDA margin	32.2 %

Reconciliation of Free cash flows

	Three Months Ended March 31, 2022
GAAP-based cash flows provided by operating activities	$ 323,557
Add:	
Capital expenditures [(1)]	(17,590)
Free cash flows	$ 305,967

[(1)] Defined as "Additions of property and equipment" in the Consolidated Statements of Cash Flows.

Reconciliation of selected GAAP-based measures to Non-GAAP-based measures for the three months ended June 30, 2021

(In thousands, except for per share data)

	Three Months Ended June 30, 2021					
	GAAP-based Measures	GAAP-based Measures % of Total Revenue	Adjustments	Note	Non-GAAP-based Measures	Non-GAAP-based Measures % of Total Revenue
Cost of revenues						
Cloud services and subscriptions	$ 127,583		$ (935)	(1)	$ 126,648	
Customer support	32,938		(505)	(1)	32,433	
Professional service and other	53,662		(698)	(1)	52,964	
Amortization of acquired technology-based intangible assets	53,215		(53,215)	(2)	—	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	621,814	69.6 %	55,353	(3)	677,167	75.8 %
Operating expenses						
Research and development	117,235		(2,664)	(1)	114,571	
Sales and marketing	183,237		(4,718)	(1)	178,519	
General and administrative	73,019		(3,830)	(1)	69,189	
Amortization of acquired customer-based intangible assets	52,469		(52,469)	(2)	—	
Special charges (recoveries)	3,152		(3,152)	(4)	—	
GAAP-based income from operations / Non-GAAP-based income from operations	171,681		122,186	(5)	293,867	
Other income (expense), net	45,017		(45,017)	(6)	—	
Provision for income taxes	(2,215)		38,099	(7)	35,884	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	181,283		39,070	(8)	220,353	
GAAP-based earnings per share / Non-GAAP-based earnings per share-diluted, attributable to OpenText	$ 0.66		$ 0.14	(8)	$ 0.80	

(1) Adjustment relates to the exclusion of share-based compensation expense from our Non-GAAP-based operating expenses as this expense is excluded from our internal analysis of operating results.

(2) Adjustment relates to the exclusion of amortization expense from our Non-GAAP-based operating expenses as the timing and frequency of amortization expense is dependent on our acquisitions and is hence excluded from our internal analysis of operating results.

(3) GAAP-based and Non-GAAP-based gross profit stated in dollars and gross margin stated as a percentage of total revenue.

(4) Adjustment relates to the exclusion of special charges (recoveries) from our Non-GAAP-based operating expenses as special charges (recoveries) are generally incurred in the periods relevant to an acquisition and include certain charges or recoveries that are not indicative or related to continuing operations, and are therefore excluded from our internal analysis of operating results.

(5) GAAP-based and Non-GAAP-based income from operations stated in dollars.

(6) Adjustment relates to the exclusion of other income (expense) from our Non-GAAP-based operating expenses as other income (expense) generally relates to the transactional impact of foreign exchange and is generally not indicative or related to continuing operations and is therefore excluded from our internal analysis of operating results. Other income (expense) also includes our share of income (losses) from our holdings in investments as a limited partner. We do not actively trade equity securities in these privately held companies nor do we plan our ongoing operations based around any anticipated fundings or distributions from these investments. We exclude gains and losses on these investments as we do not believe they are reflective of our ongoing business and operating results.

(7) Adjustment relates to differences between the GAAP-based tax provision rate of approximately 1% and a Non-GAAP-based tax rate of approximately 14%; these rate differences are due to the income tax effects of items that are excluded for the purpose of calculating Non-GAAP-based adjusted net income. Such excluded items include amortization, share-

based compensation, special charges (recoveries) and other income (expense), net. Also excluded are tax benefits/expense items unrelated to current period income such as changes in reserves for tax uncertainties and valuation allowance reserves, and "book to return" adjustments for tax return filings and tax assessments. Included is the amount of net tax benefits arising from the internal reorganization that occurred in Fiscal 2017 assumed to be allocable to the current period based on the forecasted utilization period. In arriving at our Non-GAAP-based tax rate of approximately 14%, we analyzed the individual adjusted expenses and took into consideration the impact of statutory tax rates from local jurisdictions incurring the expense.

(8) Reconciliation of GAAP-based net income to Non-GAAP-based net income:

	Three Months Ended June 30, 2021	
		Per share diluted
GAAP-based net income, attributable to OpenText	$ 181,283	$ 0.66
Add:		
Amortization	105,684	0.39
Share-based compensation	13,350	0.05
Special charges (recoveries)	3,152	0.01
Other (income) expense, net	(45,017)	(0.16)
GAAP-based provision for income taxes	(2,215)	(0.02)
Non-GAAP-based provision for income taxes	(35,884)	(0.13)
Non-GAAP-based net income, attributable to OpenText	$ 220,353	$ 0.80

Reconciliation of Adjusted EBITDA

	Three Months Ended June 30, 2021
GAAP-based net income, attributable to OpenText	$ 181,283
Add:	
Provision for income taxes	(2,215)
Interest and other related expense, net	37,550
Amortization of acquired technology-based intangible assets	53,215
Amortization of acquired customer-based intangible assets	52,469
Depreciation	21,021
Share-based compensation	13,350
Special charges (recoveries)	3,152
Other (income) expense, net	(45,017)
Adjusted EBITDA	$ 314,808
GAAP-based net income margin	20.3 %
Adjusted EBITDA margin	35.2 %

Reconciliation of Free cash flows

	Three Months Ended June 30, 2021
GAAP-based cash flows provided by operating activities	$ 296,189
Add:	
Capital expenditures [(1)]	(27,408)
Free cash flows	$ 268,781

[(1)] Defined as "Additions of property and equipment" in the Consolidated Statements of Cash Flows.

Reconciliation of selected GAAP-based measures to Non-GAAP-based measures for the year ended June 30, 2021

(In thousands, except for per share data)

	Year Ended June 30, 2021					
	GAAP-based Measures	GAAP-based Measures % of Total Revenue	Adjustments	Note	Non-GAAP-based Measures	Non-GAAP-based Measures % of Total Revenue
Cost of revenues						
Cloud services and subscriptions	$ 481,818		$ (3,419)	(1)	$ 478,399	
Customer support	122,753		(1,910)	(1)	120,843	
Professional service and other	197,183		(2,565)	(1)	194,618	
Amortization of acquired technology-based intangible assets	218,796		(218,796)	(2)	—	
GAAP-based gross profit and gross margin (%) / Non-GAAP-based gross profit and gross margin (%)	2,351,649	69.4 %	226,690	(3)	2,578,339	76.1 %
Operating expenses						
Research and development	421,447		(9,859)	(1)	411,588	
Sales and marketing	622,221		(18,312)	(1)	603,909	
General and administrative	263,521		(15,904)	(1)	247,617	
Amortization of acquired customer-based intangible assets	216,544		(216,544)	(2)	—	
Special charges (recoveries)	1,748		(1,748)	(4)	—	
GAAP-based income from operations / Non-GAAP-based income from operations	740,903		489,057	(5)	1,229,960	
Other income (expense), net	61,434		(61,434)	(6)	—	
Provision for income taxes	339,906		(188,931)	(7)	150,975	
GAAP-based net income / Non-GAAP-based net income, attributable to OpenText	310,672		616,554	(8)	927,226	
GAAP-based earnings per share / Non-GAAP-based earnings per share-diluted, attributable to OpenText	$ 1.14		$ 2.25	(8)	$ 3.39	

(1) Adjustment relates to the exclusion of share-based compensation expense from our Non-GAAP-based operating expenses as this expense is excluded from our internal analysis of operating results.

(2) Adjustment relates to the exclusion of amortization expense from our Non-GAAP-based operating expenses as the timing and frequency of amortization expense is dependent on our acquisitions and is hence excluded from our internal analysis of operating results.

(3) GAAP-based and Non-GAAP-based gross profit stated in dollars and gross margin stated as a percentage of total revenue.

(4) Adjustment relates to the exclusion of special charges (recoveries) from our Non-GAAP-based operating expenses as special charges (recoveries) are generally incurred in the periods relevant to an acquisition and include certain charges or recoveries that are not indicative or related to continuing operations, and are therefore excluded from our internal analysis of operating results.

(5) GAAP-based and Non-GAAP-based income from operations stated in dollars.

(6) Adjustment relates to the exclusion of other income (expense) from our Non-GAAP-based operating expenses as other income (expense) generally relates to the transactional impact of foreign exchange and is generally not indicative or related to continuing operations and is therefore excluded from our internal analysis of operating results. Other income (expense) also includes our share of income (losses) from our holdings in investments as a limited partner. We do not actively trade equity securities in these privately held companies nor do we plan our ongoing operations based around any anticipated fundings or distributions from these investments. We exclude gains and losses on these investments as we do not believe they are reflective of our ongoing business and operating results.

(7) Adjustment relates to differences between the GAAP-based tax provision rate of approximately 52% and a Non-GAAP-based tax rate of approximately 14%; these rate differences are due to the income tax effects of items that are excluded for the purpose of calculating Non-GAAP-based adjusted net income. Such excluded items include amortization, share-

based compensation, special charges (recoveries) and other income (expense), net. Also excluded are tax benefits/expense items unrelated to current period income such as changes in reserves for tax uncertainties and valuation allowance reserves, and "book to return" adjustments for tax return filings and tax assessments. Included is the amount of net tax benefits arising from the internal reorganization that occurred in Fiscal 2017 assumed to be allocable to the current period based on the forecasted utilization period. In arriving at our Non-GAAP-based tax rate of approximately 14%, we analyzed the individual adjusted expenses and took into consideration the impact of statutory tax rates from local jurisdictions incurring the expense. The GAAP-based tax provision rate for the year ended June 30, 2021 includes an income tax provision charge from IRS settlements partially offset by a tax benefit from the release of unrecognized tax benefits due to the conclusion of relevant tax audits that was recognized during the second quarter of Fiscal 2021.

(8) Reconciliation of GAAP-based net income to Non-GAAP-based net income:

	Year Ended June 30, 2021	
		Per share diluted
GAAP-based net income, attributable to OpenText	$ 310,672	$ 1.14
Add:		
Amortization	435,340	1.59
Share-based compensation	51,969	0.19
Special charges (recoveries)	1,748	0.01
Other (income) expense, net	(61,434)	(0.22)
GAAP-based provision for income taxes	339,906	1.23
Non-GAAP-based provision for income taxes	(150,975)	(0.55)
Non-GAAP-based net income, attributable to OpenText	$ 927,226	$ 3.39

Reconciliation of Adjusted EBITDA

	Year Ended June 30, 2021
GAAP-based net income, attributable to OpenText	$ 310,672
Add:	
Provision for income taxes	339,906
Interest and other related expense, net	151,567
Amortization of acquired technology-based intangible assets	218,796
Amortization of acquired customer-based intangible assets	216,544
Depreciation	85,265
Share-based compensation	51,969
Special charges (recoveries)	1,748
Other (income) expense, net	(61,434)
Adjusted EBITDA	$ 1,315,033
GAAP-based net income margin	9.2 %
Adjusted EBITDA margin	38.8 %

Reconciliation of Free cash flows

	Year Ended June 30, 2021
GAAP-based cash flows provided by operating activities	$ 876,120
Add:	
Capital expenditures [(1)]	(63,675)
Free cash flows	$ 812,445

[(1)] Defined as "Additions of property and equipment" in the Consolidated Statements of Cash Flows.