

sylogist

Investor Presentation

December 31 2022



The logo graphic consists of several overlapping, interlocking loops of varying shades of orange and red, creating a complex, abstract pattern. The word "Disclaimers" is written in a white, sans-serif font, centered over the lower portion of this graphic.

Disclaimers

This presentation contains forward-looking statements relating to the future operations and profitability of the Corporation and other statements that are not historical facts. Forward-looking statements are often identified by terms such as “may”, “should”, “anticipate”, “expects” and similar expressions. Any statements that are contained in this presentation that are not statements of historical fact may be deemed to be forward-looking statements. Such forward-looking statements are subject to important risks, uncertainties and assumptions. The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of Sylogist. As a result, we cannot guarantee that any forward-looking statement will materialize and the reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this presentation are expressly qualified by this cautionary statement. The forward-looking statements contained in this presentation are made as of the date of this presentation, and Sylogist does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by Canadian securities law. Refer to management discussion and analysis on SEDAR for further information on risks, uncertainties, and other factors.

Certain information set out in this presentation may be considered as “financial outlook” within the meaning of applicable securities laws. The purpose of this financial outlook is to provide readers with disclosure regarding Sylogist’s reasonable expectations as to the anticipated results of its proposed business activities for the periods indicated. Readers are cautioned that the financial outlook may not be appropriate for other purposes.

A Leading Public Sector SaaS Company



Sylogist provides essential SaaS solutions to public service organizations

Sylogist's Markets



K-12 Education



*Nonprofits and
NGOs*



Government

Financial Snapshot (TTM at Dec 31 2022)

\$56.4M

Revenue

~65%

Recurring Rev

\$17.2M

Adj. EBITDA

30%

EBITDA Margin

Rule of 40 Commitment

"Rule of 40" refers to the sum of Sylogist's EBITDA margin and organic growth rate,



Growth Advantages



Mission-Critical



Digital
Transformation
Ready



Focused Verticals



Limited
Competition



Large Moat

Scaling Leverage:

Stable Baseline: 30% EBITDA Margin, 65%
Recurring Revenue, 63% GM, 98% Net Rev
Retention, Rule of 40

Market Urgency & Growth Opportunity:

Massive post-covid digital transformation occurring
in target market verticals

Sustained
Profitable
Growth



A 100% SaaS platform including fully integrated ERP, taxation, utility billing, asset management, budgeting, citizen engagement, permits & licensing, analytics, case management, and online payments capabilities



An industry first, dollar raised to dollar delivered modular SaaS suite that includes ERP, donor & volunteer engagement, fundraising, grants management, outcomes measurement, analytics, and online giving for nonprofit and NGOs



A SaaS ERP, student information, scheduling & grading, lunchroom, and fees & payments platform

Services

- **SylogistPay:** secure and reliable payment processing through our high-speed, scalable network
- **SylogistConnect:** integrated point solutions, including payroll and web portal products
- **SylogistService:** implementation and customization of Microsoft Dynamics solutions and cybersecurity/IT

Sylogist Serves
a \$14B+
Addressable
Market



K-12 Education

\$2.8 Billion⁽¹⁾



NFPs and NGOs

\$8.8 Billion⁽¹⁾



Government

\$2.4 Billion⁽¹⁾

US infrastructure spending bill expected to significantly increase market opportunity over next 24-36 months; and digital transformation/movement to SaaS has accelerated due to COVID-19

(1) Estimates per National Center for Charitable Statistics, Learning Counsel, US federal government, Sylogist analysis

Global Customer Base

Sylogist serves marquee customers across key verticals

K-12 Education



600+ Customers

Nonprofit & NGO



750+ Customers

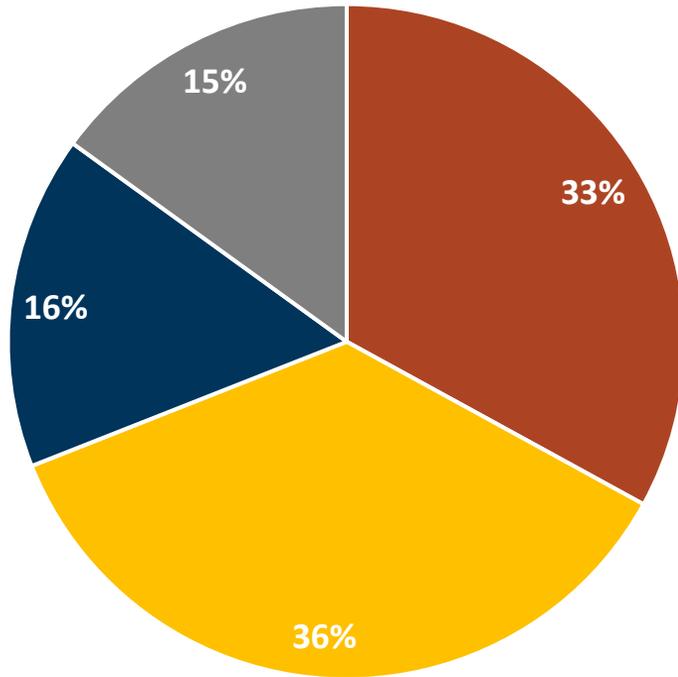
Government



150+ Customers

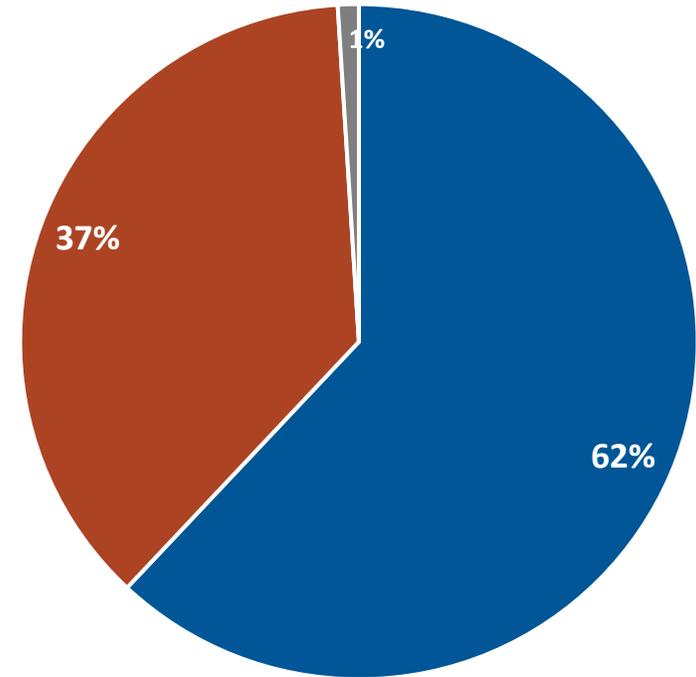
Customers are diversified across sectors and geographies

Revenue by Vertical



■ SylogistEd ■ SylogistMission ■ SylogistGov ■ Other

Revenue by Geography



■ USA ■ Canada ■ UK & Other

Diversified
Verticals

Sylogist's
Competitive
Advantage in
SaaS



	sylogist	blackbaud	tyler technologies	Infinite Campus	sage Intacct	Legacy Systems
Accounting & Finance	✓	✓	✓		✓	✓
Payroll	✓	✓	✓		✓	✓
HR	✓	✓	✓		✓	
Purchasing	✓	✓	✓		✓	
Payments	✓	✓	✓	✓		
Student Info	✓	✓	✓	✓		
Case Management	✓	✓				
Grant Management	✓	✓				
Donor Engagement	✓	✓				

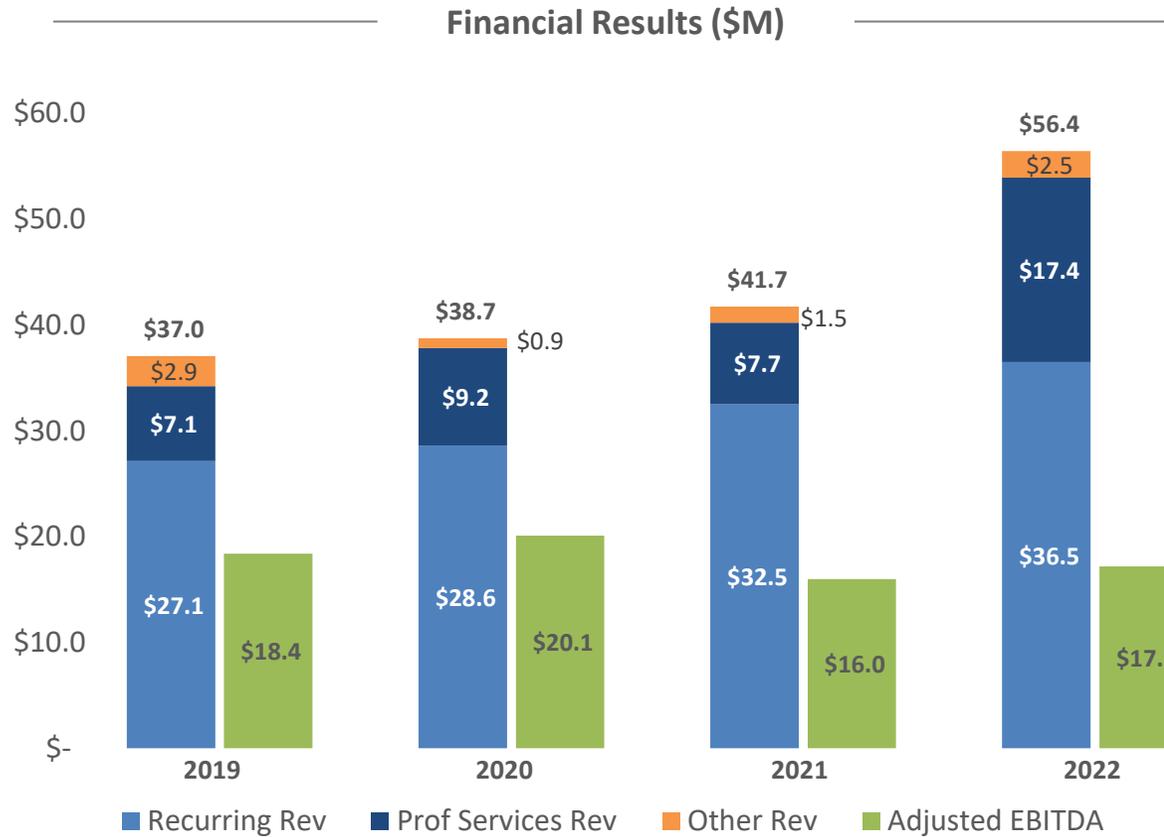
The depth and breadth of Sylogist's SaaS offerings sets it apart from key competitors

Legend

- ✓ Has true SaaS functionality
- ✓ Limited or no SaaS functionality



Earning Power for Sustained Growth



+65% Recurring Revenue
 +40% EBITDA
 2% YoY Growth
Unsustainable (Past)

Rule of 40

+65% Recurring Revenue
 Rule of 40 EBITDA
 Low Double Digit Organic Growth
Sustainable (Future)

Current Backlog: ~\$30M



Years refer to calendar years; in November 2022, Sylogist announced a shift in its fiscal year end from September 30 to December 31

Sylogist is increasing its investment in go-to-market, project delivery capacity, and account management activities in its three core verticals

sylogistTM
gov

- Rolling out a 100% SaaS municipal government and citizen engagement ERP
- Already implemented at early adopters; full-scale launch expected in Q2 2023

sylogistTM
mission

- Industry-first, dollar-raised to dollar-delivered ERP and donor engagement & fundraising suite
- Go-to-market strategy gaining traction; making additional investments to accelerate growth and delivery capacity

sylogistTM
ed

- Expanding ERP, student information, scheduling & grading, and payments platform
- Investing further in go-to-market activities to drive bookings and rollout capacity due to accelerating adoption

Sylogist is already seeing organic growth accelerate, and remains dedicated to a balanced Rule of 40 posture

M&A Strategy Execution

InfoStrat

April, 2020

Municipal
Accounting Systems, Inc.

March, 2021

MISSION CRM
pavliks.com™

October, 2021

Recent Acquisitions

Acquisition Criteria



*Leadership in our
core verticals*



High profit potential



Strong recurring revenue



Large customer base



Strong IP portfolio



Mission critical

*Sylogist has closed 3 strategic deals since
March 2021*

- ✓ \$125M+ acquisition line, and ~\$19M cash on hand
- ✓ Proven playbook to integrate and grow acquired companies
- ✓ Robust pipeline of acquisition targets
- ✓ Expanded M&A team with internal resources and external advisors
- ✓ Aiming to add \$20M - \$25M rev from acquisitions annually by 2023

Recent Strategic Acquisitions



- Modern, SaaS accounting, student information management, and lunchroom solution for Oklahoma school districts
- 85% market share in OK
- \$7.4M CY rev, \$4.3M CY EBITDA at acquisition
- Purchase price: \$37.8M
- Opportunity to enhance platform, expand out of state



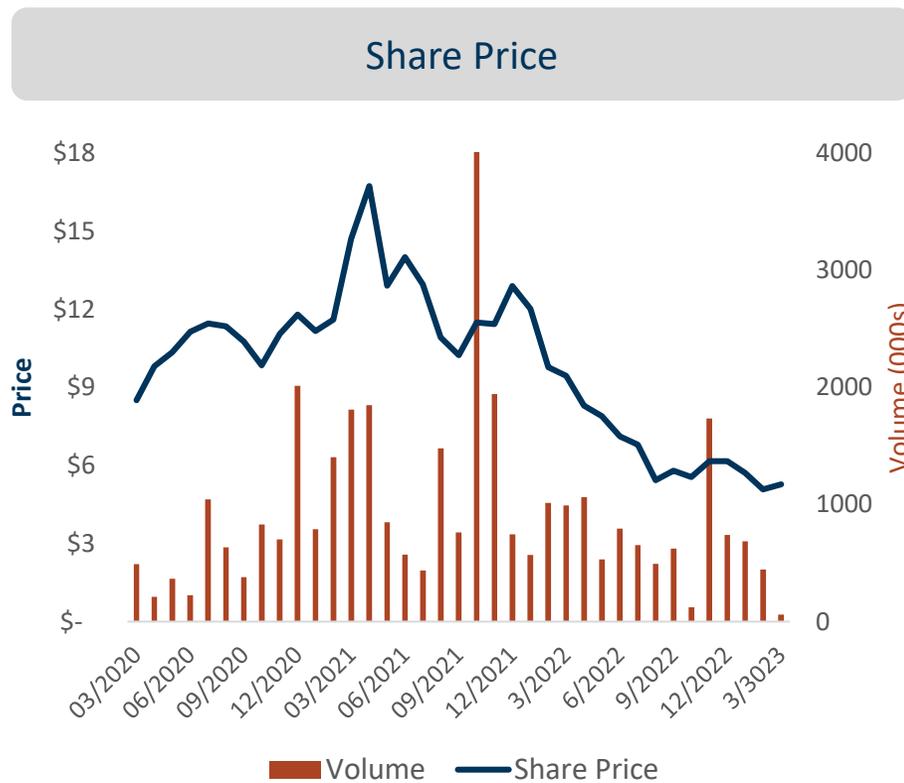
- Innovative, SaaS fundraising and engagement platform built on Microsoft Dynamics
- Integrates into a unified end-to-end platform offering
- Purchase price: \$2.7M plus three-year earnout tied to rev growth
- Earnout agreement contemplates \$8.5M 3-year rev target



- Provider of proprietary SaaS applications and professional services, primarily to public sector
- \$9.4M FYE rev, \$1.6M FYE EBITDA, 20% historical growth rate at acquisition⁽¹⁾
- Sylogist's resources, expertise, and customers can accelerate scaling

(1) Pavliks historical fiscal year ended March 31, 2022

Sylogist Capitalization



Capitalization Table (\$M)

Share Price (March 2023)	\$5.08
Fully Diluted Shares Outstanding	24
Market Capitalization	\$121
Add: Total Debt	21
Less: Cash & Equivalents	(15)
Enterprise Value	\$128
Annual Dividend & Yield	\$0.04 1%

Summary

MISSION CRITICAL SOFTWARE FOR THE PUBLIC SECTOR



✓ *Expanding organically as Sylogist invests in growth*

RESILIENT, RECURRING AND PROFITABLE OPERATIONS



✓ *High margin business, with strong profitability and cash flow conversion; no customer concentration*

SUCCESSFUL M&A TRACK RECORD WITH PROVEN INTEGRATION PLAYBOOK



✓ *3 strategic acquisitions since March 2021; proven ability to source, close, and integrate acquisitions*

GROWING INDUSTRY WITH MASSIVE TOTAL ADDRESSABLE MARKET



✓ *Many potential customers running legacy systems; significant “whitespace” to deepen existing penetration*

RENEWED AND EXPERIENCED LEADERSHIP TEAM



✓ *Board and CEO with decades of public sector tech experience and a mandate to accelerate growth*