

# **sylogist**

## **Company Presentation**

**Q1 2023**



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

# 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



*Providing mission critical SaaS solutions to  
over 2000 customers worldwide*

## Targeting \$14B+ Opportunity



*K-12 Education*

**\$2.8 Billion<sup>1</sup>**



*Nonprofits and  
NGOs*

**\$8.8 Billion<sup>1</sup>**



*Government*

**\$2.4 Billion<sup>1</sup>**

## Key Financials (TTM at March 31 2023)

**\$59.3M**

*Revenue*

**63%**

*Recurring Rev*

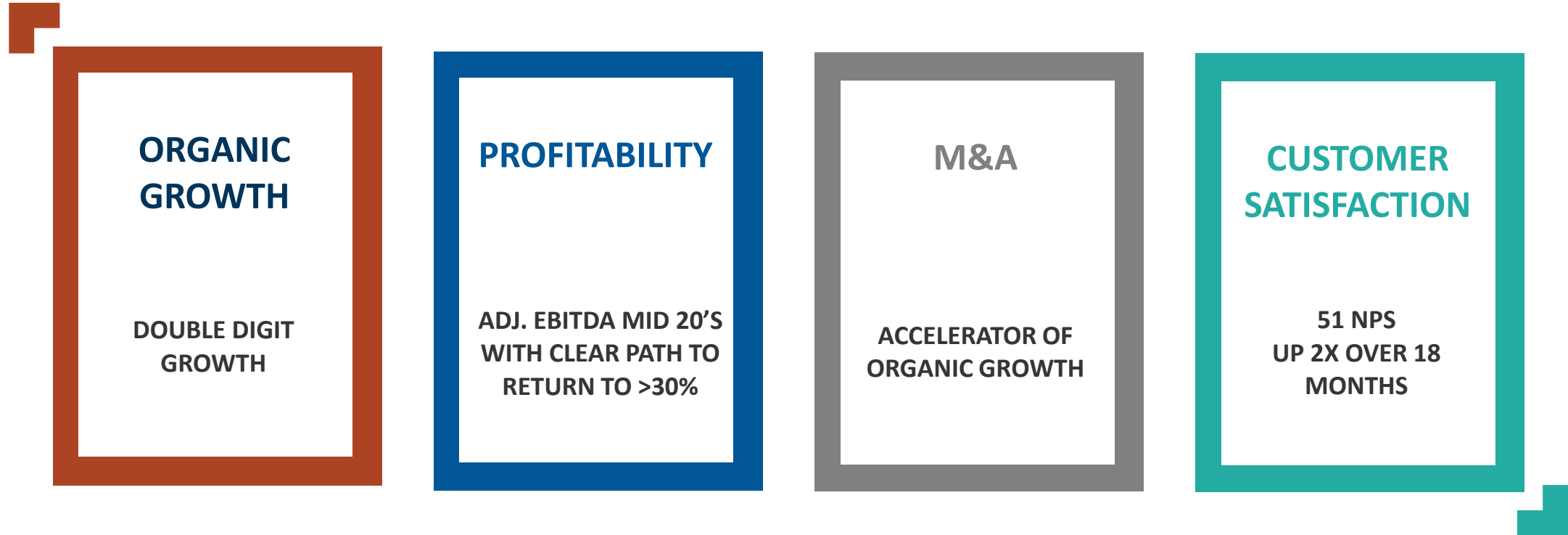
**\$17.1M**

*Adj. EBITDA*

**29%**

*EBITDA Margin*

# Sylogist Today



**RULE OF 40+ POSTURE**

# Why Sylogist?

## Our MODEL Rooted in Mid-Market

- 100% Cloud based strategy
- Customer community drives high quality referrals
- Focus on long term customer partnerships
- Significant legacy system displacement opportunities accelerated by COVID

## Our DISCIPLINE Rule of 40+

- Balancing growth and profitability
- Customer service and operational excellence
- Recurring revenue and strong cash flow generation
- Strong balance sheet

## Our INNOVATION Driven by useability

- End-to-end integrated Cloud based platform
- Focused on ease of use and improved productivity
- Highest priority placed on security
- Leveraging Microsoft technology and partnership

# Integrated Growth Strategy

Investing in go-to-market activities, strengthening our partner ecosystem, scalable project delivery efficacy, and structured account management

**sylogist**<sup>™</sup>  
gov

- Modern municipal government and citizen engagement platform
- Successful implementations at early adopters; full-scale launch underway

**sylogist**<sup>™</sup>  
mission

- NPO market-first, “wall-to-wall” ERP, CRM donor engagement & fundraising platform
- Go-to-market investments accelerating bookings growth and implementation cadence

**sylogist**<sup>™</sup>  
ed

- Universal K-12 ERP, student information, scheduling & grading, and payments platform
- Accelerating investment in go-to-market activities to drive bookings and rollout capacity due to accelerating demand

# Executing on Strategic M&A Opportunities



March 2021



October 2021

Strategic Acquisitions

*Sylogist has closed 3 strategic deals since March 2021*

## Acquisition Criteria



Customer Density



Talent

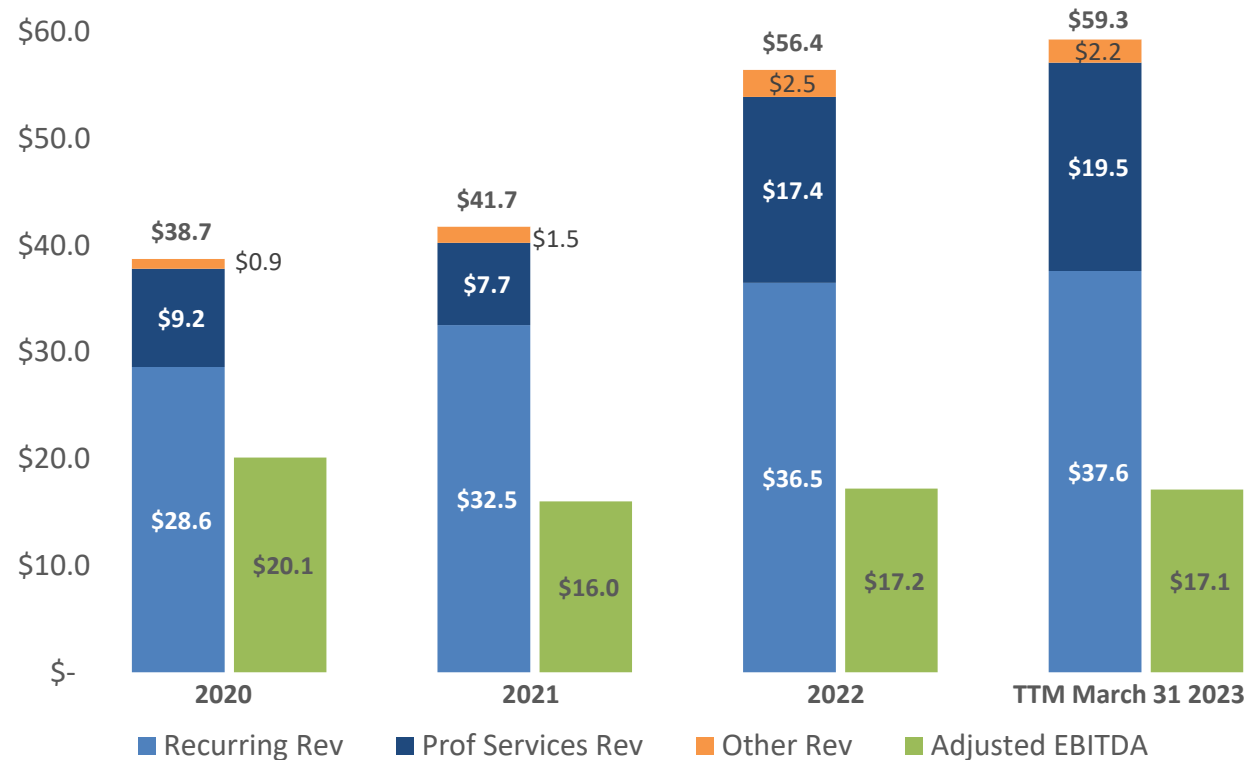


Complementary IP

- ✓ \$125M+ credit line, ~\$14M cash on hand
- ✓ Proven playbook to integrate and grow acquired companies
- ✓ Robust pipeline of acquisition targets
- ✓ Expanded M&A team and external advisors

# Profitable Growth and Long-Term Value Creation

Financial Results (\$M)



## Compelling Momentum

- ✓ Strong YoY Organic Growth 21%<sup>1</sup>
- ✓ Profitable Growth with Adjusted EBITDA 24%
- ✓ Strong Bookings \$7.7M
- ✓ High Project Services Attachment Rate 59%

## Rule of 40+

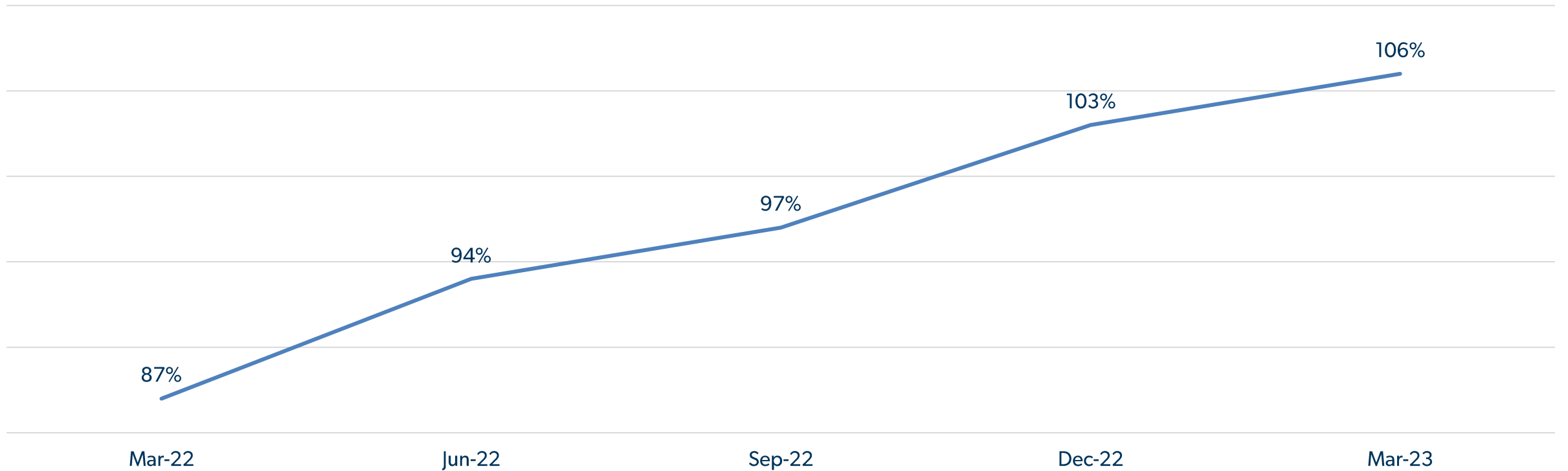
Years refer to calendar years; in November 2022, Sylogist announced a shift in its fiscal year end from September 30 to December 31

1 – Q1'23 compared to comparative prior year quarter



# Realizing Customer Value

Net Retention Rate



# Growth Drivers and Value Creation Catalysts for 2023 and beyond



**Increased sales and marketing investments driving new logos and wallet share**

**100% Cloud based strategy**

**Focus on building out partner ecosystem**

**Significant market opportunity to replace legacy systems**

**Target M&A strategy focused on adding customer density, strategic IP and talent**

# Experience Leadership Team

## **Bill Wood, President & Chief Executive Officer**

- Over 25 years' experience in the non-profit and public sector market.
- Founding member of Blackbaud Inc.
- Former President and CEO of FrontStream, a private equity backed SaaS provider in non-profit, payments, employee giving and corporate social responsibility sectors.

## **Sujeet Kini, Chief Financial Officer**

- Over 20 years' experience in capital markets, strategic acquisitions and international markets.
- Formerly at PWC, OpenText, Hootsuite, Solium and BlueCat Networks.

## **Terry LoPresti, Chief Technology & Innovation Officer**

- 25 year track record in delivering highly scalable technical solutions.
- Expertise includes Microsoft platform knowledge, SaaS product innovation and deployment, system integration, self-serve and mobile first platforms, e-documents and payment processing.

## **Donna Smiley, Chief Customer Officer**

- Over 20 years' experience in providing software solutions to non-profit, non-government and public section organizations.
- Strong background in accounting and financial management.

## **Grant McLarnon, Chief Revenue Officer**

- Experienced leader with a track record of successfully scaling SaaS companies.
- Co-founder and former CEO of technology company Adoxio, which was subsequently sold to KPMG.

# Investment Highlights

## MISSION CRITICAL SOFTWARE FOR THE PUBLIC SECTOR



✓ *Expanding organically as Sylogist invests in growth*

## RESILIENT, RECURRING REVENUES 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*

## SIGNIFICANT TOTAL ADDRESSABLE MARKET



✓ *1000's of ICP opportunities running legacy systems*

## PROVEN LEADERSHIP TEAM



✓ *ELT with decades of public sector tech experience and a mandate to accelerate profitable growth*