

sylogist

Investor Presentation

Q3 FY 2022



The logo graphic consists of several overlapping, interlocking loops of varying shades of brown and tan, creating a complex, abstract pattern that resembles a stylized knot or a series of interconnected paths.

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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 June 30 2022)

\$50.2M

Revenue

~70%

Recurring Rev

\$16.8M

Adj. EBITDA

33%

EBITDA Margin

Rule of 40 Commitment



Sylogist's fiscal year ends September 30th; "Rule of 40" refers to the sum of Sylogist's EBITDA margin and organic growth rate,

Transitioning to Sustained Profitable Growth

Growth Advantages



Mission-Critical



Digital Transformation Ready



Focused Verticals



Limited Competition



Large Moat

Scaling Leverage:

Stable Baseline: 33% EBITDA Margin, 70% Recurring Revenue, 66% GM, 97% Net Rev Retention, Rule of 40

Market Urgency:

Massive increase in post-covid infrastructure budgets in Sylogist verticals

Sylogist's SaaS Platform Supports Mission-Critical Apps



Key Statistics:

1950+ customers
97% rev retention rate
<1% market penetration

Typical Client:

\$1M+ budget
10+ Year Relationship

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

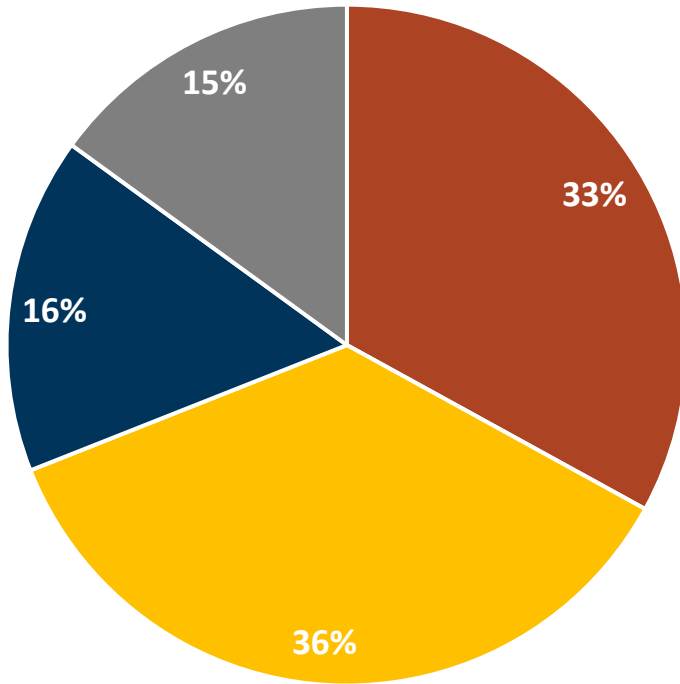
Government



150+ Customers

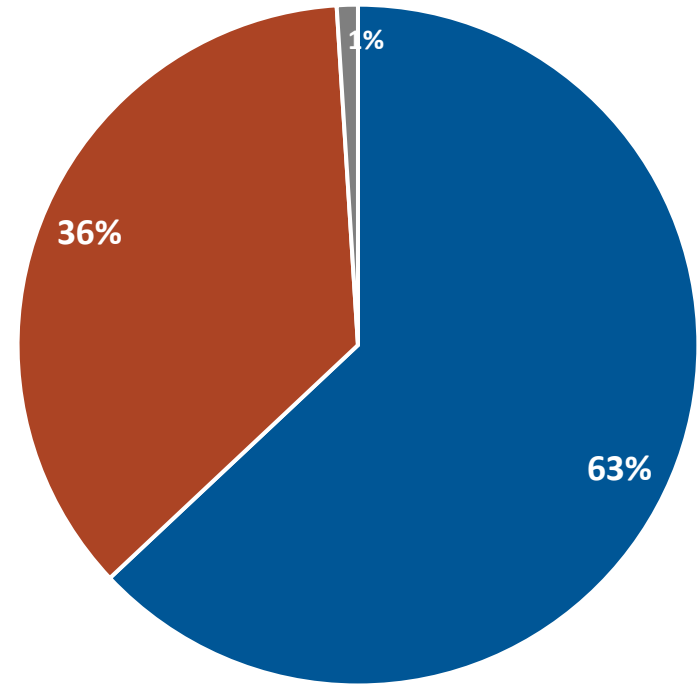
Customers are diversified across sectors and geographies

Revenue by Vertical



■ Education ■ NFP ■ Government ■ 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

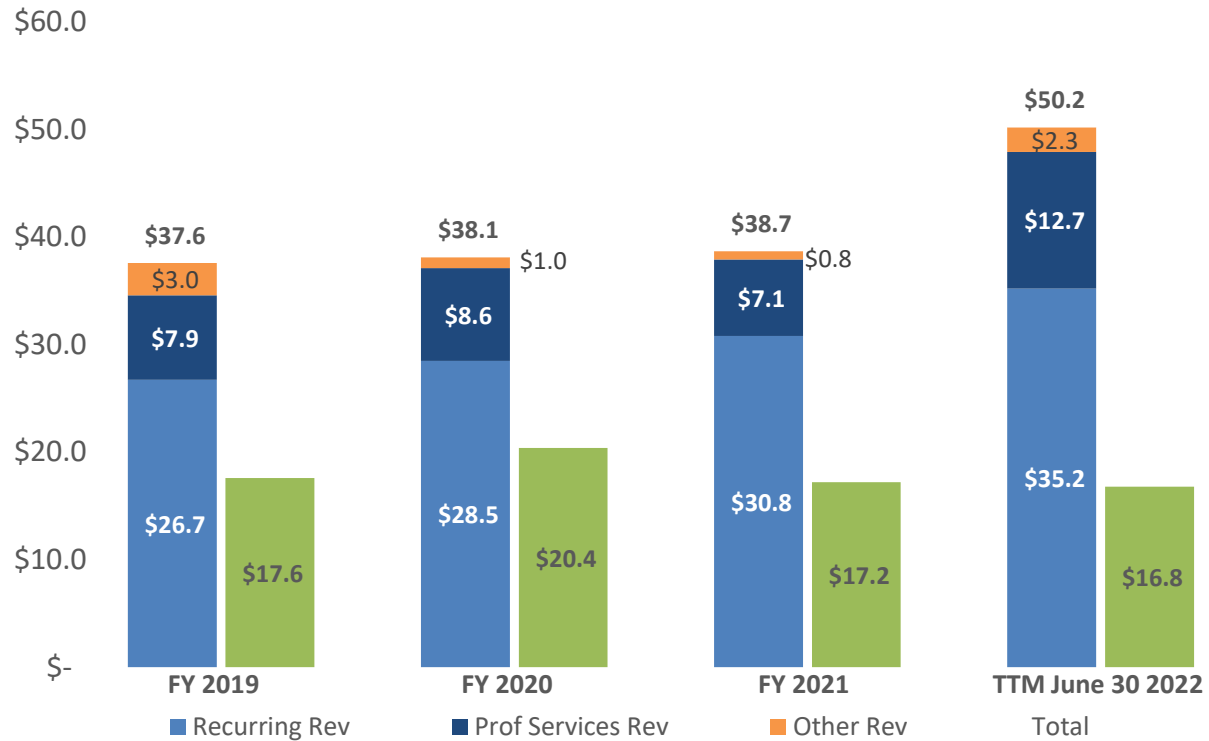
Legend

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



Earning Power for Sustained Growth

Financial Results (\$M)



Current Backlog:
~\$22M

+70% Recurring Revenue
+70% Gross Margin
+40% EBITDA
2% YoY Growth
Unsustainable (Past)

Rule of 40

+70% Recurring Revenue
+70% Gross Margin
+30% EBITDA
High-Single Digit Organic Growth
Sustainable (Future)

Organic Growth Strategy



Build Scaling Capacity

- Scale R&D investment by 450%
- Remove operational silos
- Strengthen collaboration



Enhance the Platform

- Unify solutions into consolidated cloud-based platform
- Integrate & combine shared features like analytics (ongoing)



Scale Sales Capability

- Scale sales & marketing by 250% (progress to date; investment ongoing)
- Invest in channel development

Sylogist is hyper-focused on being the leading, profitable, growth-oriented SaaS company in its public sector verticals

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 ~\$12M 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
- Purchase price: \$37.8M
- Opportunity to enhance platform, expand out of state



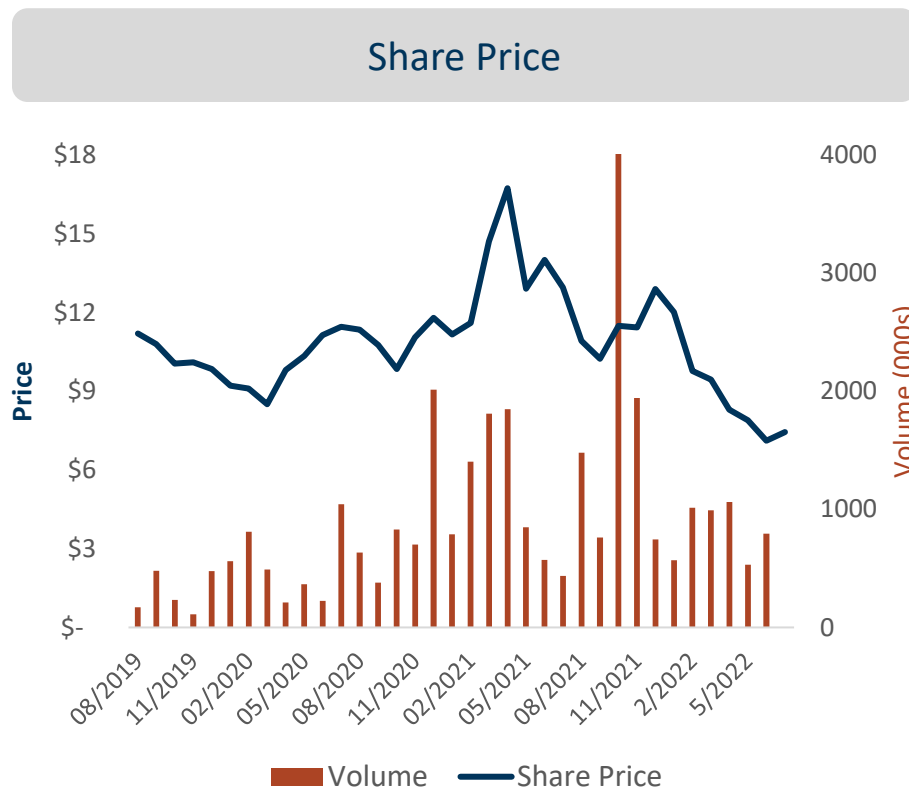
- Innovative, SaaS fundraising and engagement platform built on Microsoft Dynamics
- Integrates into a unified end-to-end platform offering
- Purchase price: \$2.7M plus three-year earnout tied to rev growth
- Earnout agreement contemplates \$8.5M 3-year rev target



- Provider of proprietary SaaS applications and professional services, primarily to public sector
- \$9.4M FYE rev, \$1.6M FYE EBITDA, 20% historical growth rate⁽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 (August 2022)	\$7.45
Fully Diluted Shares Outstanding	24
Market Capitalization	\$178
Add: Total Debt	26
Less: Cash & Equivalents	(12)
Enterprise Value	\$191
Dividend & Dividend Yield	\$0.50 6.7%

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



✓ *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*