

TECSYS INC.
MATERIAL CHANGE REPORT
FORM 51-102F3

1. Name and Address of Company

TECSYS Inc.
1 Place Alexis Nihon, Suite 800
Montréal, Québec H3Z 3B8

2. Date of Material Change

The material change described in this report occurred on November 14, 2018.

3. News Release

TECSYS Inc. (“**TECSYS**” or the “**Corporation**”) issued a news release with respect to the material change described in this report on November 14, 2018 through Globe Newswire. A copy of the news release is attached hereto as Schedule A and forms a part hereof.

4. Summary of Material Change

On November 14, 2018, TECSYS announced the acquisition of all of the issued and outstanding shares of OrderDynamics Corporation (“**OrderDynamics**”).

5. Full Description of Material Change

On November 14, 2018, TECSYS announced its acquisition of OrderDynamics, an Ontario corporation developing and commercializing web-based software platform used to deliver eCommerce solutions to user, involving the purchase of all of the issued and outstanding shares of OrderDynamics and the assumption of OrderDynamics’ outstanding debt for an aggregate purchase price of \$13,375,000, subject to adjustment. TECSYS funded the purchase price with existing cash. With OrderDynamics forecast revenue of \$7 million representing 30% year on year growth for their fiscal year ending March 31, 2019 and negative EBITDA (a non-GAAP measure) of \$2 million, TECSYS expects a positive impact on combined revenue growth and short term negative impact on combined EBITDA.

6. Disclosure for Restructuring Transactions

Not Applicable.

7. Reliance on subsection 7.1(2) of National Instrument 51-102

Not Applicable.

8. Omitted Information

Not Applicable.

9. Executive Officer

The following executive officer is knowledgeable about the material change and may be contacted for further information:

Mark J. Bentler
Chief Financial Officer and Secretary
Tel. (514) 866-0001

10. Date of Report

November 22, 2018.

SCHEDULE A
NEWS RELEASE



Source: TECSYS Inc.

November 14, 2018 21:31 ET

TECSYS Acquires OrderDynamics to Expand Omnichannel Distribution Capabilities for E-Commerce Companies

MONTREAL, Nov. 14, 2018 (GLOBE NEWSWIRE) -- TECSYS Inc. (TSX: TCS), an industry-leading supply chain management software company, today announced its acquisition of OrderDynamics Corporation, a fast-growing leader in out-of-the-box distributed order management software based in Richmond Hill, Ontario. In the age of omnichannel fulfillment and heightened retailer and consumer expectations, OrderDynamics has excelled at providing intuitive technology that simplifies the retail supply chain. OrderDynamics' impressive, best-of-breed solutions have achieved notable traction in the industry and will complement the functionality of TECSYS' existing Supply Chain Management suite. The combination gives 3PL companies and retailers, including brand managers, new pathways to succeed in today's competitive environment.

"We're excited to welcome OrderDynamics to the TECSYS family," said Peter Brereton, President and CEO of TECSYS. "They will be a highly valued part of our team with their depth of expertise in the B2C retail domain. The powerful combination of our two companies will extend our reach into this fast-moving space and capitalize on our existing footprint in the key markets of North America, Europe, and Australia."

This acquisition is timely as supply chains are becoming more agile and vertically integrated, with companies able to scale down to the consumer order level. Meeting consumer demands—which typically include expedited shipments and 100 percent fulfillment rates—requires a high level of supply chain technology flexibility. The best-of-breed OrderDynamics solution enables retail merchants and brand managers to optimize inbound business-to-consumer (B2C) order channels, increasing retail sales, reducing operating costs, and improving shopper satisfaction in the process.

"I'm thrilled at what lies ahead for OrderDynamics as part of TECSYS," said Nick McLean, CEO of OrderDynamics. "We know our employees now have a wonderful new home, one with a warm culture that shares our dedication to helping life-long customers succeed."

The addition of OrderDynamics technology to the TECSYS suite also gives 3PL companies new opportunities to expand their current TECSYS distribution platform with often-requested functionality. In particular, 3PL companies are increasingly required to provide distributed order management and dynamic e-fulfillment capabilities to win new retail business.

TECSYS purchased 100% of the shares and assumed outstanding debt of OrderDynamics for an aggregate purchase price of \$13,375,000, subject to adjustment. TECSYS funded the purchase price with existing cash. With OrderDynamics forecast revenue of \$7 million representing 30% year on year growth for their fiscal year ending March 31, 2019 and negative EBITDA (a non-GAAP measure) of \$2 million, TECSYS expects a positive impact on combined revenue growth and short term negative impact on combined EBITDA.

About TECSYS

TECSYS provides transformative supply chain solutions that equip our customers to succeed in a rapidly-changing omni-channel world. TECSYS solutions are built on a true enterprise supply chain platform, and include warehouse management, distribution and transportation management, supply management at point-of-use, as well as complete financial management and analytics solutions. Customers running on TECSYS' Supply Chain Platform are confident knowing they can execute, day in and day out, regardless of business fluctuations or changes in technology, they can adapt and scale to any business need or size,

and they can expand and collaborate with customers, suppliers and partners as one borderless enterprise. From demand planning to demand fulfillment, TECSYS puts power into the hands of both front-line workers and back office planners, and unshackles business leaders so they can see and manage their supply chains like never before.

TECSYS is the market leader in supply chain solutions for health systems and hospitals. Over 600 mid-size and Fortune 1000 customers trust their supply chains to TECSYS in the healthcare, service parts, third-party logistics, and general wholesale high-volume distribution industries. TECSYS' shares are listed on the Toronto Stock Exchange under the ticker symbol TCS.

Contact

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The statements in this news release relating to matters that are not historical fact are forward looking statements that are based on management's beliefs and assumptions. Such statements are not guarantees of future performance and are subject to a number of uncertainties, including but not limited to future economic conditions, the markets that TECSYS Inc. serves, the actions of competitors, major new technological trends, and other factors beyond the control of TECSYS Inc., which could cause actual results to differ materially from such statements. More information about non GAAP measures as well as the risks and uncertainties associated with TECSYS Inc.'s business can be found in the MD&A section of the Company's annual report and annual information form for the fiscal year ended April 30th, 2018.