



Sylogist declares increased regular dividend and special dividend; provides fiscal 2018 guidance and appoints new Director

CALGARY, Alberta, Nov. 21, 2017 -- **Sylogist Ltd.** (TSXV:SYZ) ("Sylogist" or the "Company"), a provider of enterprise information management solutions, is pleased to announce a 14% increase to its quarterly dividend, from \$0.07 to \$0.08 per common share, effective December 2017. Further, the Company is pleased to announce a special dividend of \$0.05 per common share. Both the quarterly dividend and the special dividend are payable on December 12, 2017 to shareholders of record on November 30, 2017 and are treated as eligible dividends pursuant to the *Income Tax Act* (Canada). This will result in a combined total dividend declared payable on December 12, 2017 of \$0.13 per common share.

In fiscal 2018 (commencing October 1, 2017), the Company expects annual revenues to be between \$36 million and \$38 million before the effect of future acquisitions or material new contracts. Adjusted EBITDA⁽¹⁾ is expected to be in the range of \$0.80 and \$0.85 per common share. The Company's increased quarterly dividend of \$0.08 per common share is based upon a payout ratio of approximately 40% of management's low-end Adjusted EBITDA estimate for fiscal 2018. The estimated revenue and Adjusted EBITDA range is based on a Canadian dollar to US dollar exchange rate of \$0.80 US. A \$0.01 move in the US exchange rate would result in an increase or decrease in revenue of approximately \$220 thousand and Adjusted EBITDA per share of approximately \$0.01. The Company's guidance as to estimated revenues and Adjusted EBITDA in fiscal 2018 is "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 its fiscal 2018. Readers are cautioned that this financial outlook may not be appropriate for other purposes.

Sylogist has no debt and current Adjusted Working Capital⁽¹⁾ of \$34.7 million (CDN) or \$1.55 per common share.

Sylogist is pleased to announce the appointment of Taylor Gray, CA, CPA to its board, effective January 1, 2018, subject to regulatory approval. Mr. Gray's appointment is being made between meetings of shareholders pursuant to the Company's articles, and increases the Company's board to 5 members. Taylor has over 30 years of experience in audit and accounting with clients in a variety of industries including manufacturing and oil and gas services. Mr. Gray will be retiring from BDO Canada LLP in December 2017 where he was an Accounting and Auditing Services partner for the past 20 years. Prior to that, he was the Vice President of Finance for a public oil and gas service company in Calgary, Alberta.

Concurrent with his appointment, Mr. Gray will be granted 60,000 stock options to acquire common shares of the Company, at the prevailing market price, in accordance with the Company's Stock Option Plan and all regulatory requirements, if any.

Jim Wilson, Chief Executive Officer of Sylogist, commented: "We are delighted to welcome Taylor as a new independent board member. His wealth of experience and expertise in the accounting field will add to our already strong Audit Committee. We are confident in his abilities to further improve the value of the Company and attaining the Company's objectives."

About Sylogist

Sylogist is a technology innovation company that, through strategic acquisitions, investments and operations management, provides intellectual property solutions to a wide range of Public Sector customers. We are an industry-leading publisher of mission-critical software products that satisfy the unique and sophisticated functionality requirements of Public Sector entities, nonprofit organizations, educational institutions, government agencies as well as public compliance driven and funded businesses. Our Company delivers highly scalable, multi-language, multi-currency software solutions, which serve the needs of an international clientele.

Full financial statements together with Management's Discussion and Analysis are available on SEDAR at www.sedar.com.

The Company's stock is traded on the TSX Venture Exchange under the symbol SYZ. Information about Sylogist can be found at <http://www.sylogist.com>.

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Forward-looking Statements

Certain statements in this news release may be forward-looking statements within the meaning of applicable securities laws and regulations. These statements typically use words such as expect, believe, estimate, project, anticipate, plan, may, should, could and would, or the negative of these terms, variations thereof or similar terminology. By their very nature, forward-looking statements are based on assumptions and involve inherent risks and uncertainties, both general and specific in

nature. It is therefore possible that the beliefs and plans and other forward-looking expectations expressed herein will not be achieved or will prove inaccurate. Although Sylogist believes that the expectations reflected in these forward-looking statements are reasonable, it provides no assurance that these expectations will prove to have been correct. Forward-looking information involves risks, uncertainties and other factors that could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward-looking information in this news release includes statements with respect to Sylogist's quarterly and special dividend and the timing of the payment thereof, guidance as to estimated revenues and Adjusted EBITDA per share, the appointment of Mr. Gray to the board and the issuance of stock options. Material assumptions and factors that could cause actual results to differ materially from such forward-looking information include Sylogist's ability to attract and retain customers and to realize on its investments. Although Sylogist believes that the material assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur. Sylogist disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.

The Company made a number of key economic and market assumptions in preparing its fiscal 2018 guidance including assumptions regarding maintaining our current customer retention levels, market competition and foreign exchange fluctuation.

Certain information set out herein 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.

Non-GAAP Financial Measures

(1) Adjusted EBITDA and Adjusted Working Capital are non-GAAP financial measures: Adjusted EBITDA is defined as: profit for the period before stock based compensation, foreign exchange gains or losses, interest expense, bargain purchase price on acquisition, income taxes, acquisition-related costs, depreciation and amortization. Adjusted Working Capital is defined as current assets less current liabilities adjusted for deferred revenue.

This news release makes reference to certain non-GAAP measures. These measures are not recognized measures under Canadian GAAP, do not have a standardized meaning prescribed by Canadian GAAP and therefore may not be comparable to similar measures presented by other issuers. These measures are provided as additional information to complement measures under GAAP by providing further understanding of the Company's expected results of operations from management's perspective. Accordingly, such measures should not be considered in isolation nor as a substitute for analysis of the Company's financial information reported under Canadian GAAP.

Adjusted EBITDA and Adjusted Working Capital are provided to investors as alternative methods for assessing the Company's operating results in a manner that is focused on the Company's ongoing operations and to provide a more consistent basis for comparison between periods. These measures should not be construed as alternatives to net profit (loss) or cash flow from operating activities determined in accordance with GAAP as an indicator of the Company's performance.

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Sylogist Ltd.

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