



## SYLOGIST Reports Third Quarter 2024 Results

*15% SaaS Revenue Growth; Record Partner-Attached Bookings at 47%*

### Q3 2024 Financial Highlights<sup>1</sup>

Revenue (in \$ millions)					
SaaS Subscription		Recurring		Total	
Reported	Y/Y growth	Reported	Y/Y growth	Reported	Y/Y growth
\$7.4	15.1%	\$10.9	9.4%	\$16.6	2.1%

- SaaS ARR up 13% Y/Y to \$29.2 million;
- Total ARR up 8% Y/Y to \$43.6 million;
- SaaS NRR of 107%;
- Bookings up 14% Y/Y and 32% Q/Q to \$8.7 million;
- Partner-attached Bookings up 52% Q/Q at 47% of overall Bookings;
- Adjusted EBITDA margin of 25.3% or \$4.2 million;
- Gross profit margin of 60%;
- RPO of \$32.1 million.

Calgary – November 7, 2024 (GLOBE NEWSWIRE) -- Sylogist Ltd. (TSX: SYZ) ("Sylogist" or the "Company"), a leading public sector SaaS company, today announced its results for the third quarter of fiscal 2024, ended September 30, 2024.

"Our Q3 performance further validates our successful transition to a SaaS-driven enterprise," said Bill Wood, CEO of Sylogist. "We are ahead of our plan in terms of the contribution from our partner community, as evidenced by 47% of Bookings in the quarter being partner-attached, as well as the accelerating hand-off of project services relating to new implementations and customer upgrades to partners. These developments are very positive to see as it reflects that our focus on high-value SaaS ARR growth is achieving the desired results; and that we're well positioned to scale the business, generate higher margins, create operating leverage, and drive increasing free cash flows. We're also seeing increasingly balanced pipeline growth and bookings from our Sylogist Mission, Ed and Gov sectors which bodes well for expanded long term value creation."

Sylogist's Board of Directors approved a dividend of \$0.01 per share for shareholders of record on November 29, 2024, to be paid on December 11, 2024.

<sup>1</sup> Comparisons to prior periods have been adjusted to reflect the divestiture of the Managed IT Services division.

## Conference Call Details

The Company will host a conference call at 8:30 AM Eastern Time on November 7, 2024. A replay of the call will be archived in the investor section of the Company's [website](#).

Date: Thursday, November 7, 2024

Time: 8:30 a.m. EDT

Participant Toll-Free Dial-In Number: + 1-844-763-8274

Webcast link: <https://event.choruscall.com/mediaframe/webcast.html?webcastid=lbDoNKsR>

Please dial-in before the start of the conference to secure a line and avoid delays.

## About Sylogist

Sylogist provides mission-critical SaaS solutions to over 2,000 public sector customers globally across the government, non-profit, and education market segments. The Company's stock is traded on the Toronto Stock Exchange under the symbol SYZ. Information about Sylogist, inclusive of full financial statements together with Management's Discussion and Analysis, can be found at [www.sedarplus.ca](http://www.sedarplus.ca) or at [www.sylogist.com](http://www.sylogist.com).

## Forward-looking Statements

This news release contains "forward-looking information" within the meaning of applicable securities legislation. Although the forward-looking information is based on what the Company believes are reasonable assumptions, current expectations, and estimates, investors are cautioned from placing undue reliance on this information since actual results may vary from the forward-looking information. Forward-looking information may be identified by the use of forward-looking terminology such as "believe", "assume", "intend", "may", "will", "expect", "estimate", "anticipate", "continue", "could", "can", "outlook" or similar terms, variations of those terms or the negative of those terms, and the use of the conditional tense as well as similar expressions.

Such forward-looking information that is not historical fact, including statements based on management's belief and assumptions, cannot be considered as guarantees of future performance. They are subject to a number of risks and uncertainties, including but not limited to future economic conditions, the markets that the Company serves, the actions of competitors, major new technological trends, and other factors, many of which are beyond the Company's control, that could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. The Company undertakes no obligation to update publicly any forward-looking information whether because of new information, future events or otherwise other than as required by applicable legislation. Important risk factors that may affect these expectations include, but are not limited to, the factors described under the section "Risks and Uncertainties" found in the Company's Annual Information Form for the fiscal period ended December 31, 2023, and in the Management's Discussion and Analysis for the quarters ended September 30, 2023, December 31, 2023, March 31, 2024, June 30, 2024 and September 30, 2024 and other documents available on the Company's profile at [www.sedarplus.ca](http://www.sedarplus.ca).

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this news release. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about: (i) competitive environment; (ii) operating risks; (iii) the Company's management and employees; (iv) capital investment by the Company's customers; (v) customer project implementations; (vi) liquidity; (vii) current global financial and geopolitical conditions; (viii) implementation of the Company's commercial strategic plan; (ix) credit;

(x) potential product liabilities and other lawsuits to which the Company may be subject; (xi) additional financing and dilution; (xii) market liquidity of the Company's common shares; (xiii) development of new products; (xiv) intellectual property and other proprietary rights; (xv) acquisition and expansion; (xvi) foreign currency; (xvii) interest rates; (xviii) technology and regulatory changes; (xix) internal information technology infrastructure and applications and (xx) cyber security. 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-IFRS Financial Measures**

This news release refers to certain non-IFRS measures. These non-IFRS measures do not have any standardized meaning prescribed by IFRS and may not be comparable to similarly titled measures reported by other companies. These measures are provided as additional information to complement measures under IFRS 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 IFRS. Remaining Performance Obligation ("RPO"), Bookings, Adjusted EBITDA, Adjusted EBITDA Margin, Annualized Recurring Revenue ("ARR"), Software as a Service ("SaaS") ARR, and SaaS Net Revenue Retention ("SaaS NRR"), are non-IFRS financial measures.

- RPO generally refers to the value of contracted revenue that is not yet recognized to revenue. The Company defines RPO as the sum of its deferred revenue in addition to the total value of un-invoiced SaaS and project services bookings. Unlike ARR which has a one-year time horizon, RPO can include multiple years of contracted SaaS subscriptions.
- Bookings refers to the total value of customer accepted contracts during the reporting period. This includes SaaS bookings (the value of SaaS contracts for the entire contracted term) and the project services bookings (the full value of contracted project services).
- Adjusted EBITDA is calculated as earnings before interest expense, interest income, income taxes, depreciation and amortization, stock-based compensation, foreign exchange gains/losses and the impact of acquisition and restructuring.
- Adjusted EBITDA Margin refers to Adjusted EBITDA as a percentage of revenue.
- ARR is defined as the annualized value of contractually committed SaaS and maintenance and support services. This quantification assumes that customers will renew the contractual commitment on a periodic basis as they come up for renewal unless the customer has notified the Company of its intention to cancel. This portion of the Company's revenue is predictable and stable.
- SaaS ARR refers to ARR attributable to SaaS customer contracts.
- SaaS NRR refers to the percentage of beginning of period ARR retained over a given 12-month period inclusive of the impact of contractions, losses and the impact of any additional expansion revenues from customer upgrades within the existing customer base. The Company's calculation of SaaS NRR includes the impact of customers converting from its maintenance and support offerings to its SaaS offerings

RPO, Bookings, Adjusted EBITDA, Adjusted EBITDA Margin, ARR, SaaS ARR, and SaaS NRR 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 profit or cash flow from operating activities determined in accordance with IFRS as an indicator of the Company's performance.

For further information regarding non-IFRS measures used by the Company, please refer to a copy of the Financial Statements and Management's Discussion and Analysis of the Company, copies of which are available on Sylogist's SEDAR profile at [www.sedarplus.ca](http://www.sedarplus.ca).

**Currency and Rounding**

All amounts in this Press Release are expressed in millions of Canadian dollars unless otherwise stated. All percentage variations expressed herein have been calculated based on variations resulting from numbers expressed in millions. Any potential differences from similarly calculated percentages in the Company's Financial Statements and Management's Discussion and Analysis are due to rounding and are nonmaterial.

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