

# Q2 FY2024 RESULTS PRESENTATION

February 13, 2024



When being **ertain** is everything

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Certain totals, subtotals and percentages may not reconcile due to rounding.

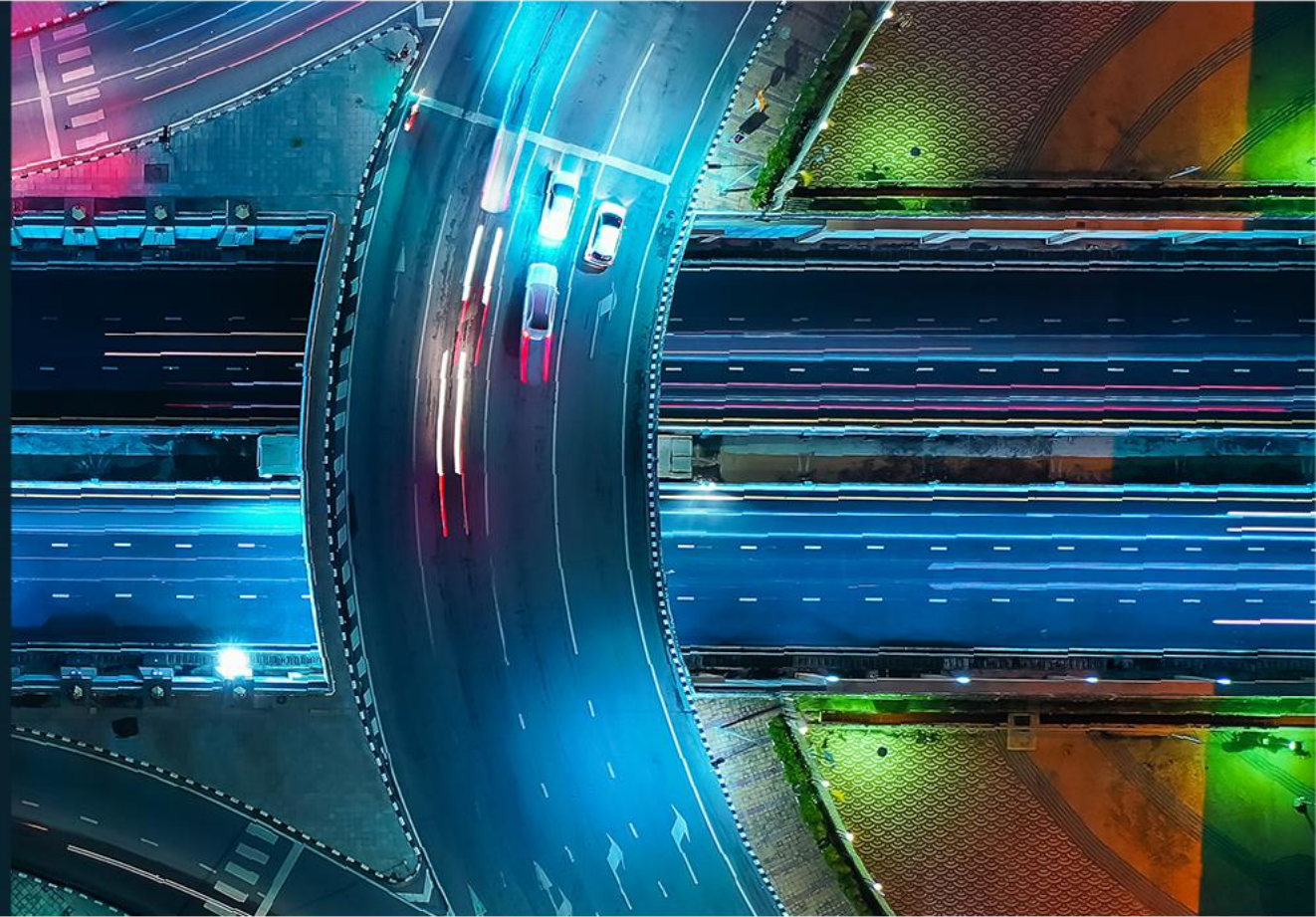


When being **certain** is everything

# YOUR LEGAL PRACTICE, MADE PERFECT

**Our mission-critical software gets business done right, every time.**

We provide premier practice management solutions and vital data insights software that supports critical risk management decisions empowering legal professionals every day

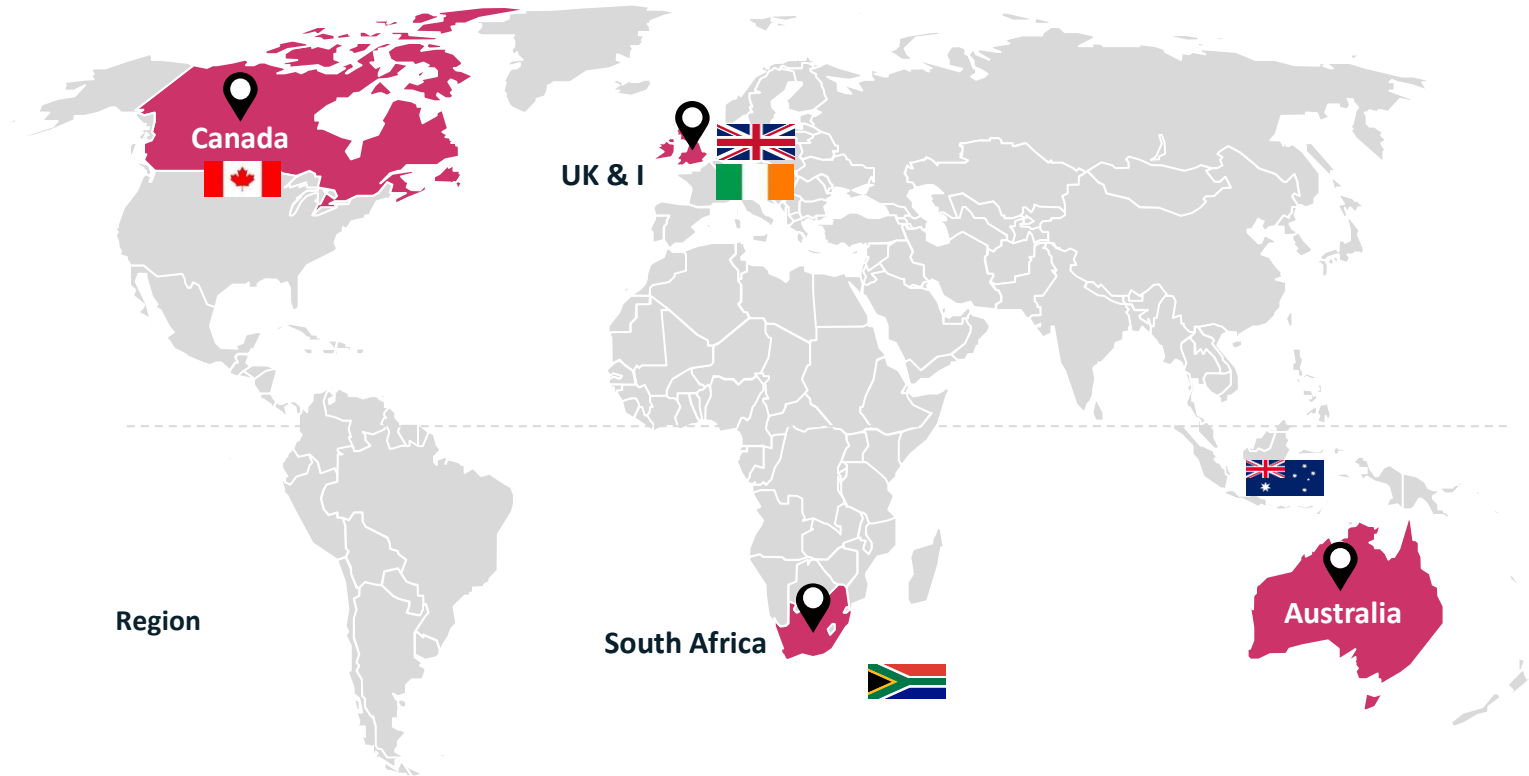


# DYE & DURHAM AT A GLANCE

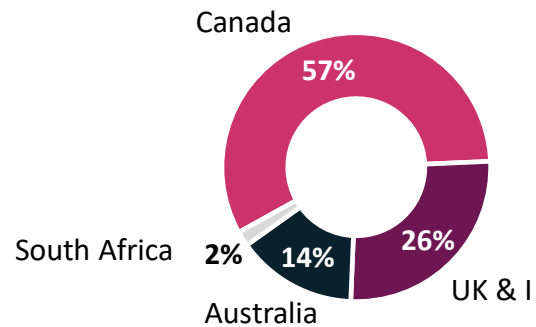
Dye & Durham is a leading provider of software solutions to law firms globally (Practice Management and Data & Insights Software)  
 Additionally, the company provides payments infrastructure technology and services to financial institutions in both Canada and Australia

<b>\$455 mm</b> LTM Dec-23 Revenue	<b>\$250 mm</b> LTM Dec-23 Adj. EBITDA <sup>1</sup>
<b>54%</b> LTM Dec-23 Adj. EBITDA Margin <sup>1</sup>	<b>27%</b> ARR under contract
<b>44%/19%</b> Revenue with global/Canadian real estate transaction exposure	<b>49%</b> Annual Contracted Revenue

## Dye & Durham Key Operating Areas



## Revenue Breakdown by Region

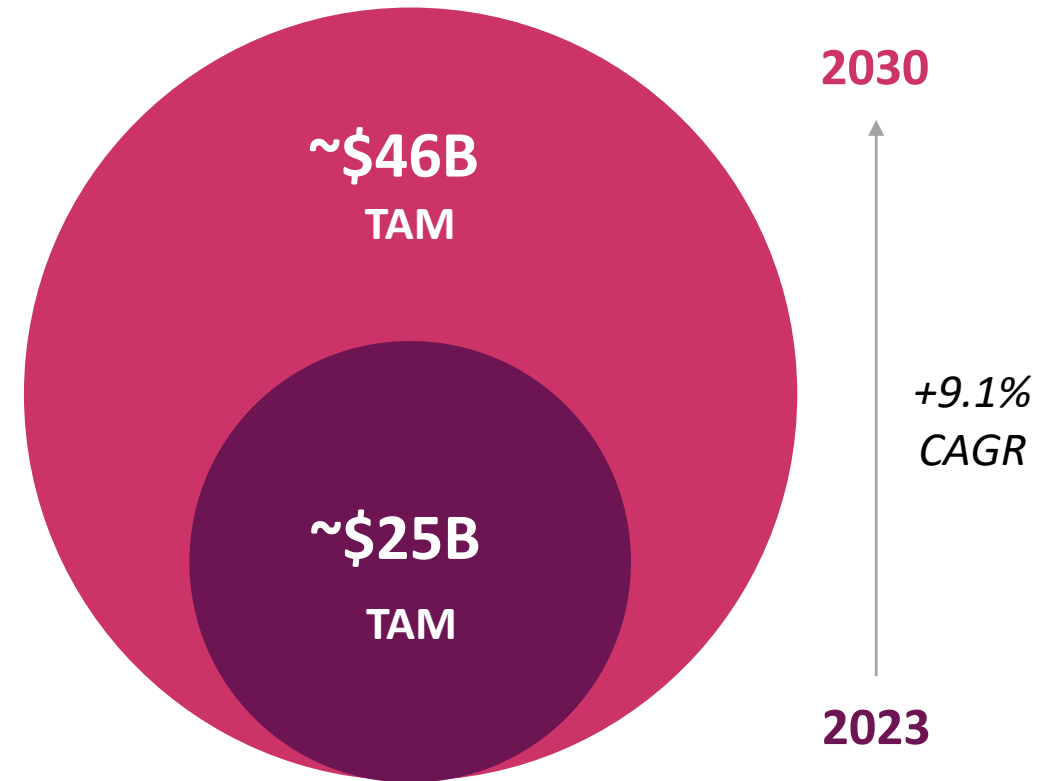


# ATTRACTIVE AND GROWING LEGAL TECHNOLOGY MARKET

## Law Firms in Key Addressable Markets

<b>Current Markets</b>	~72,000
<b>USA</b>	~425,000
<b>Other High Growth Addressable Markets</b>	~9,000
<b>Total</b>	<b>500,000+</b>

## Global Legal Technology Spend (\$US billions)



**Dye & Durham is well positioned to capture global market share in the fast-growing and fragmented legal technology market**

# DYE & DURHAM'S OFFERING ALIGNS WITH THE FASTEST GROWING SEGMENTS IN LEGAL TECH

## Top Growth Segments for Legal Tech Spend

	CAGR % (2023-2030)	Low	Medium	High	Dye & Durham Core Software Competency
Practice Management <sup>1</sup>	10.3%				✓
Analytics	11.5%				✓
Legal Research	9.5%				✗

Dye & Durham has been focused on its practice management and data insights offering, bringing together the fastest growing elements of the legal technology market and delivering a single point solution to our customers

# DYE & DURHAM LEADS THE MARKET IN CUTTING-EDGE **LEGAL SOFTWARE**



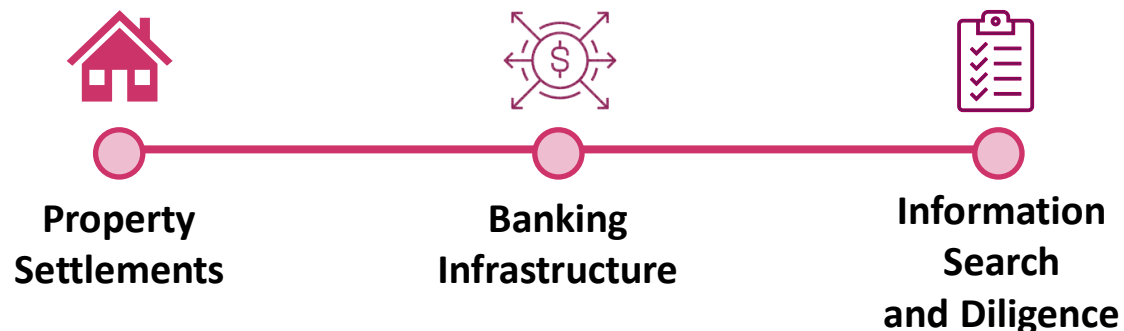
- Dye & Durham is one of the world's largest providers of legal software designed to make managing a law firm, organizing cases, and collaborating with clients easy
- We provide mission critical systems that help our clients manage risk through access to proprietary sources of non-discretionary data needed for transactions
- Our market leading software streamlines and automates the client intake and onboarding process, allowing legal professionals to seamlessly generate new business, improve customer engagement and manage compliance requirements





# OUR **BANKING TECHNOLOGY** BUSINESS PROVIDES CRITICAL SOFTWARE AND SERVICES TO ENABLE THE TRANSACTIONS THAT POWER THE ECONOMY

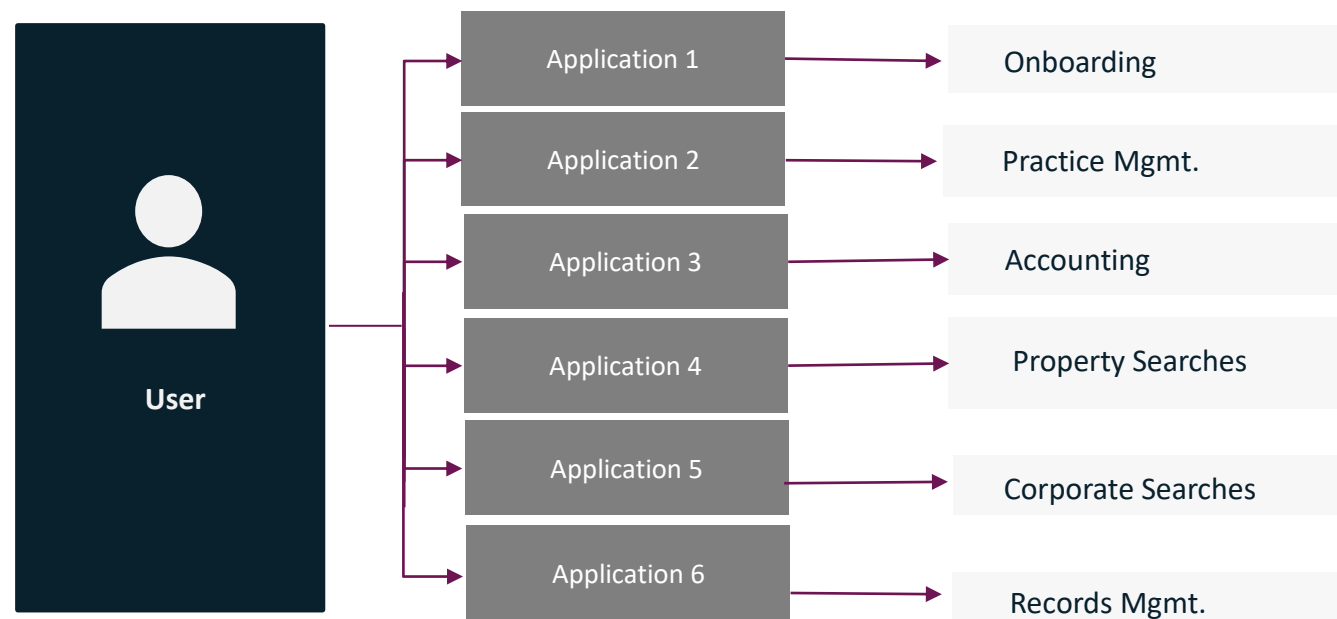
- Serves financial institutions across Canada and Australia, providing critical technology that supports essential front and back-end uses, including payments, information services and property settlements, and core banking infrastructure for over 100 financial institutions globally
- The business supports bill and tax payment processing, core banking needs and property settlements in Canada, while in Australia it provides property settlement and essential information for loan origination purposes
- Solutions are largely reoccurring with over 90% of LTM revenue being under long-term contracts



# HISTORICAL EXPERIENCE

## Disjointed Customer Experience

- Multiple individual solutions - no single destination
- Our customers recognize only our individual acquired brands – not Dye & Durham
- Inconsistent user experience
- Multiple invoices from different suppliers
- Legal software systems that are not integrated
- Different & often confusing points of contact



# LEGAL SOFTWARE: UNITY® GLOBAL PLATFORM

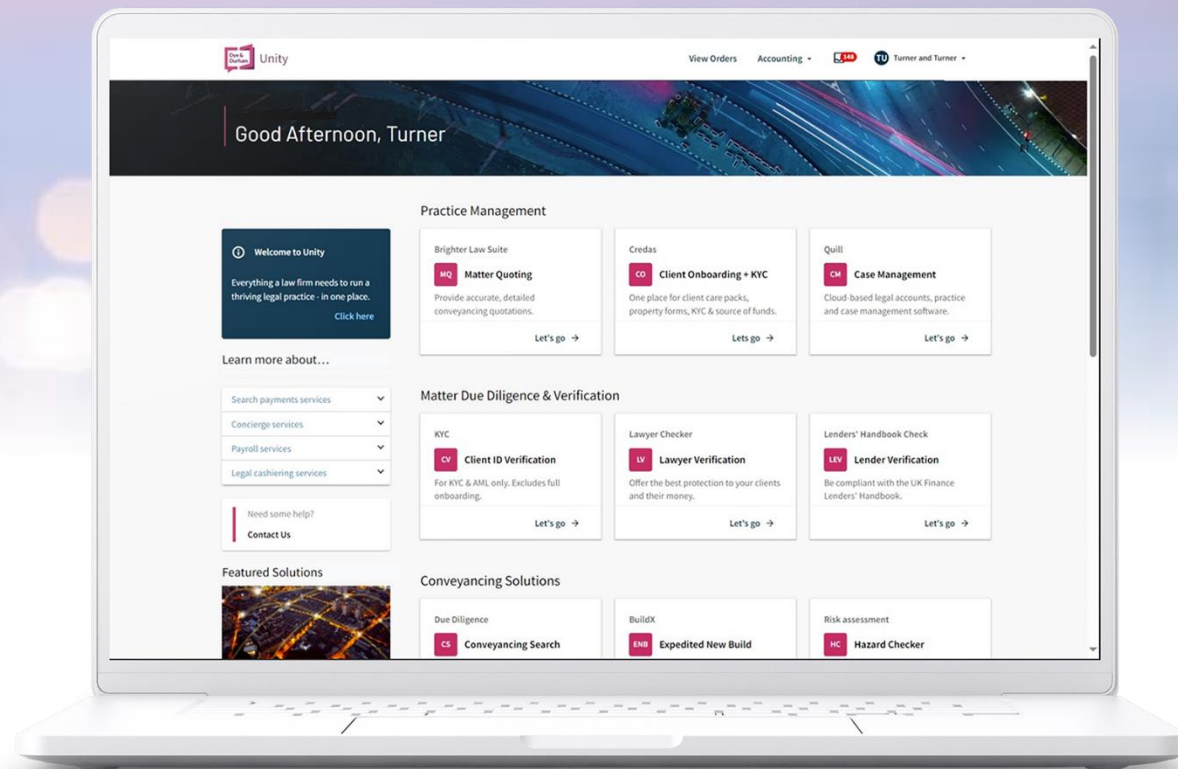
## UNITY® EVERYTHING YOU NEED TO RUN YOUR LEGAL PRACTICE, ALL IN ONE PLACE.

From intake to invoice, and everything in between.

### A SINGLE DESTINATION FOR LAW FIRMS

Bringing together multiple legal solutions – that saves time, provides operational & cost efficiencies and is easy to use

- ✓ Onboarding
- ✓ Corporate Due Diligence
- ✓ Legal Registration
- ✓ Property Due Diligence
- ✓ KYC and AML
- ✓ Fully Integrated Access to Practice Management

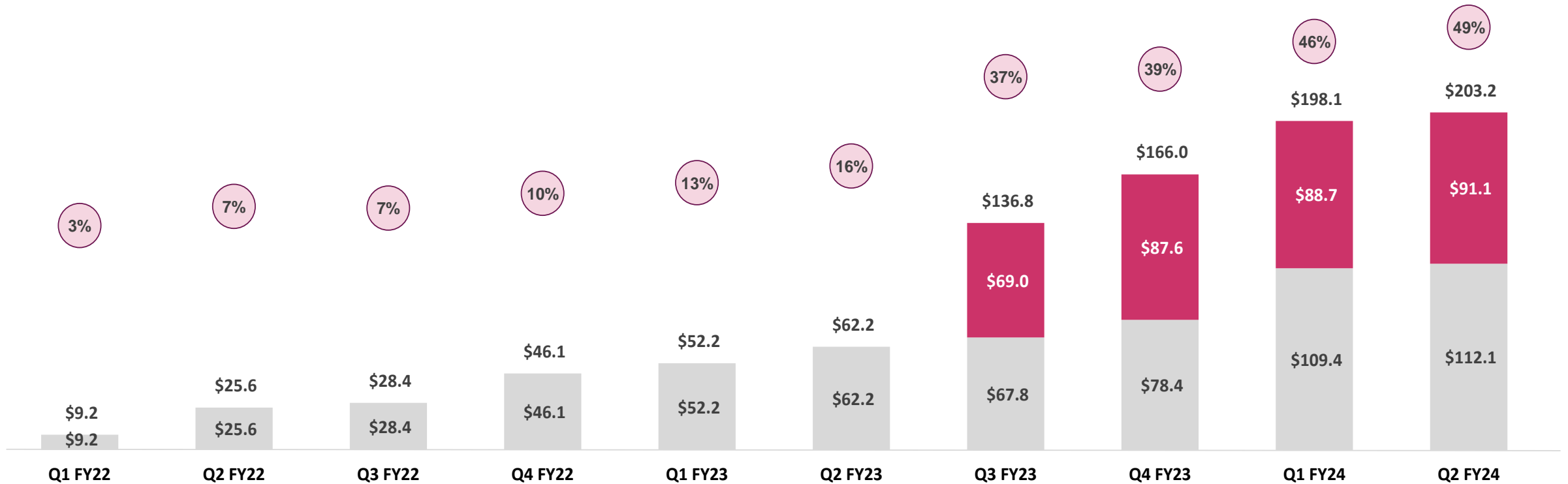


# GROWTH IN ANNUAL CONTRACTED REVENUE

- Growth in contracted revenue has been driven by a dedicated organic sales effort and some small tuck-in acquisitions

## Annualized Contractual Revenue<sup>1,2,3</sup> (C\$ mm)

■ ARR ■ Other Revenue Under Contract ○ % of Contracted Revenue

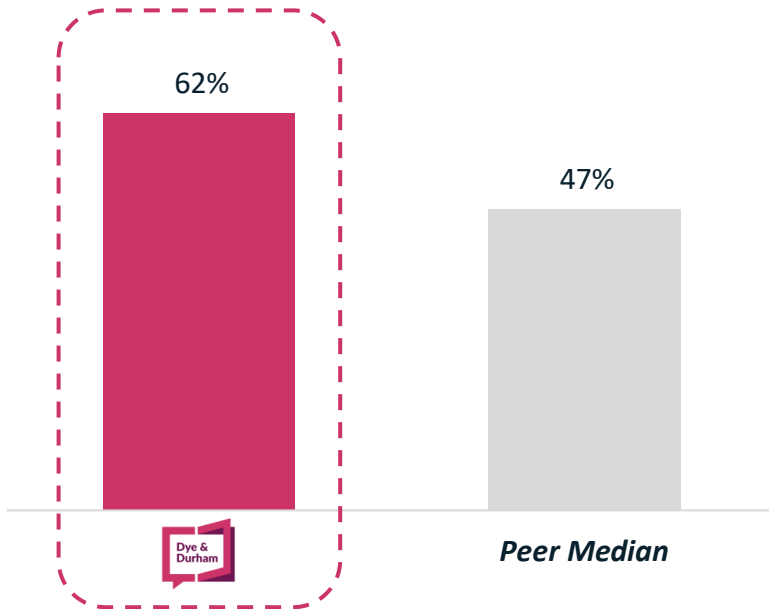


# LEADING AMONG PUBLIC SOFTWARE COMPANIES, LAGGING VALUATION

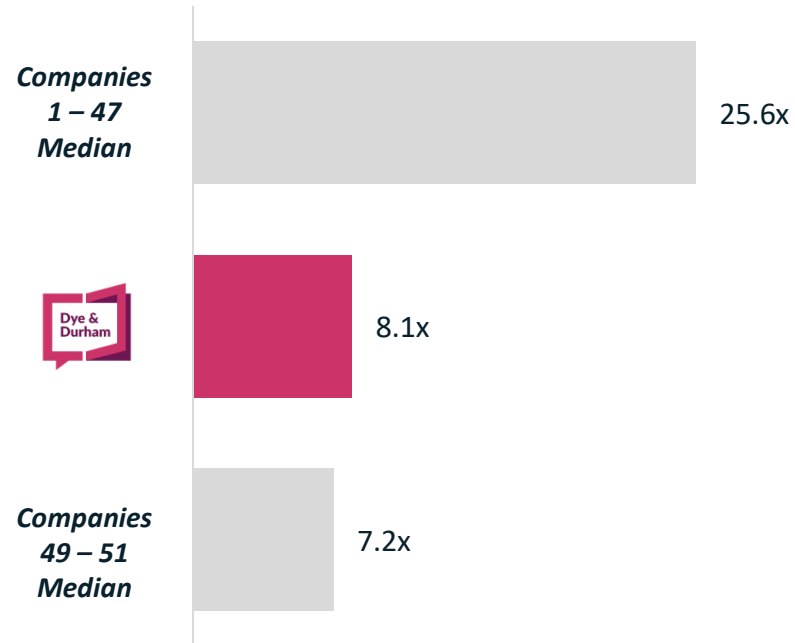
When viewed relative to all publicly traded North American software companies with Adj. EBITDA<sup>1</sup> of greater than \$200 million, Dye & Durham's valuation multiple ranks 48 out of 51 companies, despite being top quartile on revenue growth + Adj. EBITDA Margin<sup>1</sup> (rule of 40)

## Revenue Growth + Adj. EBITDA Margin<sup>1,2,3,4</sup>

### Rule of 40



## FY2024 EV / EBITDA Valuation Multiples<sup>1,2,4</sup>



Median EV / EBITDA<sup>1</sup> multiple across all peers is **24.8x<sup>5</sup>** VS D&D's of **8.1x**

Note: All figures in CAD unless otherwise noted; fiscal year ended June 30

Source: Cap IQ as of February 9<sup>th</sup>, 2024

1. Adjusted EBITDA and Adjusted EBITDA margin are non-IFRS measures. Please see "Non-IFRS Measures". Additional details regarding the reconciliation of Net Income to Adj. EBITDA are available in the appendix

2. Peer group based on North American Application Software providers with EBITDA greater than C\$200 mm (51 total) per CapIQ

3. Rule of 40 metric, calculated as revenue growth (FY24 / FY23) + Adj. EBITDA Margin (FY24)

4. This is forward-looking information. Please see "Forward-Looking Statements"

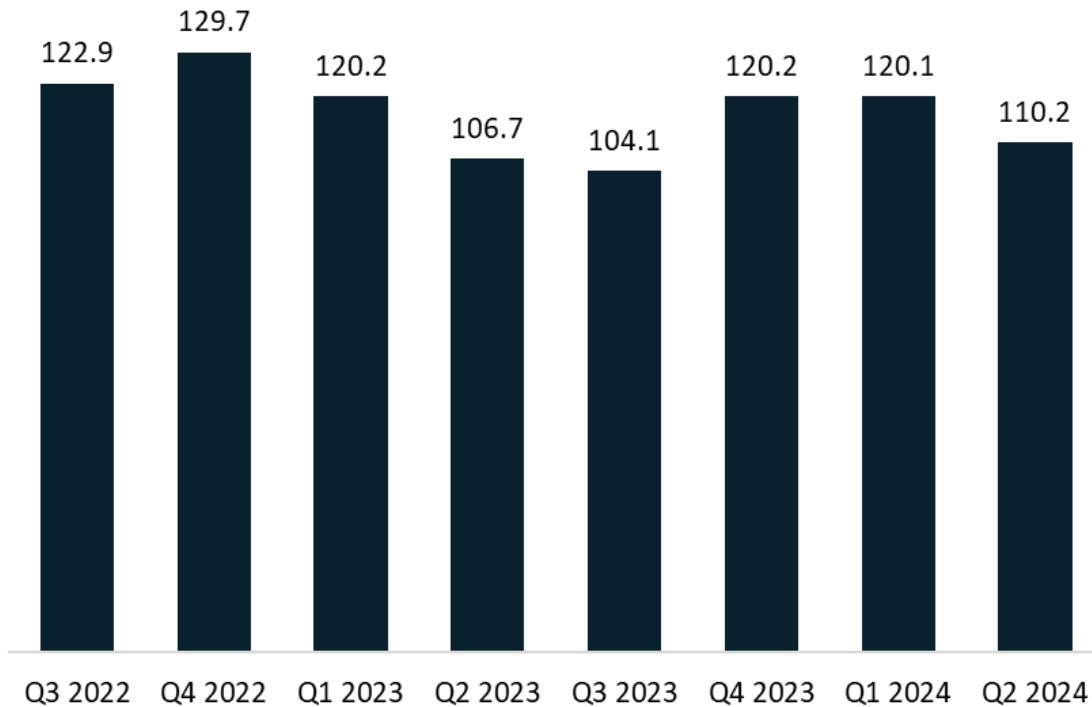
5. Median of consensus estimates for North American Application Software providers with EBITDA greater than C\$200 mm (51 total) per CapIQ

# QUARTERLY FINANCIAL PERFORMANCE

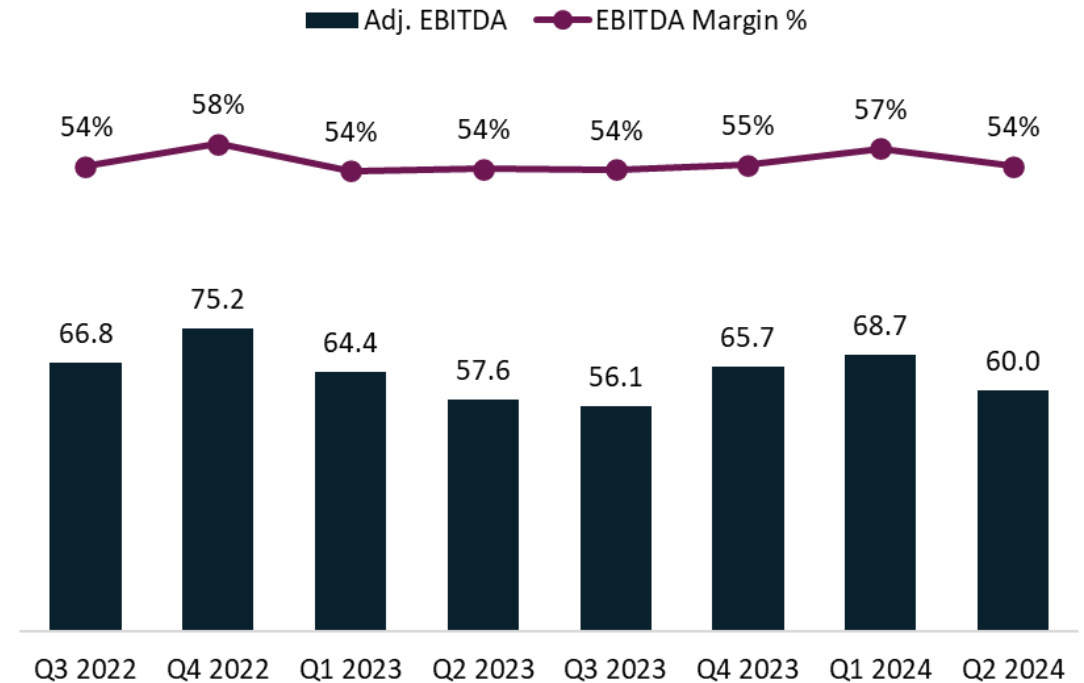


Dye & Durham continues to effectively navigate the current high interest rate environment, delivering stable financial performance

Revenue (C\$ mm)



Adjusted EBITDA<sup>1</sup> (C\$ mm)



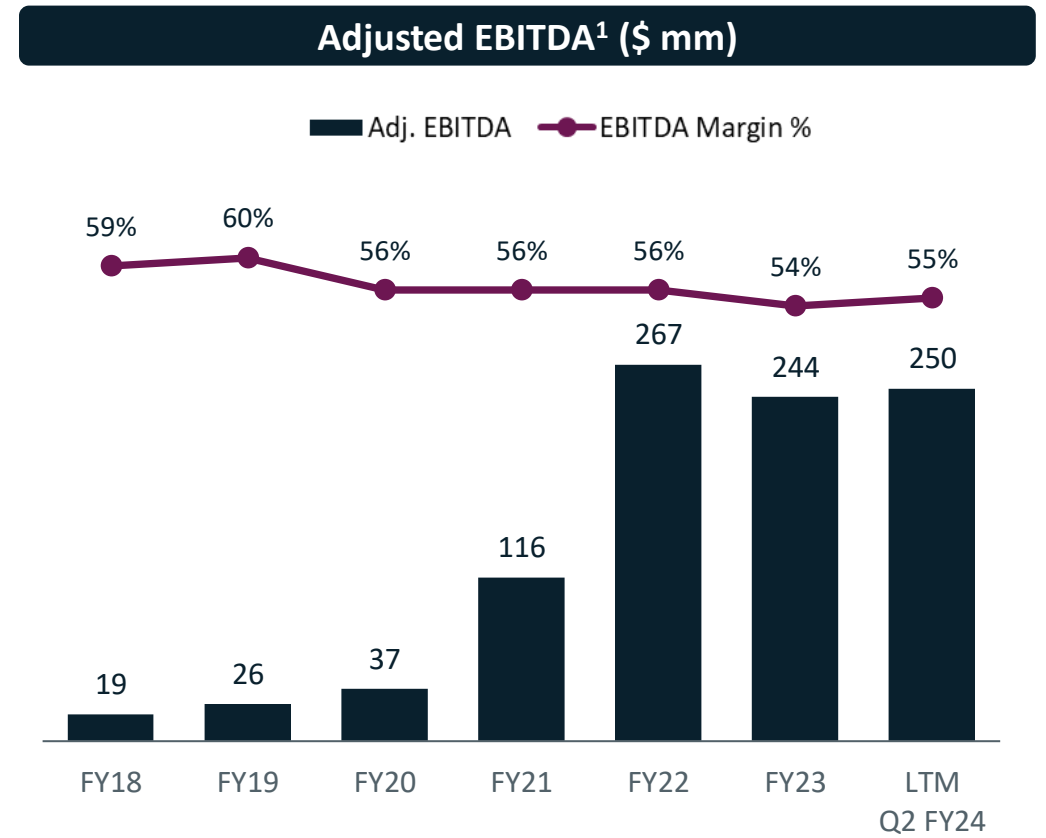
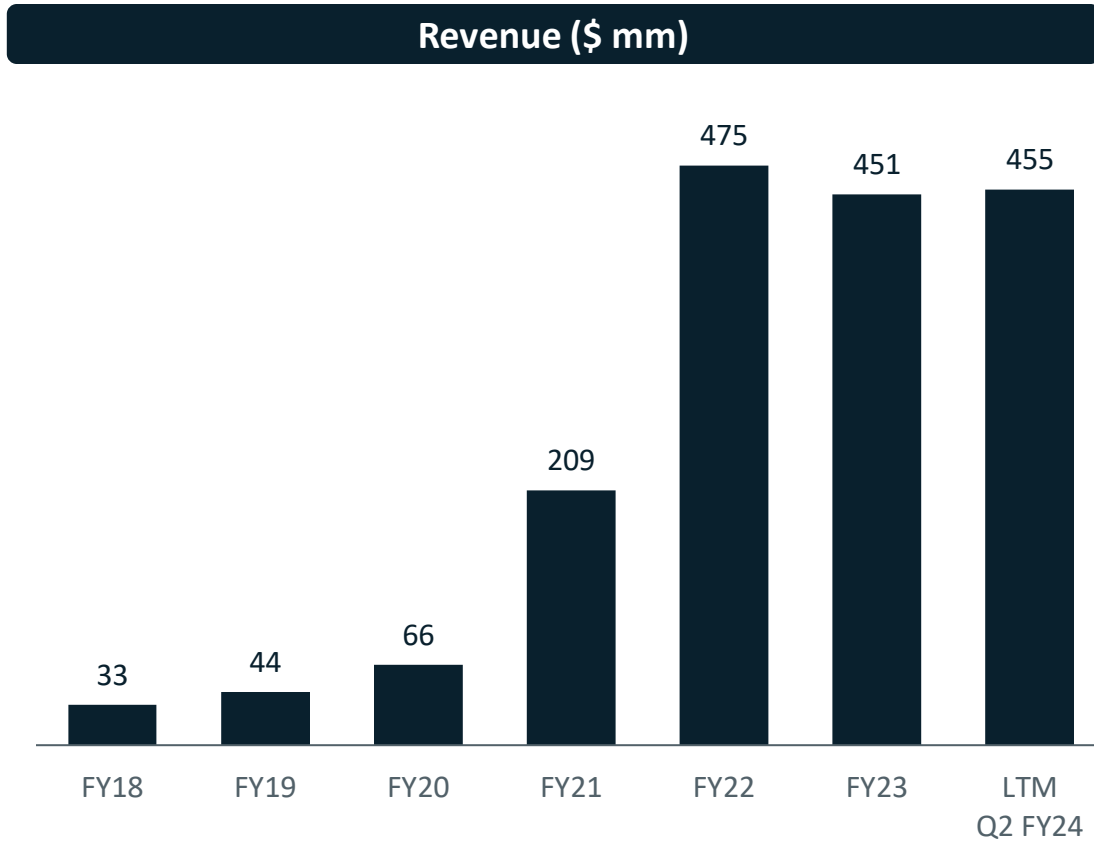
Note: All figures in CAD unless otherwise noted

1. Adjusted EBITDA and Adjusted EBITDA margin are non-IFRS measures. Please see "Non-IFRS Measures. Additional details regarding the reconciliation of Net Income to Adj. EBITDA are available in the appendix

# ANNUAL FINANCIAL PERFORMANCE



Dye & Durham has scaled significantly over the last many years, with a revenue CAGR of 61% from FY18 to LTM Q2 FY24



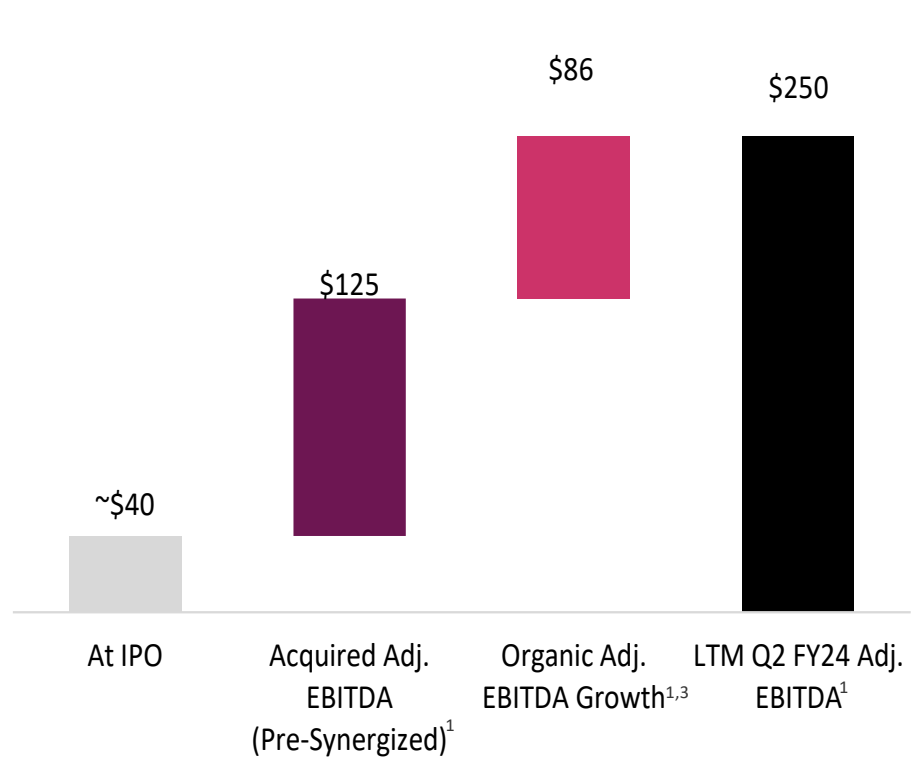
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1. Adjusted EBITDA and Adjusted EBITDA margin are non-IFRS measures. Please see "Non-IFRS Measures". Additional details regarding the reconciliation of Net Income to Adj. EBITDA are available in the appendix

# STRONG TRACK RECORD OF EXECUTING AND INTEGRATING ACQUISITIONS

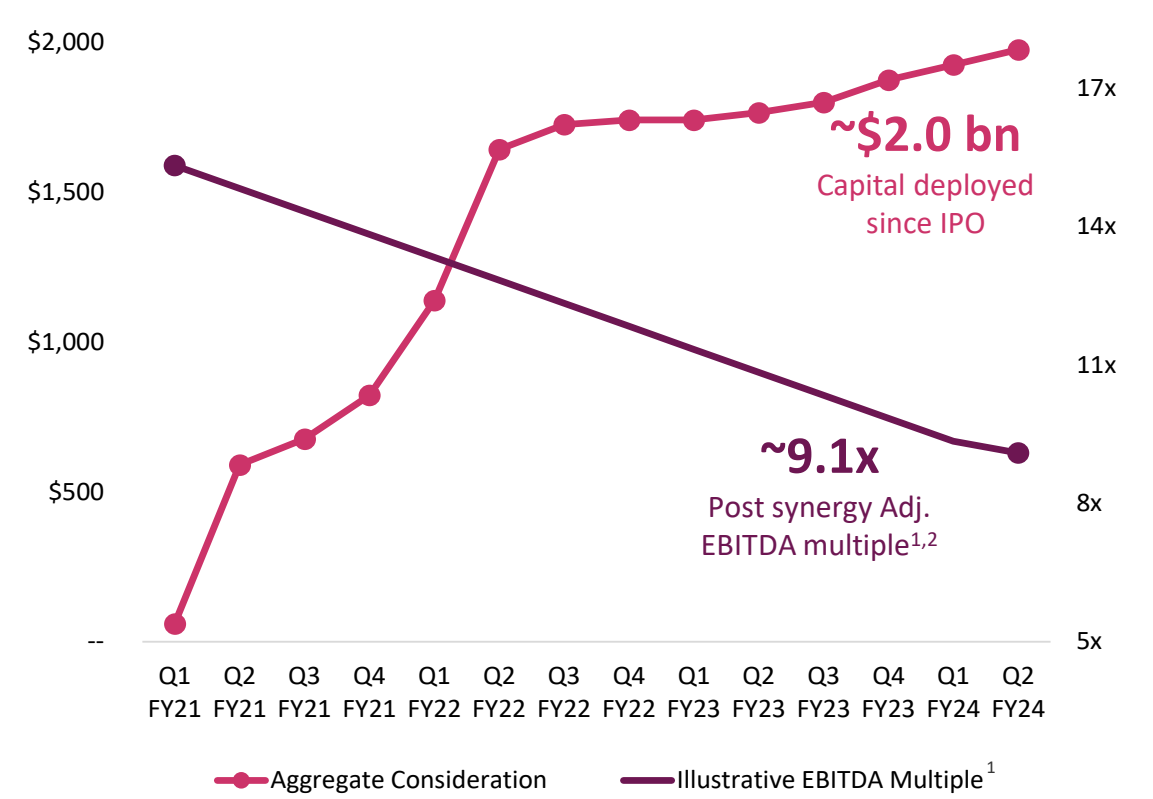
Since our IPO in July 2020, D&D has deployed a total of ~\$2.0 billion on acquisitions across Canada, UK, Ireland, Australia and South Africa

## Adjusted EBITDA Growth since IPO<sup>1</sup> (\$ mm)



from **15.3x**  
down to **~9.1x**<sup>2</sup>

## Post-synergistic Performance on Capital Deployed Since IPO (\$ mm)



Note: All figures in CAD unless otherwise noted

- Adjusted EBITDA and Adjusted EBITDA margin are non-IFRS measures. Please see "Non-IFRS Measures". Additional details regarding the reconciliation of Net Income to Adj. EBITDA are available in the appendix
- Illustrative multiple only; calculated as aggregate consideration of all acquisitions since IPO divided by incremental EBITDA since IPO (LTM Dec-23 Adj. EBITDA less Adj. EBITDA at IPO plus full year contribution for Adj. EBITDA from recent acquisitions)
- Adj. EBITDA for acquisitions completed in FY23 and FY24 are pro-rated based on each business' in-year contribution to FY23 and FY24 EBITDA



# | APPENDIX

# ADJUSTED EBITDA RECONCILIATION



## Net Income to Adjusted EBITDA

(C\$ 000's)	Three months ended December 31,		Twelve months ended June 30,	
	2023	2022	2023	2022
Income (loss) for the period	\$(34,759)	\$(34,818)	\$(170,643)	\$7,841
Amortization and depreciation	\$41,453	\$39,041	\$151,129	\$132,932
Finance costs, net	\$49,063	\$38,425	\$131,866	\$42,377
Income tax expense (recovery)	\$(8,119)	\$(8,705)	\$(23,207)	\$10,246
EBITDA <sup>1</sup>	\$47,638	\$33,943	\$89,145	\$193,396
Impairment on assets held for sale	--	--	\$66,716	--
Stock-based compensation <sup>2</sup>	\$6,831	\$8,044	\$28,767	\$23,962
Acquisition, restructuring and other costs <sup>3</sup>	\$5,271	\$15,589	\$58,712	\$49,572
Salaries synergies realized <sup>4</sup>	\$274	--	434	--
<b>Adjusted EBITDA<sup>1</sup></b>	<b>\$60,014</b>	<b>\$57,576</b>	<b>\$243,774</b>	<b>\$266,930</b>

1. EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, Basic Adjusted Net Income per share, Diluted Adjusted Net Income per share and Adjusted Operating Expenses are not recognized measures under IFRS. See "Cautionary Note Regarding Non-IFRS Measures".
2. Stock-based compensation represents non-cash expenditures recognized in connection with stock options issued to employees and directors and cash settled share appreciation rights issued to directors and other related costs.
3. Acquisition, restructuring and other costs relates to professional fees and integration costs incurred in connection with acquisition, divesture, listing and reorganization related expenses. Restructuring expenses mainly represent employee exit costs as a result of synergies created due to business combinations and organizational changes and are expected to be paid within the fiscal year.
4. Salaries synergies relates to the impact of the full period of cost synergies related to the actual or planned reduction of employees in relation to acquisitions.