



Dye & Durham Reports Fourth Quarter and Year End Fiscal 2024 Financial Results

- Revenue up 15% to \$120 million in Q4 FY2024 and up 14% to \$452 million for FY2024, taking into consideration the TM Group divestiture
- Leveraged free cash flow¹ of \$32 million in Q4 FY2024
- Adjusted EBITDA¹ up 5% to \$69 million in Q4 FY2024 and up 6% to \$258 million in FY2024

Toronto, Ontario – September 4, 2024 – Dye & Durham Limited (“**Dye & Durham**” or the “**Company**”) (TSX: DND), one of the world’s largest providers of cloud-based legal practice management software, today announced its financial results for the three and twelve months ended June 30, 2024.

“We continue to see strong business momentum, with notable ARR growth and solid free cash flow,” said Dye & Durham CEO Matthew Proud. “Our focus on enhancing platform functionality for our customers is reinforcing our market leadership position, and we’re pleased with the robust organic growth we’re achieving, while reducing our leverage ratio.”

“The Company is well-positioned to grow across its tens of thousands of customers who are looking for streamlined workflows delivered through centralized dashboards with single-sign-on and software interoperability,” said Frank Di Liso Dye & Durham’s CFO. “Over the last two fiscal years we have made significant investments in organic product enhancements focused on delivering on the above mentioned strategy. The results of this quarter and fiscal year 2024 validate that our investment is now paying off.”

For the three months ended June 30, 2024 the Company’s leveraged free cash flow was the strongest quarter on record. Furthermore, the Company has achieved its strongest quarterly revenue performance to date and its second strongest adjusted EBITDA performance to date, taking into consideration the TM Group divestiture.

Fourth Quarter Fiscal 2024 Highlights

(Comparison periods in each case are the three months ended June 30, 2023)

- Revenue was up 15% to \$120.1 million taking into consideration the TM Group divestiture
- Organic revenue growth rate^{1,4} of 8%
- Annual Recurring Revenue² was up 74% to \$136.7 million, representing 29% of total revenue³
- Net loss was \$105.2 million, down \$16 million
- Adjusted EBITDA³ was up 5% to \$69.0 million
- Leveraged Free Cash Flow of \$31.7 million

Fiscal 2024 Highlights

(Comparison periods in each case are the twelve months ended June 30, 2023)

- Revenue was up 14% to \$451.7 million taking into consideration the TM Group divestiture
- Organic revenue growth rate^{1,4} of 3%
- Net loss was \$174.3 million, down \$3.7 million
- Adjusted EBITDA³ was up \$13.7 to \$257.5 million

The Company continues to work towards reducing its net debt to adjusted EBITDA ratio to below 4x.

Quarterly Dividend

On September 4, 2024, the Board of Directors approved a dividend for the three months ending June 30, 2024, in the amount of \$0.01875 per common share, to be paid on or about September 19, 2024, to holders of common shares of record as of the close of business on September 12, 2024.

Conference Call Notification

The Company will hold a conference call to discuss its business later today, Wednesday, September 4, 2024, at 5:30 p.m. ET hosted by senior management. A question-and-answer session will follow the corporate update.

DATE: Wednesday, September 4, 2024

TIME: 5:30 p.m. ET

RAPIDCONNECT: To instantly join the conference call by phone, please use the following URL to easily register and be connected into the conference call automatically:

<https://empportal.ink/3Av2n8Z>

TRADITIONAL DIAL-IN NUMBER: (437) 900-0527 or (888) 510-2154

TAPED REPLAY: (289) 819-1450 or (888) 660-6345

REPLAY CODE: 70070#

This call is being webcast and can be accessed by going to: <https://app.webinar.net/263Zz9nNaWq>

- 1) Represents a non-IFRS measure. These measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. For the relevant definition, see the "Non-IFRS Financial Measures" section of this press release. Management believes non-IFRS measures, including EBITDA, Adjusted EBITDA, Leveraged free cash flow and organic revenue growth rate, provide supplementary information to IFRS measures used in assessing the performance of the business by providing further understanding of the Company's results of operations from management's perspective. Please see "Cautionary Note Regarding Non-IFRS Measures", and "Select Information and Reconciliation of Non-IFRS Measures in the Company's most recent Management's Discussion and Analysis, which is available on the Company's profile on SEDAR+ at www.sedarplus.ca, for further details on certain non-IFRS measures, including the relevant reconciliations of each of Adjusted EBITDA and Leveraged free cash flow to its most directly comparable IFRS measure, which information is incorporated by reference herein.

Please see the “Non-IFRS Financial Measures” section of this press release for a reconciliation of Organic Revenue to Revenue.

- 2) As of June 30, 2024.
- 3) Excluding TM Group financial results.
- 4) Organic Revenue Growth Rate is calculated by the total revenue in the current quarter period (excluding the pre-acquisition quarterly revenue of those acquisitions executed in the last twelve months period from June 30, 2024 and discontinued businesses) divided by the total revenue in the prior quarter period (excluding discontinued businesses). Below is a reconciliation of Organic Revenue to Revenue.

	Q4 FY2024	Q4 FY2023	FY2024	FY2023
Revenue	120.1	120.2	457.7	451.1
TM Group Pre-Divestiture	0.0	15.4	6.0	56.1
Pre-Acquisition Reporting Results	8.3	1.0	48.4	1.0
Discontinued Businesses	-	0.6	-	3.4
Organic Revenue	111.8	103.2	403.3	390.6
Organic Revenue Growth Rate	8%	-	3%	-

About Dye & Durham

Dye & Durham Limited provides premier practice management solutions empowering legal professionals every day, delivers vital data insights to support critical corporate and property transactions and enables the essential payments infrastructure trusted by government and financial institutions. The company has operations in Canada, the United Kingdom, Ireland, Australia and South Africa.

Additional information can be found at www.dyedurham.com.

Non-IFRS Measures

This press release makes reference to certain non-IFRS measures. These measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies.

Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of the Company’s results of operations from management’s perspective and to discuss Dye & Durham’s financial outlook. The Company’s definitions of non-IFRS measures may not be the same as the definitions for such measures used by other companies in their reporting. Non-IFRS measures have limitations as analytical tools. Accordingly, these measures should not be considered in isolation nor as a substitute for analysis of Dye & Durham’s financial information reported under IFRS. The Company uses non-IFRS measures, including “EBITDA”, “Adjusted EBITDA”, “Leveraged Free Cash Flow” and “Organic Revenue Growth Rate” (each as defined below), to provide investors with supplemental measures of its operating performance and to eliminate items that have less bearing on operating performance or operating conditions and thus highlight trends in its core business that may not otherwise be apparent when

relying solely on IFRS financial measures. The Company's management also uses non-IFRS financial measures in order to facilitate operating performance comparisons from period to period. The Company believes that securities analysts, investors, and other interested parties frequently use non-IFRS financial measures in the evaluation of issues.

Please see "Cautionary Note Regarding Non-IFRS Measures" and "Select Information and Reconciliation of Non-IFRS Measures" in the Company's most recent Management's Discussion and Analysis, which is available on the Company's profile on SEDAR+ at www.sedarplus.ca, for further details on certain non-IFRS measures, including relevant reconciliations of each non-IFRS measure to its most directly comparable IFRS measure, which information is incorporated by reference herein.

EBITDA

EBITDA means net income (loss) before amortization and depreciation expenses, finance and interest costs including change in fair value of the Company's convertible debentures, loss on settlement of loans and borrowings, realized loss on derivatives, gains or losses from re-financing transactions and provision for income taxes.

Adjusted EBITDA

Adjusted EBITDA adjusts EBITDA for stock-based compensation expense, loss on disposal of assets held for sale, specific transaction-related expenses related to acquisitions, listing and reorganization related expenses, integration and operational restructuring costs. Operational restructuring costs are incurred as a direct or indirect result of acquisition activities. Operational restructuring costs include the full period impact of cost synergies related to the reduction of employees for acquisitions.

Leveraged Free Cash Flow

Leveraged Free Cash Flow means net cash provided by operating activities less additions to intangible assets and property (including capitalized software) less net interest paid and payments under lease arrangements.

Organic Revenue Growth

Organic Revenue Growth means total revenue in the current quarter or year-to-date period (excluding the pre-acquisition quarterly or year-to-date revenue of those acquisitions executed in the last twelve months period and discontinued businesses) "Organic Revenue" divided by the total revenue in the prior quarter or year-to-date period (excluding TM Group, pre-acquisition quarterly or year-to-date revenue and discontinued businesses).

Forward-looking Statements

This press release may contain forward-looking information and forward-looking statements within the meaning of applicable securities laws, which reflects the Company's current expectations regarding future events, including with respect to the timing and completion of the Offer, the intentions of the Company's directors and officers and debenture holders with respect to tendering to the Offer, and the Company's financial outlook and business strategy, including its debt reduction

strategy and products and services. In some cases, but not necessarily in all cases, forward-looking statements can be identified by the use of forward looking terminology such as "plans", "targets", "expects" or "does not expect", "is expected", "an opportunity exists", "is positioned", "estimates", "intends", "assumes", "anticipates" or "does not anticipate" or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", "will" or "will be taken", "occur" or "be achieved". In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances contain forward-looking statements. Forward-looking statements are not historical facts, nor guarantees or assurances of future performance but instead represent management's current beliefs, expectations, estimates and projections regarding future events and operating performance.

Specifically, statements regarding Dye & Durham's expectations of future results, performance, prospects, the markets in which we operate, or about any future intention with regard to its business, acquisition strategies and debt reduction strategy are forward-looking information. The foregoing demonstrates Dye & Durham's objectives, which are not forecasts or estimates of its financial position, but are based on the implementation of its strategic goals, growth prospectus, and growth initiatives. The forward-looking information is based on management's opinions, estimates and assumptions, including, but not limited to: (i) Dye & Durham's results of operations continuing as expected, (ii) the Company continuing to effectively execute against its key strategic growth priorities, (iii) the Company continuing to retain and grow its existing customer base and market share, (iv) the Company being able to take advantage of future prospects and opportunities, and realize on synergies, including with respect of acquisitions, (v) there being no changes in legislative or regulatory matters that negatively impact the Company's business, (vi) current tax laws remaining in effect and not being materially changed, (vii) economic conditions remaining relatively stable throughout the period, (viii) the industries Dye & Durham operates in continuing to grow consistent with past experience, (ix) the seasonal trends in real estate transaction volume continuing as expected, (x) the Company's expectations regarding its debt reduction strategy being met and (xi) those assumptions described under the heading "Caution Regarding Forward-Looking Information" in the Company's Management's Discussion and Analysis for the period ended June 30, 2024. While these opinions, estimates and assumptions are considered by Dye & Durham to be appropriate and reasonable in the circumstances as of the date of this press release, they are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, levels of activity, performance, or achievements to be materially different from those expressed or implied by such forward-looking information.

The forward looking information is subject to significant risks including, without limitation: that the Company will be unable to effectively execute against its key strategic growth priorities, including in respect of acquisitions; the Company will be unable to continue to retain and grow its existing customer base and market share; risks related to the Company's business and financial position; that Dye & Durham may not be able to accurately predict its rate of growth and profitability; risks related to economic and political uncertainty; income tax related risks; and those risk factors discussed in greater detail under the "Risk Factors" section of the Company's most recent annual information form and under the heading "Risks and Uncertainties" in the Company's most recent Management's Discussion and Analysis, which are available under Dye & Durham's profile on SEDAR+ at www.sedarplus.ca. Many of these risks are beyond the Company's control.

If any of these risks or uncertainties materialize, or if the opinions, estimates or assumptions underlying the forward-looking information prove incorrect, actual results or future events might vary materially from those anticipated in the forward-looking information. Although the Company has attempted to identify important risk factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other risk factors not presently known to the Company or that the Company presently believes are not material that could also cause actual results or future events to differ materially from those expressed in such forward-looking information.

Although the Company bases these forward-looking statements on assumptions that it believes are reasonable when made, the Company cautions investors that forward-looking statements are not guarantees of future performance and that its actual results of operations, financial condition and liquidity and the development of the industry in which it operates may differ materially from those made in or suggested by the forward-looking statements contained in this press release. In addition, even if the Company's results of operations, financial condition and liquidity and the development of the industry in which it operates are consistent with the forward-looking statements contained in this press release, those results of developments may not be indicative of results or developments in subsequent periods.

There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. No forward-looking statement is a guarantee of future results. Accordingly, you should not place undue reliance on forward-looking information, which speaks only as of the date made. The forward-looking information contained in this press release represents Dye & Durham's expectations as of the date specified herein, and are subject to change after such date. However, the Company disclaims any intention or obligation or undertaking to update or revise any forward-looking information or to publicly announce the results of any revisions to any of those statements, whether as a result of new information, future events or otherwise, except as required under applicable securities laws. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless specifically expressed as such, and should only be viewed as historical data.

All of the forward-looking information contained in this press release is expressly qualified by the foregoing cautionary statements.

For Further Information:

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