



Q2 FY 2025

# RESULTS PRESENTATION

February 13, 2025



When being **certain** is everything

[dyedurham.com](https://dyedurham.com)



# DISCLAIMER



This presentation has been prepared for informational purposes only. These materials are not, and in no circumstances are they to be construed as, a prospectus, an offering memorandum, an advertisement, or a public offering of securities. In addition, these materials do not form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, or any offer to underwrite or otherwise acquire any securities of Dye & Durham Limited (the “Company” or “Dye & Durham”) or any other securities, nor shall they or any part of them nor the fact of their distribution or communication form the basis of, or be relied on in connection with, any contract, commitment or investment decision in relation thereto, nor does it constitute a recommendation regarding the securities of the Company. No securities regulatory authority or similar authority has reviewed or in any way passed upon the document or the merits of these securities and any representation to the contrary is an offence.

No reliance may be placed for any purposes whatsoever on the information contained in these materials or on their completeness. No representation or warranty, express or implied, is given by or on behalf of the Company, any agent of the Company or any of such persons, directors, officers or employees or any other person as to the accuracy or completeness of the information contained in these materials and no liability whatsoever is accepted by the Company, any agent of the Company or any of such persons, directors, officers or employees nor any other person for any loss howsoever arising, directly or indirectly, from any use of such information or otherwise arising in connection therewith.

Any consensus estimates by analysts that are contained in this presentation do not represent an endorsement by the Company or the opinions, forecasts, or predictions of the Company, any agent of the Company, or any directors, officers, or employees of the Company. Estimates are directly from analyst reports. No representation or warranty, express or implied, is given by the Company, any agent of the Company, or any directors, officers, or employees of the Company as to the correctness, accuracy, or completeness of the consensus figures and no liability whatsoever is accepted by the Company, any agent of the Company, or any directors, officers, or employees of the Company arising in connection with any use of such information.

If any recipient of these materials wishes to make an investment in the Company (each such recipient, a “prospective investor”), such prospective investor must rely on their own examination of the Company, including the merits and risks involved. Prospective investors should not construe anything in this presentation as investment, legal or tax advice. Each prospective investor should consult its own investment, legal, tax and other advisers regarding the financial, legal, tax and other aspects of any investment in the Company.

## Forward-Looking Statements

This presentation 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 statements related to the Company’s performance, financial outlook and prospects, the markets in which the Company operates, or about any future intention with regard to the Company’s business and acquisition strategy. 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 the Company’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 the Company’s objectives, which are not forecasts or estimates of its financial position, but are based on the implementation of the Company’s strategic goals, growth prospects, and growth initiatives. Forward-looking information is generally based on a number of assumptions, opinions, and estimates, including, but not limited to: (i) the Company’s results of operations will continue as expected, (ii) the Company will continue to effectively execute against its key strategic growth priorities, (iii) the Company will continue to retain and grow its existing customer base and market share, (iv) the Company will be able to take advantage of future prospects and opportunities, and realize on synergies, including with respect of acquisitions, (v) there will be no changes in legislative or regulatory matters that negatively impact the Company’s business, (vi) current tax laws will remain in effect and will not be materially changed, (vii) economic conditions will remain relatively stable throughout the period, (viii) the industries the Company operates in will continue to grow consistent with past experience, (ix) exchange rates being approximately consistent with current levels, (x) the seasonal trends in real estate transaction volume will continue as expected, (xi) the Company’s expectations for increases to the average rate per user on its platforms, contractual revenues, and incremental earnings from its latest asset-based acquisition will be met, (xii) the Company being able to effectively upsell and cross-sell between practice management and data insights & due diligence customers, (xiii) the Company’s expectations regarding its debt reduction strategy will be met, (xiv) the Company’s expectations regarding its cost reduction plan being met, and (xv) those assumptions described under the heading “Caution Regarding Forward-Looking Information” in the Company’s most recent Management’s Discussion and Analysis.

While these assumptions, opinions, and estimates are considered by the Company to be appropriate and reasonable in the circumstances as of the date of this presentation and given the time period for such projections and targets, they are subject to a number of 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. Such risks and uncertainties include, but are not limited to: 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; the Company 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 the factors discussed under “Risk Factors” in 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 on the Company’s profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

# DISCLAIMER (CONT'D)



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 presentation. 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 presentation, those results or 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. Given these risks and uncertainties, investors are cautioned not to place undue reliance on these forward looking statements. Any forward-looking statement that are made in this presentation speaks only as of the date of such statement, and the Company undertakes no obligation to update any forward-looking statements or to publicly announce the results of any revisions to any of those statements to reflect future events or developments, except as required by 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 presentation is expressly qualified by the foregoing cautionary statements.

## Non-IFRS Measures

This presentation makes reference to certain non-IFRS financial measures. These measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement IFRS financial measures by providing further understanding of the Company's results of operations from management's perspective. 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 and should not be considered in isolation nor as a substitute for analysis of the Company's financial information reported under IFRS. The Company uses non-IFRS financial measures, including "EBITDA", "Adjusted EBITDA", "Adjusted EBITDA Margin", "Organic Revenue Growth Rate", "Leveraged Free Cash Flow" and "Annual Recurring Revenue", 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 believes that securities analysts, investors and other interested parties frequently use non-IFRS financial measures in the evaluation of issuers. The Company's management also uses non-IFRS financial measures in order to facilitate operating performance comparisons from period to period. 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 and the Company's recent news releases, which are available on the Company's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca), for further details on certain non-IFRS measures, including (i) definitions of each non-IFRS measure and an explanation of the composition of each non-IFRS financial measure, and (ii) relevant reconciliations of each non-IFRS measure to its most directly comparable IFRS measure, which information is incorporated by reference herein.

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

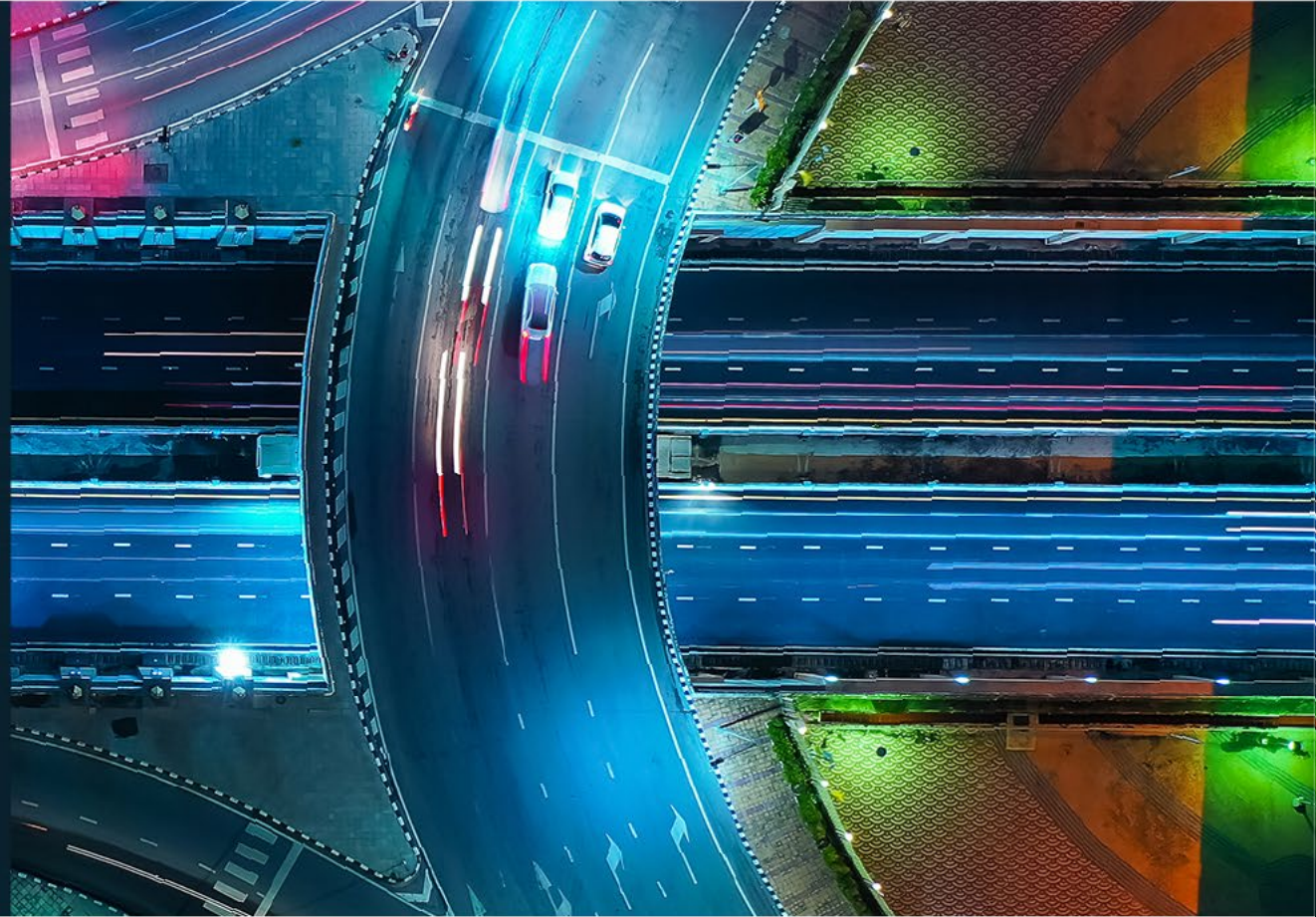


When being **certain** is everything

# YOUR LEGAL PRACTICE, MADE PERFECT

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

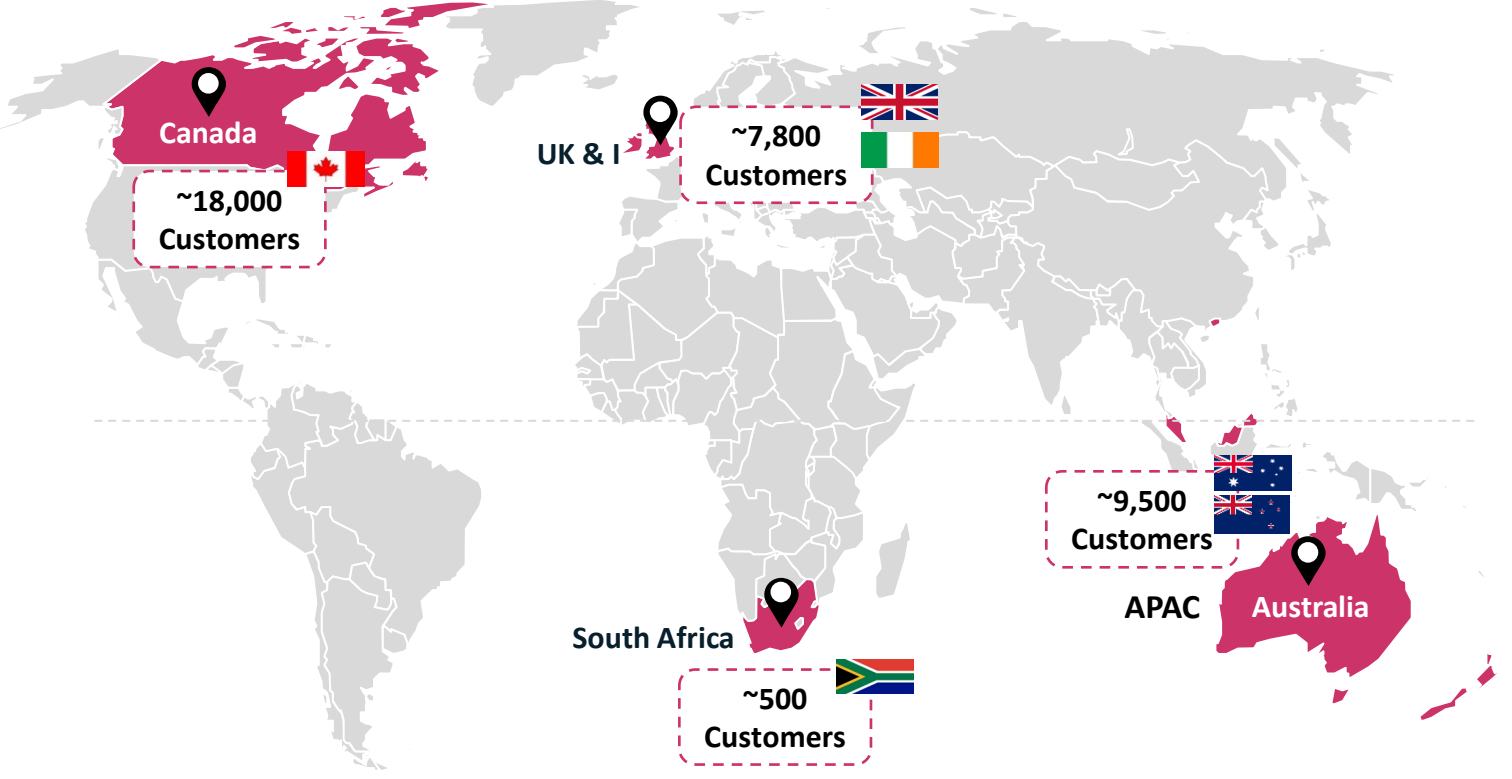
We provide premier practice management solutions and vital data insights software that supports critical risk management decisions empowering legal professionals every day



# DYE & DURHAM RESULTS SNAPSHOT

|   |   |
|---|---|
| <b>C\$121 mm</b><br>Q2 FY2025 Revenue                                   | <b>C\$67 mm</b><br>Q2 FY2025 Adj. EBITDA <sup>1</sup>                         |
| <b>55%</b><br>Q2 FY2025<br>Adj. EBITDA Margin <sup>1</sup>              | <b>6%</b><br>Q2 FY2025 Organic<br>Revenue Growth Rate <sup>1</sup>            |
| <b>57%</b><br>Annual Contracted<br>Revenue <sup>2</sup> (Dec. 31, 2024) | <b>34%</b><br>ARR <sup>1,3</sup> Under Contract<br>(Dec. 31, 2024)            |
| <b>C\$(18) mm</b><br>Net loss<br>(Dec. 31, 2024)                        | <b>C\$(39) mm</b><br>Leveraged Free Cash Flow <sup>1</sup><br>(Dec. 31, 2024) |

## Dye & Durham Key Operating Areas



Note: All figures in CAD unless otherwise noted.  
 1) Adjusted EBITDA, Adjusted EBITDA Margin, Organic Revenue Growth Rate, Annual Recurring Revenue, and Leveraged Free Cash Flow are non-IFRS measures. Please see "Non-IFRS Measures."  
 2) Annual Contracted Revenue includes minimum committed levels of annual recurring revenue (ARR) plus revenue from contracted overages and other service agreements.  
 3) Percent of total estimated billings (excludes TMG and other non-recurring adjustments). ARR is revenue under contract that is expected to recur over a fixed term. ARR percentage is determined by taking the total recurring revenue divided by total consolidated revenue for the period (adjusted for in-quarter acquisition and other timing impacts).

# KEY INVESTMENT HIGHLIGHTS

Dye & Durham is focused on bringing software capabilities together to provide a single point solution for customers

## Key Industry Drivers



Accelerated adoption of legal technology to improve efficiencies and client service delivery



Strong demand for central dashboard with single sign-on and software interoperability



Growing momentum for streamlined workflows to maximize revenue and save costs

## Dye & Durham Key Growth Drivers



**1 Growing Contracted Revenue**

**2 Cross-Selling Across Rich Product Offering**

**3 Diversified Revenue Base**

**Strategic alignment of growth drivers to industry demand offers a compelling value creation opportunity**

# DYE & DURHAM SEGMENT OVERVIEW

## Legal Software

### Practice Management

End-to-end practice management software enables legal professionals to **work more efficiently** and **effectively by providing access to mission-critical features and specific workflows** required to manage their practice from a single location

### Data Insights & Due Diligence

We connect a global network of professionals with **critical information through a mix of public records and proprietary data** to create legal due diligence reports that enable users to make informed decisions

## Banking Technology

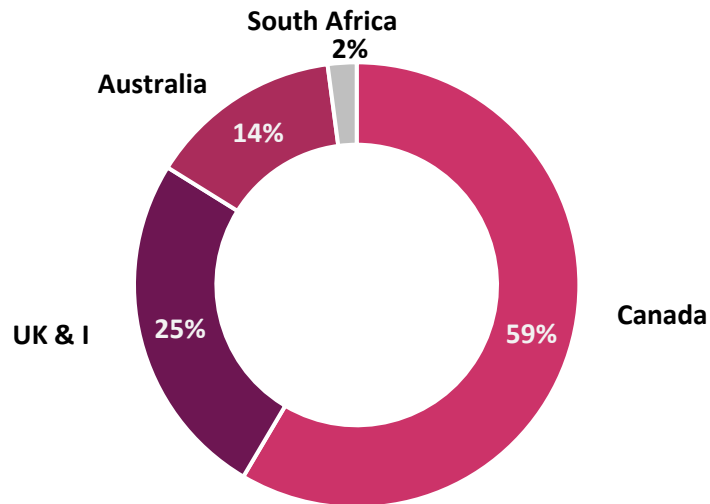
### Lending Tech

### Payments

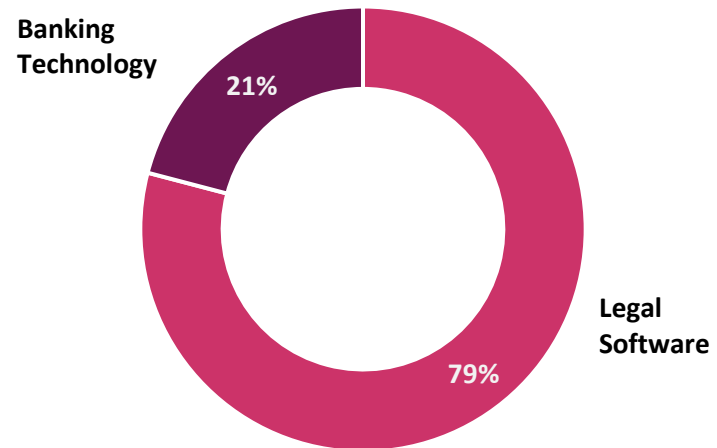
### Managed Banking Services

Our payments infrastructure technology facilitates the **transfer of money, offering digital infrastructure to most major Canadian and Australian lenders, providing critical technology and products** which support essential functions like payments, information services, property settlements and banking infrastructure

## Revenue by Geography



## Revenue by Segment



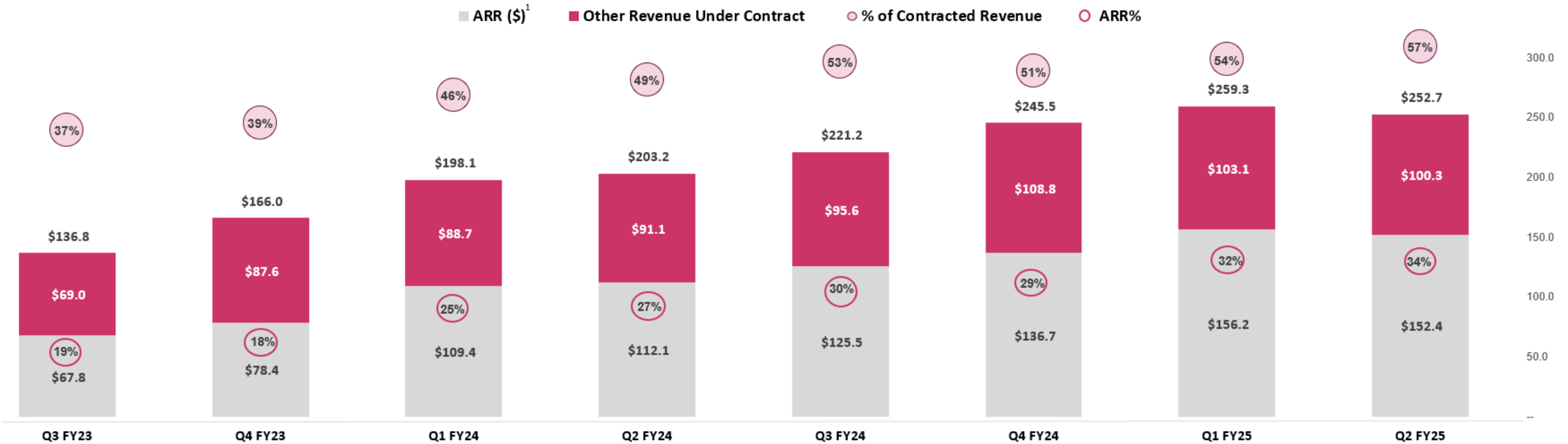
Note: Data represents last twelve months ending December 31, 2024.



# PERFORMANCE: GROWTH IN CONTRACTED REVENUE

- ARR<sup>1</sup> of \$152 million on an annualized basis for Q2 FY25, up 36% compared to one year ago, representing 34% of total revenue
- Q2 FY25 Annual Contract Revenue is 57% of total revenue

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

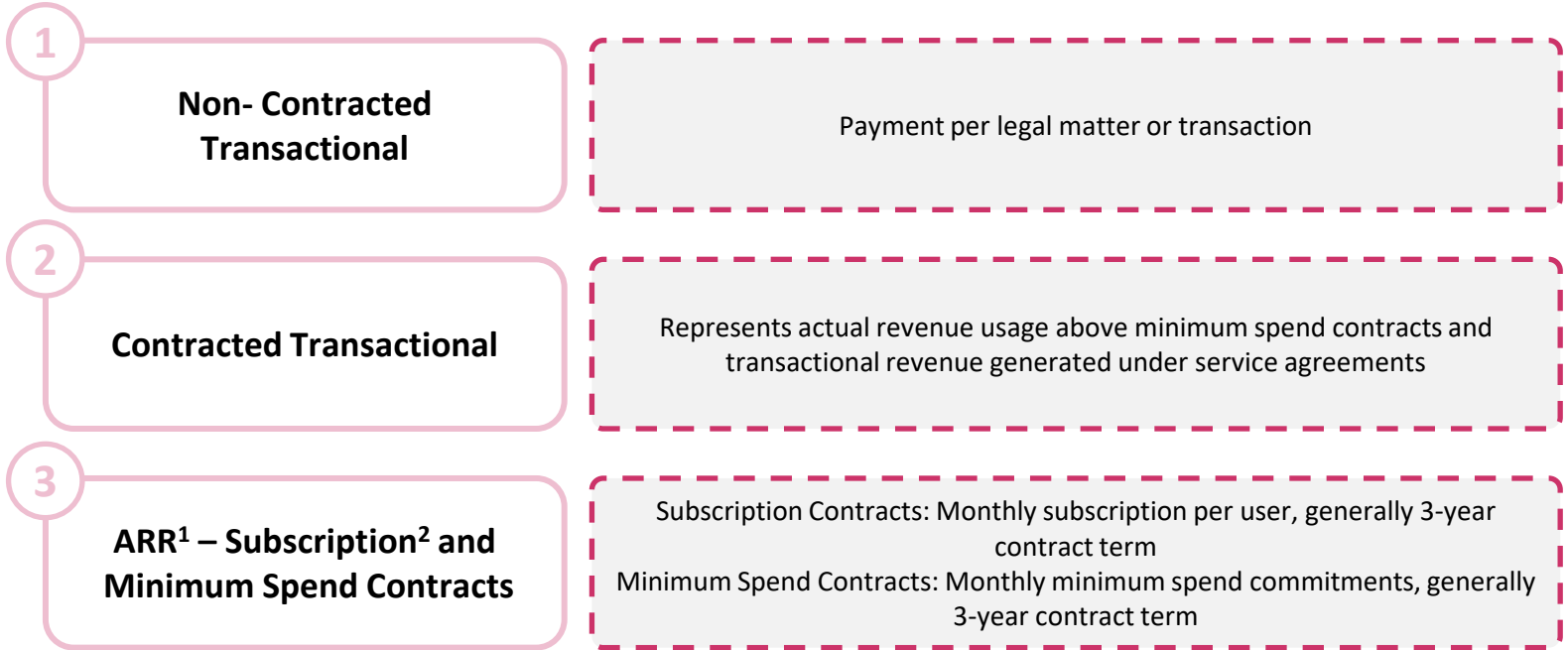
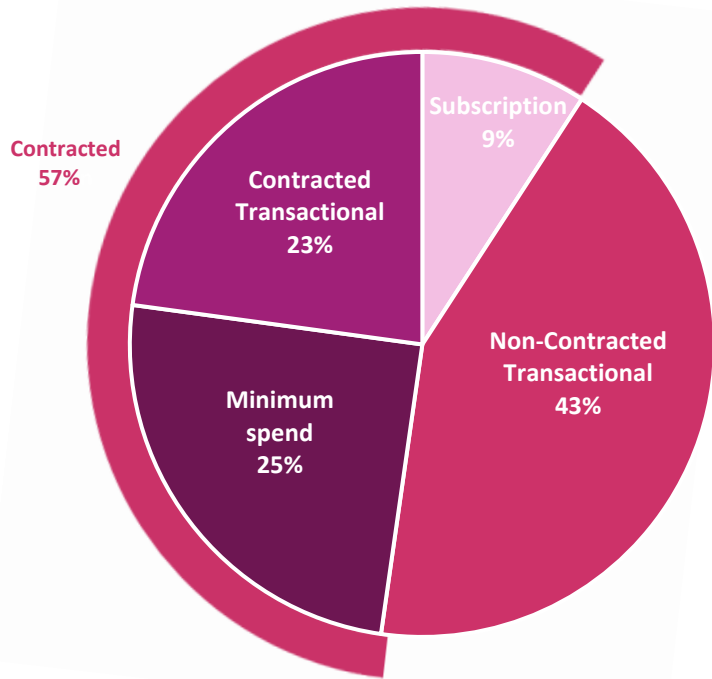


1. Annual Recurring Revenue is a non-IFRS measure. Please see "Non-IFRS Measures"
2. Annualized figures for each quarter (i.e., quarterly revenue for the period multiplied by 4)
3. Total Revenue does not include TM Group
4. Prior quarters have been restated for comparability purposes



# HIGHLY ATTRACTIVE & DIVERSIFIED REVENUE MODEL WITH PREDICTABILITY AND SCALE

## Breakdown of Revenue Model – Q2 FY2025



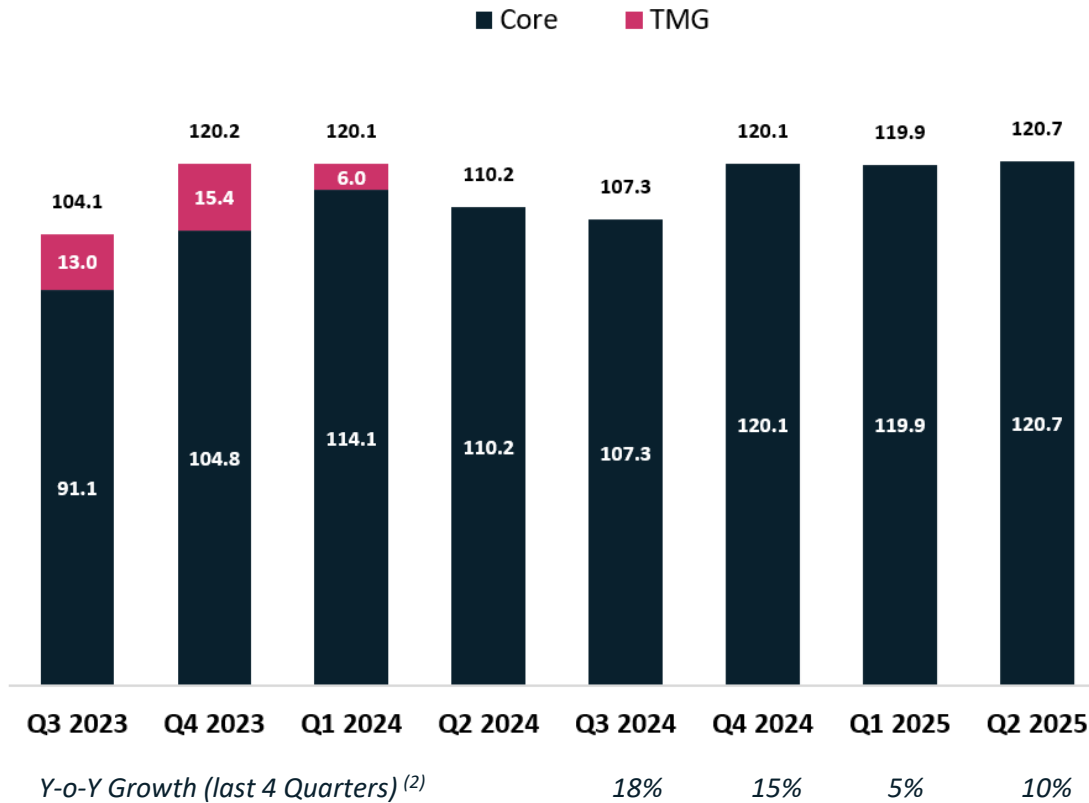
**Dye & Durham boasts a diversified revenue model, featuring both transactional revenue streams (billed per matter) beneficial for lawyers, who can disburse fees to clients, and contracted revenue streams ensuring stability and future revenue visibility**

1. Annual Recurring Revenue (ARR) is defined as revenue derived from customers with contracts that include a minimum committed level (volume or spend) with a fixed term of 12 months or more.  
2. Excludes contracts where revenues were previously recognized in a prior quarter based on IFRS 15

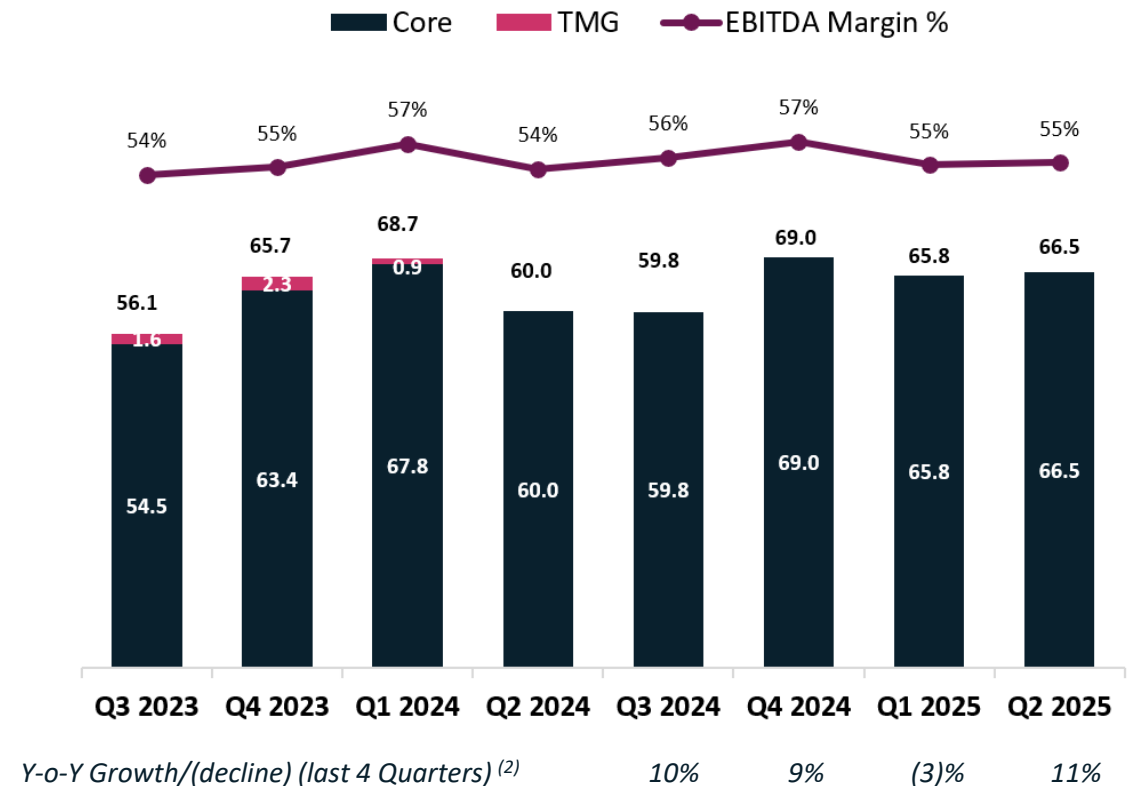
# PERFORMANCE: QUARTERLY FINANCIALS

- Revenue growth has been primarily driven by organic initiatives, coming from Financial Solutions and Practice management solutions
- Consistent Adjusted EBITDA Margins<sup>1</sup> of mid 50% (Q2 FY25: 55%) demonstrate scalability of platform

Revenue (C\$ mm)



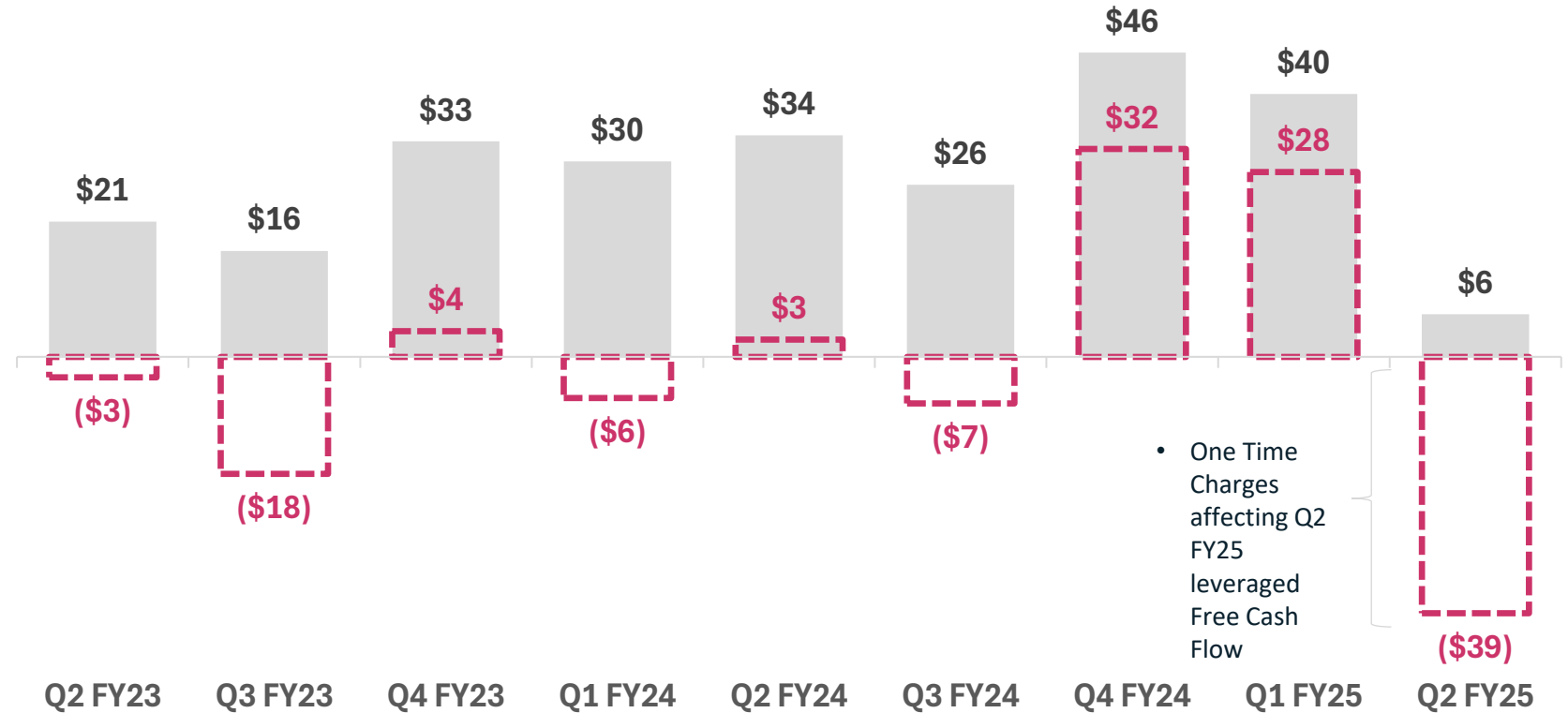
Adjusted EBITDA<sup>1</sup> (C\$ mm)



# LEVERAGED FREE CASH FLOW AFFECTED BY ONE-TIME CHARGES IN Q2 FY25

■ Net Cash from Operating Activities Less Additions to Intangible Assets, Lease Obligations & Purchases of Property Plant and Equipment (C\$MM)  
 □ Leveraged Free Cash Flow (C\$MM)<sup>1</sup>

**Q2 FY25 cash flow** impacted by one-time CEO separation agreement and shareholder engagement fees in advance of the 2024 AGM, as well as higher net interest in the quarter due to timing of interest payments on 2029 secured notes.



Note: All figures in CAD unless otherwise noted

1. Leveraged Free Cash Flow is a non-IFRS measure. Please see "Non-IFRS Measures"

# MANAGEMENT'S NEAR-TERM PRIORITIES<sup>1</sup>

## Strategy Fine-Tuning

- Focus is building upon our strong portfolio of assets
- Focus on organic revenue growth, driven by increased customer engagement

## Change in Execution Focus

- Meaningful investment in building and partnering vs. M&A
- Customer views and requirement will drive product roadmap
- Increased investments in go-to-market strategy based on geographic play to win opportunities

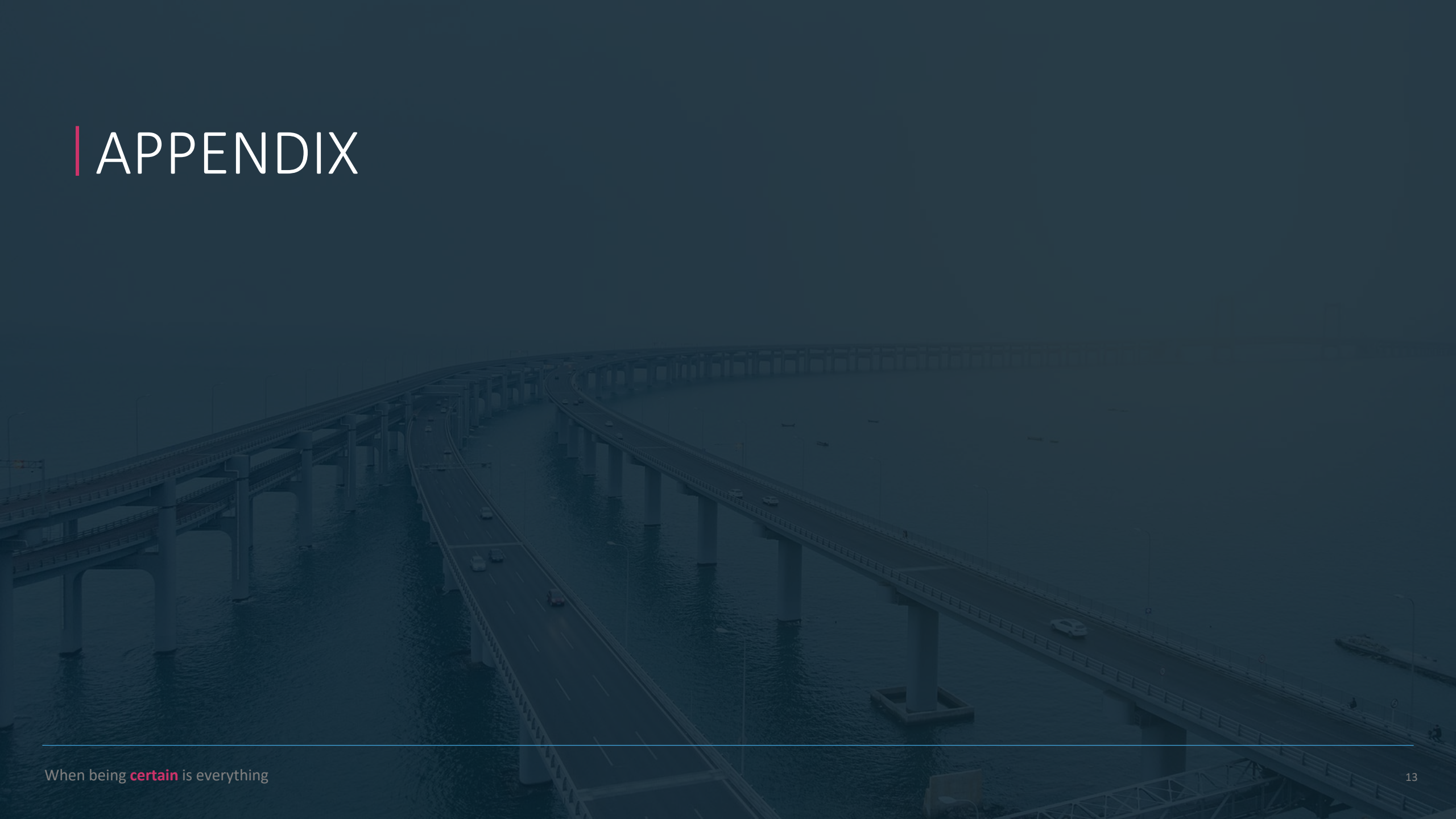
## Other

- Strategic review process has been formally discontinued
- Strategic fine-tuning may lead to divestment considerations

**Strategy fine-tuning to be completed by early Q4 fiscal 2025**



# | APPENDIX



# ADJUSTED EBITDA RECONCILIATION



## Net Income to Adjusted EBITDA

| (\$C 000's)   | Three months ended<br>December 31, 2024 | Three months ended<br>December 31, 2023 | Twelve months ended<br>June 30, 2024 | Twelve months ended<br>June 30, 2023 |
|---|---|---|--------------------------------------|--------------------------------------|
| <b>Income (loss) for the period</b>                     | <b>(17,635)</b>                         | <b>(34,759)</b>                         | <b>(174,348)</b>                     | <b>(170,643)</b>                     |
| Amortization and depreciation                           | 41,516                                  | 41,453                                  | 168,812                              | 151,129                              |
| Finance costs   | 66,874                                  | 49,063                                  | 227,915                              | 131,866                              |
| Income tax recovery                                     | (5,568)                                 | (8,119)                                 | (33,577)                             | (23,207)                             |
| EBITDA <sup>1</sup>                                     | 84,187                                  | 47,638                                  | 188,802                              | 89,145                               |
| Loss on assets held for sale                            | --                                      | --                                      | 13,139                               | 66,716                               |
| Stock-based compensation (recovery) <sup>2</sup>        | (47,630)                                | 6,831                                   | 27,016                               | 28,767                               |
| Acquisition, restructuring and other costs <sup>3</sup> | 29,917                                  | 5,545                                   | 24,226                               | 59,146                               |
| Salaries synergies <sup>4</sup>                         | 52                                      | --                                      | 4,288                                | --                                   |
| <b>Adjusted EBITDA<sup>1</sup></b>                      | <b>66,526</b>                           | <b>60,014</b>                           | <b>257,471</b>                       | <b>243,774</b>                       |

1. EBITDA and Adjusted EBITDA are not recognized measures under IFRS. See "Cautionary Note Regarding Non-IFRS Measures" in Dye & Durham's most recent MD&A, which is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

2. Stock-based compensation represents 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 mainly to Chief Executive Officer ["CEO"] separation costs, 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.

# RECONCILIATIONS



## Organic Revenue Reconciliation

| (\$C millions)  | Three months ended December 31, 2024 |
|---|--------------------------------------|
| Revenue   | 120.7                                |
| Pre-Acquisition Reporting Results <sup>1</sup>                              | (3.6)                                |
| Organic Revenue <sup>2</sup>  | 117.1                                |
| Prior Year Revenue Excluding Divestments, Pre-acquisition Reporting Results | 110.2                                |
| Organic Revenue Growth <sup>2</sup>   | 6%                                   |

## Leveraged Free Cash Flow Reconciliation

| (\$C millions)                            | Three months ended December 31, 2024 | Three months ended December 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Net Cash Provided By Operating Activities | 17.0                                 | 44.6                                 |
| Additions To Intangible Assets            | (7.9)                                | (8.7)                                |
| Purchases Of Property And Equipment       | (0.9)                                | (0.8)                                |
| Net Interest Paid                         | (45.7)                               | (31.2)                               |
| Payments For Lease Obligations            | (1.7)                                | (1.2)                                |
| Leveraged Free Cash Flow <sup>2,3</sup>   | (39.2)                               | 2.6                                  |

## Adjusted Net income

| (\$C millions)<br>Except per share amounts              | Three months ended December 31, 2024 | Three months ended December 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Net Loss for the Period                                 | (17.6)                               | (34.8)                               |
| Amortization of acquired Intangible Assets              | 21.4                                 | 22.1                                 |
| Stock-based compensation (recovery) <sup>4</sup>        | (47.6)                               | 6.8                                  |
| Finance Costs   | 48.4                                 | 36.1                                 |
| Adjusted Finance Costs                                  | (24.4)                               | (28.1)                               |
| Acquisition, restructuring and other costs <sup>5</sup> | 22.0                                 | 4.1                                  |
| Other Tax impacts of the Able Items                     | 11.2                                 | --                                   |
| Adjusted Net Income <sup>2</sup>                        | 13.4                                 | 6.3                                  |
| Weighted Average Number of Shares Outstanding           |                                      |                                      |
| Basic   | 67.0                                 | 54.9                                 |
| Diluted   | 67.1                                 | 55.1                                 |
| Basic Adjusted Net Income per Share                     | 0.20                                 | 0.11                                 |
| Diluted Adjusted Net Income per Share                   | 0.20                                 | 0.11                                 |

1. Pre-acquisition quarterly revenue of those acquisitions executed in the last twelve months period.

2. Represents a non-IFRS measure. See "Cautionary Note Regarding Non-IFRS Measures" in Dye & Durham's most recent MD&A, which is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

3. Leveraged Free Cash Flow is a new non-IFRS measure used by the Company and is defined as 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. The Company believes Leveraged Free Cash Flow is a fundamental measure for investors to evaluate cash generated by the Company after accounting for the Company's obligations, including interest payments, capital expenses and lease obligations.

4. Stock-based compensation represents 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.

5. Acquisition, restructuring, and other costs relates mainly to Chief Executive Officer ["CEO"] separation costs, professional fees, and integration costs incurred in connection with acquisition, divestiture, 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.