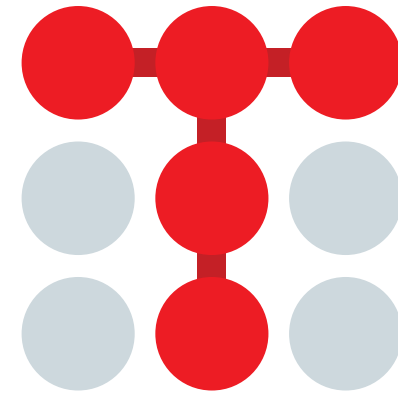




Investor Presentation Q1 2020

A Symbol of Leadership





Safe Harbour

The statements in this presentation relating to matters that are not historical fact are forward looking statements that are based on management's beliefs and assumptions.

Such statements are not guarantees of future performance, and are subject to a number of uncertainties, including but not limited to future economic conditions, the markets that Tecsys Inc. serves, the actions of competitors, major new technological trends and other factors beyond the control of Tecsys Inc., which could cause actual results to differ materially from such statements.

All names, trademarks, products and services mentioned are registered or unregistered trademarks of their respective owners.



Our story is all about our customers

Our Purpose: To empower good companies to be great.

Our Position: To clarify uncertainty in the supply chain.

Our Mission: To equip supply chain greatness.

Our Vision: That good companies have the space to thrive.



35 Years

of complex
supply network
experience

7 Times

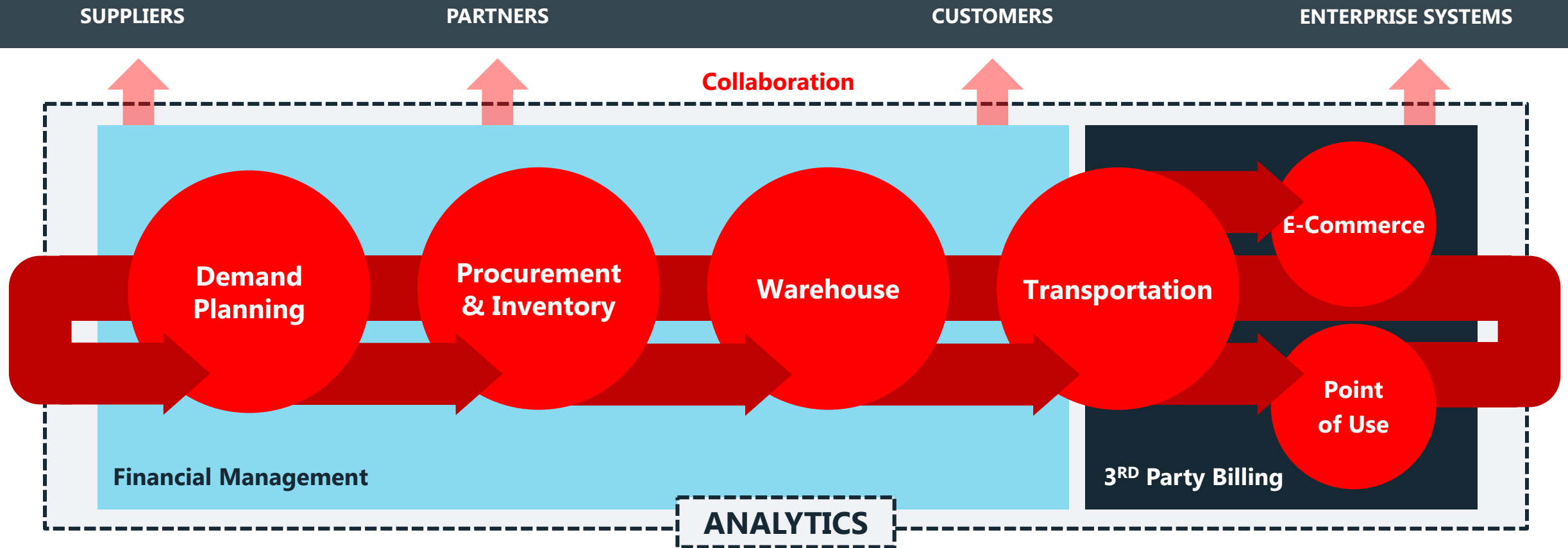
"Visionary" in
Gartner's WMS
Magic Quadrant

Top 3

in Gartner's
2018 Healthcare
Supply Chain
Top 25 "Masters"

Visionary provider of supply chain technology
for the world's most complex supply networks

End-to-end Integrated Supply Chain Management Solutions



Healthcare – Distribution – Retail – 3PL

Supply Chain Management Solutions Built on Experience

Delivering end-to-end solutions with technology & services tailored to key industries

Healthcare



Distribution



Retail



Third Party Logistics



Global Reach



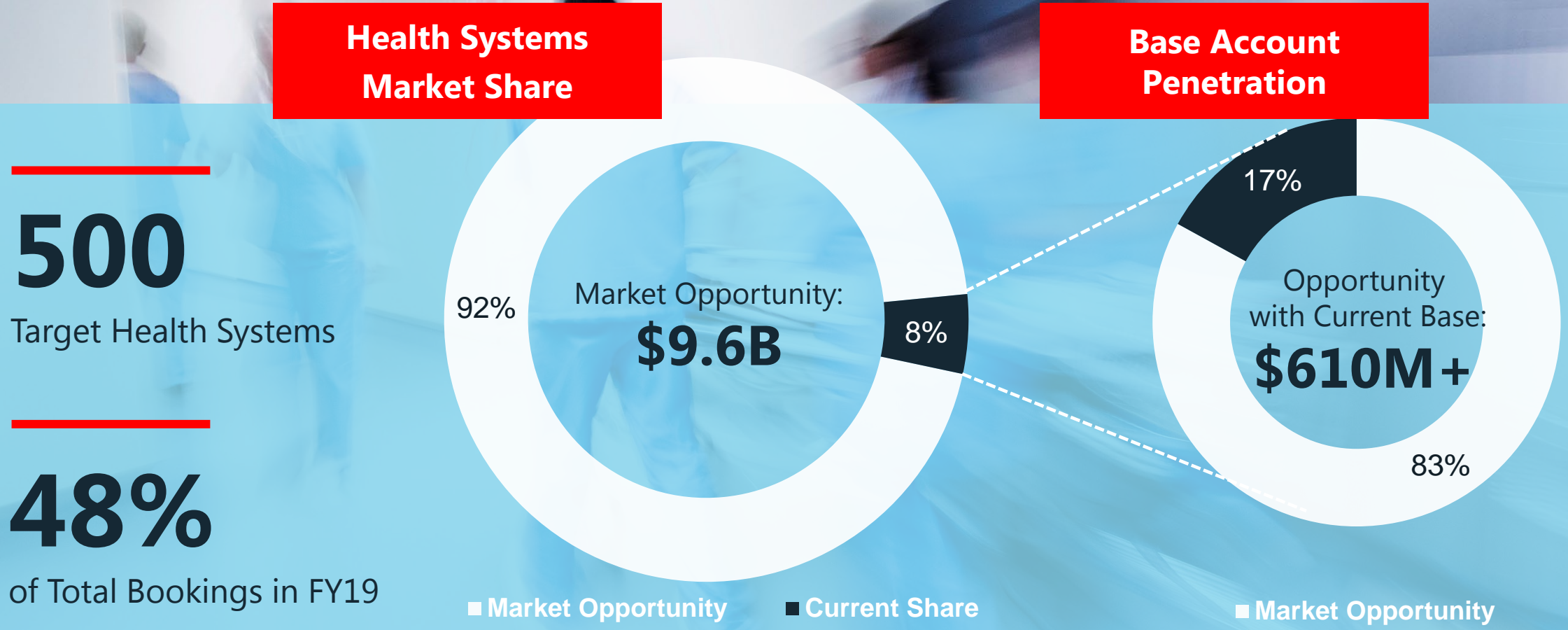
1,000+
Customers

\$76M
Revenue
60% USA
30% Canada
10% ROW
(primarily Europe)

\$38M
Annual Recurring
Revenue

480
Employees

Extending our Reach in Health Systems



B2B and B2C Marketplace Convergence

- Seismic shift happening in retail
- Consumers demand products faster

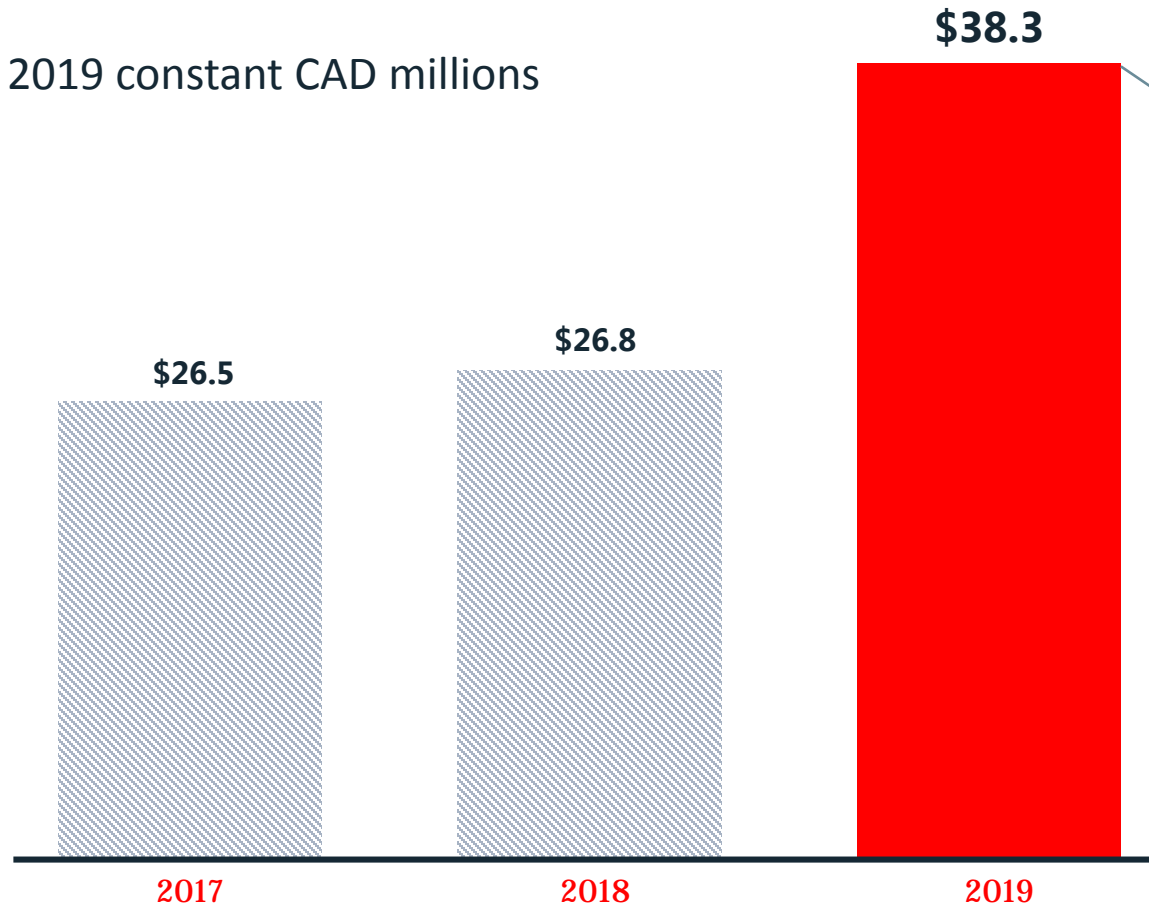
- Businesses/trading partners expect the same
- Extraordinary pressure on supply chain to deliver

Result: Supply Chain Management is at a crossroads and in need of answers

Opportunity: Tecsys is well positioned to solve these challenges

Evolution of Annual Recurring Revenue (ARR*)

Amounts in 2019 constant CAD millions



*Refer to April 30, 2019 Management Discussion and Analysis "Key Performance Indicators"

46%

2019 ARR Growth

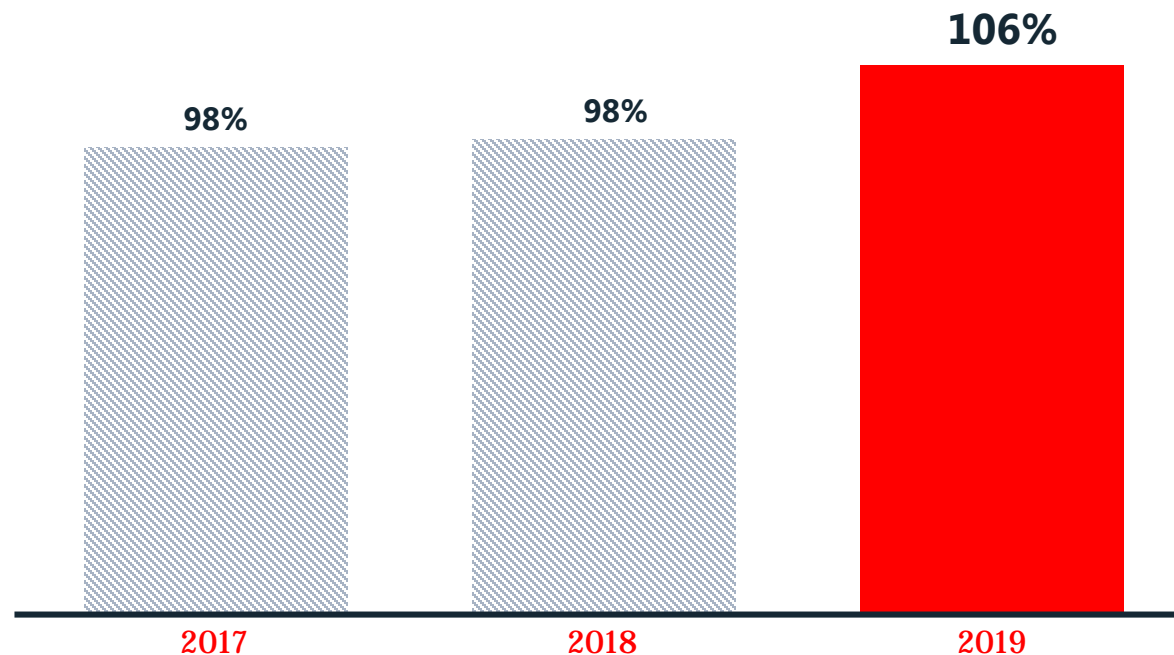
43%

2019 ARR Constant Currency Growth

10%

2019 ARR Organic Constant Currency Growth

Annual Recurring Revenue Net Retention Rate



106%

**2019 Annual
Recurring Revenue
Net Retention Rate**

Net Retention = (Existing customer expansion less churn) divided by Beginning period ARR



Shareholder Value Growth Through SaaS Migration

Why SaaS?



**Agility of
Deployment**



**Accelerated
Upgrades**

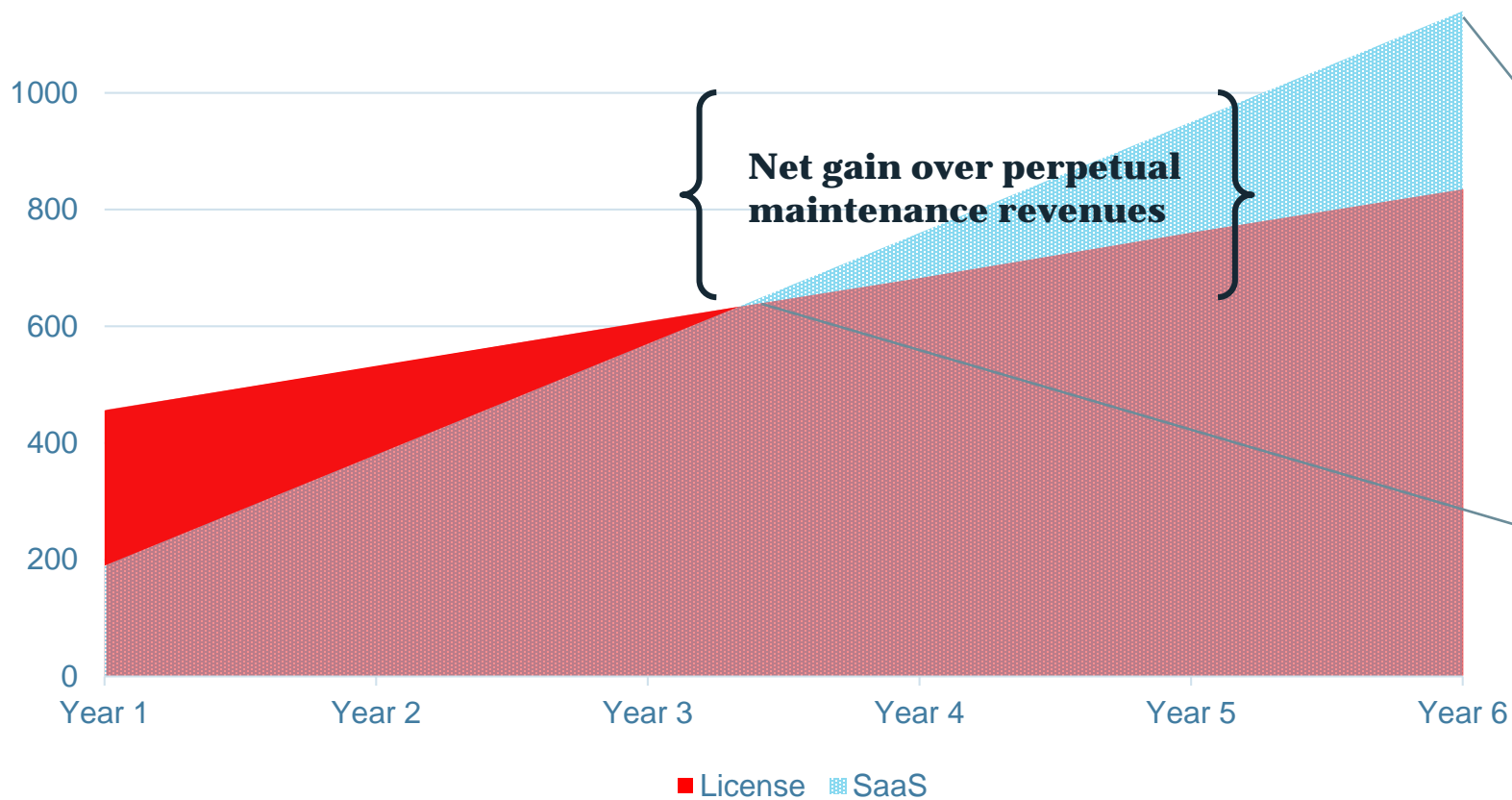


**Managed
Security and
Certifications**



**Mature Cloud
Data Security**

Perpetual License vs. SaaS Pricing Model Cross Over



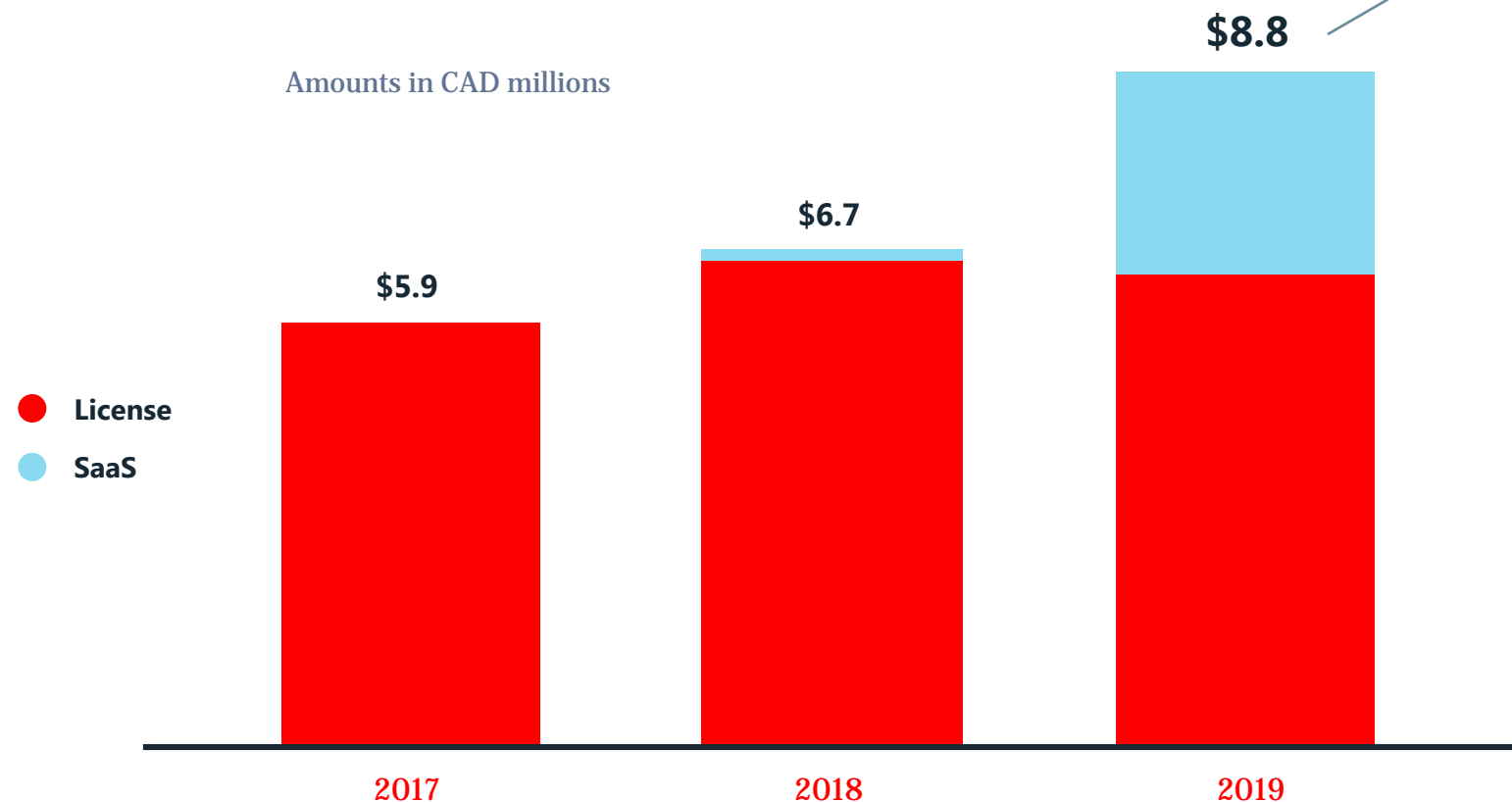
SaaS typically priced at **2.5x** perpetual license maintenance

SaaS Annual Contract Value (ACV) typically equals **.5x** license

In **year 4** (at ~40 months) SaaS cumulative revenue crosses over perpetual license cumulative revenue*

*SaaS contracts typically 5 years in duration with autorenewal thereafter

SaaS as an Organic Engine for Growth



32%

2019 Growth

*License equivalency
booking = License booking
plus 2x SaaS ARR bookings*

33%

SaaS Bookings

67%

License Bookings

Recent Acquisitions



Key Acquisitions Strategy

- Strengthen portfolio with a strong retail capability to expand addressable market
- Expand footprint in Europe
- Acquisitions that are compatible with our culture and value proposition

OrderDynamics

- Complementary technology;
- Strengthens Tecsys' competitive posture – DOM capabilities;
- Opportunity to expand omnichannel distribution capabilities for ecommerce customers;
- Strengthens Tecsys' offering for the 3PL, retail and service parts markets;
- Leverage OD's global presence and its growing SI partners.

- Founded in the early 2000s
- Fast-growing leader in out-of-the-box cloud-based Distributed Order Management (DOM)
- 50 employees
- Acquired November 14, 2018



National Retailers & International Brands

Browns

PRINCESS AUTO

SOREL

scrubs & beyond

speedo

JYSK

DC

Alexanian
Carpet & Flooring

MOUNTAIN
HARD
WEAR

UBISOFT

American
Diabetes
Association

ROXY

SEPHORA

J. McLaughlin

DeFacto

Pentland

eclipse

HENRY'S

PRET

mastermind
TOYS

Columbia

berghaus

QUIKSILVER

prAna

Wesfarmers

Strengthening Tecsys Globally

PCSYS A/S

- Strong foundation for continued European expansion;
- Expertise and experience in supply chain and local European markets to serve & support customers;
- Portfolio of software products: **WMS & TMS**;
- Good relationship with a diverse customer base;
- Strong management driving stable growth and profitability.

- Headquarters: Copenhagen, Denmark
- Develops and supplies logistics and warehousing solutions
- Leading market position in Scandinavia within hardware and software for warehouse management and logistics
- Est. 1990; organic and acquisition growth
- Retention rate: 95 to 99%
- 33 employees
- Acquired by Tecsys Feb. 1, 2019

In the last 3 years, PCSYS has served more than 1,000 customers from different industries



Corporate Information



Financial Highlights, in CAD 000 except EPS

| | Q1, 2020 | | Q1, 2019 | | Δ YoY | | Q1, 2020 TTM | | Q1, 2019 TTM | | Δ YoY | |
|--|----------|--------|----------|--------|----------|----------|--------------|--------|--------------|--------|-----------|---------|
| | \$ | % | \$ | % | \$ | % | \$ | % | \$ | % | \$ | % |
| Total Revenue | \$24,250 | 100.0% | \$16,282 | 100.0% | \$7,968 | 48.9% | \$84,417 | 100.0% | \$70,489 | 100.0% | \$13,928 | 19.8% |
| Cloud, Maintenance and Subscription Revenue | \$9,782 | 40.3% | \$6,991 | 42.9% | \$2,791 | 39.9% | \$34,073 | 40.4% | \$26,901 | 38.2% | \$7,172 | 26.7% |
| Cost of sales | \$12,717 | 52.4% | \$8,698 | 53.4% | \$4,019 | 46.2% | \$43,027 | 51.0% | \$35,782 | 50.8% | \$7,245 | 20.2% |
| Gross margin | \$11,533 | 47.6% | \$7,584 | 46.6% | \$3,949 | 52.1% | \$41,390 | 49.0% | \$34,707 | 49.2% | \$6,683 | 19.3% |
| Sales & Marketing | \$4,508 | 18.6% | \$3,434 | 21.1% | \$1,074 | 31.3% | \$18,278 | 21.7% | \$14,297 | 20.3% | \$3,981 | 27.8% |
| General and Administration | \$2,384 | 9.8% | \$1,580 | 9.7% | \$804 | 50.9% | \$10,158 | 12.0% | \$6,332 | 9.0% | \$3,826 | 60.4% |
| Research and Development | \$3,718 | 15.3% | \$2,668 | 16.4% | \$1,050 | 39.4% | \$13,731 | 16.3% | \$9,987 | 14.2% | \$3,744 | 37.5% |
| Restructuring costs | \$420 | 1.7% | \$0 | 0.0% | \$420 | 100.0% | \$420 | 0.5% | \$0 | 0.0% | \$420 | 100.0% |
| Operating expenses | \$11,030 | 45.5% | \$7,682 | 47.2% | \$3,348 | 43.6% | \$42,587 | 50.4% | \$30,616 | 43.4% | \$11,971 | 39.1% |
| (Loss) Profit from operations | \$503 | 2.1% | (\$98) | -0.6% | \$601 | -613.3% | (\$1,197) | -1.4% | \$4,091 | 5.8% | (\$5,288) | -129.3% |
| Net income | (\$267) | -1.1% | \$13 | 0.1% | (\$280) | -2153.8% | (\$1,021) | -1.2% | \$3,893 | 5.5% | (\$4,914) | -126.2% |
| Adjusted EBITDA | \$1,995 | 8.2% | \$536 | 3.3% | \$1,459 | 272.2% | \$4,235 | 5.0% | \$6,339 | 9.0% | (\$2,104) | -33.2% |
| EPS (basic) | (\$0.02) | NIL | | | (\$0.02) | 100.0% | (\$0.08) | | \$0.29 | | (\$0.37) | -127.6% |
| Bookings | \$14,007 | | \$10,639 | | \$3,368 | 31.7% | \$66,579 | | \$48,847 | | \$17,732 | 36.3% |
| License Bookings | \$393 | | \$963 | | (\$570) | -59.2% | \$5,364 | | \$6,460 | | (\$1,096) | -17.0% |
| SaaS ARR Bookings | \$380 | | NIL | | \$380 | 100.0% | \$2,008 | | \$73 | | \$1,935 | 2650.7% |
| Backlog | \$76,389 | | \$47,819 | | \$28,570 | 59.7% | \$76,389 | | \$47,819 | | \$28,570 | 59.7% |
| Annual Recurring Revenue | \$38,348 | | \$26,811 | | \$11,537 | 43.0% | \$38,348 | | \$26,811 | | \$11,537 | 43.0% |
| Professional Services Backlog | \$22,229 | | \$16,179 | | \$6,050 | 37.4% | \$22,229 | | \$16,179 | | \$6,050 | 37.4% |

Refer to April 30, 2019 Management Discussion and Analysis "Non-IFRS Performance Measure"

Refer to April 30, 2019 Management Discussion and Analysis "Key Performance Indicators"

Corporate Overview

\$200M

Market Cap
13.1M S/O

TSX
Symbol
TCS

22¢

Dividend per Year

30%

Insider Ownership

Brokerage Coverage

National Bank
Beacon Securities
Cormark Securities
Echelon Partners
GMP
Haywood Securities
LB Securities

Management Team



Peter Brereton
President and CEO

Peter initially led the company's software development, product management, sales and marketing. In 1998, he was appointed CEO and was largely responsible for the company's Initial Public Offering. He repositioned Tecsys in the supply chain execution industry, and leveraged the company's strengths in technology and supply chain expertise to achieve significant growth and become a leader in its markets.



Mark J. Bentler
Chief Financial Officer

Mark joined Tecsys in 2018 as chief financial officer. Mark has more than 20 years of international experience and was previously Chief Financial Officer for Aptos Retail. In addition to playing a significant role in the formation and growth of the company, he led the successful transition of the business' retail management enterprise solutions to a cloud-centric platform. Prior to his work at Aptos Retail, he served as Vice President, Finance for Epicor Retail.



Bill King
Chief Revenue Officer

Bill has led Tecsys' go-to-market strategy and expansion since January 2019. Prior to joining Tecsys, he held executive sales leadership positions at Oracle in the North American Sales organization, most recently as vice president of key accounts and previously as group vice president of North America Storage Sales. Prior to Oracle, Bill was with Fujitsu for over a decade and held a variety of executive management positions.



Questions & Answers
Thank you

