

# FY24 Review and Management Update

For the year ended September 30, 2024

# Caution Regarding Forward Looking Statements

Certain information included in this document is forward-looking and is subject to important risks and uncertainties. The results or events predicted in these statements may differ materially from actual results or events. Such statements are generally accompanied by words such as “intend”, “anticipate”, “believe”, “estimate”, “expect” or similar statements. Factors which could cause results or events to differ from current expectations include, among other things: the impact of price competition; scarce number of qualified professionals; the impact of rapid technological and market change; loss of business or credit risk with major customers; technical risks on fixed price projects; general industry and market conditions and growth rates; international growth and global economic conditions, and including currency exchange rate fluctuations; and the impact of consolidations in the business services industry. For additional information with respect to certain of these and other factors, please see the Company’s most recent annual report and other reports filed by Calian with the Ontario Securities Commission. Calian disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. No assurance can be given that actual results, performance or achievement expressed in, or implied by, forward-looking statements within this disclosure will occur, or if they do, that any benefits may be derived from them.

# Introductory Remarks

Kevin Ford, CEO



# FY24 Key Achievements



## FY24 Results

Another record revenue and adjusted EBITDA year



## Globalization

International revenues represent over 30% of total revenues in FY24



## Acquisitions

3 strategic acquisitions



## Customers

Partnerships and collaborations that raise brand awareness

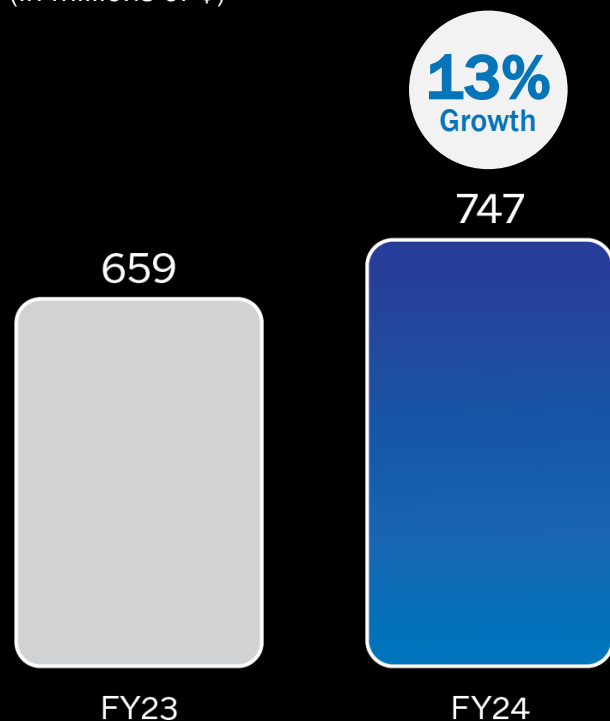
# FY24 Financial Review

Patrick Houston, CFO

# FY24 KPIs – Revenue & Adj. EBITDA<sup>1</sup> Growth

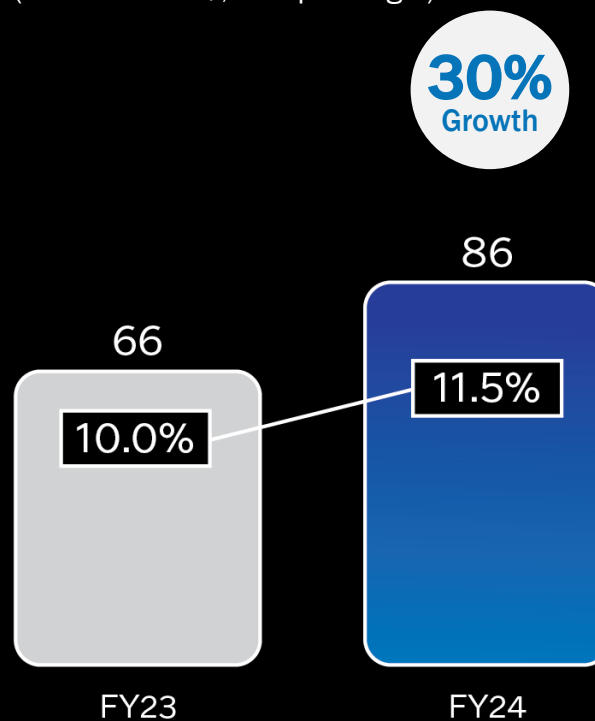
## Revenue

(in millions of \$)



## Adj. EBITDA<sup>1</sup> and Margin

(in millions of \$, except margin)



- Adj. EBITDA
- ▣ Adj. EBITDA %

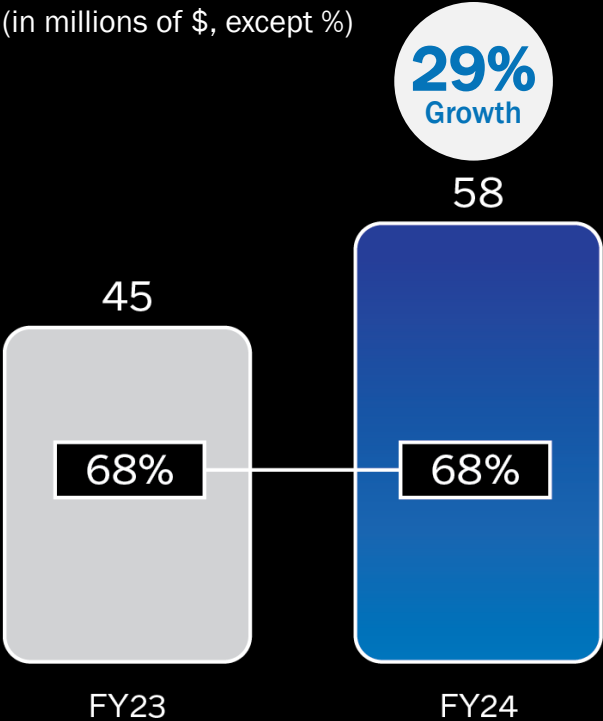
Double-digit  
revenue and adj.  
EBITDA<sup>1</sup> growth

<sup>1</sup> This is a non-GAAP measure. Please refer to the MD&A.

# FY24 KPIs – Operating FCF Generation<sup>1</sup> & Capital Deployment

## Operating FCF<sup>1</sup> & Conversion<sup>1</sup>

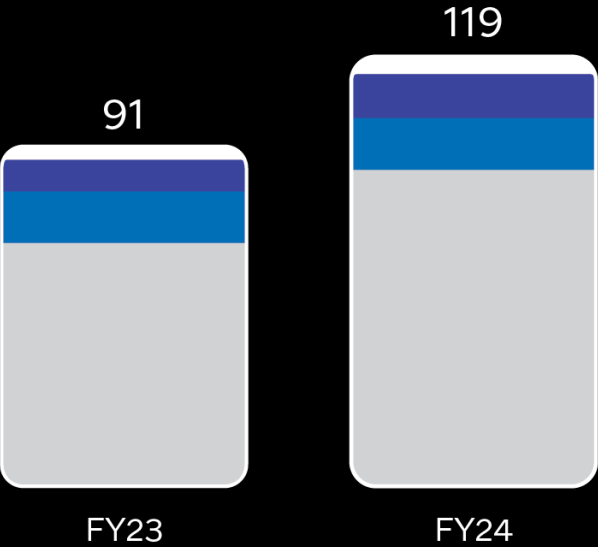
(in millions of \$, except %)



- Operating FCF
- ▣ OFCF Conversion

## Capital Deployment

(in millions of \$)



- Acquisitions
- Dividends
- Capex
- Share Buyback

Capital allocation priority is M&A

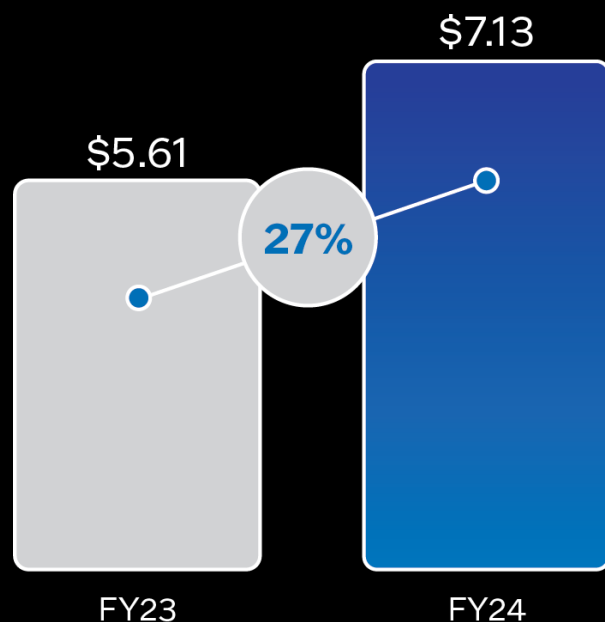
<sup>1</sup> This is a non-GAAP measure. Please refer to the MD&A.



# FY24 KPIs – Creating Value for Shareholders

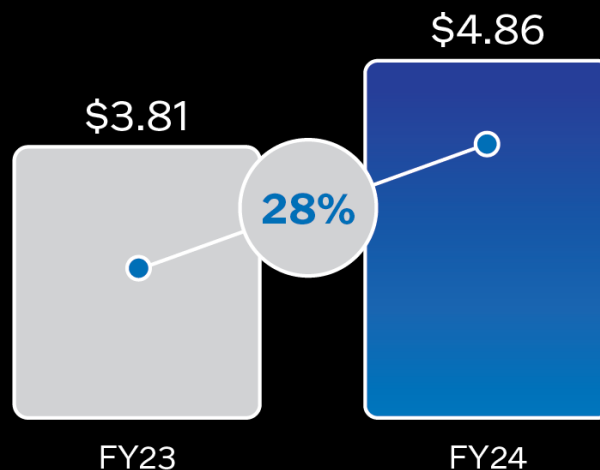
## Adj. EBITDA<sup>1</sup> per diluted share

(in \$)



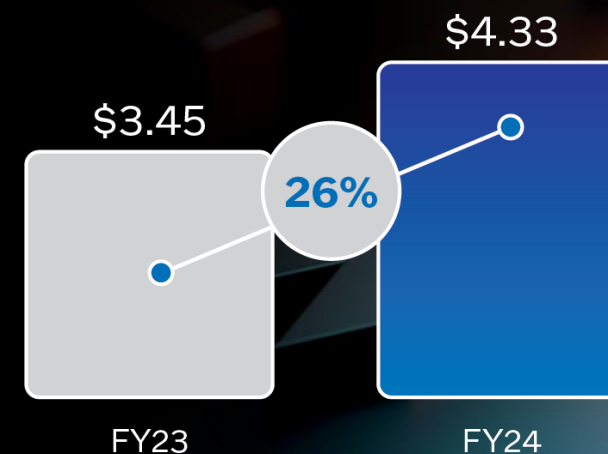
## OFCF<sup>1</sup> per diluted share

(in \$)



## Adj. EPS<sup>1</sup> diluted

(in \$)



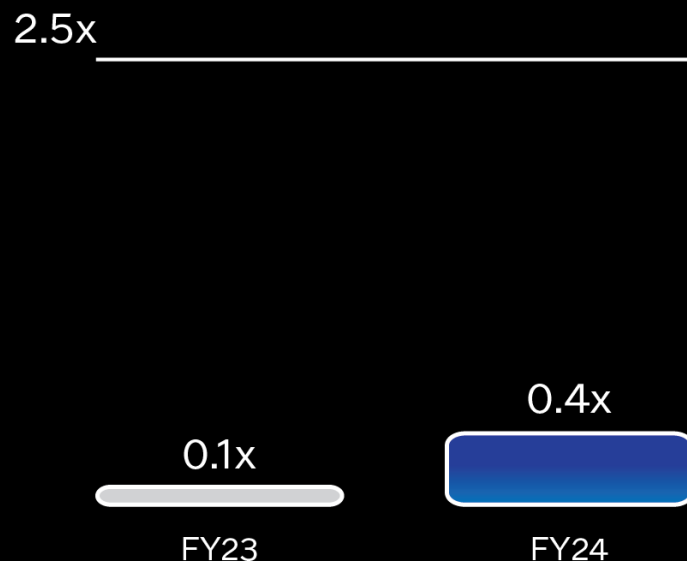
<sup>1</sup> This is a non-GAAP measure. Please refer to the MD&A.



# FY24 KPIs – Leverage & Cash Availability

## Net debt<sup>1</sup>/Adj. EBITDA<sup>1</sup>

(ratio)



## Cash Availability

(in millions of \$)



- Unused Credit Facility + accordion
- Cash

**Strong balance  
sheet to  
pursue growth**

<sup>1</sup> This is a non-GAAP measure. Please refer to the MD&A.

# Acquisitions

# FY24 Acquisitions - Closed 3 Transactions

## 3 Acquisitions

**\$90M**

Capital  
Deployed

**4.9x**

Average EBITDA  
Multiple

**\$83M**

Annual  
Revenue

**\$19M**

Annual  
EBITDA

**21%**

EBITDA  
Margin

# Decisive Group (ITCS)

## Pricing and Rationale

- Improves unit economics with larger scale
- Complements and rounds out current ITCS portfolio in North America
- Generates synergies with existing defence and security customers

Price Paid Upfront

**\$50M**

(+ potential earnout)

LTM EBITDA Multiple

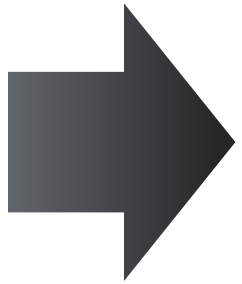
**6.3x**



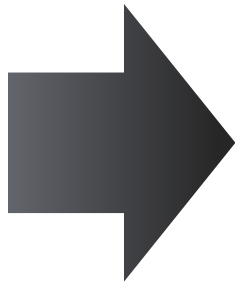


# Decisive Group (ITCS)

## Performance Since Acquisition



Adj. EBITDA<sup>1</sup>  
Growth<sup>2</sup>  
**+25%**



### High value, high margin engagements

Acting as an entry point to Federal government defence and security clients

### Dedicated outbound Canadian sales team

For higher value, portfolio consistency across North American markets served

### GovCloud Protected B differentiation

Supporting the Federal transition towards externally managed data sovereign services



<sup>1</sup> This is a non-GAAP measure. Please refer to the MD&A.

<sup>2</sup> Adj. EBITDA growth was calculated based on FY24 actual results + a run rate for a total of 12 months, compared to the LTM adj. EBITDA at acquisition

# Nuclear Assets of MDA (AT)

## Pricing and Rationale

- Benefits from growing nuclear technology market
- Adds new capabilities and services to Calian's nuclear business
- Enhances ability to better service Bruce Power, a mutual client

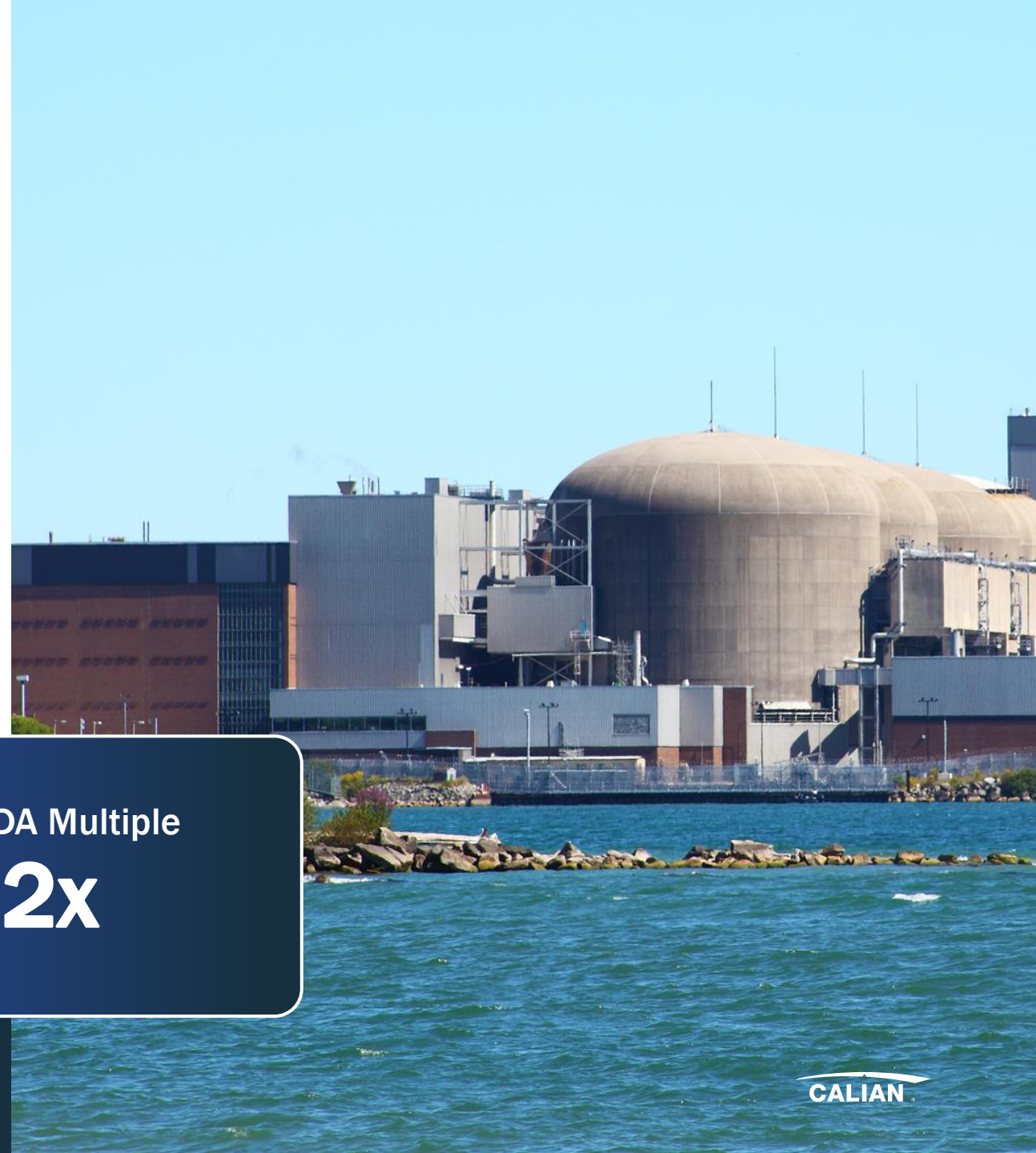
Price Paid Upfront

**\$8M**

(no earnout)

LTM EBITDA Multiple

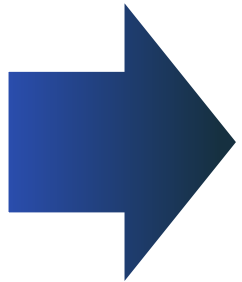
**3.2x**





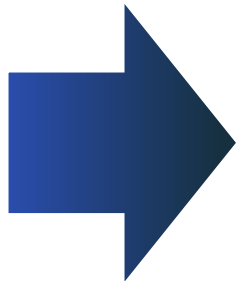
# Nuclear Assets of MDA (AT)

## Performance Since Acquisition



Adj. EBITDA<sup>1</sup>  
Growth<sup>2</sup>

**+25%**



### Gained synergies

Leveraged new expertise for growth and identified cross selling opportunities

### Tailwinds from nuclear industry

Announcements by federal and provincial governments supporting nuclear energy in Canada

### Rapid and seamless integration

Strategic investments to ramp up growth (new hires & R&D facility)



<sup>1</sup> This is a non-GAAP measure. Please refer to the MD&A.

<sup>2</sup> Adj. EBITDA growth was calculated based on FY24 actual results + a run rate for a total of 12 months, compared to the LTM adj. EBITDA at acquisition



# Mabway (Learning)

## Pricing and Rationale

- Strengthens and expands relationships with U.K. Ministry of Defence (MOD)
- Provides scale in the U.K. and Europe to support expansion
- Benefits from large addressable market with opportunities for growth

Price Paid Upfront

**\$32M**

(+ potential earnout)

LTM EBITDA Multiple

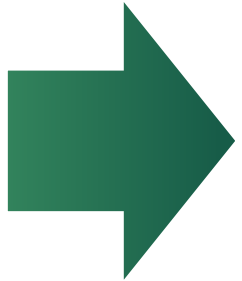
**4.0x**





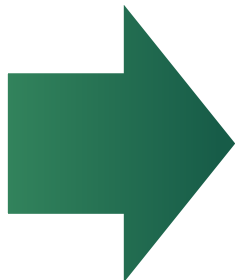
# Mabway (Learning)

## Performance Since Acquisition



Adj. EBITDA<sup>1</sup>  
Growth<sup>2</sup>

**+25%**



### Robust market in Europe

Proximity to multiple conflicts is fueling Defence investment at an accelerated pace

### Large scale capacity

Ability to scale with over 850 staff and a larger accessible network across a broad range of training specialties

### Access to MOD leadership

Facilitates discussions on improved training, interoperable solutions and NATO standards

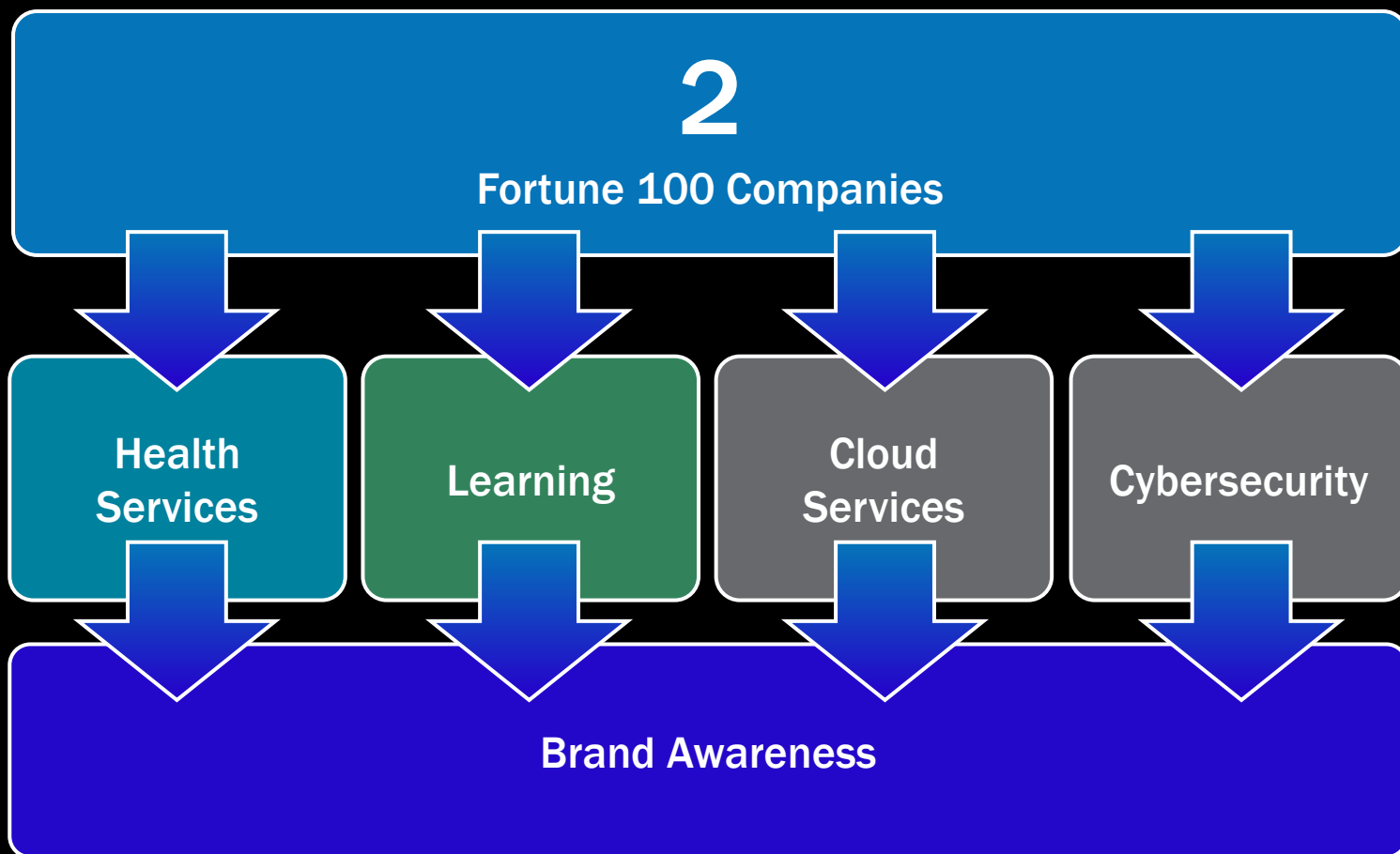


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# Partnerships

# FY24 Partnerships - Signed 2 Milestone Agreements



**Building  
blocks for  
future  
growth**



# Collaboration with Microsoft (ITCS)



## Service expansion

Enhances our ability to deliver comprehensive solutions for complex client challenges

## Innovation

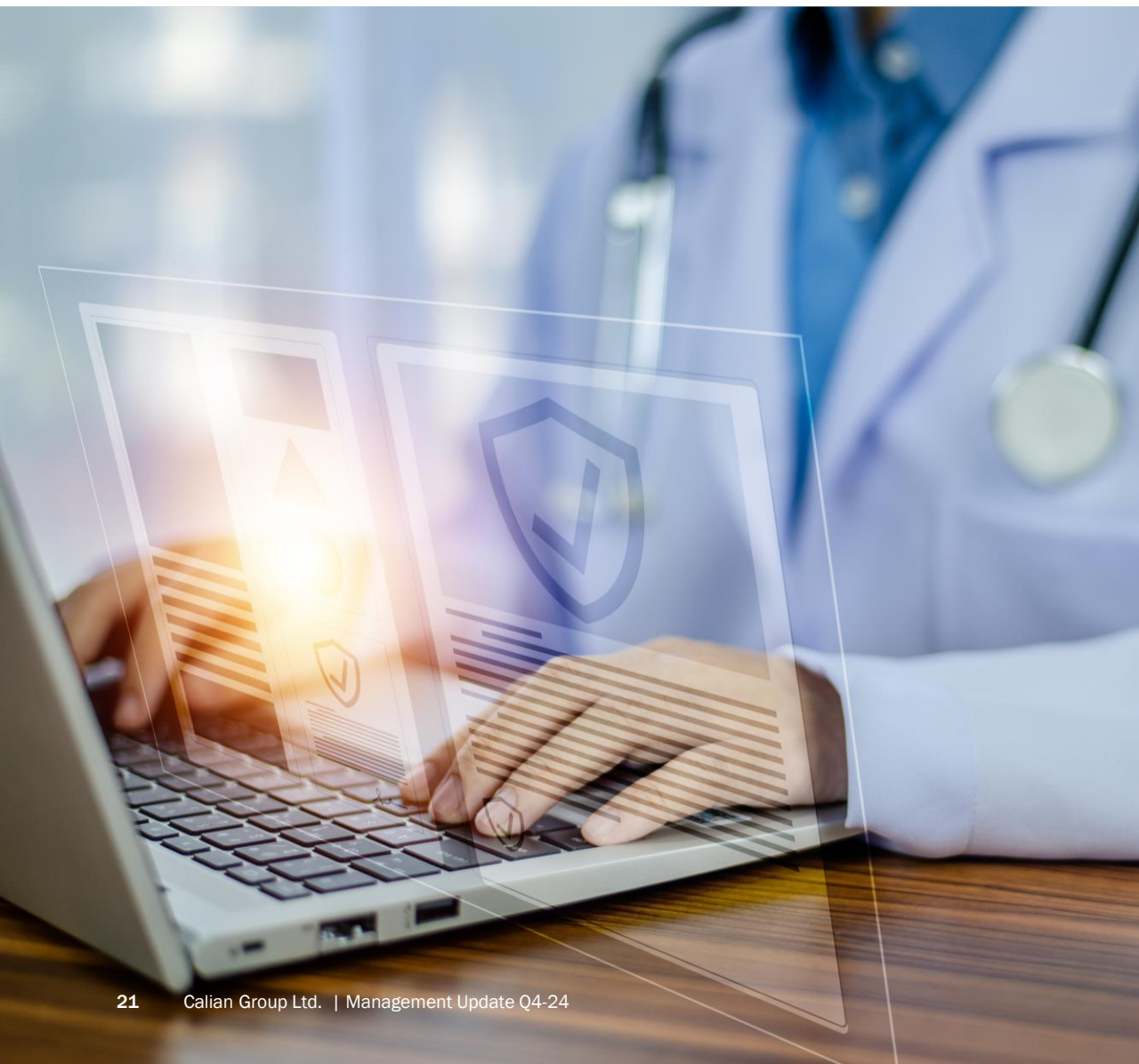
Powers Calian's agility with cutting-edge technology for rapid response to market

## Diversification

Broadens Calian's reach across cloud, AI and security to drive balanced growth



# Collaboration with Walmart Canada (Health)



Example of cross selling: health services, training, cloud services and infrastructure security monitoring and protecting

Provides visibility for Calian's Nexi™ platform

Exemplifies Calian's commitment to providing leading-edge healthcare solutions

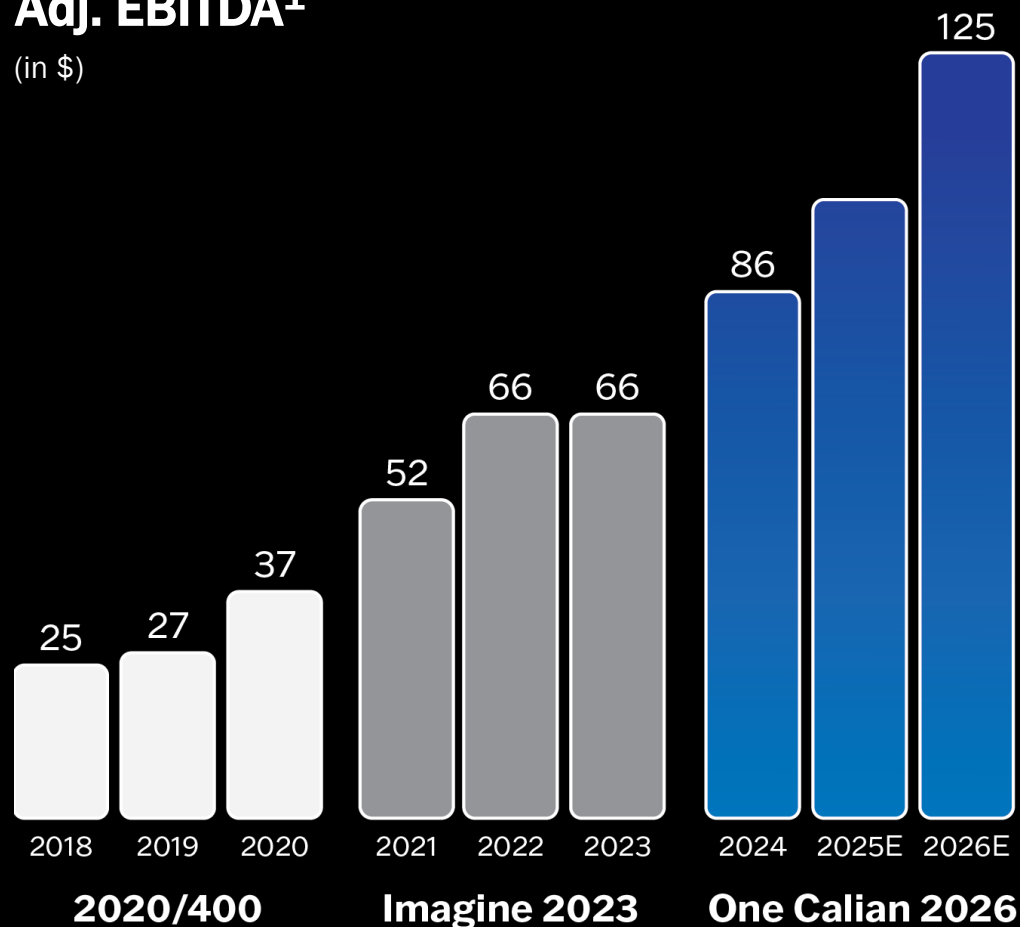
# Conclusion FY24

Kevin Ford, CEO

# FY26 Strategic Plan – On Track After One Year

## Adj. EBITDA<sup>1</sup>

(in \$)



**Doubling  
Adj. EBITDA<sup>1</sup>  
in 3 Years**

<sup>1</sup> This is a non-GAAP measure. Please refer to the MD&A.

# FY25 Guidance and Disclosure Changes

Patrick Houston, CFO



# Adj. EBITDA – Changing Definition Going Forward

## WHAT?

- Adj. EBITDA<sup>1</sup> will now exclude equity expense and transaction/M&A costs

## WHY?

- Aligns with many of our peers

## RESULT?

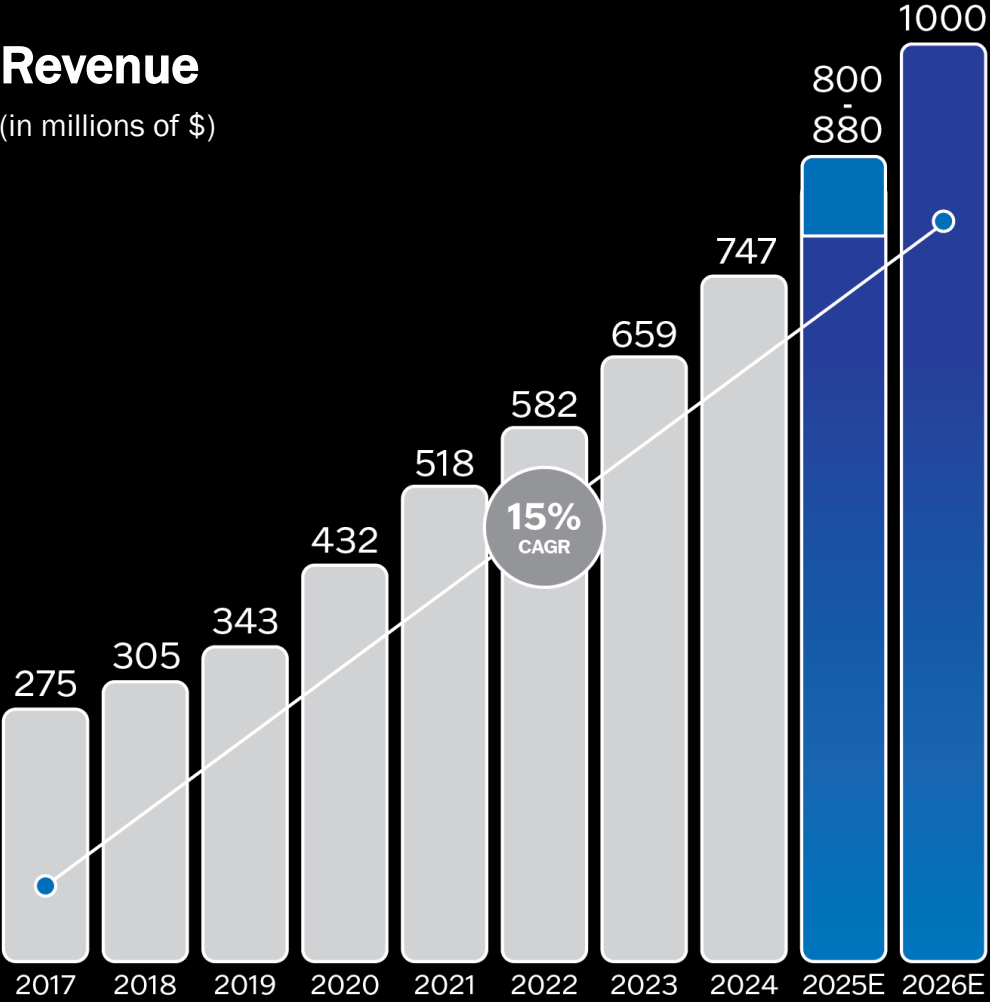
- FY24 Adj. EBITDA<sup>1</sup> (old): \$86M
- FY24 Adj. EBITDA<sup>1</sup> (new): \$92M

<sup>1</sup> This is a non-GAAP measure. Please refer to the MD&A.

# FY25 - Guidance

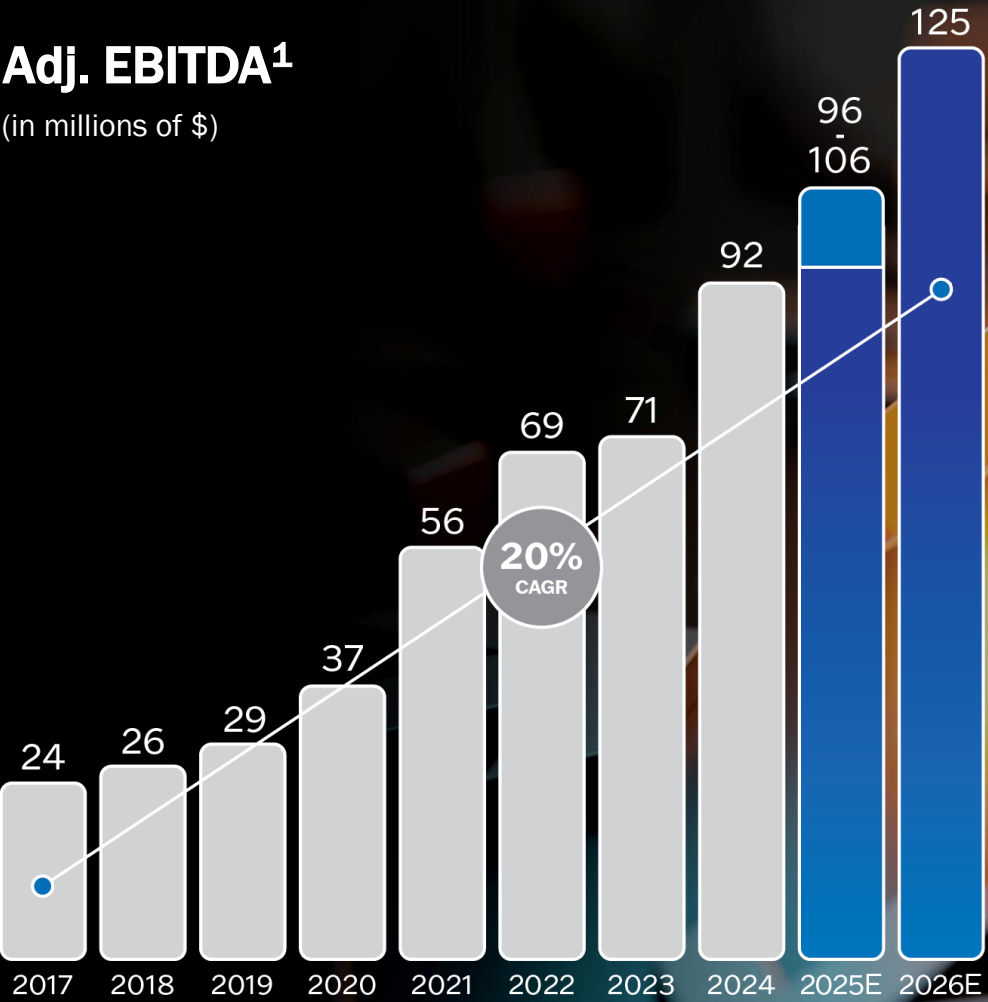
## Revenue

(in millions of \$)



## Adj. EBITDA<sup>1</sup>

(in millions of \$)



<sup>1</sup> This is a non-GAAP measure. Please refer to the MD&A.



# Looking Forward – Growing Beyond \$1 Billion

Kevin Ford, CEO

# \$1 Billion Revenue Target is Just a Goalpost

The objective  
is to build a  
multi-billion dollar  
global growth  
company

HOW?

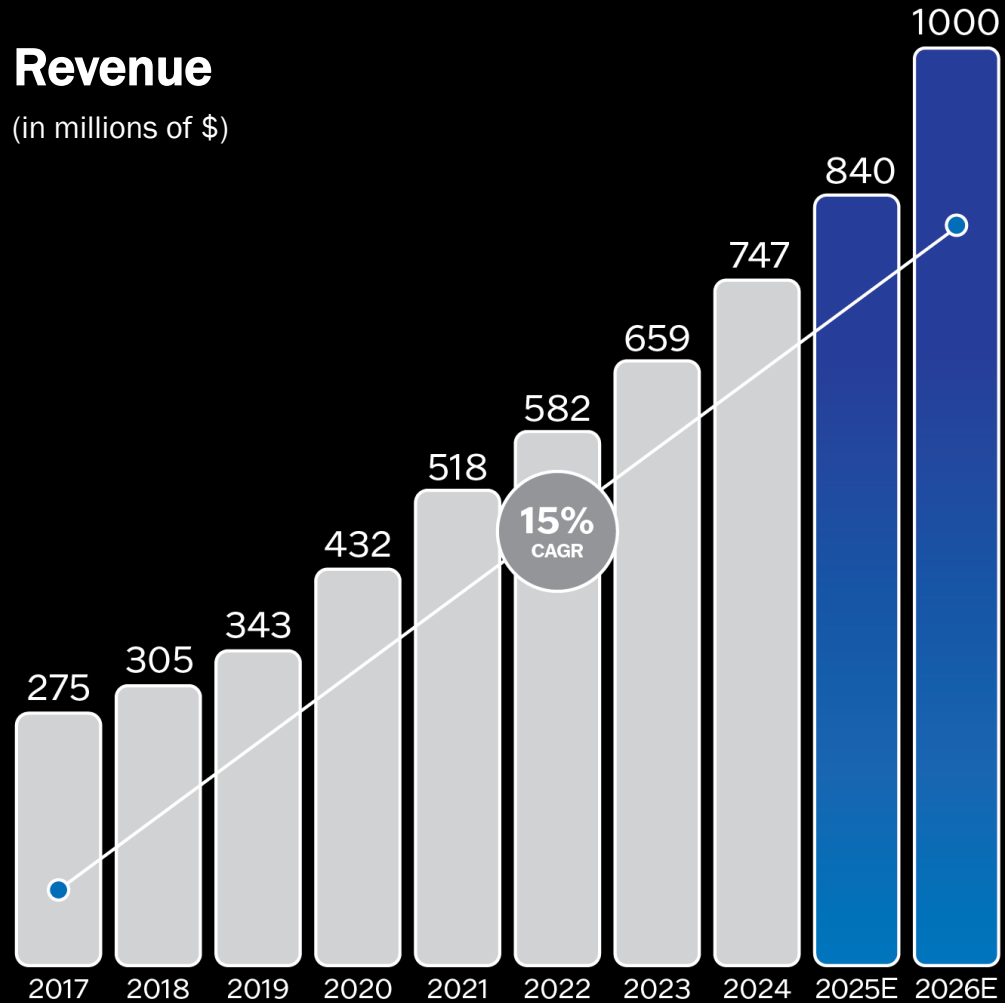




# Track Record of Performance

## Revenue

(in millions of \$)



1 This is a non-GAAP measure. Please refer to the MD&A.

Consistent  
double-digit  
growth over  
time

# Tailwinds in Target Markets



**Defence & Public  
Safety**



**Space programs**



**Cybersecurity**



**Healthcare**

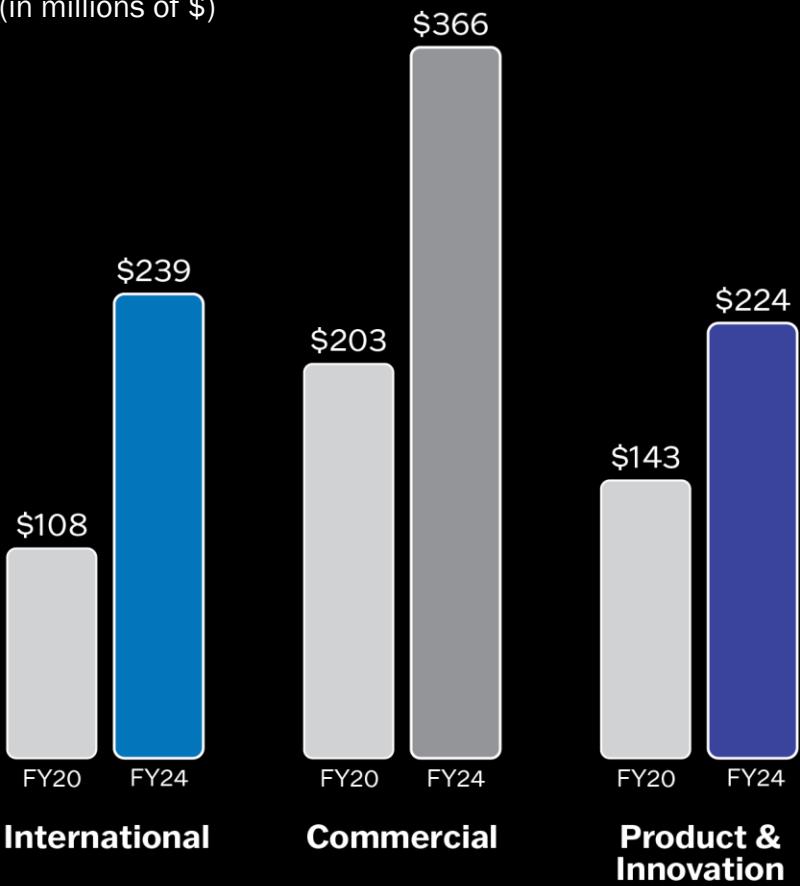
**Significant  
growth projected  
in our target  
markets**

1 This is a non-GAAP measure. Please refer to the MD&A.

# Revenue Diversification

## Revenue

(in millions of \$)



Diversify revenue streams in higher margin areas



# Opportunity for More Cross Selling



## Defence

- Cybersecurity
- Health services
- Military equipment
- Training



## Space

- Cybersecurity
- Training
- Software engineering
- Manufacturing
- Communication products



## Health

- Digital health services
- Training
- Cloud services
- Cybersecurity
- Clinician services

**Focus on  
industry  
solutions**

# Solid Base to Build and Grow

- ✓ Track record of performance
- ✓ Robust M&A pipeline
- ✓ Tailwinds in target markets
- ✓ Revenue diversification
- ✓ Industry solutions

**Supported by  
strong financial  
position**





Confidence. Engineered.

Q&A Period





# Thank you

Jennifer McCaughey, CFA, F.CIRI

Director, Investor Relations

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# Appendix

# Adj. EBITDA<sup>1</sup> – Historical Adjustments

	2020	2021	2022	Q1-23	Q2-23	Q3-23	Q4-23	2023	Q1-24	Q2-24	Q3-24	Q4-24	2024
Adj. EBITDA <sup>1</sup> as reported	35,621	51,930	65,932	14,255	16,845	14,506	20,381	65,987	19,514	25,692	17,650	22,677	85,533
Equity expense	1,359	2,334	2,587	620	699	808	1,743	3,870	1,190	1,128	1,371	683	4,372
Integration/M&A costs	316	1,963	792	35	98	207	205	545	650	330	852	419	2,251
New Adj. EBITDA <sup>1</sup>	37,296	56,227	69,311	14,910	17,642	15,521	22,329	70,402	21,354	27,150	19,873	23,779	92,156
Adj. EBITDA <sup>1</sup> /diluted share	\$4.10	\$5.28	\$6.07	\$1.28	\$1.50	\$1.32	\$1.89	\$5.98	\$1.79	\$2.26	\$1.65	\$1.98	\$7.68

1 This is a non-GAAP measure. Please refer to the MD&A.