News Release

FOR IMMEDIATE RELEASE

Tecsys Reports Financial Results for the Third Quarter of Fiscal 2026

Record Adjusted EBITDA[i] Up 43%

Montreal, Canada. March 4, 2026 — Tecsys Inc. (TSX: TCS), an industry-leading supply chain management company, today announced its results for the third quarter of fiscal 2026, ended January 31, 2026. All dollar amounts are expressed in Canadian currency and are prepared in accordance with International Financial Reporting Standards (IFRS).

"We are very pleased with our third quarter performance, once again delivering record SaaS revenue and record Adjusted EBITDA, which increased 43% over the same period last year," said Peter Brereton, president and CEO of Tecsys. "We also saw strong SaaS bookings across both our healthcare and general distribution verticals during the quarter, with new logo wins leading the way. This was the largest Q3 bookings quarter in our history, and it was achieved without any migration bookings, which we believe underscores the demand for our core offerings and the strength of our pipeline."

"During the quarter, TecsysIQ became commercially available. Our AI intelligence layer unifies data from multiple sources, turns it into clear and actionable insights, and enables autonomous execution. This capability significantly amplifies the value of our core enterprise systems, empowering customers to unlock the full potential of AI and improve operational performance. We are encouraged by the early momentum and the expanding role TecsysIQ will play in delivering measurable supply chain value."

Mark Bentler, chief financial officer, added, "Subsequent to the end of the third quarter, we implemented a workforce reduction of approximately 7% as part of a broader initiative to optimize the Company's operations. This action will result in an estimated restructuring charge of $4.5 million, to be recorded in the fourth quarter of fiscal 2026 and is expected to generate approximately $8.1 million in annual operating cost savings. These measures further reinforce our commitment to operational efficiency. Based on our performance through the first three quarters and our outlook for the remainder of the year, we are reaffirming our full-year fiscal 2026 guidance for total revenue growth, SaaS revenue growth and Adjusted EBITDA margin."

Third Quarter Highlights:

- SaaS revenue increased by 17% to $20.1 million, up from $17.3 million in Q3 2025.
- SaaS ARR[ii] increased by 10% to $83.3 million on January 31, 2026 compared to $75.4 million on January 31, 2025.
- SaaS Remaining Performance Obligation (RPO[ii]) increased by 18% to $248.9 million at January 31, 2026, up from $210.2 million at the same time last year.
- Total revenue increased to $48.5 million compared to $45.2 million in Q3 2025.
- Net profit was $1.7 million ($0.12 per basic and fully diluted share) in Q3 2026 compared to a net profit of $1.2 million ($0.08 per basic and fully diluted share) in Q3 2025.
- Adjusted EBITDA[i] was $5.0 million compared to $3.5 million reported in Q3 last year.
- In the third quarter of fiscal 2026, Tecsys acquired 115,000 of its outstanding common shares for approximately $3.7 million as part of its ongoing Normal Course Issuer Bid, compared to 38,200 common shares acquired in the same period last year for approximately $1.7 million.

Year-to-date performance for first nine months of fiscal 2026:

- SaaS revenue increased by 21% to $58.9 million, up from $48.7 million in the same period last year.
- Total revenue increased to $143.1 million compared to $129.9 million in the same period last year.
- Net profit was $4.3 million ($0.29 per basic and fully diluted share) in the first nine months of fiscal 2026 compared to a net profit of $2.7 million ($0.19 per basic share or $0.18 per fully diluted share) for the same period in fiscal 2025.
- Adjusted EBITDA[i] was $13.3 million compared to $9.1 million reported in the same period of fiscal 2025.
- In the first nine months of fiscal 2026, Tecsys acquired 216,014 of its outstanding common shares for approximately $7.3 million as part of its ongoing Normal Course Issuer Bid, compared to 149,400 common shares acquired in the same period last year for approximately $6.0 million.

Financial Guidance:

Tecsys is maintaining full fiscal year financial guidance as follows:

	FY26 Guidance
Total Revenue Growth	8-10%
SaaS Revenue Growth	20-22%
Adjusted EBITDA[i] Margin	8-9%

On March 4, 2026, the Company declared a quarterly dividend of $0.09 per share to be paid on April 15, 2026 to shareholders of record on March 25, 2026.

Pursuant to the Canadian Income Tax Act, dividends paid by the Company to Canadian residents are considered to be "eligible" dividends.

Q3 2026 Financial Results Conference Call
Date: March 5, 2026
Time: 8:30 a.m. ET
Phone number: 800-836-8184 or 646-357-8785
The call can be replayed until March 12, 2026, by calling:
888-660-6345 or 646-517-4150 (access code: 86247#)

[i] See Non-IFRS Performance Measures in Management's Discussion and Analysis of the Q3 2026 Interim Financial Statements.

[ii] See Key Performance Indicators in Management's Discussion and Analysis of the Q3 2026 Interim Financial Statements.

About Tecsys

Tecsys is trusted by mission-critical organizations in healthcare and distribution to power resilient, efficient and secure supply chains. A global provider of cloud-based, AI-driven software with deep domain expertise, Tecsys delivers real-time operational visibility and execution across critical workflows when performance and reliability matter most. Tecsys is publicly traded on the Toronto Stock Exchange (TSX). For more information, visit www.tecsys.com.

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Forward Looking Statements

The statements in this news release 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. More information about the risks and uncertainties associated with Tecsys Inc.'s business can be found in the MD&A section of the Company's annual report and the most recently filed annual information form. These documents have been filed with the Canadian securities commissions and are available on our website (www.tecsys.com) and on SEDAR+ (www.sedarplus.ca).

Non-IFRS Measures

Reconciliation of EBITDA and Adjusted EBITDA

EBITDA is calculated as earnings before interest expense, interest income, income taxes, depreciation and amortization. Adjusted EBITDA is calculated as EBITDA before stock-based compensation and restructuring costs. The exclusion of interest expense, interest income, income taxes and restructuring costs eliminates the impact on earnings derived from non-operational activities and non-recurring items, and the exclusion of depreciation, amortization and stock-based compensation eliminates the non-cash impact of these items.

The Company believes that these measures are useful measures of financial performance without the variation caused by the impacts of the items described above and that could potentially distort the analysis of trends in our operating performance. In addition, they are commonly used by investors and analysts to measure a company's performance, its ability to service debt and to meet other payment obligations, or as a common valuation measurement. Excluding these items does not imply that they are necessarily non-recurring. Management believes these non-IFRS financial measures, in addition to conventional measures prepared in accordance with IFRS, enable investors to evaluate the Company's operating results, underlying performance and future prospects in a manner similar to management. Although EBITDA and Adjusted EBITDA are frequently used by securities analysts, lenders and others in their evaluation of companies, they have limitations as an analytical tool, and should not be considered in isolation, or as a substitute for analysis of the Company's results as reported under IFRS.

The reconciliation of EBITDA and Adjusted EBITDA to the most directly comparable IFRS measure is provided below.

	Three Months Ended January 31,		**Nine Months Ended January 31,**		**Trailing 12 Months Ended January 31,**	
(in thousands of CAD)	**2026**	**2025**	**2026**	**2025**	**2026**	**2025**
Net profit	$ 1,734	$ 1,193	$ 4,262	$ 2,749	$ 5,972	$ 3,008
Adjustments for:						
Depreciation of property and equipment and right-of-use assets	401	376	1,062	1,124	1,411	1,485
Amortization of deferred development costs	275	190	837	585	1,021	732
Amortization of other intangible assets	528	322	1,600	984	1,920	1,331
Interest expense	64	18	82	67	97	94
Interest income	(86)	(150)	(305)	(530)	(416)	(763)
Income taxes	1,304	811	3,079	1,674	4,381	893
EBITDA	$ 4,220	$ 2,760	$ 10,617	$ 6,653	$ 14,386	$ 6,780
Adjustments for:						
Stock based compensation	826	775	2,683	2,415	3,219	2,946
Restructuring costs	-	-	-	-	-	2,122
Adjusted EBITDA[i]	$ 5,046	$ 3,535	$ 13,300	$ 9,068	$ 17,605	$ 11,848

Condensed Interim Consolidated Statements of Financial Position
(Unaudited)
(In thousands of Canadian dollars)

		January 31, 2026		April 30, 2025
Assets				
Current assets				
Cash and cash equivalents	$	24,237	$	27,580
Short-term investments		11,993		11,712
Accounts receivable		22,729		23,943
Work in progress		4,068		7,436
Other receivables		936		274
Tax credits		5,285		6,390
Inventory		1,667		1,870
Prepaid expenses and other		11,171		10,699
Total current assets		82,086		89,904
Non-current assets				
Other long-term receivables and assets		3,221		1,457
Tax credits		8,099		6,120
Property and equipment		4,735		1,164
Right-of-use assets		2,506		836
Contract acquisition costs		4,945		5,017
Deferred development costs		4,551		3,838
Other intangible assets		7,942		6,726
Goodwill		18,006		17,827
Deferred tax assets		6,876		7,521
Total non-current assets		60,881		50,506
Total assets	**$**	**142,967**	**$**	**140,410**
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities		23,477		22,367
Deferred revenue		45,017		45,025
Lease obligations		415		590
Total current liabilities		68,909		67,982
Non-current liabilities				
Other long-term accrued liabilities		-		33
Deferred tax liabilities		202		405
Lease obligations		4,884		728
Total non-current liabilities		5,086		1,166
Total liabilities	$	73,995	$	69,148
Equity				
Share capital	$	57,426	$	57,573
Contributed surplus		797		4,755
Retained earnings		8,122		7,700
Accumulated other comprehensive income		2,627		1,234
Total equity attributable to the owners of the Company		68,972		71,262
Total liabilities and equity	**$**	**142,967**	**$**	**140,410**

Condensed Interim Consolidated Statements of Income and Comprehensive Income
(Unaudited)
(In thousands of Canadian dollars, except per share data)

	Three Months Ended January 31,		Nine Months Ended January 31,	
	2026	**2025**	**2026**	**2025**
Revenue:				
SaaS	$ 20,131	$ 17,252	$ 58,924	$ 48,696
Maintenance and Support	7,752	8,142	23,311	24,560
Professional Services	14,976	13,920	48,015	41,452
License	595	212	777	1,517
Hardware	5,042	5,655	12,070	13,674
Total revenue	**48,496**	**45,181**	**143,097**	**129,899**
Cost of revenue	**23,895**	**23,907**	**69,574**	**68,449**
Gross profit	**24,601**	**21,274**	**73,523**	**61,450**
Operating expenses:				
Sales and marketing	9,821	9,053	30,045	26,457
General and administration	3,521	3,096	10,928	9,273
Research and development, net of tax credits	8,077	7,114	25,276	21,650
Total operating expenses	21,419	19,263	66,249	57,380
Profit from operations	**3,182**	**2,011**	**7,274**	**4,070**
Other (costs) income	(144)	(7)	67	353
Profit before income taxes	3,038	2,004	7,341	4,423
Income tax expense	1,304	811	3,079	1,674
Net profit	**$ 1,734**	**$ 1,193**	**$ 4,262**	**$ 2,749**
Other comprehensive income (loss):				
Effective portion of changes in fair value on designated revenue hedges, net of tax	3,109	(5,188)	1,141	(5,721)
Exchange differences on translation of foreign operations	(21)	(90)	252	232
Comprehensive income (loss)	**$ 4,822**	**$ (4,085)**	**$ 5,655**	**$ (2,740)**
Basic earnings per common share	**$ 0.12**	**$ 0.08**	**$ 0.29**	**$ 0.19**
Diluted earnings per common share	**$ 0.12**	**$ 0.08**	**$ 0.29**	**$ 0.18**

Condensed Interim Consolidated Statements of Cash Flows
(Unaudited)
(In thousands of Canadian dollars)

	Three Months Ended January 31,		Nine Months Ended January 31,	
	2026	**2025**	**2026**	**2025**
Cash flows from operating activities:				
Net profit	$ 1,734	$ 1,193	$ 4,262	$ 2,749
Adjustments for:				
Depreciation of property and equipment and right-of-use-assets	401	376	1,062	1,124
Amortization of deferred development costs	275	190	837	585
Amortization of other intangible assets	528	322	1,600	984
Interest expense (income) and foreign exchange loss	144	7	(67)	(353)
Unrealized foreign exchange and other	(591)	516	(602)	599
Non-refundable tax credits	(833)	(1,008)	(1,979)	(1,942)
Stock-based compensation	826	775	2,683	2,415
Income taxes	1,121	34	2,361	221
Net cash from operating activities excluding changes in non-cash working capital items related to operations	3,605	2,405	10,157	6,382
Accounts receivable	327	269	1,270	571
Work in progress	2,175	(2,563)	3,382	(2,804)
Other receivables and assets	(393)	90	(912)	(346)
Tax credits	3,502	3,338	1,105	979
Inventory	234	178	204	(576)
Prepaid expenses	(1,685)	(1,534)	(427)	(571)
Contract acquisition costs	(682)	(251)	37	(171)
Accounts payable and accrued liabilities	2,762	3,111	(978)	1,111
Deferred revenue	2,194	1,764	(646)	2,455
Changes in non-cash working capital items related to operations	8,434	4,402	3,035	648
Net cash provided by operating activities	**12,039**	**6,807**	**13,192**	**7,030**
Cash flows from financing activities:				
Payment of lease obligations	(112)	(205)	(543)	(607)
Payment of dividends	(1,323)	(1,251)	(3,840)	(3,619)
Interest paid	(6)	(18)	(24)	(67)
Issuance of common shares on exercise of stock options	181	971	531	1,568
Shares repurchased and cancelled	(3,702)	(1,679)	(7,319)	(5,991)
Net cash used in financing activities	**(4,962)**	**(2,182)**	**(11,195)**	**(8,716)**
Cash flows from investing activities:				
Interest received	1	32	24	59
Transfers from short-term investments	-	-	-	5,570
Acquisitions of property and equipment	(774)	(88)	(1,839)	(497)
Acquisition of intangible assets	-	-	(1,975)	-
Deferred development costs	(627)	(447)	(1,550)	(1,332)
Net cash (used in) provided by investing activities	**(1,400)**	**(503)**	**(5,340)**	**3,800**
Net increase (decrease) in cash and cash equivalents during the period	5,677	4,122	(3,343)	2,114
Cash and cash equivalents - beginning of period	18,560	16,848	27,580	18,856
Cash and cash equivalents - end of period	**$ 24,237**	**$ 20,970**	**$ 24,237**	**$ 20,970**

Condensed Interim Consolidated Statements of Changes in Equity
(Unaudited)
(In thousands of Canadian dollars, except number of shares)

	Share capital										
	Number		Amount		Contributed Surplus		Accumulated other comprehensive income (loss)		Retained earnings		Total
Balance, May 1, 2025	**14,836,120**	**$**	**57,573**	**$**	**4,755**	**$**	**1,234**	**$**	**7,700**	**$**	**71,262**
Net profit	-		-		-		-		4,262		4,262
Other comprehensive income:											
Effective portion of changes in fair value on designated revenue hedges	-		-		-		1,141		-		1,141
Exchange difference on translation of foreign operations	-		-		-		252		-		252
Total comprehensive income	**-**		**-**		**-**		**1,393**		**4,262**		**5,655**
Shares repurchased and cancelled	(216,014)		(848)		(6,471)		-		-		(7,319)
Stock-based compensation	-		-		2,683		-		-		2,683
Dividends to equity owners	-		-		-		-		(3,840)		(3,840)
Share options exercised	19,723		701		(170)		-		-		531
Total transactions with owners of the Company	**(196,291)**	**$**	**(147)**	**$**	**(3,958)**	**$**	**-**	**$**	**(3,840)**	**$**	**(7,945)**
Balance, January 31, 2026	**14,639,829**	**$**	**57,426**	**$**	**797**	**$**	**2,627**	**$**	**8,122**	**$**	**68,972**
Balance, May 1, 2024	**14,840,150**	**$**	**52,256**	**$**	**9,417**	**$**	**(1,425)**	**$**	**8,121**	**$**	**68,369**
Net profit	-		-		-		-		2,749		2,749
Other comprehensive (loss) income:											
Effective portion of changes in fair value on designated revenue hedges	-		-		-		(5,721)		-		(5,721)
Exchange difference on translation of foreign operations	-		-		-		232		-		232
Total comprehensive (loss) income	**-**		**-**		**-**		**(5,489)**		**2,749**		**(2,740)**
Shares repurchased and cancelled	(149,400)		(531)		(5,460)		-		-		(5,991)
Stock-based compensation	-		-		2,415		-		-		2,415
Dividends to equity owners	-		-		-		-		(3,619)		(3,619)
Share options exercised	53,337		2,063		(495)		-		-		1,568
Total transactions with owners of the Company	**(96,063)**	**$**	**1,532**	**$**	**(3,540)**	**$**	**-**	**$**	**(3,619)**	**$**	**(5,627)**
Balance, January 31, 2025	**14,744,087**	**$**	**53,788**	**$**	**5,877**	**$**	**(6,914)**	**$**	**7,251**	**$**	**60,002**