



Converge Reports Third Quarter 2024 Results

Year-to-date cash generated from operating activities increased by \$97 million to \$212 million, enabling continued net debt¹ reduction and a return of \$61.7 million in capital to shareholders¹

Announces Completion of Group CEO Transition and Appoints Greg Berard, CEO to the Company's Board of Directors

FOR IMMEDIATE RELEASE

November 12, 2024 – TORONTO, ONTARIO, CANADA and GATINEAU, QUÉBEC, CANADA - Converge Technology Solutions Corp. ("Converge" or "the Company") (TSX:CTS) (FSE:0ZB) (OTCQX:CTSDF) is pleased to provide its financial results for the three and nine months period ended September 30, 2024. All figures are in Canadian dollars unless otherwise stated.

Third Quarter 2024 Highlights (year-over-year, unless otherwise noted):

- Gross sales¹ of \$945.0 million, a decrease of \$91.8 million or 8.9%;
- Gross sales organic growth¹ of (8.4%) and gross profit organic growth¹ of (7.3%);
- Revenue of \$630.7 million, a decrease of \$79.4 million or 11.2%;
- Gross profit decreased 9.1% to \$158.3 million, representing a gross margin of 25.1%;
- Adjusted EBITDA¹ decreased 22.2% to \$32.1 million;
- Cash from operating activities was \$48.9 million, a decrease of \$47.1 million, compared to \$95.9 million for the comparative period in the prior year;
- Returned \$10.0 million of capital to shareholders¹ as compared to \$3.1 million return of capital to shareholders in Q3 FY23; and
- Reduced net debt¹ by \$30 million from \$157.9 million at Q2 2024; maintaining a leverage ratio¹ below 1.0x.

Year-To-Date 2024 Highlights (year-over-year, unless otherwise noted):

- Gross sales¹ of \$3.0 billion, an increase of \$55.4 million or 1.9%;
- Gross sales organic growth¹ of 2.0% and gross profit organic growth¹ of (1.0%);
- Revenue of \$1.9 billion, a decrease of \$142.8 million;
- Gross profit decreased 1.6% to \$512.8 million, representing a gross margin of 26.8%;
- Adjusted EBITDA¹ decreased 3.5% to \$119.4 million;
- Net loss of \$171.8 million, an increase in loss of \$160.6 million, driven by the non-cash impairment charge on the Germany segment of \$176.1 million;
- Returned \$61.7 million of capital to shareholders¹ as compared to \$19.4 million return of capital to shareholders for the comparative period in prior year;
- Cash from operating activities was \$212.4 million, an increase of \$97.3 million, compared to \$115.1 million for the comparative period in the prior year; and

- Reduced net debt¹ by \$81.9 million to \$127.8 million, from \$209.8 million at Q4 2023.

"While adverse macroeconomic conditions led to delays in hardware spending that impacted our third quarter results, we have already closed about 25% of the deals contributing to our gross profit shortfall and expect to close the remainder in Q4 and 2025. Meanwhile, we continued to see double-digit growth in our strategic investment areas—AI, cloud, and cybersecurity, driving growth in software and managed services revenue in the third quarter of 2024," said Greg Berard, CEO. "Our robust cash flow generation is a testament to our financial strength, and we are committed to executing a strategic and disciplined capital allocation approach to drive long-term value creation. This will be achieved through targeted, high-impact growth investments, while simultaneously returning a significant amount of capital to shareholders."

Financial Summary

<i>In \$000s except per share amounts</i>	3-month Q3 2024	3-month Q3 2023	9-month Q3 2024	9-month Q3 2023
Gross Sales ¹	945,006	1,036,760	3,014,662	2,959,258
Revenue	630,690	710,106	1,911,303	2,054,117
Gross profit (GP)	158,257	174,090	512,813	521,351
Gross profit (GP) %	25.1%	24.5%	26.8%	25.4%
Adjusted EBITDA ¹	32,114	41,258	119,430	123,789
Adjusted EBITDA as a % of GP ¹	20.3%	23.7%	23.3%	23.7%
Net loss	(3,309)	(3,316)	(171,812)	(11,174)
Adjusted net income ¹	23,237	20,622	84,703	70,187
Adjusted EPS ¹	0.12	0.10	0.42	0.34

Subsequent to Quarter-End

- On November 11, 2024, the Board declared a quarterly dividend of \$0.015 per common share to be paid on December 28, 2024 to shareholders of record at the close of business on December 10, 2024.

Financial Outlook

Converge is providing financial guidance for the three months ended December 31, 2024 and fiscal year ended December 31, 2024 as follows:

(expressed in millions of Canadian dollars)

	Q4 2023 Actual	Q4 2024 Expected	FY 2023 Actual	FY 2024 Expected
Revenue	\$651.1	\$600 - \$646	\$2,705.2	\$2,511 - \$2,558
Gross profit	\$181.5	\$165 - \$178	\$702.9	\$678 - \$691
Adjusted EBITDA	\$46.5	\$36 - \$47	\$170.3	\$155 - \$166

Note: Q4 2023 Actual and FY 2023 Actual include results of Portage CyberTech Inc. ("Portage") which has been deconsolidated on June 27, 2024.

Completion of Group CEO Transition

Converge is announcing today that the previously disclosed Group CEO transition plan has progressed ahead of schedule. As a result, the Board of Directors (the “**Board**”) has accepted Shaun Maine’s decision to step down as Group CEO and member of the Board, effective immediately. Greg Berard, currently CEO of Converge, has been appointed as a member to the Company’s Board of Directors.

“On behalf of the Board, I want to thank Shaun for his visionary leadership and the profound impact he’s had since co-founding the Company in 2017,” said Thomas Volk, Chair of the Board. “We are pleased to welcome Greg Berard as the newest member of the Board. Greg’s leadership as operational CEO has been a tremendous asset to the Company, and we look forward to the fresh perspectives and wealth of experience that he will bring to the Board.”

Conference Call Details:

Date: Tuesday, November 12th, 2024

Time: 8:00 AM Eastern Standard Time

Participant Webcast Link:

Webcast Link – <https://app.webinar.net/kPR1pwqzK50>

Participant Dial-in Details with Operator Assistance:

Conference ID: 71060

Toronto: 1-416-945-7677

North American Toll Free: 1-888-699-1199

International Toll-Free Numbers:

Germany: 498005889782

Ireland: 35315251826

Spain: 34917918582

Switzerland: 41432107274

United Kingdom: 448002797040

You may register and enter your phone number to receive an instant automated call back via

<https://emportal.ink/3BJcbwy>.

Recording Playback:

Webcast Link - <https://app.webinar.net/kPR1pwqzK50>

Toronto: 1-289-819-1450

North American Toll Free: 1-888-660-6345

Replay Code: 71060 #

Expiry Date: November 19th, 2024

Please connect at least 15 minutes prior to the conference call to ensure time for any software download that may be required to access the webcast. A live audio webcast accompanied by presentation slides and archive of the conference call and webcast will be available by visiting the Company’s website at <https://convergetp.com/investor-relations/>.

About Converge

Converge Technology Solutions Corp. is a services-led, software-enabled, IT & Cloud Solutions provider focused on delivering industry-leading solutions. Converge's global approach delivers advanced analytics, artificial intelligence (AI), application modernization, cloud platforms, cybersecurity, digital infrastructure, and digital workplace offerings to clients across various industries. The Company supports these solutions with advisory, implementation, and managed services expertise across all major IT vendors in the marketplace. This multi-faceted approach enables Converge to address the unique business and technology requirements for all clients in the public and private sectors. For more information, visit convergetp.com.

For further information contact:

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Summary of Condensed Consolidated Interim Statements of Financial Position

(expressed in thousands of Canadian dollars) (unaudited)

	September 30, 2024 \$	December 31, 2023 \$
Assets		
Current		
Cash	180,464	170,419
Trade and other receivables	775,026	803,652
Inventories	71,753	73,166
Prepaid expenses and other assets	34,111	26,528
	1,061,354	1,073,765
Non-current		
Investment in associates	27,909	-
Unbilled receivables and other assets	202,290	64,158
Property, equipment and right-of-use assets, net	66,621	75,488
Intangible assets, net	272,646	375,181
Goodwill	385,022	564,770
Total assets	2,015,842	2,153,362
Liabilities		
Current		
Trade and other payables	976,301	853,655
Other financial liabilities	43,799	54,095
Deferred revenue	61,872	59,325
Borrowings	25,754	1,664
Income taxes payable	-	9,286
	1,107,726	978,025
Non-current		
Accrued liabilities and other payables	180,704	60,339
Other financial liabilities	41,955	57,668
Borrowings	282,589	378,007

Deferred tax liabilities	43,396	67,168
Total liabilities	1,656,370	1,541,207
Shareholders' equity		
Common shares	557,292	599,434
Contributed surplus	15,347	10,970
Accumulated other comprehensive income	13,009	3,963
Deficit	(226,176)	(28,167)
Total equity attributable to shareholders of Converge	359,472	586,200
Non-controlling interest ("NCI")	-	25,955
	359,472	612,155
Total liabilities and shareholders' equity	2,015,842	2,153,362

Summary of Condensed Consolidated Interim Statements of Income and Comprehensive Income

(expressed in thousands of Canadian dollars) (unaudited)

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2024	2023	2024	2023
Revenue				
Product	500,881	559,646	1,503,439	1,607,932
Service	129,809	150,460	407,864	446,185
Total revenue	630,690	710,106	1,911,303	2,054,117
Cost of sales	472,433	536,016	1,398,490	1,532,766
Gross profit	158,257	174,090	512,813	521,351
Selling, general and administrative expenses	129,042	134,935	400,878	403,667
Income before the following	29,215	39,155	111,935	117,684
Depreciation and amortization	19,961	29,456	69,382	82,239
Finance expense, net	7,126	10,867	22,881	30,870
Acquisition, integration, restructuring and other	2,236	2,601	10,692	10,969
Change in fair value of contingent consideration	1,016	-	4,289	9,209
Share-based compensation	2,761	774	4,673	2,738
Other expense (income), net	865	(170)	1,120	(4,230)
Loss on loss of control of Portage	-	-	117	-
Loss from investment in associates	1,968	-	1,968	-
Impairment loss - Germany segment	-	-	176,124	-
Loss before income taxes	(6,718)	(4,373)	(179,311)	(14,111)
Income tax recovery	(3,409)	(1,057)	(7,499)	(2,937)
Net loss	(3,309)	(3,316)	(171,812)	(11,174)
Net loss attributable to:				
Shareholders of Converge	(3,309)	(1,802)	(168,539)	(7,309)

Non-controlling interest	-	(1,514)	(3,273)	(3,865)
	(3,309)	(3,316)	(171,812)	(11,174)
Other comprehensive income (loss)				
Item that may be reclassified subsequently to income (loss):				
Exchange differences on translation of foreign operations	(2,988)	2,891	9,046	(10,661)
Comprehensive loss	(6,297)	(425)	(162,766)	(21,835)
Comprehensive loss attributable to:				
Shareholders of Converge	(6,297)	1,089	(159,493)	(17,970)
Non-controlling interest	-	(1,514)	(3,273)	(3,865)
	(6,297)	(425)	(162,766)	(21,835)
Adjusted EBITDA	32,114	41,258	119,430	123,789
Adjusted EBITDA as a % of Gross profit	20.3%	23.7%	23.3%	23.7%

Summary of Condensed Consolidated Interim Statements of Cash Flows

(expressed in thousands of Canadian dollars) (unaudited)

	For the three months ended September 30,		For the nine months ended September 30,	
	2024	2023	2024	2023
Cash flows from operating activities				
Net loss	(3,309)	(3,316)	(171,812)	(11,174)
Adjustments to reconcile net loss to net cash from operating activities				
Depreciation and amortization	22,860	31,559	76,877	88,344
Unrealized foreign exchange loss (gain)	650	-	880	(2,818)
Share-based compensation	2,761	774	4,673	2,738
Finance expense, net	7,126	10,867	22,881	30,870
(Loss) gain on sale of property and equipment	4	-	73	(598)
Change in fair value of contingent consideration	1,016	-	4,289	9,209
Impairment loss – Germany segment	-	-	176,124	-
Loss on loss of control of Portage	-	-	117	-
Loss from investment in associates	1,968	-	1,968	-
Income tax recovery	(3,409)	(1,057)	(7,499)	(2,937)
	29,667	38,827	108,571	113,634
Changes in non-cash working capital items	22,289	63,102	131,642	18,858
	51,956	101,929	240,213	132,492
Income taxes paid	(3,097)	(5,987)	(27,805)	(17,433)

Cash from operating activities	48,859	95,942	212,408	115,059
Cash flows from (used in) investing activities				
Purchase of (proceeds from) property, equipment and intangible assets	2,213	(1,593)	(1,648)	(5,041)
Payment of contingent consideration	-	(10,899)	(19,328)	(20,834)
Payment of deferred consideration	(508)	(14,095)	(12,375)	(43,815)
Payment of NCI liability	-	(973)	-	(30,967)
Cash from (used in) investing activities	1,705	(27,560)	(33,351)	(100,657)
Cash flows (used in) from financing activities				
Transfers from restricted cash	-	(519)	-	2,068
Interest paid	(5,801)	(10,544)	(18,130)	(25,786)
Dividends paid	(2,922)	(2,047)	(7,925)	(4,114)
Payment of lease liabilities	(4,677)	(4,975)	(14,793)	(15,199)
Repurchase of common shares	(7,072)	(1,064)	(53,793)	(15,294)
Stock options exercised	-	-	875	-
Repayment of notes payable	-	(39)	(39)	(119)
Net repayment of borrowings	(23,874)	(21,977)	(78,346)	(10,593)
Cash used in financing activities	(44,346)	(41,165)	(172,151)	(69,037)
Net change in cash during the period	6,218	27,217	6,906	(54,635)
Effect of foreign exchange on cash	159	(439)	4,213	(34)
Cash derecognized on loss of control of Portage	-	-	(1,074)	-
Cash, beginning of the period	174,087	78,443	170,419	159,890
Cash, end of the period	180,464	105,221	180,464	105,221

Non-IFRS Financial Measures

This press release refers to certain performance indicators including Adjusted EBITDA, gross sales, gross sales organic growth, net debt, return of capital, leverage ratio, adjusted net income (“Adjusted Net Income”) and adjusted earnings per share (“Adjusted EPS”) that do not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies. Management believes that these measures are useful to most shareholders, creditors, and other stakeholders in analyzing the Company’s operating results and can highlight trends in its core business that may not otherwise be apparent when relying solely on IFRS financial measures. The Company also believes that securities analysts, investors and other interested parties frequently use non-IFRS measures in the evaluation of issuers.

Management also uses non-IFRS measures in order to facilitate operating performance comparisons from period to period, prepare annual operating budgets and assess the ability to meet capital expenditure and working capital requirements. These non-IFRS financial measures should not be considered as an alternative to the consolidated income (loss) or any other measure of performance under IFRS. Investors are encouraged to review the Company’s financial statements and disclosures in their entirety, are

cautioned not to put undue reliance on non-IFRS measures and view them in conjunction with the most comparable IFRS financial measures.

Please see “Non-IFRS Financial & Supplementary Financial Measures” and “Summary of Consolidated Financial Results” 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, which information is incorporated by reference herein.

Adjusted EBITDA

Adjusted EBITDA represents net income or loss adjusted to exclude amortization, depreciation, net finance expense, foreign exchange gains and losses, other expenses and income, share-based compensation expense, income tax expense or recovery, change in fair value of contingent consideration, impairment loss, gain or loss on loss of control of subsidiary, income or loss from investment in associates and acquisition, integration, restructuring and other expenses. Acquisition and transaction related costs primarily consists of acquisition-related compensation tied to continued employment of pre-existing shareholders of the acquiree not included in the total purchase consideration and professional fees. Integration costs primarily consist of professional fees incurred related to integration of acquisitions completed. Restructuring costs mainly represent employee exit costs as a result of synergies created from acquisitions and organizational changes.

Adjusted EBITDA is not a recognized, defined, or standardized measure under IFRS. The Company's definition of Adjusted EBITDA will likely differ from that used by other companies and therefore comparability may be limited.

Adjusted EBITDA should not be considered a substitute for or in isolation from measures prepared in accordance with IFRS.

The IFRS measure most directly comparable to Adjusted EBITDA presented in the Company's financial statements is net (loss) income before taxes.

The Company has reconciled Adjusted EBITDA to the most comparable IFRS financial measure as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2024	2023	2024	2023
Net loss before taxes	(6,718)	(4,373)	(179,311)	(14,111)
Depreciation and amortization	19,961	29,456	69,382	82,239
Depreciation included in cost of sales	2,899	2,103	7,495	6,105
Finance expense, net	7,126	10,867	22,881	30,870
Acquisition, integration, restructuring and other	2,236	2,601	10,692	10,969
Change in fair value of contingent consideration	1,016	-	4,289	9,209

Share-based compensation	2,761	774	4,673	2,738
Other expense (income), net	865	(170)	1,120	(4,230)
Loss on loss of control on Portage	-	-	117	-
Loss from investment in associates	1,968	-	1,968	-
Impairment loss - Germany segment	-	-	176,124	-
Adjusted EBITDA	32,114	41,258	119,430	123,789

Adjusted EBITDA as a % of Gross Profit

The Company believes that Adjusted EBITDA as a % of gross profit is a useful measure of the Company's operating efficiency and profitability. This is calculated by dividing Adjusted EBITDA by gross profit.

Adjusted Net Income and Adjusted EPS

Adjusted Net Income represents net income or loss adjusted to exclude acquisition, integration, restructuring and other expenses, change in fair value of contingent consideration, impairment loss, gain or loss on loss of control of subsidiary, income or loss from investment in associates, amortization of acquired intangible assets, unrealized foreign exchange gain or loss, and share-based compensation. The Company believes that Adjusted Net Income is a more useful measure than net income as it excludes the impact of one-time, non-cash and/or non-recurring items that are not reflective of Converge's underlying business performance. Adjusted EPS is calculated by dividing Adjusted Net Income by the total weighted average shares outstanding on a basic and diluted basis. The IFRS measure most directly comparable to Adjusted Net Income presented in the Company's financial statements is net income (loss) and net income (loss) per share.

The Company has provided a reconciliation to the most comparable IFRS financial measure as follows:

	For the three months		For the nine months	
	ended September 30,		ended September 30,	
	2024	2023	2024	2023
Net loss	(3,309)	(3,316)	(171,812)	(11,174)
Acquisition, integration, restructuring and other	2,236	2,601	10,692	10,969
Change in fair value of contingent consideration	1,016	-	4,289	9,209
Amortization on intangibles	17,915	21,056	57,772	62,793
Foreign exchange loss (gain)	650	(493)	880	(4,348)
Share-based compensation	2,761	774	4,673	2,738

Loss on loss of control or Portage	-	-	117	-
Loss from investment in associates	1,968	-	1,968	-
Impairment loss- Germany segment	-	-	176,124	-
Adjusted Net Income	23,237	20,622	84,703	70,187
Adjusted EPS - Basic	0.12	0.10	0.42	0.34

Return of capital

The Company calculates return of capital to shareholders as the total of cash used in dividend payments and share repurchases.

Net Debt

The Company calculates net debt¹ as current and non-current borrowings) less cash.

Leverage Ratio

The Company defines leverage ratio as net debt (current and non-current borrowings less cash) divided by trailing twelve months Adjusted EBITDA.

Gross sales and gross sales organic growth

Gross sales, which is a non-IFRS measure, reflects the gross amount billed to customers, adjusted for amounts deferred or accrued. The Company believes gross sales is a useful alternative financial metric to net revenue, the IFRS measure, as it better reflects volume fluctuations as compared to net revenue. Under the applicable IFRS 15 'principal vs agent' guidance, the principal records revenue on a gross basis and the agent records commission on a net basis. In transactions where Converge is acting as an agent between the customer and the vendor, net revenue is calculated by reducing gross sales by the cost of sale amount.

The Company has provided a reconciliation of gross sales to revenue, which is the most comparable IFRS financial measure, as follows:

	For the three months		For the nine months	
	ended September 30,		ended September 30,	
	2024	2023	2024	2023
Product	668,057	721,871	2,086,201	2,027,198
Managed services and professional services	119,128	129,382	353,407	384,826
Maintenance, support and cloud solutions	157,821	185,507	575,054	547,234
Gross sales	945,006	1,036,760	3,014,662	2,959,258

Less: adjustment for sales transacted as agent	314,316	326,654	1,103,359	905,141
Revenue	630,690	710,106	1,911,303	2,054,117

Organic Growth

The Company measures organic growth at the gross sales and gross profit levels, and includes the contributions under Converge ownership in the current and comparative period(s). In calculating organic growth, the Company therefore deducts gross sales and gross profit generated from all corresponding prior comparable pre-acquisition period(s) from the current reporting period(s) included in the consolidated results.

Organic growth calculations for the three and nine-months ended September 30, 2024, deduct gross sales and gross profits from Portage for the three months ended September 30, 2023 due to deconsolidation of Portage on June 27, 2024.

Gross sales organic growth is calculated by deducting prior period gross sales, from current period gross sales for the same portfolio of companies. Gross sales organic growth percentage is calculated by dividing organic growth by prior period reported gross sales.

	For the three months ended September 30,		For the nine months ended September 30,	
	2024	2023	2024	2023
Gross sales	945,006	1,036,760	3,014,662	2,959,258
Less: gross sales from companies not owned in comparative period	-	133,891	-	593,758
Gross sales of companies owned in comparative period	945,006	902,869	3,014,662	2,365,500
Less: prior period gross sales ⁽ⁱ⁾	1,031,779	730,571	2,954,277	2,134,178
Organic Growth - \$	(86,773)	172,298	60,385	231,322
Organic Growth - %	(8.4%)	23.6%	2.0%	10.8%

(i) For the three and nine months ended September 30, 2024, Portage prior period gross sales of \$4,981 is excluded

Gross profit organic growth is calculated by deducting prior period gross profit, from current period gross profit for the same portfolio of companies. Gross profit organic growth percentage is calculated by dividing organic growth by prior period reported gross profit.

	For the three months ended September 30,		For the nine months ended September 30,	
	2024	2023	2024	2023
Gross profit	158,257	174,090	512,813	521,351
Less: gross profit from companies not owned in comparative period	-	20,375	-	104,212

Gross profit of companies owned in comparative period	158,257	153,715	512,813	417,139
Less: Prior period gross profit(ii)	170,639	139,654	517,900	381,851
Organic Growth - \$	(12,382)	14,061	(5,087)	35,288
Organic Growth - %	(7.3%)	10.1%	(1.0%)	9.2%

(ii) For the three and nine months ended September 30, 2024, Portage prior period gross profits of \$3,451 is excluded

¹ This is a Non-IFRS measure (including non-IFRS ratio) and not a recognized, defined or a standardized measure under IFRS. See the “Non- IFRS Financial Measures” section of this press release for definition, uses and a reconciliation of historical non-IFRS financial measures to the most directly comparable IFRS financial measures.

Forward-Looking Information

This press release contains certain “forward-looking information” and “forward-looking statements” (collectively, “**forward-looking statements**”) within the meaning of applicable Canadian securities legislation regarding Converge and its business. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as “expects”, or “does not expect”, “is expected” “anticipates” or “does not anticipate”, “plans”, “budget”, “scheduled”, “forecasts”. “estimates”, “believes” or “intends” or variations of such words and phrases or stating that certain actions, events or results “may” or “could”, “would”, “might” or “will” be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements.

Specifically, statements regarding Converge's forecast on revenue, gross profit and Adjusted EBITDA, expectations of future results, performance, prospects, the markets in which it operates or about any future intention with regard to its business and acquisition strategies are considered forward-looking information. The foregoing demonstrates Converge’s objectives, which are not forecasts or estimates of its financial position, but are based on the implementation of its strategic goals, growth prospects, and growth initiatives. The forward-looking information, including management’s assessments of, and outlook for, gross profit and Adjusted EBITDA, are based on management’s opinions, estimates and assumptions, including, but not limited to: (i) Converge’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 Converge operates in will continue to grow consistent with past experience, and (ix) those assumptions described under the heading “About Forward-Looking Information” in the Company’s Management’s Discussion and Analysis for the three and nine months ended September 30, 2024. While these opinions, estimates and assumptions are considered by the Company 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, including the achievement of target revenue, gross profit and Adjusted EBITDA set out above, are 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 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 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 each available under the Company'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 the company'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.