



NTG Clarity Letter to Shareholders: 2024 Wrap-Up

Toronto, ON / Newsfile Corp. / January 15, 2024 / NTG Clarity Networks Inc. (TSX.V:NCI, OTC Pink: NYWKF); NTG Clarity management is pleased to share the following letter with shareholders.

Dear Shareholders,

With the new year comes time for reflection, and 2024 has been a transformative year for NTG Clarity. Decades of strategic investment have met significant tailwinds in our key market to deliver remarkable results. While we know there is still much more to achieve, this year represents a pivotal moment in our journey, showcasing the strength of our long-term commitment to growing our business in Saudi Arabia and across the region.

For more than 20 years, we have methodically built NTG's foundation in Saudi Arabia through three strategic pillars:

- **Deeply entrenched relationships in Saudi Arabia**
 - We've cultivated trusted relationships with IT professionals across all levels, many of whom now hold leadership and key decision-making roles in some of the largest financial, telecom, and government organizations in Saudi Arabia. These relationships are driving our revenue growth today and going forward.

- **Education & training programs to build our talent pipeline**
 - For decades, we've partnered with Egyptian schools to upskill and train engineering and IT professionals, creating a robust talent pipeline. This strategy reached a new milestone in 2023 when we partnered with the Egyptian Ministry of Education to establish two NTG schools dedicated to training future professionals. This is allowing us to rapidly scale to handle the demand and continue providing outstanding service to our customers.

- **Investing in the future**
 - We've expanded our training programs within Saudi Arabia to develop the technical and business leaders of tomorrow. These investments are already compounding the relationship network effects that have been central to our growth.

The success of our strategy is evident in our 2024 results. Through the first nine months of the year, we've grown our team by 67% to become a team of over 1,000 employees, and achieved the following financial results showcasing value created for the company and our shareholders:



- **Significant Revenue Growth:** Increased revenue to \$38.9 million, compared to \$19.5 million through the same nine-month period in the prior year. This 100% year-over-year growth puts us on track to reach our target of \$55M in revenue for 2024.
- **Sustained Momentum:** 14 consecutive quarters of LTM revenue growth, with 8 quarters setting company all-time records.
- **Improved Profitability:** Increased Adjusted EBITDA to \$8.0 million through the first nine months of the year, a 127% increase year over year. Increased Net Income through the same time period to \$6.9 million a 270% increase year over year.
- **Fortified Balance Sheet:** Completed an equity raise for \$4.8 million in net proceeds, strengthening our balance sheet to sustain record growth.

Our underlying KPIs are also showing the strength of our strategy, product market fit, and the excellent value that our customers get from our services. Through the first nine months of the year, we saw:

- **Large and Longer Contract Wins:** We signed three major contracts valued at \$80M over three years, including our largest contract ever. This puts our backlog of unbilled purchase orders and contracts on hand at over \$100 million as of November 30, 2024, with visibility out over three years.
- **Increase in New Customers:** We've seen a 17% increase in customers¹ driven by our relationships with key decision makers at some of the largest Saudi organizations.
- **Strong Customer Satisfaction:** With 87% customer retention² and 57% of customers increasing their level of service³ it is clear they recognize the quality and value NTG provides.
- **Accelerating Interest in Software Products:** In and leading up to 2024, our largest professional services clients have signed on to work on proofs of concept and projects to implement our proprietary NTGapps software. We look forward to continued opportunities to grow this line of business which brings with it revenue and margin expansion.

2024 has been an extraordinary year, with every financial and operational KPI trending in the right direction. We're energized to carry this momentum into 2025 and beyond. We deeply appreciate the support and confidence of our shareholders and are committed to introducing more people to the NTG story.

¹ Customer defined as accounts spending more than \$100,000 in a year. Increase in number of customers as of nine-months ended September 30, 2024, compared to prior year period.

² Customer retention for Middle East based customers as of nine-months ended September 30, 2024. Customer defined as accounts spending more than \$100,000 in a year.

³ Calculated as % of total customers that spent more with NTG through nine-months ended September 30, 2024, compared to prior year period. Customer defined as accounts spending more than \$100,000 in a year.



If you haven't already, I encourage you to explore our updated investor deck and video at <https://ntgclarity.com/investors/>. For any questions or further insights, please feel free to reach out to me at the email address below.

Thank you for being part of this journey.

Sincerely,
Adam Zagloul
Vice President, Strategy & Planning
NTG Clarity Networks Inc.
adam@ntgclarity.com.



Through the first nine months of the year

- Increased revenue to \$38.9M
100% growth year-over-year
- Increased Adjusted EBITDA¹ to \$8M
Up 127% year-over-year
- 17% increase in customers²
- 14 consecutive quarters of LTM revenue growth
- Won \$53 million contract - largest ever
- Fortified balance sheet

¹ Considered to be non-GAAP financial measures. Such measures do not have any standardized meaning prescribed by GAAP under IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. For more information, please read our 2024 MD&A for the period ended September 30, 2024, which can be found under our profile at www.sedarplus.ca and is incorporated by reference.
² Customer defined as accounts spending more than \$100,000 in a year. Increase in number of customers as of nine-months ended September 30, 2024, compared to prior year period.

About NTG Clarity Networks Inc.

NTG Clarity Networks' vision is to be a global leader in digital transformation solutions. As a Canadian company established in 1992, NTG Clarity has delivered software, networking, and IT solutions to large enterprises including financial institutions and network service providers. More than 1000 IT and network professionals provide design, engineering, implementation, software development and security expertise to the industry's leading enterprises.

Forward Looking Information

Certain statements in this release, other than statements of historical fact, are forward looking information that involves various risks and uncertainties. Such statements relating to, among other things, the prospects for the company to enhance operating results, are necessarily subject to risks and uncertainties, some of which are significant in scope and nature.



These uncertainties may cause actual results to differ from information contained herein. There can be no assurance that such statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. These and all subsequent written and oral forward-looking statements are based on the estimates and opinions of the management on the dates they are made and expressly qualified in their entirety by this notice. The company assumes no obligation to update forward looking statements should circumstances or management's estimates or opinions change.

For Further Information:

Adam Zaghoul, Vice President, Strategy & Planning

NTG Clarity Networks Inc.

Ph: 905-305-1325

Fax: 905-752-0469

Email: adam@ntgclarity.com

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.