

## SERENIC REPORTS FISCAL 2009 YEAR END and Q4 RESULTS

Edmonton, Alberta, Canada (June 23, 2009) – Serenic Corporation (the “Company” or “Serenic”) (TSX-V:SER), an international software developer specializing in integrated financial management and HCM solutions for Non-Profit organizations, government agencies, and Microsoft Dynamics NAV users, is pleased to announce its financial results for the three months and year ended February 28, 2009.

Financial results are summarized as follows:

Statement of Operations Information	(Unaudited) Three months ended 30			Audited Year ended		
	Feb 28, 2009	Feb 29, 2008	Increase (decrease) %	Feb 28, 2009	Feb 29, 2008	Increase (decrease) %
	\$	\$		\$	\$	
Revenue	2,674,994	2,055,214	30.2%	9,325,524	9,838,946	(5.2)%
Loss for the period	(174,996)	(643,114)	72.8%	(1,191,681)	(235,927)	405.1%
Basic and diluted loss per share	(0.01)	(0.04)	75.0%	(0.08)	(0.02)	300.0%
EBITDA <sup>(1)</sup>	(16,760)	(416,655)	96.0%	(577,374)	463,262	(224.6)%
EBITDA as a % of sales	(0.6%)	(20.3)%	97.0%	(6.2)%	4.7%	(231.9)%
Weighted average common shares outstanding	15,185,458	15,050,370		15,183,553	14,234,588	

(1) EBITDA represents earnings before interest, taxes, depreciation, amortization, and stock based compensation. Please review the Serenic Management Discussion and Analysis for the fiscal year ended February 28, 2009 for more information.

### Fiscal 2009 Highlights

The Company embarked upon its Fiscal 2009 business plan in a relatively stable global economy that deteriorated significantly during the second half of the year. In accordance with the original business plan, management increased operating and certain other expenses during the first half of Fiscal 2009, anticipating that revenue would continue its historical growth rates. However, when the global economic melt-down negatively affected revenues commencing September 2008, management responded by suspending certain growth initiatives as a cautionary move to conserve cash and condition the Company to weather the recession. Financial highlights for the year are as follows:

- Revenue was \$9.3 million in Fiscal 2009, as compared to \$9.8 million in the prior year. Considering the economic instability faced during the year, management is generally pleased with Fiscal 2009 revenue results. Although revenue decreased marginally by 5.2% from the previous year, the Company continued to win new customers, increase credibility and market share, and release new versions of its products.
- Revenue from client services and consulting sales increased 40.7% to \$2,673,514 from the prior year's figure of \$1,900,223. Serenic hired additional consultants in Fiscal 2009 and increased productivity in the department. Serenic also engaged reseller partners based outside of North America, thereby extending its capacity to service international clients whose needs were best met through local service specialists.
- Software maintenance contracts and classroom training revenue increased 9.0% to \$2,860,961 over prior year's revenue of \$2,623,988. Maintenance revenue from new customers, a high software maintenance renewal rate with existing customers, and higher training revenues were responsible for the increase.
- Software license sales decreased to \$3,791,049 in Fiscal 2009, down \$1,523,686 from the prior year which included a single large low 7 figure sale which skewed normalized comparison. License revenue was negatively impacted in Fiscal 2009 as many NFP customers postponed IT purchases and/or implementations due to funding uncertainty generated by the economic recession. New direct license sales were mostly made to larger customers, which included several large Roman Catholic diocese and international aid and research organizations. The reduced sales activity was most pronounced between September 2008 and mid-January 2009, after which it began to stabilize.
- Gross profit in Fiscal 2009 was \$7,031,656, slightly higher than \$7,014,861 recorded in Fiscal 2008, due to the higher consulting and software maintenance contract revenues recorded this year.
- A net loss of \$1,191,681 was recorded in Fiscal 2009, higher than the net loss of \$235,927 recorded in the previous year. Expenses in Fiscal 2009 totalled \$8,574,261, up from \$7,340,761 in Fiscal 2008. The Company implemented aggressive plans to increase revenue in the early part of Fiscal 2009, including the hiring of additional staff, increasing its marketing programs, and improving internal infrastructure. As the economic recession began to negatively impact revenues, spending was immediately reduced, but larger losses were incurred as a result of not having achieved the necessary offsetting revenue.
- Serenic was again recognized during Fiscal 2009 for several outstanding corporate achievements:
  - Serenic ranked 20<sup>th</sup> in Profit 100's announcement of Canada's fastest growing companies;

- Serenic was ranked 9<sup>th</sup> in the Technology/Life Sciences category of the 2008 TSX Venture 50 list, which celebrates Canada's top emerging companies;
- In September 2008, Serenic was ranked 31<sup>st</sup> in Deloitte's Technology Fast 50, a list of Canada's fastest growing technology companies; and,
- In November 2008, Serenic was ranked 300<sup>th</sup> in Deloitte's 2008 Technology Fast 500 list of fastest growing technology companies in North America.

#### Fourth Quarter Highlights

- Revenue was \$2,674,994, an increase of 30.2% over \$2,055,214 recorded in Q4 last year. Direct and partner software license sales totalled \$1,141,000, an increase of \$286,000 or 33.5% over the Q4 2008 figure of \$855,000. Revenue from client services was \$812,563, up 106.8% from \$393,000 in the prior year, as a result of more consultants providing more services. Revenue from maintenance and other sources was \$721,431 in Q4 this year, down from \$807,697 recorded in Q4 last year.
- Due to the increase in revenue, gross margin increased by \$391,662 or 25.2% over Q4 of the prior year, while the gross margin percentage as a function of revenue declined marginally to 72.9%, from 75.8% in the prior year.
- Expenses were \$2,217,785, up by \$188,235 from \$2,029,550 recorded in Q4 of the prior year. A foreign exchange rate 20% higher than occurred in Q4 of last year caused expenses, many of which were transacted in U.S. dollars, to increase. Salaries and benefits expense increased by \$213,217 as a result of higher wages and benefits, partially offset by lower stock compensation expense and lower variable incentive costs. Sales and marketing expenses decreased by \$26,539 as discretionary spending was reduced in Q4 2009. General and administrative expenses increased nominally by \$10,337, and amortization expense decreased by \$8,782 from Q4 in the prior year.
- Interest income declined to \$7,445 from \$25,338 in Q4 of the prior year, due to lower interest rates paid by the financial institutions. A foreign exchange gain of \$55,539 was recorded in Q4 this year, as compared to the foreign exchange loss of \$232,821 recorded in same period last year, because of the changed foreign exchange rates.
- The higher sales and gross margin recorded in Q4 this year, partially offset by increased expenses and augmented by favourable foreign exchange gains, caused the net loss of \$643,114 recorded in Q4 last year to decline to \$174,996 in Q4 this year.
- EBITDA improved significantly quarter over quarter during Fiscal 2009, as a result of the actions taken to reduce committed and discretionary expenditures. In Q4 of Fiscal 2009, EBITDA was nearly breakeven at \$(16,760), as compared to a loss of \$(416,655) in Q4 of the prior year.

Please refer to the full financial reports and Management Discussion and Analysis for the year ended February 29, 2008 filed at [www.sedar.com](http://www.sedar.com) for more detailed information.

#### Summary and Outlook

Serenic has developed a rich suite of software products that provide a functionally comprehensive set of productivity and reporting applications for the markets it serves.

In Fiscal 2009, the Company's development efforts were primarily focused on enriching the functionality within its products. Consequently, in March 2009, the Company released version 5.00.02 of Serenic Navigator, which appreciably enhanced the feature sets of the software including a redesigned version of the Company's *DonorVision* product, dramatically enhancing both its functionality and performance. The upgraded version of *Navigator* was made available without charge to all clients who subscribe to the Company's software maintenance program, and is marketed to all new clients. Serenic plans to continue bringing to market next generation versions of its products, following Microsoft's planned release of their enhanced version of the Dynamics NAV platform later in this year.

In Fiscal 2009, Serenic hired its first international employee, a sales manager based in Europe, to better respond to new opportunities outside of North America. Company personnel also initiated training classes for its products in Switzerland, Africa, and Australia and continued to provide support to the implementation in Afghanistan. Serenic intends to continue expanding its North American markets while aggressively enhancing its growing presence in the international community.

Given the struggling global economy, the next fiscal year is not expected to be without challenges. Funding from individuals, governments and philanthropic organizations that Serenic's customers depend upon are anticipated to remain at decreased levels from historical norms, which may result in the delay of certain sales opportunities. The Company has factored this expectation into its Fiscal 2010 business and operational plans, and has reduced its committed expenditures by optimizing its staffing, reducing employee benefits costs, and reducing marketing, corporate, and other discretionary expenses wherever possible. Despite these cut-backs, the Company will aggressively pursue strategies to secure new customers and take great care of its existing clientele. Management remains confident that Serenic will successfully navigate through the current economic recession well intact, and emerge as a stronger contender within the global NFP marketplace.

## **About Serenic Corporation**

Serenic Corporation publishes mission-critical software products for not-for-profits (NFP), educational institutions and governments. The Company's products are based on leading application and technology platforms from Microsoft, including Dynamics NAV, SQL Server, and .NET, and are distributed in North America and internationally through value-added resellers and a direct sales organization. Serenic Corporation is the exclusive developer of human resource management and payroll products for Microsoft Dynamics NAV ERP users in North America. Serenic was named the "ISV (Industry Solutions Vendor) Partner of the Year" by Microsoft for 2007 and is a member of Microsoft's President Club and Inner Circle, the latter being an elite group of sixty-seven members representing the top 1% of Microsoft partners world-wide. Serenic has offices in Edmonton, Alberta and Denver, Colorado and staff located throughout the USA.

## **ON BEHALF OF THE BOARD OF DIRECTORS**

By: "Dwayne Kushniruk"  
Chairman

**SERENIC CORPORATION**

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## **Forward Looking Statements**

Certain statements contained in this press release, including statements which may contain words such as "could", "should", "expect", "anticipate", "believe", "will", and similar expressions and statements relating to matters that are not historical facts, are forward looking statements. Such forward looking statements involve known and unknown risks and uncertainties which may cause the actual results, performances or achievements of Serenic Corporation to be materially different from any future results, performances or achievements expressed or implied by such forward looking statements. Such factors include, but are not limited to, software industry risks, general business risks, foreign currency risks, economic dependence risks, and credit risks.

**The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.**