Pivotree Investor Presentation

December 2020



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USE OF NON-GAAP MEASURES: **This presentation makes reference to "Adjusted EBITDA", "Free Cash Flow", "Annual Recurring Revenue" or "ARR", "ARR Bookings", "Recurring Revenue", "Non-Recurring Revenues" and "Net Revenue Retention Rate", which are non-IFRS measures or operating metrics used in our industry.** For further details on these measures and metrics, including relevant reconciliations, when applicable, see "Non-IFRS Measures and Industry Metrics" in the prospectus.

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Introduction

- Trusted relationship and revenue responsibility with some of the largest retailers and branded manufacturers in North America
- Design, build and run their complex commerce systems
- We have grown both organically and through strategic acquisitions over the last two fiscal years
- COVID-19 has accelerated investment shift for large enterprise towards digital
- Built a leadership team for accelerating growth and pursuing more aggressive acquisitions
- IPO in October 2020 raising money to accelerate organic revenue growth and acquisitions into key categories

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Experienced & Deep Leadership Team

Bill Di Nardo
CEO



- Serial entrepreneur
- Canadian eCommerce pioneer and founder of Grocery Gateway
- Multiple venture exits over 20 year investing history
- History of successfully converting project service vendors into MRR platforms

Ted Smith
COO



- Joined Pivotree in 2019
- 15+ years of executive experience in tech services
- Former VP of Engineering and Operations at Cogeco Peer1

Mo Ashoor
Chief Financial & Admin Officer



- Joined Pivotree in 2019
- 15+ year history in senior financial roles
- Former CFO Cox Automotive Canada
- Country CFO at Aon Hewitt and Accenture

Peter Lui-Hing
Chief Innovation Officer



- Joined Pivotree in 2018 as part of the ThinkWrap Acquisition
- Co-founder of ThinkWrap Commerce
- 25+ years experience with leading edge technologies and commerce solutions

Greg Wong
Chief Revenue Officer



- Joined Pivotree in 2017
- 20+ years of technology and sales leadership
- Former CEO at Heiler Software (sold to Informatica)
- Former SVP Sales at Stibo Systems

Highlights

~$60m
2019 Annual Revenue

Q3 - $16.2m
Total Revenue

Q3 - $4.0m
Non-Recurring Revenue[1]

Q3 - $12.2m
Recurring Revenue[1]

Q3 - ~75%
Recurring Revenue[1]

20+
Years in Business Hosting/Managed Services/Ecommerce/MDM application services

170+
Customers Worldwide

300+
Experts globally

$49m
Recurring revenue[1] as at Q3 2020

6
Offices in North America, Europe and APAC

>$9 billion
Online Gross Merchant Value

20
Partners and Growing

22%
Y/Y ARR Growth (Q3 2020 vs Q3 2019)

1. *"Recurring Revenue" and "Non-Recurring Revenues" are not recognized measures under IFRS and do not have a standardized meaning prescribed by IFRS. See "Use of Non-GAAP Measures" on page 2.*
2. *"ARR" is not a recognized measure under IFRS and does not have a standardized meaning prescribed by IFRS. See "Use of Non-GAAP Measures" on page 2.*

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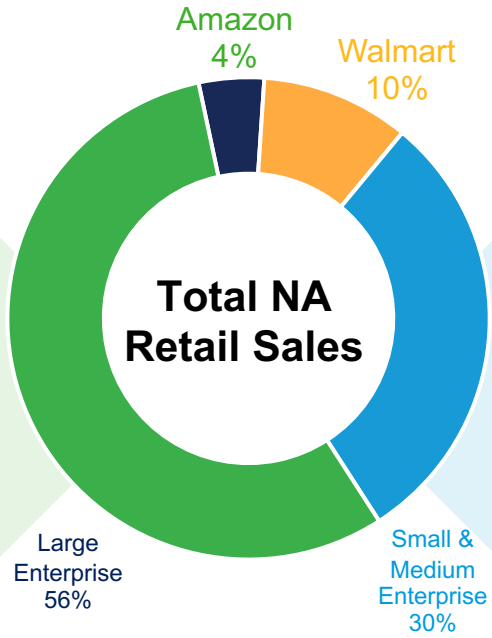
Majority of retail concentrated in large enterprise

Total NA Retail sales >$5.5 trillion - 2019



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Target Market

Large enterprise – $3.5 trillion GMV

- Complex, multi-channel ecosystem
- Top 1,000 matter
- Only ~16% ecommerce in 2019
- Large technical debt
- More to lose, more to spend

BigCommerce Lightspeed Shopify

SMB – $1.5 trillion GMV

- Simple, low cost, & self-serve
- Hundreds of thousands of retailers
- Avg. monthly rev $22k
- Avg. 482 transaction/month

Accelerating **frictionless commerce** for large, multichannel, branded manufacturers and retailers

Source: Digital Commerce 360

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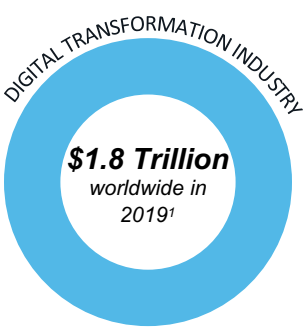
Large & Growing Addressable Market



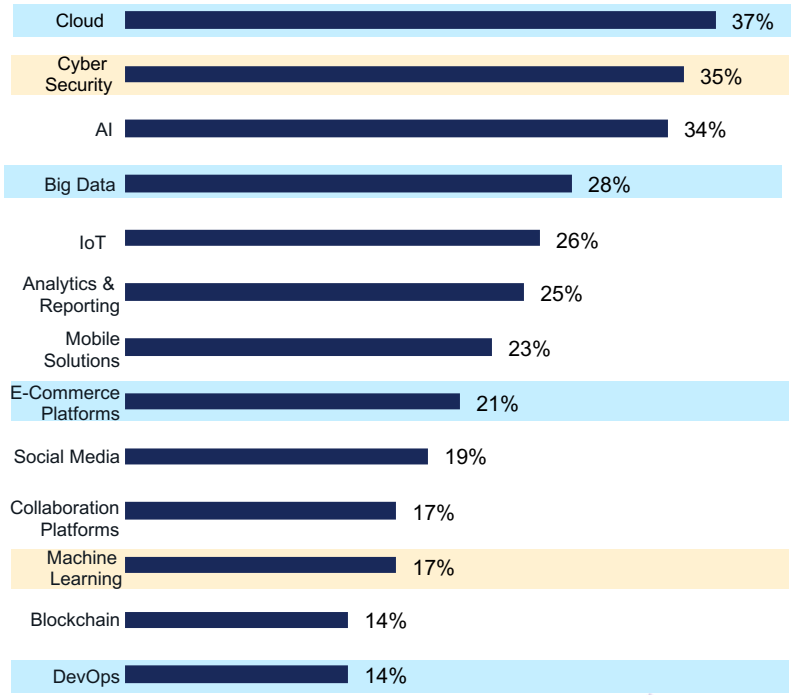
The Digital Transformation Market is expected to grow at an annualized **17%** to reach **$2.3 Trillion** in 2023[1]

Digital transformation is the process of using digital technologies to create new — or modify existing — business processes, culture, and customer experiences to meet changing business and market requirements

Current & Expected Total Addressable Market

	Current	Expected
ARPU	$400,000	$800,000
North America Potential Customers[3]	7,700	
North America TAM	$3.1 Billion	$6.2 Billion
Global Potential Customers[3]	59,000	
Global TAM	$23.6 Billion	$47.2 Billion

Digital Transformation Priorities for Enterprises[2]



1. *IDC: Worldwide Digital Transformation Spending Guide 2019*
2. *Altimeter "The State of Digital Transformation" 2018-2019 Edition N=554*
3. *Represents Global and North American companies operating in retail, accommodation & food service, manufacturing, distribution, and information services with >250 employees*

Source: Capital IQ

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Pivotree Solutions & Services

Providing leading brands with comprehensive commerce strategies, robust implementations and end-to-end customer experiences

Our Tools	**Professional Services** **Library of modular applications**	**Managed Application Services** **Advisory**	**Managed Infrastructure** **Pivotree Service Platform**
Enterprise Applications	**EnterWorks** **Riversand** **Stibo Systems** **Contentserv** **Informatica**	**SAP Hybris** **Oracle Commerce** **Coveo** **Elastic Path** **Shopify**	**Amazon Web Services** **IBMCloud** **Azure** **CloudHealth**
Categories/ Sub Cat.	**Data Management** *Product Information Management, Master Data Management, Enterprise Application Integration*	**Digital Commerce** *Platform Solutions, Search, User Interface*	**Enterprise Cloud Applications** *Public, Private, SaaS*

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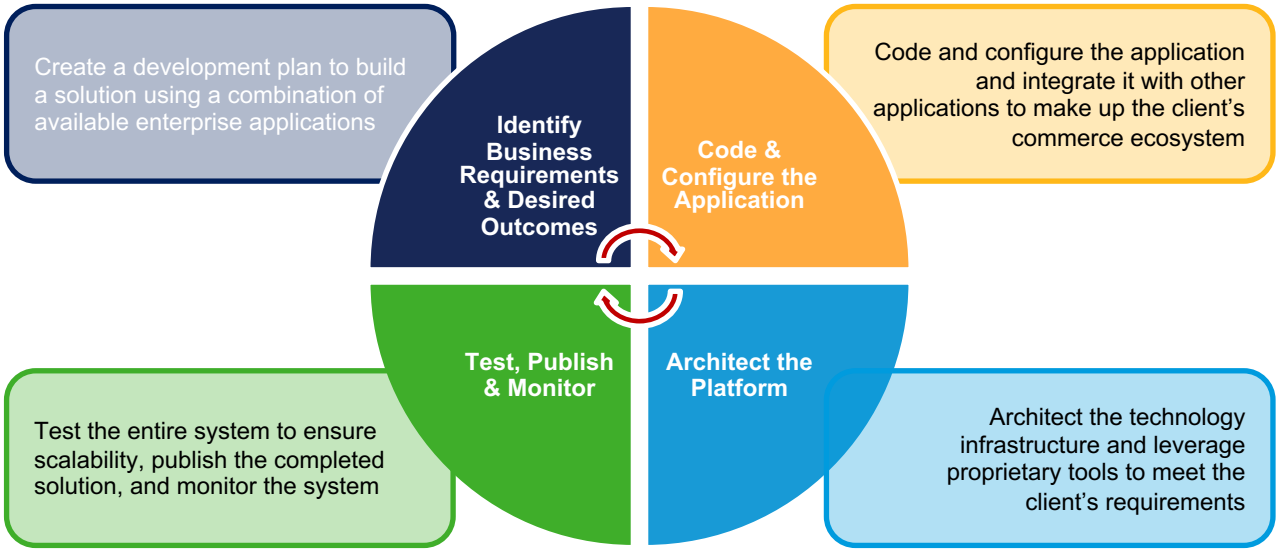
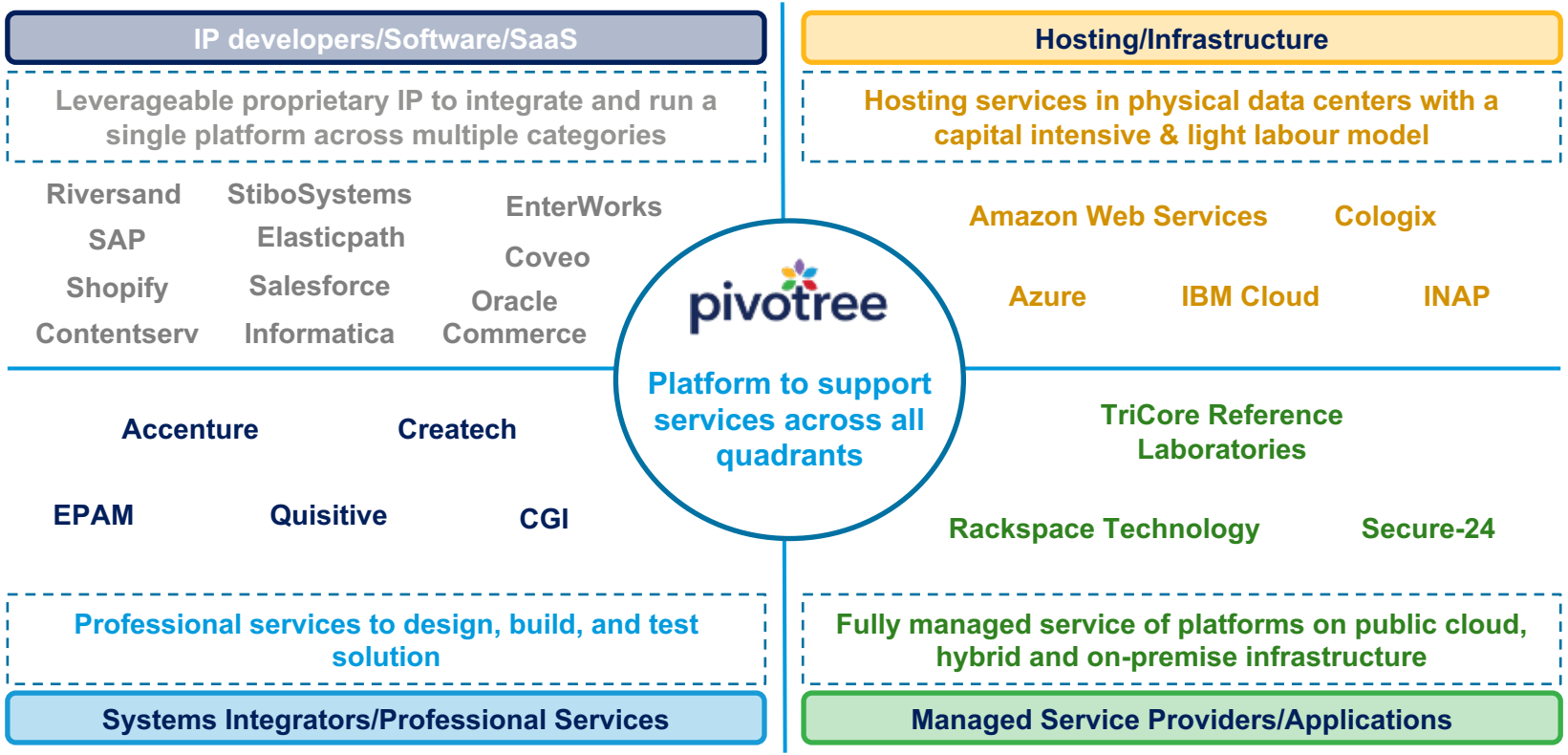
What We Do

Comprehensive platform that solves enterprise business problems & enables frictionless commerce



Digital Strategy | Design | Implementation | Managed Services | Optimization | Application Support

Sitting at the Intersection of Four Market Segments



Denotes Pivotree's presence to the respective quadrant

Leading Brands Through Their Digital Transformation

- Advises North American brands in their digital transformation and multi-channel commerce journey
- Majority of clients transact physical goods but there is a growing segment of digital products/service brands

	Branded Manufacturing	Retail	IP, Digital Services & Other
Select Clients	Supplier of Home Appliances **Electrolux** Manufacturer of branded apparels **Herschel Supply Co.**	Luxury Accessories & Ready to Wear **ALDO**	Supplier of Science Teaching Materials Global Biotechnology Company Media Conglomerate US Life Sciences Company
Products / Solutions	• Omnichannel commerce • Aftermarket sales • Product Information Management (PIM) • Integrations and extensions with ERP, CRM and OMS systems	• Omnichannel commerce • Buy Online, Pickup In-store (BOPIS) • Curbside management • Real-time content across all channels • e-Commerce SEO and analytics	• Ecommerce B2B (OC, Magento) • Master Data Management (EW, Stibo) • Artificial Intelligence (Dive & 3rd party) • Dev Ops
	~14% of Revenue	~57% of Revenue	~29% of Revenue

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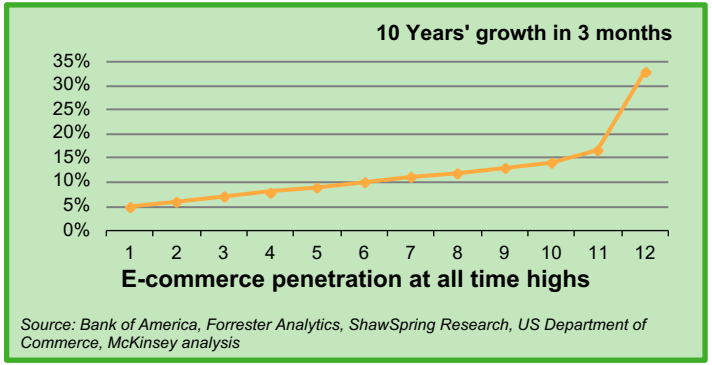
The COVID-19 Impact

Accelerated cash build through Q3 – $3.4M cash flow from operations 9 months YTD

Product Uptake

- Retail stores closed and demand shifted online
- Existing clients increased demand for digital support
- PS projects slowed and starting to scale back up quickly
- Pivotree quickly mobilized to reduce costs while retaining critical talent



Source: Bank of America, Forrester Analytics, ShawSpring Research, US Department of Commerce, McKinsey analysis

Financial Impact

- 8% total revenue growth 9 months YTD through Q3 2020
  - 18% recurring revenue[1] growth 9 months YTD through Q3 2020
  - 13% decline in non-recurring revenue[1] 9 months YTD through Q3 2020
- $500K/month in savings from a mobilized workforce in the first month of COVID-19
- YTD ARR Bookings[2] ending Sep 30, 2020 +36%
- PS Revenue +26% from Q3 2020 vs. Q2 2020 as project activity has started to recover

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2. *"ARR Bookings" is not a recognized measure under IFRS and does not have a standardized meaning prescribed by IFRS. See "Use of Non-GAAP Measures" on page 2.*

How We Make Money

~69% Managed Services[1]

- Managed Services Revenue
- Cost of sales composed of data center and public cloud hosting costs and other third-party license costs to support the managed services

62% Gross Margin

Managed Services Opex Costs



Clients can fall in either or both segments and add products/services in either bucket over time

~31% Professional Services[1]

- Professional Services Revenue
- Cost of sales composed of direct wages

36% Gross Margin

Blended gross margin of 55% supports growth of our platform and infrastructure

1. *YTD 9 months ended Sep 30, 2020*

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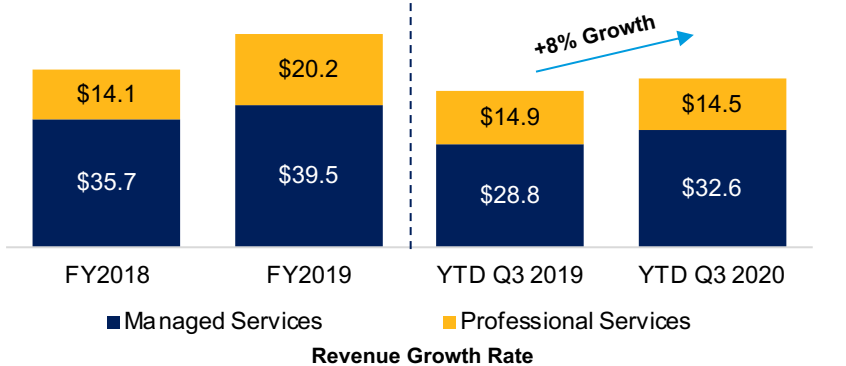
Revenue & EBITDA Profile

1 **~75% Recurring Business[1]; Recurring Revenue[2] Up 18% YTD[3]**

2 **Consistent History of Delivering Positive EBITDA**

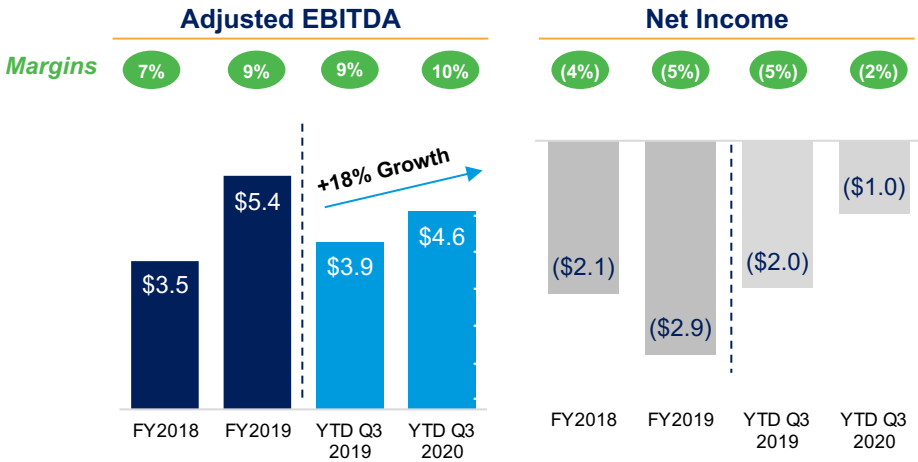
Total Revenue
(in millions)

2020 COVID-19 Impact: *deferral of non-recurring revenue[4]*



Revenue Growth Rate			
N/A	11%	N/A	13%
N/A	42%	N/A	(3%)

Adjusted EBITDA[5] and Net Income
(in millions)



1. *As at Q3 2020*
2. *"Recurring Revenue" is not a recognized measure under IFRS and does not have a standardized meaning prescribed by IFRS. See "Use of Non-GAAP Measures" on page 2.*
3. *Versus prior year*
4. *"Non Recurring Revenue" is not a recognized measure under IFRS and does not have a standardized meaning prescribed by IFRS. See "Use of Non-GAAP Measures" on page 2.*
5. *"Adjusted EBITDA" is not a recognized measure under IFRS and does not have a standardized meaning prescribed by IFRS. See "Use of Non-GAAP Measures" on page 2.*

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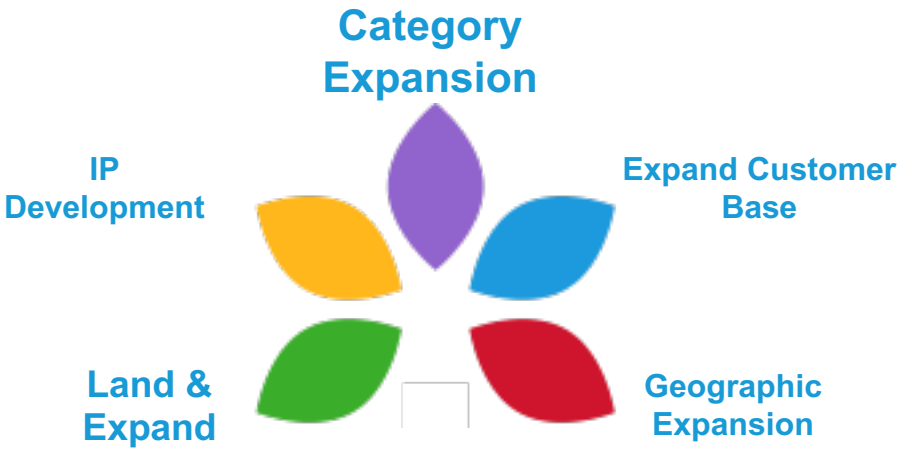
Growth Opportunities



Organic Growth + **M&A Driven (Proven Acquirer)**

eCommerce

Data management *MDM, Analytics, Big Data*

ML / Process Automation

Cloud Management

Digital Experience

Internet of Things

Supply Chain

Security & Governance

Building the leader in frictionless commerce

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In Summary

1. Unique service provider in the commerce landscape with a strong history and core capabilities in designing, building and running complex commerce solutions for some of the world's largest corporate accounts

2. Attractive industry tail winds with long-term marketplace investment in commerce accelerated by COVID-19 and a shift to online

3. Stable business model with 75%[1] predictable recurring revenue[2] and long-term contracts

4. Proven track record of acquiring, integrating and growing through strategic acquisitions over the past two fiscal years

1. *In Q3 2020*
2. *"Recurring Revenue" is not a recognized measure under IFRS and does not have a standardized meaning prescribed by IFRS. See "Use of Non-GAAP Measures" on page 2.*

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