Pivotree Investor Presentation

October 2020



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Forward-looking information is necessarily based on a number of opinions, estimates and assumptions that, while considered by the Company to be appropriate and reasonable as of the date of this presentation, are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information, including but not limited to, risks and uncertainties associated with market conditions, e-commerce industry trends, regulatory issues, as well as risks and uncertainties associated with the Company's business and finances in general.

If any of these risks or uncertainties materialize, or if the opinions, estimates or assumptions underlying forward-looking information prove incorrect, actual results or future events might vary materially from those anticipated in forward-looking information. The opinions, estimates or assumptions referred to above and the risk factors described in the "Risk Factors" section of the prospectus of the Company dated October 23, 2020 should be considered carefully.

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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
- Going public and raising money to accelerate organic revenue growth and acquisitions into key categories

Tail winds so strong we need a bigger sail to capture more of it

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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

Q2 - $14.9m
Total Revenue

Q2 - $3.1m
Non-Recurring Revenue[1]

Q2 - $11.8m (ARR[2] - $47m)
Recurring Revenue[1]

Q2 - ~79%
Recurring Revenue[1]

8% Revenue Growth
H1 2020 vs H1 2019

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

170+
Customers Worldwide

300+
Experts globally

$40m
Recurring revenue[1] recorded in Fiscal 2019

6
Offices in North America, Europe and APAC

>$9 billion
Online Gross Merchant Value

20
Partners and Growing

20%
Y/Y Total Revenue Growth (Fiscal 2019 vs Fiscal 2018)

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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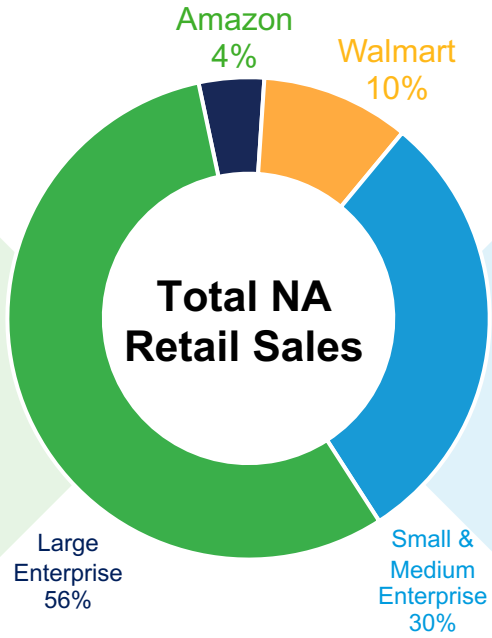
Majority of retail concentrated in large enterprise

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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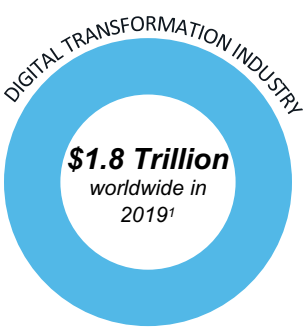
Large & Growing Addressable Market



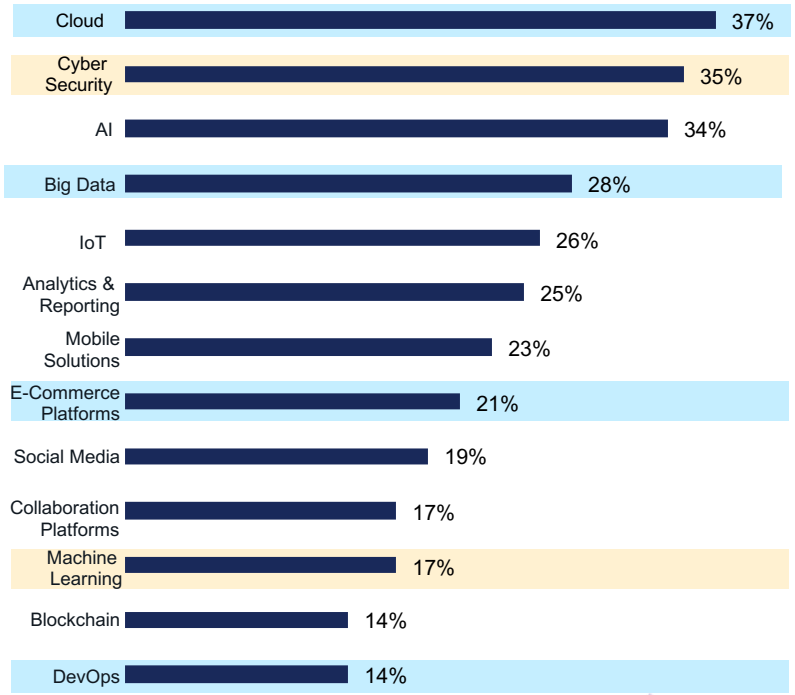
The Digital Transformation Market is expected to grow at an annualized **17%** to reach **$2.3 Trillion** in 2023[1]

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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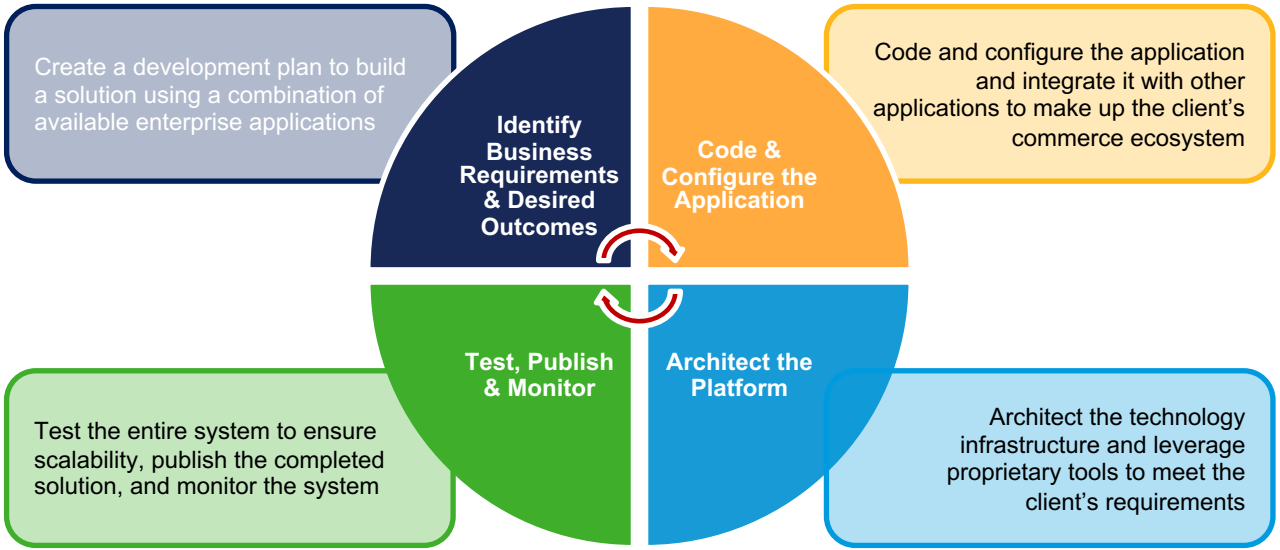
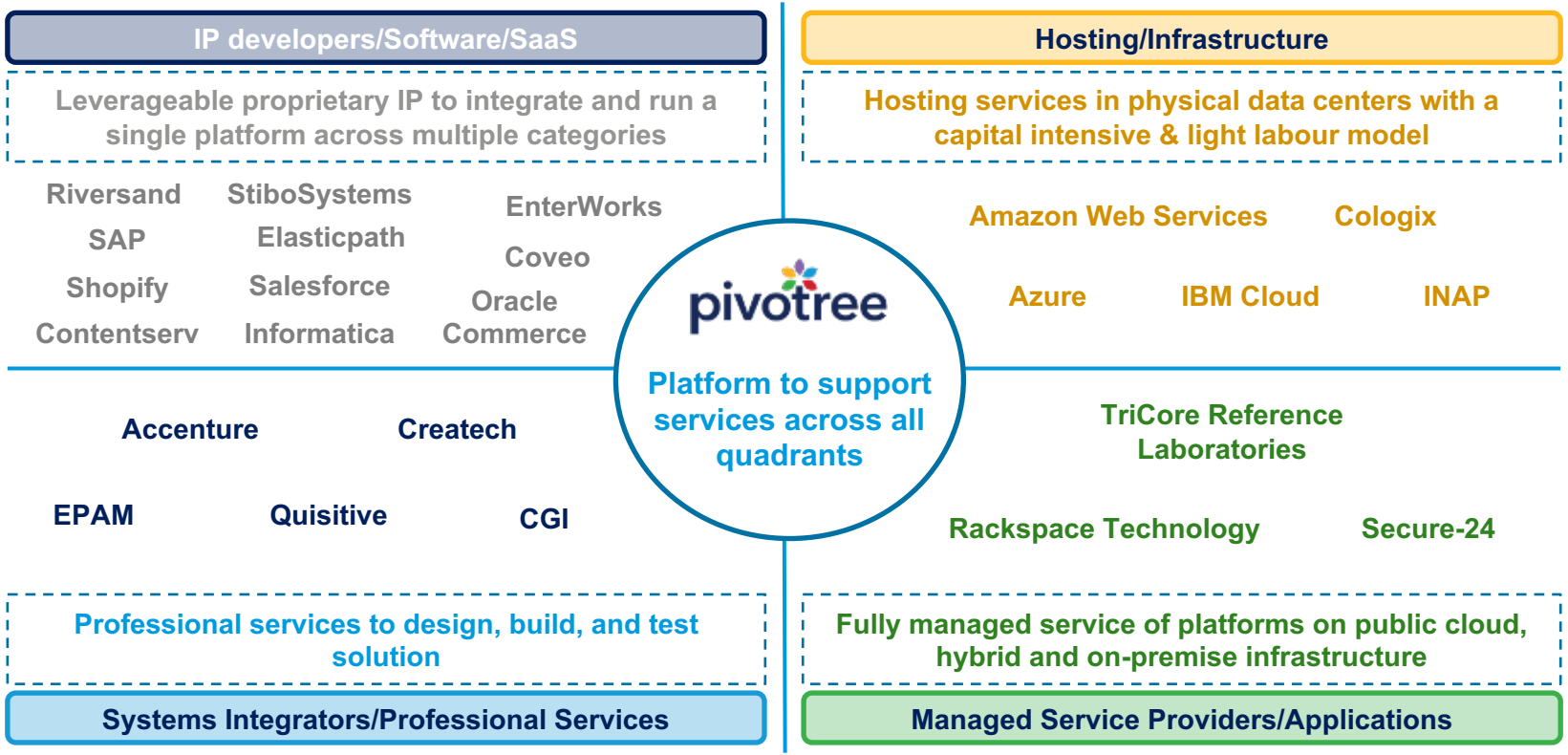
What We Do

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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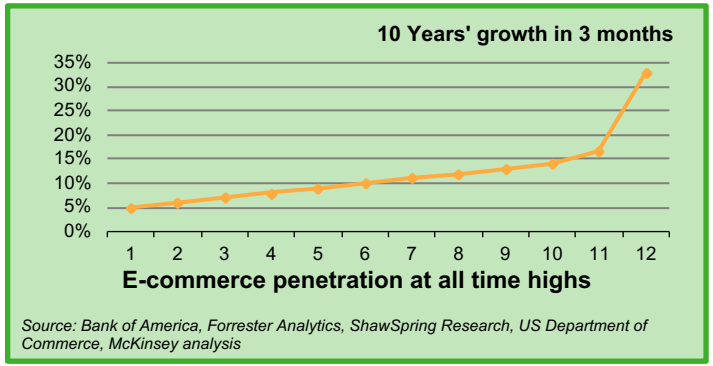
The COVID-19 Impact

Accelerated cash build through Q2 – $2.5M cash flow from operations over H1 2020

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



Financial Impact

- 8% total revenue growth Y/Y from H1 2020 vs H1 2019
  - 16% recurring revenue[1] growth Y/Y from H1 2020 vs H1 2019
  - 8% decline in non-recurring revenue[1] Y/Y from H1 2020 vs H1 2019
- $500K/month in savings from a mobilized workforce in the first month of COVID-19
- YTD ARR Bookings[2] ending June 30, 2020 +39% vs. June 30, 2019
- PS Revenue -$1.3M from Q2 2020 vs. Q2 2019

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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

39% Gross Margin

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

1. *Over H1 2020*

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Revenue & EBITDA Profile

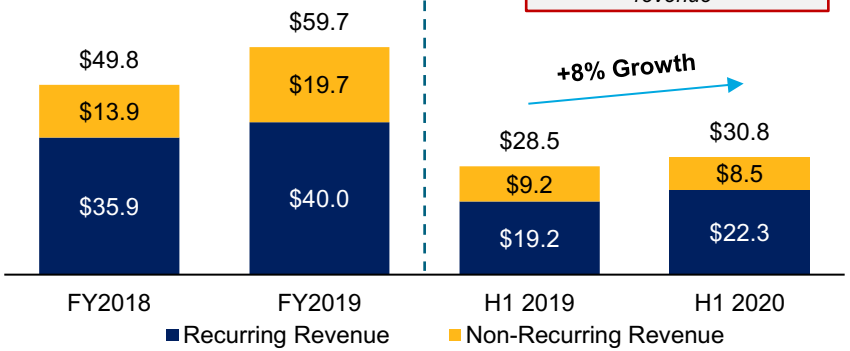
1 **~79% Recurring Business[1]; Recurring Revenue[2] Up 16% YTD[3]**

2 **Consistent History of Delivering Positive EBITDA**

Total Revenue

(in millions)

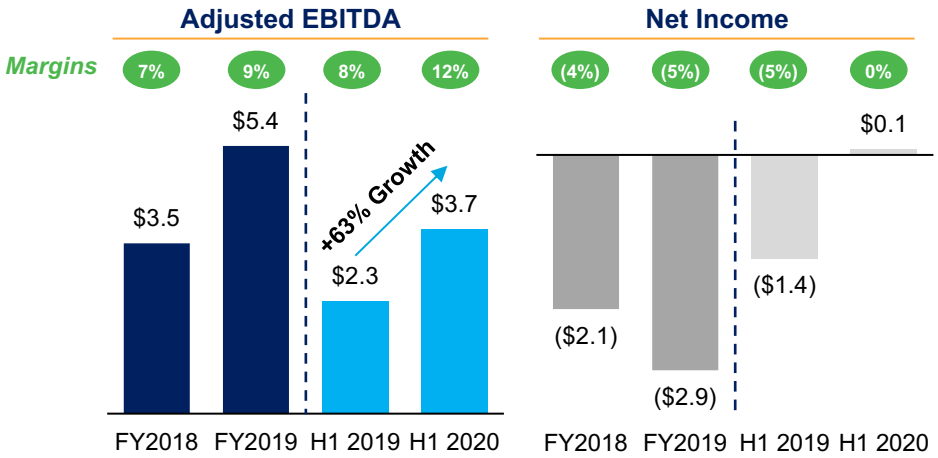
2020 COVID-19 Impact: *deferral of non-recurring revenue[4]*



Revenue Growth Rate			
N/A	11%	N/A	16%
N/A	42%	N/A	(8%)

Adjusted EBITDA[5] and Net Income

(in millions)



1. *As at Q2 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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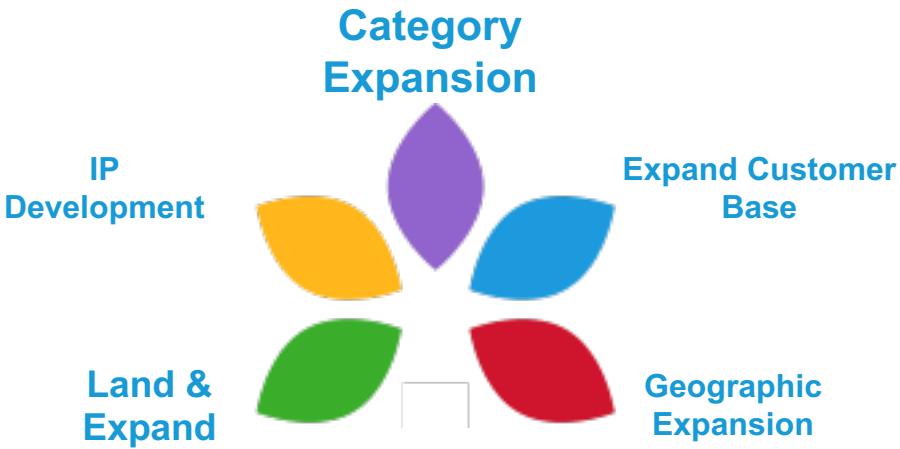
Growth Opportunities



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 79%[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 Q2 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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