



# RECORD REVENUES FOR Q4 AND INCREASED YEAR-OVER-YEAR ORGANIC GROWTH

---

Q4 and F2021 Performance Highlights

June 10, 2021

**Alithya** 

# CAUTIONARY NOTE ON FORWARD LOOKING STATEMENTS AND NON-IFRS MEASURES

Certain statements contained herein may constitute “forward-looking information” within the meaning of applicable Canadian securities laws and “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and other applicable U.S. safe harbours (collectively “forward-looking statements”). These statements may include, without limitation, estimates, plans, expectations, opinions, forecasts, projections or other statements regarding the future growth, results of operations, performance and business prospects of Alithya that do not exclusively relate to historical facts or which refer to the characterizations of future events or circumstances, including information or statements regarding our ability to generate sufficient earnings to support our operations, our ability to develop new business, broaden the scope of our service offerings and enter into new contracts, our strategy, future operations, and prospects, our expectations regarding our financial performance, and the impact on Alithya of, and the response of Alithya to, the occurrence of the COVID-19 pandemic.

Although management believes the expectations reflected in Alithya’s forward-looking statements were reasonable as at the date they were made, forward-looking statements are based on the opinions, assumptions and estimates of management and, as such, are subject to a variety of risks and uncertainties and other factors, many of which are beyond Alithya’s control, and which could cause actual events or results to differ materially from those expressed or implied in such statements. Such risks and uncertainties include but are not limited to those discussed in Alithya’s Management’s Discussion and Analysis (“MD&A”) for the fourth quarter and year ended March 31, 2021 as well as in other materials made public, including documents filed with Canadian and U.S. securities regulatory authorities from time to time and which are available on SEDAR at [www.sedar.com](http://www.sedar.com) and EDGAR at [www.sec.gov](http://www.sec.gov). Forward-looking statements contained herein are expressly qualified in their entirety by these cautionary statements and are made only as of the date of Alithya’s MD&A for the fourth quarter and year ended March 31, 2021. Alithya expressly disclaims any obligation to update or revise any forward-looking statements, or the factors or assumptions underlying them, whether as a result of new information, future events or otherwise, except as required by applicable law. Investors are cautioned not to place undue reliance on forward-looking statements since actual results may vary materially from them.

Certain measures disclosed herein have also not been prepared in accordance with IFRS. These measures do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. These measures should be considered as supplemental in nature and not as a substitute for the related financial information prepared in accordance with IFRS. Please refer to Alithya’s MD&A for the fourth quarter and year ended March 31, 2021 for a description of such measures, a reconciliation to the most directly comparable IFRS financial measures and for further details.

All amounts are in Canadian dollars unless otherwise indicated.

# REVIEWING THE BENEFITS OF OUR LATEST ACQUISITION: R3D CONSULTING

## \$600M in confirmed backlog

Added two 10-year contracts that will add approximately \$600M in total guaranteed revenues starting April 1, 2021.

## 600 new professionals

Alithya now has more than 3,000 billable professionals.

## Insurance, telecom, and public sector

The two historic contracts with Beneva<sup>(1)</sup> and Québecor strengthened our presence in these industries that are going through significant digital transformation phases.

## Transaction was immediately cash flow positive

Reducing Alithya's debt to adjusted EBITDA<sup>(2)</sup> ratio and pointing to further deleveraging of our balance sheet.

Note to readers: R3D Consulting's financial performance is not included in the disclosure of financial results for the fourth quarter of fiscal 2021 as the transaction closed on April 1, 2021.

- (1) The company resulting from the merger of La Capitale and SSQ, the largest mutual insurance company in Canada.
- (2) This is a non-IFRS financial measure. Please refer to the "Cautionary Note on Forward-Looking Statements and Non-IFRS Measures" section of this presentation and to the "Non-IFRS Measures" section in the MD&A for more information.

# F2021-Q4 PERFORMANCE HIGHLIGHTS

1

Revenues increased 6.5% to \$78.0M. The consolidated percentage increase would have been 7.7% assuming a constant US\$ exchange rate

2

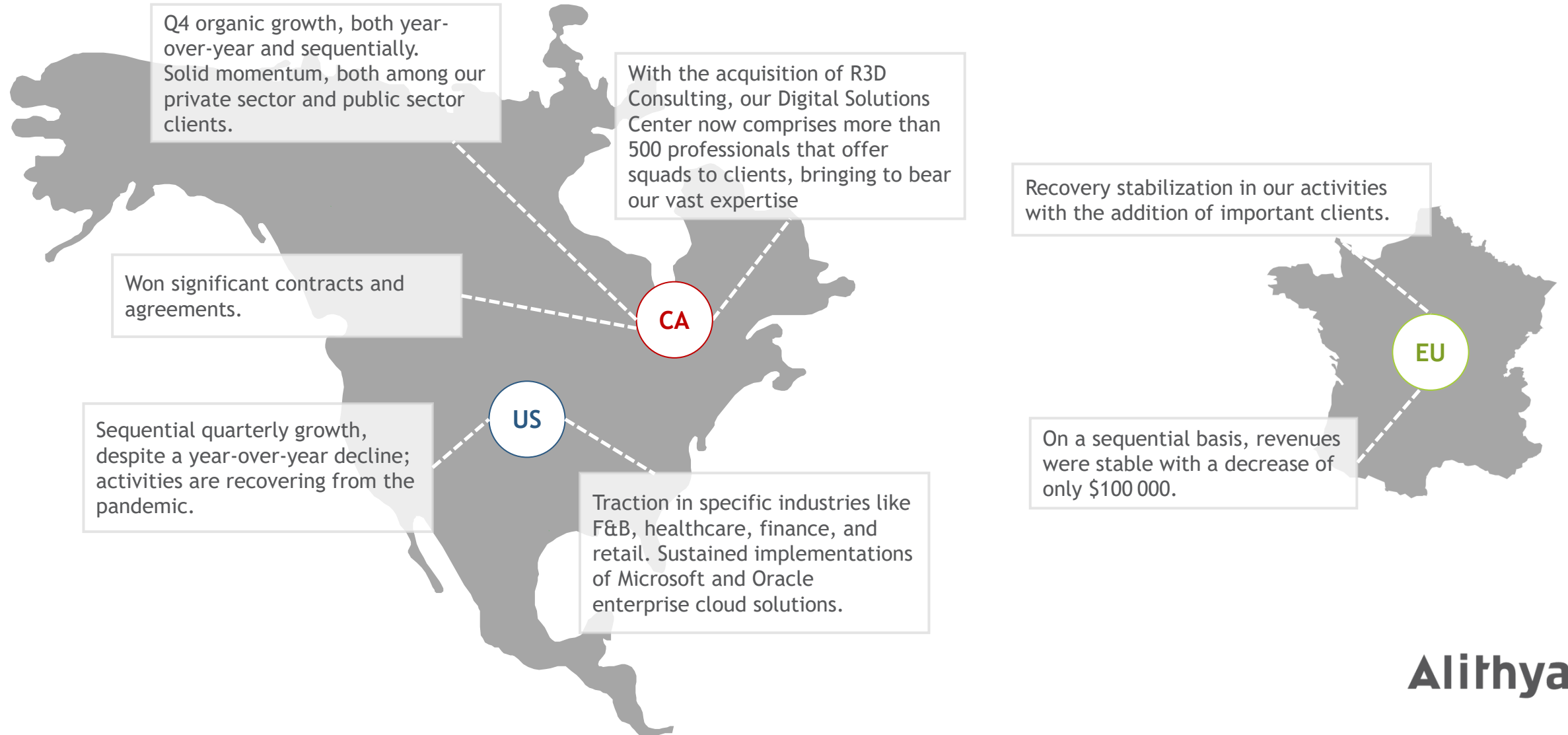
Q4 bookings reached \$92.8M, which translated into a book-to-bill ratio of 1.23<sup>(1)</sup>

3






Adjusted EBITDA<sup>(1)</sup> increased 61.8% from last year, as we continue to benefit from organic growth, our acquisitions, and operational synergies, quarter over quarter

(1) This is a non-IFRS financial measure. Please refer to the "Cautionary Note on Forward-Looking Statements and Non-IFRS Measures" section of this presentation and to the "Non-IFRS Measures" section in the MD&A for more information.

# OUR TEAM HAS DELIVERED STRONG GROWTH



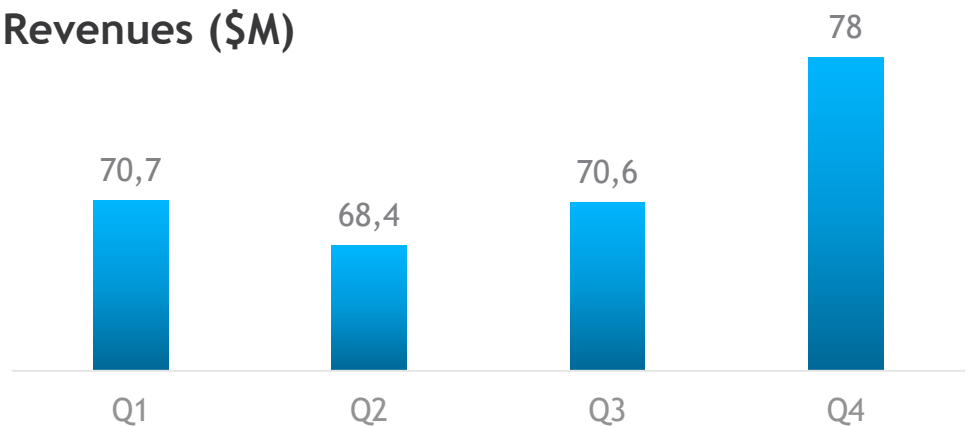
# RECORD REVENUES FOR Q4 AND INCREASED YEAR-OVER-YEAR ORGANIC GROWTH

	F2021-Q4	F2020-Q4		
REVENUES	\$78.0M	\$73.2M	6.5% 	<ul style="list-style-type: none"> <li>▲ General organic growth in most areas, growth at certain key clients</li> <li>▲ Additional revenues from the acquisition of Askida in February 2020</li> <li>▼ US revenues decreased due primarily to the US\$ exchange variation, while being negatively impacted by the pandemic</li> </ul>
GROSS PROFIT	\$23.5M	\$21.0M	12.0% 	<ul style="list-style-type: none"> <li>▲ Increased gross margin from Canada and the US, due in part to increased utilization rates and the changing mix of revenues</li> <li>▲ Some governmental wage subsidies in Canada and the US</li> <li>▼ Negative impacts of the US\$ exchange rate and the impact of increased costs on one large project</li> </ul>
GROSS MARGIN	30.1%	28.6%	40 bps 	<ul style="list-style-type: none"> <li>▼ Impacts of the pandemic in Europe at one important client and by the negative impacts of the pandemic on utilization rate</li> </ul>
NET LOSS	(\$2.5M)	(\$34.0M)	nm 	<ul style="list-style-type: none"> <li>▲ No impairment loss recorded in F2021-Q4</li> <li>▲ Increased Adjusted EBITDA<sup>(1)</sup>, decreased share-based compensation, decreased amortization of intangibles, decreased business acquisition and integration costs, and increased income tax recovery</li> </ul>
ADJUSTED EBITDA <sup>(1)</sup>	\$3.3M	\$2.0M	61.8% 	<ul style="list-style-type: none"> <li>▲ Good organic growth, offset by the US\$ exchange variation</li> <li>▲ Increased gross margins</li> <li>▼ Slightly increased consolidated SG&amp;A expenses</li> </ul>

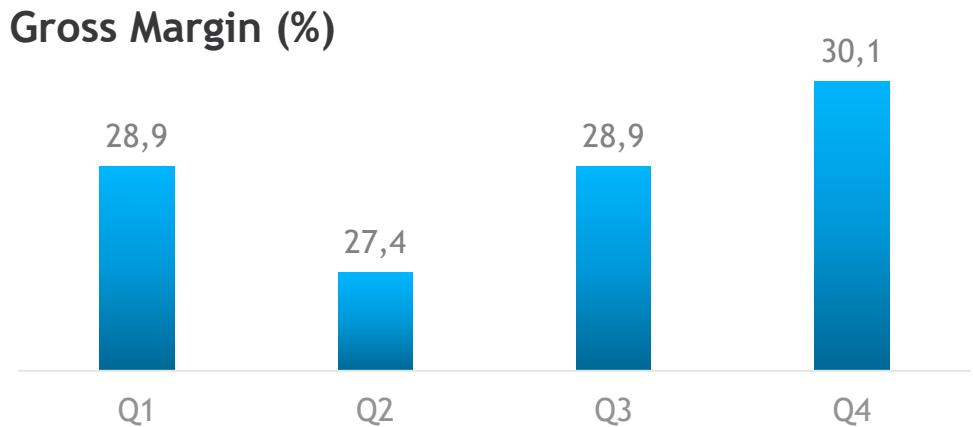
(1) This is a non-IFRS financial measure. Please refer to the "Cautionary Note on Forward-Looking Statements and Non-IFRS Measures" section of this presentation and to the "Non-IFRS Measures" section in the MD&A for more information.

# CONTINUED GROWTH IN F2021

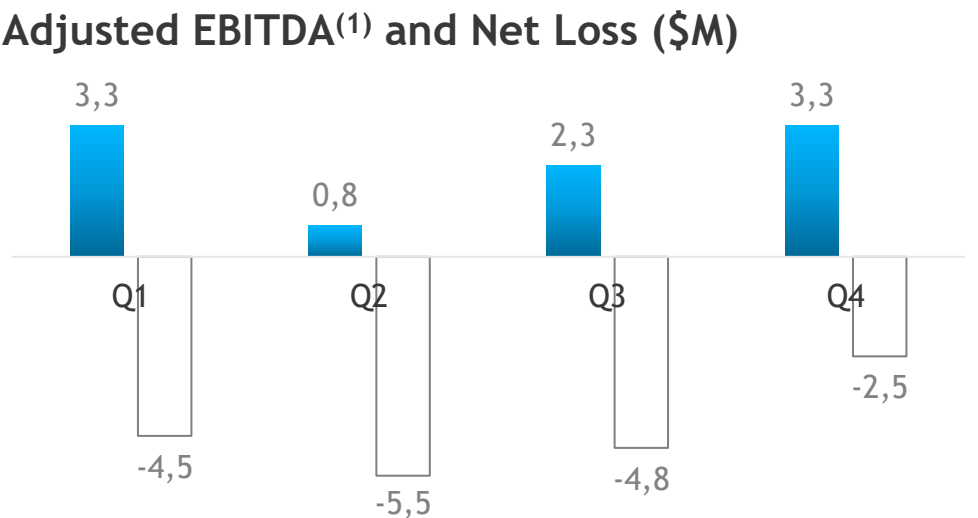
Revenues (\$M)



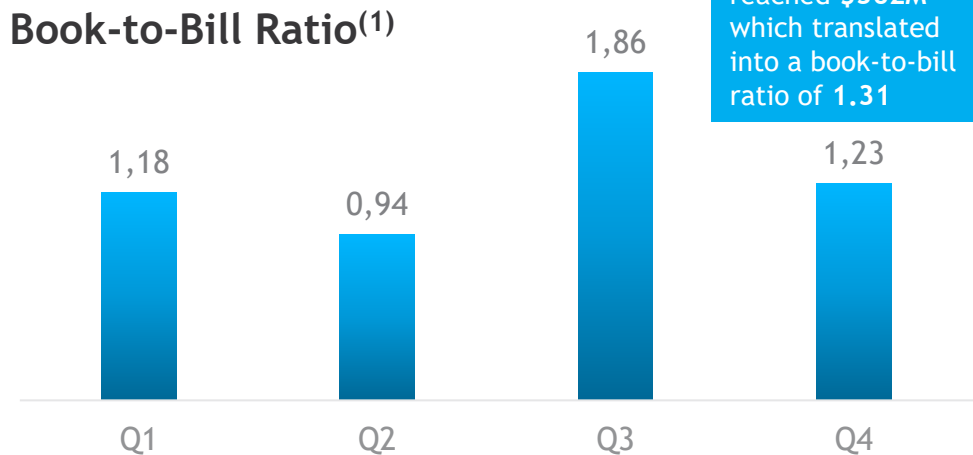
Gross Margin (%)



Adjusted EBITDA<sup>(1)</sup> and Net Loss (\$M)



Book-to-Bill Ratio<sup>(1)</sup>



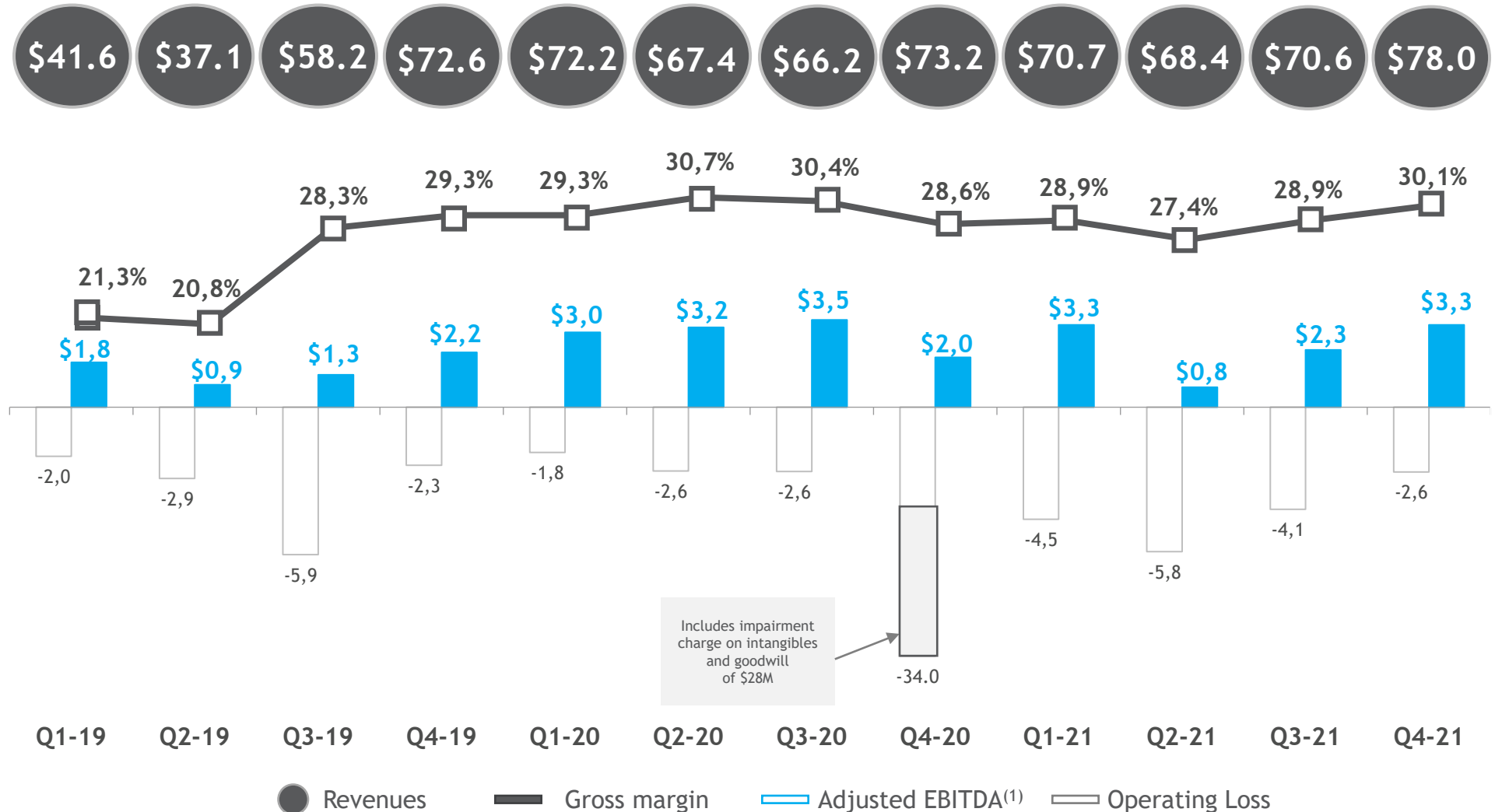
F2021 bookings reached \$362M which translated into a book-to-bill ratio of 1.31

(1) This is a non-IFRS financial measure. Please refer to the “Cautionary Note on Forward-Looking Statements and Non-IFRS Measures” section of this presentation and to the “Non-IFRS Measures” section in the MD&A for more information.



# SUSTAINED AND BALANCED GROWTH

(In millions of \$, except margins in %)



(1) This is a non-IFRS financial measure. Please refer to the "Cautionary Note on Forward-Looking Statements and Non-IFRS Measures" section of this presentation and to the "Non-IFRS Measures" section in the MD&A for more information.



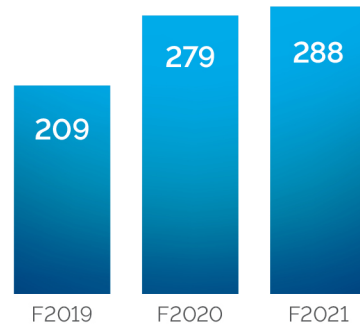
# F2021-Q4 LIQUIDITY AND FINANCIAL POSITION

- > Net cash used in operating activities was \$2.2M in the fourth quarter of fiscal 2021, compared to \$3.0M of cash used in the same quarter last year
- > Net bank borrowing<sup>(1)</sup> reached \$21.1M as at March 31, 2021, an improvement from \$26.9M as at March 31, 2020
  - > With \$10.1M in cash and restricted cash
  - > Total debt of \$55.0M, including long-term debt and current portion of long-term debt
    - > Including non-interest bearing balances of sale
    - > Including remaining Paycheck Protection Program (“PPP”) loans of US\$4.8M currently under review for forgiveness
- > Certain Canadian subsidiaries obtained \$4.0M through the Canada Emergency Wage Subsidy of which \$1.5M was recorded in Q4-21

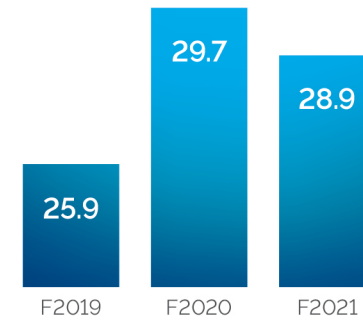
(1) This is a non-IFRS financial measure. Please refer to the “Cautionary Note on Forward-Looking Statements and Non-IFRS Measures” section of this presentation and to the “Non-IFRS Measures” section in the MD&A for more information.

# APPENDIX: F2021 KEY FIGURES

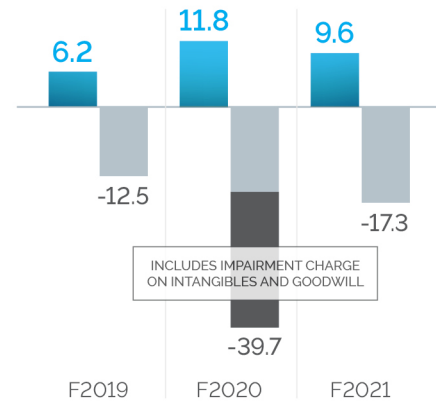
## REVENUES (C\$M)



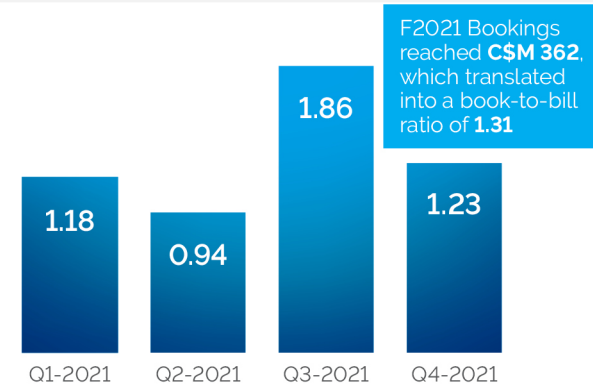
## GROSS MARGIN (%)



## ADJUSTED EBITDA\* AND NET LOSS (C\$M)



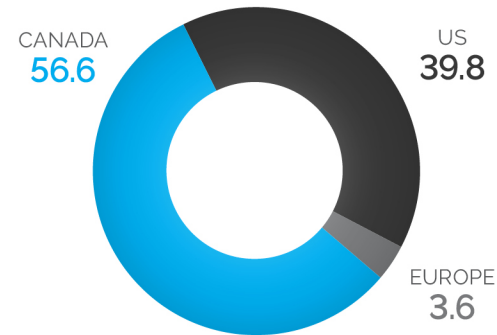
## BOOK-TO-BILL RATIO\*



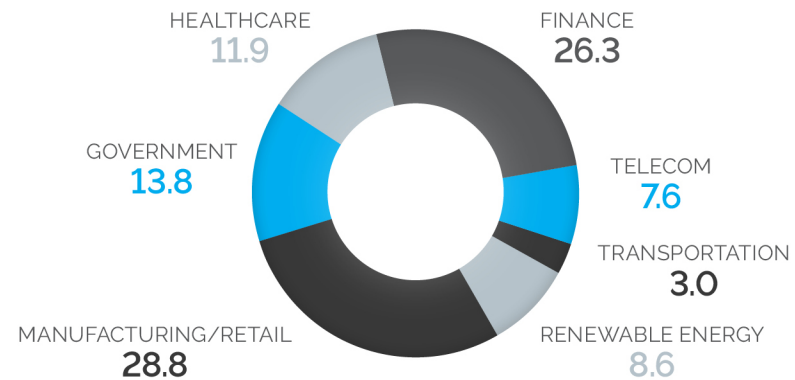
\* This is a non-IFRS financial measure. Please refer to the "Cautionary Note on Forward-Looking Statements and Non-IFRS Measures" section of this presentation and to the "Non-IFRS Measures" section in the MD&A for more information.

# APPENDIX: DISTRIBUTION OF REVENUES

**GEOGRAPHIC  
REVENUES (%)**

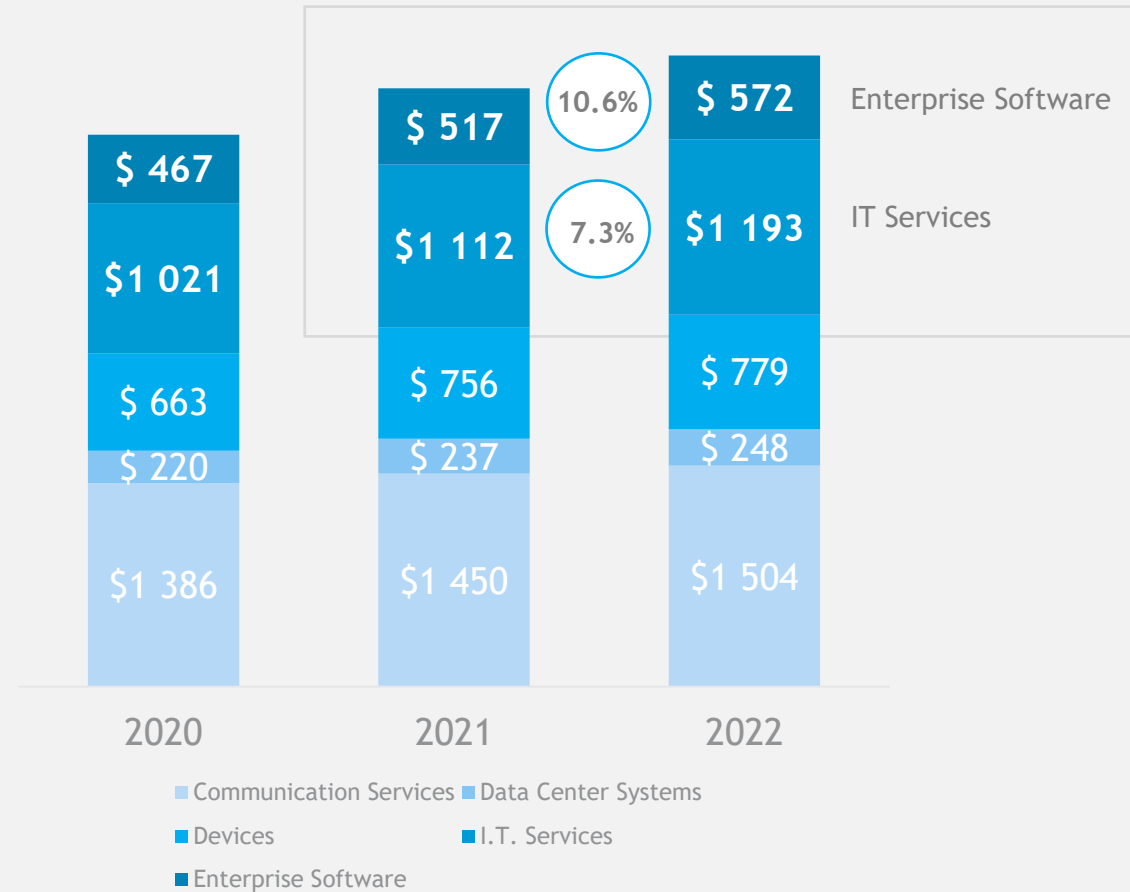


**REVENUES  
BY INDUSTRY (%)**



# APPENDIX: ORGANIZATIONS SHIFT THEIR FOCUS TO PROVIDING A MORE PRODUCTIVE ENVIRONMENT FOR THEIR WORKFORCE

## Gartner's Worldwide IT Spending Forecasts





# RECORD REVENUES FOR Q4 AND INCREASED YEAR-OVER-YEAR ORGANIC GROWTH

---

Q4 and F2021 Performance Highlights

June 10, 2021



**Alithya** 