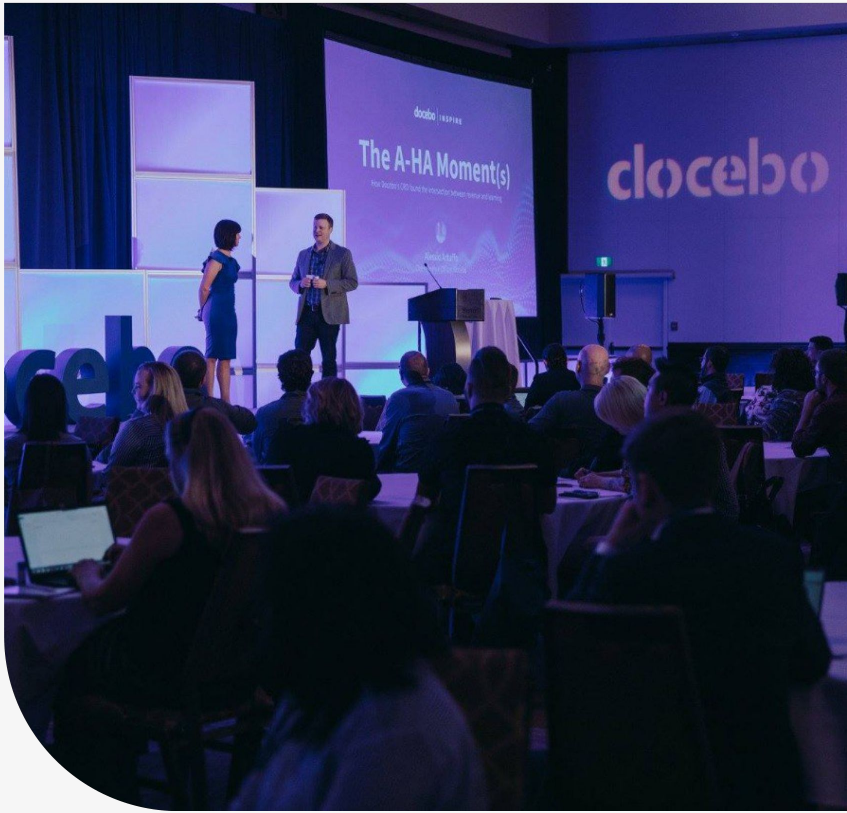
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Docebo Inspire 2023 Analyst Presentation



Today’s Agenda

- **CEO Overview**
  - **Claudio Erba,** Founder & Chief Executive Officer
- **Strategic initiatives**
  - **Alessio Artuffo,** President & Chief Operating Officer
- **Financial Overview**
  - **Sukaran Mehta,** Chief Financial Officer
- **Q&A**



Forward Looking Statements

Cautionary Note Regarding Forward-Looking Information: This presentation contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking information") within the meaning of applicable securities laws. Forward looking information may relate to our financial outlook and anticipated events or results and may include information regarding our financial position, business strategy, growth strategies, addressable markets, budgets, operations, financial results, taxes, dividend policy, plans and objectives. Particularly, information regarding our expectations of future results, performance, achievements, prospects or opportunities or the markets in which we operate is forward-looking information. In some cases, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "targets", "expects", "is expected", "an opportunity exists", "budget", "scheduled", "estimates", "outlook", "forecasts", "projection", "prospects", "strategy", "intends", "anticipates", "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or, "will", "occur" or "be achieved", and similar words or the negative of these terms and similar terminology. In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent management's expectations, estimates and projections regarding future events or circumstances. This forward-looking information includes, but is not limited to, industry trends; our growth rates and growth strategies; our future goals relating to operating leverage, costs as a percentage of revenue, and being a "rule of 40 company" with scaling EBITDA contribution; addressable markets for our solutions; growth rates of or markets, including compared to similar markets; the achievement of advances in and expansion of our platform; expectations regarding our revenue and the revenue generation potential of our platform and other products; expectations regarding future profitability; our business plans and strategies; our ability to attract and retain customers; and our competitive position in our industry. This forward-looking information is based on our 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: (i) the Company's ability to execute on its growth strategies and continue to grow revenue while increasing operating leverage and margins; (ii) the impact of changing conditions in the global corporate e-learning market; (iii) increasing competition in the global corporate e-learning market in which the Company operates; (iv) fluctuations in currency exchange rates and volatility in financial markets; (v) changes in the attitudes, financial condition and demand of our target market; (vi) developments and changes in applicable laws and regulations; and such other factors discussed in greater detail under the "Risk Factors" section of our most recent Annual Information Form and under the "Forward-Looking Information" section in the Company's MD&A for the three and six months ended June 30, 2023, both available under our profile on SEDAR+ at www.sedarplus.ca and on EDGAR at www.sec.gov. If any of these risks or uncertainties materialize, or if the opinions, estimates or assumptions underlying the forward-looking information prove incorrect, actual results or future events might vary materially from those anticipated in the forward-looking information. Although we have attempted to identify important risk factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other risk factors not presently known to us or that we presently believe are not material that could also cause actual results or future events to differ materially from those expressed in such forward-looking information. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. No forward-looking statement is a guarantee of future results. Accordingly, you should not place undue reliance on forward-looking information, which speaks only as of the date made. The forward-looking information contained in this presentation represents our expectations as of the date specified herein, and are subject to change after such date. However, we disclaim any intention or obligation or undertaking to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required under applicable securities laws. All of the forward-looking information contained in this presentation is expressly qualified by the foregoing cautionary statements.

Non-IFRS Measures and Industry Metrics: This presentation makes reference to non-IFRS measures, including "Free Cash Flow" and other key performance indicators used by management and typically used by our competitors in the software-as-a-service ("SaaS") industry, such as "Annual Recurring Revenue" or "ARR", "Adjusted EBITDA", "Recurring Revenue", "Net Dollar Retention" , "Cash Burn" and "Average Contract Value" or "ACV". These measures are not recognized measures under IFRS and do not have a standardized meaning prescribed by IFRS and are therefore not necessarily comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of our results of operations from management's perspective. Accordingly, these measures should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS. These non-IFRS measures and SaaS metrics are used to provide investors with supplemental measures of our operating performance and liquidity and thus highlight trends in our business that may not otherwise be apparent when relying solely on IFRS measures. We also believe that securities analysts, investors and other interested parties frequently use non-IFRS measures, including SaaS industry metrics, in the evaluation of companies in the SaaS industry. Management also uses non-IFRS measures and SaaS industry metrics in order to facilitate operating performance comparisons from period to period, the preparation of annual operating budgets and forecasts and to determine components of executive compensation. For full explanations and reconciliations of these non-IFRS measures, refer to the "Non-IFRS Measures and Reconciliation of Non-IFRS Measures" section in the Company's MD&A for the fiscal years ended December 31, 2022 and 2021 and MD&A for the three and six months ended June 30, 2023, each of which are incorporated by reference herein and available under the Company's profile on SEDAR+ at www.sedarplus.ca.

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Claudio Erba

FOUNDER & CEO



Timeline



Docebo was founded



Docebo office in the US. Athens (GA)



1st Large Enterprise Customer Contract signed



Docebo HQ in Canada, Toronto



Docebo launches its IPO on the Toronto Stock Exchange



Docebo begins trading in the US on Nasdaq



Launch of the Docebo Learning Suite

Generative AI Partnership with Google Cloud

Acquired PeerBoard and Edugo



The Evolution of E-learning...

EARLY 2000 — 2015 — NOW



Centralized HR
Learning approached as a global project with HR as owner (or L&D reporting to HR).



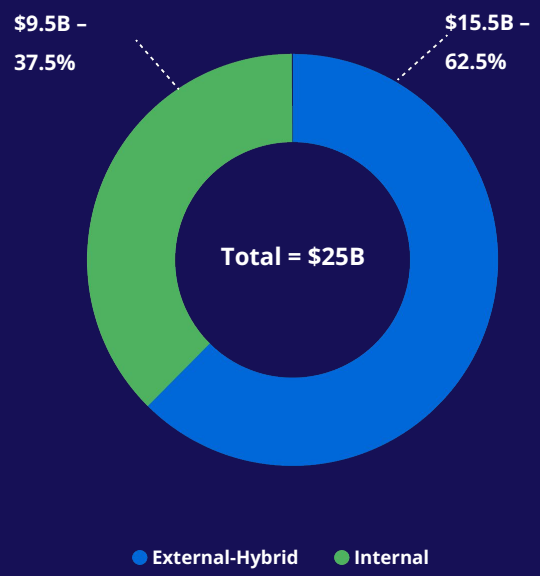
Departmental adoption:
Ownership begins to shift to departments with greater focus on hard skills that have more direct impact on business outcomes.



External Training is undergoing digital transformation as they create global customer communities and leverage generative AI to drive innovation, introduce cutting-edge features, and deliver personalized learning at scale.

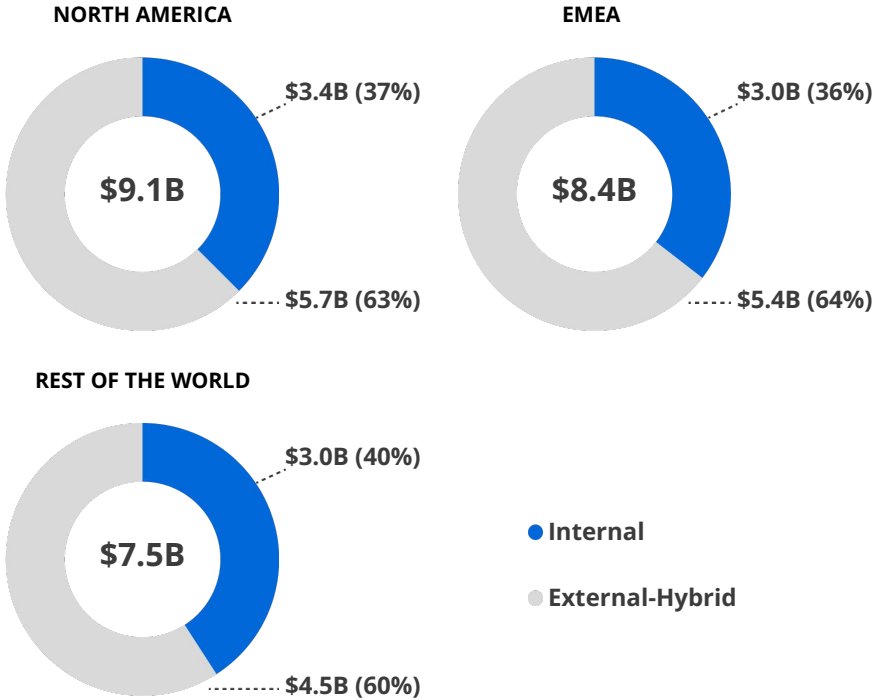
TAM by Use Case

TOTAL TAM BY USE CASE



Source: Docebo Analysis. Company and industry research, government data and publications

TAM BY $ARR SEGMENTED BY TERRITORY AND USE CASE



Key trends shaping our Market

AI - How learning Will be Impacted

In the future, learning will be tailored to individual needs, **hyper personalized learning.** There is significant potential for growth in the field of **content automation**. As AI continues to develop, **virtual coaching** via video with the support of avatars will become more prevalent. However, to make all of this possible, it is crucial to give **customers control over their data.**

Rise of The Extended Enterprise

Purchasers and adoption is expanding beyond the HR-Internal Talent Development use case, especially for **customer education or onboarding alongside many extended enterprise learning cases.**

Internal Specialized Use Cases

For internal use cases such as **Sales Enablement, vertical audiences** expect LMSs to deliver beyond their traditional interface with **deep technical integration & data synchronization capabilities with native systems.**

Workforce Upskilling & Reskilling

LMSs and LXPs capabilities are being integrated to deliver workforce upskilling & reskilling, demanding avant technologies to **manage federated content, embed learning in the flow of work**, and pervasive analytics.

Authoring Capabilities

New learning formats with mobile, video, gaming and AR/VR formats are creating a need for an expanded toolset of holistic **authoring tools & content creation services integrated** with their LMS solutions.

The future of learning is *better faster smarter*

We are the foundation upon which the future of learning is built. Innovation is the driving force behind our platform - and AI is at its core. We enable organizations to harness the power of AI to create, manage and deliver world-class learning for every audience and use case. With the world's most powerful AI - trained by company-specific data - organizations can take learning, and their business, to the next level.

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Key Differentiators

Ontology matching

Docebo's AI can connect with any skills mapping tool from any vendor and without human intervention, can automatically tag Docebo content with the customer's own ontology.

Trainable AI brain

We provide the ability to train the AI with company data so outputs are tailored to the customer's needs, improving output accuracy and reducing the need for human intervention.

Vertical AI brain

We provide use case and vertical specific content creation and personalization support based on our AI's understanding of customer needs - from simple content to interactive simulations and everything in between.

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Key Differentiators

Pedagogically-Informed Learning

Docebo's AI is built using a cognitive infrastructure that enhances cognitive function of the user. Activities, interactions and assessments are tailored to meet the learner where they are - and to continually adapt to ensure maximum knowledge retention.

Full control over AI

Docebo provides access to an AI panel giving organizations full control over their own data so they can decide how (and if) it is used. We also provide data anonymization on our own LLM to ensure data privacy and control.

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Existing AI Capabilities

1. **Virtual Coach**
   Proactive learning coach for every single user in your platform, who can guide and steer them continuously through their learning activities and work within the learning platform

2. **Content Recommendations**
   Enrollment and content suggestions for admins and managers based on activity in the platform or relation to visible channels

3. **AI-powered deep search**
   Surface relevant content based not only on title and description but content of materials.

4. **Docebo Shape**
   AI content creation with personalization and easy editing. Enables experts as creators.

5. **Skills Tagging**
   AI analyzes learning content as it is uploaded to the platform, identifying automatically what skills from the Skills Catalog are most relevant and immediately proposing them to customers as they complete the upload process.

Future AI Capabilities

Short Term

Expansion of Docebo Shape - rapidly automating the creation of e-learning course content from both customer-specific and internet sources

Medium Term

Virtual Interactive Simulations – solution-specific AI simulations, allowing learners to practice soft skills with real time AI feedback.

Skills Tagging – automatically match ontologies and ensure consistency across systems

Long Term

Hyper-personalized learning – adaptable learning paths based on platform interactions and knowledge retention/integration

Semantic search – improved content accessibility and embedded search functionality will enhance the dependability and rapidity of search results based on the learner's needs

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Alessio Artuffo

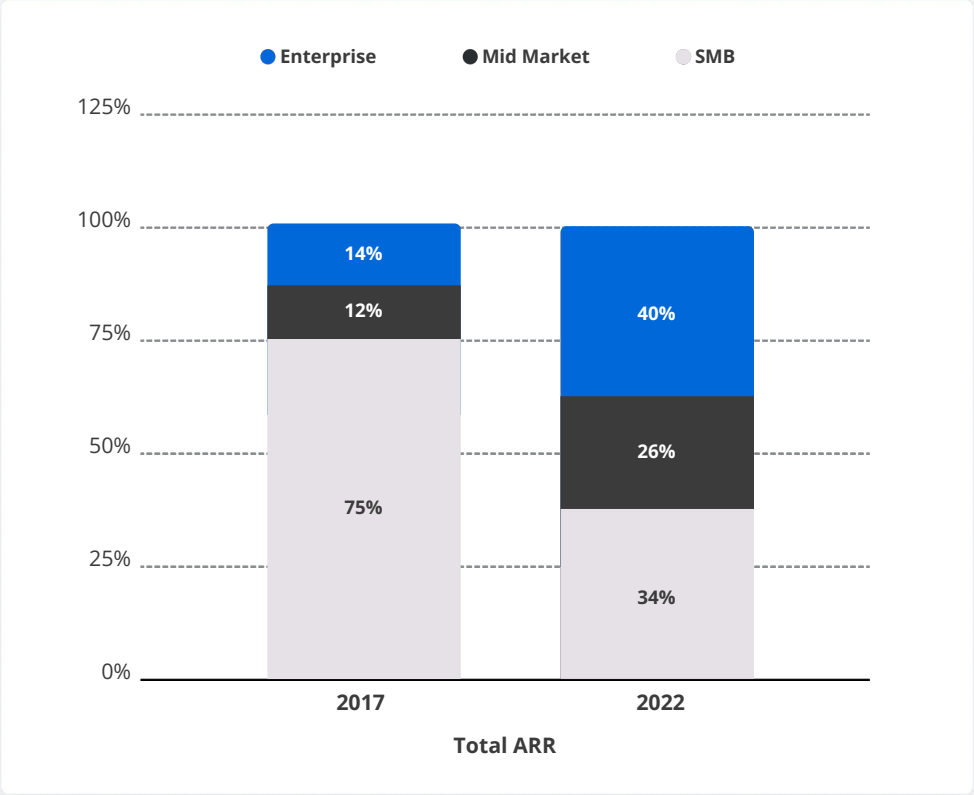
President & COO



Investing to move up market

Evolving sales and marketing motion is driving greater revenue growth from strategic and enterprise accounts

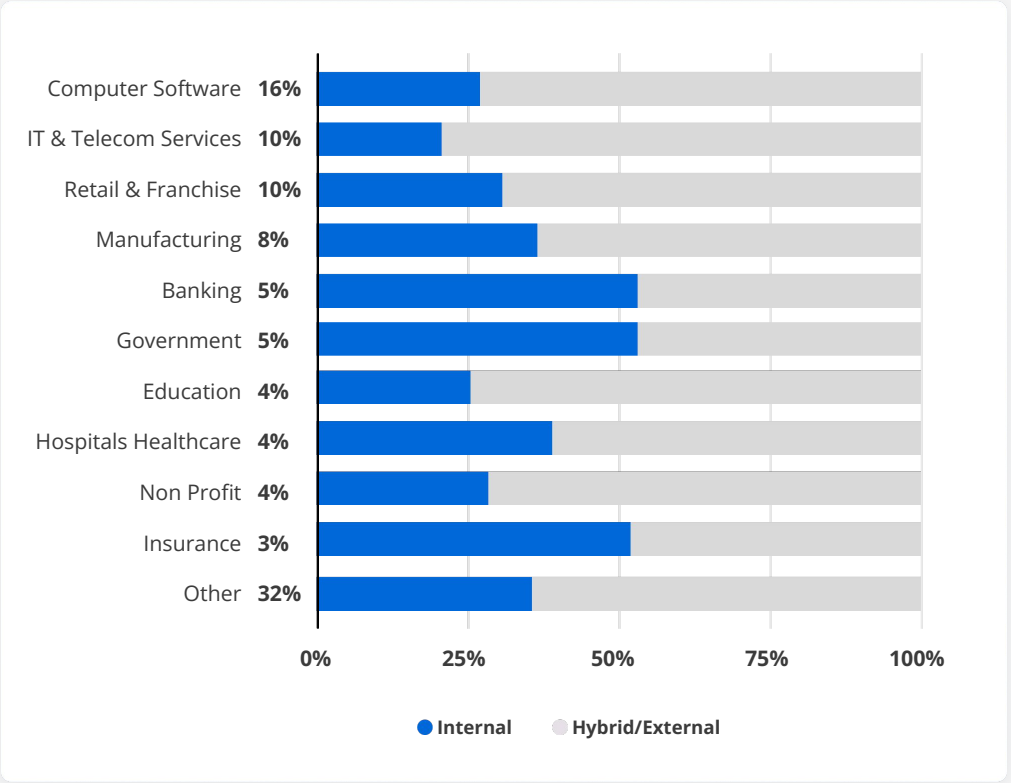
ARR PROGRESSION BY CUSTOMER TYPE



* Years 2019 to 2021

Our horizontal platform addresses the diverse learning needs of leading enterprises across a broad range of industries

ARR AS AT Q4 2022



All your learning needs under a single platform

- **Improves operational productivity**
- **Helps to reduce tech stack by using one platform**
- **Reduces complexity**
- **Improves ROI and leverages cost per users**

REVENUE ENABLEMENT



Sales Enablement
Get sales teams up to speed and crushing quotas faster.



Support Enablement
Get support teams up to speed and helping customers faster.



Services Enablement
Get services teams up to speed and contributing.



Marketing Enablement
Get marketing teams up to speed and executing faster.

EXTERNAL TRAINING



Customer Training
Keep your customers happy, healthy, and loyal.



Partner Training
Support your partners and turn them into champions for your product.



Membership Training
Support your members and ensure they're seeing value.



Retail / Franchise / QSR Training
Support franchisees, retail locations, and QSRs in every market.

TALENT DEVELOPMENT



Employee Onboarding
Ramp up new employees so they can get down to business sooner.



Professional Development
Empower employees to grow in their roles and unlock new value for the business.



Leadership Development
Improve the effectiveness of your leadership team and retain top talent.

COMPLIANCE



Compliance Training
Manage compliance training and certifications, meet standards and mitigate risks.

~ 65%

of customers use Docebo for external training or hybrid training use cases

Government Vertical Update

01 **Focus on Fed** and SLED opportunities in North America as a launch. (By far the largest Markets for IT spend worldwide)

02 **Partner driven** Go to Market- Big 4 firm exclusive partnership, Carahsoft, Emerald One, eSkillz, etc- provide past performance, leads, and credibility

03 **Robust SLED market** with higher funding levels for FY 24 projected based on Federal programs. (Safe Schools, HHS, Mental Health are some examples)

04 **Ramping** Federal activities in conjunction with our FedRamp and CJIS certifications needed to unlock even a larger subset of opportunities that are actively being pursued with partners.

05 **Developing** joint product offering with Big 4 partner targeting state level agencies on multiple use cases.

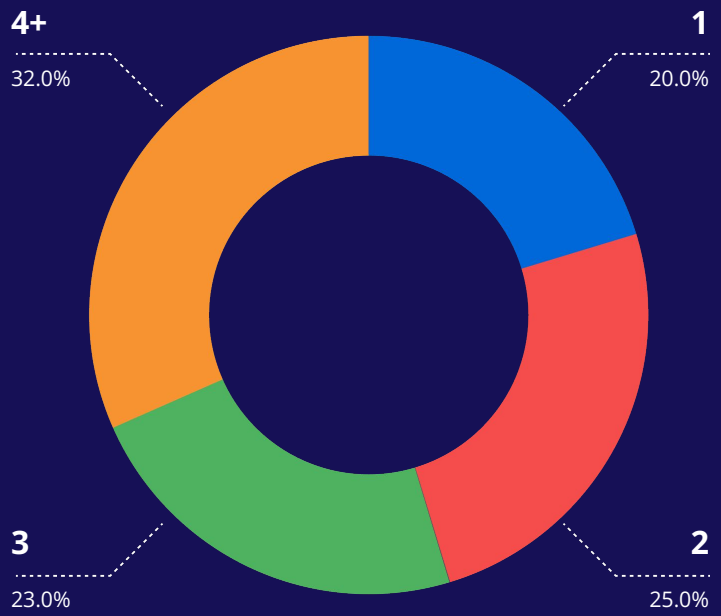
Today



~80%

Of ARR use Docebo for multiple use cases

- Customer with 3+ use cases have superior unit economics with 95%+ Gross Retention and higher Net Retention



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Sukaran Mehta

CFO



Pillars of Growth

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External Use Case

- 65 % external/hybrid use case
- Highest win rates for Docebo including Hybrid
- Tied directly to ROI, financial KPI driven learning
- Greenfield opp of 70%

Expansion into the Enterprise

- Doubling down on success with larger enterprise customers
- Switcher market opportunity when legacy players no longer fit the bill
- Multiple use-cases, higher retention rates
- Horizontal platform addresses diverse learning needs of leading enterprises across a broad range of industries

Expansion into the Government Segment

- FedRAMP
  - Market size - $261M in 2022 spent in the last 3 years
  - Fed and SLED market,
  - Large SI exclusive partnership
- Docebo has a strong start with ~100 public sector customers representing ~5% of ARR and which do not require FedRAMP certification

Land & Expand

- Enterprises will support multiple internal and external use cases
- Upsell and Cross-sell opportunities
- Increase use case adoption to 3 or more use cases / departments per customer

OEM & Systems Integrators

- New OEMS added in June, Darwinbox also brings with it access to a new market in India
- SI's critical to success in driving pipeline in the enterprise and Gov segments

Achieving Operating Leverage Without Sacrificing Growth Investments

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Sales and Marketing	Strategic growth investments while achieving operating leverage **(30-35% of revenue)**
Research and Development	Continue to invest in innovation & FedRamp. Maintain current investment levels **(16-18% of revenue)**
General and Administrative	Drive leverage through process excellence and automation of processes **(10-12% of revenue)**
3 Year Goal	**Healthy Rule of 40 company with growth first mindset, balanced with scaling EBITDA contribution**

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Q&A

