

docebo®

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Fourth Quarter 2020 Earnings

Note: All financials presented are in US$ unless otherwise noted.

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General

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This forward-looking information includes, but is not limited to, statements regarding industry trends; our growth rates and growth strategies; addressable markets for our solutions; 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; our business plans and strategies; 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; (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) the extent of the impact of COVID-19 and measures taken to contain the virus on our results of operations and overall financial performance; (vi) changes in the attitudes, financial condition and demand of our target market; (vii) developments and changes in applicable laws and regulations; and such other factors discussed in greater detail under the “Risk Factors” section of our Annual Information Form dated March 10, 2021 (the “AIF”), both of which are available under our profile on SEDAR at www.sedar.com and at www.seg.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. The opinions, estimates or assumptions referred to above and described in greater detail in “Summary of Factors Affecting our Performance” section of our Management Discussion & Analysis for the three and twelve months ended December 31, 2020 (the “MD&A”) and in the “Risk Factors” section of our AIF, which is available under our profile on SEDAR at www.sedar.com and at www.sec.gov, should be considered carefully by prospective investors. 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. 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Non-IFRS Measures and Industry Metrics

This presentation makes reference to non-IFRS measures, including “Free Cash Flow”, “EBITDA”, "Adjusted EBITDA" and “Gross Margin” 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”, Net Dollar Retention Rate or "NDRR", and “Recurring Revenue”.. 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. Please Refer to the "Non-IFRS Measures and Reconciliation of Non-IFRS Measures" in our MD&A as well as "Non-IFRS Measures and Reconciliation of Non-IFRS Measures" in our Q4 2020 Earnings Press Release for further explanation, reported basis results, a list of the items of note, and a reconciliation of non-IFRS financial measures.

2020 Fourth Quarter Highlights

ORGANIC GROWTH

- 56.8% year over year increase in ARR
- 48.6% year over year increase in Subscription Revenue
- Highest new logo sales and upsell performance in the Company's history
  - Added 154 net customers from Q3 2020 to Q4 2020
  - Average contract value from new customers of over $40,000
  - Approximately 80% of ARR from new customers and upsell agreements were multi-year deals
  - New customer agreement with Ubisoft to consolidate their training and compliance requirements for its global workforce of 18,000 employees
  - Customer expansion agreements with Cisco and Heart & Stroke
- Highest OEM sales performance in the Company's history

FINANCIAL HIGHLIGHTS

- Positive Adjusted EBITDA, cash flow from operations and free cash flow
- Completed NASDAQ IPO issuing 3,450,000 common shares from treasury, including 450,000 common shares from the full exercise of the underwriters' over-allotment option, for net proceeds of $154.9 million

Continued ARR and Subscription Revenue Growth in Excess of 50%

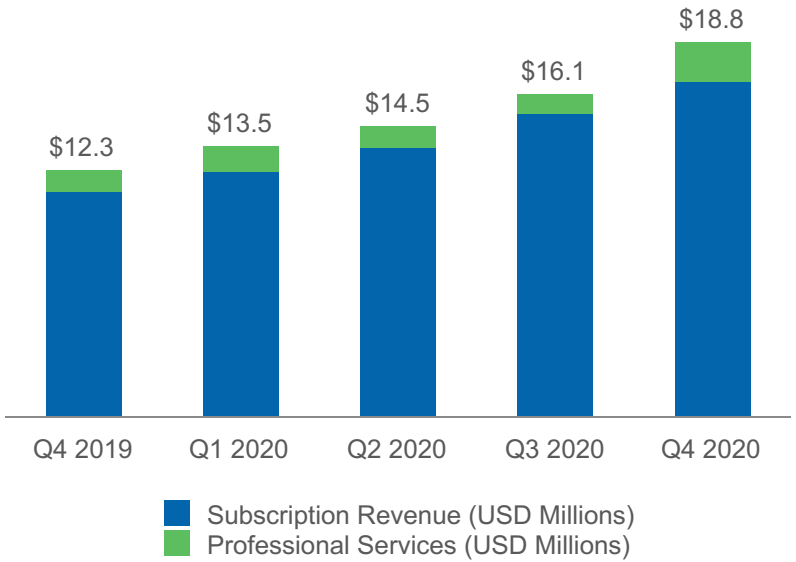
Record Quarter over Quarter Net ARR Growth

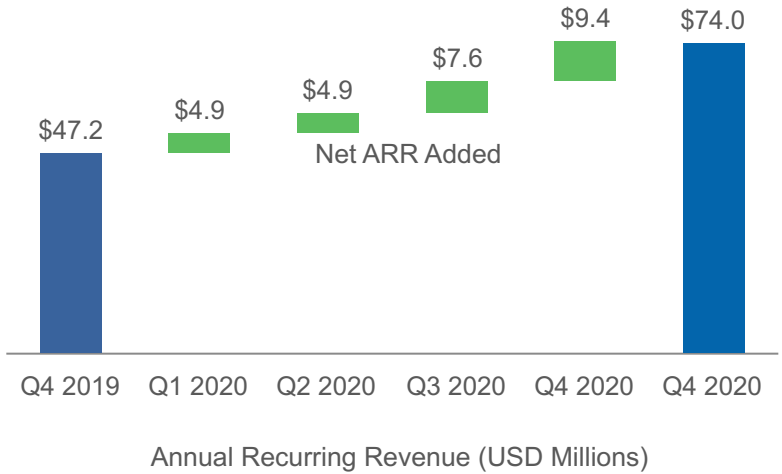
2,179
Customers[1]

108%
Net Dollar Retention Rate in 2020

$34.0k
Average contract value[1]

$9.4M
Incremental ARR in Q4 2020





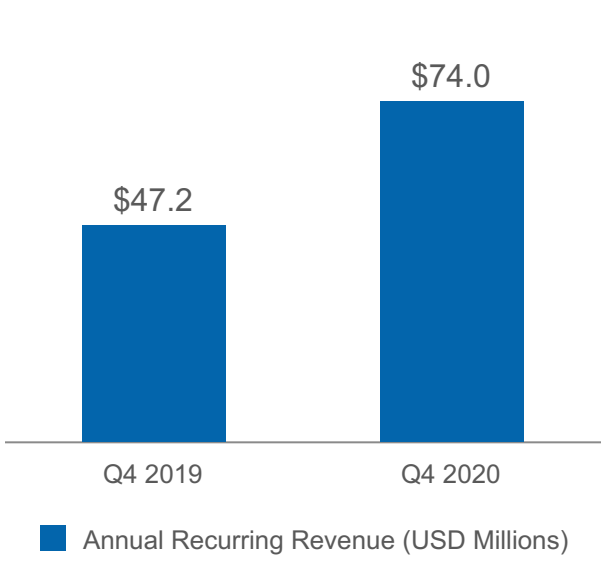
1. As at December 31, 2020

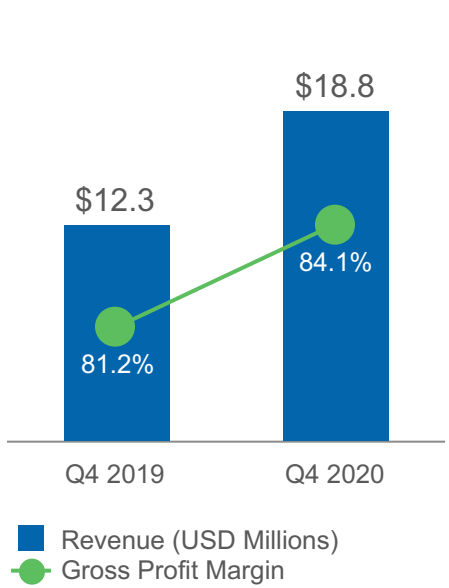
Strong Yr/Yr Growth and Improved Gross Margins

57%
ARR Growth[1]

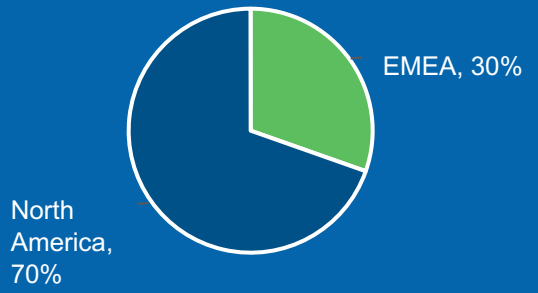
53%
Revenue Growth[1]

84%
Gross Profit Margin[1]





Q4 2020 Revenue by Geography



1. For the three months ended December 31, 2020

Positive Free Cash Flow Generation

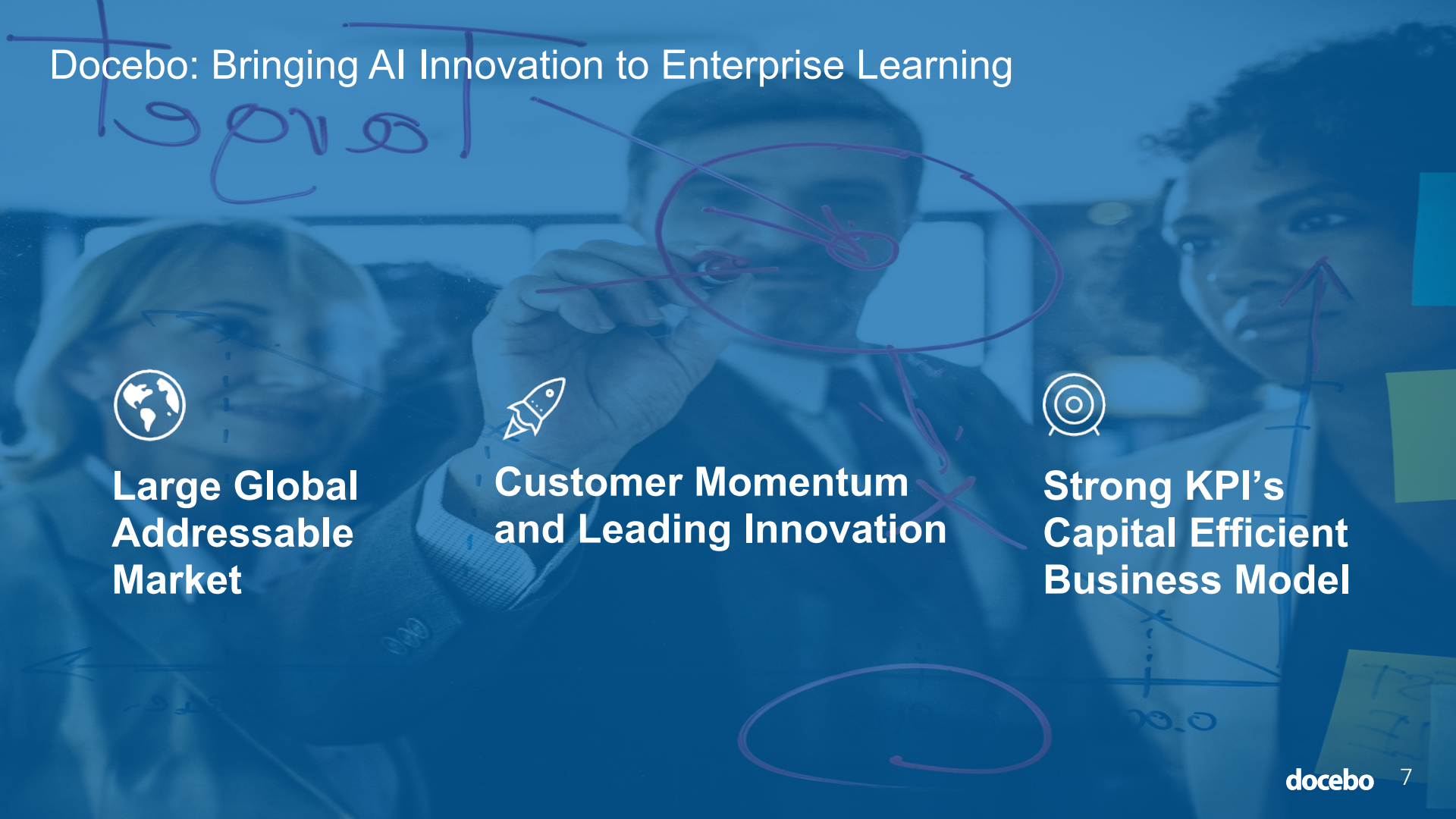
METRIC (USD '000)	Q4 2020		Q4 2019		Change	
	$	% of Rev.	$	% of Rev.	$	%
Revenue	18,756	---	12,298	---	6,458	52.5%
Cost of Revenue	2,975	15.9%	2,307	18.8%	668	29.0%
Gross Profit	15,781	84.1%	9,991	81.2%	5,790	57.9%
General & Administrative	5,738	30.6%	3,798	30.9%	1,940	51.1%
Sales & Marketing	6,461	34.4%	4,933	40.1%	1,528	31.0%
Research & Development	3,524	18.8%	3,002	24.4%	522	17.4%
Operating Expense	19,867	105.9%	13,060	106.2%	6,807	52.1%
Adjusted EBITDA	474	2.5%	(1,037)	(8.4)%	1,511	---
Net Loss	(3,741)	---	(3,299)	---	(442)	---
Loss per share - diluted	(0.12)	---	(0.12)	---	0	---
Free Cash Flow	6,594	---	(3,553)	---	10,147	---

Comments

- Gross margin improvement to 84.1% driven by benefits of scale
- Operating expense increased to $16.5M excluding a $3.4M (largely unrealized) foreign exchange loss , compared to $13.4M (excluding foreign exchange impacts) in the third quarter of 2020
- US listing will add ~$5M in increased G&A in 2021
- Adjusted EBITDA of $0.5M and $6.6M in positive Free Cash Flow

Maintained break-even Adjusted EBITDA while increasing growth investments

Docebo: Bringing AI Innovation to Enterprise Learning



Large Global Addressable Market

Customer Momentum and Leading Innovation

Strong KPI's Capital Efficient Business Model