F2022-Q4

Alithya Reports a Strong Quarter and F2022

June 17 , 2022

Alithya

FORWARD LOOKING STATEMENTS AND NON-IFRS MEASURES

Forward Looking Statements

Our presentations may contain "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 information and statements may include, without limitation, estimates, plans, expectations, opinions, forecasts, projections or other information and 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 as well as other global economy events, if any.

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 year ended March 31, 2022 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 and EDGAR at 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 year ended March 31, 2022. 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.

Non-IFRS Measures

Alithya reports its financial results in accordance with IFRS. Alithya uses a number of financial measures when assessing its results and measuring overall performance. Some of these financial measures are not calculated in accordance with IFRS. Regulation 52-112 respecting Non-IFRS and Other Financial Measures Disclosure ("Regulation 52-112") prescribes disclosure requirements that apply to the following types of measures used by Alithya: (i) non-IFRS financial measures; (ii) non-IFRS ratios; and (iii) supplemental financial measures.

In our presentations, the following non-IFRS and other financial measures are used: EBITDA; EBITDA Margin; Adjusted EBITDA; Adjusted EBITDA Margin; Constant Dollar Revenue; Constant Dollar Growth; Net Bank Borrowing; Gross Margin as a Percentage of Revenues; Selling, General and Administrative Expenses as a Percentage of Revenues; Bookings and Book-to-Bill Ratio. Additional details for these non-IFRS measures can be found in section 5, "Non-IFRS and Other Financial Measures" of Alithya's Management Discussion & Analysis ("MD&A") for the year ended March 31, 2022, filed on SEDAR at www.sedar.com and EDGAR at www.edgar.gov, which includes explanations of the composition and usefulness of these non IFRS financial measures and non IFRS ratios. Reconciliations of non-IFRS measures and other financial measures to the most directly comparable IFRS measures are also provided in the MD&A. These measures do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. These measures should be considered as supplemental in nature and not as a substitute for the related financial information prepared in accordance with IFRS.

All amounts are in Canadian dollars unless otherwise indicated.

PRESENTERS

PAUL RAYMOND
PRESIDENT AND CHIEF EXECUTIVE OFFICER

CLAUDE THIBAULT
CHIEF FINANCIAL OFFICER

OUR ACQUISITIONS ARE CATALYSTS FOR ORGANIC GROWTH

CREATION PHASE — DIVERSIFICATION PHASE — CONSOLIDATION & ACCELERATION PHASE

1992
ORIGIN OF THE COMPANY

2011
MANAGEMENT BUY-OUT

2012
NEW ALITHYA BRAND

SINAPSE
STRATEGIC CONSULTING, AND PUBLIC SECTOR EXPERIENCE

2015
TELUS' PROFESSIONAL SERVICES
TELECOM & PUBLIC SECTOR

OSI
IT & RECRUITMENT CAPACITY

2016
PRO2P
ORACLE ERP EXPERTISE

2017
SWI
RENEWABLE ENERGY, FINANCE, BI & ANALYTICS

2018
GOING PUBLIC

TELUS' MANAGED WEB SERVICES

EDGEWATER TECHNOLOGY
MICROSOFT CLOUD & ORACLE CLOUD

2019
MATRICIS
IOT, IA, AIOT

TRAVERCENT
ORACLE CLOUD & HEALTHCARE

2020
ASKIDA
QA, SOFTWARE DEVELOPMENT AND MODERNIZATION

2021
R3D
IT MANAGEMENT SERVICES & DIGITAL SOLUTIONS

2022
VITALYST
MICROSOFT ADAPTIVE LEARNING™ PLATFORM

TRAFIC3W
PUBLIC SECTOR AND SOFTWARE DEVELOPMENT

DATUM
INSURANCE-FOCUSED DIGITAL TRANSFORMATION SERVICES PROVIDER

DATUM AT A GLANCE

The closing of the transaction is expected to take place on July 1, 2022

DATUM IS A LEADER IN DIGITAL TRANSFORMATION SERVICES FOR DATA-RICH INSURERS AND OTHER REGULATED ENTITIES SUCH AS STATE GOVERNMENTS

6 of top 10 U.S. insurers
currently served

Over 150
employees globally

+90% of revenues
derived from insurers

Revenues of $22.7M in 2021
with >40% recurring

32% Adjusted EBITDA margin(1)
thereby enhancing Alithya's consolidated margin profile

14 proprietary products
and cloud-based software as a service (SaaS) offering

IBM
PEGA

- Gold Level ECM and BPM Specialty Partner of IBM
- PEGA 6 and PEGA 7 platform products, and PEGA frameworks

1. This is a non-IFRS financial measure without a standardized definition under IFRS, which may not be comparable to similar measures used by other issuers. "Adjusted EBITDA" refers to net income before adjusting for income tax expense (recovery), net financial expenses, foreign exchange, amortization of intangibles, depreciation of property and equipment and right-off-use assets, impairment of intangibles and goodwill, share-based compensation, business acquisition, integration and reorganization costs, internal ERP systems implementation, and other redundant and non-recurring items, as well as elements which will no longer occur, or at varying amounts, following the closing of the Datum acquisition by Alithya."Adjusted EBITDA Margin" refers to the percentage of total revenue that Adjusted EBITDA represents for a given period. Management believes that Adjusted EBITDA and Adjusted EBITDA Margin provide an indication of the results generated by Datum's main business activities prior to taking into consideration those items listed above. The Datum historical financial statements and information are unaudited.

OUR Q4 TAKEAWAYS

INDUSTRY-LEADING GROWTH

1. CLIENTS

54% YoY growth

- Bookings[1] of $107.2M, book-to-bill ratio[1] of 0.89
- Bookings record for manufacturing and healthcare verticals
- 120 new clients during F2022
- Continued momentum in the Oracle and Microsoft practices, as well as synergies reached through the integration of R3D

2. PEOPLE

3,700 professionals

- Plus 150 professionals from Datum, as at July 1
- 29% permanent employee growth YoY
- Received Bronze Certification from Women in Governance
- Named a finalist for Oracle partner of the year

3. INVESTORS

Strong cash generation

- Record revenues of $120.0M
- Record billable hours
- Revenues from long-term contracts with Beneva and Québecor on target
- Vitalyst's commercial integration underway
- Improved financial position for future acquisitions

(1) This is a supplemental financial measure. Please refer to the "Forward-Looking Information and Non-IFRS Measures" section of this presentation and to section 5 titled "Non-IFRS and Other Financial Measures" of the MD&A for an explanation of the composition of this supplemental financial measure.

STRATEGIC PLAN 2021-2024

Accelerating our efforts to drive cost efficiencies and synergies across the company

Revenues

- Leading organic growth
- Accretive acquisitions to support profitable growth and x-selling
- $600M three-year objective

Gross Margin(2)

- Transition to higher-value services
- Improvement of employee to subcontractor ratio, incl. offshoring
- Acquisitions with higher margin profiles

SG&A as a Percentage of Revenues(1)

- Critical mass reached, with slower increases in some categories
- Ongoing integration efforts, including short and medium-term cost synergies
- Future acquisitions with a lower SG&A profile

EBITDA(3)

- All of the above, to 9-13% three-year objective

(1) This is a supplemental financial measure. Please refer to the "Forward-Looking Information and Non-IFRS Measures" section of this presentation and to section 5 titled "Non-IFRS and Other Financial Measures" of the MD&A for an explanation of the composition of this supplemental financial measure.
(2) This reflects the impact of the R3D acquisition, which has a lower historical gross margin. Equals 28.1% when excluding R3D.
(3) This is a non-IFRS financial measure without a standardized definition under IFRS, which may not be comparable to similar measures used by other issuers. Please refer to the "Forward-Looking Information and Non-IFRS Measures" section of this presentation, to section 5 titled "Non-IFRS and Other Financial Measures" of the MD&A for an explanation of the composition and usefulness of this non-IFRS financial measure and to section 8.7 titled "EBITDA and Adjusted EBITDA" of the MD&A for a quantitative reconciliation to the most directly comparable IFRS measure.

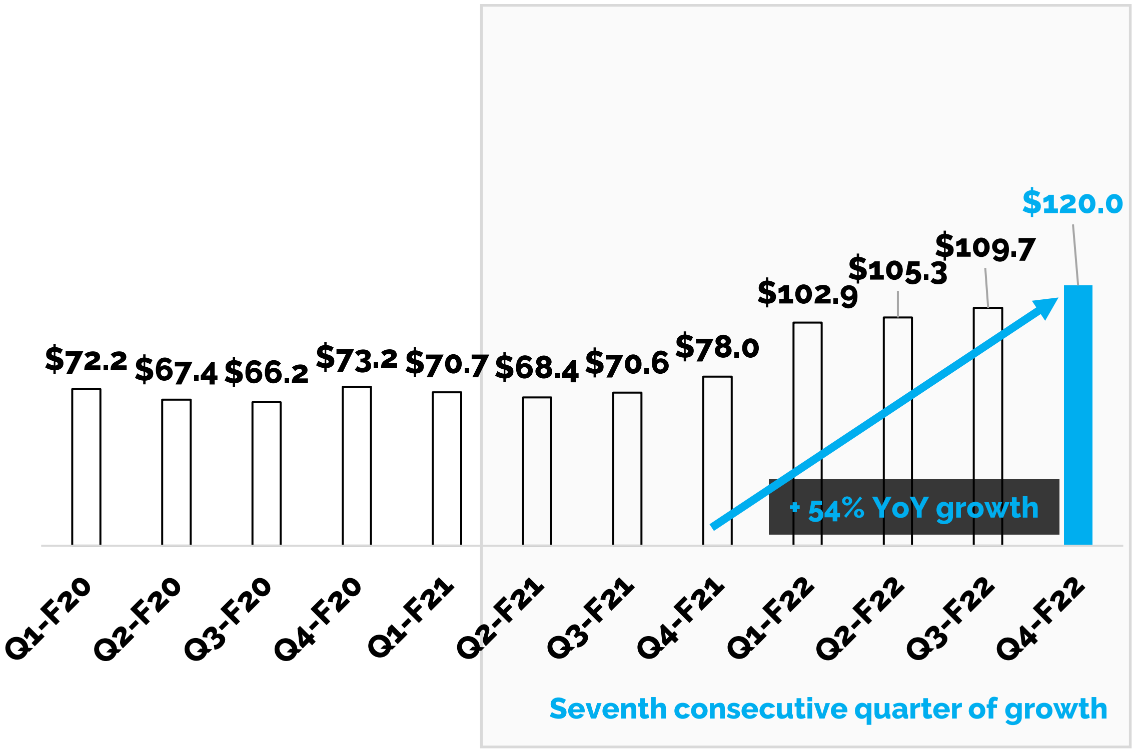
QUARTERLY PERFORMANCE

	F2022-Q4	F2021-Q4		
REVENUES	$120.0M	$78.0M	54.0% ▲	▲ Organic growth in all areas ▲ Revenues from the R3D acquisition, and growth from the two long-term contracts with Beneva and Québecor ▲ Revenues of $5.0M from the Vitalyst acquisition ▲ Record quarter for international revenues
GROSS MARGIN	$31.1M	$23.5M	32.3% ▲	▲ Increased gross margins internationally and positive margin impact from the Vitalyst acquisition
	25.9%	30.1%	420 bps ▼	▼ Driven in part by R3D's acquisition, whose revenues historically show a higher proportion from billable subcontractors ▼ Increased reliance on subcontractors due to high demand for Alithya's services, coupled with tightening labour market ▼ Some wage subsidies received in F2021-Q4
ADJUSTED EBITDA(1)	$6.0M	$3.3M	81.8% ▲	▲ Contribution from the Vitalyst acquisition and increased gross margin ▼ Partially offset by increased SG&A expenses
NET LOSS	($7.3M)	($2.5M)	nm ▼	▼ Increased SG&A expenses, business acquisition, integration and reorganization costs, depreciation and amortization, net financial expenses, and decreased income tax recovery ▲ Increased gross margin

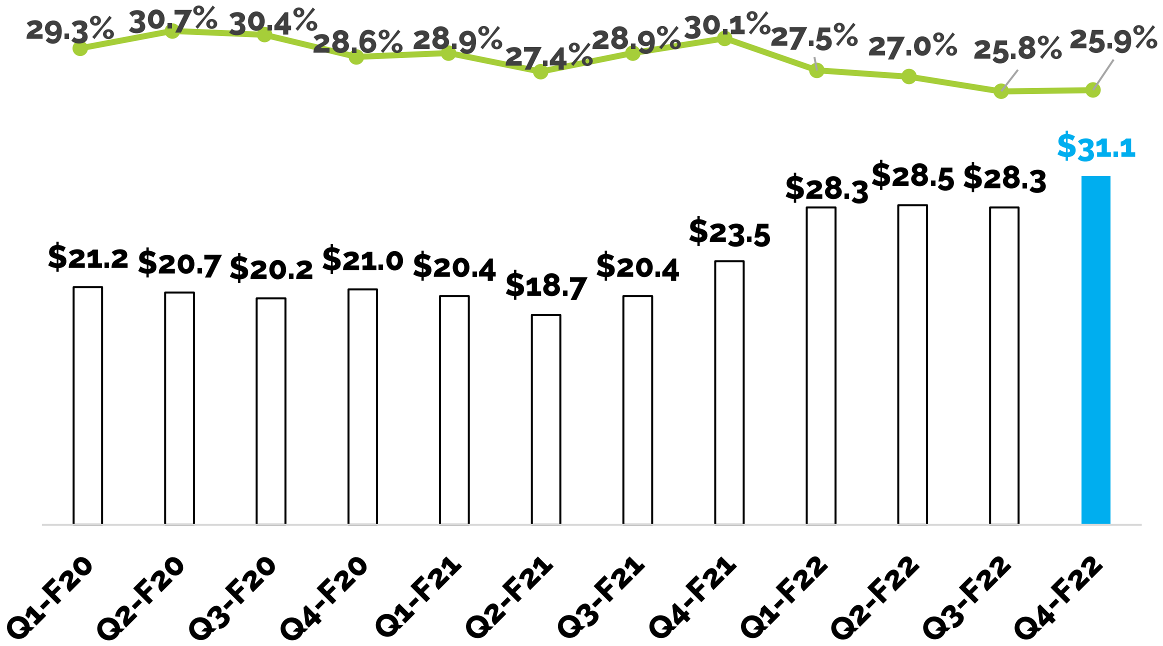
(1) This is a non-IFRS financial measure without a standardized definition under IFRS, which may not be comparable to similar measures used by other issuers. Please refer to the "Forward-Looking Information and Non-IFRS Measures" section of this presentation, to section 5 titled "Non-IFRS and Other Financial Measures" of the MD&A for an explanation of the composition and usefulness of this non-IFRS financial measure and to section 8.7 titled "EBITDA and Adjusted EBITDA" of the MD&A for a quantitative reconciliation to the most directly comparable IFRS measure.

LONG-TERM PERFORMANCE TRENDS

Revenues
(in millions of $)

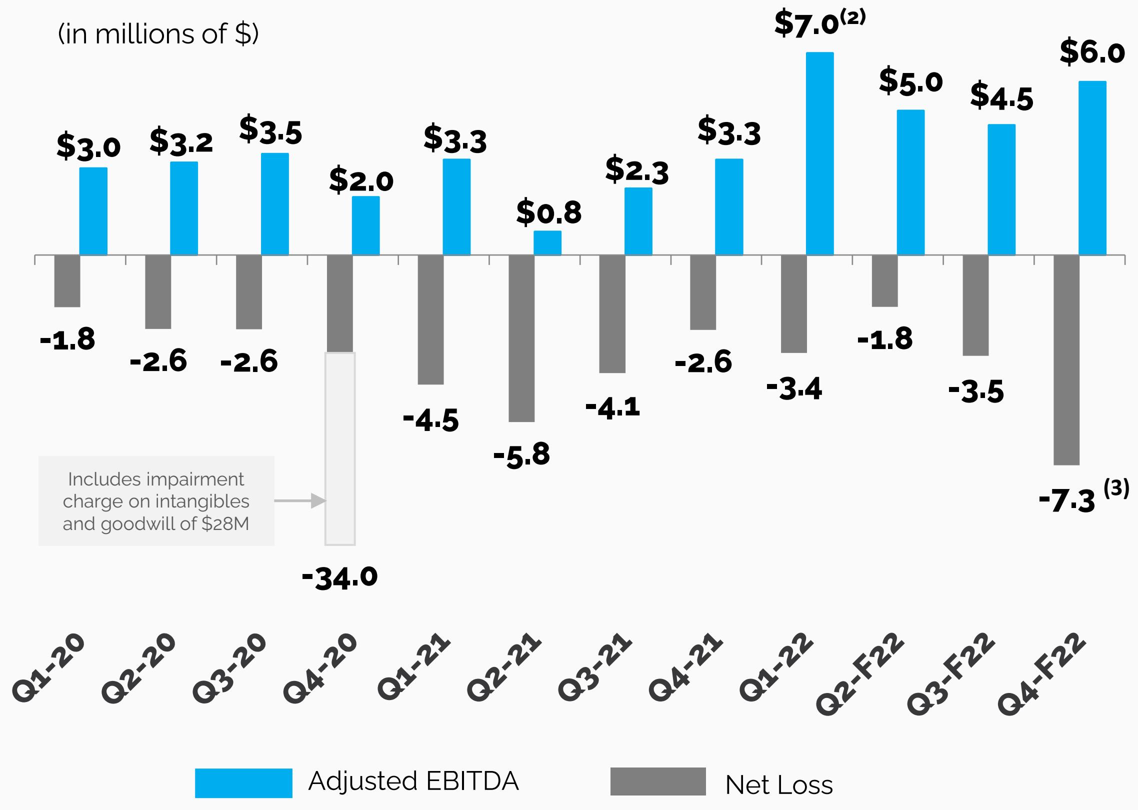


Gross Margin
(in millions of $, except for gross margin as percentage of revenues(1))



(1) This is a supplemental financial measure. Please refer to the "Forward-Looking Information and Non-IFRS Measures" section of this presentation and section 5 titled "Non-IFRS and Other Financial Measures" of the MD&A for an explanation of the composition of this supplemental financial measure..

LONG-TERM PERFORMANCE TREND



(1) This reflects the impact of the R3D acquisition, which has a lower historical gross margin.
(2) Includes forgiveness of PPP loans in an amount of $5.9M.
(3) Includes $6.1M of non-recurring expenses.

THE ALITHYA PLAYBOOK

Revenues

- Leading organic growth
- Accretive acquisitions to support profitable growth and x-selling
- $600M three-year objective

Gross Margin[1]

- Transition to higher-value services
- Improvement of employee to subcontractor ratio, incl. offshoring
- Future acquisitions with higher margin profiles

SG&A as a Percentage of Revenues

- Critical mass reached, with slower increases in some categories, and increased focus on synergies and scale efficiencies
- Ongoing integration efforts, including mid/long-term rent reductions
- Future acquisitions with lower SG&A profile

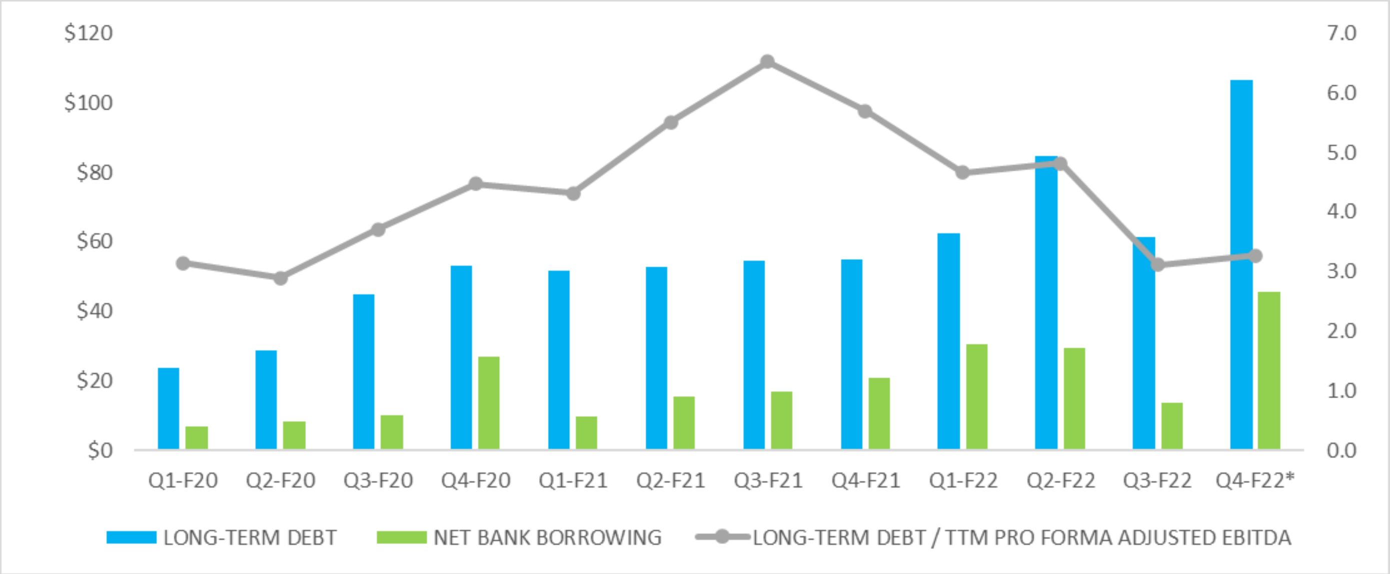
EBITDA

- All of the above, to 9-13% three-year objective to 2024

LIQUIDITY AND FINANCIAL POSITION

- Net cash used in operating activities in Q4 of **$4.8M**
  - Reflects non-recurring SG&A expenses of $6.1M
  - Also reflects negative working capital variations of $2.6M, to be expected considering strong organic growth

LIQUIDITY AND FINANCIAL POSITION



- Long-term debt of **$106.7M**, including current portion but excluding lease liabilities, an increase from **$61.6M** as at Dec. 31, 2021
- Net bank borrowing(1) increased to **$45.7M**, from **$13.9M** as at Dec. 31, 2021
  - Out of our $125M revolving credit facility
- Increase in debt caused by acquisitions, cash flow from operations with a high amount of non-recurring expenses in Q4, and increase in cash balance
  - Minus January share issuance, done in conjunction with the Vitalyst acquisition
- Despite increase in debt, the Long-term debt / TTM Pro Forma Adjusted EBITDA ratio(2) remains low, because of Vitalyst's historical profitability

(1) This is a non-IFRS financial measure without a standardized definition under IFRS, which may not be comparable to similar measures used by other issuers. Please refer to the "Forward-Looking Information and Non-IFRS Measures" section of this presentation, to section 5 titled "Non-IFRS and Other Financial Measures" of the MD&A for an explanation of the composition and usefulness of this non-IFRS financial measure and to section 10.6 titled "Long-Term Debt and Net Bank Borrowing" of the MD&A for a quantitative reconciliation to the most directly comparable IFRS measure.

(2) This is a non-IFRS ratio without a standardized definition under IFRS, which may not be comparable to similar measures used by other issuers. Long-term debt/TTM Pro Forma Adjusted EBITDA ratio is calculated by dividing Long-term debt by Adjusted EBITDA, on a trailing twelve-month basis, plus the Adjusted EBITDA from acquisitions, for the same period. Management believes that this ratio provides information as to the company's leverage levels, similar to bank covenants.

F2022-Q4

QUESTIONS

Alithya