

F2023-Q2

CONTINUED STRONG GROWTH IN BOTH REVENUES AND PERFORMANCE

November 10, 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 potential return to pre-COVID-19 pandemic operations.

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 for the quarter ended September 30, 2022, Management’s Discussion and Analysis for the quarter ended June 30, 2022 and Management’s Discussion and Analysis 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 and expressed in our presentations are expressly qualified in their entirety by these cautionary statements and are made only as of the date of Alithya’s Management’s Discussion and Analysis for the quarter ended September 30, 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; Net Debt; Net Debt over Trailing Twelve Months (TTM) Adjusted EBITDA; 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 quarter ended September 30, 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

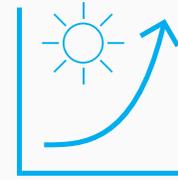


**PAUL
RAYMOND**
PRESIDENT AND
CHIEF EXECUTIVE
OFFICER



**CLAUDE
THIBAUT**
CHIEF FINANCIAL
OFFICER

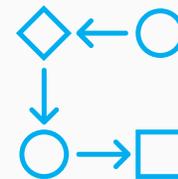
OUR THREE GUIDING PRINCIPLES



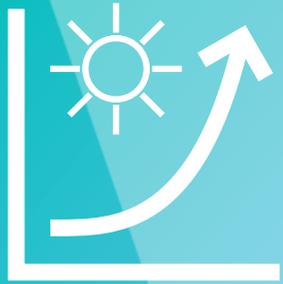
Offering value-added services to our current and potential customers



Making the employee experience exceptional



Continuous improvement in our operational efficiencies as we grow our scale and offerings



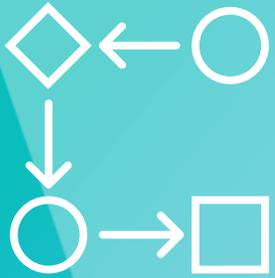
OFFERING VALUE-ADDED SERVICES

- > Strategic partnerships in Higher Education with OneWorldSIS and Frequency Foundry
- > Launch of Alithya 365 Power Apps for the Manufacturing and Healthcare sectors
- > Completed 13 enterprise cloud solution go-lives, while adding 34 new clients
- > Vitalyst is propelling customers to a more productive, hybrid workplace



MAKING THE EMPLOYEE EXPERIENCE EXCEPTIONAL

- > 20.3% YoY increase in permanent employees
- > Increase of employee/sub-contractor ratio
- > Advanced Leadership Academy training and other development programs
- > Best KPI: Manager–Employee relationship of 8.5
- > Employee Engagement KPI of 7.9



CONTINUOUS IMPROVEMENT IN OUR OPERATIONAL EFFICIENCIES

- > Scale provides us with larger strategic opportunities where our project management expertise can be leveraged
- > Focused on optimizing our real estate footprint in alignment with our operational needs
- > Global project management optimization
- > Leveraging cross-functional initiatives

STRATEGIC PLAN 2021-2024

Revenues

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

Gross Margin

- > Transition to higher-value services
- > Improvement of permanent employee to sub-contractor ratio
- > Offshoring to Alithya operations globally
- > Acquisitions with higher margin profiles

SG&A⁽¹⁾

- > Critical mass reached, with slower increases in some categories
- > Ongoing integration efforts, including short and medium-term cost synergies

EBITDA Margin⁽²⁾

- > 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 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.

OUR Q2 TAKEAWAYS

Adjusted EBITDA⁽¹⁾

87% YoY growth

- > Increased to \$9.4M
- > Better gross margin from efficiency improvements and scale benefits

Revenue

23% YoY growth

- > Revenues increased to \$128.9M
- > Cross-asset utilization and global delivery
- > Bookings⁽²⁾ of \$119.3M and trailing 12-month book-to-bill ratio⁽²⁾ of 1.02

Talent

Alithya mindset

- > Longer-term approach of competitive salaries, robust training, career development opportunities, and internal mobility
- > Client ramp-up: Right-shoring in our global delivery platform

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Q2 REVENUES BY SERVICE CATEGORY

| | F2023-Q2 | F2022-Q2 |
|---|----------|----------|
| Consulting services – Time & materials | 74.1% | 83.5% |
| Consulting services – Fixed-fee | 12.5% | 10.6% |
| Subscription, software and other revenues | 13.4% | 5.9% |

80% of F2023-Q2 revenues come from clients also served in F2022-Q2

CFO REMARKS

F2023-Q2 FINANCIAL PERFORMANCE

Alithya 

QUARTERLY PERFORMANCE

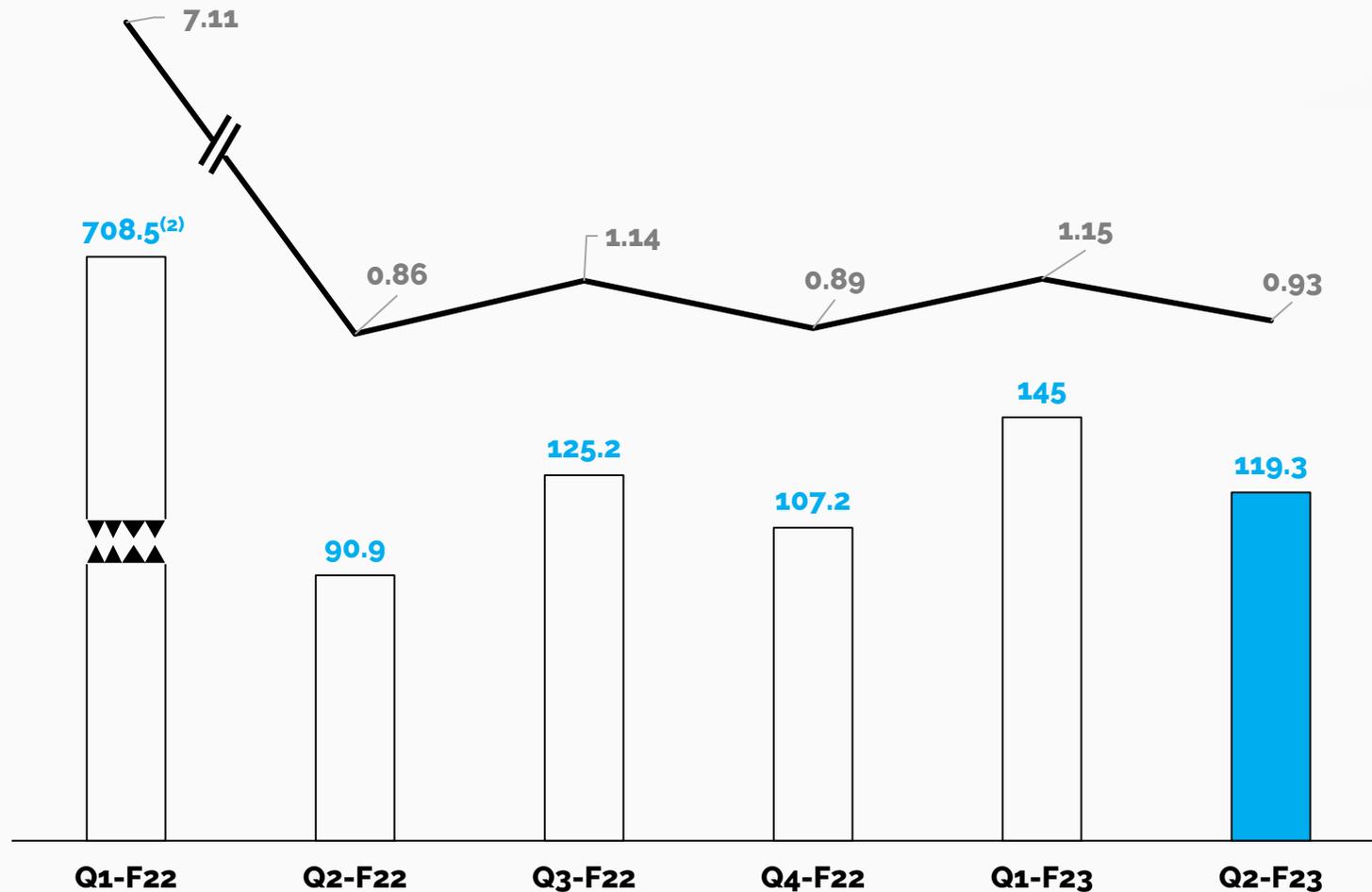
| | F2023-Q2 | F2022-Q2 | | |
|--------------------------------------|----------|----------|---------|--|
| REVENUES | \$128.9 | \$105.3M | 22.5% | <ul style="list-style-type: none"> Organic growth in most areas Continued growth from the two long-term contracts signed on April 1, 2021. Revenues of \$13.2M from latest acquisitions |
| GROSS MARGIN | \$37.8M | \$28.5M | 32.6% | <ul style="list-style-type: none"> Increased permanent employee to sub-contractor ratio Average billing rate increases Positive margin impact from acquisitions |
| | 29.3% | 27.0% | 230 bps | |
| ADJUSTED EBITDA⁽¹⁾ | \$9.4M | \$5.0M | 87.5% | <ul style="list-style-type: none"> Increased revenues and gross margin Contributions from latest acquisitions Increased SG&A, offset by ongoing efficiency initiatives |
| NET LOSS | (\$0.4M) | (\$2.8M) | nm | <ul style="list-style-type: none"> Increased gross margin and increased tax recovery Increased business acquisition expenses |

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BOOKINGS EVOLUTION

Book-to-bill ratio⁽¹⁾

Bookings⁽¹⁾
(in millions of \$)



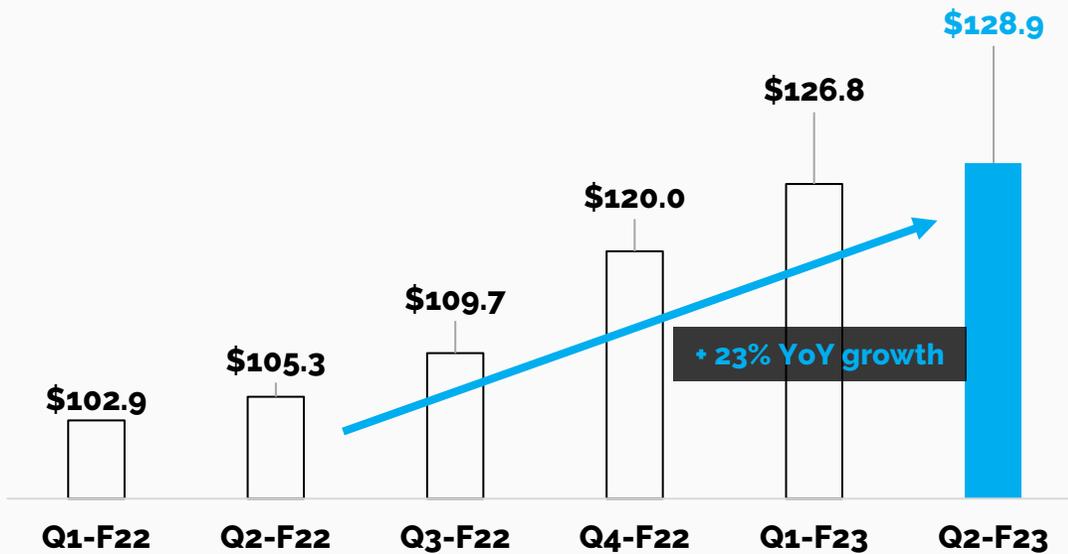
On a trailing 12-months basis, bookings were \$497.1M, which translated into a book-to-bill ratio of 1.02

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. Including the \$600M estimated value of the two 10-year contracts signed with Beneva and Québecor.

LONG-TERM PERFORMANCE TRENDS

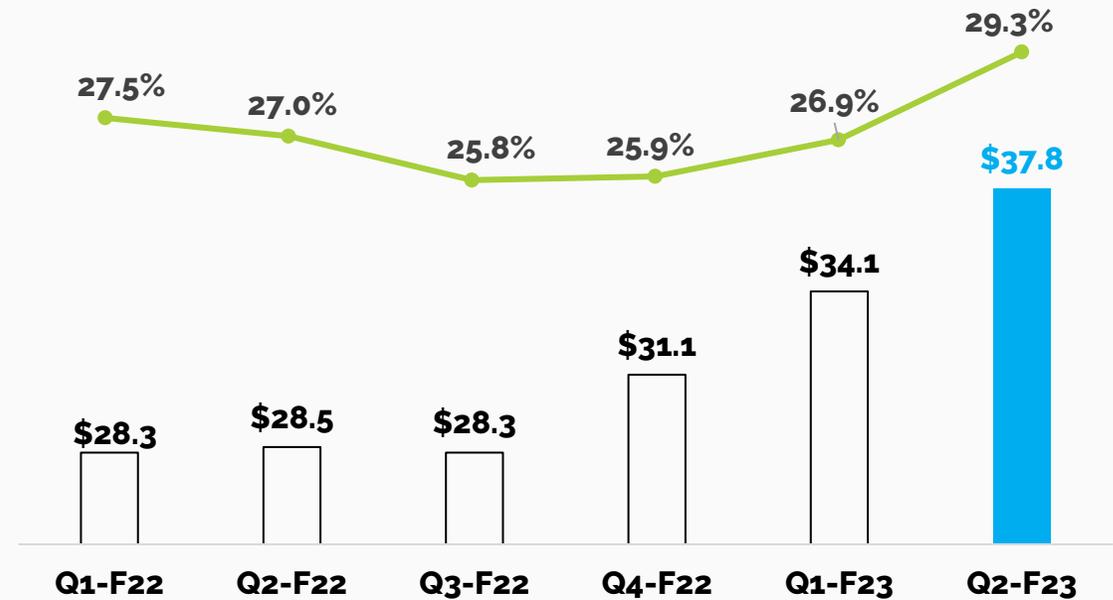
Revenues

(in millions of \$)



Gross Margin

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

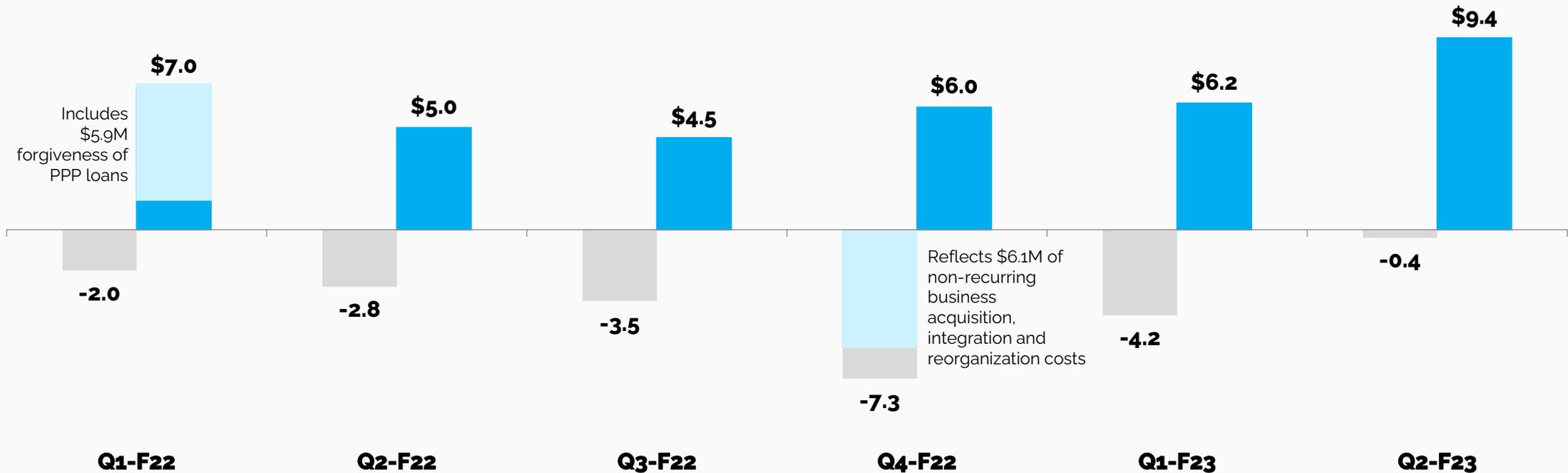


⁽¹⁾ This is a supplemental financial measure. Please refer to the "Forward-Looking Information and Non-IFRS Measures" section of this presentation and section 5 titled "Non-IFRS and Other Financial Measures" of the MD&A for an explanation of the composition of this supplemental financial measure.

LONG-TERM PERFORMANCE TRENDS

Adjusted EBITDA⁽¹⁾ and Net Loss

(in millions of \$)



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LIQUIDITY AND FINANCIAL POSITION

Net cash used in operating activities of \$2.6M, a \$4.9M improvement from \$7.5M used in Q2 F2022, reflecting:

- > Cash flow from operations of +\$3.7M
- > Changes in non-cash working capital items of -\$6.3M

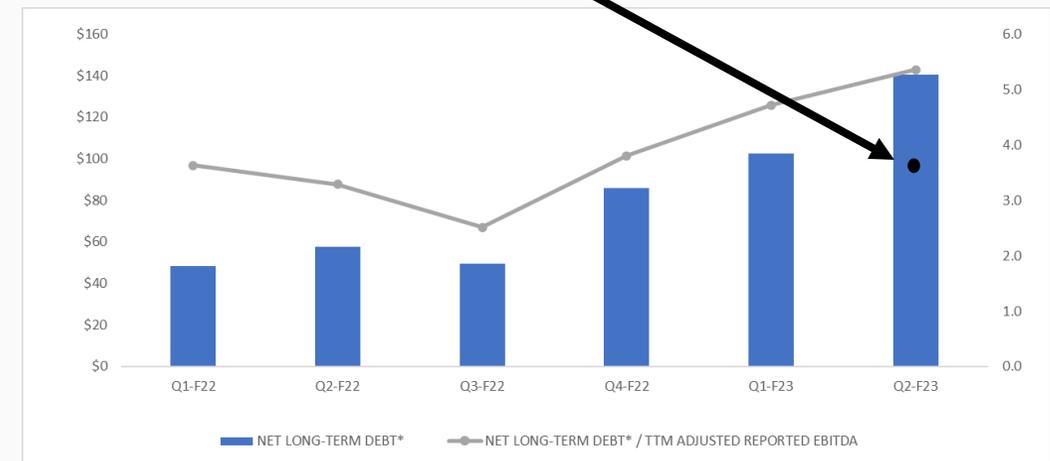
Net Debt⁽¹⁾ of \$140.3M as of September 30, 2022, representing an increase of \$37.7M from \$102.6M as of June 30, 2022, mainly explained by:

- > Disbursements and balance of purchase price payable relating to the Datum acquisition
- > Impact of the US\$ exchange rate variation

Increase in Net Debt / TTM Adjusted EBITDA⁽²⁾ multiple:

- > As expected, following the two recent acquisitions
 - TTM Adjusted EBITDA does **not** include a full year of the two recent profitable acquisitions
 - Multiple under **3.8X** on a Pro Forma basis, i.e. with a full year impact of the two acquisitions' profitability
- > Continued positive cash flow from operations to drive deleveraging
 - Working capital variations expected to stabilize

Net Debt / Pro Forma TTM Adjusted EBITDA of 3.8X



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(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. Net Debt/TTM Adjusted EBITDA ratio is calculated by dividing Net Debt by Adjusted EBITDA, on a trailing twelve-month basis. Management believes that this ratio provides information as to the company's leverage levels, similar to bank covenants.

F2023-Q2

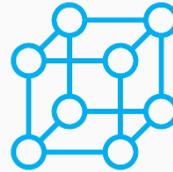
QUESTIONS

Alithya*

ALITHYA REINFORCES ITS COMMITMENT TO DOING THE RIGHT THING



TALENT



ORGANIZATIONAL CULTURE



CYBER SECURITY & DATA PRIVACY



**TRANSITIONING TO A
LOWER-CARBON ECONOMY**



GOVERNANCE

INAUGURAL ESG REPORT