

The Optiva logo is displayed in white, sans-serif font in the top left corner. The background features a dark blue city skyline at night with numerous vertical light trails in shades of blue and purple, and a large, semi-transparent blue circular graphic containing a white upward-pointing arrow on the right side.

Optiva

Investor Presentation

TSX:OPT

May 10, 2023

John Giere, President & CEO
Dinesh Sharma, VP of Finance



Caution Concerning Forward-Looking Statement

Certain statements in this document may constitute "forward-looking" statements which involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. When used in this document, such statements use such words as "may," "will," "expect," "continue," "believe," "plan," "intend," "would," "could," "should," "anticipate" and other similar terminology. These statements are forward-looking as they are based on our current expectations, as at May 10, 2023, about our business and the markets we operate in, and on various estimates and assumptions. Our actual results could materially differ from our expectations if known or unknown risks affect our business, or if our estimates or assumptions turn out to be inaccurate. As a result, there is no assurance that any forward-looking statements will materialize. Risks that could cause our results to differ materially from our current expectations are discussed in the Company's most recent Annual Information Form, which is available on SEDAR at www.sedar.com and on Optiva's website at www.optiva.com/investors/. Other unknown or unpredictable factors or underlying assumptions subsequently proving to be incorrect could cause actual results to differ materially from those in the forward-looking statements. Optiva does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in its expectations or any change in events, conditions or circumstances on which any such statement is based, except as required by law.

Non-IFRS Measures

The Company uses non-IFRS measures to assess its operating performance. Securities regulations require that companies caution readers that earnings and other measures adjusted to a basis other than IFRS do not have standardized meanings and are unlikely to be comparable to similar measures used by other companies. Accordingly, they should not be considered in isolation. The Company uses Adjusted EBITDA, TCV and Operating Expense (Non-IFRS) as measures of operating performance. The Company believes that these measures may also be useful to investors in enhancing their understanding of the Company's operating performance. See definitions of non-IFRS measures on slide 15.

Optiva in Numbers

TSX:OPT

Technology Software

6.2M

Shares Outstanding



50+

CSP Customers

\$61.8M

Revenue (FY'22)

C\$16.84

Stock Price 9-May-2023



3 Billion

Transactions Per Hour

\$13.9M

Adj. EBITDA (FY'22)

\$78M

Market Capitalization



50+

Countries Globally

\$0.11

Diluted EPS (FY'22)

\$154M

Enterprise Value



394

Global Headcount

Optiva Product Strategy

Agility & simplicity driving faster TTM and efficient operations

- Launch new offers in 3 hours
- Fast delivery in 90 days
- Zero business disruption - CI/CD

Digital experience meeting customer expectations in real time

- Personalization
- Converged
- Quality as the new currency
- Digital customer lifecycle management

Accelerating monetization

Innovation to monetize new opportunities and accelerate revenue growth

- Tap into new revenue streams
- Build new services (5G, IoT)
- Monetize any services, attributes and business models
- Launch MVNE offering
- Build partner ecosystem

Harnessing Transformational Possibilities to Accelerate Monetization



**Optiva
BSS Platform**

End-to-end suite, fully managed,
tailored for the digital era



**Optiva
Charging Engine**

Converged and online charging,
offering real-time at scale



Ready for 5G
& IoT monetization



Simplify
offering



Launch new
MVNO

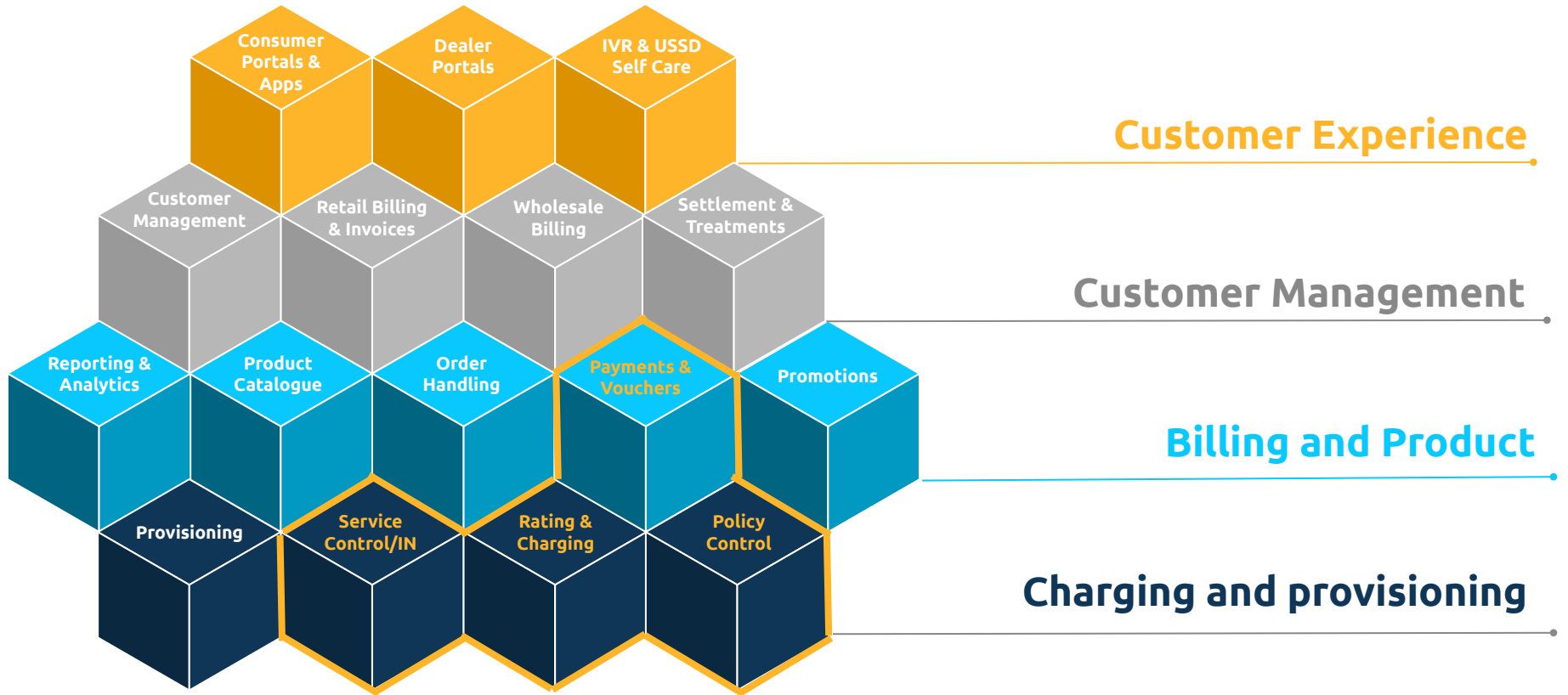


Launch a new
digital brand or
MVNE



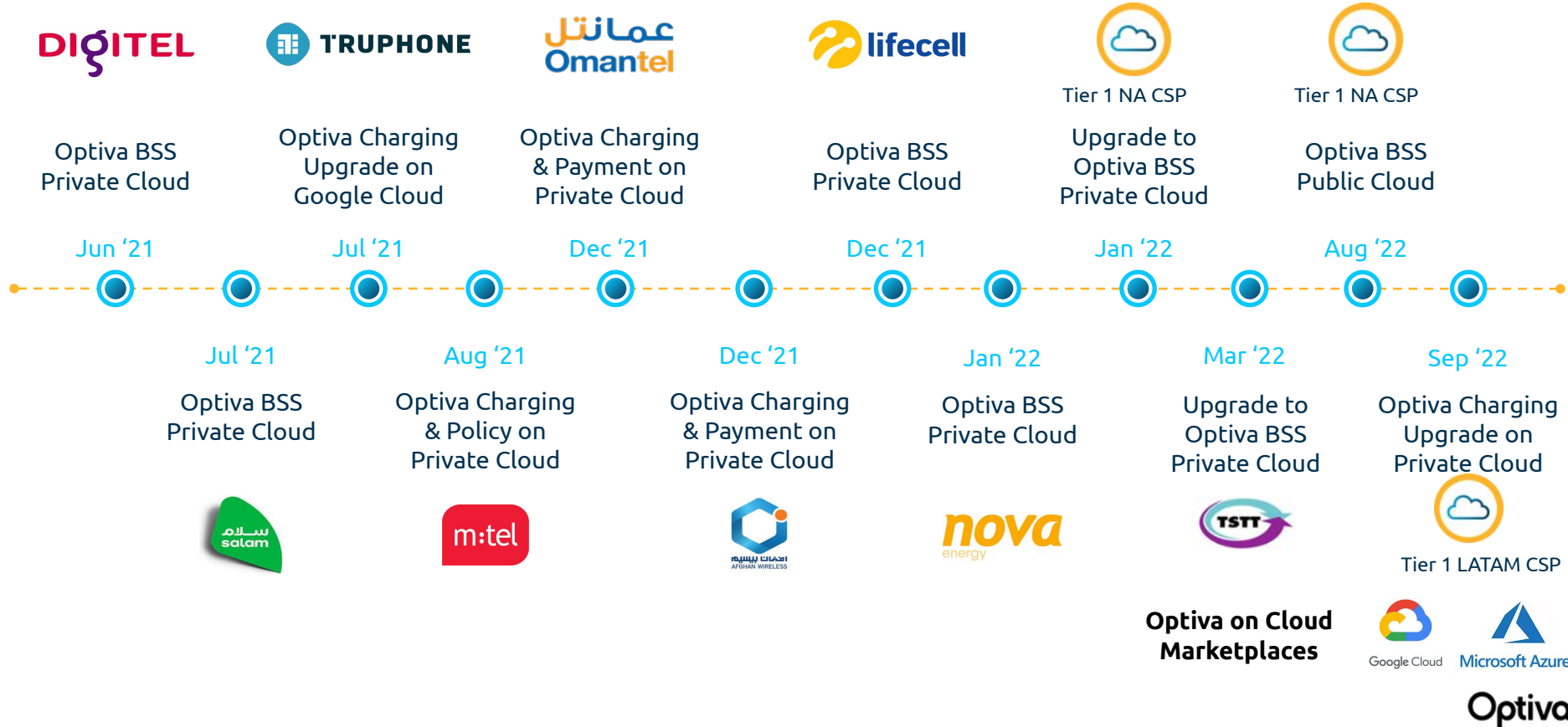
Drive new revenue
streams and partner
ecosystems

The BSS Landscape We Serve



● Functions serve as best-of-breed offerings from Optiva Charging Engine suite

Cloudification: Optiva is a Leader



First Quarter Financial Summary

\$12.7M
Revenue

69%
Gross Margin

8%
Adj EBITDA*

\$14.1M
Cash

\$17.1M
TCV*

27%
R&D % of Rev

*Represents Non-IFRS measures. Defined in the Glossary slide 15

Goals

- ❖ Targeting the intersection of cloud and 5G market inflection point
- ❖ Transition from a services to a software business model
- ❖ Delivering high-value products and services to satisfy the complex needs of our global customers for their public and private cloud strategies
- ❖ Converting growing sales pipeline into new revenue starting in FY23
- ❖ Focus on achieving a steady and predictable ARR

Thank you

Analyst Coverage

**CIBC World Markets, Todd Coupland
Raymond James, Steven Li**



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Optiva

Income Statement

Income Statement <i>(US\$, in thousands, except per share data)</i>	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	FY'21	FY'22
Software, Services & Other	3,303	4,829	5,254	4,215	5,837	5,739	5,260	5,919	4,212	17,601	22,755
Support and Subscription	12,788	11,482	11,412	11,954	10,299	9,660	9,901	9,165	8,439	47,635	39,024
Total Revenue	16,091	16,311	16,666	16,169	16,136	15,399	15,160	15,084	12,650	65,236	61,779
Cost of Revenue	3,675	3,599	3,492	4,110	4,071	4,456	4,215	4,451	3,984	14,875	17,193
Gross Margin	12,416	12,712	13,174	12,059	12,065	10,942	10,945	10,633	8,667	50,361	44,586
Gross Margin %	77%	78%	79%	75%	75%	71%	72%	70%	69%	77%	72%
Operating expenses											
Sales & Marketing	1,787	1,926	1,789	2,628	2,819	2,016	2,535	2,503	2,519	8,130	9,872
General & Administrative	4,458	4,536	2,990	4,779	3,174	3,062	1,431	3,423	2,478	16,762	11,089
Research & Development	517	3,242	3,413	3,339	2,854	3,210	2,955	3,047	3,359	10,510	12,067
Total Operating Expenses	6,762	9,704	8,191	10,745	8,847	8,287	6,920	8,973	8,356	35,402	33,028
Income / (Loss) from operations	5,654	3,008	4,983	1,314	3,218	2,655	4,025	1,659	311	14,959	11,558
Operating Income Margin %	35%	18%	30%	8%	20%	17%	27%	11%	2%	23%	19%
Foreign exchange gain (loss)	307	218	110	(369)	(49)	(488)	(255)	(376)	(290)	266	(1,168)
Finance income	72	71	329	64	86	73	97	149	135	535	406
Finance (expense) / recovery	11,193	(889)	(805)	(3,241)	(1,175)	(2,238)	(2,104)	(2,399)	(2,365)	6,259	(7,916)
Income / (Loss) before Income Taxes	17,227	2,408	4,616	(2,232)	2,080	2	1,762	(966)	(2,209)	22,019	2,880
Income tax expense	528	1,077	833	1,078	243	494	893	541	567	3,516	2,171
Net Income / (Loss) for the period	16,698	1,332	3,783	(3,310)	1,837	(492)	869	(1,507)	(2,776)	18,503	709
Earnings / (Loss) per common share											
Basic	\$3.14	\$0.22	\$0.62	(\$0.54)	\$0.30	(\$0.08)	\$0.14	(\$0.24)	(\$0.45)	\$3.12	\$0.11
Diluted	\$3.01	\$0.22	\$0.61	(\$0.54)	\$0.30	(\$0.08)	\$0.14	(\$0.24)	(\$0.45)	\$3.11	\$0.11
Wtd. Avg. number of common shares (thousands)											
Basic	5,316	6,076	6,151	6,154	6,178	6,178	6,178	6,178	6,178	5,928	6,178
Diluted	5,544	6,128	6,159	6,154	6,178	6,178	6,178	6,178	6,178	5,949	6,178

Balance Sheet

Balance Sheet <i>(US\$, in thousands)</i>	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23
Cash, Cash Equivalents and Restricted Cash	10,637	33,473	32,823	30,379	25,999	26,373	18,252	20,334	14,091
Trade Accounts & Other Receivables	12,687	9,421	9,241	7,203	9,154	10,625	10,435	7,535	8,818
Unbilled Revenue	5,806	8,177	9,251	11,087	12,192	13,993	15,318	18,153	15,606
Goodwill and Intangible Assets	35,164	34,801	34,811	34,076	33,714	33,353	32,992	32,631	32,271
Other Assets	8,827	9,016	9,423	9,916	8,205	8,060	7,722	7,964	8,207
Total Assets	73,122	94,887	95,549	92,660	89,264	92,405	84,720	86,618	78,993
Trade Payable and Accrued Liabilities	14,667	14,432	14,016	14,989	10,304	13,617	11,794	14,771	10,449
Deferred Revenue	5,449	6,830	4,788	4,146	5,462	6,262	3,380	2,398	1,844
Provisions	4,223	4,200	4,200	4,200	4,200	4,200	-	-	-
Debentures	86,493	86,653	86,819	86,990	87,162	87,340	87,526	87,716	87,908
Series A Warrant	4,020	2,508	861	1,668	512	337	29	-	-
Other Liabilities	21,482	22,340	19,173	15,732	14,455	13,538	7,323	7,812	7,366
Total Liabilities	136,334	136,963	129,857	127,725	122,094	125,293	110,052	112,698	107,567
Shareholders' Equity / (Deficit)	(63,212)	(42,075)	(34,308)	(35,064)	(32,830)	(32,888)	(25,332)	(26,080)	(28,574)
Total Liabilities & Shareholders' Equity / (Deficit)	73,122	94,887	95,549	92,660	89,264	92,405	84,720	86,618	78,993

Adjusted EBITDA Reconciliation

Reconciliation of Net Income to Adj. EBITDA (US\$, in thousands)	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	FY'21	FY'22
Net income (loss) for the period	16,698	1,332	3,783	(3,309)	1,837	(492)	870	(1,506)	(2,776)	18,503	709
Add back / (subtract):											
Depreciation of property and equipment	-	18	65	86	92	144	119	157	157	169	512
Amortization of intangible assets	363	363	363	363	361	361	361	361	361	1,451	1,444
Finance (income) / loss	(72)	(71)	(329)	(64)	(86)	(73)	(97)	(150)	(135)	(535)	(406)
Finance costs (recovery)	(11,193)	889	804	3,241	1,175	2,238	2,105	2,398	2,365	(6,259)	7,916
Income tax expense	528	1,077	833	1,078	243	494	893	541	567	3,516	2,171
Share-based compensation	723	693	490	1,884	149	560	375	863	197	3,790	1,947
Foreign exchange loss (gain)	(307)	(218)	(109)	369	49	488	254	376	290	(266)	1,168
EBITDA ⁽²⁾	6,739	4,082	5,900	3,647	3,821	3,720	4,880	3,040	1,026	20,369	15,461
Restructuring costs (recovery)	-	-	-	-	-	-	-	-	-	-	-
Change in Other Provisions	(1,314)	-	-	-	-	-	(1,571)	-	-	(1,314)	(1,571)
Non-Recurring Items ⁽¹⁾	(434)	-	-	-	-	-	-	-	-	(434)	-
Adjusted EBITDA ⁽²⁾	4,992	4,082	5,900	3,647	3,821	3,720	3,309	3,040	1,026	18,621	13,890

(1) One-time costs (recovery) related to shareholder conflict and Debenture financing.

(2) EBITDA and Adjusted EBITDA represent Non-IFRS measures. Defined in the Glossary slide 15.

Adj. Income Statement (Adj. for D&A, SBC & Non-Recurring Items)

Adj. Income Statement (non-IFRS) ⁽¹⁾ (US\$, in thousands)	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	FY'21	FY'22
Total Revenue	16,091	16,311	16,666	16,169	16,136	15,399	15,160	15,084	12,650	65,236	61,779
Recurring Revenue	13,562	12,272	12,167	12,694	11,117	10,696	10,428	9,732	9,012	50,696	41,973
Recurring Revenue % of Revenue	84%	75%	73%	79%	69%	69%	69%	65%	71%	78%	68%
Cost of Revenue (non-IFRS) ⁽¹⁾	3,675	3,599	3,492	4,110	4,071	4,456	4,197	4,419	3,950	14,875	17,143
Gross Margin (non-IFRS) ⁽¹⁾	12,416	12,712	13,174	12,059	12,065	10,942	10,963	10,665	8,700	50,361	44,635
Gross Margin %	77%	78%	79%	75%	75%	71%	72%	71%	69%	77%	72%
Sales & Marketing (non-IFRS) ⁽¹⁾	1,787	1,926	1,789	2,628	2,819	2,016	2,535	2,503	2,519	8,130	9,872
S&M % of Revenue	11%	12%	11%	16%	17%	13%	17%	17%	20%	12%	16%
General & Administrative (non-IFRS) ⁽¹⁾	3,106	3,658	2,323	2,775	2,749	2,229	2,375	2,328	1,995	11,862	9,681
G&A % of Revenue	19%	22%	14%	17%	17%	14%	16%	15%	16%	18%	16%
Research & Development (non-IFRS) ⁽¹⁾	2,531	3,045	3,162	3,010	2,677	2,977	2,743	2,795	3,161	11,747	11,192
R&D % of Revenue	16%	19%	19%	19%	17%	19%	18%	19%	25%	18%	18%
Total Operating Expenses (non-IFRS) ⁽¹⁾	7,424	8,630	7,273	8,412	8,245	7,222	7,653	7,625	7,674	31,739	30,745
Opex % of Revenue	46%	53%	44%	52%	51%	47%	50%	51%	61%	49%	50%
Adjusted EBITDA ⁽²⁾	4,992	4,082	5,900	3,647	3,821	3,720	3,309	3,040	1,026	18,621	13,890
Adj. EBITDA Margin %	31%	25%	35%	23%	24%	24%	24%	20%	8%	29%	22%

(1) Non-IFRS denotes exclusion of SBC, D&A, and Non-Recurring charges from IFRS reported Cost of Revenue and Operating expenses.

(2) Adjusted EBITDA represents Non-IFRS measure. Defined in the Glossary slide 15.

Glossary of Terms

EBITDA / Adjusted EBITDA: "EBITDA" and "Adjusted EBITDA" are not financial measures and should not be considered in isolation or as a substitute to net income (loss), operating income or any other financial measures of performance calculated and presented in accordance with IFRS, or as an alternative to cash flow from operating activities as a measure of liquidity. The Company defines EBITDA as net income (loss) excluding amounts for depreciation and amortization, other income, finance costs, finance income, income tax expense (recovery), foreign exchange gain (loss) and share-based compensation. The Company defines "Adjusted EBITDA" as EBITDA (as defined above), excluding restructuring costs, one-time provision amounts & reversals, and any one-time transaction costs associated with shareholder conflict. The Company believes that Adjusted EBITDA is a metric that investors may find useful in understanding the Company's financial position.

Cash: Total Cash, which includes (a) Cash and cash equivalents in current assets and (b) Restricted cash in non-current assets.

Headcount: Total resources including employees, independent contractors and resources onboarded via any third party agency and working exclusively for Optiva.

Operating Expense (non-IFRS): Total sales & marketing, general & administrative and research & development expenses excluding (a) depreciation and amortization, (b) share-based compensation and (c) non-recurring items.

TCV: TCV is the Total Contract Value of all bookings closed in the period.