

A man with a beard and mustache, wearing a blue denim shirt, is smiling and looking at a laptop screen. He is holding a pair of glasses in his left hand. The background is a blurred indoor setting with a plant and a window. A large orange and purple diagonal graphic is overlaid on the right side of the image.

Softchoice

August 13, 2021
Q2 2021 Earnings



Disclaimer

INTERPRETATION

Unless otherwise indicated or the context otherwise requires, all references in this presentation to “Softchoice”, the “Company”, “we”, “our”, “us” or similar terms refer to Softchoice Corporation, together with its subsidiaries. All references to “\$” are to United States dollars, and C\$ are to Canadian dollars.

GENERAL

This presentation is not, and under no circumstances is to be construed as, an advertisement or public offering of the securities of the Company. The information contained in this presentation is current only as of its date and may have changed. The Company disclaims any intention or obligation or undertaking to update or revise this information in light of new information, future events or otherwise.

NON-IFRS MEASURES AND OTHER MEASURES

This presentation makes reference to certain non-IFRS measures and other measures. These measures are not recognized measures under International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board and do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be 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. We use non-IFRS measures, including “Gross Sales”, “Adjusted EBITDA”, “Adjusted EBITDA as a Percentage of Gross Profit”, “Adjusted Net Income:”, “Adjusted Free Cash Flow”, “Adjusted Free Cash Flow Conversion”. Reconciliation of these non-IFRS measures to IFRS measures can be found in the Company’s Management’s Discussion and Analysis of Financial Condition and Results of Operation for the three and six months ended June 30, 2021 dated August 12, 2021 (the “Q2 2021 MD&A”) and in the Company’s Supplement Long Form Prep Prospectus dated May 26, 2021 (the “Prospectus”), both of which are available under the Company’s profile on SEDAR.com and its investor relations website <https://investors.Softchoice.com>.

This presentation also makes reference to certain other measures, including “Active Accounts”, “Customer”, “Gross Profit by Sales Channel”, “Gross Profit per Account Executive”, “Gross Profit per Customer”, “Gross Sales” and “Revenue Retention Rate” which are described in the Company’s Q2 2021 MD&A and Prospectus.

These non-IFRS measures and other measures are used to provide investors with supplemental measures of our operating performance and thus highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS measures. Our management uses these non-IFRS measures and other measures in order to facilitate operating performance comparisons from period to period, to prepare annual operating budgets and forecasts and to determine components of management compensation. We also believe that securities analysts, investors and other interested parties frequently use certain of these measures in the evaluation of issuers.

FORWARD-LOOKING INFORMATION

This presentation contains “forward-looking information” within the meaning of applicable securities laws in Canada and within the meaning of Section 27A of the United States Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking information may relate to our future business, 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”, “budget”, “scheduled”, “estimates”, “outlook”, “financial outlook”, “forecasts”, “projection”, “prospects”, “strategy”, or similar words or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might”, “will”, “will be taken”, “occur” or “be achieved”. Statements containing forward-looking information are not historical facts but instead represent management’s expectations, estimates and projections regarding possible future events or circumstances.

This forward-looking information includes, among other things, statements relating to: expectations regarding industry trends, overall market growth rates and our growth rates and growth strategies; expectations regarding our future organic growth, gross profit growth, Adjusted EBITDA and Adjusted Free Cash Flow Conversion; our business plans and strategies; our competitive position in our industry; and the materialization of the expected benefits of Project Monarch.

This forward-looking information and other forward-looking information are based on our opinions, estimates and assumptions in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we currently believe are appropriate and reasonable in the circumstances. There can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct. Certain assumptions in respect of our expectations regarding our financial performance, including our ability to build our market share; our expectations related to our anticipated growth, including a rebound in customer spending from the levels observed in periods during 2020; the stabilization of our business from the Project Monarch disruptions; account executive retention being in line with historical levels; the mix of account executives being roughly in line with historical levels;

Disclaimer (cont'd)

maintenance capex and IFRS 16 lease payments being in line with historical levels; our ability to retain key personnel; our ability to maintain and expand geographic scope; our ability to execute on our expansion and growth strategies; our ability to continue to adapt, expand and develop our IT solutions and services; our ability to successfully implement and obtain the intended benefits of Project Monarch on a timely basis, including the anticipated procurement savings and pricing margin improvements; our ability to obtain and maintain existing financing on acceptable terms; currency exchange and interest rates; the impact of competition; our expectations regarding industry trends; changes in our partner programs; the impact of COVID-19; the changes and trends in our industry or the global economy; and the changes in laws, rules, regulations, and international standards are material factors made in preparing forward-looking information and management's expectations.

Forward-looking information is necessarily based on a number of opinions, estimates and assumptions that we considered appropriate and reasonable as of the date such statements are made, and 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. 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 currently known to us or that we currently believe are not material that could also cause actual results or future events to differ materially from those expressed in such forward-looking information.

The forward-looking information included in this presentation is expressly qualified by the foregoing cautionary statements. Accordingly, investors 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 of this presentation (or as of the date they are otherwise stated to be made), 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 in Canada.

MARKET, INDUSTRY AND ECONOMIC DATA

Market, industry and economic data used throughout this presentation was obtained from third-party sources, industry reports and publications, websites and other publicly available information as well as industry and other data prepared by us or on our behalf on the basis of our knowledge of the markets in which we operate, including information provided by suppliers, customers and other industry participants. We believe that the market, industry and economic data presented throughout this presentation is accurate and, with respect to data prepared by us or on our behalf, that our estimates and assumptions are currently appropriate and reasonable, but there can be no assurance as to the accuracy or completeness thereof. The accuracy and completeness of the market, industry and economic data presented throughout this presentation are not guaranteed and we do not make any representation as to the accuracy of such data. Market, industry and economic data is subject to variations and cannot be verified due to limits on the availability and reliability of data inputs, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey.

OUTLOOK

The forecasts set forth herein include EBITDA Uplift, Realized Gross Profit Uplift, Realized Net Opex Savings, Gross Profit, Gross Profit Growth, Adjusted EBITDA and Adjusted Free Cash Flow Conversion for Fiscal 2022. A significant portion of the increase in Gross Profit and Adjusted EBITDA for Fiscal 2022 is attributable to the procurement savings, pricing margin improvements, and business growth and reduced revenue leakage and expected net workforce efficiencies anticipated to result from Project Monarch. To the extent that these benefits are not realized as expected, our Gross Profit, Adjusted EBITDA and, as a result, our Adjusted Free Cash Flow Conversion, during the relevant period will be adversely affected. The underlying assumptions relating to future results are inherently uncertain and are subject to significant business, economic, financial, regulatory and competitive risks, including risks that our initiatives or projects (including Project Monarch) do not result in the anticipated increase in efficiencies, and uncertainties that could cause actual results to differ materially. If we do not achieve the anticipated results, we may modify or discontinue certain of our other planned business initiatives. In light of the foregoing, investors are urged to put these statements in context and not to place undue reliance on them.

Q2 2021 Updates

Completion of IPO and Strong Quarterly Results

Successful IPO June 1, 2021

- ~C\$83mm in net proceeds from IPO to Softchoice, used to reduce debt
- Public market listing provides increased exposure to Softchoice brand and potential to facilitate M&A
- Initial quarterly dividend of C\$0.07 planned (~\$0.093 intended for first one covering period from Jun. 1 – Sep. 30, 2021)

Strong Q2 2021 Financial Results

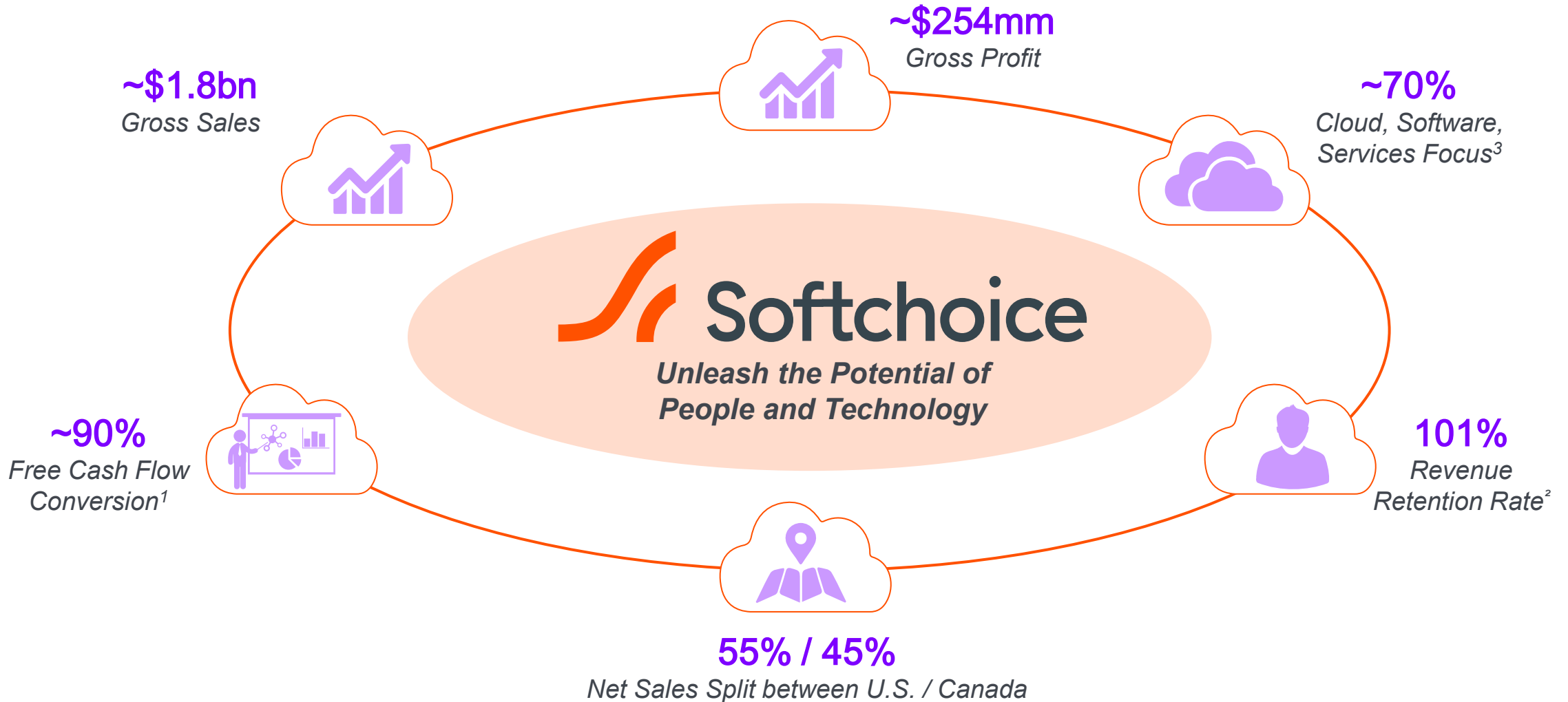
- 15% increase in Gross Profit, company's top line measurement, driven by 16% increase in Software & Cloud solutions
- Adj. EBITDA grew 17% due to operating leverage
- Net loss of \$13mm due to \$28mm in non-recurring IPO related pre-tax costs
- Adjusted net income of \$12m excluding extraordinary items, 22% increase
- Closed the quarter with net leverage of 1.3x trailing twelve months Adjusted EBITDA, compared to approximately 2.9x at Dec. 31, 2020

Continued Execution on Growth Strategy

- Investments made in technical and sales enablement resources and cloud strategies to drive salesforce productivity
- With IPO complete, intention is to ramp up hiring of account executives to return to pre-COVID levels by approximately the end of 2021 before expansion in 2022 and beyond
- Investments will constrain Adj. EBITDA margin expansion in 2021, but increases in salesforce account executive staffing levels and realization of Project Monarch benefits are anticipated to drive significant margin expansion in 2022

Softchoice at a Glance

Leading North American IT Solutions Provider



Note: All figures represent figures for the last 12 months to June 30, 2021 except Revenue Retention Rate, which represents average of FY2018 – FY2020. All dollar amounts are in US\$.

¹ Free cash flow conversion is defined as Adjusted Free Cash Flow / Adjusted EBITDA.

² Revenue retention rate is defined as total amounts invoiced in the last twelve months from prior year customers as a percentage of the total amounts invoiced from the previous twelve months for the same customers; it does not include the benefit of total amounts invoiced from new customers in the current year; figure represents average of FY2018 – FY2020.

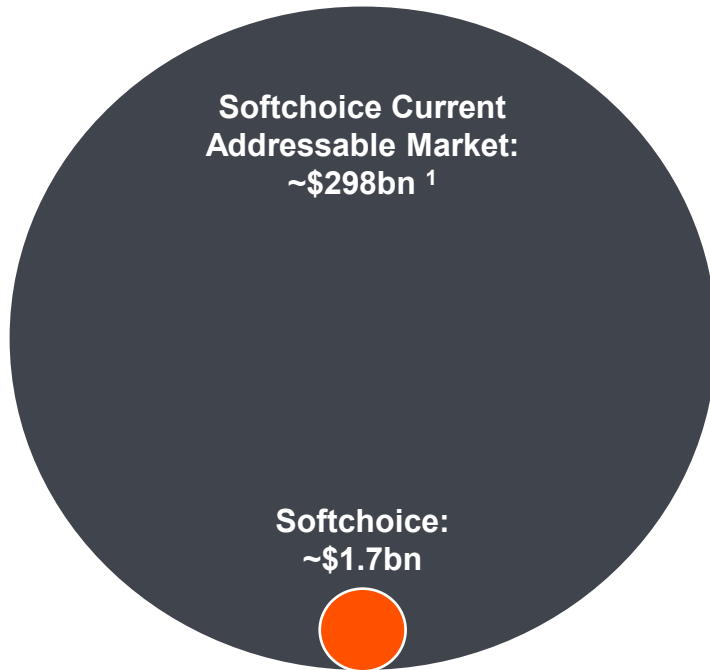
³ Includes software and cloud (approximately 60% of our Gross Profit) and managed and professional services (approximately 9% of our Gross Profit).

Large, Highly Fragmented Addressable Market

We Are Focused on the Fastest Growing Sub-Sectors

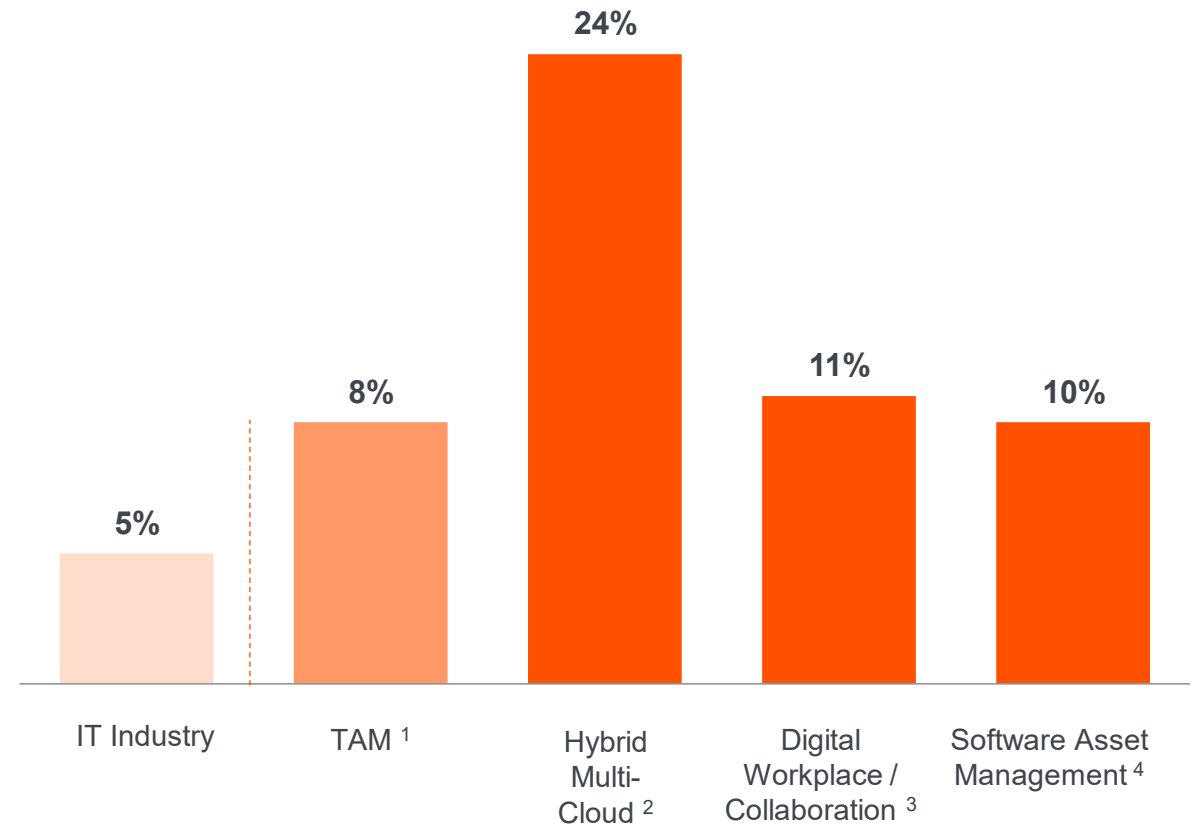
Market Opportunity

North America IT Solutions TAM (in \$bn)



Less than 1% Overall Market Share (and ~7% market share in Canada)

Focus Sub-Sectors CAGRs



¹ Source: Total addressable market size represents 2019 and is based on Softchoice's bottoms-up market sizing analysis with supporting data from Dun & Bradstreet. Total addressable market growth represents 2020 to 2024 CAGR and is based on Softchoice's detailed market growth analysis with supporting data separately provided by: (i) IDC, and (ii) Gartner's IT Key Metrics Data 2012 & Gartner IT Key Metrics Data 2014. ² Consists of both Public Cloud Infrastructure and Private Cloud Infrastructure. From 2020 to 2023, Public Cloud and Private Cloud are expected to represent 72% and 28%, respectively, of the total Hybrid Multi-Cloud market. Source: IDC Worldwide Public Cloud Infrastructure as a Service (May 2020) and Private Cloud Hardware and Software Infrastructure (Q2 2020) Forecasts. ³ Source: IDC Semi-annual Software Tracker 2020 H1 (Nov 2020) represented as a combination of IDC's Secondary Markets 'Collaborative Applications' and 'Content Workflow and Management Applications'. ⁴ Includes IT Asset Management Forecasts. Source: Gartner Total Infrastructure Software Revenue for All Software Segments and Regions, 2018-2024 (Dec 2020).

Differentiated Capabilities Aligned with Today's Trends

Our Foundation Allows us to Capitalize on the Shift Towards Software-First IT Environments

Differentiated
GTM Approach

Built on a Software Foundation

30+ Years
Of Software Focus

~4,000
Enterprise
Agreements Under
Management

Top Tier
Certification Status
With Microsoft, AWS,
Google and others

Alignment to Secular Shifts Results in Above Market Growth Rates



We enable
Hybrid Multi-Cloud

~360 Public Cloud (Azure, AWS, GCP)
& 600+ Private Cloud Certifications



- ✓ Provider selection
- ✓ Migration services
- ✓ Application & data modernization
- ✓ Security and governance



We enable
**Collaboration &
Digital Workplaces**

575
Certifications



- ✓ Secure collaboration
- ✓ Virtual desktops
- ✓ Training and adoption



We enable
Software Asset Management

46
Certifications



- ✓ Workload monitoring
- ✓ License rationalization
- ✓ License compliance

+630 Sales Professionals

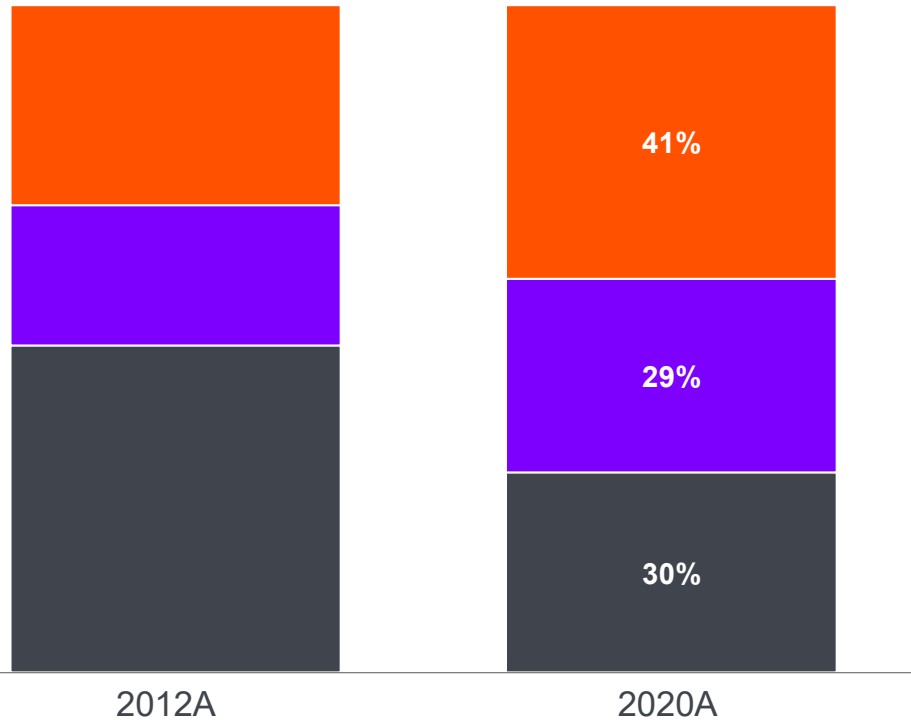
+425 Technical Experts

Trusted Solutions Partner Status

Driving Higher Margin per Customer

Differentiated
GTM Approach

Gross Profit by Customer Type



Superior Business Outcomes Through Trusted Advisor Status

	Margin / Customers ^{1 2}	Customer Retention ³
Customers who purchase IT Solutions ⁴	~\$165k	95%
Customers who purchase products and services ⁵	~\$56k	84%
Customers who purchase products only	~\$24k	77%

We have Significantly Expanded Our Role as a Trusted Advisor to Our Customers, Driving Higher Margin per Customer and Improved Logo Retention

¹ A "Customer" is defined as an organization purchasing IT solutions yielding a net amount of \$2,000 or greater when taking invoiced amounts less the associated cost of sales in the trailing twelve-month period. The net invoiced amounts are calculated using the currency of the country in which the transaction took place to neutralize for foreign exchange. ² Margin per Customer reflects mixed currency billings field margin divided by the number of "Customers". ³ Customer retention defined as percentage of customers retained. ⁴ Customers who purchase one of: Keystone Advanced / O365 / Managed Cloud / Network + Datacenter / Custom, SaaS / IaaS Services or Consulting Services, or who purchase a broad array of services and solutions across Softchoice's offerings. Keystone Services refer to Softchoice's Managed Services offerings, which include (1) Keystone Essential services providing warranty support for Cisco hardware and software, and NetApp hardware;(2) Keystone Advanced full Managed Services including remote monitoring, support and administration. ⁵ Customers who purchase services from Softchoice other than IT Solutions.

Multiple Growth Levers

Agile and Scalable Platform to Drive Double Digit Growth



Growth Through Accretive Investments in Salesforce Productivity

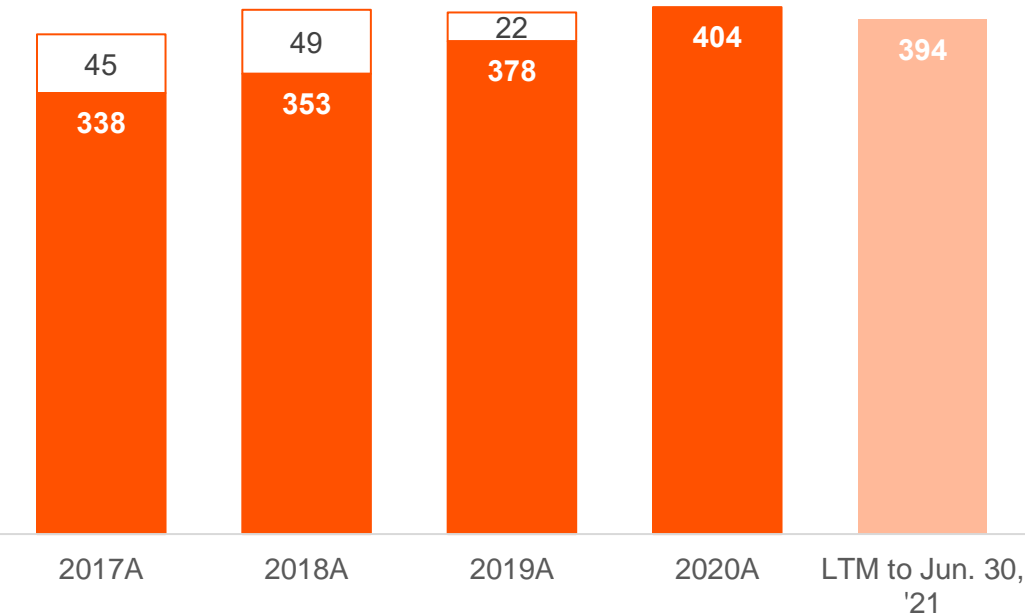
We Have a Proven History of Increasing AE Headcount While Improving Productivity



Account Executives¹ (US & Canada)

~6% CAGR ('17-'19)

- AEs excl. Hunter AEs
- Hunter AEs²



Gross Profit per Account Executive (in 000s)

~8% CAGR ('17-'19)



Compounded Growth Through Account Executive Headcount and Productivity Increases

¹ "AE" or "Account Executive" is defined as an individual in our salesforce that manages Customer accounts; Hunter AEs were moved to a sales specialist group not included under Softchoice's definition of AEs.

² Hunter AEs defined as sales executives focused on acquiring new customers by mainly prospecting activities; limited base business provided to such reps (if any).

³ CAGR excludes Hunter AEs.

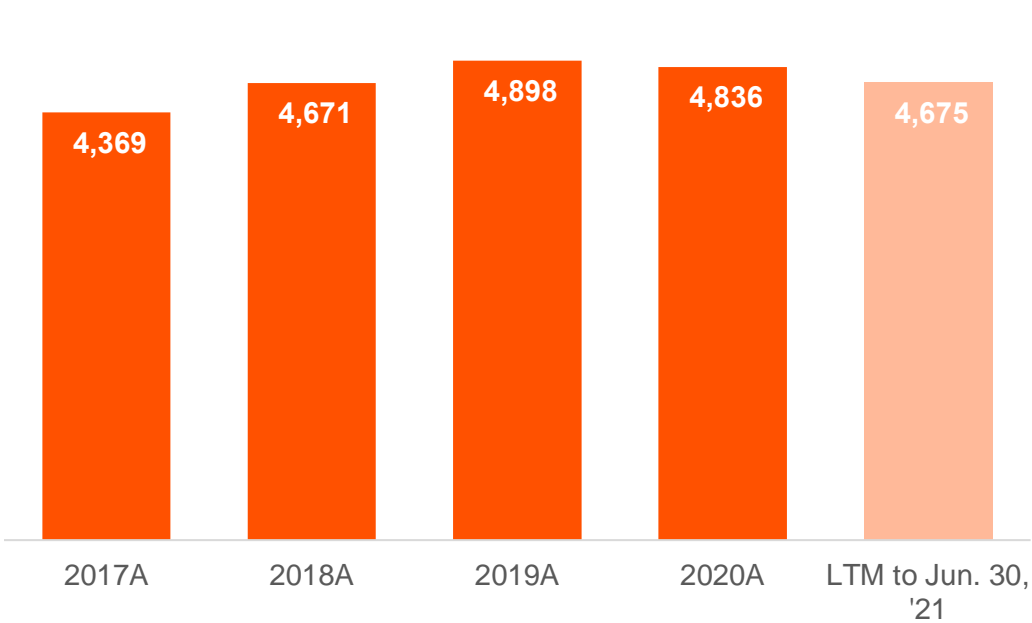
Growth in Customer Base and Wallet Share

We Have a Proven History of Growing Our Customer Base and Increasing Customer Spend



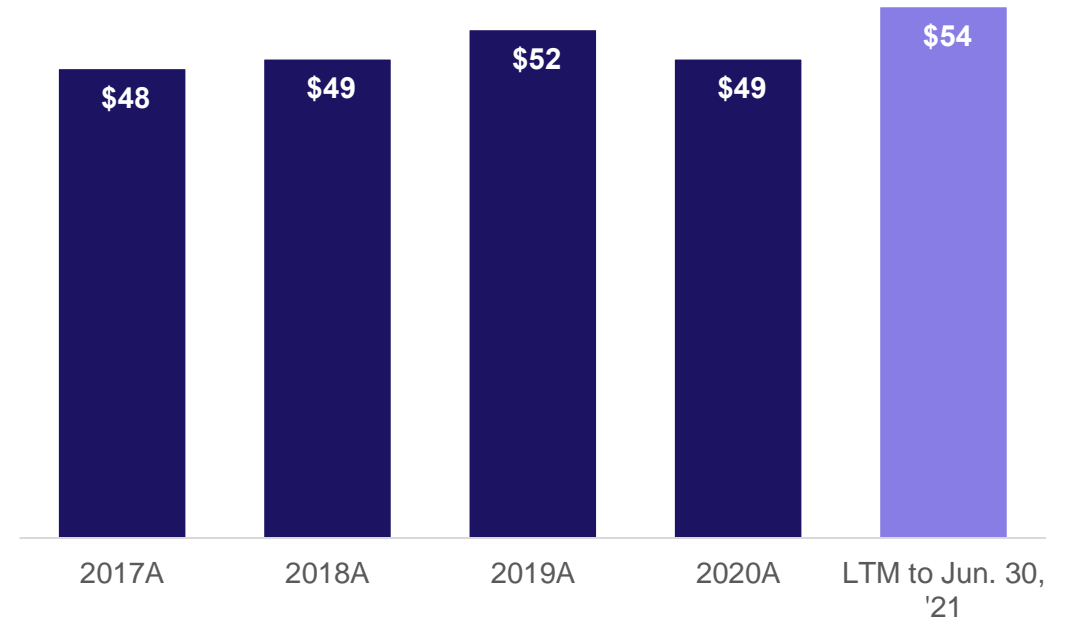
Average Customers LTM

~6% CAGR ('17-'19)



Gross Profit Per Customer (in 000s)

~4% CAGR ('17-'19)



Data Driven Insights Model Resulting in Compounded Growth Through New Customer Wins and Increased Customer Spend

Expand Partner Relationships

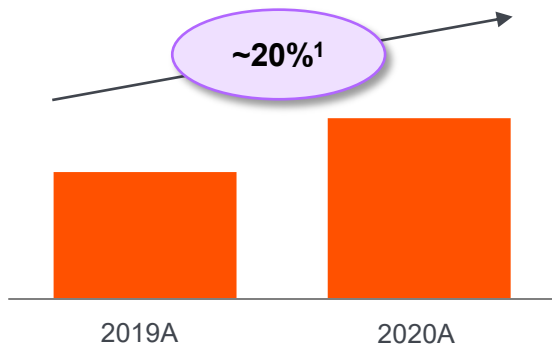
Coinvestment with Key Partners has Accelerated Our Growth and will Continue in 2021

Growth Strategy

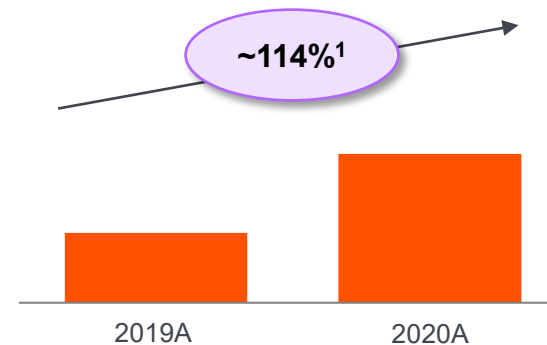
Core Cloud Partnerships



- Top Level partner
- Softchoice has received direct funding from Microsoft to accelerate advanced capabilities since 2018



- Member of the Google Partner Executive Advisory Council
- Investments from Google in Softchoice to build capabilities since mid-2019; expansion of partnership in 2021
- Invited into the Cloud Managed Service Provider program



- 6 year history as an AWS solution provider
- Ongoing investments by AWS in Softchoice to add new AWS capacity and advanced delivery capabilities

¹ Represents trend in US\$ Gross Sales.

Transformative Project Monarch Initiative

Project Monarch Will Drive Over \$25mm of Annual EBITDA Uplift by 2022

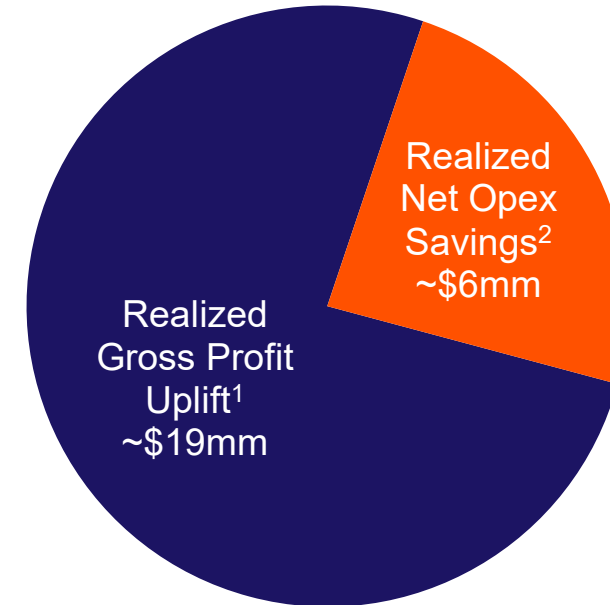


Project Monarch Initiative Overview

- Transformative business process re-engineering initiative that went live in Q3 2020
 - ~\$50mm invested over 2 years
 - Implementation and benefits analysis overseen by third parties
- Drives operating leverage and supports our growth agenda
 - Process streamlining and automation
 - Pricing alignment amongst salesforce
 - Procurement savings
- Through H1 2021, the Company remains confident in delivering anticipated benefits in 2022
- Our bank lending group provides credit for certain Monarch benefits in our LTM EBITDA for the purposes of covenants

EBITDA Uplift

~\$25mm Realized in 2022E



Note: Contains forward-looking information based on a number of opinions, estimates and assumptions that we considered appropriate and reasonable as of the date such statements are made.

¹ Total annualized Gross Profit Uplift of ~\$19mm (includes procurement savings, pricing margin improvements, business growth and revenue leakage).

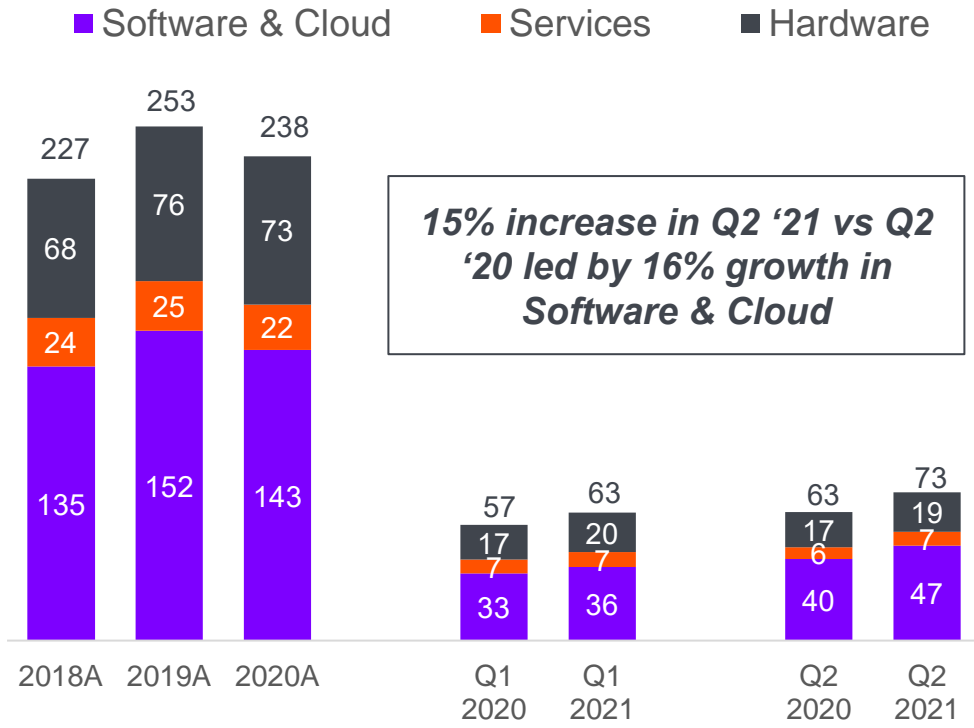
² Total annualized Net Opex Savings of ~\$6mm (includes headcount efficiencies net of incremental Opex resulting from Monarch).

Solid Top-Line Gross Profit Performance

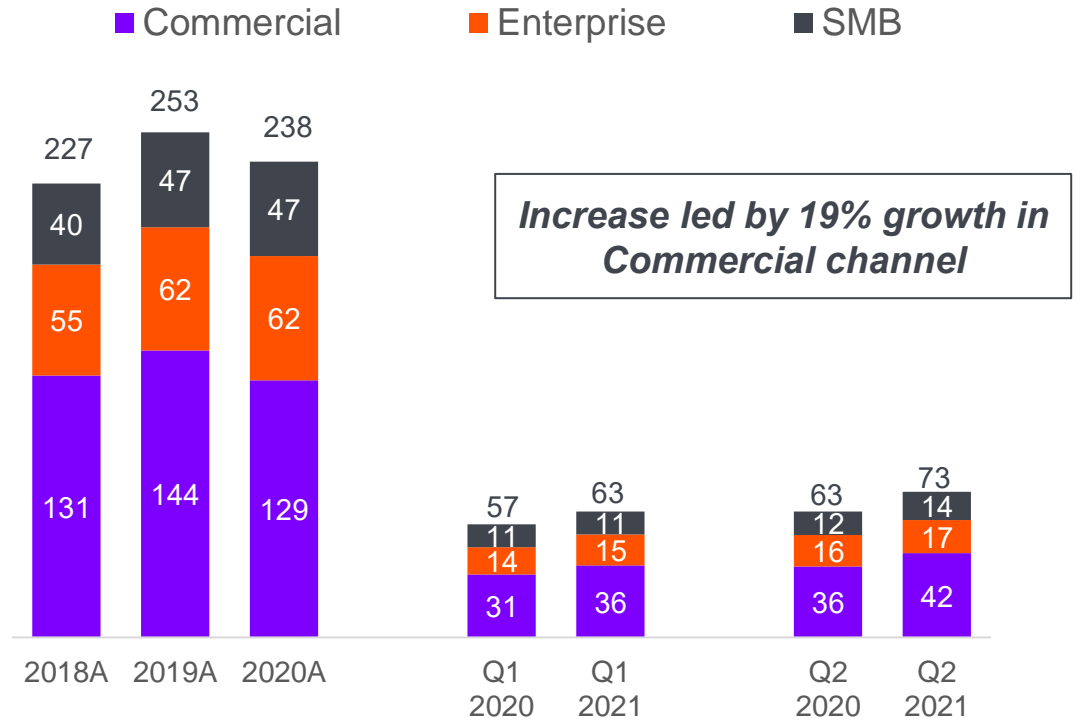
Our Highly Efficient, Proven Commercial Model Has Delivered Double Digit Gross Profit Growth



Gross Profit by IT Solution Type \$mm



Gross Profit by Sales Channel \$mm



2021 Increases Across All IT Solution Types and Sales Channels

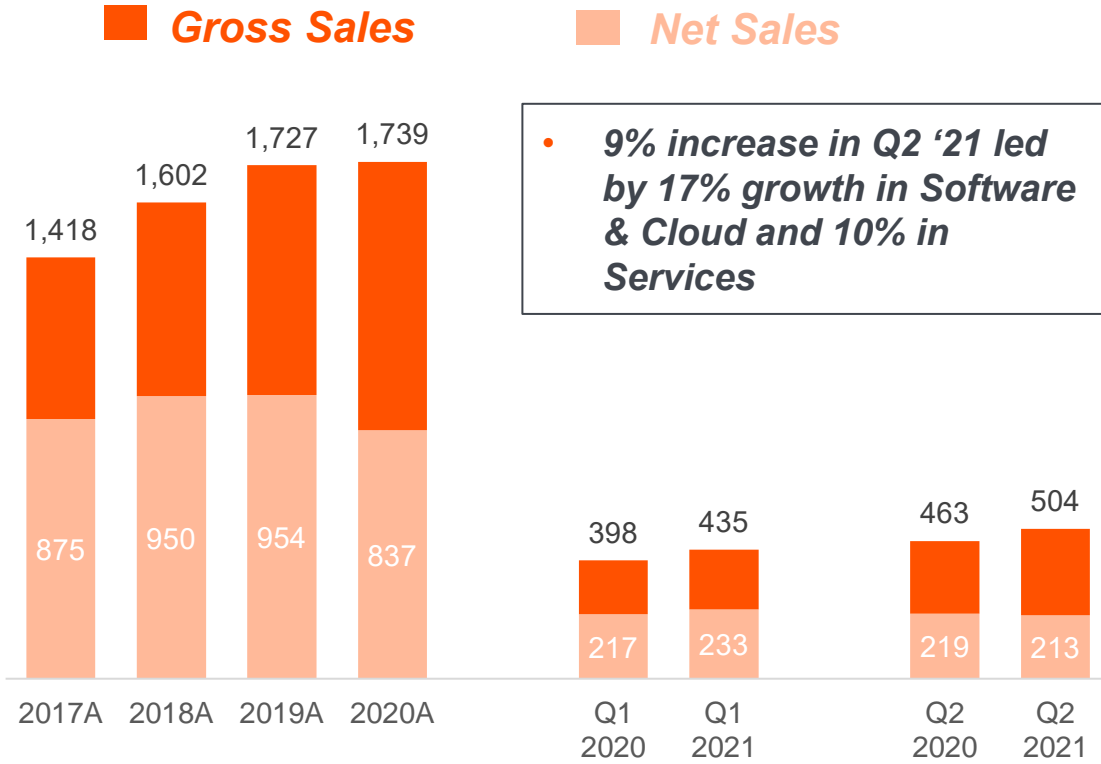
Gross Sales Volumes Leading to Gross Profit Growth

Software & Cloud Comprising Increasing Share of Overall Gross Sales Mix

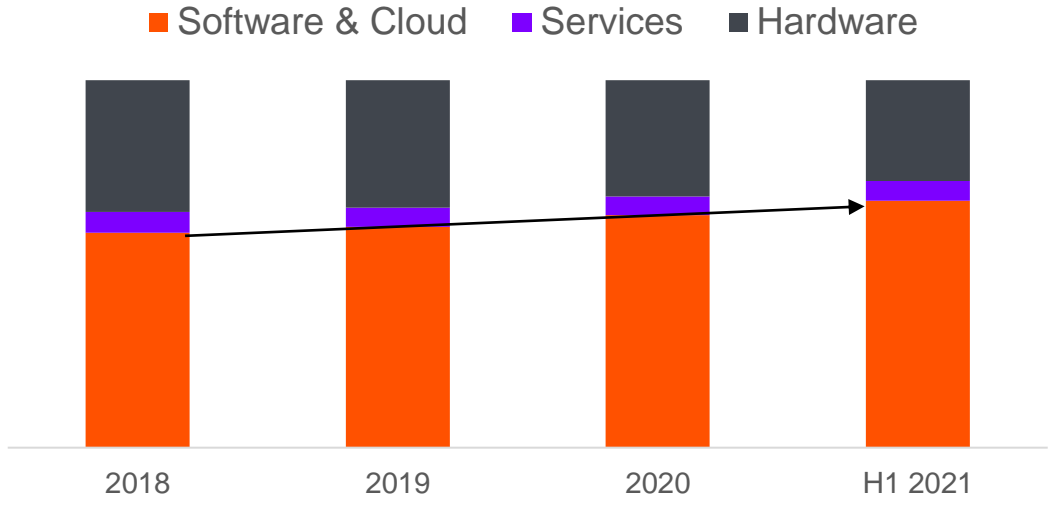


Gross Sales & Net Sales \$mm

% of Gross Sales by IT Solution Type



• *Net Sales growth has trailed Gross Sales and Gross Profit growth primarily due to increasing mix of netted down solutions, notably related to Software & Cloud*



Secular Trends Driving Increases in Software, Cloud and Services Gross Sales Volumes

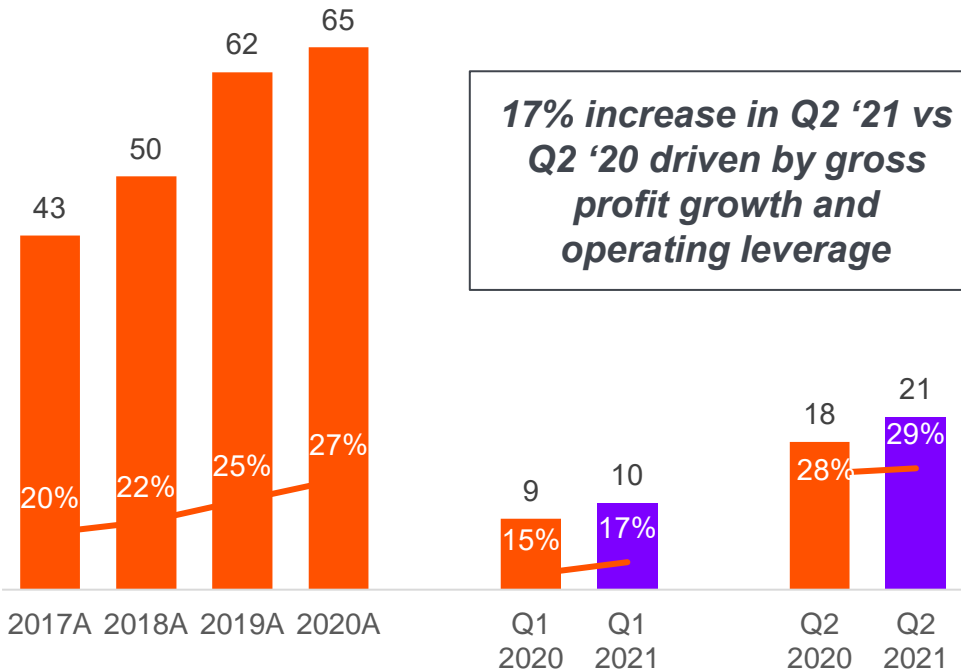
Operating Leverage Has Driven Margin Expansion

Asset-Light Model with Highly Attractive Profitability and Free Cash Flow



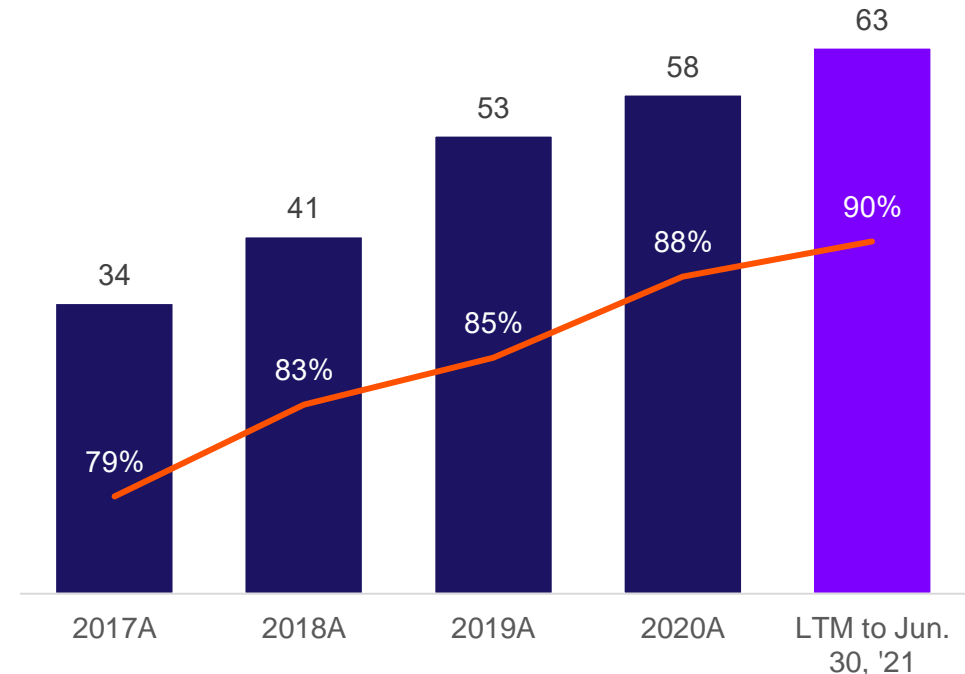
Adjusted EBITDA \$mm and as % of Gross Profit¹

21% Adj. EBITDA CAGR ('17-'19)



Adjusted Free Cash Flow \$mm & Conversion²

25% FCF CAGR ('17-'19)



We Are Positioned to Deliver Significant EBITDA Growth with Strong Free Cash Flow Conversion

¹ Margin based on Adjusted EBITDA as a Percentage of Gross Profit.

² Adjusted Free Cash Flow Conversion based on Adjusted EBITDA less Maintenance Capex less lease payments, divided by Adjusted EBITDA.

³ Adjusted EBITDA for Fiscal 2017 and Fiscal 2018 presented including pro-forma IFRS 16 adjustments. Adjusted EBITDA for Fiscal 2020 includes ~\$14mm of Canada Emergency Wage Subsidy.

Softchoice's Capital Structure

Equipped to Deliver Shareholder Value

Simplified Capital Structure post-IPO

~59.0mm Common Shares
~64.1mm Fully Diluted Shares (incl. options)

Top Common Shareholders:

- Birch Hill Equity Partners ~53%
- Mawer Investment Management ~14%
- Directors & Management ~4%
- Others (primarily institutional) ~29%

Strong Financial Position

~1.3x net leverage at Jun. 30, 2021 (net debt to LTM Adj. EBITDA)

Current Debt:

- \$275mm Revolving Credit Commitment availability (+\$100M Accordion); ~\$80mm in loans and borrowings at Jun. 30, 2021
 - LIBOR + 2.00% and certain fees
 - Maturity June 2026
- ~\$26mm lease liabilities

Significant Free Cash Generation

LTM Adjusted Free Cash Flow Conversion of ~90% of Adj. EBITDA (Adj. EBITDA less Maintenance CapEx and Lease Payments)

Working capital inflows anticipated

Uses of Free Cash Flow:

- Interest on Debt
- Taxes
- Quarterly Dividend
- Certain non-recurring costs

Discretionary Potential Uses:

- Debt repayment
- Dividend Increase and/or Special Dividends
- Share Buybacks
- M&A

Significant & Sustainable Growth Trajectory

We are Highly Confident in Our Ability to Deliver Attractive and Profitable Growth






Outlook

	2022 Outlook ¹
Gross Profit Growth	Over 12% CAGR (2020 – 2022)
Gross Profit	Over \$300 million
Adjusted EBITDA	\$90 million - \$100 million (Inclusive of ~\$25 million of Monarch Uplift)
Adjusted Free Cash Flow Conversion ²	Approximately 90%

Strong Recent Momentum and 2021 Investments Supports Our Gross Profit and Adjusted EBITDA Outlook

18 ¹ Contains forward-looking information based on a number of opinions, estimates and assumptions that we considered appropriate and reasonable as of the date such statements are made. Assumes an average C\$/U.S.\$ exchange rate of 0.78 in Fiscal 2021 and Fiscal 2022.
² Adjusted Free Cash Flow Conversion based on Adjusted EBITDA less Maintenance Capex less lease payments, divided by Adjusted EBITDA.

Softchoice Investment Highlights

- 1** Scaled software focused solutions provider in the large North American IT industry 
- 2** Differentiated go-to-market approach focused on the highest growth sub-sectors 
- 3** Proven commercial model, accelerated by Project Monarch, with double-digit organic growth 
- 4** Asset-light model with highly attractive profitability and free cash flow 
- 5** World-class management team and high-performance culture 

Appendix

Revenue Recognition Overview

The Impact of Netting Down

Illustrative Examples by IT Solutions Type

	<u>Software</u>	<u>Software</u>	<u>Hardware</u>	<u>Hardware</u>	<u>Services</u>
Example IT Solution	<i>On-premise software license</i>	<i>SaaS Subscription/ Support-Assurance (e.g. O365)</i>	<i>Laptop</i>	<i>Hardware Warranty</i>	<i>Professional and Managed Services</i>
Gross Sales <i>(Total Invoiced Amount to Customer for Solutions Delivered / Services Performed)</i>	\$100	\$100	\$100	\$100	\$100
Adjustment for Sales Transacted as Agent	<i>Nil</i>	(\$85)	<i>Nil</i>	(\$85)	<i>Nil</i>
Net Sales	\$100 <i>Principal Relationship</i>	\$15 <i>Agent Relationship</i>	\$100 <i>Principal Relationship</i>	\$15 <i>Agent Relationship</i>	\$100 <i>Principal Relationship</i>
Cost of Sales	(\$85)	Nil	(\$85)	Nil	(\$75)
Gross Profit	\$15	\$15	\$15	\$15	\$25

No change in sales \$

Variance in IFRS Net Sales

No change in gross profit

Increasing percentage of gross sales are netted down stemming from growth of Software & Cloud solutions, and the industry trend towards more software sold as SaaS