Q4 Investor Overview.

06/12/23
Disclaimer

This presentation contains “forward-looking information” within the meaning of applicable Canadian securities laws. Forward-looking information may relate to our future financial outlook and anticipated events or results and may include information regarding our financial position, business operations, business strategy, growth strategies, budgets, operations, financial results, plans and objectives. In certain cases, forward-looking statements that are predictive in nature, depend upon or refer to future events or conditions, and/or can be identified by the use of words such as “expect”, “continue”, “anticipate”, “intend”, “aim”, “plan”, “believe”, “budget”, “estimate”, “expect”, “target” or negative versions thereof and similar expressions, and/or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent management's expectations, estimates and projections regarding future events or circumstances. Forward-looking information includes the anticipated offering, listing of our common shares on the TSX, our business model, our estimated financial results and operating metrics for the three and nine months ending December 31, 2022, the potential to grow our customer base, use of data and the network effect of our platform, our total addressable market, our ability to scale, our path to profitability, M&A and other drivers of growth and our anticipated use of proceeds. 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. Despite a careful process to prepare and review the forward-looking information, there can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct. 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, 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. 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. Accordingly, readers should not place undue reliance on forward-looking information, which speaks only as of the date made. The preliminary, unaudited estimates of selected financial and other information for the three and nine months ending December 31, 2022 included in this presentation represent management's estimates based on currently available information and are not a comprehensive statement of our financial results. Actual results are subject to completion of our financial closing procedures and may change, potentially materially, from those presented. This information is provided in order to give context to the nature of some of the company's future plans and results and may not be appropriate for other purposes. The forward-looking information contained in this presentation represents our expectations as of the date of this presentation and 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. Although we have attempted to identify important risk factors that could cause actual results to differ materially from those expressed or implied by such forward-looking information. Without 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. All of the forward-looking information contained in this presentation is expressly qualified by the foregoing cautionary statements.

Non-IFRS Measures

This presentation makes reference to certain non-IFRS measures. These measures are not recognized measures under International Financial Reporting Standards (“IFRS”) 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 “Adjusted EBITDA”. See the Appendix for a reconciliation of Adjusted EBITDA to the nearest IFRS measure.

Certain Other Matters

Any graphs, tables or other information demonstrating our historical performance or of any other entity contained in this presentation are intended only to illustrate past performance and are not necessarily indicative of our or such entities’ future performance. In this presentation, unless otherwise specified or the context otherwise requires, all dollar amounts are expressed in U.S. dollars.
Our purpose is to help our clients win in the capital markets.
Executive Leadership Team

Darrell Heaps
Founder & CEO

Donna de Winter
CFO

Warren Faleiro
CTO

Dorothy Arturi
CPO

Lorie Coulombe
SVP Marketing

Keith Reed
COO

Ken Szeto
General Counsel

Tim Stahl
CRO
The **Q4 platform** sits at the intersection of public companies, the buyside and sellside, serving **millions of investors** each quarter.
On plan to achieve profitable growth.

Gross Margin
65.4%

802 bps (YoY)

ARR¹
$55.6M

5.3% (YoY)

ARPA²
$20.4K

11% (YoY)

“Over half of our bookings were expansions with existing clients who continue adding new engagement modules to their Q4 stack.”

¹ For 3-month period ending 03/31/2023
² Annual Recurring Revenue Per Account (“ARPA”) is ARR, net of contracts, divided by client accounts
If you touch the global equity markets you are likely already using the Q4 platform.

1 including backlog clients
2 corporate issuer market
Large and Expanding TAM.

Serving all three segments of the capital markets including corporates, buy-side and sell-side yields a large global TAM.

Overall Potential TAM $20B
Annual Market (US$) $5B

Corporate TAM $13B

Sell-Side TAM $2B

Buy-Side TAM $2B

~41.5K Public Companies
~25K Global Asset Management Firms
~8K Investment Banks

1 Management belief based on data available from large financial data providers
Includes our current product offering and near-term expansion into deal management and research services
Platform Adoption.

Key Takeaways:

- 114 clients purchased additional “upsell” subscriptions
- 67.3% of ARR from clients with two or more subscription services
Q4 Website Management.

✓ Best in class client experience
✓ Ability to scale service model
✓ Consistent 5 star Ratings
Q4 Events.

✓ Proprietary virtual events platform offers clients innovative features

✓ Industry leading reliability with incident rate of less than 1%
Q4 Desktop CRM.

✓ Driving innovation and enhancements for client satisfaction

✓ Launched new personalized email integration tool and mobile app
Engagement Analytics with Benchmarking.

Delivers unique insights to understand the behaviour of investors benchmarking against peers to enable an enhanced targeting approach.

Scale of Data

- 16M+ Monthly Investor Website Visits
- 1100+ IR Events Quarterly
- 450K+ Investors Connected to Events Each Quarter
Q4 Accounts.

✓ 286,000+ investor accounts created since inception
✓ Roadmap focused on helping investors more effectively interact with companies
Generative AI.

Using AI to unlock opportunities for our clients to benefit from our proprietary data and real time analytics.
Q4 Partnership Ecosystem.

☑ Partnerships focused on delivering a network of complementary best-in-class products and services

☑ New partnership with Novisto, a leading ESG data management software company - enabling our clients to evolve their ESG metrics and integrate sustainability into their corporate strategy
Looking Ahead.

Q4 is embarking on one of the most exciting product cycles in our history.
Appendix.

First Quarter 2023 Financial Summary
Revenue.

Key Takeaways:

1. First quarter revenue of $14.5 million, 4.0% growth YoY
   - Capital Market Platform revenue grew by 2.5% YoY
   - Platform Services revenue grew by 22.1% YoY

2. Driving revenue Growth:
   - Price increases
   - Expansion selling
   - Improved capital markets
Gross Margins.

Key Takeaways:

- Gross margin grew to 65.4% in the first quarter, YoY growth of 802 bps
- Driven by migration to our virtual events platform and Latin American operations
- Further benefits to be realised throughout 2023
Adjusted Operating Expenses.

First quarter expenses are maintained through our clients’ critical season.

Key Takeaways:

- 2023 reductions will drive annual cost savings and efficiency gains at least $6.0M, primarily in OPEX.
- Q1 saw a small increase in S&M related to commission expenses on fully attained bookings.
- Q1 seasonality increases for employer related expenses across all markets and functions.
Adjusted EBITDA.

Increasing Gross Profit and shrinking Operating Expenses are expected to continue improving EBITDA trajectory in future quarters

Key Takeaways:

- Adjusted EBITDA was -$4.5M, a significant improvement compared to -$7.1M in Q1 2022
- May 2023 OPEX reductions will positively impact Adjusted EBITDA
- Operating cash flow will track EBITDA improvements to positive in 2023

Non-IFRS Measures and Reconciliation of Non-IFRS Measures:

We define EBITDA as net loss, adjusted for depreciation and amortization, finance expenses, finance income and income taxes. Adjusted EBITDA is a supplemental measure used by management to assess our financial and operating performance without regards to financing methods or capital structure. Adjusted EBITDA represents EBITDA, adjusted for the following: share-based compensation, unrealized foreign exchange (gain) loss, (gain) loss on derivative financial instruments, and transaction related expenses. We believe EBITDA and Adjusted EBITDA are useful in assessing our operating cash flows as they eliminate the effects of non-cash expenses and one-time or non-recurring items recorded in the statement of operations and comprehensive loss. The Company’s definition of EBITDA and Adjusted EBITDA may be different than similarly titled measures used by other companies. The appendix tables reconciles Adjusted EBITDA to net loss for the periods indicated.
Annual Recurring Revenue.

Key Takeaways:

- ARR was $55.6 million, a 5.3% increase over this time last year
- Capital Connect platform resonates with new client bundled sales
Annual Recurring Revenue per Account.

Key Takeaways:

- ARPA was $20,411, a 11% increase over the same time period last year
- Accelerating YoY growth rate each quarter throughout 2023
Client Retention.

Key Takeaways:

- During the quarter, we brought 71 new clients on to the platform, for a total of 2,603 clients in Q1 2023

*Subscription clients and reoccuring platform clients including backlog
Key Balance Sheet & Cash Flow Metrics.

Cash, cash equivalents and short-term securities of $46.3M win available liquidity

- **Operating Cash Flow**: $(6.0) Million
  - Quarterly operating cash flow change compared to YoY of $(7.6) million, an improvement of $1.6 million

- **Cash & Equivalents**: $23.8 Million
  - Core working capital metrics remain strong

- **Revolving Credit Facility**: $22.5 Million
  - No outstanding debt, fully available
Board of Directors

Darrell Heaps  
CEO & Director

Colleen Johnston  
Chair of the Board

Daniel Kittredge  
Director

Ned May  
Director

W. Neil Murdoch  
Director

Julie Silcock  
Director
Thank you.

For additional questions, please contact IR@Q4inc.com