



# **ABSOLUTE**

## **Company Overview**

*November 8, 2022*

# Safe Harbor / Financial Info.

This presentation contains certain forward-looking statements and forward-looking information, as defined under applicable securities laws, including, without limitation, the U.S. Private Securities Litigation Reform Act of 1995 (collectively, "forward-looking statements") which relate to future events or Absolute's future business, operations, and financial performance and condition. Forward-looking statements often, but not always contain words like "will", "intend", "anticipate", "could", "should", "may", "might", "expect", "estimate", "forecast", "plan", "potential", "project", "assume", "contemplate", "believe", "shall", "scheduled", or the negative of those words and similar terms and, within this presentation, include the fiscal 2023 outlook/guidance and any statements (express or implied) respecting: Absolute's future plans, strategies, and objectives, projected revenues, expenses, margins, and profitability; future trends, opportunities, challenges, and growth in Absolute's industry; the impacts of the COVID-19 pandemic on Absolute's business, operations, prospects, and financial results; Absolute's ability to grow revenue by selling to new customers and increasing subscriptions with existing customers; Absolute's ability to renew customers' subscriptions; Absolute's ability to maintain and enhance its competitive advantages within its industry and in certain markets; Absolute's ability to remain compatible with existing and new operating systems; the maintenance and development of Absolute's PC OEM and other partner networks; Absolute's APaaS initiative; existing and new product functionality and suitability; Absolute's product and research and development strategies and plans; increases to brand awareness and market penetration; foreign operations and growth; and other aspects of Absolute's operations or operating results. Forward-looking statements are provided for the purpose of presenting information about management's current expectations and plans relating to the future and allowing investors and others to get a better understanding of our anticipated financial position, results of operations, and operating environment. Readers are cautioned that such information may not be appropriate for other purposes. Forward-looking statements are not guarantees of future performance, actions, or developments and are based on expectations, assumptions, and other factors that management currently believes are relevant, reasonable, and appropriate in the circumstances, including, without limitation: assumptions regarding Absolute's business, products, financial position, and industry; assumptions regarding Absolute's ability to successfully manage the impacts of capital markets, economic, and political volatility on its business, operations, and financial results; and those assumptions referred to in Absolute's most recent Management's Discussion and Analysis (the "MD&A") which is available at [www.absolute.com](http://www.absolute.com), under Absolute's SEDAR profile at [www.sedar.com](http://www.sedar.com), and on EDGAR at [www.sec.gov](http://www.sec.gov). Although management believes that the forward-looking statements herein are reasonable, actual results could be substantially different due to the risks and uncertainties associated with and inherent to Absolute's business, as more particularly referred to in the MD&A. Additional material risks and uncertainties applicable to the forward-looking statements herein include, without limitation, unforeseen events, developments, or factors causing any of the aforesaid expectations, assumptions, and other factors ultimately being inaccurate or irrelevant. Many of these factors are beyond the control of Absolute. All forward-looking statements included in this presentation are expressly qualified in their entirety by these cautionary statements. The forward-looking statements contained in this presentation are made as at the date hereof and Absolute undertakes no obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events, or otherwise, except as may be required by applicable securities laws.

Absolute's fiscal year ends on June 30 of each year. All dollar figures herein are stated in U.S. dollars unless otherwise indicated.

Management uses certain non-standard measures under International Financial Reporting Standards ("IFRS") that it believes are meaningful in the assessment of Absolute's performance. Management believes that analyzing operating results exclusive of the significant non-cash items noted above provides a useful measure of Absolute's performance. As the majority of our customer contracts are sold under prepaid multi-year term licenses, there is a significant lag between the timing of the invoice and the associated revenue recognition. As a result, we focus on the aggregate annual recurring revenue ("ARR") of our subscriptions under contract and generating revenue as an indicator of our future recurring revenues. "Total ARR" measures the amount of annual recurring revenue we will receive from our commercial customers under contract at a point in time, and therefore is an indicator of our future revenue streams. The term "Net Dollar Retention" measures the percentage increase or decrease in Total ARR at the end of a year for customers that comprised Total ARR at the beginning of the year. The term "Adjusted EBITDA" refers to net income before interest income or expense, income taxes, depreciation and amortization, foreign exchange gains or losses, share-based compensation expense, fair value adjustments relating to acquired deferred revenue, fair value adjustments relating to acquired deferred commission expense, restructuring or reorganization charges and post-retirement benefits, acquisition and integration costs, litigation costs, impairment losses, and non-recurring items. Please also refer to the section entitled "Non-IFRS Measures and Key Metrics" of Absolute's latest MD&A. ARR, Total ARR, Net Dollar Retention, and Adjusted EBITDA are key operating metrics that do not have standardized meanings prescribed by IFRS and may not necessarily be comparable to similar measures provided by other companies.

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# Absolute Software | Only Provider of Self-Healing, Intelligent Security Solutions

Rule of 40	180+ patents	Ability to Execute	Large Addressable TAM	Resilient Self-Healing Security	Strong Partner Ecosystem
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# Market Drivers Behind Adoption of Cyber Resilience

**Attack  
Acceleration  
& Cost**

**Shift to  
“Work from  
Anywhere”**

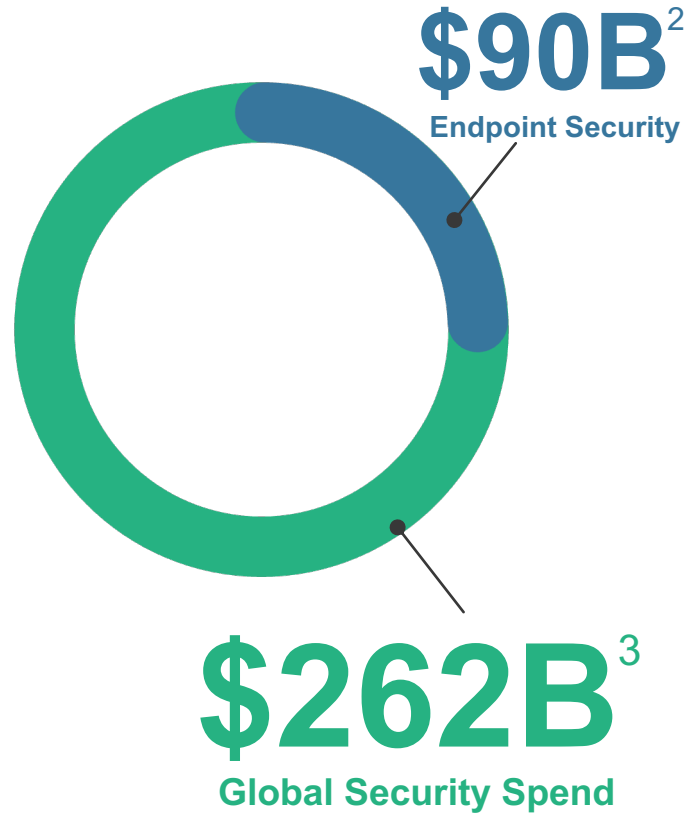
**Escalating  
Cybersecurity  
Spend**

**CISO:  
“Is it Working?”**



# False Sense of Security

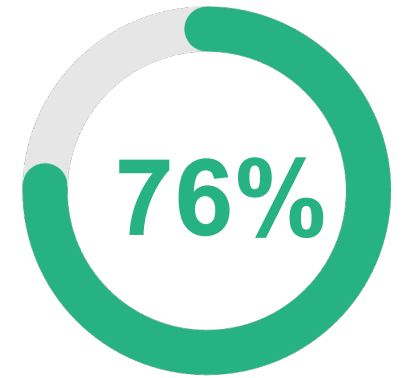
68 percent of organizations suffered a successful endpoint attack within the last 12 months<sup>1</sup>



of devices had unhealthy security controls<sup>4</sup>



of organizations have seen evidence of compromised endpoints being used to access company data<sup>5</sup>



of organizations see security risks are higher when employees are working from home<sup>6</sup>

<sup>1</sup> Ponemon Institute, 2020 State of Endpoint Security Risk

<sup>2</sup> Gartner: Forecast: Information Security and Risk Management, Worldwide, 2019-2025, 2Q22 Update (in constant currency)

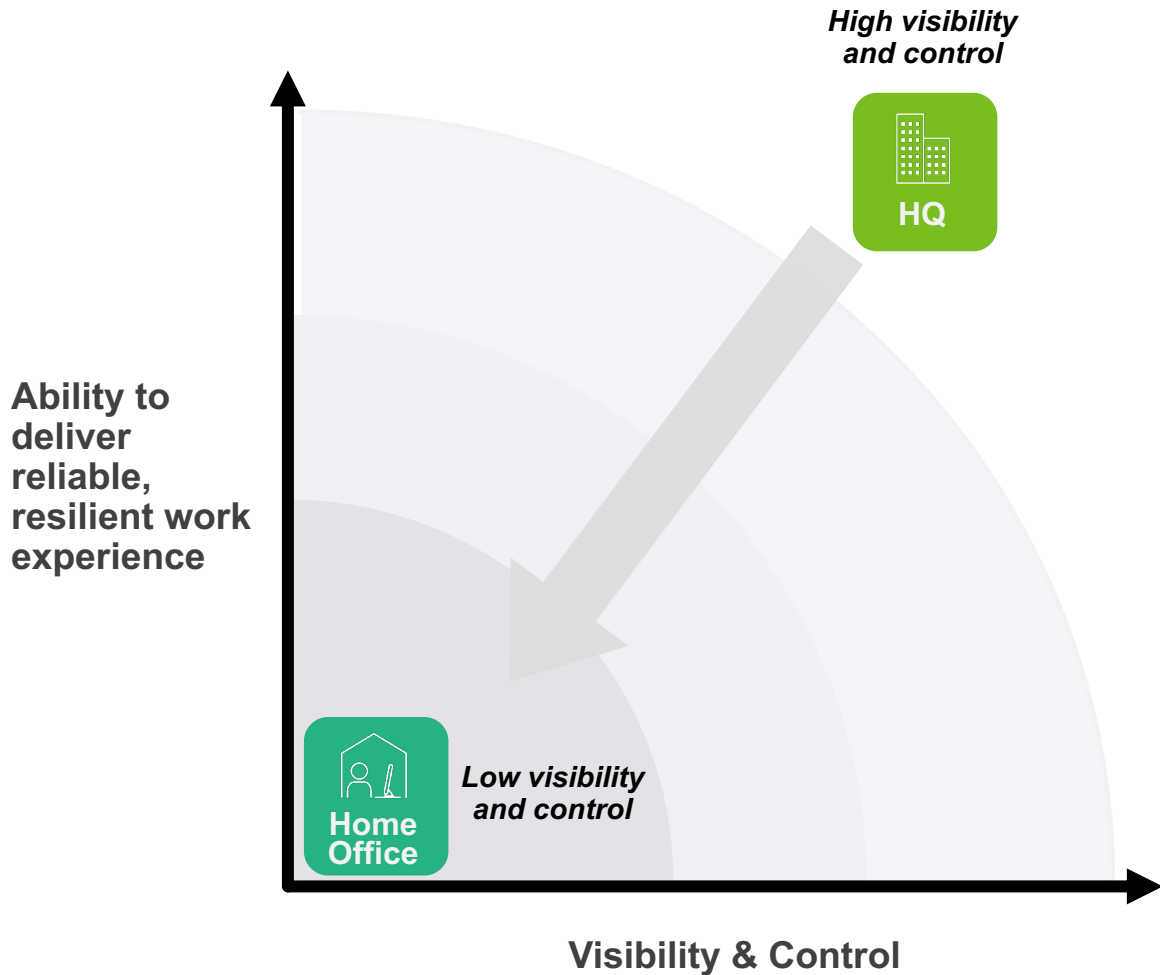
<sup>3</sup> Gartner: Forecast: Information Security and Risk Management, Worldwide, 2019-2025, 2Q22 Update (in constant currency) <sup>4</sup> Absolute, 2021 Endpoint Risk Report

<sup>5</sup> HP Wolff Security, 2021 Blurred Lines and Blindspots Report

<sup>6</sup> Sapio Research, Experiences and Attitudes Towards a Post-COVID Workforce, June 2021

# Securing and Controlling Remote Device Fleets is Hard

*Leading to increased disruptions, risks, and costs*



**11+ Security applications** on every device.<sup>1</sup>

**55% of all helpdesk tickets** today are related to endpoints.<sup>2</sup>

**60% of all breaches** are a result of an existing, known vulnerability.<sup>3</sup>

**\$4.24 million** was the average cost of a corporate data breach in 2022.<sup>4</sup>

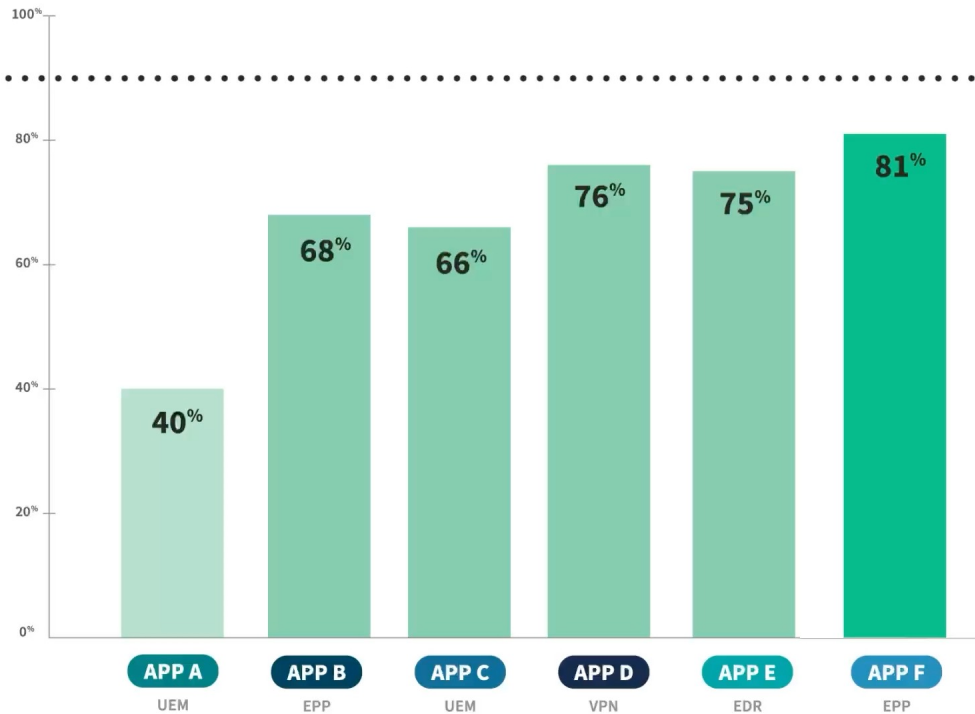


***“To make a real difference to the impact of cybersecurity incidents, cybersecurity priorities must shift from defensive strategies to the management of disruption through **resilience**.”***

**Gartner**<sup>®</sup>

# Why Resilience Matters

## Non-Persisted App Health



**90%**  
Compliance



ANALYSIS  
6 applications across 4  
product categories (EPP,  
VPN, EDR and UEM)  
over 14 days

## Persisted App Health





# Resilient Self-Healing Security Solutions for a Large & Growing Market



## Absolute Secure Endpoints

The only self-healing endpoint security solution embedded in the firmware of more than 600 million devices



## Absolute Secure Access

The only secure access technology that actively self-heals and optimizes the end user experience

FORRESTER

CRITICAL TREND

Future Of Endpoint Management

OMDIA

ONE TO WATCH

Ep Market Radar: Security Platforms

451 Research

MARKET DEFINER

Business Impact Brief: Resilient Zero Trust

Gartner

KEY PLAYER

Market Guide ZTNA

Gartner

KEY PLAYER

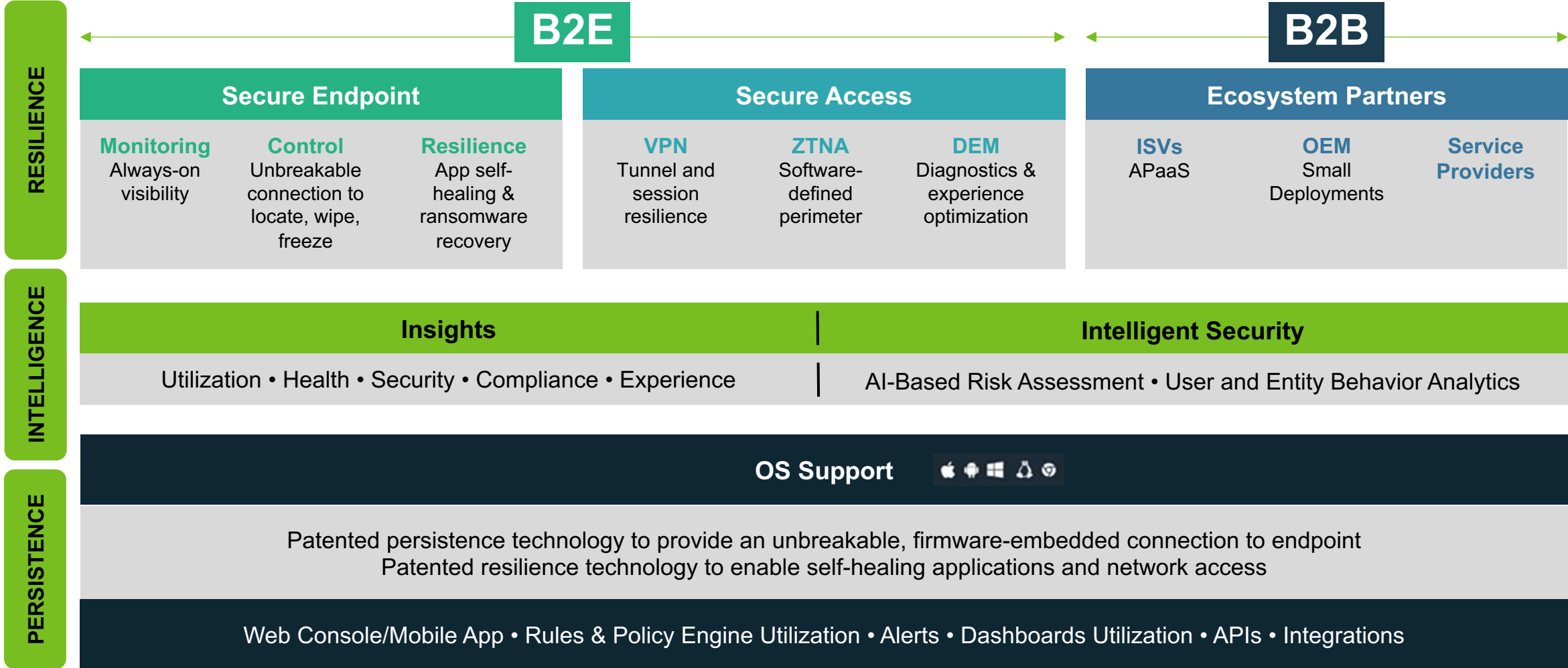
Emerging Technologies

cuppingercorle ANALYTICS

LEADER

Leadership Compass ZTNA

# Common Platform To Serve Today's Market Needs



# Our **Application** Resilience Ecosystem Continues to Grow

The image displays a collection of logos for various technology and security vendors, arranged in a grid on a dark background. The vendors include:

- CrowdStrike
- Trend Micro
- FireEye
- Symantec
- VMware
- Lenovo
- Microsoft SCCM
- Malwarebytes
- VMware Carbon Black
- McAfee
- Zscaler
- SentinelOne
- Eset
- Dell
- Ivanti
- Palo Alto Networks
- Kaseya
- Workspace ONE
- Tanium
- BlackBerry
- NetMotion
- BeyondTrust
- ManageEngine
- Utopic Software
- Forcepoint
- Teramind
- Rapid7
- F5
- Fortinet
- SmartDeploy
- Cisco
- Ziften
- Lightspeed Systems
- Citrix
- Netskope
- WinMagic Data Security
- Ericom
- Smart Eye
- Qualys
- Microsoft BitLocker Administration and Monitoring
- Nessus Professional
- SparkCognition
- Plurilock

**>60**  
INDUSTRY  
LEADING  
APPLICATIONS

# 18,000 Customers across Diverse Markets



Finance & Insurance

**12**

of the world's  
50 largest  
Banks  
(by assets)



Technology

**220+**

of the  
Fortune  
500



Government

**40**

National  
Governments



Healthcare

**41**

of the top  
100 Health  
Providers



Airlines

**5**

of the  
top 10  
US Airlines  
(by fleet size)



Public  
Safety

**40+**

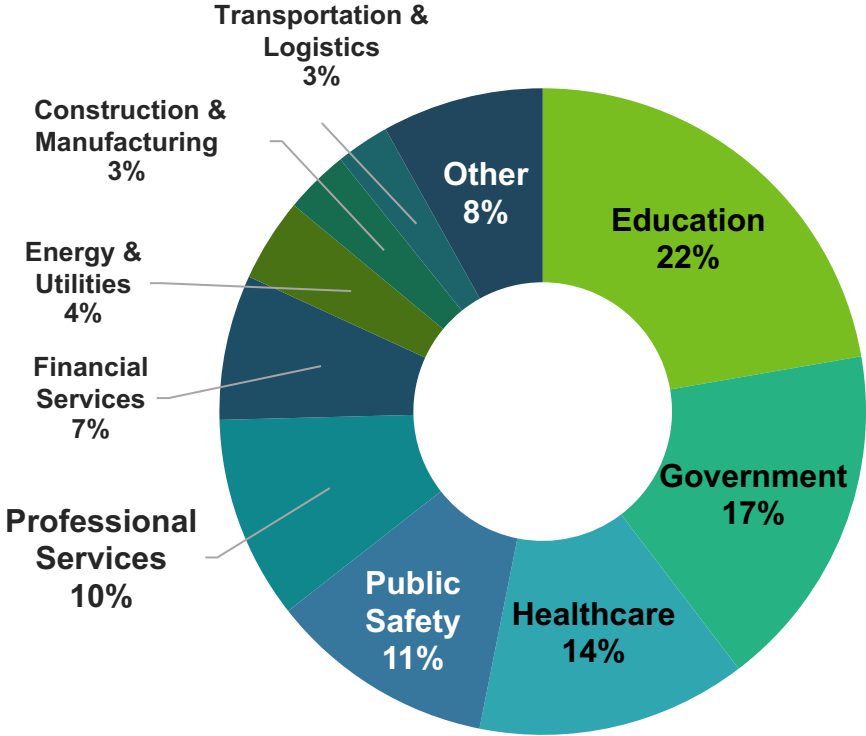
of the top 100  
US Police  
Departments  
(by officers)



Education

**30+**

of the top 50  
US School  
Districts  
(by number of  
students)



(As of June 30, 2022)

# Our Customers Are Our Biggest Advocates



**Endpoint Management**  
(11<sup>th</sup> consecutive quarter)



**"Purchased for resilience and truly impressed with the entire suite."**

- Verified User in Health, Fitness, and Wellness



**"Great connectivity and great security."**

- Jeremy F, Technology Support Specialist



**"Absolute has been a lifesaver when it comes to managing our suite of Windows machines."**

- Ben T., IT Support Administrator

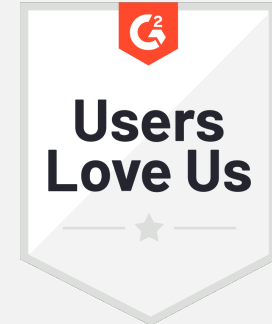


**"Great product for securing your network full of remote users."**

- Verified User in Government Administration



**Zero Trust Networking**



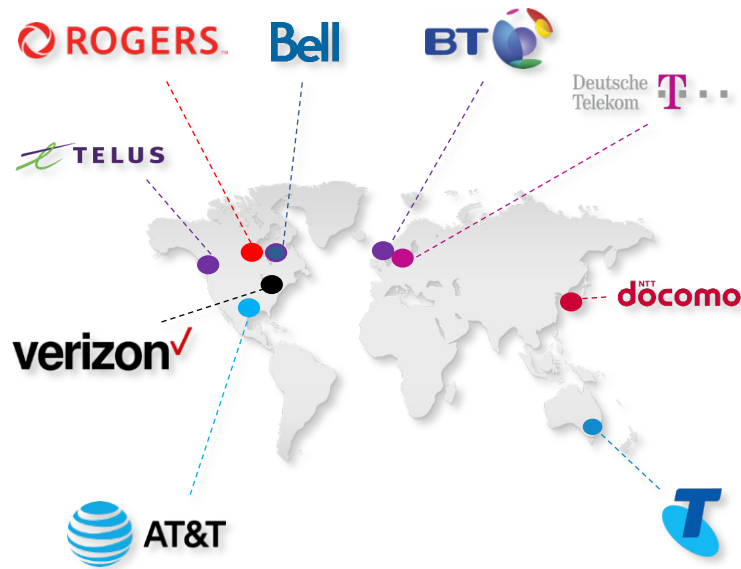
**Overall**



**"It's like having another IT person."**

# A Broad and Deep Commercial Ecosystem

## International carrier footprint



Strategic partnerships with the leading network operators in Absolute's core geographical markets

## Embedded with 28 OEMs



Integrated into the sales process and physical hardware of **over 600m devices** worldwide

## World class reseller relationships



Contracted with **over 800 reseller partners** globally. Premium status at several large VARs

> 1,100 Global Partnerships

# Massive Market Opportunity

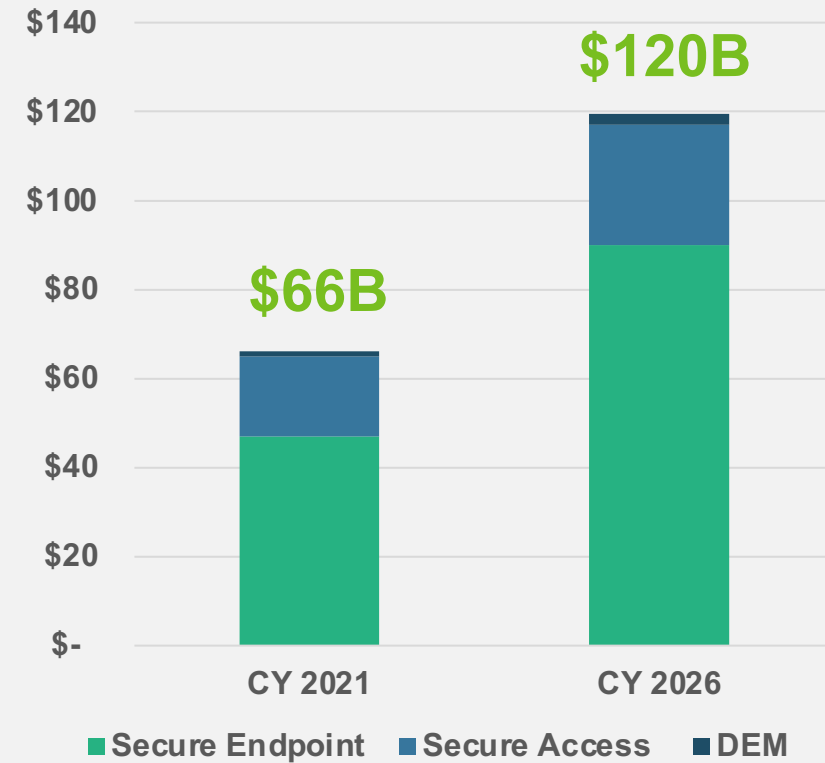


~\$120B

combined Secure Endpoint  
Secure Access  
+ DEM opportunity

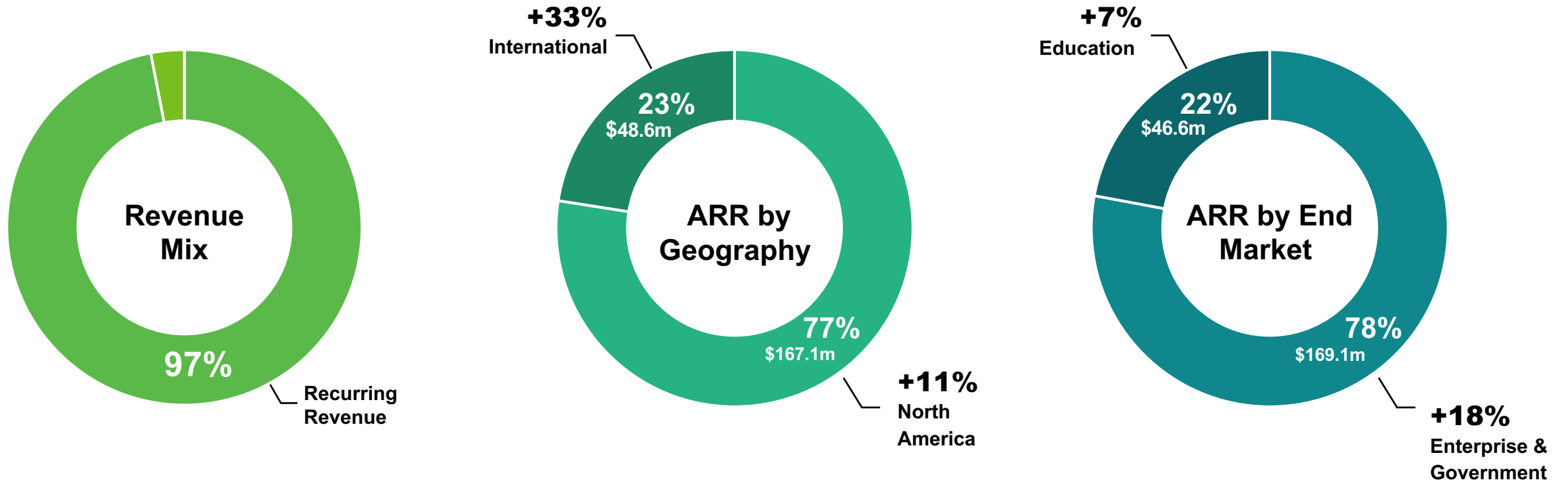
Well-identified drivers and  
strong business momentum

## Market Growth



Disruption from work from anywhere revolution has created high growth opportunity tied to endpoint security

# Compelling Financial Profile



Predictable revenue model | Strong profitability | Improving top-line growth  
Software gross margin profile | Increasing customer spend



# Investment highlights

Absolute Software builds highly relevant, **innovative technologies** and delivers strong **financial performance**

## Rule of 40

Attractive financial profile rooted in profitability with multiple vectors of growth

## 180+ patents

Unique IP

## Ability to Execute

Proven Leadership Team

## Large Addressable TAM

\$120B combined Secure Endpoint, Secure Access, DEM opportunity

## Resilient Self-Healing Security

Firmware embedded security solution in more than 600 million devices

## Strong Partner Ecosystem

Strong advantage and market reach through broad set of partners across 20 countries



**ABSOLUTE**

**Thank You.**

**For more information:**

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