

ABSOLUTE SOFTWARE **Quarterly Earnings Results –** **Q2 F2021**

(Quarter Ended December 31, 2020)

Disclaimers

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 normally contain words like “will”, “intend”, “anticipate”, “could”, “should”, “may”, “might”, “expect”, “estimate”, “forecast”, “plan”, “potential”, “project”, “assume”, “contemplate”, “believe”, “shall”, “scheduled”, and similar terms and, within this presentation, include and any statements (express or implied) respecting: Absolute’s future plans, strategies, and objectives, including plans, strategies, and objectives arising out of the COVID-19 pandemic; the impacts of the COVID-19 pandemic on Absolute’s business, operations, prospects, and financial results; projected revenues, expenses, margins, and profitability; future trends, opportunities, challenges, and growth in Absolute’s industry; 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; existing and new product functionality and suitability; Absolute’s product and research and development strategies and plans; increases to brand awareness and market penetration; future corporate, asset, or technology acquisitions; Absolute’s privacy and data security controls; strategies respecting intellectual property matters; future dividend issuances; the addition and retention of key personnel; and foreign operations and growth. 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 discussed in detail in Absolute’s most recent Management’s Discussion and Analysis (the “MD&A”) which is available at www.absolute.com, under Absolute’s SEDAR profile at www.sedar.com, and on EDGAR at 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.

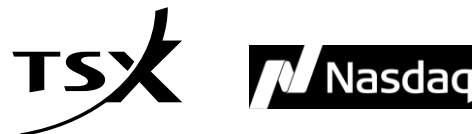
Management uses certain non-standard measures under International Financial Reporting Standards (“IFRS”) that it believes are meaningful in the assessment of Absolute’s performance. Management believes that analyzing operating results exclusive of the significant non-cash items noted above provides a 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 “Adjusted EBITDA” refers to earnings before deducting interest income or expense, income taxes, amortization of intangible assets and property and equipment, foreign exchange gains or losses, share-based compensation, reorganization charges, and post-retirement benefits. Please refer to the appendix to this presentation for a reconciliation of Adjusted EBITDA to IFRS net income after taxes. ARR, Total ARR, 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.

Information contained in this presentation concerning the industry and the markets in which Absolute operates, including Absolute’s perceived trends, market position, market opportunity, market share, and competitive advantages within the markets in which it operates, is based on information from independent industry analysts and third party sources (including industry publications, surveys, and forecasts), Absolute’s internal research, and management estimates. Management estimates are derived from publicly available information released by independent industry analysts and other third party sources, as well as data from Absolute’s internal research, and are based on assumptions made by Absolute based on such data and its knowledge of its industry and markets, which management believes to be reasonable. Absolute’s internal research has not been verified by any independent source and Absolute has not independently verified any third-party information. While Absolute believes the market opportunity and market share information included in this presentation is generally reliable, such information is inherently imprecise. As of the date of this presentation, the full and long-term impacts of the COVID-19 pandemic continue to unfold. It is not possible for Absolute to reliably estimate the length and severity of these impacts and, as a result, many of our estimates and assumptions contained herein required increased judgment and carry a higher degree of variability and volatility. As events continue to evolve and additional information becomes available, our estimates may change materially in future periods.

©2021 Absolute Software Corporation. Confidential and proprietary. All rights reserved. ABSOLUTE, ABSOLUTE SOFTWARE, the ABSOLUTE logo, PERSISTENCE, APPLICATION PERSISTENCE, ABSOLUTE RESILIENCE, ENDPOINT RESILIENCE, and SELF-HEALING ENDPOINT are trademarks of Absolute Software Corporation. Other names or logos mentioned herein may be the trademarks of Absolute or their respective owners. The absence of the symbols [™] and © in proximity to each trademark, or at all, herein is not a disclaimer of ownership of the related trademark.

Absolute Software | A Leader in Endpoint Resilience

- 11.5m Active Endpoints
- Embedded in 500m+ Endpoints
- 7 Offices across 4 Countries
- 500+ Employees
- 140+ Global Patents
- Dual-Listed



- Award-winning



Selected Financial Results | Q2 Fiscal 2021

METRIC	Q2 F2021
REVENUE	\$29.9m
<i>YoY Growth %</i>	16%
ADJ EBITDA	\$8.0m
<i>Margin %</i>	27%
CASH FROM OPERATING ACTIVITIES	\$13.4m
<i>Margin %</i>	45%

Q2 Fiscal 2021 | Financial Highlights

Increased Momentum for Endpoint Resilience Continues Driving Growth

- Reported total revenue of \$29.9 million, representing a 16% increase over the prior year.

Annual Recurring Revenue (ARR)

- Reported Total ARR of \$117.5 million, representing 17% growth year over year.
- Enterprise & Government ARR represented 66% of total ARR and grew by 12% annually.
- Education ARR represented 34% of total ARR and increased by 30% annually.
- Net Dollar Retention of 109% vs 100% in the prior year.

Balancing Growth & Profitability

- Adjusted EBITDA was \$8.0 million, or 27% of revenue, up from \$6.2 million, or 24% of revenue year over year.
- Cash generated from operating activities was \$13.4 million, compared to \$2.2 million during same period a year ago.
- Absolute paid a quarterly dividend of CAD\$0.08 per common share during Q2-F2021.

Q2 Fiscal 2021 | Business Highlights

Corporate Highlights

- Successfully completed Public Offering of our common shares in the United States and Canada, now dually listed on TSX and Nasdaq
- Notified by the FedRAMP Joint Authorization Board we have been prioritized to pursue a Provisional Authority to Operate for the Absolute Resilience Platform
- Awarded the Cyber CatalystSM designation by Marsh & McLennan - highlighting Absolute's unique ability to provide the highest level of protection against today's top cyber risks
- Named a Leader in the Winter 2021 Grid[®] Report for Endpoint Management published by G2, for the sixth consecutive quarter
- Steven Gatoff joined Absolute as Chief Financial Officer. Mr. Gatoff brings to Absolute over 25 years of financial expertise and leadership, and a distinctive track record of driving value creation for software companies
- Christy Wyatt, President and Chief Executive Officer, was named 'New CEO of the Year' by The Globe and Mail's Report on Business

Innovation Milestones

- Launched a new Absolute Control[®] mobile app, designed to help customers secure endpoint devices and protect sensitive data while on the go
- Added new software inventory capabilities and web usage analytics that provide IT and security teams with advanced insights into software and web usage across their distributed endpoint device fleets
- Continued adding to our Application Persistence portfolio of self-healing applications, including Netskope[®] Cloud Access Security Broker (CASB), Next-Gen Secure Web Gateway (NG-SWG) and Palo Alto Networks[®] GlobalProtect[™] security platform

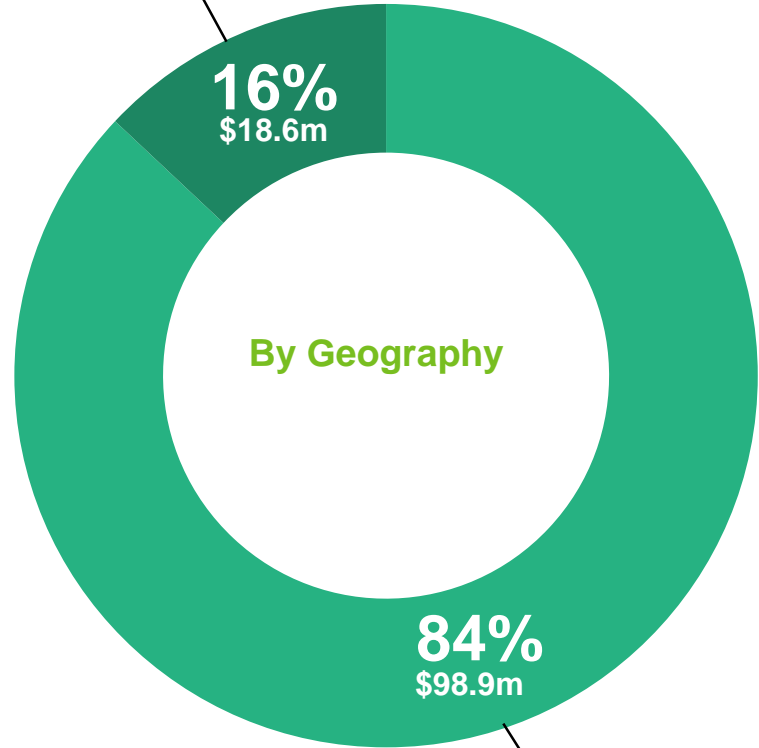
Partner Momentum

- Absolute was added to the HealthTrust Group Purchasing Organization offering that Lenovo and CDW sales teams are leveraging in healthcare sector
- Dell's Blueprint for Success program, originally launched in Q1 with a focus on education, has now been expanded to cover state and local governments and healthcare
- Additional software bundles were launched with HP in North America and EMEA, supporting consumers as well as WFH, remote workers and BYOD users
- We increased partner engagement in Q2 via our new Partner Program, which in turn led to increased activity in our channel pipeline

ARR | Strong Double-Digit Growth

Accelerated International and Education growth over last 12 months

+43%
International



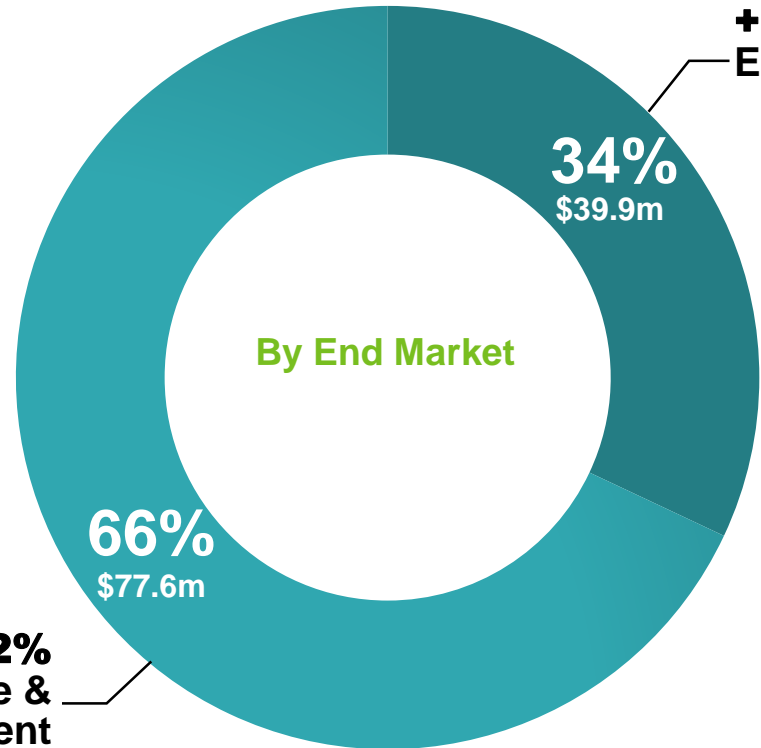
By Geography

84%
\$98.9m

+13%
North America

\$117.5m
Total ARR

+30%
Education

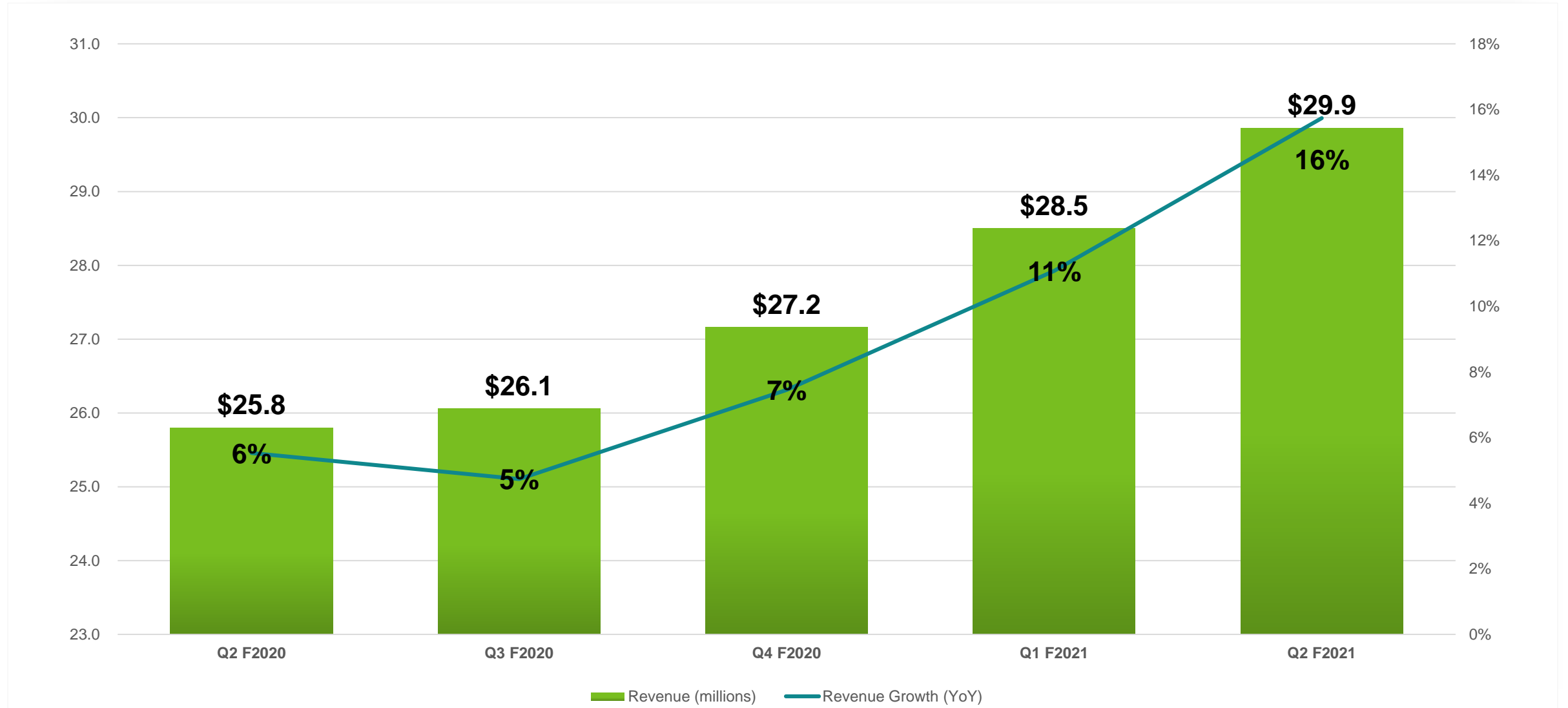


By End Market

66%
\$77.6m

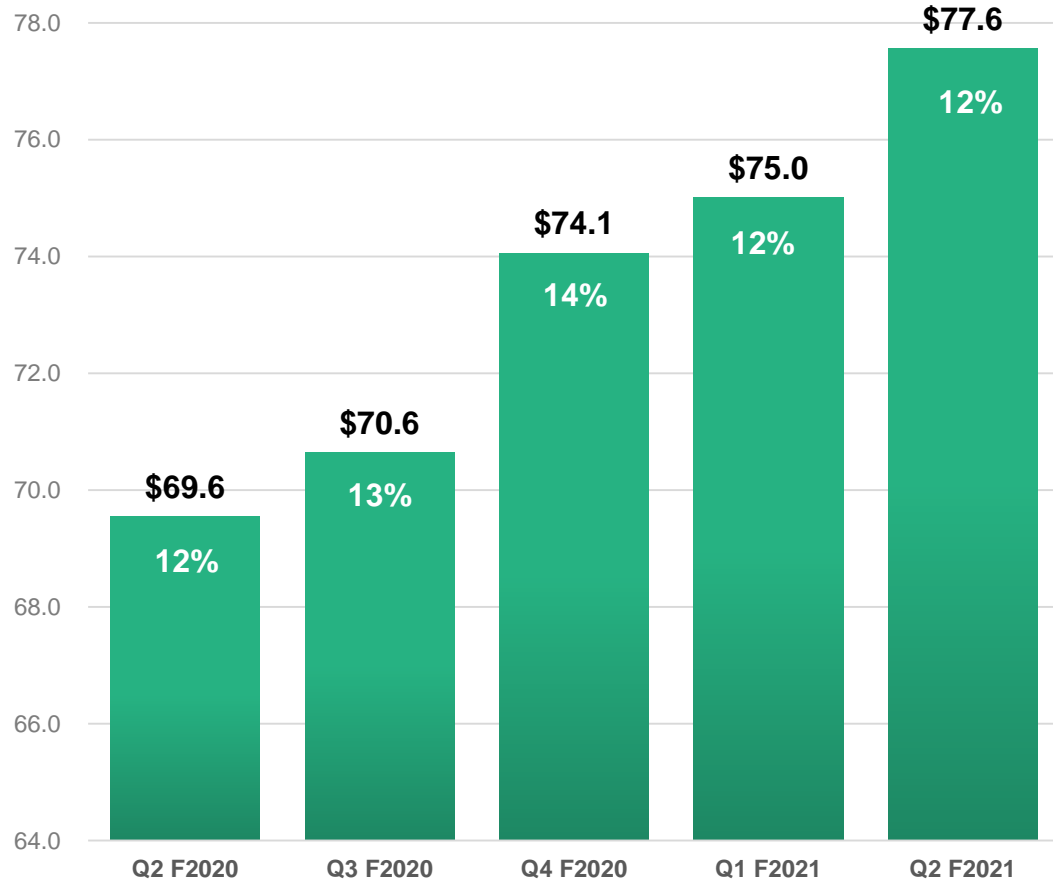
+12%
Enterprise &
Government

Revenue | Accelerating Growth

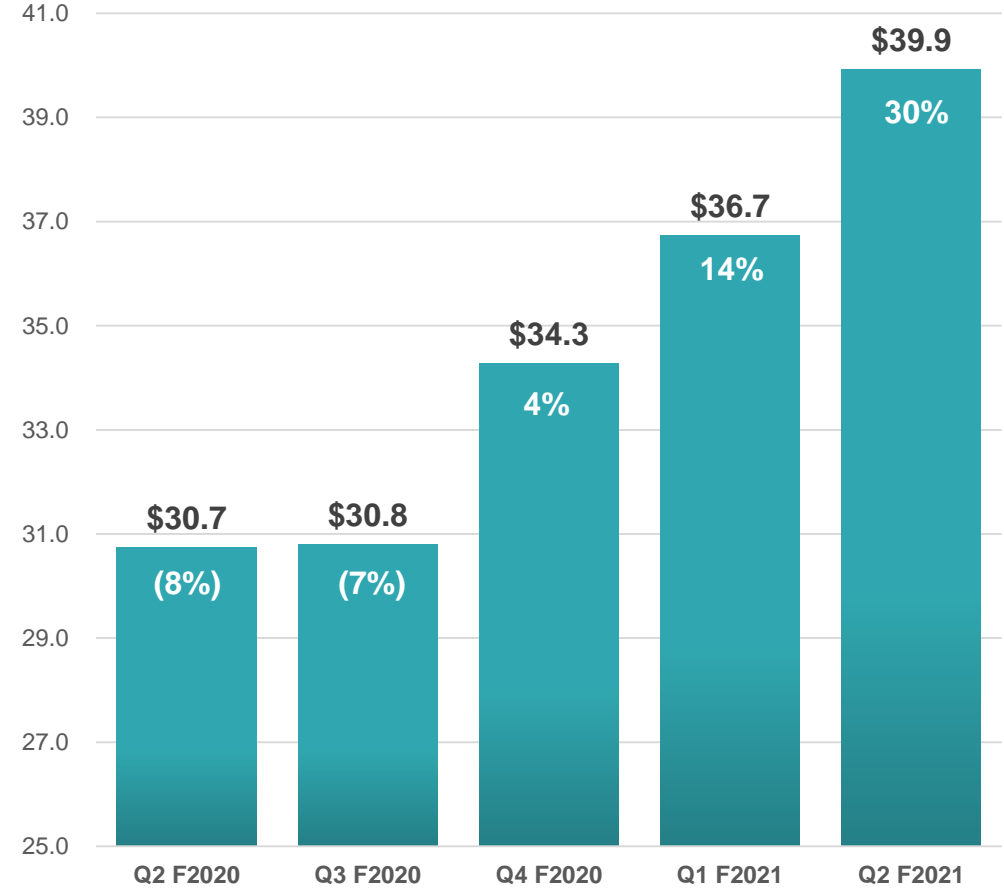


Total ARR | Continuing Growth Expansion

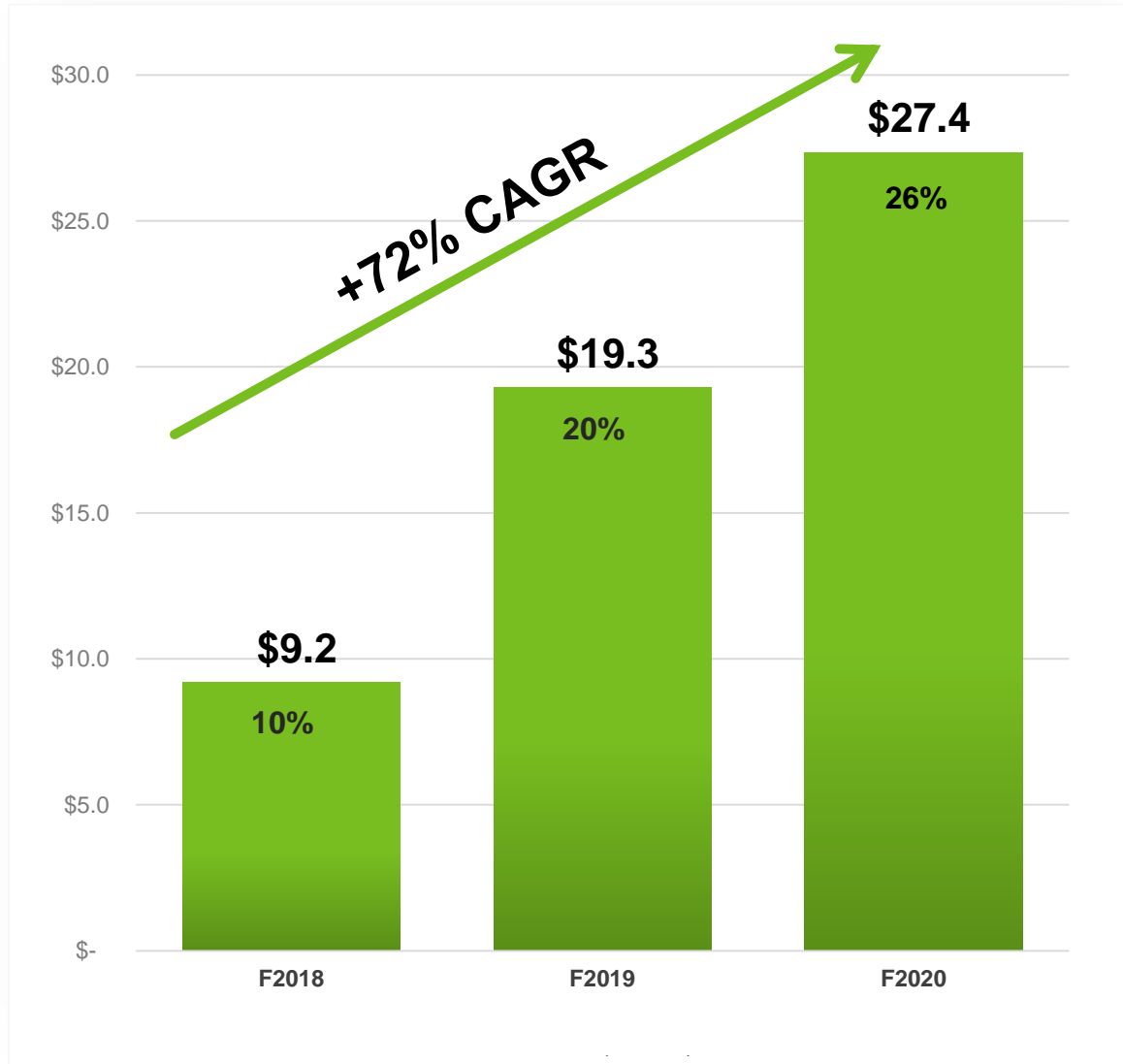
Enterprise & Government



Education

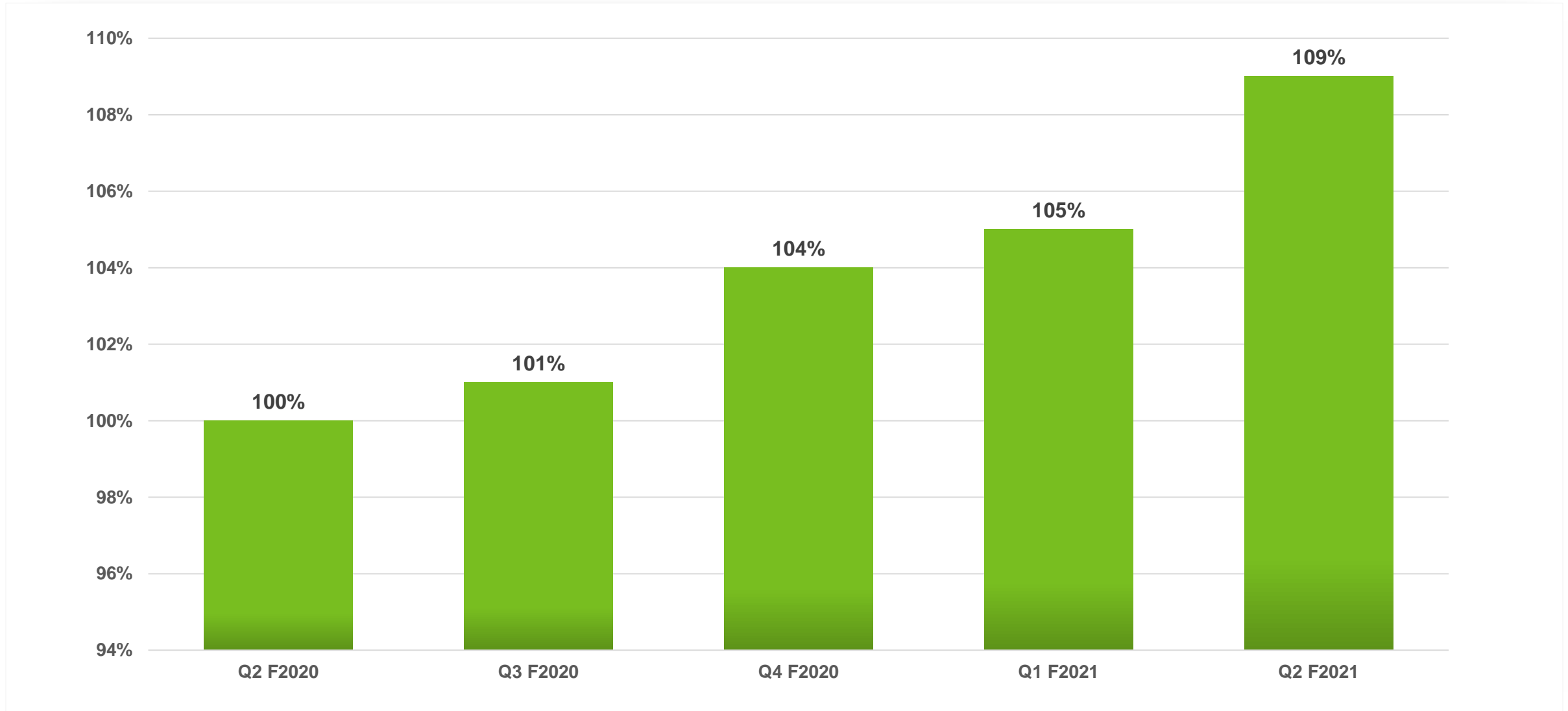


Adjusted EBITDA | Solid Growth and Profitability

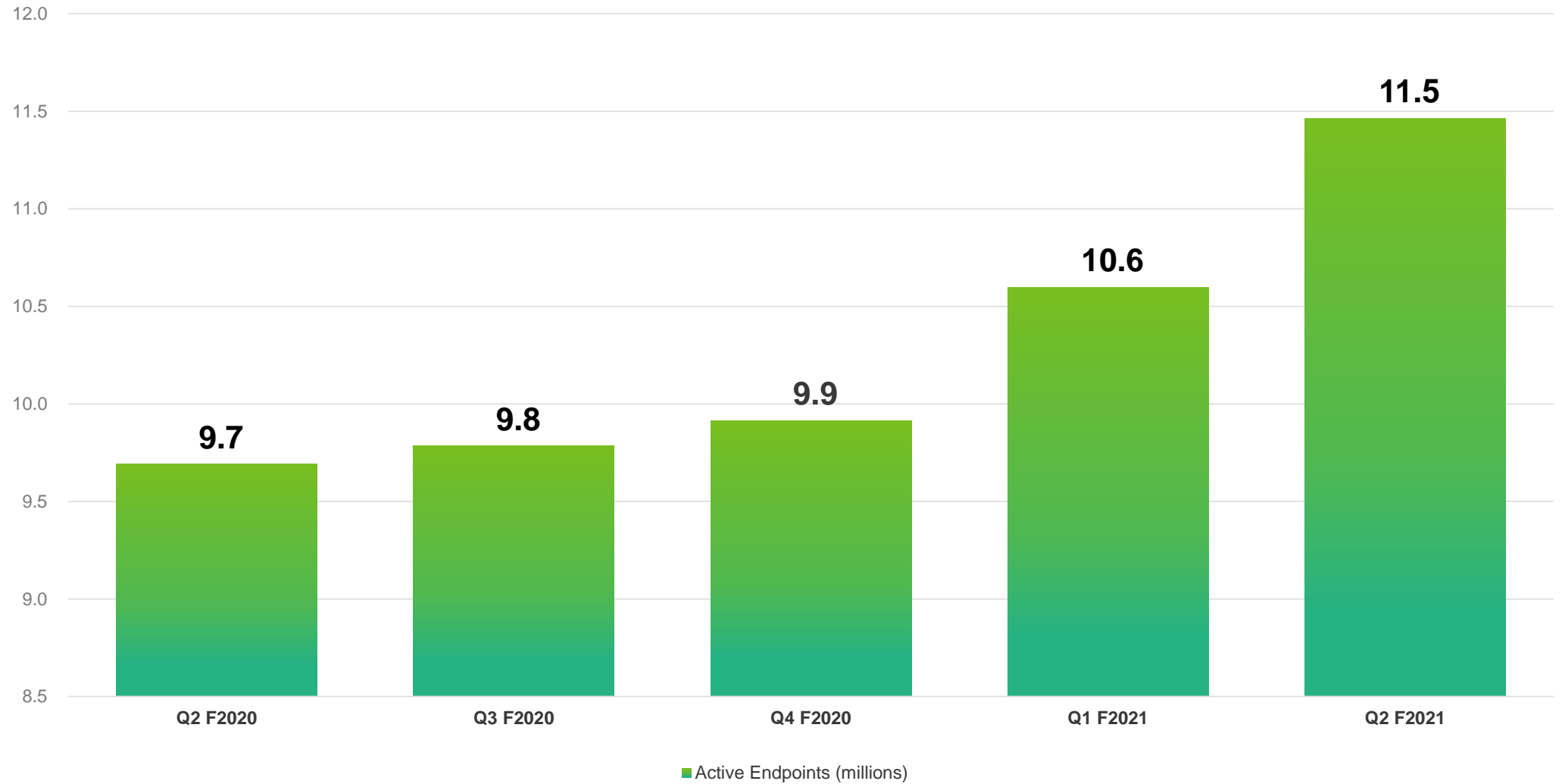


(USD million; YOY Growth %)

Net Dollar Retention | Growing Expansion & Customer Economics



Number of Active Endpoints | Securing More Endpoints Globally



Guidance | Full-Year Fiscal 2021

<i>Provided on February 9, 2021</i>	F2021
Revenue	\$117–119m
<i>YoY Growth %</i>	12–14%
Adj EBITDA Margin %	22–24%
Cash From Operating Activities Margin %	26–34%
Capital Expenditures	\$3–4m

Absolute Software | Investment Highlights



Large Addressable Market

\$68B⁽¹⁾ market opportunity with well-identified drivers and strong business momentum, increasingly distributed workforce

Unique Technology Advantage

embedded in 500m+ existing endpoints with 140+ patents

Strong Partner Ecosystem

Network of Key OEM manufacturers; universe of resilient applications continues to expand

Attractive Financial Profile

Predictable SaaS revenue model, strong historical profitability, with accelerating revenue growth and net revenue retention

Multiple Growth Drivers

Channel & global expansion, cross-selling of platform, analytics & exciting pipeline of new products

Thank you
For More Information: IR@absolute.com

Appendix

Adjusted EBITDA | Reconciliation to Net Income

USD in 000s	Q1 F2020	Q2 F2020	Q3 F2020	Q4 F2020	Q1 F2021	Q2 F2021
Net Income	\$ 3,451	\$ 2,710	\$ 2,258	\$ 2,215	\$ 2,602	\$ 1,903
Income tax expense	1,186	1,137	1,077	1,207	1,294	736
Finance income, net	19	(2)	(111)	(43)	(22)	(3)
Interest expense, lease liability	-	-	226	135	139	143
Foreign exchange loss (gain)	13	40	(271)	18	186	300
Share-based compensation	1,167	1,070	1,398	3,137	2,593	2,554
Amortization of property and equipment	825	846	845	869	866	811
Amortization of right of use assets	413	413	637	467	490	607
Non-Recurring Items	-	-	-	-	-	1,000
Adj. EBITDA	\$ 7,074	\$ 6,216	\$ 6,058	\$ 8,005	\$ 8,148	\$ 8,049