Transform the way the world learns

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MELISSA HOWATSON, CFO
June 2022
Disclaimer

Forward-Looking Information

This presentation and the accompanying oral statements, including in response to questions, contains "forward-looking information" within the meaning of applicable 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 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", "expects", "budget", "scheduled", "estimates", "outlook", "target", "forecasts", "projection", "potential", "prospects", "strategy", "intends", "anticipates", "seek", "believes", "opportunity", "guidance", "aim", "goal" or variations of such words and phrases or statements that certain future conditions, actions, events or results "may", "could", "would", "should", "might", "will", "can", or negative versions thereof, "be taken", "occur", "continue" or "be achieved", and other similar expressions. Statements containing forward-looking information are not historical facts but instead represent management’s expectations, estimates and projections regarding future events or circumstances. The Company has based the forward-looking information on its current expectations and projections about future events and financial trends that it believes may affect its financial condition, results of operations, business strategy and financial needs.

This forward-looking information includes, but is not limited to, statements regarding industry trends; our growth rates and growth strategies; addressable markets for our products and solutions; expansion of our product offerings; expectations regarding the growth of our customer base; expectations regarding our revenue and revenue generation potential; including our updated outlook for fiscal 2023 revenue and Adjusted EBITDA; our business plans and strategies; and our competitive position in our industry.

Forward-looking information is based on certain assumptions, expectations and projections, and analyses made by the Company in light of management’s experience and perception of historical trends, current conditions and expected future developments and other factors it believes are appropriate, including the following: the Company’s ability to win business from new customers and expand business from existing customers; the timing of new customer wins and expansion decisions by existing customers; the Company’s ability to generate revenue and expand its business while controlling costs and expenses; the Company’s ability to manage growth effectively; the Company’s ability to hire and retain personnel returning to levels consistent with historical experiences; the effects of foreign currency exchange rate fluctuations on our operations; the ability to seek out, enter into and successfully integrate acquisitions, including the acquisition of Bayfield Design Inc. (“Bayfield”); business and industry trends, including the success of current and future product development initiatives; positive social development and attitudes toward the pursuit of higher education; the Company’s ability to maintain positive relationships with its customer base and strategic partners; the Company’s ability to adapt and develop solutions that keep pace with continuing changes in technology, education and customer needs; the ability to patent new technologies and protect intellectual property rights; the Company’s ability to comply with security, cybersecurity and accessibility laws, regulations and standards; the Company’s ability to retain key personnel; and that the list of factors referenced in the following paragraph, collectively, do not have a material impact on the Company.

Although the Company believes that the assumptions underlying such forward-looking information were reasonable when made, they are inherently uncertain and are subject to significant risks and uncertainties and may prove to be incorrect. The Company cautions investors that forward-looking information is not a guarantee of the future and that actual results may differ materially from those made in or suggested by the forward-looking information contained in this press release. Whether actual results, performance or achievements will conform to the Company’s expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors, including but not limited to: the Company’s ability to hire and retain personnel returning to levels consistent with historical experiences; the effects of foreign currency exchange rate fluctuations on our operating results; and the risks identified in the Company’s annual and most recently filed interim management’s discussion and analysis or the Company’s Annual Information Form for the year ended January 31, 2022, each of which is available under our profile on SEDAR at www.sedar.com. If any of these risks or uncertainties materialize, or if assumptions underlying the forward-looking information prove incorrect, actual results might vary materially from those anticipated in the forward-looking information.

Given these risks and uncertainties, investors are cautioned not to place undue reliance on forward-looking information. Any forward-looking information that is contained in this presentation speaks only as of the date of such statement, and the Company undertakes no obligation to update any forward-looking information or to publicly release any of the revisions or any of those statements to reflect future events or developments, except as required by applicable securities laws.

Non-IFRS Financial Measures and Other Measures

The information presented in this presentation refers to certain measures (including ratios) that do not have a standardized meaning prescribed by International Financial Reporting Standards (“IFRS”), including Adjusted EBITDA, Adjusted Gross Profit, Adjusted Gross Margin and Free Cash Flow. Non-IFRS financial measures should not be considered in isolation nor as a substitute for analysis of the Company’s financial information reported under IFRS and are unlikely to be comparable to similar measures provided by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of the Company’s results of operations, financial performance and liquidity from management’s perspective and thus highlight trends in its core business that may not otherwise be apparent when relying solely on IFRS measures. The Company believes that securities analysts, investors and other interested parties frequently use non-IFRS financial measures and key performance indicators in the evaluation of issuers. The Company’s management also uses non-IFRS financial measures in order to facilitate operating performance comparisons from period to period, to prepare annual operating budgets and forecasts, and assess our ability to meet our capital expenditures and working capital requirements. For reconciliations of, and further explanations on the composition and uses of, such non-IFRS financial measures, including those used as components of non-IFRS ratios, please refer to the “Non-IFRS Financial Measures” and the “Non-IFRS Financial Measures – Explanation and Reconciliation of Non-IFRS Financial Measures” parts of the Company’s annual MD&A for the year ended January 31, 2022 and interim MD&A for the three months ended April 30, 2022, as available on the Company’s profile on SEDAR at www.sedar.com, which reconciliations and further explanations are incorporated herein by reference.

The information presented in this presentation also includes key performance indicators used by management such as Annual Recurring Revenue and Net Revenue Retention Rate. An explanation of the composition of such measures is described in the “Non-IFRS and Other Financial Measures - Key Performance Indicators” part of the MD&A as available under the Company’s profile on SEDAR at www.sedar.com, which explanations are incorporated herein by reference.

All figures are U.S. dollar denominated, unless otherwise noted. Certain totals, subtotals and percentages may not reconcile due to rounding.
D2L at-a-glance

$159.3M
Annual Recurring Revenue\(^2\) as of April 30, 2022, demonstrates scale and global reach

107%
Net Revenue Retention Rate for FY22\(^2,3\)

21%
revenue growth for Q1 FY23\(^3\)

\(~90\%\)
visibility to subscription revenue in next twelve months\(^1,4\)

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1) As of April 30, 2022
2) See “Non-IFRS and Other Financial Measures”
3) D2L has a fiscal year ending January 31
4) Based on historic customer renewal rates, ~90% of subscription revenue under contract in next twelve months
Note: All denominations are U.S. dollar
20+ years of D2L’s learning platform story

**Learners**
Achieve more than they dreamed possible

15.5M
People of all ages across 40+ countries

**Employers**
Up-skill for the future of work

420
Businesses, healthcare, & governments

**Education Organizations**
Reach every learner

160
K-12 schools & districts

570
Universities & colleges

80
Professional associations & industry partners

1) Customer figures as of January 31, 2022
2) Active users which includes learners, staff and instructors
3) Associations are counted in both ‘Professional associations and industry partners’ as well as the ‘Businesses, healthcare, governments’ category
Learning market: A large opportunity at an early stage

1) HoloniQ
2) For the period 2019 to 2025
Industry Tailwinds

Learning is digitizing at an unprecedented pace

Up-skilling the workforce

Addressing learning loss and inequity exacerbated by COVID
Remote learning is watching a class experience together outside of the classroom.

Learning platforms support, accelerate, and improve teaching and learning online and in the classroom.

“In the future, I think [Brightspace] can help the Board of Education support hundreds of schools and teachers in a transition to a more blended model of education for thousands of students across Calgary.”

Ken Weipert, Principal, Calgary Board of Education
D2L Brightspace is a comprehensive learning platform

**DIGITIZE**
Classrooms

- Content & Video
- Portfolios
- Collaboration
- Assessment & Feedback
- Learner Management

**OPTIMIZE**
Outcomes

- Automation
- Gamification
- Data Streaming
- Outcomes & Analytics
- Nudges

**TRANSFORM**
Experiences

- Competency-based
- Mastery
- Personalize
- Humanize

Singular platform across all use cases that humanizes learning at scale
Designed Beautifully

This is how you create engagement
Designed Intelligently

This is how you use AI and analytics to achieve better outcomes
Designed Inclusively

This is how you build engaging, personalized and accessible learning experiences
A unifying learning platform

Enables personalized experience

Extended with Performance+ and Engagement+

33%+ of customers purchase more than one product

Access to 1,800+ integrated technologies

D2L BRIGHTSPACE

Assessment, Feedback & Personalization
Content & Instruction Tools
Progress Dashboards
Data Streaming
Gamification, Awards & Badges
Predictive Analytics
Adaptive Learning

Brightspace Core

Performance+

Creator+

Artificial Intelligence

Pure Cloud

Accessible

EASE-OF-USE

WORRY FREE

D2L

Adaptive Video
Widgets
Interactives
The future is learner centric

Progress on mastery, not seat time
Growing our customer base across all three markets

<table>
<thead>
<tr>
<th>Market</th>
<th>D2L Annual Recurring Revenue mix</th>
<th>Approach</th>
</tr>
</thead>
<tbody>
<tr>
<td>Higher Education</td>
<td>~60%</td>
<td>Innovation</td>
</tr>
<tr>
<td>Corporate</td>
<td>~20%</td>
<td>Targeted use cases</td>
</tr>
<tr>
<td>K-12</td>
<td>~20%</td>
<td>Greenfield</td>
</tr>
</tbody>
</table>

Customer growth

- Period ended January 31
- 2021: 970
- 2022: 1,150
- Growth: 19%
## Why we win

<table>
<thead>
<tr>
<th>Deployment</th>
<th>100% pure cloud with better reliability and scalability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approach</td>
<td>Single platform for all use cases</td>
</tr>
<tr>
<td>Access</td>
<td>Aligns with highest accessibility standards and designed for mobile first¹</td>
</tr>
<tr>
<td>Innovation</td>
<td>AI, individualized learner paths, gamification</td>
</tr>
<tr>
<td>Experience</td>
<td>Ease of use and superior customer support²</td>
</tr>
</tbody>
</table>

### Other Providers

- Continued on premise or legacy technology with maintenance windows
- Fragmented solution offerings
- Gaps in accessibility and not mobile first³
- Delayed product introductions
- Suboptimal user experience

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**Momentum from recent wins demonstrates our competitive advantages**

1. D2L has met WCAG 2.1 AAA criteria for accessibility
2. D2L won CODiE award as selected by industry for 2021 best customer experience in Edtech and won G2 award for best relationship as selected by customers
3. The competitors’ mobile design is web first and app second
Our growing global go-to-market footprint

- **Direct Sales**
  - 40+ countries
  - 20+ Statewide buying agreements

- **Channel Partners**
  - 40+ countries
  - 40+ person customer success team

- **Client Footprint**
  - 30% growth in direct sales team
  - 2x growth in channel bookings

- **Direct Channel**
  - 20+ integrated technologies

- **Indirect Channel**
  - 1,800+

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1) Comparison period January 31, 2022 vs. January 31, 2020
Growth, scale, stability and strong fundamentals

**Growth**

21%

Top-line growth

Q1 FY23 Total Revenue Growth

**Scale**

$159.3M

Q1 FY23 ARR

Advantage of scale supports our leading market position across Higher Ed, K-12 and Corporate

**Stability**

89%

Recurring Subscription model is predictable, measurable, and built to scale

**Stickiness**

3–5

Year term for a majority of subscription revenue contracts

Attractive long-term ROI on sales and marketing investments given long customer tenure

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1) Refers to period ended April 30, 2022
2) See “Non-IFRS and Other Financial Measures”

Note: All denominations are U.S. dollar
Q1 FY23 Financial Results

<table>
<thead>
<tr>
<th></th>
<th>Three months ended April 30,</th>
<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td>2022</td>
<td>2021</td>
</tr>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>41,870</td>
<td>34,536</td>
</tr>
<tr>
<td><strong>Subscription &amp; Support Revenue</strong></td>
<td>35,767</td>
<td>30,562</td>
</tr>
<tr>
<td><strong>Professional Services &amp; Other Revenue</strong></td>
<td>6,104</td>
<td>3,974</td>
</tr>
<tr>
<td><strong>Gross Profit</strong></td>
<td>26,353</td>
<td>20,903</td>
</tr>
<tr>
<td><strong>Adjusted Gross Profit(^2)</strong></td>
<td>26,423</td>
<td>20,934</td>
</tr>
<tr>
<td><strong>Adjusted Gross Margin(^1,2)</strong></td>
<td>63.1%</td>
<td>60.6%</td>
</tr>
<tr>
<td><strong>Net Income (loss)</strong></td>
<td>(4,763)</td>
<td>(34,446)</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA (loss)(^2)</strong></td>
<td>(1,505)</td>
<td>(95)</td>
</tr>
<tr>
<td><strong>Cash Flow from Operating Activities</strong></td>
<td>(15,298)</td>
<td>(19,781)</td>
</tr>
<tr>
<td><strong>Free Cash Flow(^2)</strong></td>
<td>(16,202)</td>
<td>(19,925)</td>
</tr>
</tbody>
</table>

Note: D2L has a fiscal year ending January 31

1) As a % of Revenue
2) A non-IFRS financial measure. See “Non-IFRS and Other Financial Measures”
Q1 FY23 Highlights

Solid start to FY23

21% growth in total revenue and 26% increase in gross profit

Strong balance sheet, with cash of $98.1 million and no debt

Updated outlook for FY23 full-year revenue and Adjusted EBITDA

- Total revenue of $175 million to $178 million, implying growth of 15% to 17% over FY22 (rather than previous guidance of $179 million to $182 million, implying growth of 18% to 20% over the same period)
- Adjusted EBITDA loss of $9 million to $11 million (rather than previous guidance of Adjusted EBITDA loss of $12 million to $14 million)

Note: D2L has a fiscal year ending January 31
1) A non-IFRS financial measure. See "Non-IFRS and Other Financial Measures"
Investing for growth

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ADJUSTED EBITDA¹</strong></td>
<td>$(1.5)</td>
<td>$(0.1)</td>
<td>$6.0</td>
<td>$(0.7)</td>
</tr>
<tr>
<td><em>US$ millions</em></td>
<td>(US$ millions)</td>
<td>(US$ millions)</td>
<td>(US$ millions)</td>
<td>(US$ millions)</td>
</tr>
<tr>
<td><strong>FREE CASH FLOW¹,²</strong></td>
<td>$15.1</td>
<td>$(6.2)</td>
<td>$(19.9)</td>
<td>$(0.7)</td>
</tr>
<tr>
<td><em>US$ millions</em></td>
<td>(US$ millions)</td>
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<td>(US$ millions)</td>
<td>(US$ millions)</td>
</tr>
</tbody>
</table>

History of disciplined spending

Cash flows typically have a seasonal low in Q1 each year

Note: D2L has a fiscal year ending January 31
1) A non-IFRS financial measure. See "Non-IFRS and Other Financial Measures"
2) Free Cash Flow is defined as cash provided by (used in) operating activities less net additions to property and equipment
Press our advantage

New Customers
19% growth in fiscal year ending January 31, 2022
- Expansion of direct sales and channel partnerships
- Increasing marketing investment

Grow share of wallet
40+ customer success professionals
- Cross-sell add-on solutions and services
- Adoption campaigns
- Education & support

Expand platform
+20% of total revenue earmarked for R&D
- Partnership portfolio expansion
- Mastery-based learning
- Analytics, AI, ML
- Open standards/ APIs

International expansion
Less than 20% of revenues today
- Regional presence in key markets
- Emerging market pricing strategies
- Digitization greenfield

Capture Intersectional Value
Future product offerings
- Accelerated growth with integrated university and corporate upskilling offering
- Digital skills development
- Revenue share
- Flywheel within current business model

M&A
Opportunistic investments or acquisitions that reinforce mission
- Drive growth within base with increased upsell
- Expand target markets with additional functionality, resources and reach
- Enable new market entry
- Provide cross-sell opportunities

PULLING AWAY FROM THE COMPETITION
Advancing our learning platform for the future

Accessible
- Cloud
- Mobile
- Blind/deaf friendly

AI Informed
- Data aggregation of learning events
- AI / ML insights, risk indicators
- Visual analytics

Collaboration
- Video
- Portfolio
- Activity feed

Upskill and Reskill
Supports employers with curated catalogue of courses leading to micro-credentials and certificates

Learning Graph
Recognized proof of the learning outcomes or skills a learner has achieved following all learning experiences; a life-long “transcript” of one’s education and learning
The learning platform for the future of work and learning

**Singular cloud platform** serving all education and corporate markets and where they intersect

**Massive addressable market** driven by tailwinds, including corporate upskilling and learning loss

**Success at scale** with 15.5M learners¹ across 1,150 customers in more than 40 countries

**20+ years** and **1,100+ people** with a singular focus to be a category leader

**High growth and predictable business** with growing customer base and new ARR bookings growth

**Loyal customers** with a majority of subscription contract terms of 3-5 years

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¹ Active users which includes learners, staff and instructors
D2L's Philanthropy Program

We believe that doing well and doing good go together.

ACCESS TO EDUCATION
We support causes aligned with our mission by providing financial or technological contributions and partnering with like-minded organizations to affect positive change.

GIVING
We strengthen the communities where we operate by providing sponsorships prompted by a request from the community or brought to our attention by an employee connected to the cause.

VOLUNTEERISM
Each year, we encourage our employees to dedicate multiple days to take part in events or activities both within their local communities and abroad that support the causes that matter to them.

We bring together our people, knowledge, passion, and technology to make a positive impact.