

# Enghouse - Corporate Presentation

Q3 FY20



**Enghouse Systems**  
Software engineered for results



## **Forward-Looking Statements Disclaimer**

Certain statements made in this presentation and the related materials may contain forward-looking statements, which are not historical facts, but are based on certain assumptions and reflect Enghouse's current expectations. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. These risk factors are identified in Enghouse's Annual Information Form and other periodic reports filed with applicable regulatory authorities from time to time. Enghouse disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

## **Market and Industry Data**

This document contains certain statistical, market and industry data obtained from industry publications and reports. Industry publications and reports generally indicate that information has been obtained from sources believed to be reliable, but do not guarantee the accuracy and completeness of such information. Actual outcomes may vary materially from those forecast in such reports or publications, and the prospect for material variation can be expected to increase as the length of the forecast period increases. While we believe this data to be reliable, market and industry data is subject to variations and cannot be verified with certainty due to limits on the availability and reliability of data. Enghouse has not independently verified any of the third party data referred to in this document.

# Strategy



Enghouse Systems

Software engineered for results

- ◆ Two-pronged growth strategy focused on internal growth and acquisitions
  
- ◆ The Company is organized around two business segments delivering solutions for remote work, visual computing and communications for next generation software defined networks:
  - Interactive Management Group (“IMG”)
    - Customer interaction solutions (including video collaboration)
  
  - Asset Management Group (“AMG”)
    - Networks Group provides technology solutions to communications and media, utilities and defense organizations
    - Transportation & Public Safety Group provides software solutions for transit, supply chain and public safety
  
- ◆ Completing selective acquisitions within existing markets and entering new strategic software markets on an opportunistic basis

# Snapshot



**Enghouse Systems**

Software engineered for results



HQ in Canada, offices in  
25+ countries



Toronto Stock Exchange  
TSX:ENGH



Dual Growth Revenue  
(organic & acquisitions)



Enghouse Interactive



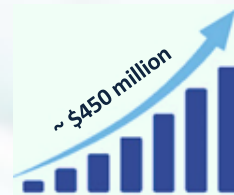
Enghouse Networks



Enghouse Transportation  
& Public Safety



~1,800 employees



Revenue



Profitable growth



# Interactive Portfolio

◆ Solutions that transform customer engagement



### **OMNI-CHANNEL CONTACT CENTER**

- Mid-market Contact Center
- Enterprise Contact Center
- Cloud Contact Center
- AI Powered Social Media
- Video Enabled Contact Center



### **CALL RECEPTION/CALL HANDLING**

- Mid-market Attendant Console
- Enterprise Attendant Console
- Cloud Attendant Console
- Directory Integration



### **VIDEO INTERACTION**

- Healthcare
- Financial Institutions
- Enterprise Video Collaboration



### **SELF-SERVICE**

- AI Powered Multi-channel Self-service
- Mobile Self-service Platform
- Knowledge Management



### **QUALITY MANAGEMENT**

- Call Billing and Reporting
- Interaction Recording and Analysis
- Survey Management
- Workforce Management
- AI Powered Business Insights



### **TELEPHONY, VIDEO & CRM INTEGRATION**

- CRM Integration
- Telephony Application Enablement
- Video Application Enablement
- VoiceXML Application Test

# Networks Portfolio



Enghouse Systems

Software engineered for results

- Technology solutions enabling network & digital transformation for communications and media, utilities and defense organizations



## NETWORK OPERATIONS

Network Inventory, Planning &  
Resource Management OSS  
Performance Management  
Fiber Planning & Design  
Service Assurance



## NETWORK VISUALIZATION

e.AI  
Geographic Information Systems  
Network Operations Centre  
Network Correlation  
Coverage Portals  
Customer Care



## NETWORK MONETIZATION

MVNO Billing Solutions  
IoT Monetization & Billing  
Wholesale Revenue Management



## REVENUE GENERATION

Cloud IPTV  
Video Solutions  
Mobile VAS Consolidation

# Transportation & Public Safety Portfolio



Enghouse Systems  
Software engineered for results

◆ Software solutions for transit, supply chain and public safety companies



## TRANSIT OPERATIONS

Fixed Route & Demand Response  
Scheduling & Dispatch  
Driver Management  
e-Ticketing  
Automated Fare Collection



## COMMUNICATIONS

Fixed Route  
Demand Response  
Operator & Fare IVR



## PRIVATE TRANSPORTATION

Coach and Tour Operations Management



## PUBLIC SAFETY

Emergency Control & Dispatch  
(1st responders)  
Non-Emergency Patient Transport



## FLEET MANAGEMENT

Logistics Management  
Order Tracking  
Telematics  
Container Tracking and Monitoring



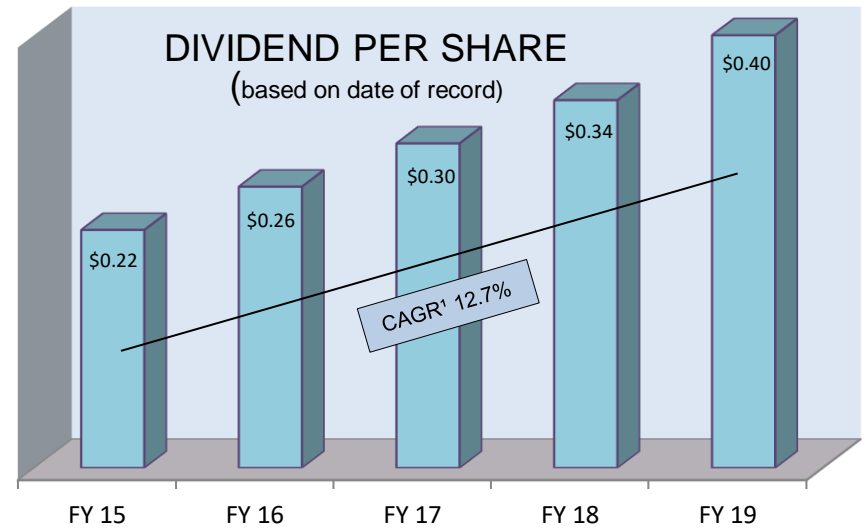
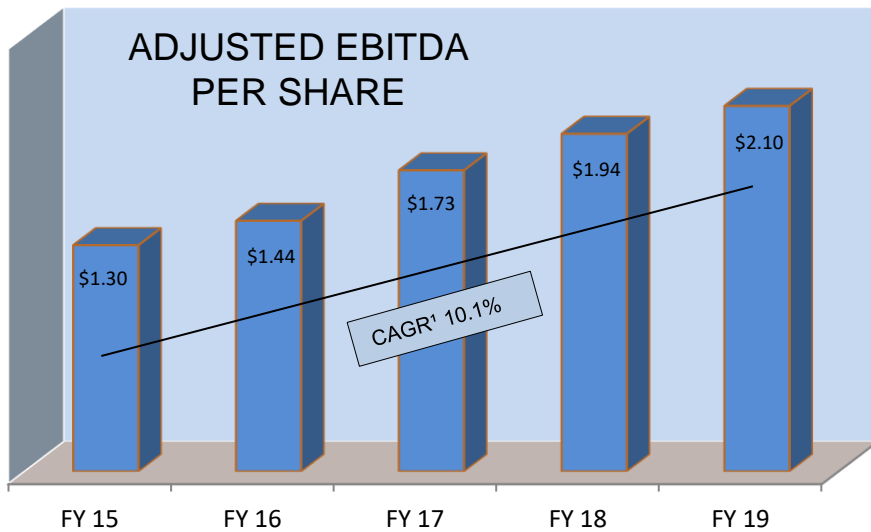
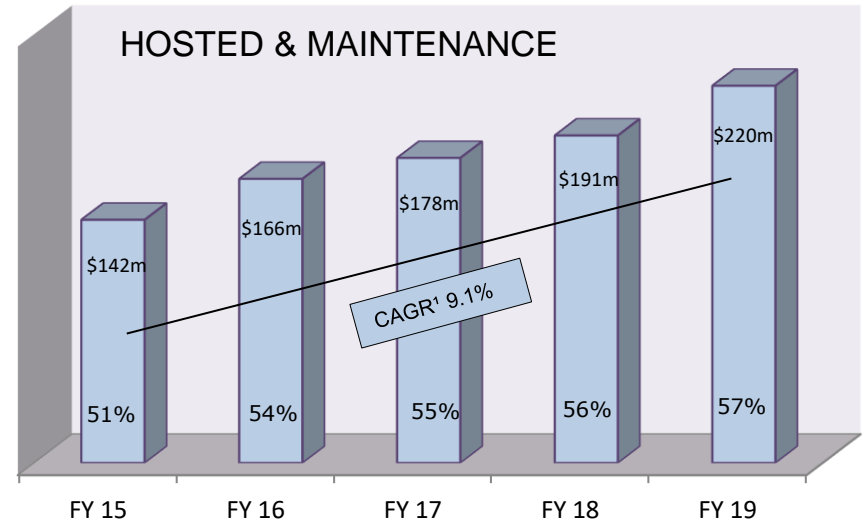
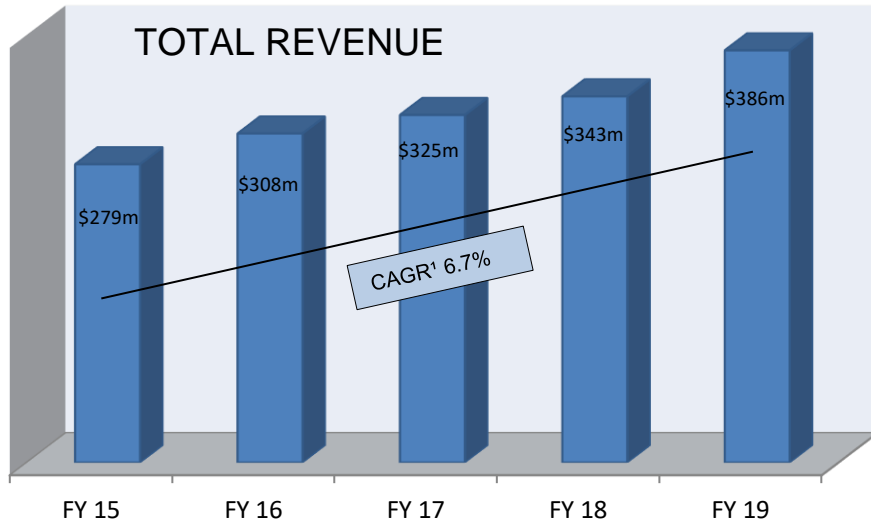
# **ANNUAL RESULTS**



# Fiscal Year Results (ending Oct 31)



**Enghouse Systems**  
Software engineered for results



Note<sup>1</sup>: Compounded annual growth rate FY15 - FY19



# **Q3 FY20 & YTD**

# Q3 FY20



**Enghouse Systems**

Software engineered for results

	Q3 FY20	Q3 FY19	% Change	Q3 FY20 YTD	Q3 FY19 YTD	% Change
Revenue	\$131.3m	\$101.3m	29.7%	\$382.9m	\$276.5m	38.5%
■ Revenue - Interactive Management Group	\$75.2m	\$56.9m	32.1%	\$227.9m	\$144.9m	57.4%
■ Revenue - Asset Management Group	\$56.2m	\$44.4m	26.5%	\$154.9m	\$131.7m	17.7%
Hosted and Maintenance revenue	\$77.4m	\$58.4m	32.4%	\$213.7m	\$158.7m	34.7%
Adjusted EBITDA <sup>1</sup>	\$45.6m	\$28.1m	62.4%	\$130.2m	\$81.6m	59.6%
Adjusted EBITDA <sup>1</sup> per diluted share	\$0.81	\$0.51	58.8%	\$2.35	\$1.48	58.8%
Dividend - per common share, based on date of record	\$0.135	\$0.110	22.7%	\$0.355	\$0.290	22.4%
Cash (received)/spent on acquisitions - net of cash acquired & holdbacks	nil	\$68.7m	(106.3%)	\$43.9m	\$93.1m	(53.9%)
Cash & Investments balance - end of period	\$228.9m	\$141.3m	62.0%	\$228.9m	\$141.3m	62.0%
Operating cash flow - before working capital adjustments	\$45.3m	\$28.5m	58.8%	\$130.5m	\$84.7m	54.2%

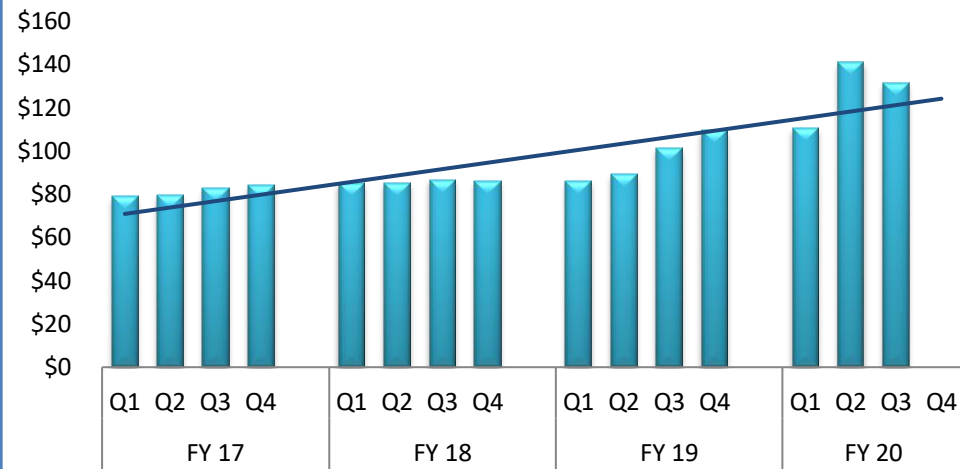
**Note**<sup>1</sup>: Adjusted EBITDA: Results from operating activities adjusted for depreciation of PE and ROU assets and special charges for acquisition related restructuring costs.

# Quarterly Results



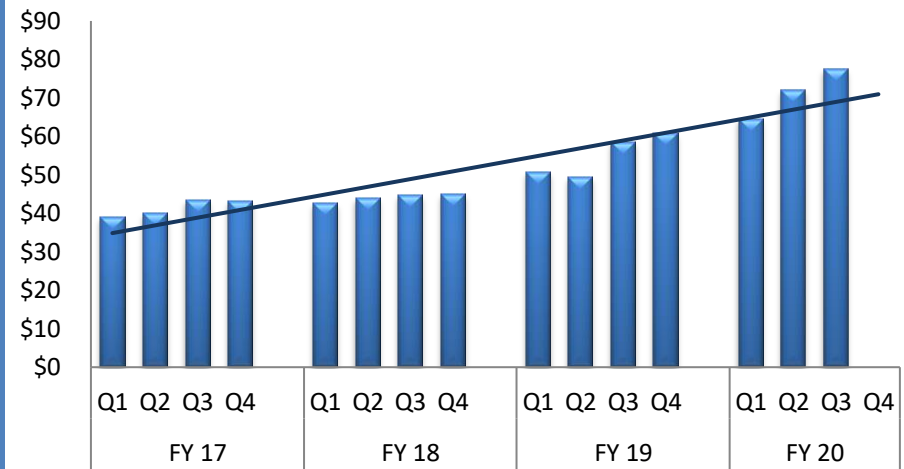
## REVENUE

\$ millions

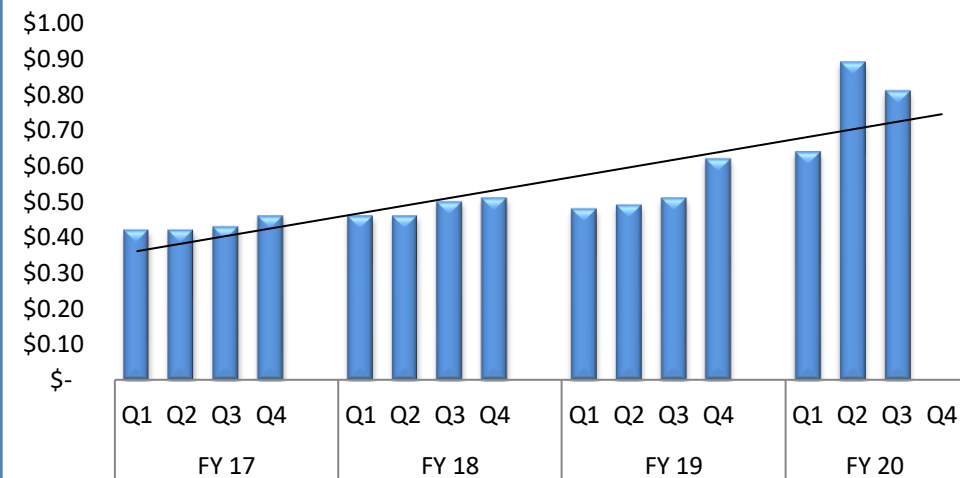


## HOSTED & MAINTENANCE REVENUE

\$ millions

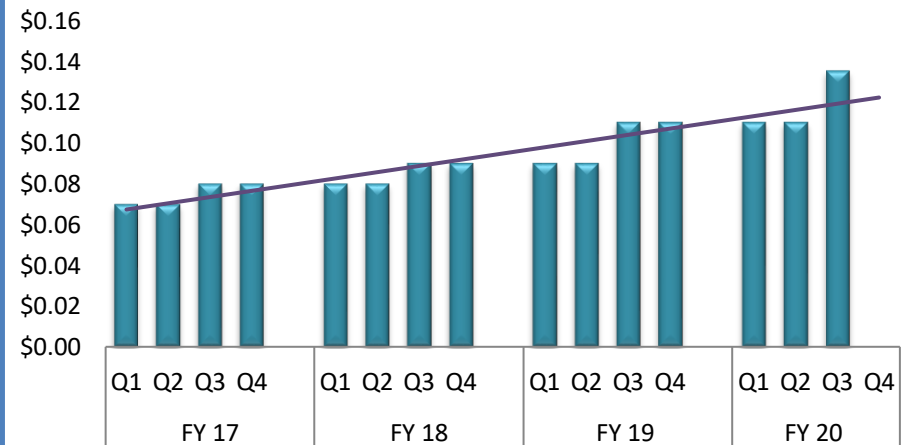


## ADJUSTED EBITDA PER SHARE



## DIVIDEND PER SHARE

(based on date of record)





# Acquisition Strategy

- ◆ Established track record of value creation through acquisitions
- ◆ To consistently generate positive operating cash flows to fund further growth, drive shareholder value while minimizing shareholder dilution
- ◆ Economic factors are favorable for acquisitions especially for small-cap companies
- ◆ Target companies in the \$5m - \$50m revenue range preferably with strong recurring revenue
  - Geographic, product or scale expansion
  - Mission critical solutions
  - High barriers to entry
- ◆ Objective is for a cash on cash payback within 5 - 6 years

# Recent Acquisitions





**THANK YOU!**