

# Enhouse - Corporate Presentation

Q2 FY21



**Enhouse 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.

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# 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



**Enhouse Systems**

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HQ in Canada, offices in  
25+ countries



Toronto Stock Exchange  
TSX:ENGH



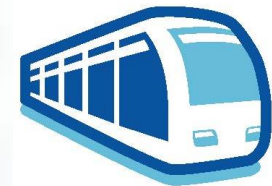
Dual Growth Revenue  
(organic & acquisitions)



Enhouse Interactive



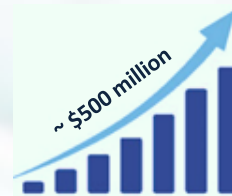
Enhouse Networks



Enhouse 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
- Technology Companies



## **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



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◆ Technology solutions enabling network & digital transformation for 5G operators



## NETWORK INFRASTRUCTURE

Mobile Value-Added Services  
Intelligent Routing  
Session Border Controller  
Stack, Signalling and STP  
Media Gateways  
Control Switch



## OPERATION SUPPORT SYSTEMS

e.AI  
Geographic Information Systems  
Network Inventory & Planning  
Performance Management  
Fault Management  
Network Testing



## BUSINESS SUPPORT SYSTEMS

Billing as a Service  
MVNO Billing Solutions  
IoT Monetization & Billing  
Wholesale Revenue Management



## DIGITAL TRANSFORMATION

TV as a Service  
Video Solutions  
Embedded Browsers

# Transportation & Public Safety Portfolio



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◆ 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



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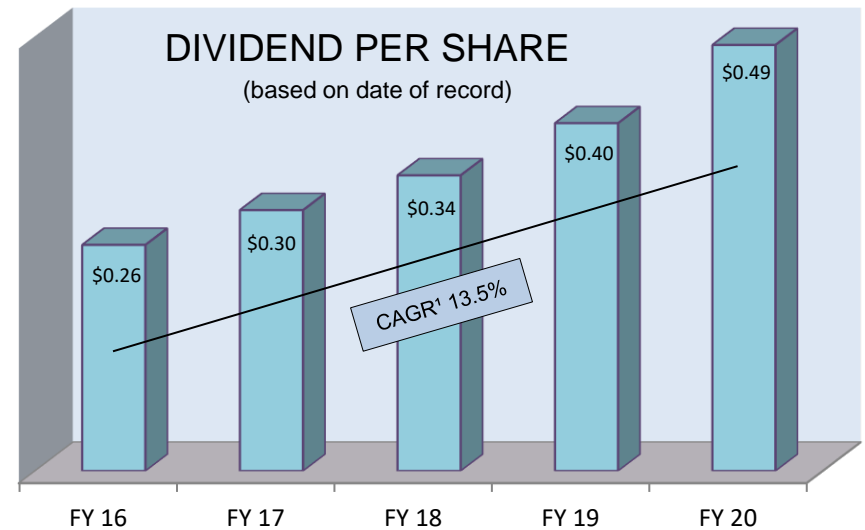
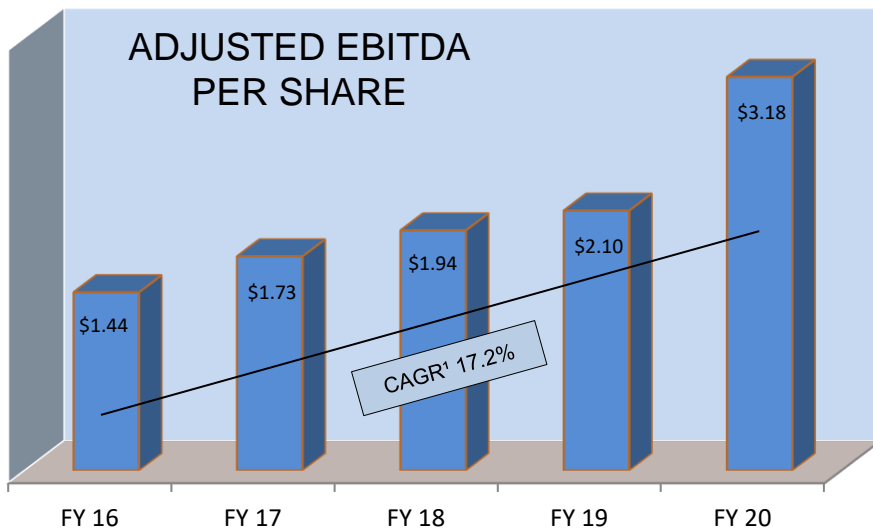
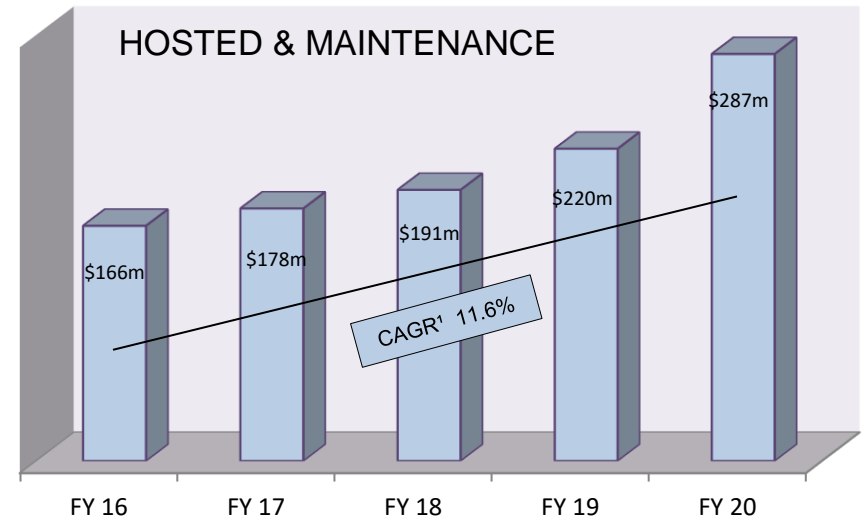
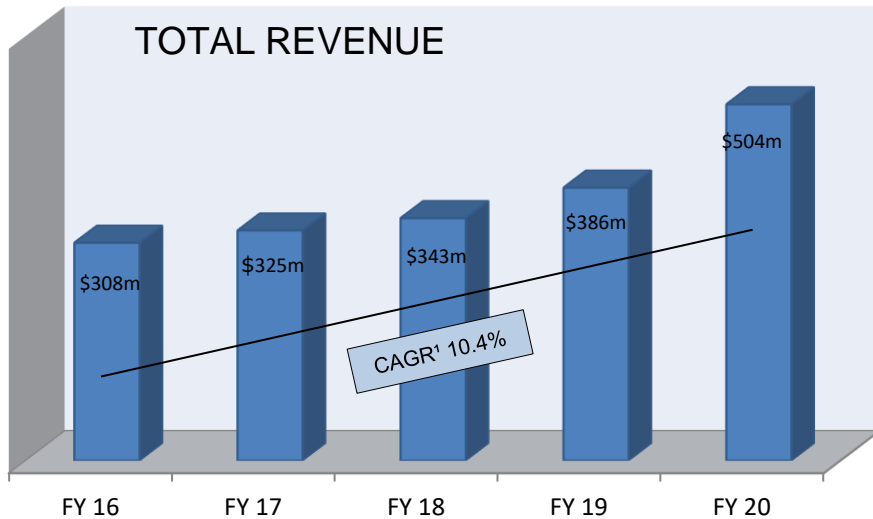
# **ANNUAL RESULTS**



# Fiscal Year Results (ending Oct 31)



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Note<sup>1</sup>: Compounded annual growth rate FY16 – FY20



# **Q2 & YTD FY21**

# Q2 & YTD FY21



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	Q2 FY21	Q2 FY 20	% Change	YTD FY 21	YTD FY 20	% Change
Revenue	\$117.3m	\$140.9m	-16.7%	\$236.4m	\$251.6m	-6.0%
■ Revenue - IMG	\$65.9m	\$89.9m	-26.7%	\$136.2m	\$152.8m	-10.9%
■ Revenue - AMG	\$51.5m	\$50.9m	0.9%	\$100.3m	\$98.8m	1.5%
Hosted and Maintenance revenue	\$70.4m	\$72.0m	-2.3%	\$142.6m	\$136.4m	4.6%
Adjusted EBITDA <sup>1</sup>	\$40.2m	\$49.3m	-18.4%	\$84.7m	\$84.6m	0.1%
Adjusted EBITDA <sup>1</sup> per diluted share	\$0.72	\$0.89	-19.1%	\$1.52	\$1.53	-0.7%
Dividend - per common share, based on date of record	\$0.135	\$0.11	22.7%	\$0.27	\$0.22	22.7%
including special dividend <sup>2</sup> of \$1.50 per common share	\$0.135	\$0.11	22.7%	\$1.77	\$0.22	704.5%
Cash spent/(received) on acquisitions - net of cash acquired & holdbacks	\$3.4m	(\$1.2m)	372.6%	\$31.2m	\$48.2m	-35.3%
Cash & Investments balance - end of period	\$169.6m	\$168.1m	0.9%	\$169.6m	\$168.1m	0.9%
Operating cash flow - before working capital adjustments	\$42.6m	\$50.0m	-14.9%	\$84.3m	\$85.2m	-1.1%

**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.

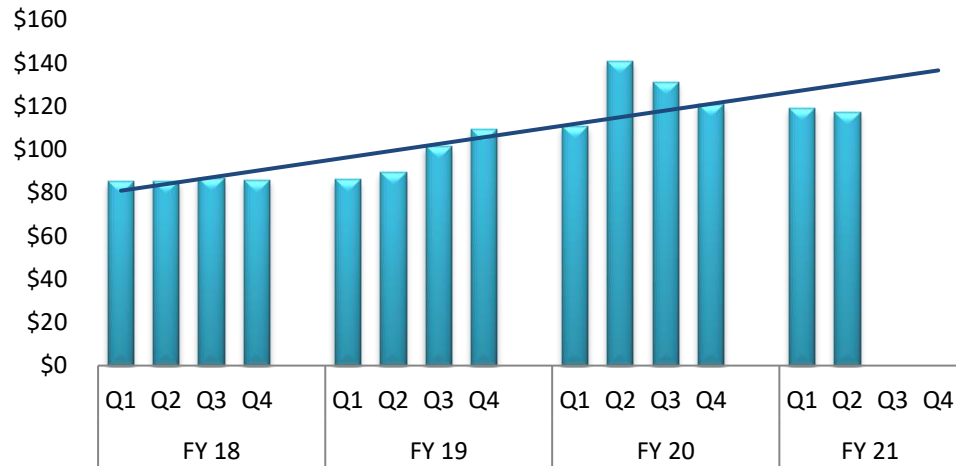
**Note<sup>2</sup>:** A special dividend of \$1.50 per common share was paid on Feb 16, 2021 to shareholders of record as at Jan 15, 2021

# Quarterly Results



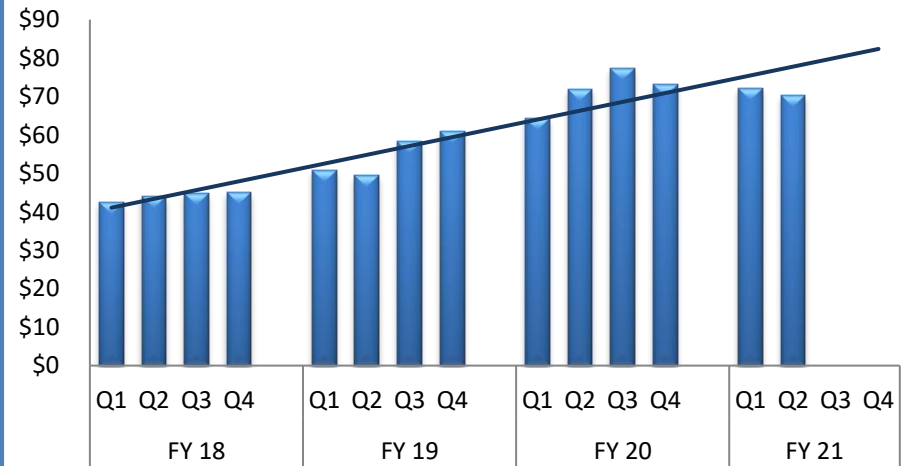
## REVENUE

\$ millions

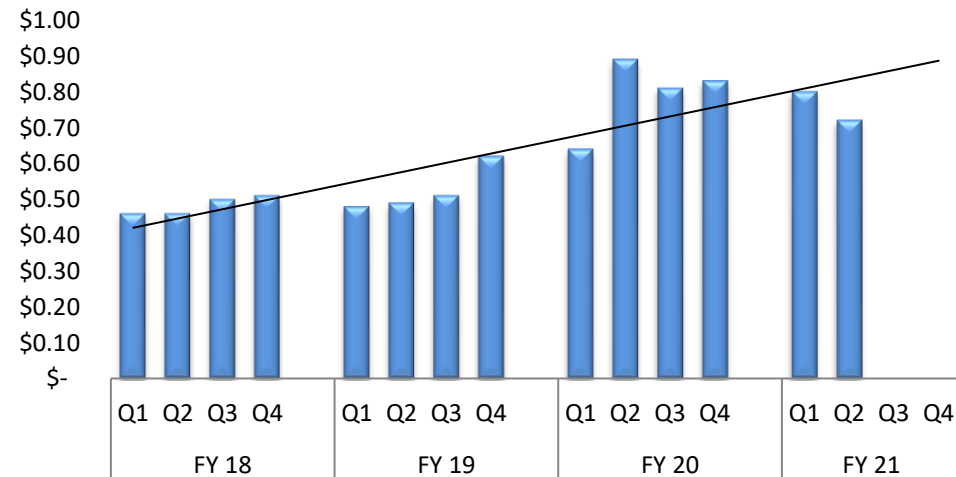


## HOSTED & MAINTENANCE REVENUE

\$ millions

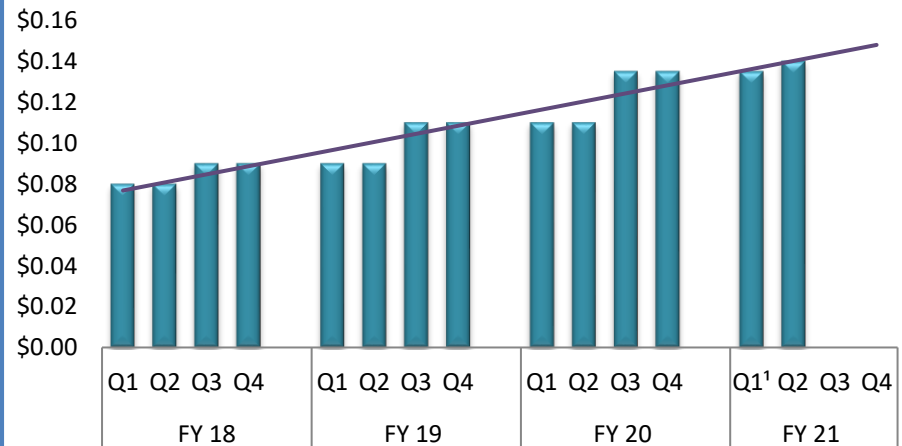


## ADJUSTED EBITDA PER SHARE



## DIVIDEND PER SHARE

(based on date of record)



**Note**<sup>1</sup>: A special dividend of \$1.50 per common share was paid on Feb 16, 2021 to shareholders of record as at Jan 15, 2021 – not reflected in the above chart



# 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!**