



Q3 2022 Earnings Presentation

November 3, 2022

Disclaimer

Forward-Looking Statements

This document and any accompanying oral presentation by the Company contain forward-looking statements within the meaning of the federal securities laws. You can often identify forward-looking statements by the fact that they do not relate strictly to historical or current facts, or by their use of words such as “anticipate,” “estimate,” “expect,” “project,” “forecast,” “plan,” “intend,” “believe,” “seek,” “could,” “targets,” “potential,” “may,” “will,” “should,” “can have,” “likely,” “continue,” and other terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events. Forward-looking statements may include, but are not limited to, statements concerning our anticipated financial performance, including, without limitation, revenue, profitability, net income (loss), adjusted EBITDA, adjusted net income, earnings per share, adjusted diluted earnings per share, and cash flow; strategic objectives; investments in our business, including development of our technology and introduction of new offerings; sales growth and customer relationships; our competitive differentiation; our market share and leadership position in the industry; market conditions, trends, and opportunities; future operational performance; pending or threatened claims or regulatory proceedings; and factors that could affect these and other aspects of our business. Forward-looking statements are not guarantees. They reflect our current expectations and projections with respect to future events and are based on assumptions and estimates and subject to known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from expectations or results projected or implied by forward-looking statements. Factors that could affect the outcome of the forward-looking statements include, among other things, our vulnerability to adverse economic conditions, including without limitation, inflation and recession, which could increase our costs and suppress our labor market activity and our revenue; the aggressive competition we face; our heavy reliance on information management systems, vendors, and information sources that may not perform as we expect; the significant risk of liability we face in the services we perform; the fact that data security, data privacy and data protection laws, emerging restrictions on background reporting due to alleged discriminatory impacts and adverse social consequences, and other evolving regulations and cross-border data transfer restrictions may increase our costs, limit the use or value of our services and adversely affect our business; our ability to maintain our professional reputation and brand name; the impacts, direct and indirect, of the COVID-19 pandemic on our business, our personnel and vendors, and the overall economy; social, political, regulatory and legal risks in markets where we operate; the impact of foreign currency exchange rate fluctuations; unfavorable tax law changes and tax authority rulings; any impairment of our goodwill, other intangible assets and other long-lived assets; our ability to execute and integrate future acquisitions; our ability to access additional credit or other sources of financing; and the increased cybersecurity requirements, vulnerabilities, threats and more sophisticated and targeted cyber-related attacks that could pose a risk to our systems, networks, solutions, services and data. For more information on the business risks we face and factors that could affect the outcome of forward-looking statements, refer to our Annual Report on Form 10-K filed with the SEC on March 21, 2022, in particular the sections of that document entitled “Risk Factors,” “Forward-Looking Statements,” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and other filings we make from time to time with the SEC. We undertake no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

Industry Information

Unless otherwise indicated, information contained in this document and any accompanying oral presentation concerning our industry, competitive position and the markets in which we operate is based on publicly available information and information from independent industry and research organizations, other third-party sources and management observations and estimates based upon such information, our internal research, and our experience in, and knowledge of, such industry and markets, which we believe to be reasonable. However, projections, assumptions and estimates related to the industry in which we operate and our future performance in the market and relative to competitors are necessarily subject to uncertainty and risk due to a variety of factors, which could cause results to differ materially from those expressed in the estimates made by the independent parties and by us.

Non-GAAP Financial Measures

This document and any accompanying oral presentation contain financial measures that are not calculated pursuant to U.S. generally accepted accounting principles (“GAAP”), including adjusted EBITDA, adjusted EBITDA margin, adjusted net income, and adjusted diluted earnings per share. These non-GAAP financial measures are in addition to, and not a substitute for or superior to measures of financial performance prepared in accordance with GAAP. There are a number of limitations that could reduce the usefulness of our non-GAAP financial measures as tools for analysis compared to their nearest GAAP equivalents. For example, other companies may calculate non-GAAP financial measures differently or may use other measures to evaluate their performance.

Q3 2022 Highlights

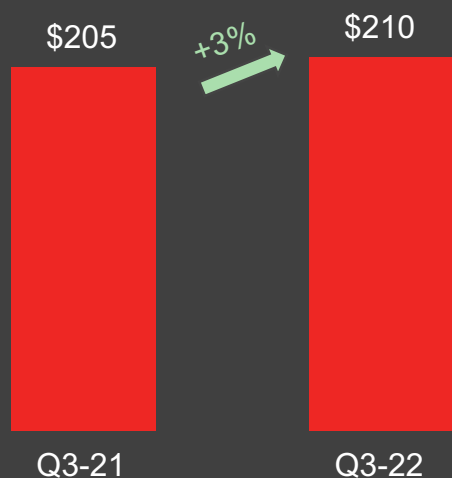
- Revenue increased 3% over prior year period reaching \$210 million
 - Growth over the last 6 quarters was driven by high client retention, incremental sales / upsells to existing customers and new logos
 - Revenue growth impacted by macro headwinds, FX and ordering patterns in the latter third of the quarter
- Adjusted EBITDA Margin improved 50bps from prior year to 26%
 - Improvements linked to automation projects, optimizing labor mix, operational and data cost optimization
- Adjusted net income increased from \$30 million in Q3'21 to \$112 million
 - Includes the \$70.2 million reversal of the US tax valuation allowance
- YTD operating cash flow improved to \$70.9 million vs prior year of \$19.0 million
- Balance Sheet continues to improve
 - Net leverage improved to 2.9x
 - Total unrestricted cash increased to \$147M

Q3 2022 Financial Highlights



Revenue

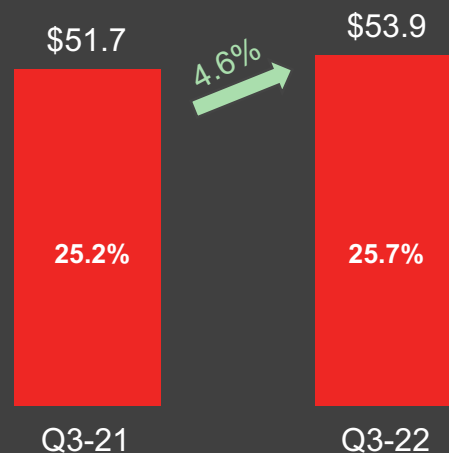
(in millions)



- Revenue impacted by macro economic headwinds, foreign currency and changes in customer order patterns
- Continued high retention and upsell across existing customer base
- Added over 44 new logos in the quarter

Adjusted EBITDA⁽¹⁾

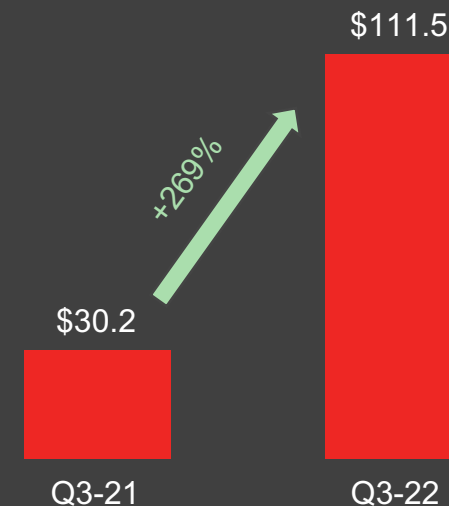
(in millions)



- Higher Adjusted EBITDA largely driven by improved gross margin benefiting from automation project and labor mix optimization
- Adjusted EBITDA Margin improved 400bps since IPO
- Gross margin improved 160 bps

Adjusted Net Income

(in millions)



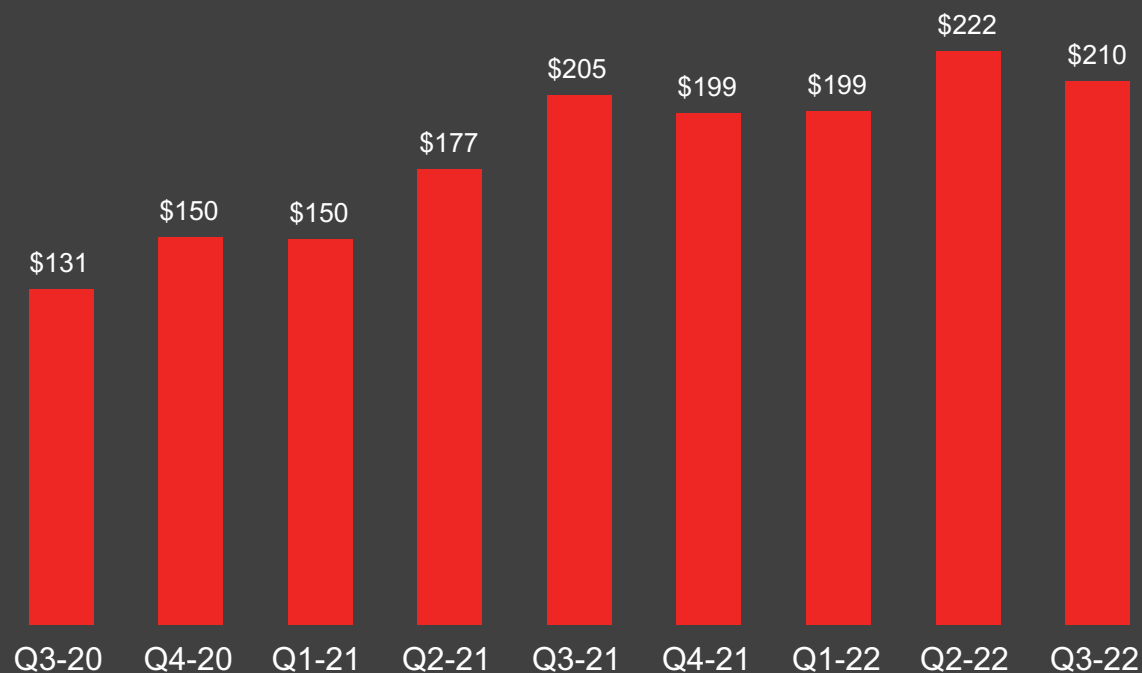
- Higher adjusted net income largely driven by tax benefit from release of valuation allowance, improved gross margin, lower interest expense and continued benefit from our tax assets

(1) Adjusted EBITDA Margin is calculated as adjusted EBITDA as a percentage of total revenue.

Strong Year-over-Year Growth



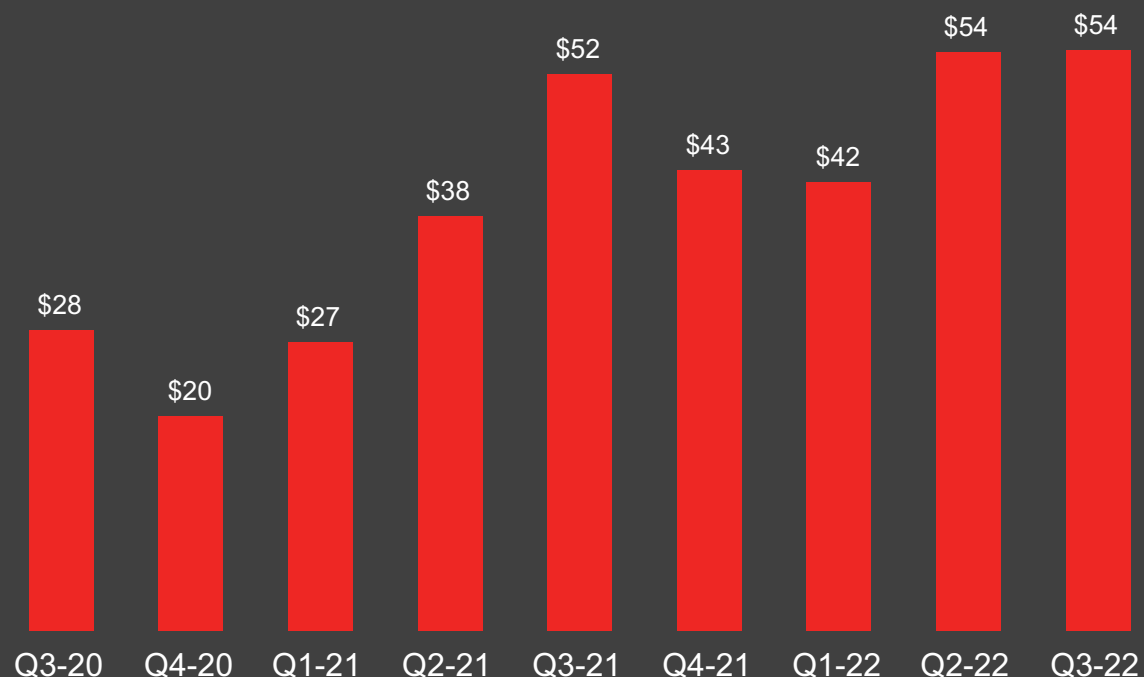
Quarterly Revenue
(in millions)



Y-o-Y % Total Revenue Growth: 3%

Rolling LTM Total Revenue⁽²⁾: \$730 \$779 \$825 \$829

Quarterly Adjusted EBITDA
(in millions)



Adjusted EBITDA Margin⁽¹⁾: 26%

Rolling TTM Adjusted EBITDA: \$160 \$175 \$190 \$192

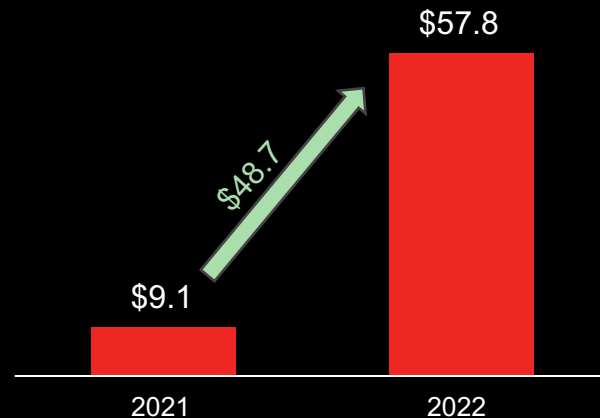
(1) Adjusted EBITDA Margin is calculated as Adjusted EBITDA as a percentage of revenue

(2) LTM totals may differ due to rounding

Operating Performance driving improved cash flow and leverage

Strong and improving cash flow provides opportunity to pursue multiple growth opportunities

Free Cash Flow⁽¹⁾ Nine months ended September 30 (USD in millions)



Net Leverage at September 30, 2022 (USD in millions)

Total Debt	\$702
Cash & Cash Equivalents ⁽²⁾	\$147
LTM Adjusted EBITDA	192.1
Net Leverage	2.9x

* Q3 2021 Leverage Ratio 7.1x

First Lien Leverage Ratio



Note Q4 21:
\$110 million repayment on 1L and revolver
\$210 million retirement on 2L, Q4 21

(1) Free Cash Flow defined as cash flow from operations less capital expenditures
(2) Excludes restricted cash



Revised Full Year 2022 Guidance

Based on our Q3 performance and our macro-economic outlook, we have updated our full year guidance to:

	Guidance	Y-o-Y Growth
Total Revenue	\$798 - \$805 <i>million</i>	9.3% - 10.3%
Adjusted Net Income ⁽¹⁾	\$200 - \$204 <i>million</i>	166% - 171%
Adjusted EBITDA	\$178 - \$185 <i>million</i>	11% - 15%
Adjusted Diluted EPS ⁽¹⁾	\$2.52 - \$2.57 / <i>Share</i>	~104% - 107%

Note: These are not projections; they are targets/goals and are forward-looking, subject to significant business, economic, regulatory and competitive uncertainties and contingencies many of which are beyond the control of the Company and its management, and are based upon assumptions with respect to future circumstances and decisions, which are subject to change. Actual results will vary and those variations may be material. For discussion of some of the important factors that could cause these variations, please consult the "Forward-Looking Statements Disclaimer" on page 2 and "Risk Factors" section on the 10-K filed with the SEC on March 21, 2022. Nothing in this presentation should be regarded as a representation by any person that these goals will be achieved and the Company undertakes no duty to update its goals.

(1) During the three months ended September 30, 2022, the Company determined sufficient positive evidence existed to reverse the Company's valuation allowance attributable to the deferred tax assets associated with the Company's operations in the U.S. Revised Adjusted Net Income and Adjusted Diluted EPS include \$70.2 million related to the reversal of the valuation allowance.

Questions



