

ibex.

Built for what's next.

ibex FY2023 Earnings Call

Bob Dechant, CEO

September 13, 2023



Disclaimer

This presentation includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this presentation, other than statements of historical facts, are forward-looking statements. The words “believe,” “estimate,” “expect,” “may,” “will” and similar expressions are intended to identify forward-looking statements. Such forward-looking statements include, but are not limited to, the statements regarding the our future financial and operating performance, including our outlook and guidance, and our strategies, priorities and business plans. Our expectations and beliefs regarding these matters may not materialize. Forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from the results anticipated by these forward-looking statements, including, but not limited to, our ability to attract new business and retain key clients; our profitability based on our utilization, pricing and managing costs; the potential for our clients or potential clients to consolidate; our clients deciding to enter into or further expand their insourcing activities and current trends toward outsourcing services may reverse; our ability to manage our international operations, particularly in the Philippines, Jamaica, Pakistan and Nicaragua; our ability to anticipate, develop and implement information technology solutions that keep pace with evolving industry standards and changing client demands; our ability to recruit, engage, motivate, manage and retain our global workforce; our ability to comply with applicable laws and regulations, including those regarding privacy, data protection and information security, employment and anti-corruption; the effect of cyberattacks or cybersecurity vulnerabilities on our information technology systems; our ability to realize the anticipated strategic and financial benefits of our relationship with Amazon, as well as other risks and uncertainties discussed in the “Risk Factors” described in our periodic reports filed with the U.S. Securities and Exchange Commission (the “SEC”), including our annual report on Form 10-K, quarterly reports on Form 10-Q and past filings on Form 20-F, and any other risk factors we include in subsequent filings with the SEC.

Except as required by law, we assume no duty to update any of these forward-looking statements after the date of this presentation to conform these statements to actual results or revised expectations. You should, therefore, not rely on these forward-looking statements as representing our views as of any date subsequent to the date of this presentation. Moreover, except as required by law, neither we nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements contained in this presentation.

This presentation also contains estimates and other statistical data made by independent parties and by us relating to market size and growth and other data about our industry. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. Neither we nor any other person makes any representation as to the accuracy or completeness of such data or undertakes any obligation to update such data after the date of this presentation. In addition, projections, assumptions and estimates of our future performance and the future performance of the markets in which we operate are necessarily subject to a high degree of uncertainty and risk.

By attending or receiving this presentation you acknowledge that you will be solely responsible for your own assessment of the market and our market position and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of our business.

This presentation includes non-GAAP financial measures which have certain limitations and should not be considered in isolation, or as alternatives to or substitutes for, financial measures determined in accordance with GAAP as issued by the FASB. The non-GAAP measures as defined by us may not be comparable to similarly titled non-GAAP measures presented by other companies and have limitations as analytical tools. Our presentation of such measures, which may include adjustments to exclude unusual, non-cash, or non-recurring items, should not be construed as an inference that our future results will be unaffected by these items. Non-GAAP financial measures and ratios are not measurements of our performance, financial condition or liquidity under GAAP as issued by the FASB and should not be considered as alternatives to operating profit or net income or as alternatives to cash flow from operating, investing or financing activities for the period, or any other performance measures, derived in accordance with GAAP as issued by the FASB or any other generally accepted accounting principles.

We are not providing a quantitative reconciliation of forward-looking non-GAAP adjusted EBITDA to the most directly comparable GAAP measure because we are unable to predict with reasonable certainty the ultimate outcome of certain significant items without unreasonable effort. These items include, but are not limited to, non-recurring expenses, fair value adjustments, share-based compensation expense, and impairment of assets. These items are uncertain, depend on various factors, and could have a material impact on GAAP reported results for the guidance period.

For additional information about ibex’s business, refer to our annual and periodic reports filed with the SEC, and other documents filed with the SEC from time to time, plus relevant earnings press releases (including GAAP, Non-GAAP and other financial tables included therein). The documents that we filed with the SEC can be obtained for free by visiting EDGAR on the SEC website at www.sec.gov.



Strong Financial Profile

Growth of Key Segments, Strong EBITDA, Net income, FCF, EPS

12.7%
Adj EBITDA FY23

\$1.96
Adj. EPS



Transformation to a leading Digital First & Analytics driven business

Profitable Digital First BPO 2.0 Clients – leading Blue Chips and New Economy

18.5%
Y-Y Growth

77%
% of Revenue



Geographic Expansion to High Margin Geographies

Digital First Clients look to low-cost markets with high quality

Offshore/Nearshore/ROW
72%
Revenue

16%
Growth



Ideal Client Diversification

Highly Diversified with Top Clients and Strategic Verticals
Proven Track record of Land & Expand

Top Client 13% of Revenue
39%
Top 5 Clients

80%
Top 25 Clients



Advancement of ESG initiatives

Prioritizing Workforce Diversity and Inclusion

41%
Female employees in management globally

FY2023 Results & Highlights

Strong Results Throughout the P&L

\$523.1m

Revenue

\$66.6m

Adj. EBITDA

\$36.9m

Adj. Net Income

12.1%

Normalized Growth
(YoY)¹

12.7%

Adj. EBITDA Margin

\$22.9m

FCF

6.1%

Revenue Growth (YoY)

49%

Adj. EBITDA Growth

\$1.96

Adj. EPS

¹ Adjusting for exit of Legacy unprofitable client in Q4 FY22

Q4 FY2023 Results & Highlights

Strong Results Throughout the P&L

\$124.4m

Revenue

\$15.4m

Adj. EBITDA

\$6.2m

Adj. Net Income

2.4%

Normalized Growth
(YoY)¹

12.4%

Adj. EBITDA Margin

\$13.7m

FCF

0.7%

Revenue Growth (YoY)

21%

Adj. EBITDA Growth

\$0.33

Adj. EPS

¹ Adjusting for exit of Legacy unprofitable client in Q4 FY22

Most Awarded BPO 2.0 Provider

2023 America's Greatest Workplaces for Diversity
Newsweek

2022 & 2023 CUSTOMER Magazine Product of the Year Awards
CUSTOMER

2023 Philippines Best Employers
PHILIPPINE DAILY INQUIRER

2020, 2021 & 2022 Great Place to Work in Nicaragua
Great Place To Work.

2021 & 2022 Great Place to Work for Women in Central America and Caribbean
Great Place To Work.

2023 Customer Experience Outsourcing Services Leader in Latin America
FROST & SULLIVAN

2023 Bronze Stevie Award for Customer Service Outsourcing Provider of the Year
THE STEVIE AWARDS
The World's Premier Business Award Competitions

2023 Best Employer Brand Award
18th EMPLOYER BRANDING AWARDS™

2022 Barani Award (Best COVID Response) Davao City IT-BPM Awards
INNOVATION SUMMIT 2022

2022 Gold Award Best in BPO Pakistan Software Houses Association ICT Awards
P@SHA Awards
EST. 2008 Lahore

2022 Gold Award Gender Diversity Pakistan Software Houses Association ICT Awards
P@SHA Awards
EST. 2008 Lahore

2022 Silver Award Top Exporter Pakistan Software Houses Association ICT Awards
P@SHA Awards
EST. 2008 Lahore

2022 Globee Awards Female Executive of the Year, Business Products or Services – Julie Casteel
WOMEN WORLD AWARDS

2022 Silver Stevie Award for Customer Service Outsourcing Provider of the Year
THE STEVIE AWARDS
The World's Premier Business Award Competitions

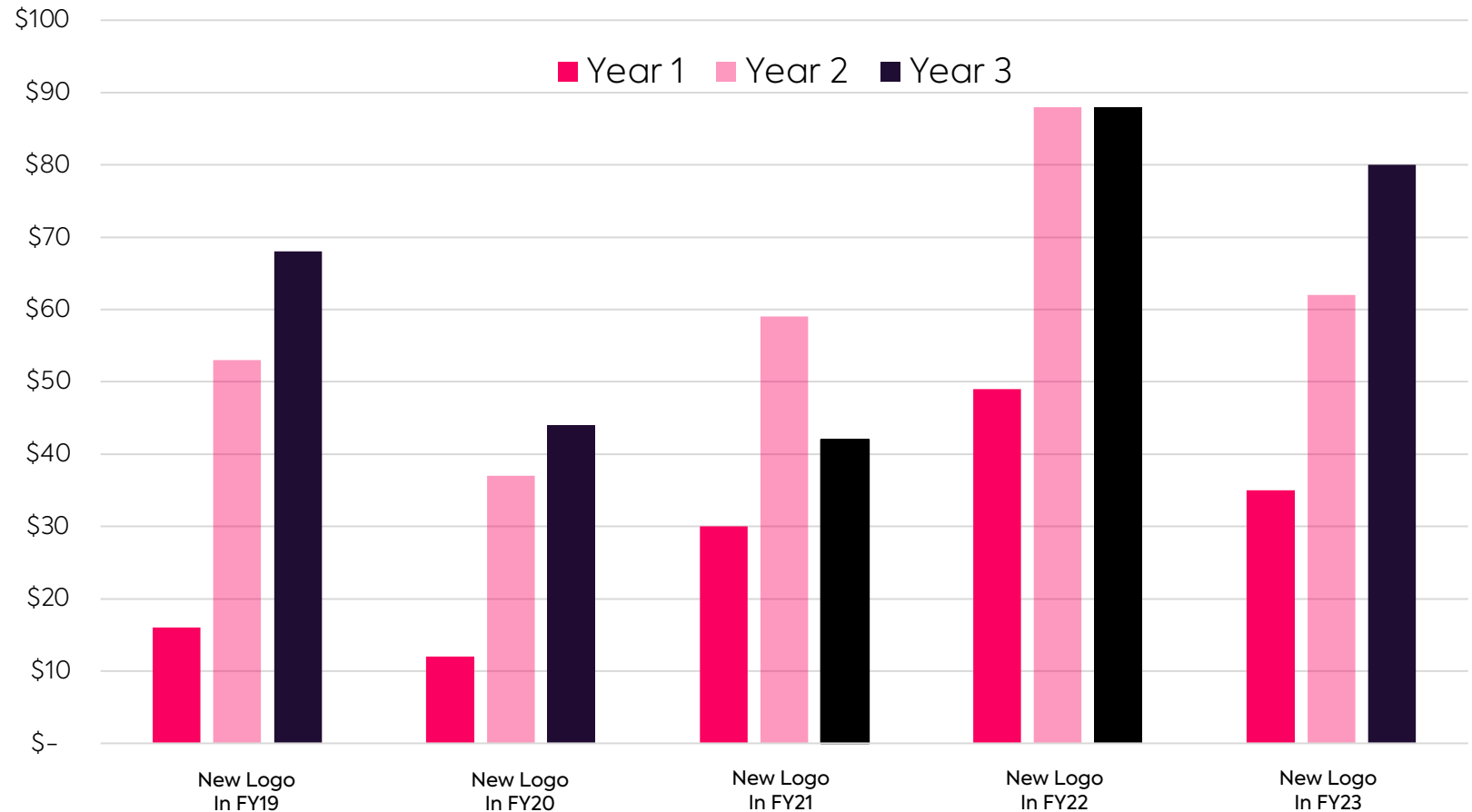
2022 Best Digital Customer Experience Award Finalist
icmi

2022 Contact Center Technology Award & Customer Experience Innovation Award
CUSTOMER

Client Cohort Performance

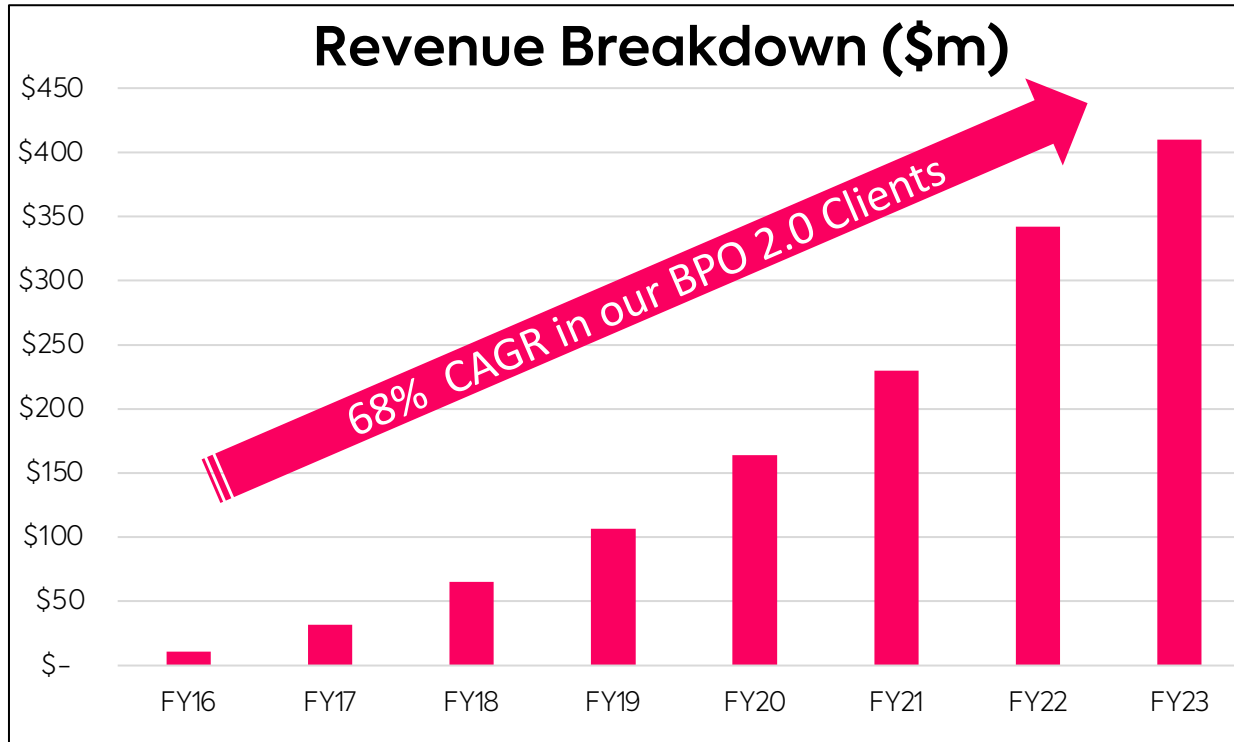
- **Strong Pipeline with high profile clients across key verticals**
- **Key New Logos won or launched YTD**
 - Top HealthCare payer
 - Leading HealthCare provider
 - Leading Health & Beauty retailer
 - Leading Asia-Based Airline
 - Top Online Graphic Design Co.
 - 2 Leading Energy/Utility Co.
- **~ \$35m of new logo revenue in FY23**
- **10 new logos won in FY23**
 - *6 new logos since June 2023*
- **Rapid Land & Expand**
 - *2.0x growth in Year 2*
 - *1.5x growth in Year 3*
- **Extremely high win rates driven by differentiated BPO 2.0 solutions**

New Client Cohort Data (\$m) FY19-FY23



Note: Year 3 For FY22 and year 2 for FY23 are based on estimates.
FY23 based on estimates and historical increases in Year 3.

Powerful Land & Expand with our Digital First BPO 2.0 Clients








BPO 2.0 Clients

Leading Blue-Chips & Digital and Analytics-First brands

- + Primarily Digital & Integrated Omni-Channel Support (73%)
- + ibex WaveX Tech Stack Deployments
- + Bundled with ibex WaveX Business Analytics (90+ Deployments)
- + Building amazing workplaces with branded centers and unparalleled employee engagement

- 77% of Total Revenues
- 68% CAGR
- 18.5% growth in FY23

Employee & Client NPS – FY23

	68 Global Employee NPS
	85% Global Participation Rate
	79 eNPS in Philippines
	93% Philippines Participation Rate ¹
	68 Client NPS

¹Philippines is our largest region



Differentiation with Technology & Analytics

Wave X <i>Purpose-built technology to outperform</i>	Wave X Insights <i>Advanced Analytics to provide customer insights</i>
400+ Experienced IT Professionals	250+ Data and Business Analysts
16 Technology Platforms Supported	70+ CX & Cost Optimization Case Studies
50+ Solutions Developed	90+ Client Base Deployments



Generative AI – “the Next Wave” of WaveX

AI-Powered Tech Stack



AI across Agent Lifecycle

Productivity Boost

- Agent Assist
- AI Based Agent Training Simulators
- AI enabled Floor Management System



AI Driven Insights

Quality Boost

- Quality Assurance on 100% of Interactions
- Real-time and Post Interactions Sentiment Analysis
- Customer Friction Analysis



Digital Customer Experience

Volume Boost

- Human live Voice Bot and Chat Bot interactions
- Call Deflection with Chat Bots

Expanding Digital Solution Portfolio to Reduce Cost to Serve and Elevate the Customer Experience

Infrastructure positioned for continued growth

- Upgrading ERP & HCM systems

Further expansion into higher margin regions

- Offshore
- New Geographies

M&A

- Enhancing our solutions & competitive moat
- Accelerate growth

	<p>Strong Financial Profile Growth of Key Segments, Strong EBITDA, Net income, FCF, EPS</p>	<p>12.7% Adj EBITDA FY23</p>	<p>\$1.96 Adj. EPS</p>
--	--	---	-----------------------------------

	<p>Transformation to a leading Digital First & Analytics driven business Profitable Digital First BPO 2.0 clients – leading Blue Chips and New Economy</p>	<p>18.5% Y-Y Growth</p>	<p>77% % of Revenue</p>
--	---	------------------------------------	------------------------------------

	<p>Geographic Expansion to High Margin Geographies Digital First Clients look to low-cost markets with high quality</p>	<p><i>Offshore/Nearshore/ROW</i> 72% Revenue</p>	<p>16% Growth</p>
--	--	---	------------------------------

	<p>Ideal Client Diversification Highly Diversified with Top Clients and Strategic Verticals Proven Track record of Land & Expand</p>	<p><i>Top Client 13% of Revenue</i> 39% Top 5 Clients</p>	<p>80% Top 25 Clients</p>
--	---	--	--------------------------------------

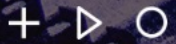
	<p>Advancement of ESG initiatives Prioritizing Workforce Diversity and Inclusion</p>	<p>41% Female employees in management globally</p>
--	---	---

ibex.

Built for what's next.

Financial Results

Taylor Greenwald
CFO



Revenue

\$124.4m

+0.7% YoY

+2.4% YoY¹

- 7.0% YoY growth of BPO 2.0 clients, now 79% of total revenue (74% in Q4 FY22)
- Nearshore/Offshore revenues up 10% YoY; Onshore down 18%
- Macro-Economic impact on Sales cycle and client volumes

Net Income

\$4.5m Q4 FY23

\$6.4m Q4 FY22

Stronger operating results driven by movement to higher margin geographies and improved capacity utilization

Fully Diluted EPS

\$0.24 Q4 FY23

\$0.35 Q4 FY22

Higher income tax expense driven by significant deferred tax benefit in Q4 FY22 and increased profitability

Adjusted EBITDA

\$15.4m Q4 FY23
\$12.8m Q4 FY22

- **+21% from prior year quarter**
- Growth and profitability in our BPO 2.0 clients in higher margin regions
- Higher profitability driven by increased capacity utilization
- Benefit of price increases and COLA

Adjusted Net Income

\$6.2m Q4 FY23
\$8.3m Q4 FY22

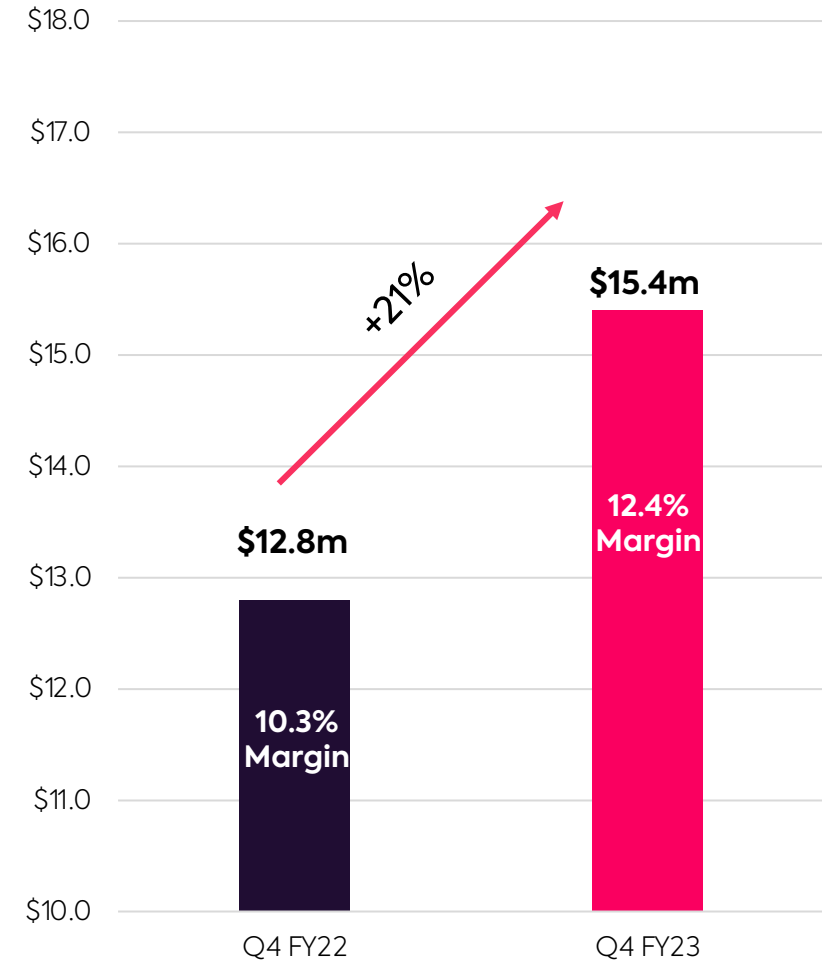
Stronger operating results driven by movement to higher margin geographies and improved capacity utilization

Adjusted Fully Diluted EPS

\$0.33 per share Q4 FY23
\$0.45 per share Q4 FY22

Higher income tax expense, including absence of a prior year deferred tax benefit

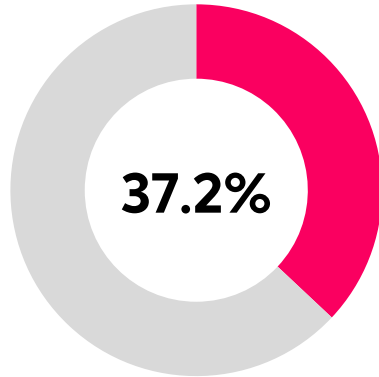
Q4 Adjusted EBITDA



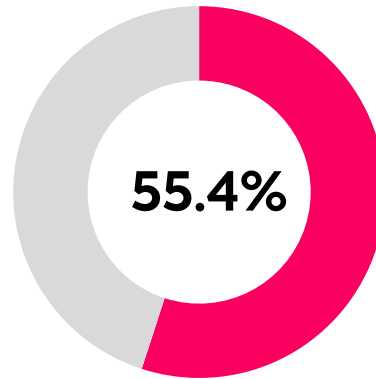
Revenue: Model Client Diversification

Q4 FY23 Client Statistics (% of Revenue)

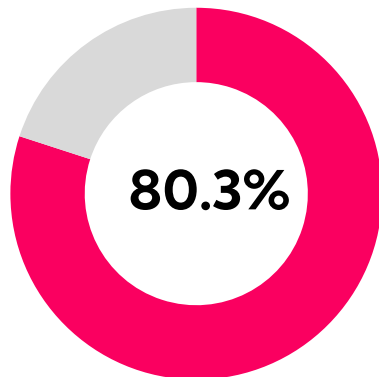
Top 5 Clients



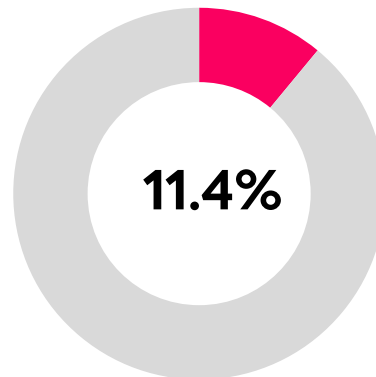
Top 10 Clients



Top 25 Clients



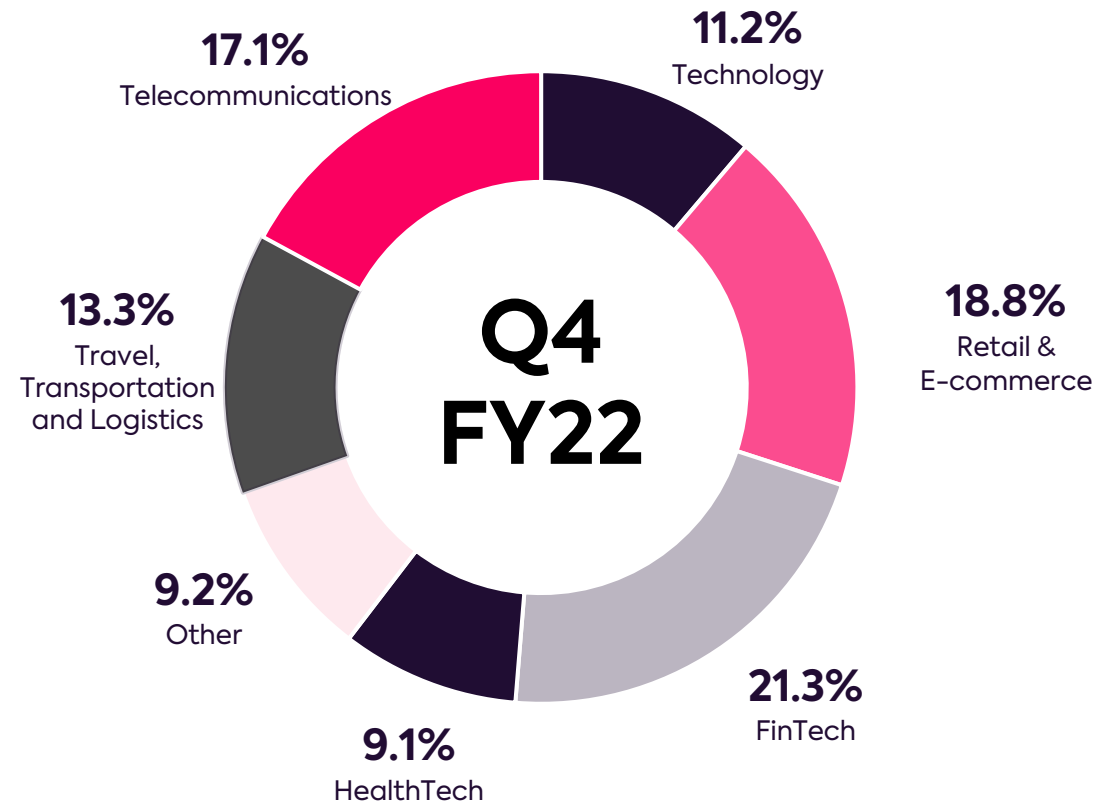
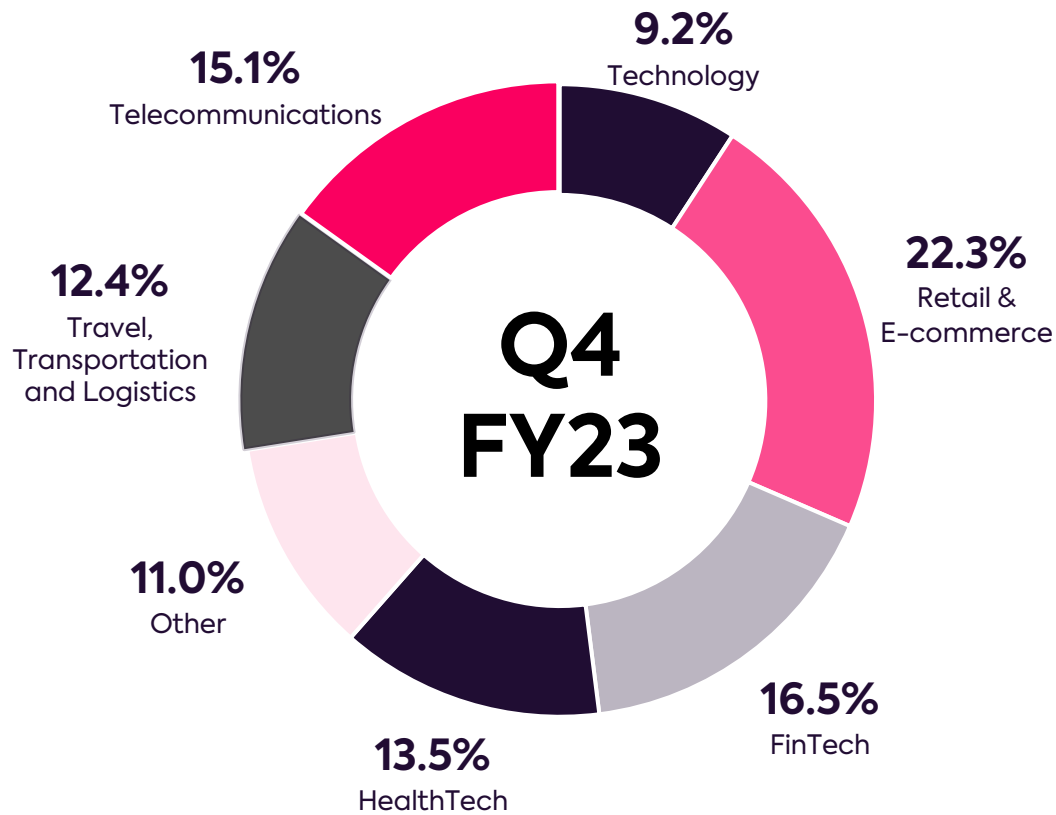
Largest Client



- 57 clients above \$1m annually up from 49 in FY22
- 29 clients above \$5m annually up from 23 in FY22

Winning in Strategic Verticals

Significant Growth in Key Strategic Verticals
Telco now represents ~15%



HealthTech & FinTech now reported separately

FY 2023: Financial Highlights – US GAAP

Revenue

\$523.1m

+6.1% YoY

+12.1% YoY¹

- 18.5% YoY growth of BPO 2.0 clients, 77% of total FY23 revenue (69% in FY22)
- Higher margin nearshore and offshore regions grew by 16%
- Macro-Economic impact on Sales cycle and client volumes

Net Income

\$31.6m FY23

\$21.5m FY22

Stronger operating results

Lower interest expense

Fully Diluted EPS

\$1.67 FY23

\$1.15 FY22

Offset by higher income tax expense driven by significant deferred tax benefit in FY22 and increased profitability

Income Tax Expense/(Benefit)

\$8.7m FY23

(-\$2.1m) FY22

- Significant one-time deferred tax benefit of \$4.1 million recorded in FY22

FY 2023: Financial Highlights – Non-GAAP

Adjusted EBITDA

\$66.6m FY23
\$44.7m FY22

- +49% from prior year

Adjusted Net Income

\$36.9m FY23
\$26.0m FY22

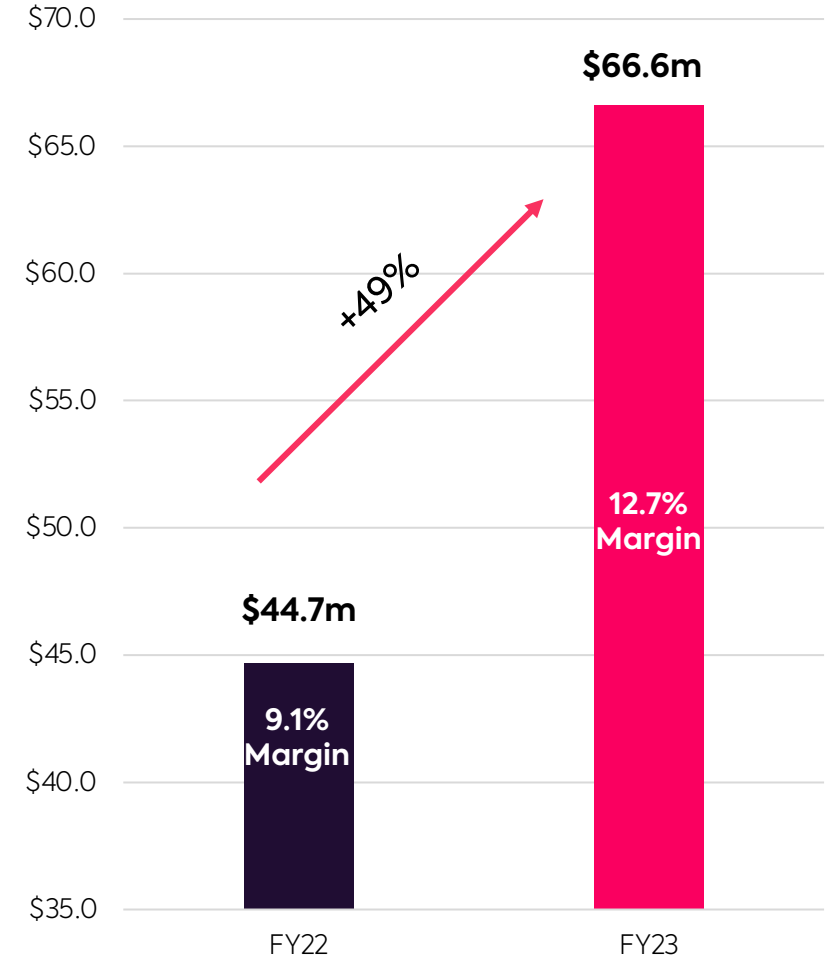
- +42% from prior year

Adjusted Fully Diluted EPS

\$1.96 per share FY23
\$1.39 per share FY22

- +41% from prior year

FY Adjusted EBITDA



Net Cash Generated from Operations

\$41.9m FY23
\$40.0m FY22

Capital Expenditures

\$19.0m, 3.6% of Revenue FY23
\$25.9m, 5.3% of Revenue FY22

DSO

63 days Q4 FY23
55 days Q4 FY22
63 days Q3 FY23

Non-GAAP Free Cash Flow

\$22.9m FY23
\$14.1m FY22

Cash and Cash Equivalents

\$57.4m

June 30, 2022 \$48.8m

- Increase in borrowing availability under our revolving credit facilities to \$71.9m as of June 2023 v. \$50.5m as of June 2022

Total Debt

\$1.0m

June 30, 2022 \$15.7m

- Net Cash position at fiscal year-end improved to \$56.4 million from \$33.1 million as of June 30, 2022

	FY24	Q1 FY24
Revenue	\$525-\$535m	\$122-\$125m
Adj. EBITDA Margin	~13%	~11%
CapEx	\$15-20m	

- Macro-economic environment pressuring client volumes
- Continue trend toward offshoring/nearshoring
- Efficient use of CapEx
- Investments in ERP/HCM infrastructure

ibex.

Built for what's next.

Q & A



ibex.

Built for what's next.

Appendix



Reconciliation of Net Income to Adjusted Net Income

	Three months ended		Twelve months ended	
	30-June		30-Jun	
	2023	2022	2023	2022
<i>US\$ in thousands</i>				
Net income	\$ 4,510	\$ 6,421	\$ 31,582	\$ 21,456
A Non-recurring expenses	1,348	1,502	2,224	3,256
B Amortization of warrant asset	234	259	1,090	970
Foreign currency translation (gain) / loss	-379	-34	-801	-57
C Share-based payments	633	555	4,606	1,851
D Gain on lease terminations	251	0	251	0
Gain/Loss on disposal of subsidiaries	0	0	-246	0
Total adjustments	\$ 2,087	2,282	\$ 7,124	\$ 6,020
Tax impact of adjustments	-370	-416	-1,760	-1,427
Adjusted net income	\$ 6,227	\$ 8,287	\$ 36,946	\$ 26,049
Net Income Margin	5.0%	6.7%	7.1%	5.3%

A Represents US GAAP transition expense, severance expense, legal and settlement expenses, and/or costs related to COVID-19

B Represents the amortization of Amazon warrant asset based on the revenue

C Represents share-based payments expenses including RSA, LTIP, and phantom plans

D Represents the gain on termination of facility leases

Reconciliation of Net Income to Adjusted EBITDA

	Three months ended		Twelve months ended		
	30-June		30-Jun		
	2023	2022	2023	2022	
<i>US\$ in thousands</i>					
Net income	\$ 4,510	\$ 6,421	\$ 31,582	\$ 21,456	A Represents US GAAP transition expense, severance expense, legal and settlement expenses, and/or costs related to COVID-19
Finance expenses	-10	169	152	1,246	
Income tax expense /(Benefit)	3,806	-1,124	8,744	-2,077	
Depreciation and amortization	5,052	5,014	18,985	18,100	
EBITDA	\$ 13,358	\$ 10,480	\$ 59,463	\$ 38,725	B Represents the amortization of Amazon warrant asset based on the revenue
A Non-recurring expenses	1,348	1,502	2,224	3,256	
B Amortization of warrant asset	234	259	1,090	970	C Represents share-based payments expenses including RSA, LTIP, and phantom plans
Foreign currency translation (gain) / loss	-379	-34	-801	-57	
C Share-based payments	633	555	4,606	1,851	
D Gain on lease terminations	251	0	251	0	
Gain/Loss on disposal of subsidiaries	0	0	-246	0	D Represents the gain on termination of facility leases
Adjusted EBITDA	\$ 15,445	\$ 12,762	\$ 66,587	\$ 44,745	
Adjusted EBITDA Margin	12.4%	10.3%	12.7%	9.1%	