



Investor Deck

February 2024

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Non-IFRS Measures and Industry Metrics

This presentation makes reference to non-IFRS measures, including "Adjusted EBITDA" and "Churn", key performance indicators used by management and typically used by our competitors in the industry. These measures are not recognized measures under IFRS and do not have a standardized meaning prescribed by IFRS and are therefore not necessarily comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of our results of operations from management's perspective. Accordingly, these measures should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS. These non-IFRS measures and key performance metrics are used to provide investors with supplemental measures of our operating performance and liquidity and thus highlight trends in our business that may not otherwise be apparent when relying solely on IFRS measures. We also believe that securities analysts, investors and other interested parties frequently use non-IFRS measures, including industry metrics, in the evaluation of companies in our industry. Management also uses non-IFRS measures and industry metrics in order to facilitate operating performance comparisons from period to period, the preparation of annual operating budgets and forecasts and to determine components of executive compensation. Refer to the Appendix to this presentation for reconciliations of certain non-IFRS measures to the most comparable IFRS measure.



Business Overview



Executive Management



Charles Salameh
Chief Executive Officer



Jeremy Wubs
Chief Operating Officer



Larry Stock
Chief Financial Officer



Sam Reburn
Chief Legal Officer



Roland Silverio
Chief People Officer



Sangoma



DIVERSE PORTFOLIO

- Rich portfolio of prem and cloud-based communications capabilities and managed services
- Bundled, a-la-carte, or white labeled as needed through new channel opportunity
- Diversified revenue streams, over time, will support NRR growth



CONSISTENT PROFITABILITY

- Steady transition to a higher Services revenue mix
- Consistent track record of sustained profitability through M&A integration
- Balance sheet remains well positioned with healthy debt servicing metrics



PARTNER ECOSYSTEM

- A wide range of channel partners provides a broad coverage
- High-value partners enable larger deal creation
- Opportunity to enhance reach with larger partners and influencers



AFFORDABLE & RELIABLE

- Globally recognized for reliability and affordable pricing
- Industry-low churn rates validate customer value proposition
- Opportunities to drive further efficiencies to maintain competitive pricing



How we're thinking about the business today...



... how we envision it tomorrow ...



... and how we will distribute it to market.



CURRENT PARTNERS



À-LA-CARTE



SYSTEM INTEGRATORS



CLOUD PROVIDERS



VERTICAL BUNDLES

WHOLESALE



CARRIER COMMUNITY



Opportunities

OUTWARD FOCUS

INWARD FOCUS



EXPAND PARTNERS

- Focus on high quality partners and new routes to market
- Drive Pull strategy to end clients to increased inward demand.



MARKETING & BRANDING

- Improve the customer experience having a consistent approach across all of Sangoma's digital assets
- Focus Channel marketing directed to high quality partners – reduction in broad events and committed spends



DIGITAL TRANSFORMATION

- Savings through digital transformation, consolidation, and modernization
- CRM nearly fully implemented – rapid move to transformation business processes
- Comprehensive ERP program presales to cash underway



CONSOLIDATE PORTFOLIO

- Opportunities for consolidation and bundling to address needs of the SMB market
- Divest assets not producing
- Consolidating multiple best of breed communication platforms into a singular homogenous platform



Sangoma's Transformation

Significant effort underway into transforming Sangoma



- 13 core workstreams, 30+ sub-workstreams
- ~230 people involved (30% of the organization)



PROJECT
DIAMOND

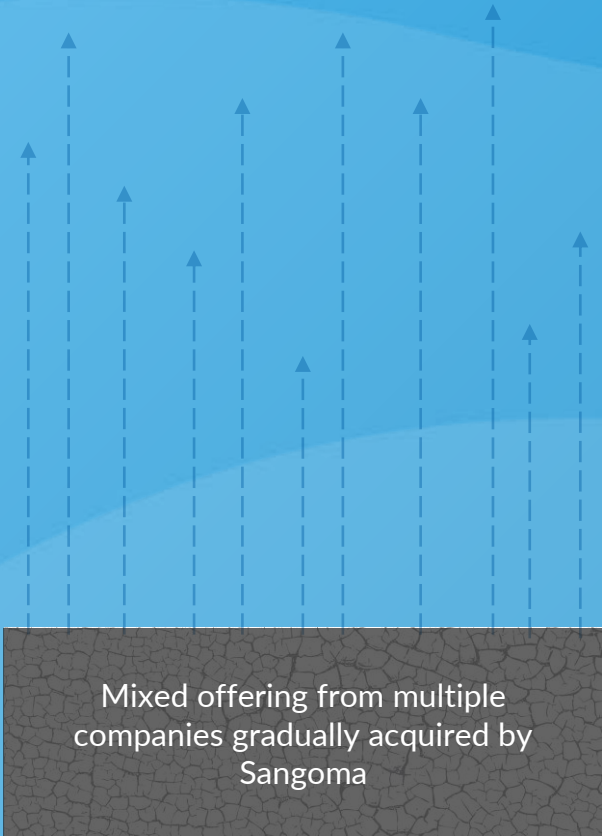


Aligning Assets to Drive Efficiency

STRATEGY – PROCESS – STRUCTURE - COMPETENCY

TODAY

GTM conflicted by too many products



ALIGN



GTM

TOMORROW



À-LA-CARTE



BUNDLES

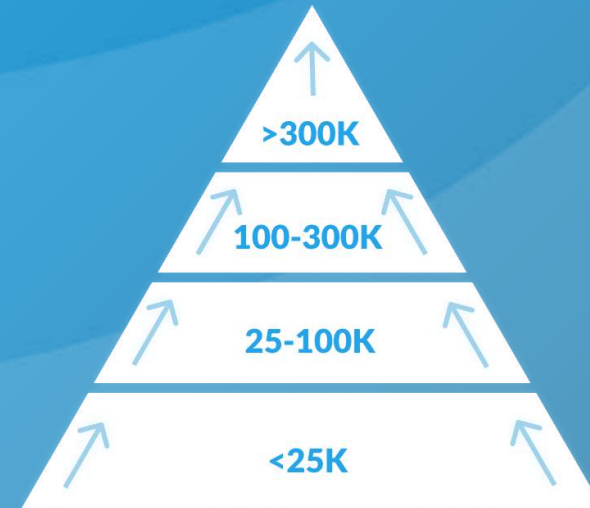


WHOLESALE

ACCOUNT



SEGMENTATION



CONSOLIDATION



PORTFOLIO, PROCESS, PEOPLE

UCaaS

CCaaS

CPaaS

SD WAN

Cyber

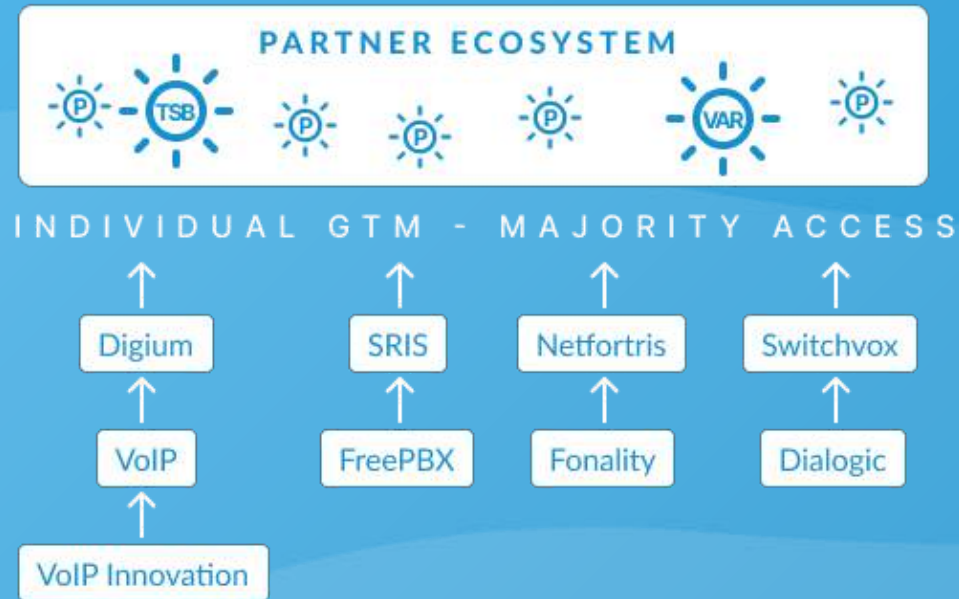
Communications products and infrastructure



TRANSFORMATION ROADMAP

TODAY

TOMORROW



- Retail
- Health Care
- Hospitality
- Distributed Enterprise



Q2 Highlights



PROJECT DIAMOND

Transformational Programs Well Underway with Great Successes



SOLID FOUNDATION

Balance Sheet and Financial Metrics Healthy and Improving



GTM

With the internal programs and transformational actions progressing well, action has been taken to focus on GTM and revenue generating activities / programs



Q3 GROWTH

Given the cash position Sangoma will provide capital allocation direction to support growth in Q3



C-SUITE GUIDANCE

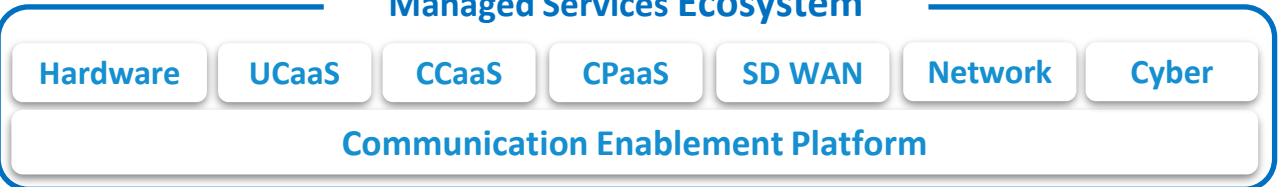
With clear visibility the company has reinstated quarterly guidance



Aligned To Meet Mid-Market Demands



Managed Services Ecosystem



System Integrators
Hyper Scalers
Carriers
Traditional Teleco

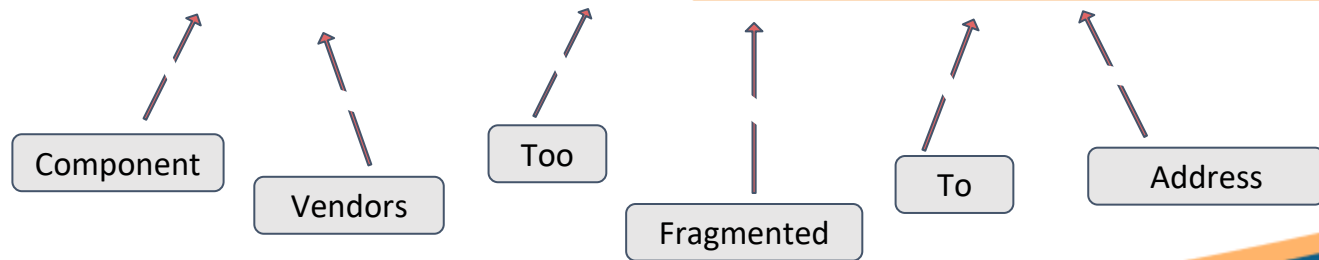
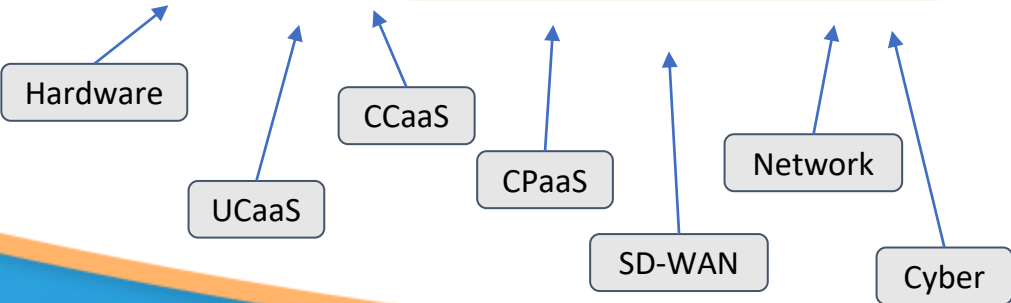
No Cost Viable Path to Mid-MKT

Small Market
<500 employees

- Component Buying
- Minimal SLA
- Low Price
- Minimal Management

Mid-Market
500 -> 5000 employees

- Single Vendor Requirement
- Modest SLA
- Desired Lower TCO
- Required Management



TARGET CLIENT TYPES

Sangoma clients can be grouped in different archetypes who need replicated, seamless customer journeys; they want to buy locally and they need to be integrated and migrated in a speedy manner

SOPHISTICATED CLIENT

- Prefer single vendor
- Lower TCO
- Complex IT needs
- Value proposition: lower cost/access to technology innovation
- Enterprise experience at affordable prices

GROWTH CLIENT

- Tech needs are not sophisticated
- Rapidly expanding
- Value proposition: reliable solutions and lower cost
- Interested in innovation, but not knowledgeable
- Require targeted marketing and raising their awareness about advancements in tech

Mid Market Multi Location Business

↑
Secured
Access

↑
Managed
Services

↑
Innovative
Cloud-based
Experience

Multi Location Distributed Enterprise Retail

↑
Access/
Network

↑
Hardware

↑
Security

↑
Cloud
Communications
Services

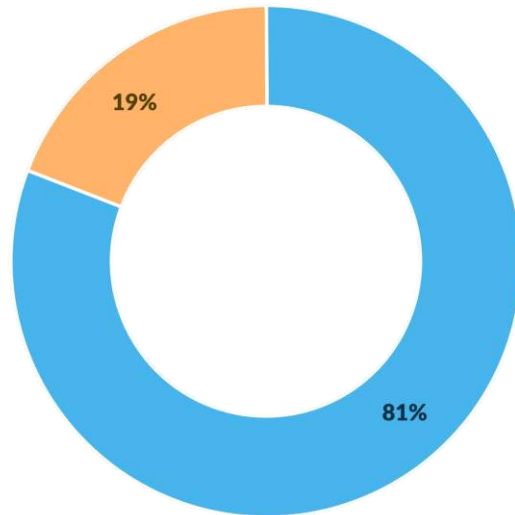


Financial Overview



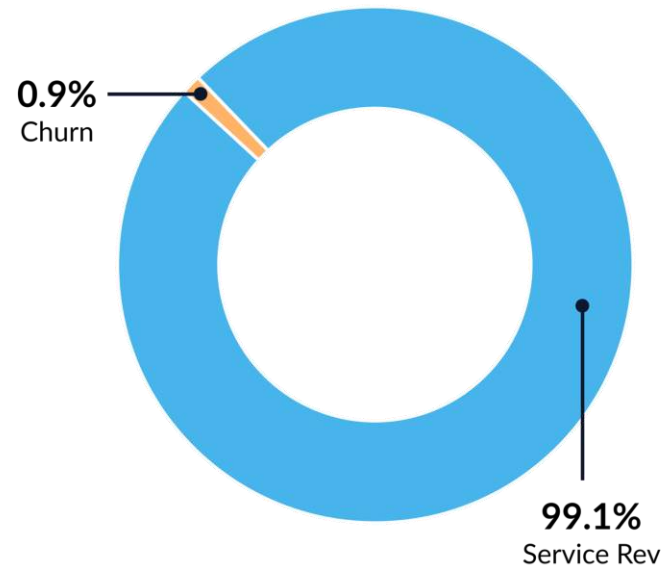
KPI View

Revenue Mix

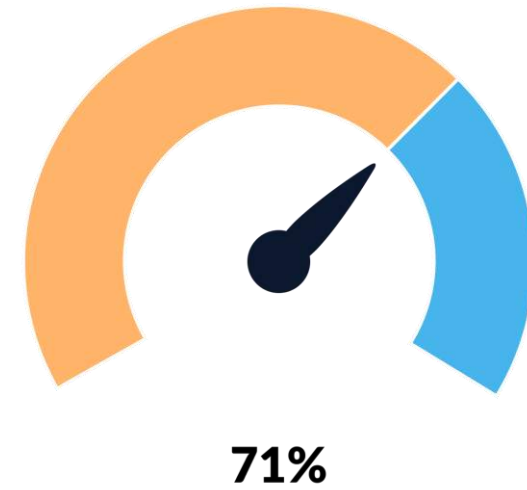


■ Services ■ Product

FY Churn as a % of Services Rev



Gross Margin



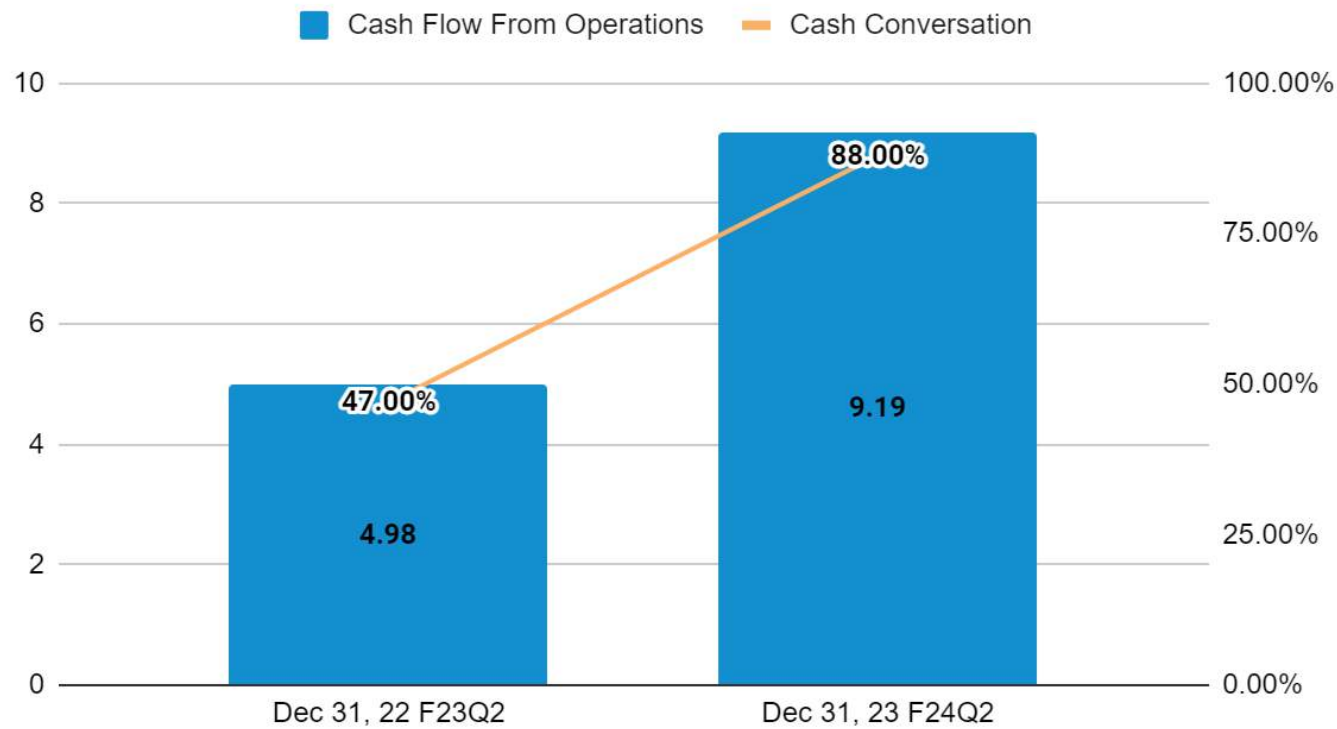
*See "Non-IFRS Measures and Industry Metrics" in the disclaimer and refer to the Appendix to this presentation for a definition of Churn.



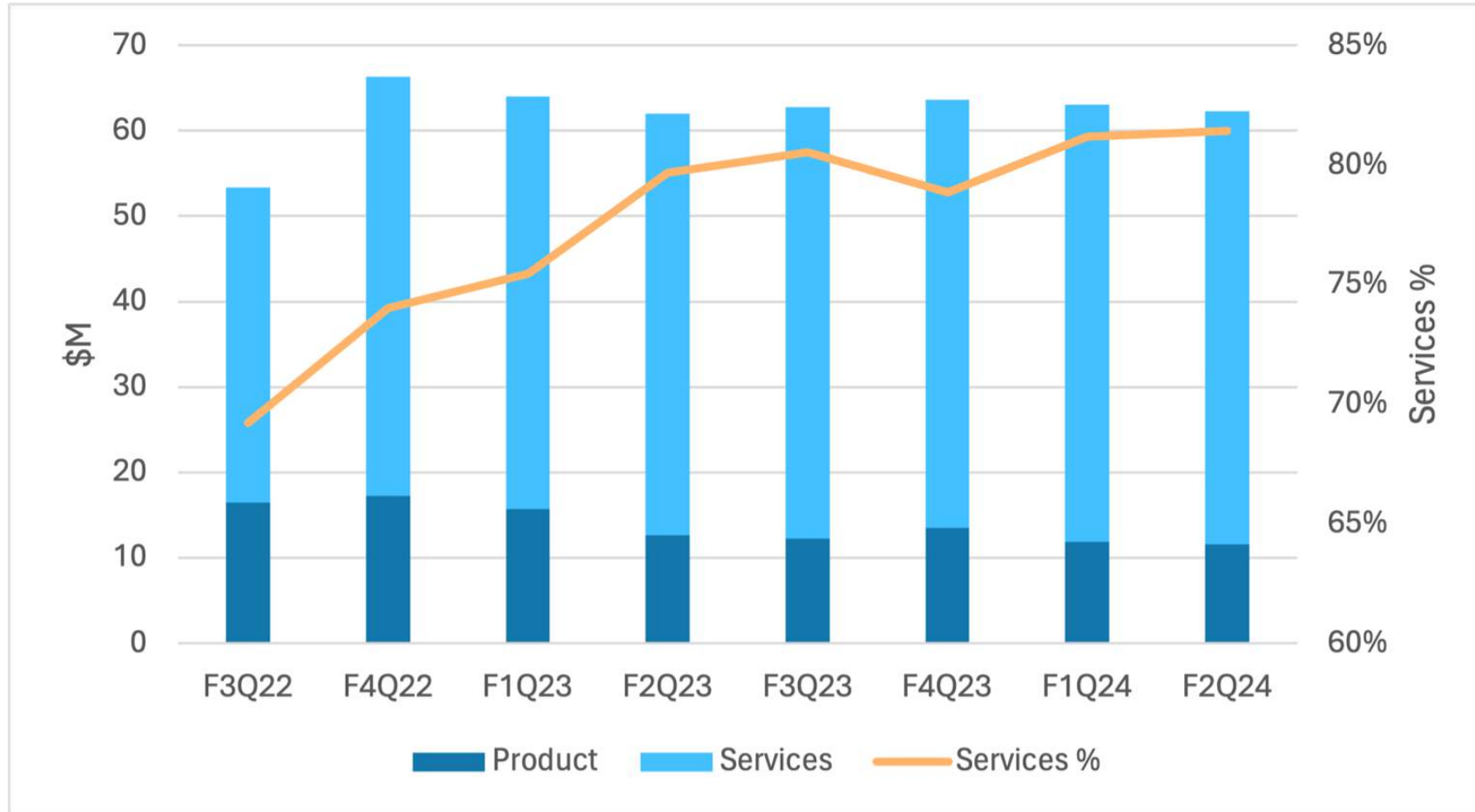
Fiscal Foundational Strength

FY24 \$5.7M Saved
Annualized cost savings of \$9M

Cash Flow Improvements



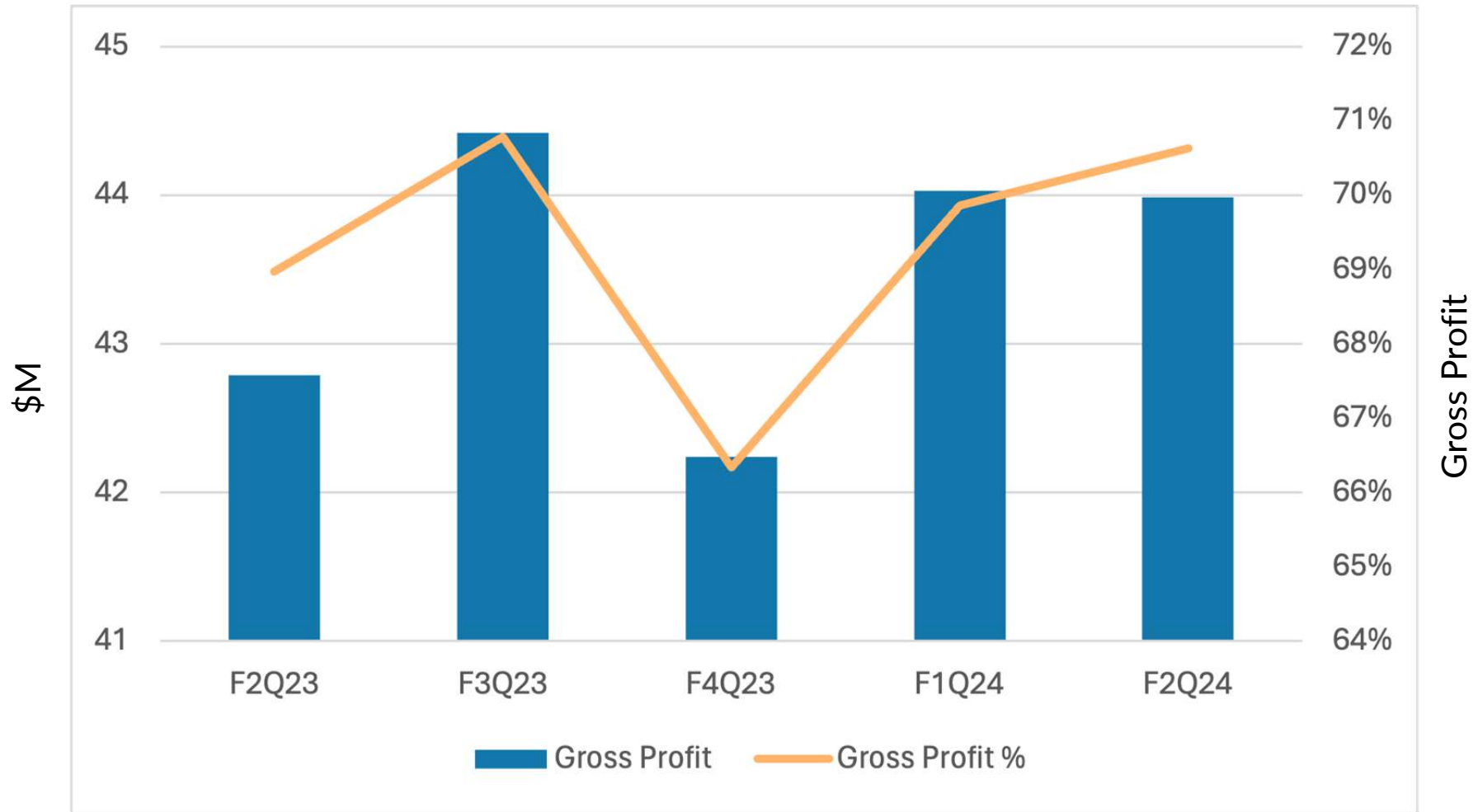
Revenue Trend



- Top line driven by industry-best product breadth serving the evolving needs of the SMB market.
- Significant opportunity to leverage large SIs, carriers, hyperscalers, and national partners.
- Improve Services revenue marketability through more effective bundling and white-label solutions.



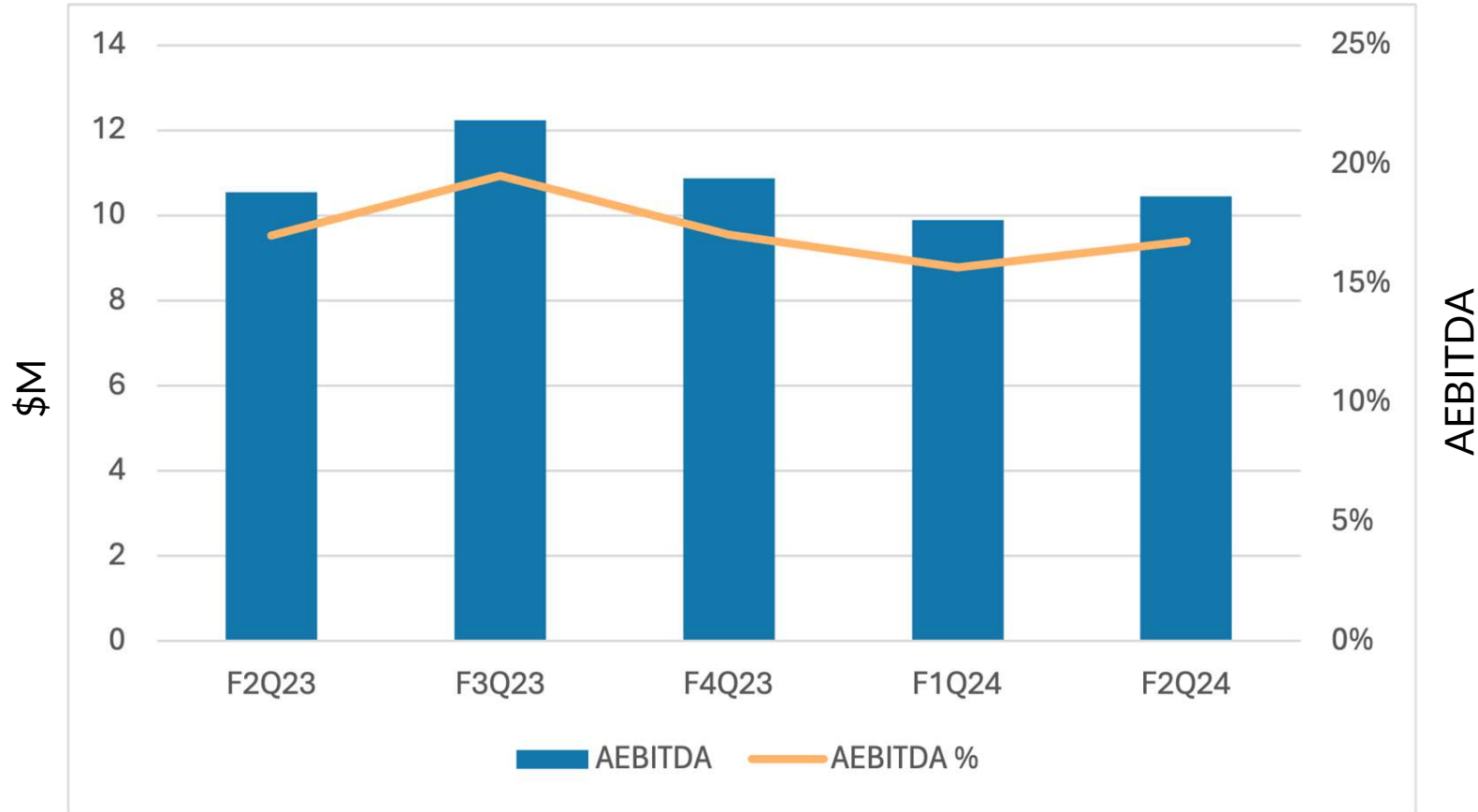
Gross Profit



- Steady Services revenue contribution has sustained strong gross margins
- Macro Cloud Services trends provide a favorable long-term tailwind to gross margins



Adjusted EBITDA *



- Consistent track record of sustained profitability through M&A integration
- Evaluating all business segments based on strategic and financial contribution.

*See "Non-IFRS Measures and Industry Metrics" in the disclaimer and refer to the Appendix to this presentation for details on how we calculate Adjusted EBITDA.



Selected Balance Sheet Metrics for F2Q24

USD (in millions)	F2Q23	F3Q23	F4Q23	F1Q24	F2Q24
Cash on hand	\$6.80	\$8.01	\$11.16	\$11.14	\$10.56
Debt and Operating facility	\$98.78	\$96.65	\$100.83	\$96.40	\$91.98
Accounts receivable	\$16.67	\$16.99	\$16.06	\$15.75	\$15.58
Inventory	\$19.30	\$18.65	\$17.97	\$17.89	\$17.12
Accounts payable & accrued liabilities	\$23.82	\$23.54	\$24.08	\$20.14	\$19.66

Complete financial statements, as well as our MD&A, can be found on Sangoma's website at the following address, <https://www.sangoma.com/why-sangoma/investor-relations/financials/>



Financial Market Ratios

All data as of 12/31/23

Shares Outstanding – 33,325,575

Share price CAD – C\$4.24

Share Price USD – \$3.20

Economic Value (EV)	187,939,400
EV to AEBITDA	4.33X
Debt to AEBITDA	2.12X
Net Debt to AEBITDA	1.87X
Price to Sales Ratio	0.42X
Price to AEBITDA Ratio	2.45X
Price to EV Ratio	0.57X



Appendix



Definitions

“Churn” - The Company calculates churn by dividing the dollar value of customer cancellations during a month by the total dollar value at the end of the month before cancellations. The information is presented as the average monthly churn rate during the period. The Company believes that the churn rate is useful supplemental information as it provides an indication of future revenue decline and is a measure of how well the business is able to renew and keep existing customers on their existing service offerings. Churn is not a recognized measure under IFRS and, accordingly, investors are cautioned in using it. Sangoma's method of calculating churn and churn rate may differ from other issuers and, accordingly, churn may not be comparable to similar measures presented by other issuers.



Adjusted EBITDA Reconciliations

	F2Q24	F1Q24	FY23 - Total	F4Q23	F3Q23	F2Q23	F1Q23
Net Loss	(3,239)	(2,444)	(29,026)	(23,630)	(685)	(2,735)	(1,976)
Tax	(644)	(347)	(2,932)	(3,160)	(259)	(371)	858
Interest expense (net)	1,795	1,662	6,767	1,891	1,666	1,632	1,578
Share-based compensation	856	662	3,100	362	541	1,282	915
Depreciation of property and equipment	1,050	1,073	4,729	1,095	1,135	1,193	1,306
Depreciation of right-of-use assets	731	759	3,778	861	939	982	996
Amortization on intangibles	8,362	8,361	33,932	8,205	8,572	8,578	8,577
Restructuring and business integration costs	1,335	156	2,710	115	2,188	355	52
Federal compliance cost relating to prior year position	-	-	1,804	1,804	-	-	-
Gain on change in fair value of consideration payable	202	-	(2,975)	810	(1,854)	(350)	(1,581)
Goodwill Impairment	-	-	22,507	22,507	-	-	-
Adjusted EBITDA	10,448	9,882	44,394	10,860	12,243	10,566	10,725

All amounts are in thousands of United States dollars except where otherwise indicated.



