



Converge Technology Solutions

Software-Enabled IT & Cloud Solutions Provider

December 2022

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USE OF NON-IFRS MEASURES AND RATIOS: Converge’s audited annual consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board and the accounting policies we adopted in accordance with IFRS. In this presentation, management has used certain terms, including “Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA)” and “Earnings before interest, taxes, depreciation and amortization (EBITDA)”, Gross Revenue, Organic Growth, adjusted earnings per share (“Adjusted EPS”) and Adjusted Free Cash Flow and Adjusted Free Cash Flow Conversion, which are not recognized under IFRS and do not have a standardized meaning under IFRS. Converge’s method of calculating such non-IFRS measures and ratios may differ from methods used by other companies and therefore may not be comparable to similar measures presented by other companies. The Company refers to the non-IFRS measures and ratios because certain investors may use this information to assess the Company’s performance and also determine the Company’s ability to generate cash flow. Such non-IFRS measures and ratios are furnished to provide additional information and should not be considered in isolation as a substitute for measures of performance prepared in accordance with IFRS and is not necessarily indicative of operating costs presented under IFRS. A full description of these non-IFRS measures and ratios and reconciliations for such non-IFRS measures and ratios can be found in the MD&A that accompanies the financial statements for the year ended December 31, 2021 and filed under the Company’s profile on SEDAR at www.sedar.com

All figures in this document are in C\$ unless otherwise stated.

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Company Overview – FY 2021 & YTD 2022

	YTD	FY21
Net Revenue	\$ 1.75 B	\$ 1.5 B
Gross Profit	\$ 382 M	\$ 345.7 M
Adj. EBITDA	\$ 100 M	\$ 94 M

About Converge

Converge is a services-led, software-enabled, IT & cloud solutions provider focused on delivering advanced analytics, application modernization, cloud, cybersecurity, digital infrastructure, and digital workplace offerings to mid-market customers.

80%	83%
YTD Adj. FCF Conversion	FY21 Adj. FCF Conversion

YTD Adj. EPS	FY21 Adj. EPS
\$0.34	\$0.35

12.5 %
Gross Revenue Organic Growth¹

¹Organic growth is based on invoiced revenue and includes companies that Converge has owned in the comparative period.

Q3'22 Financial Highlights

+ 64%
YoY

\$603.2M

Net
Revenue

+ 67%
YoY

\$139.7M

Gross
Profit

+ 64%
YoY

\$31.0M

Adj.
EBITDA²

5.9%
Gross Revenue
Organic Growth¹

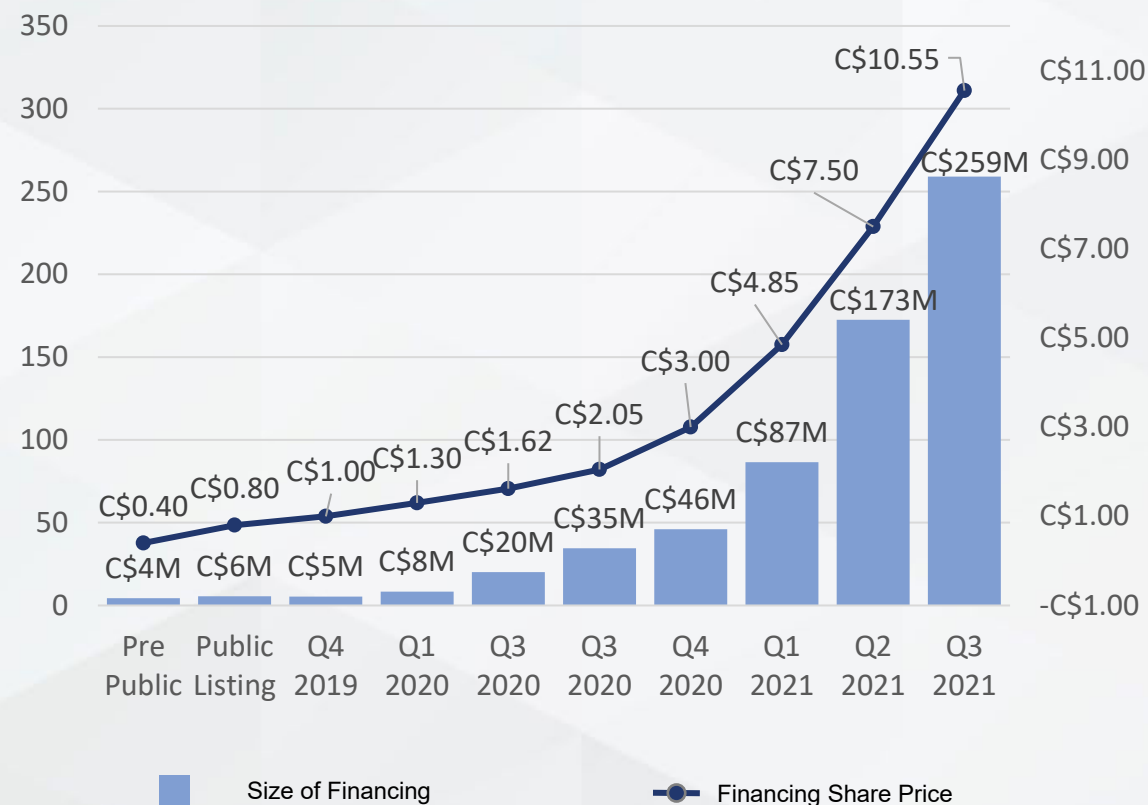
\$730.6M

Gross
Revenue²

Q3'22
Adj. EPS
\$0.10

+ 43%
YoY

CTS Historical Equity Financings



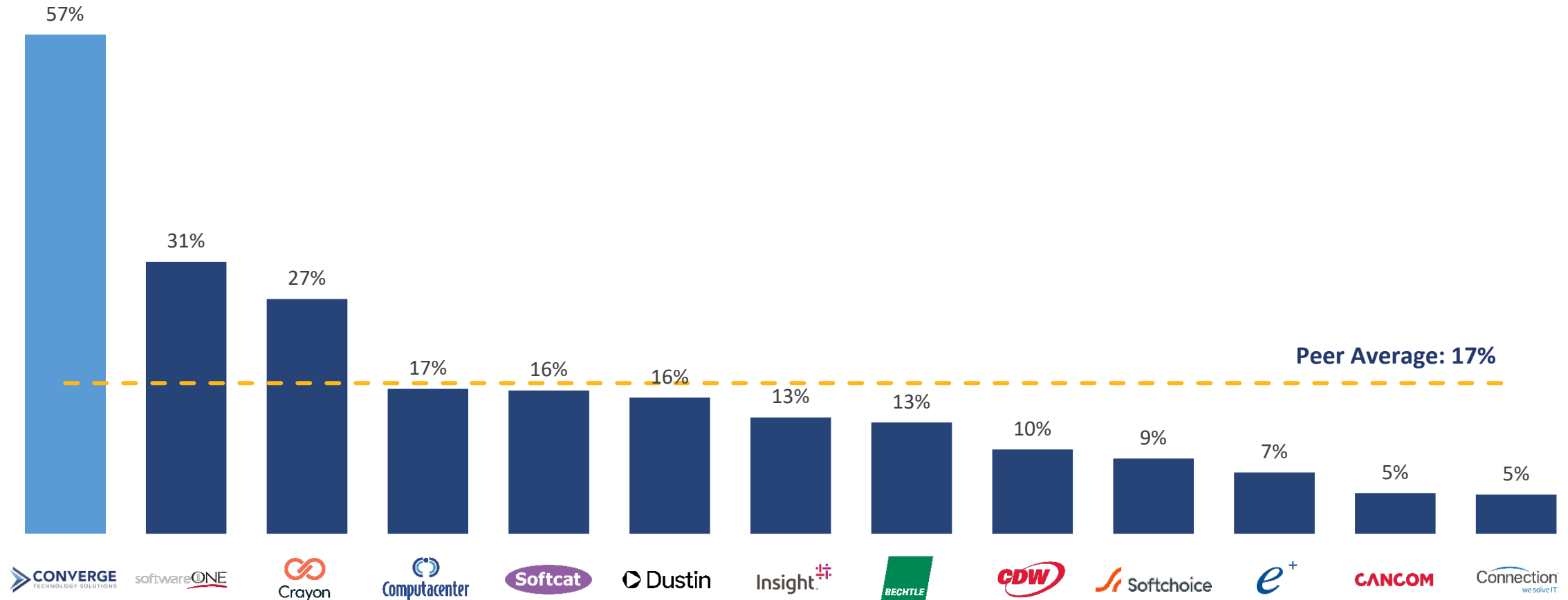
- Raised over \$500 million through a series of bought-deal financings in 2021 and upsized debt facilities to \$500 million in Q3-22
- Converge's equity financing size has grown from C\$45M during its pre-public financing at C\$0.40 per share to C\$259M in its latest financing at C\$10.55 per share
- CTS added to S&P/TSX Composite Index as of market close on September 17, 2021

¹ Organic growth is based on invoiced revenue and includes companies that Converge has owned in the comparative period.

² Non-IFRS measure. Refer to reconciliation to nearest IFRS measure provided in appendix to this presentation.

Gross Profit Growth Peer Benchmarking

3-Year Average Gross Profit Growth ⁽¹⁾



Source: Company filings.

1. Based on last three reported fiscal year gross profits. Restated financial figures used where applicable.



2021 – Top NA Sell Business Partner

2021 – Beacon Award for Outstanding Technology SSS

2021 – IBM Data and AI Business Unit Excellence

2021 – IBM Business Unit Excellence Award for Digital Trust

Platinum Partner Status



2020, 2021 & 2022 Ingram Micro Cloud Reseller of the Year Award for North America

2022 Ingram Micro Women in Cloud Female Leader of the Year Award, Rochelle Manns

2021 – Ingram Micro Blue Series Partner of the Year & CORE Partner of the Year NA



2022 – Fast Growth 150 List Ranked #29

2022 –Solution Provider 500 List Ranked #36

2022 – Tech Elite 250 Category



2022 – Advantage Partner of the Year

2021 – Elite Partner Status



2021 – Diamond Status



2022 – Multiple Region Partner of the Year



2021 – Top NA IBM and Red Hat Synergy Partner

Premier/APEX Partner Status



MC: Data Center Virtualization

MC: Network Virtualization

MC: VMware Cloud on AWS

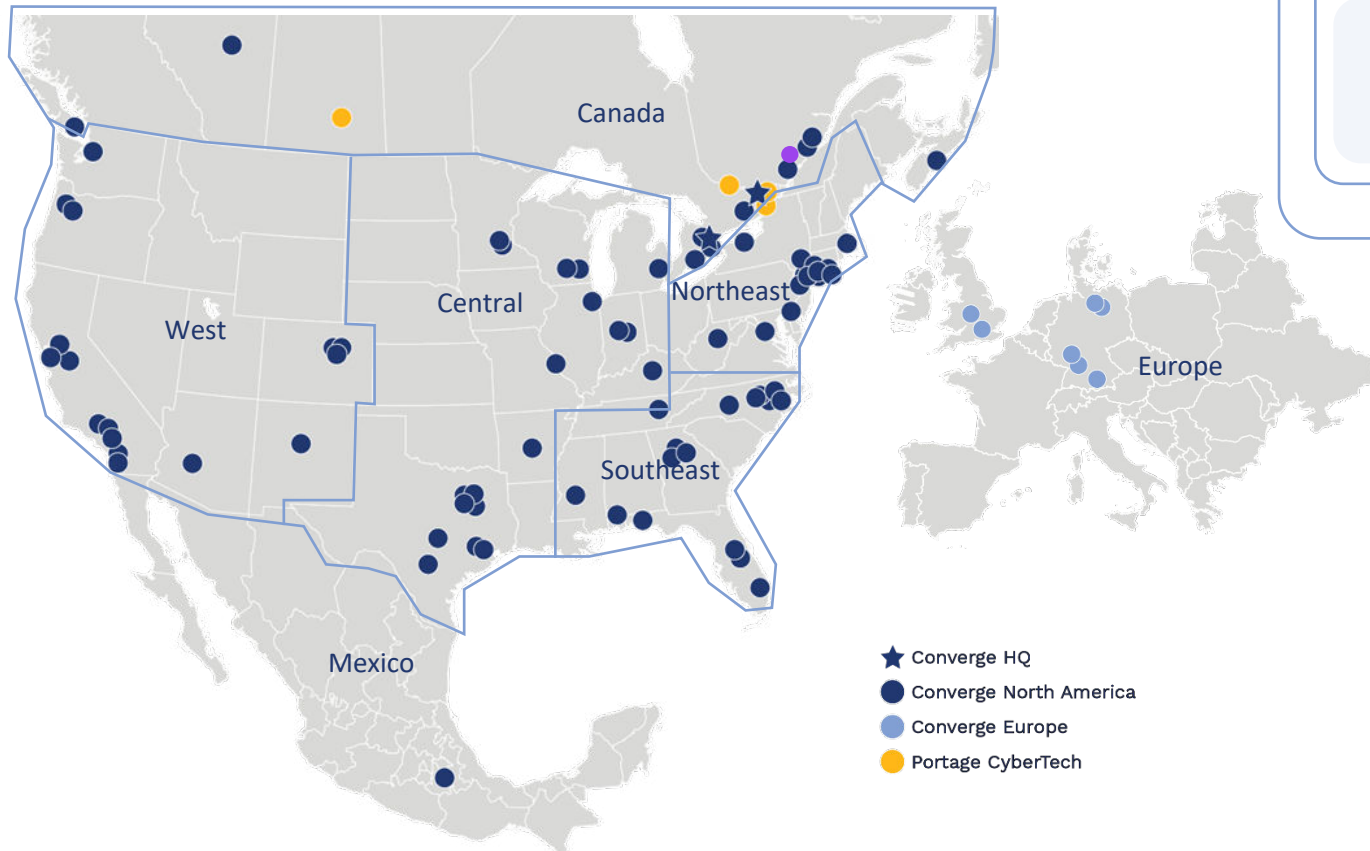
MC: Cloud Mgmt and Automation

Recent Business Highlights

- Announced 10 acquisitions since January 2022, contributing approximately \$1.2B of LTM Gross Revenue and \$65.7M of EBITDA year-to-date
- Announced completed acquisition of UK-based Stone Technologies Group Limited
- Announced €156 Million Framework Contract Win Secured by Converge subsidiary REDNET GmbH
- Announced refinancing of existing \$300 million ABL credit facility with a new five-year \$500 million global revolving credit facility led by JPM and CIBC with Scotia Bank, TD, and BMO as participating lenders. Including an uncommitted accordion feature of \$100 million, for a total borrowing capacity of up to \$600 million allowing the Company to borrow in certain foreign currencies to fund Converge’s ongoing expansion globally
- Announced approval from TSX of the Company’s Notice of Intention to Make a Normal Course Issuer Bid (NCIB) which commenced August 11th, 2022. Converge may purchase for cancellation up to an aggregate of 10,744,818 common shares representing 5% of the issued and outstanding Common Shares as of July 31, 2022.
- Announced a new Google Cloud Marketplace solution offering, Converge Enterprise Cloud – IBM Power for Google Cloud (IP4G) & managed security solution Converge Enterprise Cloud for IBM Guardium Insights (CECIGI)
- Achieved CRN® 2022 Triple Crown Award in recognition of remarkable IT Market Leadership, by placing 29th on the CRN® 2022 Fast Growth 150 List, 36th on CRN® 2022 Solution Provider 500 List and named to CRN® Managed Service Provider (MSP) 500 List in the Elite 150 Category & 2022 CRN® Tech Elite 250 List
- Recently named Cisco’s Multiple Region Partner of the Year for 2022 and placed 8th on 2022 CDN Top 100 Solution Providers List
- Achieved 2022 Ingram Micro Cloud Reseller Partner of the Year for third consecutive year and Rochelle Manns Vice President of Cloud Platforms, was awarded the first Women in Cloud Female Leader of the Year Award

Converge Platform

Full Service Offering with Strong Support Network & Vendor Alliances



Office Locations 60+	Sales Personnel 310+	Technical Resources 1200+
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600+ Certifications	4000+ Customers
10 Key Vendor Relationships	700+ Total Vendor Relationships

Converge Solutions & Services



Advanced Analytics

- Artificial Intelligence
- Machine Learning
- Business Analytics
- Data Visualization
- Data Platforming & Integration
- Financial & Operational Mgmt
- Robotic Process Automation



Application Modernization

- Application Development
- Application Migrations
- DevOps
- Containers Services & Kubernetes Platforms
- Automation & Orchestration
- Observability & Intelligent Operations
- Integration & Middleware



Cloud Platforms

- Cloud Foundations & Landing Zones
- Cloud Migrations
- IBM Power on Cloud
- VMware on Cloud
- Infrastructure as Code & Automation
- Cloud Governance & Operations
- FinOps & Cost Optimization



Cybersecurity

- Threat Assessments
- Risk & Compliance
- Identity & Access
- Data Protection
- Security Intelligence & Analytics
- Response, Remediation & Maturity



Digital Infrastructure

- Datacenter & Compute
- Intelligent Networking
- Customer Experience
- Multi-site Deployment
- Configuration Centers
- Infrastructure Security



Digital Workplace

- Voice & Unified Communications
- Workplace Productivity Solutions
- Endpoint Management Solutions
- Virtual Desktop Solution
- End User Compute

IN EACH OF THE ABOVE SOLUTION AREAS, WE DELIVER A FULL SPECTRUM OF SERVICES:



Advisory Services

Architecture Planning & Insights
Roadmap Design & Prioritization
Software Asset Management
Strategic Transformation
Workshops & Assessments



Consulting & Implementation

Agile Methodology & DevSecOps
Build & Design
Integration & Support
Program & Project Management



Managed Services

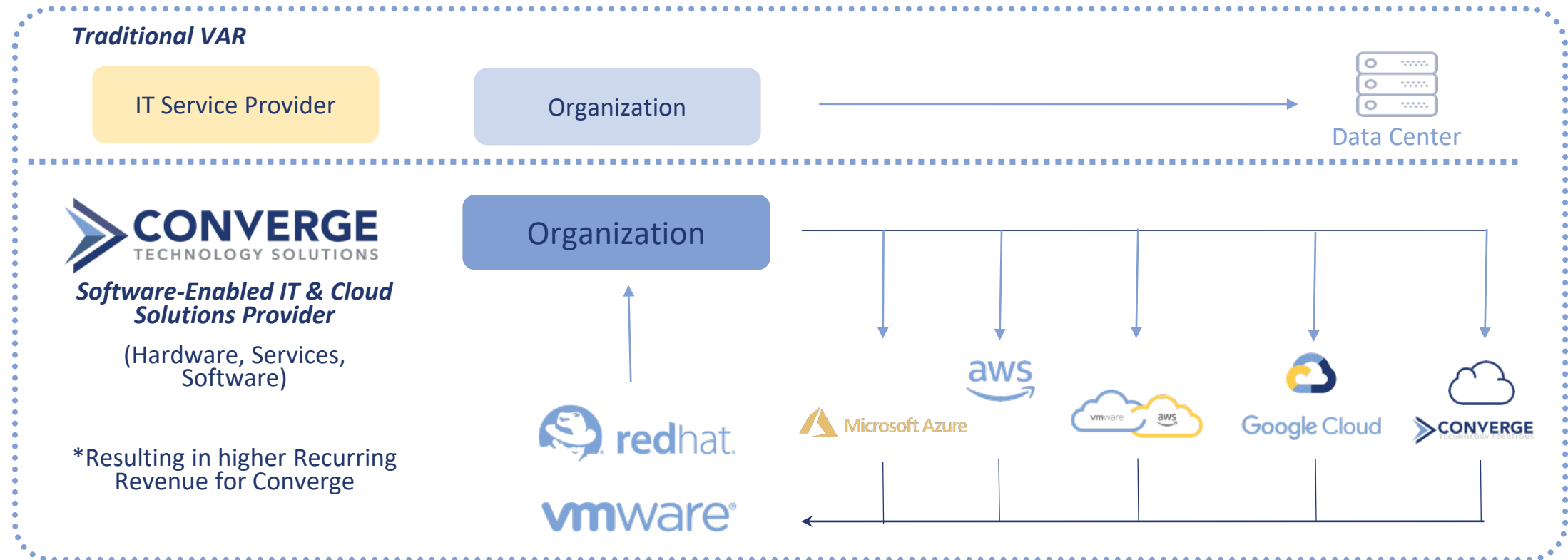
Service Desk & Managed ITSM
Managed Applications (AMS)
Security Operations Center (SOC)
Infrastructure Operations Center (IOC)



Talent Services

Staffing
Recruiting
Contract Temp / Hire
Permanent Placement

Transformation into a Software-Enabled IT & Cloud Solution Provider



*Resulting in higher Recurring Revenue for Converge

- VARs are experiencing the impact of a shift of IT towards software and the cloud as their clients become less dependent on hardware
- These small, sub-scale and undercapitalised regional VARs are not able to build a sophisticated services offering themselves

- Converge upsells higher-margin and recurring managed services contracts along with specialised services depending on the stage of a customer’s journey to cloud
- These are higher-margin, multi-year contracts that reduce customer churn and add revenue visibility

Differentiated Business Model with Unique Strategic Focus Areas



Phased Approach to Growth

Phase 1
Broad Geographical Coverage
 2018

- Built national footprint across the U.S. and Canada through nine acquisitions since Oct. 2017
- Developed national managed services and other recurring revenue offerings

Phase 2
Enabling Hybrid IT & Cross-Sell
 2019 / 2020

- Continue M&A strategy to expand coverage into the 30+ largest U.S. cities
- Strengthen national managed services and other recurring revenue offerings across acquired businesses

Phase 3
Cost Synergy Realization
 2020 / 2021

- Further enhance scale with larger acquisitions across North America
- Continued cross-sell opportunities within existing customer base
- Fully integrate back office ERP and focus on additional cost take-out opportunities

Phase 4
European Expansion & Managed Services
 2022 - 2025

- Continue to acquire 3-5 companies in North America (C\$400 million annually)
- Further enhance scale across Europe with 3-5 acquisitions per year (€400 million annually)
- Grow Software and Services to 60% of Revenue, including managed services

(in C\$)	<i>Actual Results</i>	
~\$545M	~\$23M	~\$75M*
<i>Pro Forma Run-Rate Revenue</i>	<i>Pro Forma Run-Rate Adj. EBITDA</i>	<i>Annualized Recurring Revenue</i>
	<i>Targeted Pro Forma Results*</i>	
~\$1.0B	~\$50M	~\$140M*
<i>Pro Forma Run-Rate Revenue</i>	<i>Pro Forma Run-Rate Adj. EBITDA</i>	<i>Annualized Recurring Revenue</i>
	<i>Targeted Pro Forma Results*</i>	
\$2.0B+	\$100 – 200M	\$240M+*
<i>Pro Forma Run-Rate Revenue</i>	<i>Pro Forma Run-Rate Adj. EBITDA</i>	<i>Annualized Recurring Revenue</i>

\$5.0B+
Pro Forma Run-Rate Revenue

\$500M
Pro Forma Run-Rate Adj. EBITDA

Note: *Annualized Gross Recurring Revenue

 = Approx. Targeted Pro Forma Results

Acquisition Overview – Proven M&A Track Record

M&A Strategic Pillars



Culture

Target must have a winning culture that is consistent with Converge's way of doing business



Hardware

Hardware focus helps to keep acquisition multiple low and maximises synergy opportunities



Clients

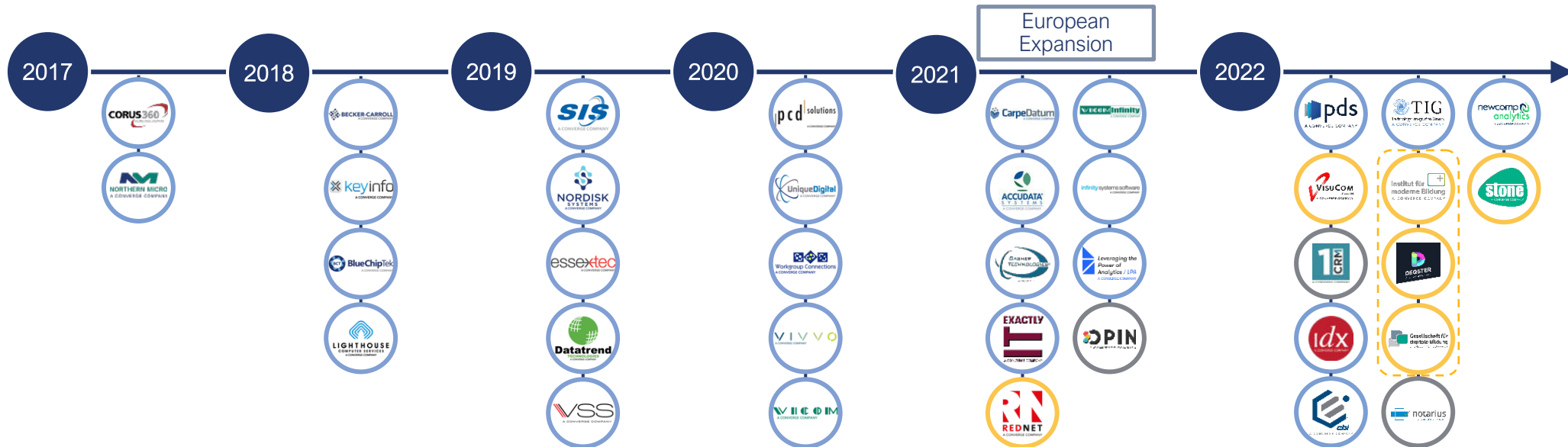
Important that the target offers access to a high-quality client base from which we can grow



Returns

All transactions must stack up from a financial returns perspective – we are careful custodians of shareholder capital

Proven Track Record



Acquired LTM Gross Revenue* & Adjusted EBITDA*

2021 Acquisition Overview

**\$733.7
Million**

Gross
Revenue
Acquired

**\$47.2
Million**

EBITDA
Acquired

**4.8x
Multiple**

YTD Acquisition Overview

**\$1,177.0
Million**

Gross
Revenue
Acquired

**\$65.7
Million**

EBITDA
Acquired

**5.1x
Average**

**5.3x
Multiple**

*Excludes ExactlyIT and Portage Cybertech's acquisitions.

Acquisition Strategy

Acquisition Strategy Template

- 5.0x** multiple on \$3m EBITDA
 - Acquire Target which generates \$100m of revenue and 3% EBITDA margins for 5.0 x EBITDA (\$15m)
- + \$3.5m** EBITDA
 - Target can access Converge's volume discounts with key vendors adding 1.5% to the EBITDA margin (4.5% margin)
 - Cost savings through headcount reduction adds a further 2% to EBITDA margin (6.5% margin)
- 2.5x** multiple on \$6.5 EBITDA
 - By following this strategy Converge can lower the effective multiple paid from 5.0x to 2.5x EBITDA
 - Acquisitions are highly value accretive very quickly
- + \$3m** cash
 - Target can access Converge's superior payment terms, lengthening payment terms from 45 days to 60-75 days
 - This can free up \$3-7m of working capital
- + \$3-4m** EBITDA
 - Target can cross-sell Converge's broader offering including managed services to its existing customer base

Additional Growth Drivers

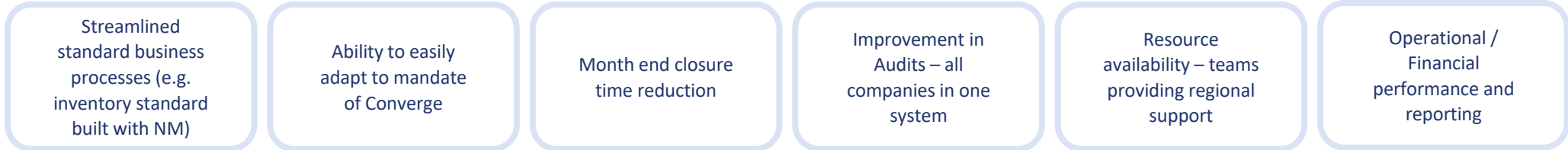
- Run campaigns with Tier-1 vendors repeating industry specific sales across geographies
- Cross-sell best of breed solutions and high margin services to other Converge customers
- Consolidate recurring revenue offerings across acquisitions and service a broader range of customers
- Leverage relationships to increase enterprise sales
- Introduce Converge 'TrustBuilder' Platform into large North American customer footprint

Acquisition – Clear Integration Approach & Execution

ERP Program



Benefits:



Drivers of Success

- 5+ years of experience successfully integrating multiple acquisitions of varying scale and complexity
- Smooth process enabled by all Group functions, with established procedures in place to ensure the management team has all relevant information
- Specific training programmes for new sales colleagues, helping to drive optimum performance and cross sell
- Gradual rebranding and ‘one company’ approach
- All underpinned by Converge’s core values and culture

Integration Timeline Strategy

	30 Days	90 Days	120 Days	270 Days
Finance Integration Plan (Public Controls)	X			
Top Vendor Certifications	X			
Sales and services staff regionalized and reporting to President	X			
HR, IT, Operational Finance and Sales Support Staff Regionalized and Reporting to COO	X			
Brand as a "Converge Company"	X			
Cross Sell New Services and Products (Executive Briefings, Customer Workshops)		X		
Marketing Programs to Promote Cloud Services and Expertise		X		
IT Integration			X	
Financial ERP, PSA Integration, Concur				X
CRM				X

Key Deliverables

30 Days

- Small visible changes
- Signal the post acquisition reality of being a Converge Company.
- Increase vendor rebates
- Accounting and reporting standards established

90 Days

- Cross Selling

120 – 270 days

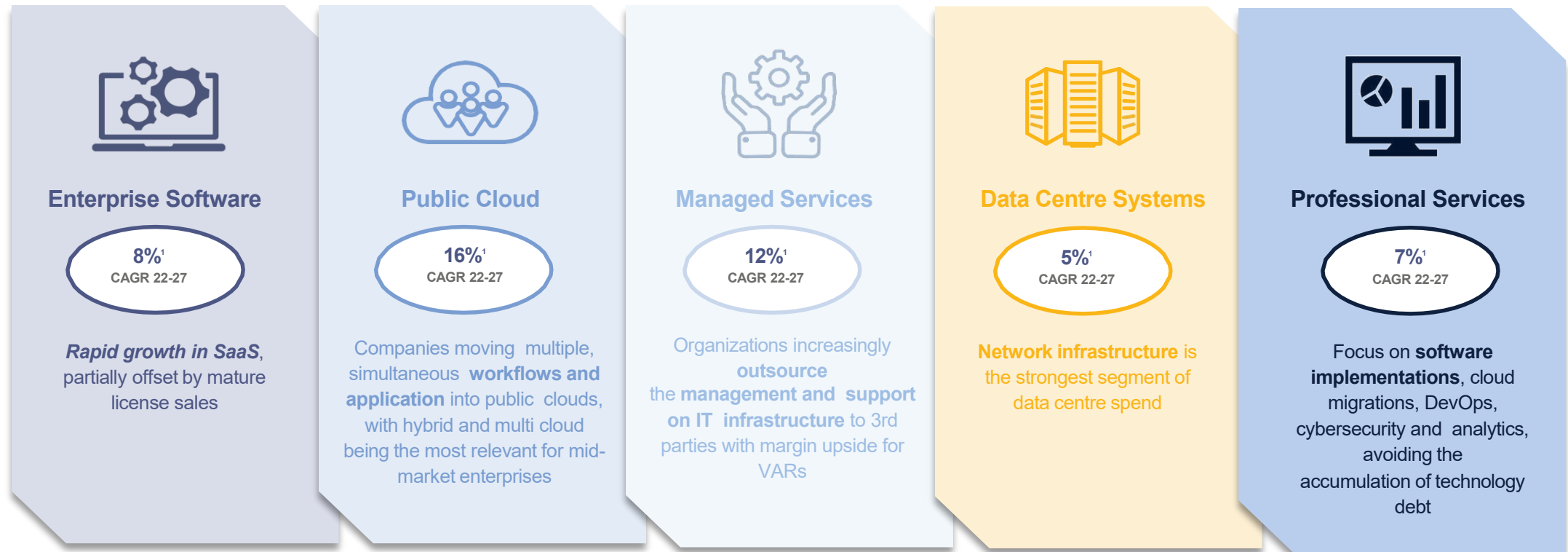
- Some larger process and system changes
- Back-office integration

Large & Growing Total Addressable Market Opportunity



Market Opportunity – CAGR Per Sector

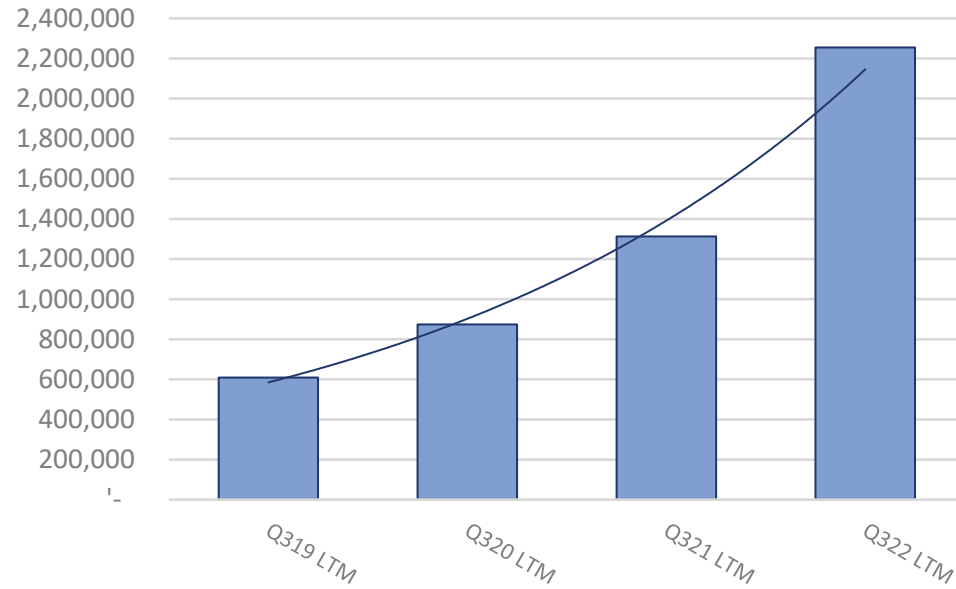
The IT industry's growth is set to continue as businesses continue to transition to the cloud – COVID - 19 has accelerated IT transformation to facilitate the new reality . Converge is at the heart of the fastest growing sub-segments



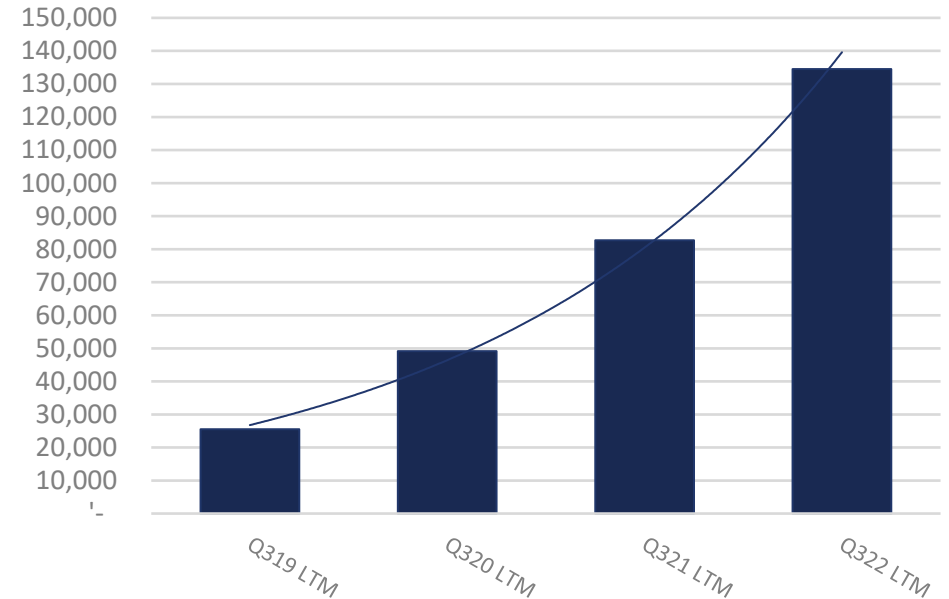
Source: Statista

Significant Revenue and Adjusted EBITDA Growth

Revenue



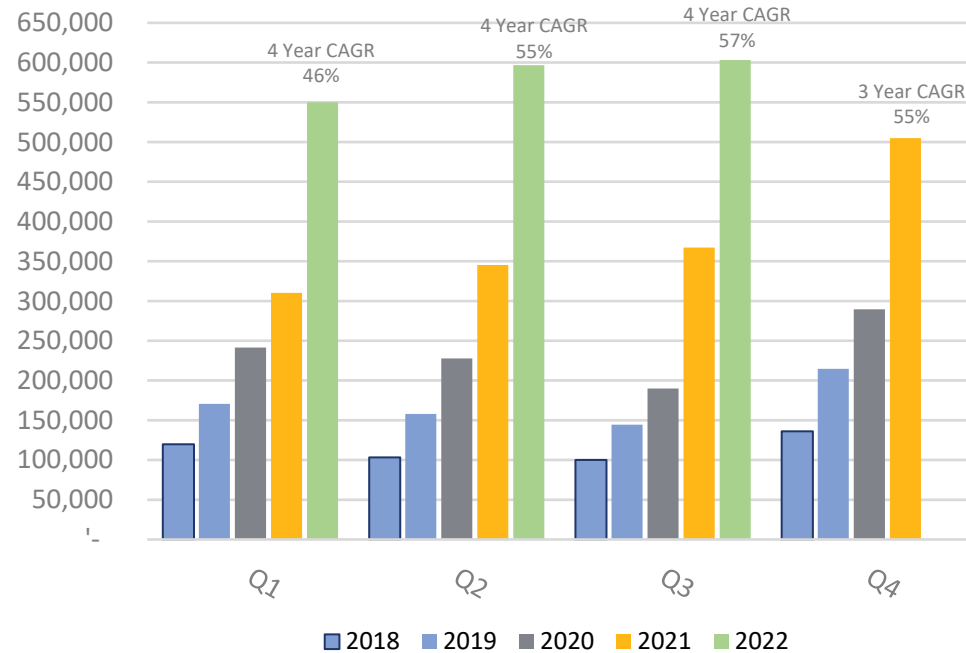
Adjusted EBITDA



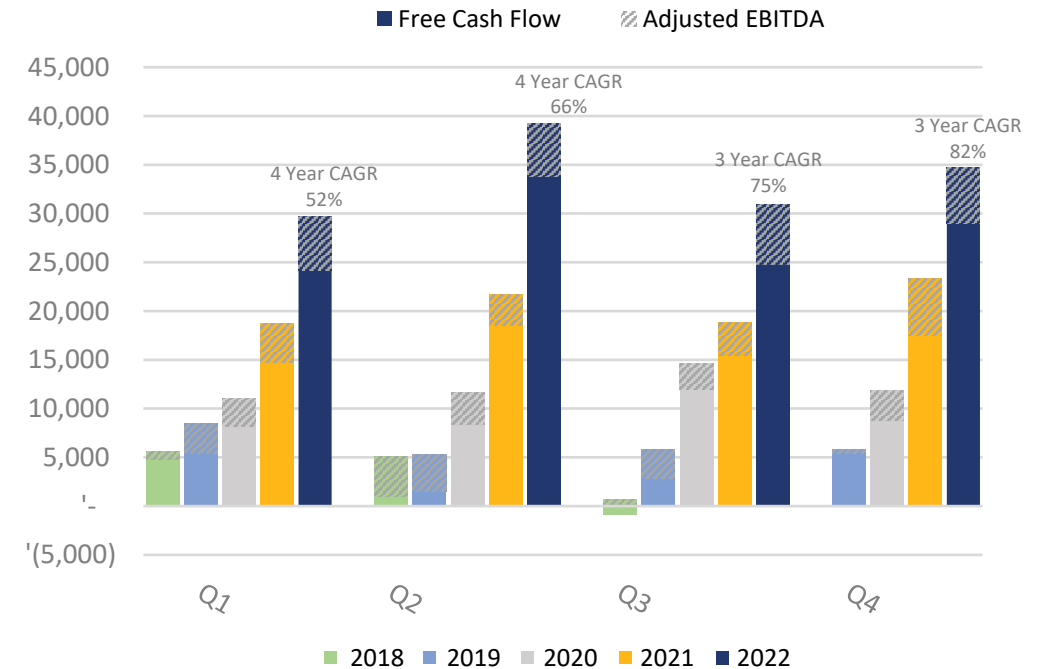
- Q3 2022 LTM revenue increased 72% to \$2.3 billion
- Q3 2022 LTM Adjusted EBITDA increased 63% to \$134.5 million
- As a percentage of revenue Adjusted EBITDA increased from 4.2% in Q3 2019 LTM to 6.0% in Q3 2022 LTM

Record Q3 Revenue

Revenue



Adjusted EBITDA



P&L Highlights

- YoY Q3 2022 Revenue increased 64% to \$603M
- YoY Q3 2022 Adjusted EBITDA increased 64% to \$31.0M
- **55% Q3 LTM 3 Year Revenue CAGR**
- **74% Q3 LTM 3 Year Adj. EBITDA CAGR**

Positive Free Cash Flow (FCF)*

- Q3 FCF increased 60% to \$24.7 million
- FCF was \$24.7M (\$0.12/share) and \$111.7M (\$0.52/share) for the 3 and 12 months ended Q3 2022, respectively

*Adj EBITDA less Recurring CAPEX and payment of lease liabilities

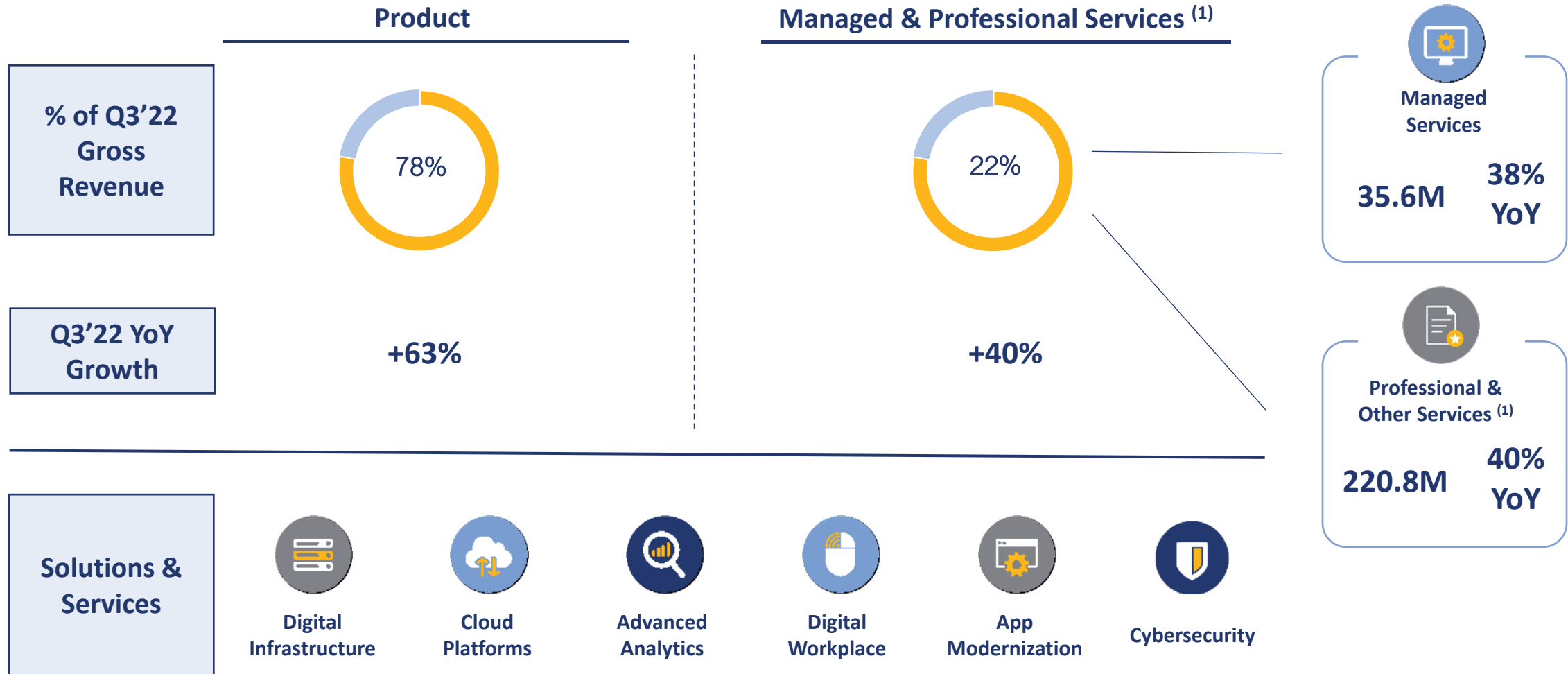
Strong Balance Sheet

(C\$ thousands)	30-Sep-22
Cash	172,229
Restricted cash	4,348
Trade & other receivables	637,764
Inventories	163,777
Other current assets	21,502
Total Current Assets	999,620
Long-term assets	1,022,063
Total Assets	2,021,683
Trade & other payables	686,629
ABL Bank Line	370,905
Other third-party facilities	785
Other financial liabilities	43,073
Deferred revenue and other	69,371
Income taxes payable	14,153
Total Current Liabilities	1,184,916
Long-term liabilities	197,098
Total Liabilities	1,382,014
Shareholders' Equity	639,669
Total Liabilities and Shareholders' Equity	2,021,683

Recent Events:

- Refinanced ABL credit facility with a new, five-year \$500 million global revolving credit facility, including an uncommitted accordion feature of \$100 million for a total borrowing capacity of up to \$600 million
- Replaced ABL credit line that charged 9% interest with a three-year committed \$300 million ABL credit line charging prime plus 0% to 2% interest
- January 15th, 2021 common share bought deal at \$4.85 for gross proceeds of \$86.5 million
- June 3rd, 2021 common share bought deal at \$7.50 for gross proceeds of \$172.5 million
- September 1st, 2021 common share bought deal at \$10.55 for gross proceeds of \$259 million
- October 14th, 2021 Portage common share non-brokered placement at \$0.80 for gross proceeds of \$35 million

Converge Gross Revenue Breakdown



¹ Includes third party gross revenue from product maintenance and public cloud.

Recurring Revenue

Converge has displayed notable recurring revenue growth driven by the development of managed services offerings and cross-selling efforts

Recurring Revenue

Converge realized a 38% increase Year over Year in Q322 Gross Recurring Revenue.

Net New Logos

Converge realized 108 net new logos in Q322 contributing to 328 in 2022

Q3'22 Customer Events

+3000

External Attendees

100

Client-Facing

8

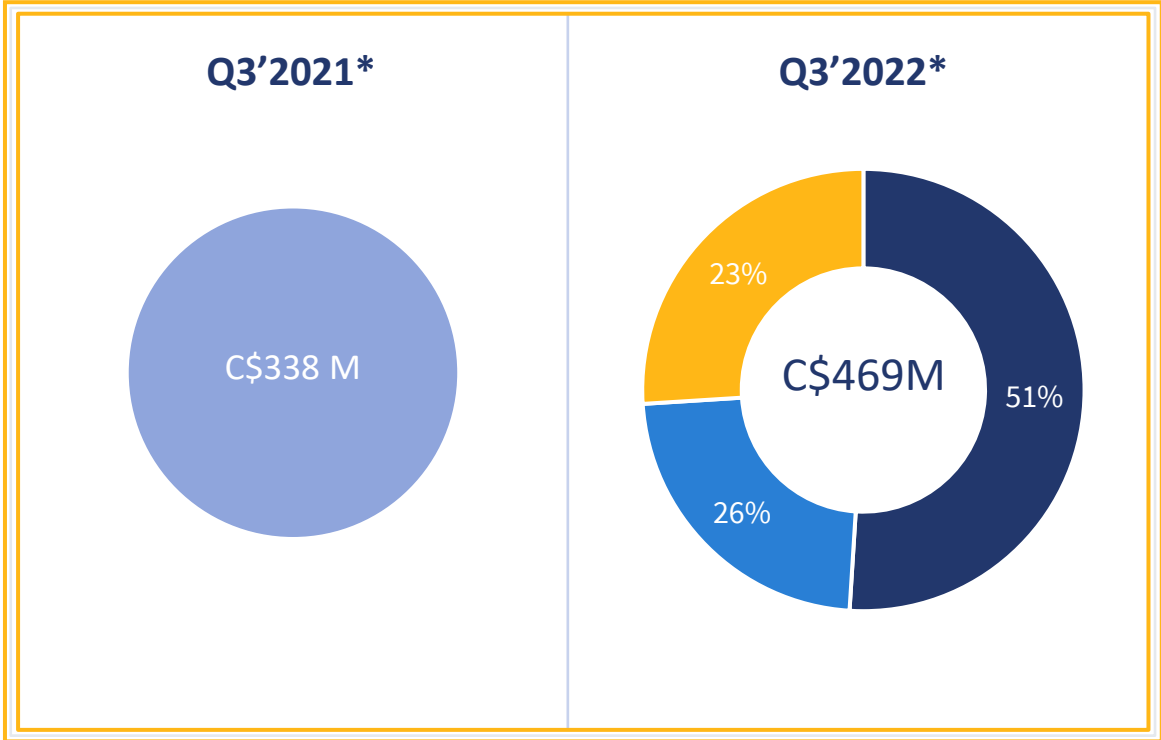
Solution-Focused

40

Partners Featured

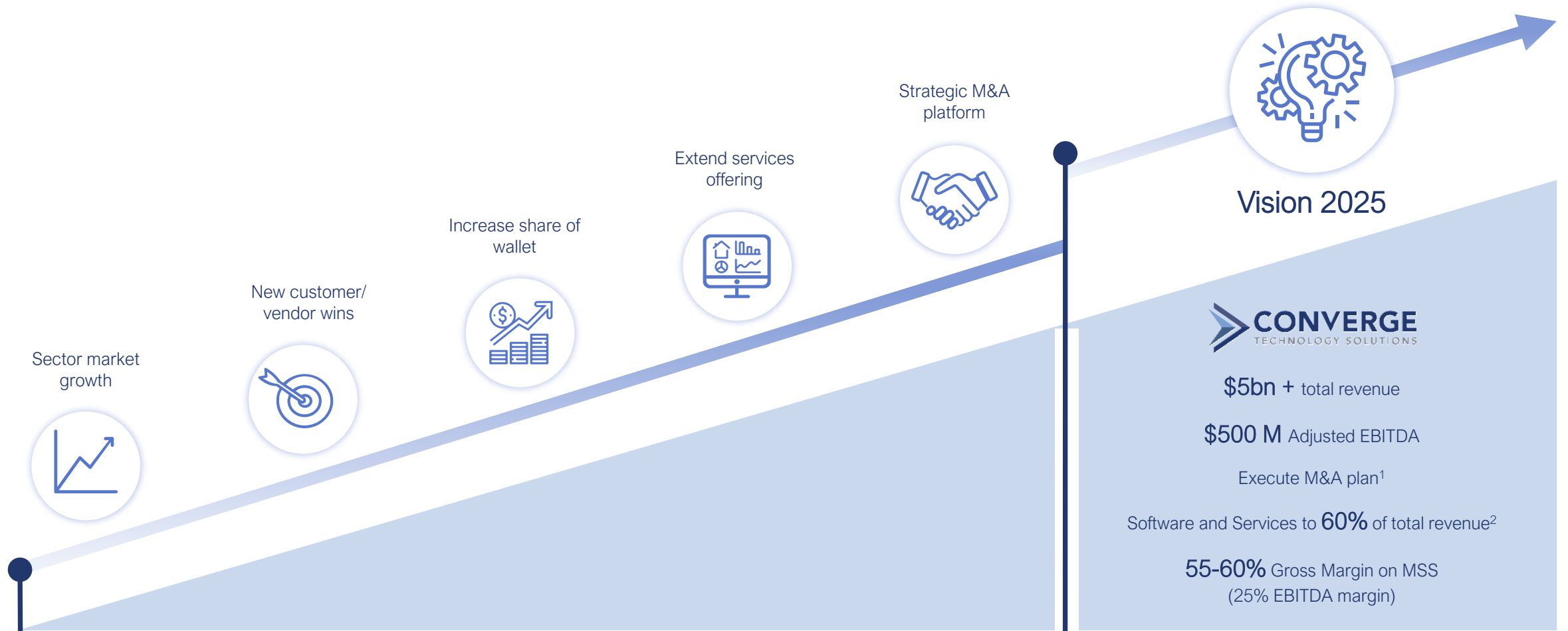
Note: *Annualized Gross Recurring Revenue

Recurring Revenue



Software Subscriptions ■
 Private Cloud & Managed Services ■
 Public Cloud ■

The Converge Vision



1. Continue to acquire 3-5 companies in North America (\$400m CAD annually); additionally acquire 3-5 companies in Europe annually (€400m annually)
2. Annualized Gross Recurring Revenue

Converge Leadership Team



Shaun Maine
Chief Executive Officer

- Former COO of Pivot
- Ran Prosys Info Systems (\$700M+ ITSP) and performed diligence & integration for Pivot acquisitions
- Early Java Pioneer with extensive experience in software industry



Greg Berard
President and North American CEO

- Extensive experience in IT Management across hardware, services and software
- Oversees business development, client services, strategic partnerships, and go to market strategy



Richard Lecoutre
Chief Financial Officer

- Former Finance Director at Softcat PLC for nine years helping to drive their significant growth to a top IT VAR in the UK
- Leads Converge's finance functions globally, including accounting, treasury, tax, corporate finance and investor relations



John Teltsch
Chief Revenue Officer

- Former IBM GM of Technology Sales across U.S., Canada and Latin America
- Over 40 years of leadership and growth experience
- Developing Global Strategy, Profit Alignment & Revenue Related Functions



Thomas Volk
Board Chair

- Former CEO of Cancom
- Uniquely experienced in leading global enterprises and mid-market companies as CEO and in executive roles across the U.S. and Europe
- Currently serving as Director and Chairman of five organizations



Julianne Belaga
Chief Legal Officer

- Former Vice President and General Counsel for Avent, Inc.
- Advises on a wide variety of legal matters affecting the business and manages all aspects of Converge's global M&A activities



Cari Hash
SVP Enterprise Sales

- SVP of Enterprise Sales & SVP of Sales for Datatrend
- Over 20 years experience in Global Enterprise Sales and Leadership
- Responsible for Enterprise Sales & Strategy, along with Converge Sales Strategy with Cisco



Karie Timion
VP of Marketing

- Experienced leader with 20+ years of marketing leadership in IT
- Former VP of Marketing for Datatrend
- Focuses on delivering brand vision, digital communication strategies, and marketing operations



Rhonda Hanes
VP of HR

- VP of Human Resources and Director of HR for Corus360
- Leads Human Resources practices emphasizing teamwork, communication, and growth
- Heads multiple leadership groups including Emerge 360 Leadership Development Program, GRIT (Girls Rule IT), and Toastmasters



Cory Reid
COO

- Former CIO of Pivot
- 25+ years of experience in both the software and infrastructure sides of the technology sector, as well as sales and warehouse operations
- Leads integration initiatives from acquisitions to operations



Don Cuthbertson
CTO

- Former Chief Data Officer of Pivot, and Former CEO of IntelligentWorks – a custom software development company based in Ottawa
- President of Canadian Region
- Leads Blockchain initiatives



Thank You

Shaun Maine

Chief Executive Officer

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Richard Lecoutre

Chief Financial Officer

Richard.Lecoutre@convergetp.com

Thomas Volk

Board Chair

Thomas.Volk@convergetp.com