



Third Quarter 2022 Results

11.10.2022



Forward-Looking Statements

Certain statements in this presentation are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, particularly those regarding our 2022 Financial Guidance. Such forward-looking statements are subject to numerous assumptions, risks and uncertainties that could cause actual results to differ materially from those described in those statements. Readers should carefully review the Risk Factors slide of this presentation. These forward-looking statements are based on management's expectations or beliefs as of November 10, 2022, as well as those set forth in our Annual Report on Form 10-K filed by us on April 15, 2022 with the Securities and Exchange Commission ("SEC") and the other reports we file from time to time with the SEC. We undertake no obligation to revise or publicly release any updates to such statements based on future information or actual results. Such forward-looking statements address the following subjects, among others, relating to our ability to:

- Sustain growth or profitability, particularly in light of an uncertain U.S. or worldwide economy and the related impact on customer acquisition and retention rates, customer usage levels and credit and debit card payment declines;
- Maintain and increase our customer base and average revenue per account;
- Generate sufficient cash flow to make interest and debt payments and reinvest in our business, and pursue desired activities and businesses plans while satisfying restrictive covenants relating to debt obligations;
- Acquire businesses on acceptable terms and successfully integrate and realize anticipated synergies from such acquisitions;
- Continue to expand our business and operations internationally in the wake of numerous risks, including adverse currency fluctuations, difficulty in staffing and managing international operations, higher operating costs as a percentage of revenues, the implementation of adverse regulations, and general economic and political conditions, including political tensions and war;
- Maintain our financial position, operating results and cash flows in the event that we incur new or unanticipated costs or tax liabilities, including those relating to federal and state income tax and indirect taxes, such as sales, value-added and telecommunication taxes;
- Accurately estimate the assumptions underlying our effective worldwide tax rate;
- Manage certain risks inherent to our business, such as costs associated with fraudulent activity, system failure or network security breach; effectively maintain and manage our billing systems; allocate time and resources required to manage our legal proceedings; or adhere to our internal controls and procedures;
- Compete with other similar providers with regard to price, service and functionality;
- Cost-effectively procure, retain and deploy large quantities of fax numbers in desired locations in the United States and abroad;
- Achieve business and financial objectives in light of burdensome domestic and international telecommunications, Internet or other regulations including data privacy, security and retention;
- Successfully manage our growth, including but not limited to our operational and personnel-related resources, and integration of newly acquired businesses;
- Successfully adapt to technological changes and diversify services and related revenues at acceptable levels of financial return;
- Successfully develop and protect our intellectual property, both domestically and internationally, including our brands, patents, trademarks and domain names, and avoid infringing upon the proprietary rights of others; and
- Recruit and retain key personnel.

Industry, Market and Other Data

Certain information contained in this presentation concerning our industry and the markets in which we operate, including our general expectations and market position, market opportunity and market size, is based on reports from various sources. Because this information involves a number of assumptions and limitations, you are cautioned not to give undue weight to such information. We have not independently verified market data and industry forecasts provided by any of these or any other third-party sources referred to in this presentation. In addition, projections, assumptions and estimates of our future performance and the future performance of the industry in which we operate are necessarily subject to a high degree of uncertainty and risk due to a variety of factors. These and other factors could cause results to differ materially from those expressed in the estimates made by third parties and by us.

Pro Forma Financial Information

Unless otherwise specified, all financial data and operating metrics presented herein for Consensus are presented on a pro forma ("PF") basis giving effect to the separation and distribution described in the Information Statement that is filed as an exhibit to the Registration Statement on Form 10 filed by Consensus on September 21, 2021.

Non-GAAP Financial information

Included in this presentation are certain financial measures that are not calculated in accordance with U.S. generally accepted accounting principles ("GAAP") designed to supplement, and not substitute, Consensus's financial information presented in accordance with GAAP. The non-GAAP measures as defined by Consensus may not be comparable to similar non-GAAP measures presented by other companies. The presentation of such measures, which may include adjustments to exclude unusual or non-recurring items, should not be construed as an inference that Consensus' future results or leverage will be unaffected by other unusual or non-recurring items. Please see the Current Report on Form 8-K filed by Consensus on November 10, 2022 for how we define these non-GAAP measures, a discussion of why we believe they are useful to investors, and certain limitations and reconciliations thereof to the most directly comparable GAAP measures.

Third Party Information

All third-party trademarks, including names, logos and brands, referenced by the Company in this presentation are property of their respective owners. All references to third-party trademarks are for identification purposes only and shall be considered nominative fair use under trademark law.

Risk Factors

The following factors, among others, could cause our business, prospects, financial condition, operating results and cash flows to be materially adversely affected:

- Our fax and healthcare interoperability solutions constitute substantially all of our revenue and operating income.
- Reduced use of fax services due to increased use of email, scanning or widespread adoption of digital signatures or otherwise.
- There are particular challenges in addressing the market for healthcare interoperability solutions. If we do not successfully address these challenges, our business will be adversely affected.
- The market for our products and services is relatively new and rapidly evolving. If the market does not develop further, develops more slowly, or in a way that we do not expect, our business will be adversely affected.
- Inability to sustain growth or profitability, and any related impact of U.S. or worldwide economic issues on customer acquisition, retention and usage levels, advertising spend and credit and debit card payment declines.
- Inability to acquire businesses on acceptable terms or successfully integrate and realize anticipated synergies.
- New or unanticipated costs and/or fees or tax liabilities, including those relating to federal and state income tax and indirect taxes, such as sales, value-added and telecommunications taxes.
- The scope and duration of the COVID-19 pandemic, actions taken by governmental authorities in response to the pandemic, and the direct and indirect impact of the pandemic on our customers, third parties and us, as well as other unforeseen global crises, such as war, strife, global health pandemics, earthquakes, or major weather events or other uncontrollable events could negatively impact our revenue and operating results.
- Inability to manage certain risks inherent to our business, such as fraudulent activity, system failure or a security breach; inability to manage reputational risks associated with our businesses.
- Competition from others with regard to price, service, content and functionality.
- Inadequate intellectual property (IP) protection, expiration, invalidity or loss of key patents, violations of 3rd party IP rights or inability or significant delay in monetizing IP.
- Inability to continue to expand our business and operations internationally.
- Inability to maintain required services on acceptable terms with financially stable telecom, co-location and other critical vendors; and inability to obtain telephone numbers in sufficient quantities on acceptable terms and in desired locations.
- Level of debt limiting availability of cash flow to reinvest in the business; inability to repay or refinance debt when due; and restrictive covenants relating to debt imposing operating and financial restrictions on business activities or plans.
- Inability to maintain and increase our customer base or average revenue per user.
- Inability to achieve business or financial results in light of burdensome telecommunications, internet, advertising, health care, consumer, privacy or other regulations, or being subject to existing regulations.
- Inability to adapt to technological change and diversify services and related revenues at acceptable levels of financial return.
- Loss of services of executive officers and other key employees.
- Inability to complete the proposed Fax spin-off transaction in the proposed form, terms or timing or incurrance of higher than anticipated costs or realization of fewer expected benefits of the proposed transaction.
- Other factors set forth in our Form 10-K filed by us on April 15, 2022 with the SEC and the other reports we file from time to time with the SEC.

Business Overview



Operating results

- Record Sales Quarter
 - \$8.3M in booked ACV
 - 62% increase sequentially, 78% increase v. Q3 2021
 - Unite interoperability sales
 - \$1.0M
 - 9.7% increase sequentially and 57% YoY
 - Advanced products represent 34% of Q3 bookings
- Closed / Won Marquee Logos
 - Change Health (Via Amazon Connect)
 - University of California, Irvine Health
- SOHO
 - Revenue +1.6% sequentially
 - Q3 churn rate of 3.6% better than expected, improving 27 bps v. Q2'22

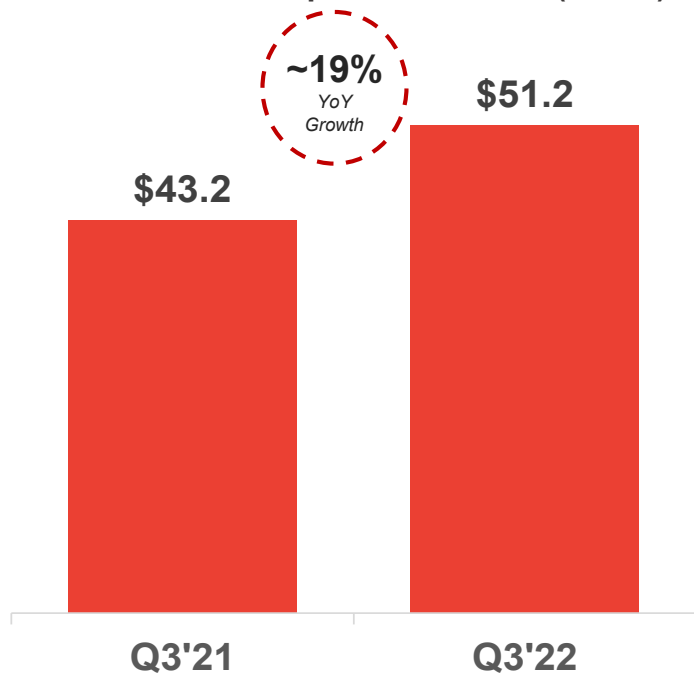
- ECFax 
 - VA Authority to Operate (ATO) achieved
 - First sites targeted for roll out
 - Pipeline expands with additional government opportunities
- Clarity 
 - First implementation in progress including additional customer requirements
- Harmony 
 - Successful POC of Fax2Direct for a major EHR customer. Contract negotiations underway
 - Harmony launch late 2023
- jsign 
 - HITRUST development underway
- Security
 - PCI Level 1 Certification, SOC 2 Type 2 Certification

Third Quarter 2022 Results



Corporate Revenue – 9th Consecutive Quarter of Revenue and ARPA Growth

Consensus Corporate Revenue (\$ in M)



Corporate trajectory continues momentum with YoY Double Digit Growth

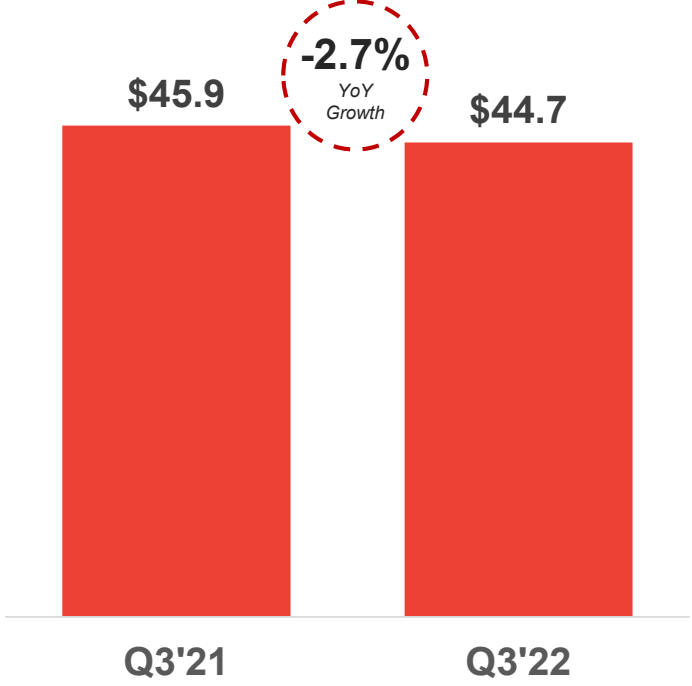
Quarter Ended	Q3'21	Q3'22	YoY
Accounts (000's)	45	47	5.0%
ARPA ⁽¹⁾	\$314.69	\$364.82	15.9%
Paid Adds (000's)	3	4	14.3%
Monthly Account Churn	3.20%	1.71%	46.5%

LTM Revenue Retention ~104%

⁽¹⁾ARPA provides investors an understanding of the average monthly revenues Consensus recognizes per account associated within its customer base.

SoHo Revenue – Operates within Expectations

Consensus SoHo Revenue (\$ in M)



Quarter Ended	Q3'21	Q3'22	YoY
Accounts (000's)	1,064	978	-8.1%
ARPA ⁽¹⁾	\$14.34	\$15.06	5.0%
Paid Adds (000's)	98	86	-12.2%
Monthly Account Churn	3.21%	3.60%	-12.3%

YoY SoHo Revenue -2.7% in-line with expectations. On a constant dollar basis results improve to -0.5%

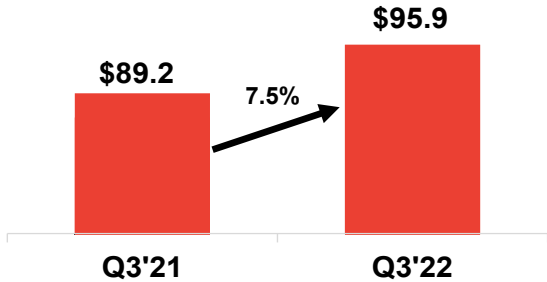
YoY revenue results of -2.7% from lower paid adds and higher churn, partially offset by higher ARPA

⁽¹⁾ ARPA provides investors an understanding of the average monthly revenues Consensus recognizes per account associated within its customer base.

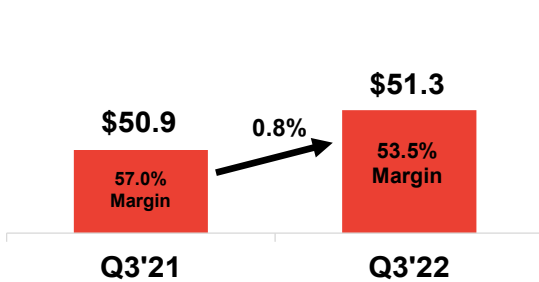
Q3 2022 Delivers Solid Results on Revenues, PF Adjusted EBITDA and EPS

(in \$M, except PF Adjusted EPS)

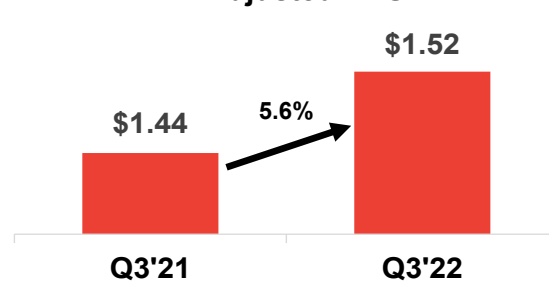
Revenue



PF Adjusted EBITDA (1)



PF Adjusted EPS (2)



- Q3 2022 Reported Consolidated Revenue up \$6.7M or 7.5% YoY (\$8.1M or 9.2% YoY on Constant Dollar basis)
- PF Adjusted EBITDA up \$0.4M or 0.8% YoY, Adjusted EBITDA margin of 53.5% in-line with expectations
- PF Adjusted EPS \$0.08 or 5.6% YoY reflects higher revenue and to a lesser extent foreign exchange impact resulting from a strong dollar

Q3 2022 IN-LINE WITH EXPECTATIONS IN A CHALLENGING ECONOMIC ENVIRONMENT

(1) Q3 2021 Pro forma Adjusted EBITDA includes \$4.6M of standalone public company costs and PF Adjusted EPS includes ~\$13M interest expense and a 24% tax rate. Q3 2022 Adjusted EBITDA includes actual standalone public company costs, ~\$13.3M in interest expense and a 20.9% tax rate.

(2) PF Adjusted EPS share count 19.9M shares in Q3 2021 and 19.9M shares in Q3 2022.

2022 Financial Guidance



REAFFIRMING FULL YEAR 2022 Guidance Range

	2022 Full Year EPS Guidance		
	Low	Midpoint	High
Revenue (\$M) ⁽¹⁾	\$375	\$380	\$385
Adjusted Non-GAAP EBITDA (\$M) ⁽¹⁾	\$201	\$204	\$207
Adjusted Non-GAAP EPS ⁽²⁾	\$5.36	\$5.44	\$5.50

⁽¹⁾ Figures are Adjusted Non-GAAP

⁽²⁾ Adjusted Non-GAAP EPS (earnings per diluted share) excludes share-based compensation, amortization of intangibles, in each case net of tax

Appendix



Consensus PF Consolidated Metrics

Consensus Metrics	2020				2021				2022		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Revenue by Type											
Fixed Revenues	60,414	61,376	62,095	63,187	62,645	63,387	63,986	63,440	64,423	66,271	68,702
Variable Revenues	20,573	19,252	21,869	21,998	23,883	24,364	25,120	25,298	26,502	26,871	27,209
Fax Revenues	80,987	80,628	83,964	85,185	86,528	87,751	89,107	88,738	90,925	93,142	95,911
Patents	17	3	5	379	92	91	92	266	0	21	1
Total Revenues	81,005	80,631	83,969	85,564	86,620	87,842	89,198	89,004	90,925	93,163	95,912
Consensus Cloud Services Customers⁽¹⁾											
Paid Customer Adds ⁽²⁾	92	129	111	103	116	114	102	93	104	100	90
Average Monthly Revenue/Customer ⁽³⁾	\$24.50	\$24.22	\$24.93	\$25.28	\$25.86	\$26.19	\$26.67	\$26.98	\$28.25	\$29.28	\$30.84
Cancel Rate ⁽⁴⁾	3.22%	3.26%	2.92%	3.21%	3.45%	3.20%	3.21%	3.50%	3.44%	3.79%	3.51%
Revenue % by Type											
Fixed Revenues	74.6%	76.1%	74.0%	74.2%	72.4%	72.2%	71.8%	71.5%	70.9%	71.2%	71.6%
Variable Revenues	25.4%	23.9%	26.0%	25.8%	27.6%	27.8%	28.2%	28.5%	29.1%	28.8%	28.4%

⁽¹⁾ Consensus customers are defined as paying Corporate and SoHo customer accounts.

⁽²⁾ Paid Adds represents paying new Consensus customer accounts added during the period.

⁽³⁾ Monthly ARPA on a quarterly basis is calculated using our standard convention of dividing revenue for the quarter by the average of the quarter's beginning and ending customer base and dividing that amount by 3 months. We believe ARPA provides investors an understanding of the average monthly revenues we recognize per account associated within Consensus' customer base. As ARPA varies based on fixed subscription fee and variable usage components, we believe it can serve as a measure by which investors can evaluate trends in types of services, levels of services and the usage levels of those services across Consensus' customers.

⁽⁴⁾ Monthly churn is defined as a Consensus paying customer account that cancelled its services during the period divided by the average number of customers over the period. This measure is calculated monthly and expressed as an average over the quarterly period.

Consensus PF Metrics – Corporate and SoHo

		2020				2021				2022		
Corporate Fax Metrics		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Revenue by Type		(in '000s)										
Fixed Revenues		20,580	21,151	21,342	22,573	22,497	22,943	23,355	23,485	25,279	27,502	29,079
Variable Revenues		15,504	14,219	16,625	16,986	18,656	19,017	19,820	19,958	21,240	21,638	22,125
Total Corporate Revenues		36,085	35,370	37,967	39,560	41,154	41,961	43,175	43,443	46,519	49,141	51,204
Consensus Cloud Services Customers⁽¹⁾		44	45	46	47	47	46	45	45	46	46	47
Paid Customer Adds ⁽²⁾		3	3	3	3	3	3	3	3	4	4	4
Average Monthly Revenue/Customer ⁽³⁾		\$271.65	\$263.79	\$277.33	\$283.25	\$289.37	\$298.44	\$314.69	\$322.13	\$339.95	\$356.97	\$364.82
Cancel Rate ^{(4) (5)}		2.03%	1.73%	1.36%	1.45%	1.87%	3.14%	3.20%	2.51%	2.05%	1.88%	1.71%
Revenue % by Type												
Fixed Revenues ⁽⁶⁾		57.0%	59.8%	56.2%	57.1%	54.7%	54.7%	54.1%	54.1%	54.3%	56.0%	56.8%
Variable Revenues ⁽⁶⁾		43.0%	40.2%	43.8%	42.9%	45.3%	45.3%	45.9%	45.9%	45.7%	44.0%	43.2%
SOHO Fax Metrics		2020				2021				2022		
Revenue by Type		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
		(in '000s)										
Fixed Revenues		39,833	40,225	40,753	40,614	40,147	40,444	40,631	39,954	39,144	38,768	39,623
Variable Revenues		5,069	5,033	5,244	5,011	5,227	5,346	5,300	5,340	5,264	5,233	5,083
Total SOHO Revenues		44,903	45,258	45,997	45,625	45,374	45,790	45,931	45,294	44,407	44,001	44,707
Consensus Cloud Services Customers⁽¹⁾		1,057	1,073	1,081	1,072	1,068	1,072	1,064	1,039	1,027	1,001	978
Paid Customer Adds ⁽²⁾		89	126	108	100	113	110	98	90	100	96	86
Average Monthly Revenue/Customer ⁽³⁾		\$14.15	\$14.16	\$14.23	\$14.13	\$14.16	\$14.27	\$14.34	\$14.36	\$14.41	\$14.46	\$15.06
Cancel Rate ⁽⁴⁾		3.27%	3.32%	2.98%	3.28%	3.51%	3.20%	3.21%	3.54%	3.50%	3.87%	3.60%
Revenue % by Type												
Fixed Revenues ⁽⁶⁾		88.7%	88.9%	88.6%	89.0%	88.5%	88.3%	88.5%	88.2%	88.1%	88.1%	88.6%
Variable Revenues ⁽⁶⁾		11.3%	11.1%	11.4%	11.0%	11.5%	11.7%	11.5%	11.8%	11.9%	11.9%	11.4%

⁽¹⁾ Consensus Cloud Services customers are defined as paying Corporate and SoHo customer accounts.

⁽²⁾ Paid Adds represents paying new Consensus customer accounts added during the period.

⁽³⁾ Monthly ARPA on a quarterly basis is calculated using our standard convention of dividing revenue for the quarter by the average of the quarter's beginning and ending customer base and dividing that amount by 3 months. We believe ARPA provides investors an understanding of the average monthly revenues we recognize per account associated within Consensus' customer base. As ARPA varies based on fixed subscription fee and variable usage components, we believe it can serve as a measure by which investors can evaluate trends in types of services, levels of services and the usage levels of those services across Consensus' customers.

⁽⁴⁾ Cancel rate is defined as monthly churn on Consensus paying customer accounts that cancelled services during the period divided by the average number of customers over the period. This measure is calculated monthly and expressed as an average over the quarter period.

⁽⁵⁾ Monthly corporate churn for Q2, Q3 and Q4 2021 includes ~5k migration clean up on MyFax services. Normalized corporate churn rate excluding MyFax migration churn: 1.73%, 1.74%, and 1.57% for Q2, Q3 and Q4 2021, respectively.

⁽⁶⁾ Q1-2020 – Q4 2021 there was a shift of fixed and variable revenues from SoHo to Corporate.