



STEPHENS NON-DEAL ROADSHOW PREP PACKET

The Descartes Systems Group, Inc. (DSGX)

June 14 - 15, 2022

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Potential Questions / Topics of Discussion:

- What is your view on long-term organic revenue growth rate of the business? Has the pandemic changed this longer term framework?
- How much has organic growth benefited from higher transactional volumes? What's the impact from a potential freight down-cycle?
- What's your split of contractual vs. transactional revenue today? What is your level of downside protection with transactional revenue?
- How many products are you selling to customers today? What's the opportunity to grow revenue/customer (improve penetration)?
- Which products are growing the fastest organically and which products are growing the slowest organically?
- Brexit has been a tailwind to the business, but can you help us think about what inning we're in as it relates to that opportunity?
- Any regulatory changes on the horizon that could be a catalyst for your business?
- Are you seeing any changes in the competitive landscape? What percentage of your business competes against much smaller players?
- What are the typical incremental adjusted EBITDA margins you generate on organic growth? Has that changed post-pandemic?
- Margins have continued to outperform for years. Do you see any structural limitation on adjusted EBITDA margins going forward?
- Could you walk through your go-to-market strategy today? How that could evolve as the product portfolio grows?
- How has the number of acquisition opportunities in the pipeline trended recently? Any change in the size of deals and/or valuations?
- In prior downturns, how long did it take for valuations on acquisitions to come down meaningfully? What is the typical lag?
- What's the maximum amount of leverage you would be willing to put on the business? How to do you balance M&A vs. buybacks?

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Stephens DSGX Recent Reports:

[Quick Take: Announces \\$65 Million Acquisition of XPS Technologies](#)

[Fiscal 1Q23: Another Beat With Strong Organic Growth; Applies for 10% Buyback](#)

Stephens DSGX Deep Dive Reports:

[Looking Behind the Freight Cycle: 10 Long-Term Secular Trends That Benefit DSGX](#)

[Enhanced Secular Growth Drivers & Sizable Buying Power; Upgrading to OW](#)

[A Leader in Transportation Technology & Long-Term Compounder; initiating EW on Valuation](#)

Stephens DSGX Model:

[Click Here To View The Model](#)

Stephens Inc. working model and published research report attached.
For current disclosures on this company, please access the attached research report.

OTHER DISCLOSURES

Note: The purpose of this document is to suggest questions investors might like to ask company management and to help investors develop their own questions. This document is not intended to express any opinion or investment recommendation.

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