

Intouch Insight Ltd. (INX:TSXV, INXS:OTC)

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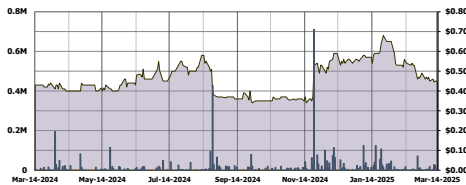
All figures in CAD unless otherwise stated

Intouch Insight Ltd.	INX:TSXV
Share Price	\$0.45
Average Daily Volume (K)	9.0
Shares Outstanding (M)	25.6
Market Cap (\$M)	\$11.4
Cash (\$M)	\$0.9
Debt (\$M)	\$3.1
Enterprise Value (\$M)	\$13.6

FYE Dec 31	2022A	2023A	LTM
Sales (\$M)	\$23.5	\$25.4	\$30.9
Sales Growth (YoY %)	47%	8%	41%
Gross Margin (%)	51%	40%	41%
EBITDA (\$M)	\$1.8	\$1.2	\$1.1
EBITDA Margin (%)	8%	5%	3%
Net Income (\$M)	\$0.6	(\$0.4)	\$0.7

Valuation	2022A	2023A	LTM
EV/EBITDA	7.7x	11.7x	12.7x
P/E	18.7x	N/A	17.0x
EV/Sales	0.6x	0.5x	0.4x

Please refer to the applicable disclosures on the back page
Source: Atrium Research, CapitalIQ, Company Documents



Intouch Insight offers a complete portfolio of customer experience management (CEM) products and services that help global brands delight their customers, strengthen brand reputation and improve financial performance. Intouch helps clients collect and centralize data from multiple customer touch points, gives them actionable, real-time insights, and provides them with the tools to continuously improve customer experience.

What you need to know:

- Intouch provides customer experience management solutions including mystery shopping, operational audits, and SaaS products.
- The Company has a focus on profitability, having been profitable in 9 of the last 10 years and margins reaching record highs recently.
- After seeing declining growth during the pandemic, revenue growth has accelerated in recent years, with 41% YoY topline growth in the LTM.
- INX's CEO owns 10% of the Company and its Chairman owns 12%.
- Watch clips of the interview [here](#).

Company Overview

Intouch Insight specializes in customer experience management (CEM) solutions. The Company offers a comprehensive suite of products and services designed to help multi-location businesses enhance operational excellence, exceed customer expectations, and strengthen brand reputation. Its offerings include mystery shopping, operational audits, and SaaS products such as mobile forms automation, customer satisfaction surveys, and data aggregation tools. These solutions enable clients to collect and centralize data from various customer touchpoints, providing actionable, real-time insights to drive continuous improvement.

INX serves industries such as quick service restaurants, gas and convenience, retail, financial services, grocery, hospitality, and automotive. The Company's software platforms, including IntouchShop, IntouchAudit, IntouchCheck, and IntouchSurvey facilitate data collection and analysis, empowering businesses to monitor and enhance their brand delivery across multiple locations. With over three decades of experience, INX remains committed to quality and innovation, continually investing in people, programs, and processes to deliver exceptional customer experiences.

Investment Thesis

History of Successful Acquisitions. Over its history, INX has acquired 10 companies including the acquisitions of Alta360 and Arden in 2023. This has built a one-stop shop offering based on 40 years of hands-on expertise.

Focus on Profitability. Over the last 10 years, INX has been profitable on an EBITDA basis in 9 of those years. In Q3/24, EBITDA margins continued to grow, reaching \$576K (+13% YoY, +94% YoY), representing a 9% EBITDA margin.

Delivering Solid Growth. After a short pullback during the pandemic, revenue growth has accelerated again, with 41% growth over the LTM and 18% YoY growth in its last quarter.

Management. Intouch Insight is led by CEO Cameron Watt who brings over 30 years of experience in the service industry and owns 10% of the shares outstanding. The board is chaired by Eric Beutel who owns 12%.

Valuation. Intouch Insight currently trades at 0.4x LTM sales and 12.7x LTM EBITDA, fairly reasonable for a SaaS company.

Conference Takeaways

- Operations in Canada and the US, but the structure of the business prevents them from facing any impacts from a trade war.
- Management has extensive experience in customer-facing businesses, which has allowed the business to grow into the software and services business.
- The Company is currently focusing on profitability.