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Q1 2021 Ebix Inc Earnings Call

EVENT DATE/TIME: MAY 17, 2021 / 3:00PM GMT

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PRESENTATION

Operator

Ladies and gentlemen, thank you for standing by, and welcome to the Ebix, Inc. First Quarter Financial Results and Investor Conference Call. (Operator Instructions) I would now like to hand the conference over to your speaker today, Mr. Darren Joseph, Corporate Vice President of Ebix. Thank you. Please go ahead.

Darren S. Joseph *Ebix, Inc. - Corporate VP of Finance & HR*

Thank you. Welcome, everyone, to Ebix, Inc's. 2021 First Quarter Earnings Conference Call. Joining me to discuss the quarter is Ebix's Chairman, President and CEO, Robin Raina; President, Insurance Services, North America, Ash Sawhney; and Ebix's EVP and CFO, Steven Hamil. Following our remarks, we'll open up the call for your questions.

Let me quickly cover the safe harbor. Some of the statements that we make today are forward-looking, including, among others, statements regarding Ebix's future investments, our long-term growth and innovation, the expected performance of our businesses and our use of cash. These statements involve a number of risks and uncertainties that might cause actual results to differ materially from those projected in the forward-looking statements. Please note that these forward-looking statements reflect our opinions only as of the date of this presentation, and we undertake no obligation to revise or publicly release the results of any revisions to these forward-looking statements in light of new information or future events. Additional information concerning factors that could cause actual results to materially differ from those in the forward-looking statements made today is contained in our SEC filings, which list a more detailed description of the risk factors that may affect our results.

Our press release announcing the Q1 2021 results was issued this morning. The audio of this investor call is also being webcast live on the web at www.ebix.com/webcast. You can look at Ebix's financials beyond what has been provided in the release on our website, www.ebix.com. The audio and the text transcript of this call will be available on the Investor homepage of the Ebix website after 4:00 p.m. Eastern Time today.

Let me now discuss the key metrics in our Q1 2020 results released earlier today. Q1 diluted EPS was \$0.70 and non-GAAP diluted EPS was \$0.84. Q1 revenues were at a record \$290 million and constant currency revenues at \$290.7 million. Q1 GAAP operating income was \$31.2 million and non-GAAP operating income was \$35.6 million. Revenue in Q1 2021 increased 110% to \$290 million from \$137.9 million in Q1 2020. On a constant currency basis, Q1 2021 revenues increased 111% year-over-year and would have been \$600,000 more than reported revenues due to the weakening Indian rupee and Brazilian real offset by strengthening Aussie dollar.

Sequentially, Q1 2021 revenues increased 31% over Q4 2020 revenue of \$222.1 million. Excluding revenues from foreign exchange, travel, e-learning and remittance businesses that were impacted the most by COVID-19, Q1 2021 revenues grew 187% as compared to Q1 2020. Exchanges, including the EbixCash and our worldwide insurance exchanges continue to be Ebix's largest channel, accounting for 95% of Q1 2021 revenues.

The EbixCash financial exchange reported revenue of \$232.6 million in Q1 2021, an increase of 198% as compared to \$77.8 million in Q1 2020. Sequentially, EbixCash cash Q1 2021 revenues increased by 45% as compared to \$160.4 million in Q4 2020.

Beginning the last few weeks of March 2020, our business is in the area of on-site consulting, travel, foreign exchange, remittance and

education were hit severely because of COVID-19. Once the pandemic led to a global shutdown and eventually human curfew was imposed in countries like India, the effect of these business lines was natural. Considering that, we feel good about Q1 2021 results and the resilience shown by our employees across the world to keep supporting our clients.

COVID-19 had a downward impact on many of our insurance exchange businesses in Q1 2021, with reduced availability of India-based development staff for billable work already awarded to us. We have the order base, for example, in our life underwriting business, but not enough available resources to bill out, to carry out implementation work. To add to it, on-site client work related to product implementation came down to almost nothing because of COVID-19. Also, most new deal decisions were delayed due to COVID-19. We have now made arrangements to increase staffing levels to have overlapping staff for the reduced availability of resources in certain geographies. These are extraordinary times, and we are trying to make adjustments accordingly.

Our first quarter revenues and operating income are always traditionally lower than the fourth quarter of the preceding year, primarily because of our continuing medical education business having a seasonal increase in the fourth quarter. Q1 '21 was no different with CME revenues decreasing by approximately \$4 million as compared to Q4 2020. In spite of that headwind and the increased offset -- effect of COVID-19 in Q1 2021 on many of our businesses, we still manage to grow our overall revenues 31% sequentially and 110% year-over-year in Q1 of 2021.

I will now turn the call over to Steve.

Steven M. Hamil *Ebix, Inc. - Executive VP & Global CFO*

Thanks, Darren. We have and continue to operate in unprecedented times. The COVID-19 global pandemic continues to stifle economic activity impact our businesses across the globe. India has been hit by the second wave of the virus in Q1 2021 with devastating consequences and impact on the population, while Brazil is getting hit at present by the third wave of virus infections. The 3 countries that today are impacted the most by COVID-19 in terms of deaths: the U.S., India and Brazil, are 3 of our most important markets.

At Ebix, we have had to deal with our share of pain as well. But the results that we have produced in the first quarter provide positive evidence that Ebix is prepared to survive this global economic seizure and thrive once our world returns to normal economic rhythms.

Our top line performance in Q1 with year-over-year and sequential revenue growth of 110% and 31%, respectively, is encouraging. Our company's diversity of revenues, both by geography and solutions and services, our customer stickiness and the recurring and repeating nature of a large percentage of our revenue base is the foundation that will allow Ebix to endure this crisis and thrive on the other side of COVID-19.

With that, I'll turn to some operating results. Our gross margin in Q1 2021 was 24%, down sequentially from 32% in the fourth quarter of 2020 and down year-over-year from 58.3% in Q1 2020. Our gross margins continue to be diluted by the robust demand we continue to see in our low-margin payment solutions business in India, which had another record quarter of sales, increasing 55% sequentially from a record Q4 2020 sales base.

GAAP operating income for Q1 2021 of \$31.2 million increased 12% sequentially, while declining 9% year-over-year from \$34.3 million in Q1 2020, primarily due to the impact of COVID-19. Non-GAAP operating income for Q1 2021 was \$35.6 million. Our operating margin for the company was 10.8% in Q1 '21, but excluding the payment solutions business in India, we maintained historically solid operating margins of 35% in the first quarter of 2021.

During Q1 2021, we had major cash uses of approximately \$32 million, including \$9.7 million used to pay global taxes, \$7.5 million for cash interest related to our corporate credit facility, \$5.6 million used to pay amortization of principal on our corporate term loan, \$4.6 million to reduce our working capital facilities in India, \$2.3 million for dividend payments and a combined \$2 million expended on CapEx and software development costs. We funded these initiatives from existing cash plus operating cash flows generated during the quarter. In spite of these uses of cash, Ebix ended the quarter with a strong liquidity position, with cash, cash equivalents, short-term investments and restricted cash of \$131 million versus \$96 million at 3/31/2020.

Our balance sheet remains healthy with a current ratio of 2x at March 31, 2021, and working capital of over \$180 million.

In closing, we are excited about the future and will be a better company as a result of the trials faced in the past year or so. Our global accounting and finance team operated under severely tight time lines recently, given that we filed our 10-K less than 3 weeks ago. Their dedication is indicative of the type of people we have throughout the Ebix global footprint, and these people will drive our success in a post-COVID world.

Many of our teammates in India have shown incredible commitment over the past few weeks in light of the horrific impacts of COVID-19 on our employees and their families in India. We are grateful for their service to Ebix. And we mourn the recent loss of 11 Ebix family members as a result of this pandemic. Finally, our Form 10-Q will be filed later today.

I'd like to now turn the call over to the President of our North American Insurance businesses, Ash Sawhney, for his remarks on first quarter operations.

Ash Sawhney Ebix, Inc. - President – Insurance Solutions of North America

Thanks, Steve and Darren.

I will provide a summary of the Q1 North America results and updates on the outlook for full year 2021, which was recently discussed during the Q4 2020 release. Our North America revenue was down by approximately \$4 million sequentially as compared to Q4 2020 because of a \$4 million seasonal traditional drop in the continuing medical certification business in the first quarter of every year and the sequential drop of approximately \$1 million in underwriting exchange revenues. Offset to some of these were healthy gains in life and annuity and health exchanges. The remaining business units stayed steady.

The medical certification business is cyclical in nature. Q4 tends to be the highest revenue quarter and Q1 the lowest. Each quarter in the year then tends to report upward trend sequentially. We expect to continue the year-on-year growth for this division for 2021, with all the new initiatives we announced in the last quarter.

The drop in underwriting exchange revenues is largely attributed to the slowdown in deliveries on projects due to the worsening of the COVID-19 situation in India. While we believe the slowdown is temporary, it may take us a few quarters to come back to normal for this business unit in light of the fact that we are still in the midst of the worst COVID-19 crisis in India.

The life and annuity exchange grew 8% sequentially. This was a result of broad-based increase in transactional volumes. March transactional volumes in our annuity exchange were the highest we have seen in several years. We are seeing this trend continuing in Q2. We also saw our health exchange grew by 14% sequentially. This was largely due to an increase in partner revenue during this period, which can vary from quarter-to-quarter.

All the major business lines stayed steady during Q1. The risk compliance business added 10 new customers in Q1. Prominent amongst these were Rooms To Go, one of the largest independent U.S. furniture retailers; Gehan Homes, they are the 10th largest private homebuilder in the U.S.; MWH Constructors, a global project delivery company; and Teal-Jones, the largest privately owned timber harvesting and primary lumber product manufacturing company in British Columbia.

We continue to add more clients to the WinFlex illustration platform, including Protective Life and Ohio National. We are pleased with the early success of our WinFlex Analytics platform built on the GeniEbix artificial intelligence platform. We expect to add many more clients to the platform in 2021.

We expanded consulting arrangements with SIMON's Group in security benefit. We have also started to build a pipeline for cloud-based services with Data Glove. We expanded our presence with Edward Jones for an express term insurance product. We have built a strong pipeline for our LifeSpeed exchange. We expect this to grow even stronger with the JPMorgan implementation.

On the P&C exchange, we added 4 new workers comp EDI carriers, including 2 tier 1 carriers. We also added 4 new customers to the risk

envison platform. We saw a 14% growth compared to Q1 of 2020 and sustained levels compared to Q4 2020. We continue to expand our digital and virtual strategy for the medical certification business. We hosted 3 virtual events. We expect to launch several more during the year, providing us incremental streams of revenue. We also secured new contracts with University of Pennsylvania and the Meharry School of Dentistry.

In Q1, we achieved major milestones. Noteworthy amongst these are continued build-out of the JPMorgan platform for an on-target full launch in Q2. This is significant for JPMorgan and the industry. It will also increase our transactional revenues from the platform. Successful go live for security benefit for their direct-to-consumer implementation and Navy Mutual for the agent-driven ordering platform. We are continuing to build out the Navy direct-to-consumer solution, which will be ready for launch later this year. Manulife launched new AI-driven products on the platform, the first of its kind in Canada. Sun Life added new products to the international platform on the underwriting exchange.

Finally, an update on major initiatives for 2021, which will contribute to the growth in the region. We continue to be very bullish on our life and annuity exchange. We are already seeing rapid levels of transaction, and we expect these to ramp up even more in the second half as we start to see the impact of the JPMorgan carrier onboarding. The parallel track of onboarding JPMorgan on the life platform will have an incremental impact on [revenue]. We are starting to see a rebuild of the pipeline in deals in the enterprise health and underwriting exchanges. We anticipate that the second half will see significant improvement as the impact of COVID-19 in India starts to ease up.

We hope to get back to pre-COVID levels in terms of revenue by Q4 of 2021, assuming that the situation in India will improve over the next 60 to 90 days. We are working towards our Ebix Enterprise Health Exchange on the Azure cloud. We believe this will give us significant exposure in the market through the Azure sales network. We hope to stand up the platform in Q2, and this will coincide with the launch of several marketing and sales campaigns.

We are excited about the Ebix Data Glove Cloud offering. We are confident of announcing our first joint win in Q2 of 2021. We hope to back several more deals by the end of the year. These deals, along with several new relationships that we have established on the consulting side, will move our consulting business in an upward trajectory.

As the market conditions improve, we plan to step up efforts to expand our sales team in several divisions. Our pipeline is healthy and growing. Our core life and annuity exchange network is the strongest it has been and will expand to record levels before the end of the year. Our investments in new initiatives will accelerate growth. We are seeing early successes with illustration analytics. We expect steady onboarding of carriers on this platform, giving us incremental and recurring revenue streams.

In the next phase of our journey, direct-to-consumer initiatives will feature prominently. It is where the market is headed, and we are well positioned to capitalize on that. The opportunities will manifest both as exchanges and enterprise solutions. With the COVID situation having improved significantly in North America and the hope that India will normalize in the coming months, we remain bullish about the full year performance in 2021. We are fortunate to have the very best team supporting our industry leading products. The commitment of our employees during the pandemic has been a major factor in allowing us to stay strong during some very difficult times. Their sacrifices will never be forgotten.

I will now pass this along to Robin for his comments.

Robin Raina *Ebix, Inc. - Chairman, CEO & President*

Good morning, everyone. I believe that Darren, Ash and Steve have captured the quarter in detail. Let me summarize by saying that these are unprecedented times, and I'm pleased that Ebix has managed to keep its head high during such times and continues to deliver top line growth with healthy operating income numbers. It is no easy task to deal with the onslaught of issues brought in by COVID-19. Clients are delaying their new deal decisions. On-site consulting related to product implementation is basically nonexistent. Staffing availability has been rather challenging. And a few product lines like travel, foreign exchange, e-learning, et cetera, are operating at 10% lower levels because of the direct impact of COVID-19.

As I sit here, relying statistical performance numbers to you in terms of Ebix's performance in the quarter, there is one thing that no statistical performance can answer for. In the last 30 days, we have lost 11 young employees forever to COVID-19, leaving behind their spouses, children and parents in despair for the rest of their lives. Let me read out an e-mail from one of our Ebix's software architects that captures their sense of the emotional roller coaster that our staff are today dealing with. This email was written yesterday by one of our colleagues after the passing away of one of our senior software professionals, Sudhindra, a few days back to COVID-19.

To quote certain excerpt from his letter. "5 years ago, when I first got introduced to Sudhindra, he was curious and eager and explorative, and these are traits I never saw leave him. He would always come back. He would always come with a set of questions, keen to bounce ideas and have a breezy flexibility to his mind, ready to absorb and adapt. He did bring perspectives, which showed that he had keenly applied his mind, but was never (inaudible) and ever ready to follow the evidence. I can never fail to remember the broad smile he brought every time he came around. Can't even remember if we ever found, always jolly, and always sharp, collaborative, always ready to take ownership, ready to help others, ready to broaden his perspective, ready to step up, ready to lead.

Don't remember anybody ever having one complaint to make about him. He was a perfect team man, elevating the energy of the team and driving everyone towards success. I don't know what went wrong. Don't know why he's no more with us. Don't know why we could not save him from the one trouble he got into, it should have never happened. Don't ever let him leave your hearts. He was one of our best and dearest colleagues and a close friend to so many of us. He will be a ringing void. I still feel I'll be looking around for him. Can't believe he'll not be there anymore when a I dial in number to check on something.

This has been such a hard month for us to see so many of our colleagues across divisions and locations, all young lives in full bloom, depart untimely to this wretched melody. Our hearts go out to their families, and let's keep a close eye on all the others who may be afflicted and do best -- and do what best we can so that we don't have to lose anyone anymore. We will miss you Sudhindra badly, and thank you for all that you did for us."

I read this out as sometimes we get lost in numbers and don't get a true perspective on the behind the scenes sweat and blood that goes into the fundamentals of running an operation in such time and still delivering. I salute each of my employees across the world. I don't have words to express my heartfelt condolences to the loved ones of the 11 employees we have lost to this pandemic. As a company, Ebix will stand up for each of these families in terms of some financial help. Also, the Robin Raina Foundation has volunteered to fund the cost of educating the children of each of these employees through their graduation studies. We are painfully aware that nothing we do can ease the pain of these employees in any manner.

I'm quite proud of the Q1 2021 company results and feel good about the fundamental drivers that will take Ebix to the next level in coming years. In the short term, we continue to work through the targeted IPO of our EbixCash business in India. The next 3 short-term steps in that direction are: one, the appointment of an internationally renowned statutory auditor for the IPO; two, the appointment of an internationally renowned investment banker for the IPO as the fifth banker; three, the appointment of a diverse independent board for EbixCash comprising renowned names from the securities, regulatory and banking industry, amongst others. We are at advanced stages on all these 3 issues and we'll make public announcements on each of these fronts at the right time.

We just had an annual earnings call a few weeks back in which I shared my perspective on the times ahead of us. Thus, I will today keep my comments comparatively brief and look forward to giving you a broader perspective during the Q2 2021 investor call. With that, I'll close the call and hand it over to the operator to open it up for questions.

QUESTIONS AND ANSWERS

Operator

(Operator Instructions) Your first question comes from the line of Jeff Van Rhee from Craig-Hallum.

Jeffrey Lee Van Rhee *Craig-Hallum Capital Group LLC, Research Division - Partner & Senior Research Analyst*

A couple for me. I guess as I look at -- Robin, as I look at the EbixCash business ex the payment cards, brutal time in India with COVID what's going on. Do you have any sense of how that business behaves sequentially, namely, I think ex payments, it was running, call it,

\$30 million in Q3, 4, maybe bottomed around \$17 million in Q2. Obviously, we're starting to lift our head here, but going to get hit again. Does it go as low as it did in Q2 down to \$17 million or \$18 million? Or just any sense on what happens there?

Robin Raina *Ebix, Inc. - Chairman, CEO & President*

Jeff, did you say -- is this question related to the payment solutions business or the overall business?

Jeffrey Lee Van Rhee *Craig-Hallum Capital Group LLC, Research Division - Partner & Senior Research Analyst*

It's EbixCash...

Robin Raina *Ebix, Inc. - Chairman, CEO & President*

I ask you this...

Jeffrey Lee Van Rhee *Craig-Hallum Capital Group LLC, Research Division - Partner & Senior Research Analyst*

EbixCash ex payments. So EbixCash ex the payments.

Robin Raina *Ebix, Inc. - Chairman, CEO & President*

Okay. Got it. So look, our -- if you take the payments business out, EbixCash actually grew almost 10% sequentially with respect to Q4. At the same time, we are nowhere near where we need to be, partly because what has happened with the second wave of COVID infections. It's been brutal in India. I mean it's just beyond anything that I have ever seen. We are at a point where make travel is basically nonexistent right now. Foreign exchange, we -- so I don't expect any improvements in travel in Q2, at least in Q2. However, I do expect some improvement in the foreign exchange area simply because as vaccinations are starting to happen internationally, the students are going back to school and what that is prompting is educational remittances. We are a leader in that market since we account for 30% education remittances, out of India. So we expect a lot of that business to pick up in Q2 and onwards.

So presently, if businesses like -- as countries like Dubai, for example, vaccinate, we will see our foreign exchange business pick up and so on because we are getting ready to kind of deploy our platform in Dubai, for example. So I think it is -- we are clearly presently affected by COVID. So if you take the non-payment solutions areas, we expect to do steady state business in the technology businesses. We expect improvements in the bus exchange technology area, we expect improvements in the foreign exchange area. I expect slight downward trend in the travel arena for the time being. And I expect substantial improvements to continue in the payment solutions arena.

So I think that's where we are. Even in the technology businesses, what is starting to -- what is hurting us a little bit in terms of -- we should have shown a lot more growth in the technology businesses, but what is starting to happen is the majority of our clients are financial institutions, are banks. So if we already have an order, a deal with them, and we are in the midst of an implementation, then we can continue clocking revenue or increase revenue. However, no bank is signing brand new deals. Until situation improves -- because this is not really a big priority for them to start laying down a new agenda for the bank. They don't think this is the right time to do it. So that is clearly impacting us that any new deals, all new deals have been put on hold.

I'll give you an example that even in the bus exchange arena, wherein we have been negotiating really substantial deals that can really move the needle in terms of revenue and profitability. And many of these deals are with the government of India with state roadways undertakings, basically deploying, let's say, a platform, an e-ticketing, a bus firmware platform for, let's say, 38,000 buses in a particular state, just an example. And today, what has happened is with COVID coming in, that's not anymore a big priority for the government. It is a priority to the extent that if buses are going to ply, then they will lead that system. But right now, buses aren't plying that's not a big priority for them because they don't want to put people in buses. So the reality is those kind of things. Budgets have been put on hold in these kind of business areas.

So the answer is a little bit complicated because the ground, there is -- at present, there is almost a complete curfew in India. If you go around India -- Singapore is now starting to kind of close the country in a way because they started -- the number of infections have started to increase. Indonesia and Philippines have never come out of the onslaught of COVID. So it is -- it has impacted all the Southeast Asian countries, the ASEAN nations. We do business in 44 countries from India. So it clearly has impacted our business.

But I think the good news is the diversity of the business shows that we have kept most of these businesses, outside payment solutions, are steady state if you take, I mean, clearly travel and ForEx are directly related and e-learning are directly related to COVID. And I don't see an immediate solution even in the e-learning area because I don't see how any parent would put a kid into school even if -- look, the way vaccinations, Jeff, are going, that government of India is basically claiming that they will be able to do the first level of close to 1 billion vaccinations by year-end.

What it means if they do 1 billion vaccinations by year-end, that will virtually mean 500 million people vaccinated because they're calling 2 vaccinations. The 2 doses as one. They're calling that 1 billion means 500 million people, which means you have impacted 45% of the people. And so having said that, if -- however, if they can achieve even decent number, even once they start getting to 25% to 30% coverage, I think it will have a dramatic impact on our business and on all businesses, simply because the hub, if they can even resolve the hub of the epicenter of COVID, which is in places like Mumbai, places like Delhi, then things will change. Delhi today is right now vaccinated. Today's data is the Delhi is vaccinated only -- is 10%, right? However, there's some positive news that has emerged in the last few days out of Delhi, that the positivity rate is coming down. There's more availability of beds, which seem like positive signs. But we are far from a stage where I could tell you that India is starting to conquer the pandemic.

Jeffrey Lee Van Rhee *Craig-Hallum Capital Group LLC, Research Division - Partner & Senior Research Analyst*

Great. And just one last for me. I think as it relates to the staffing, it sounds like pretty severe staffing issues. Just how much of a risk is it? You've obviously got some big projects in flight, JPMorgan others. And it sounds like you're going to do some things to get some people in there right away. Just talk a bit more about the staffing.

Robin Raina *Ebix, Inc. - Chairman, CEO & President*

So Jeff, it was mainly in one city, meaning it's all kinds of reasons, but it was mainly in one city, Hyderabad. We do not have any other issues. Meaning, we don't have any major issues in any other players. There will be issues, but we've been able to handle them. It's mainly in Hyderabad, but that's a very large development base for us, and we have been making arrangements to handle that. So we should be able to handle it. I do not see that as a huge issue. It did have an impact on our revenues in Q1. But hopefully, we'll make up for a decent part of it in Q2 or for most part of it Q2. We have made arrangements for that.

So I do not -- I wouldn't read much into it in the staffing levels, at least in the -- it's mainly Hyderabad. We don't have those issues in other development centers across the world or anywhere else in India. We've been able to handle all our hosting facilities, development operations, virtually everything. It's only been in Hyderabad for all kinds of various reasons.

Operator

(Operator Instructions) Your next question comes from the line of Chris Sakai from Singular Research.

Joichi Sakai *Singular Research, LLC - Equity Research Analyst*

Robin, I had a question regarding EbixCash as M&A opportunities. I wanted to see if you thought this would be a good sign in India to gain market share?

Robin Raina *Ebix, Inc. - Chairman, CEO & President*

Look, that's a great question. At the same time, frankly, I'll tell you that we do not, right now, we're not planning to do anything on M&A side, at least on the EbixCash side in India. Now you could see us possibly do something in the U.S. but again, we -- if we do anything, we'll think through it very -- in a very sensible manner and so on. In India, right now, the part of the reason we don't want to take our eyes off of the focus that we have today. We have -- we are clearly wanting to head towards our IPO. And as we head toward that IPO, if I make -- let's say, we've made an M&A today, what will happen is we need to file a DHRP. We need to get our numbers, 3-year numbers audited, and we will have 2 auditors doing the dual audit. And once they do the dual audit, we're going to file, working with analysts, working with lawyers. We're going to file the grant hearing document, as we call it in the U.S., a DHRP document with the Securities and Exchange Commission of India.

Now when you do that, when you make any acquisition, it complicates things a lot. Because it changes everything. And it is not advisable

typically from an investment banker's perspective to do anything in -- during the time when you are making an acquisition -- when you are making -- filing an IPO, it will complicate things. There is a lot of different -- it will prolong the process, elongate the process considerably. So I wouldn't right now, while I agree with you that there is -- this is an opportune time, and it's actually a very good question, Chris, because I will tell you what is happening today. If you look at the areas which are getting badly hit, which is travel and foreign exchange, the market is getting wiped off. Smaller players are dying, they're evaporating because they're not able to stand up to the onslaught. They weren't able to retain their staffing levels. And it's happening in both travel and foreign exchange.

So what is starting to happen is a lot of these players are out there either what we are trying to do, we're trying to just pick up this business, easy business. What I mean by that is, would it rather than making an acquisition, we think this is an open opportunity for organic growth, organic growth for us. So we're trying keeping our eyes focused and trying to go after each of these opportunities, where in a particular company is starting to fold. A lot of companies have approached us in the present time trying to clearly wanting to come under the Ebix umbrella, partly -- especially in the travel and foreign exchange sector simply because they're unable to fund the working capital, fund the employee costs right now.

So having said that, it is normally a reasonable opportunity, but we also feel that what will happen as we come out of the COVID, that companies who were profitable -- who have a profitable business, are the only ones who will be able to keep their head high. Or you have to be very adequately funded by fantastic institutions because bank debt is also becoming difficult. For some of these players who are making losses, it is not easy to line up a bank who they want to support a travel player or a foreign exchange player in times like this.

So it is an opportune time also but at the same time, unfortunately, we think that the best way to handle this is simply not making an acquisition from an EbixCash perspective, but simply trying to organically pick this business up by talking to each of these founders, each of these players and seeing maybe there is an easier way to do this without even buying their business.

Joichi Sakai *Singular Research, LLC - Equity Research Analyst*

Okay. Great. So then I guess after the IPO, would there be more opportunities for mergers?

Robin Raina *Ebix, Inc. - Chairman, CEO & President*

There will absolutely be. Meaning, once you have an IPO and hopefully, we are -- hopefully, we're able to generate pretty solid amount of money. And one of the uses of cash would be to continue to fund our growth, both organically and inorganically. So absolutely.

Operator

(Operator Instructions) There are no more questions at this time, presenters. Please continue.

Robin Raina *Ebix, Inc. - Chairman, CEO & President*

Thanks, Jeff. I think that brings us to the end of the call. Thanks, everyone, for participating in the call. We look forward to talking to each one of you during the second quarter 2021 investor call. With that, I'll close the call.

Operator

Thank you. Ladies and gentlemen, this concludes today's conference call. Thank you for your participation. You may now disconnect.

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