Idox plc

Half Year Ended 30 April 2024

11 June 2024

Idox at a glance: software that drives efficiency

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Our specialist software solutions, built on insight, power the performance of government and industry, driving productivity and a better experience for everyone.

Land, Property & Public Protection	Community Solutions	Assets

Land, Property & Public Protection
- Regulatory Services
- Built Environment
- Public Protection
- Address Management
- Geospatial

Community Solutions
- Elections
- Social Care
- Sexual Health Management
- Grant & Research Databases

Assets
- EIM
- Facilities Management
- Tracking
- Transport

H1 FY24 highlights: A strong performance in line with expectations

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Delivering profitable growth

Revenue up 21% to £43.1m (H1 FY23: £35.8m)

Adjusted EBITDA increased 8% to £13.1m (H1 FY23: £12.1m)

Order intake up 4% on H1 FY23 to £54.1m

Strong foundations, focus on the future

We are developing the Group's geospatial division and capabilities to meet new growth opportunities over the next decade.

The integration of Emapsite, (acquired in August 2023) has progressed well with performance in line with expectations.

Healthy M&A pipeline and progress on a number of strategic targets.

Financial review

Anoop Kang

Financial highlights H1 FY24 Strong first half performance

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£43.1m
H1 FY23: £35.8m
Revenue
+21%

£27.4m
H1 FY23: £21.2m
Recurring Revenue
+29%

£28.9m
LPPP Revenue
+35%

£7.1m
Assets Revenue
(1)%

£7.1m
Communities Revenue
(0)%

£13.1m
H1 FY23: £12.1m
Adjusted EBITDA
+8%

30%
H1 FY23: 34%
EBITDA margin %

£54.1m
H1 FY23: £52.0m
Order intake
+4%

1.26p
H1 FY23: 1.33p
Adjusted diluted EPS
(5)%

£6.6m
FY23: £14.7m
Net debt

0.30x
FY23: 0.60x
Leverage
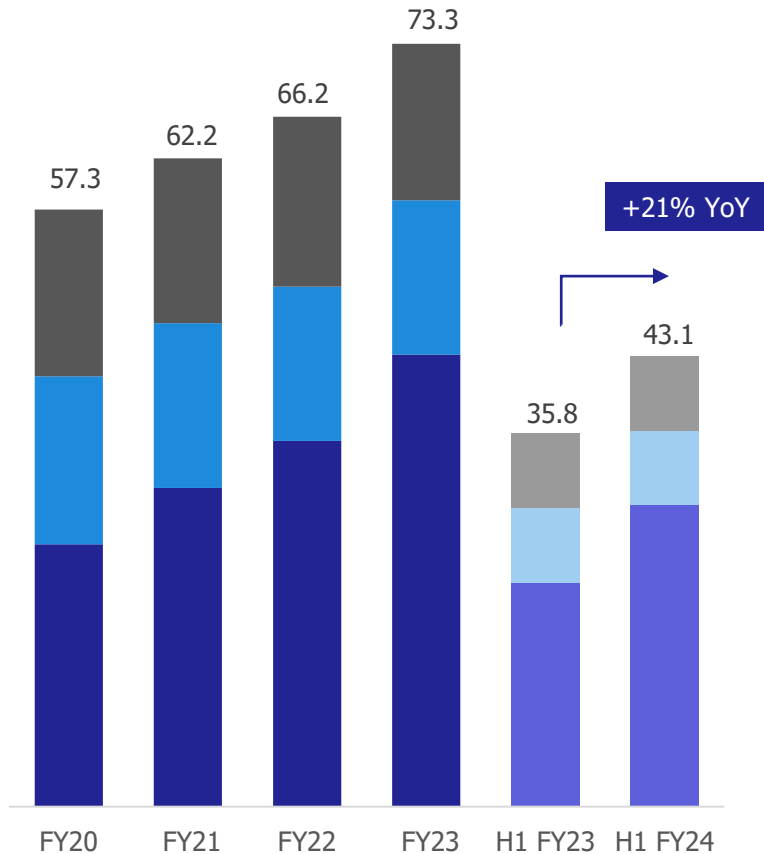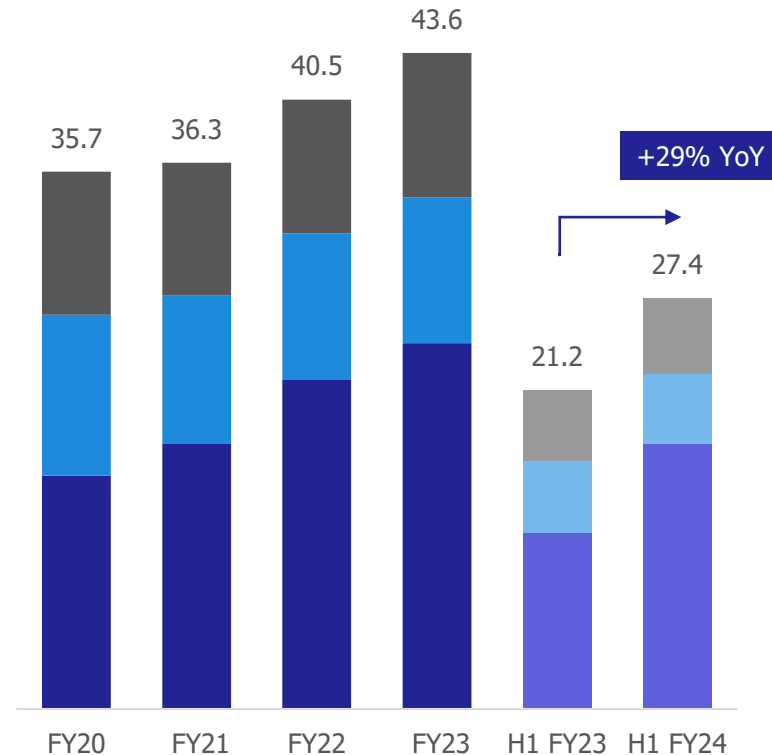<1x

Delivering long-term sustainable growth

idox

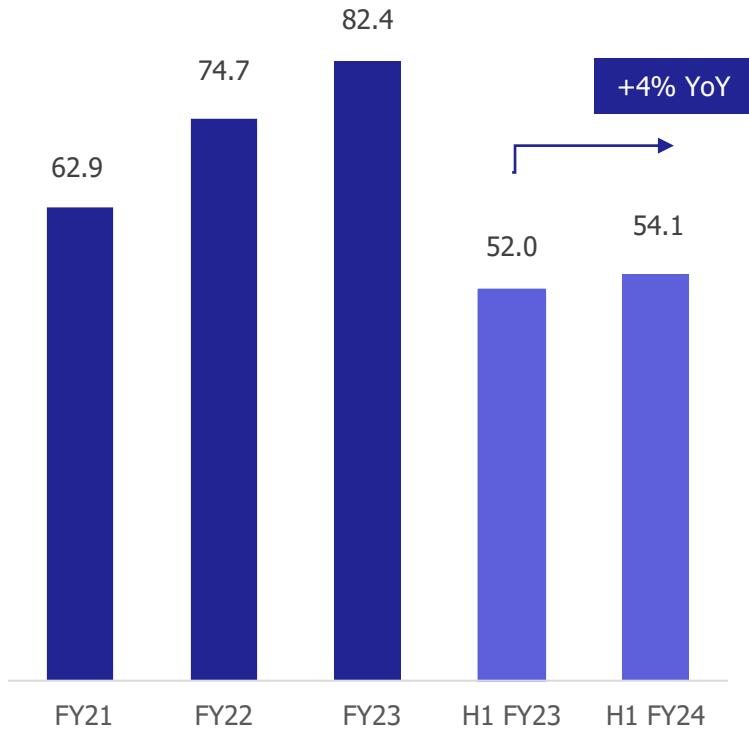## Revenue (£m)

Recurring revenue (£m)

- Overall Group revenue up 21% since H1 FY23

- Good levels of growth delivered over this period

- LPPP continues to be the major driver for growth

- Organic growth supplemented with accretive M&A

- Focus on growing recurring revenue

- Recurring revenue up 29% since H1 FY23 with £5.9m increase in LPPP over same period
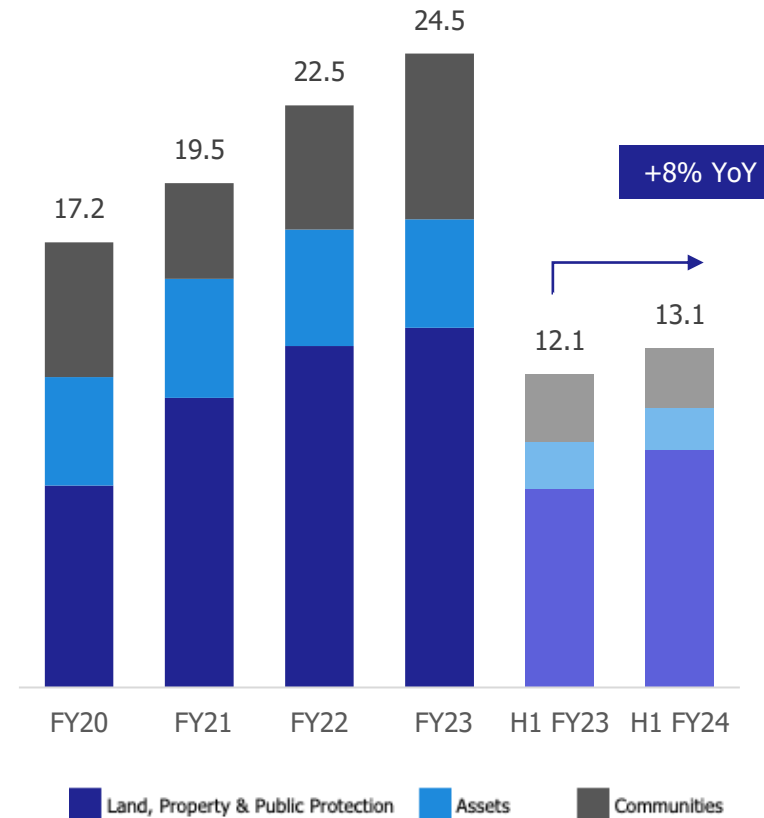
Land, Property & Public Protection   Assets   Communities

Focus on quality work, delivering profitable growth

![idox logo]

Group order intake (£m)

- FY21: 62.9
- FY22: 74.7
- FY23: 82.4
- H1 FY23: 52.0
- H1 FY24: 54.1

+4% YoY

Adjusted EBITDA (£m)

- FY20: 17.2
- FY21: 19.5
- FY22: 22.5
- FY23: 24.5
- H1 FY23: 12.1
- H1 FY24: 13.1

+8% YoY

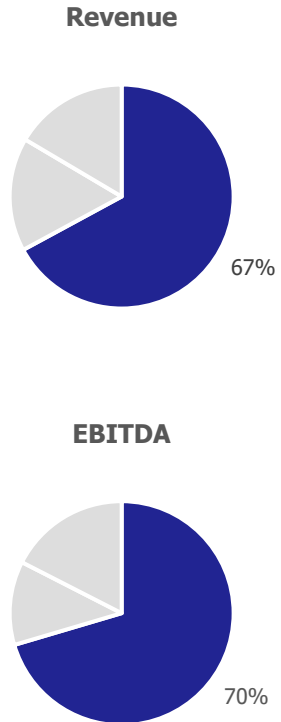Legend: Land, Property & Public Protection | Assets | Communities

- Order intake of £54.1m in H1 FY24
- 4% growth in order intake since H1 FY23
- Adjusted EBITDA of £13.1m in H1 FY24
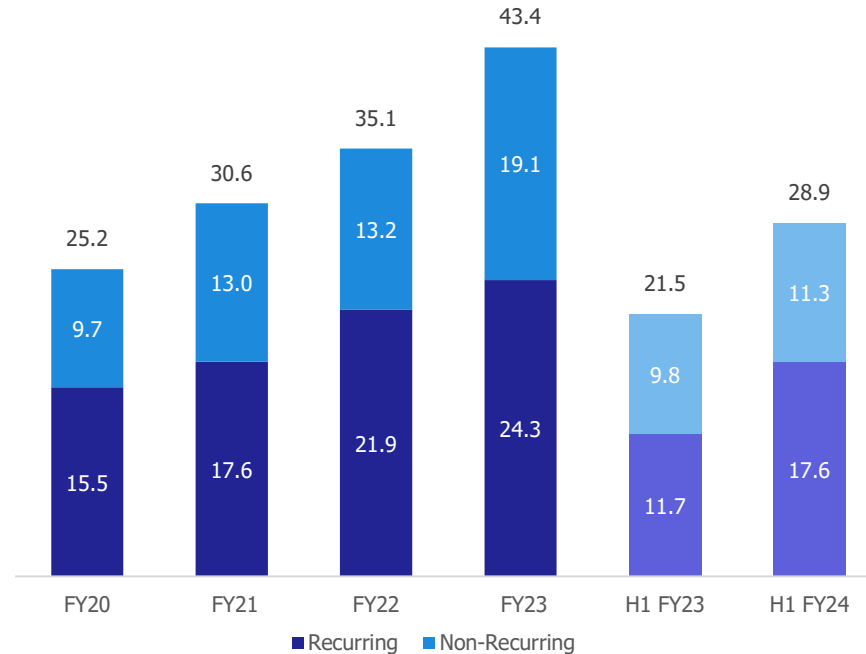- Adjusted EBITDA up 8% on H1 FY23

Financial review Land, Property & Public Protection

Group contribution

Revenue

67%

EBITDA

70%

Revenue (£m)

	FY20	FY21	FY22	FY23	H1 FY23	H1 FY24
Total	25.2	30.6	35.1	43.4	21.5	28.9
Non-Recurring	9.7	13.0	13.2	19.1	9.8	11.3
Recurring	15.5	17.6	21.9	24.3	11.7	17.6

■ Recurring ■ Non-Recurring

Adjusted EBITDA (£m)

FY20	FY21	FY22	FY23	H1 FY23	H1 FY24
7.8	11.2	13.2	13.9	7.7	9.2
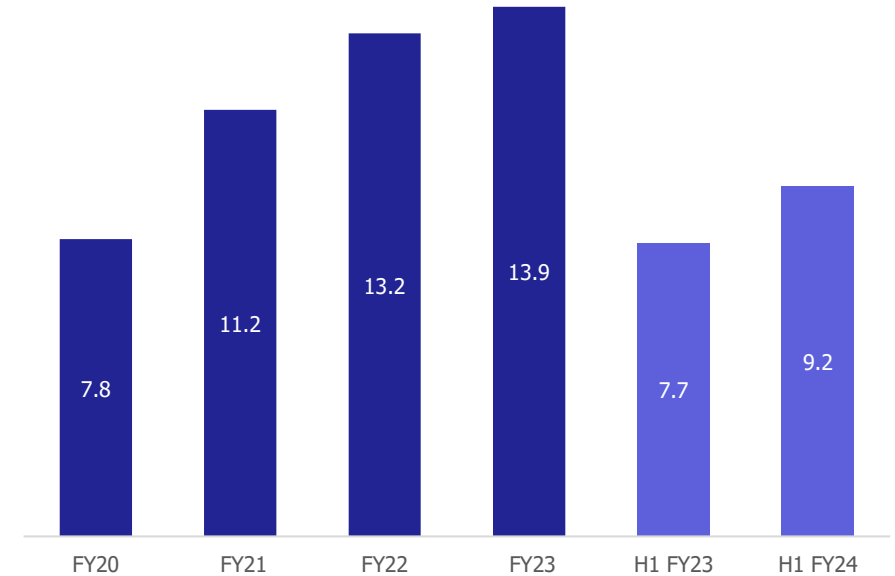
A strong performance in LPPP – 35% revenue growth

Financial review Assets

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Group contribution

Revenue

16%

EBITDA

12%

Revenue (£m)

	FY20	FY21	FY22	FY23	H1 FY23	H1 FY24
Total	16.1	15.8	14.8	14.9	7.2	7.1
Non-Recurring	5.4	5.9	5.1	5.2	2.4	2.4
Recurring	10.7	9.9	9.7	9.7	4.8	4.7

■ Recurring ■ Non-Recurring

Adjusted EBITDA (£m)

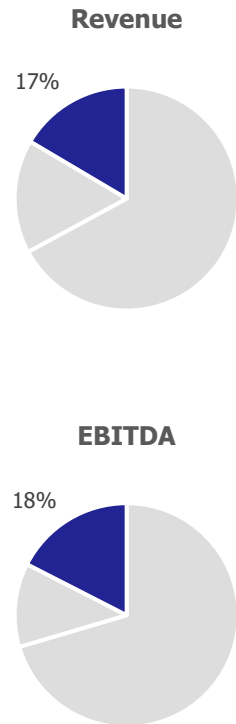| FY20	FY21	FY22	FY23	H1 FY23	H1 FY24
4.2	4.6	4.5	4.2	1.8	1.6
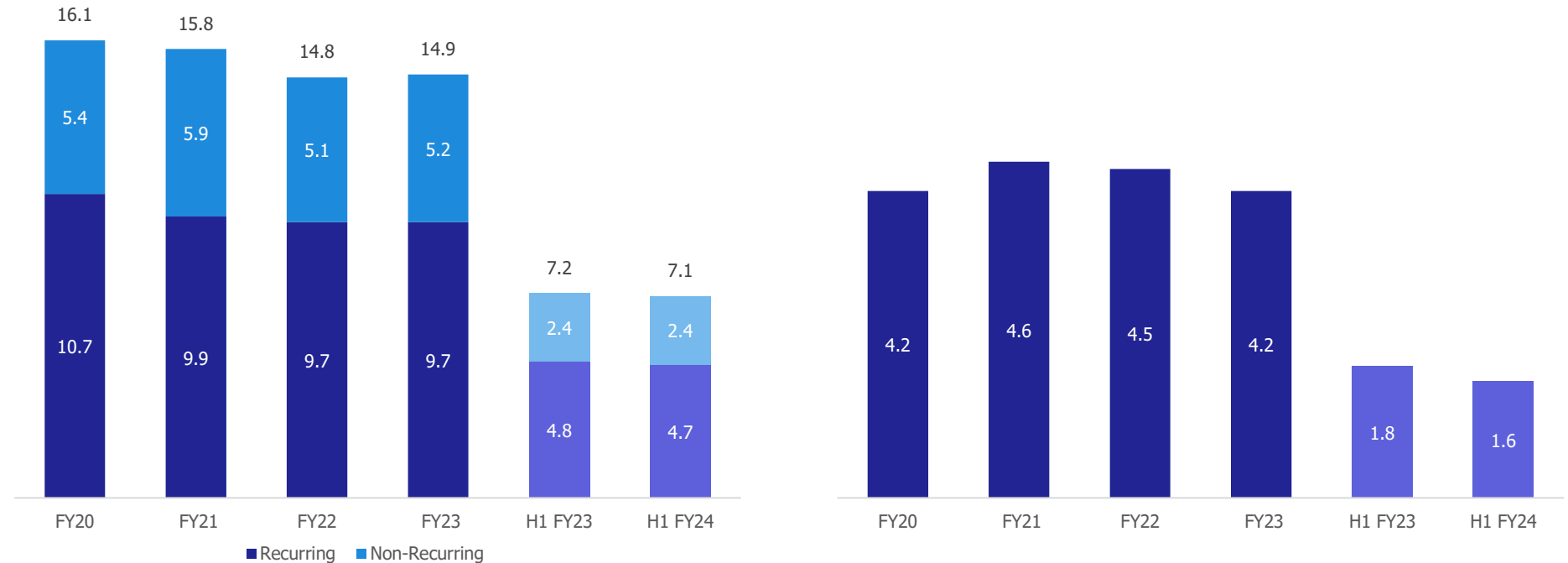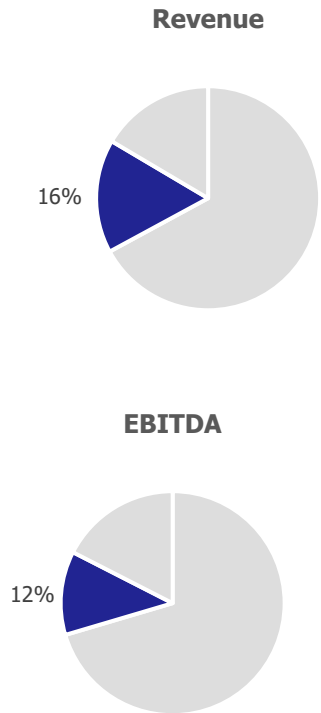
A stable performance from the Assets Division

Financial review Communities

Group contribution

Revenue

17%

EBITDA

18%

Revenue (£m)

	FY20	FY21	FY22	FY23	H1 FY23	H1 FY24
Total	16.0	15.8	16.3	15.0	7.1	7.1
Non-Recurring	6.5	7.0	7.4	5.4	2.4	2.1
Recurring	9.5	8.8	8.9	9.6	4.7	5.0

■ Recurring   ■ Non-Recurring

Adjusted EBITDA (£m)

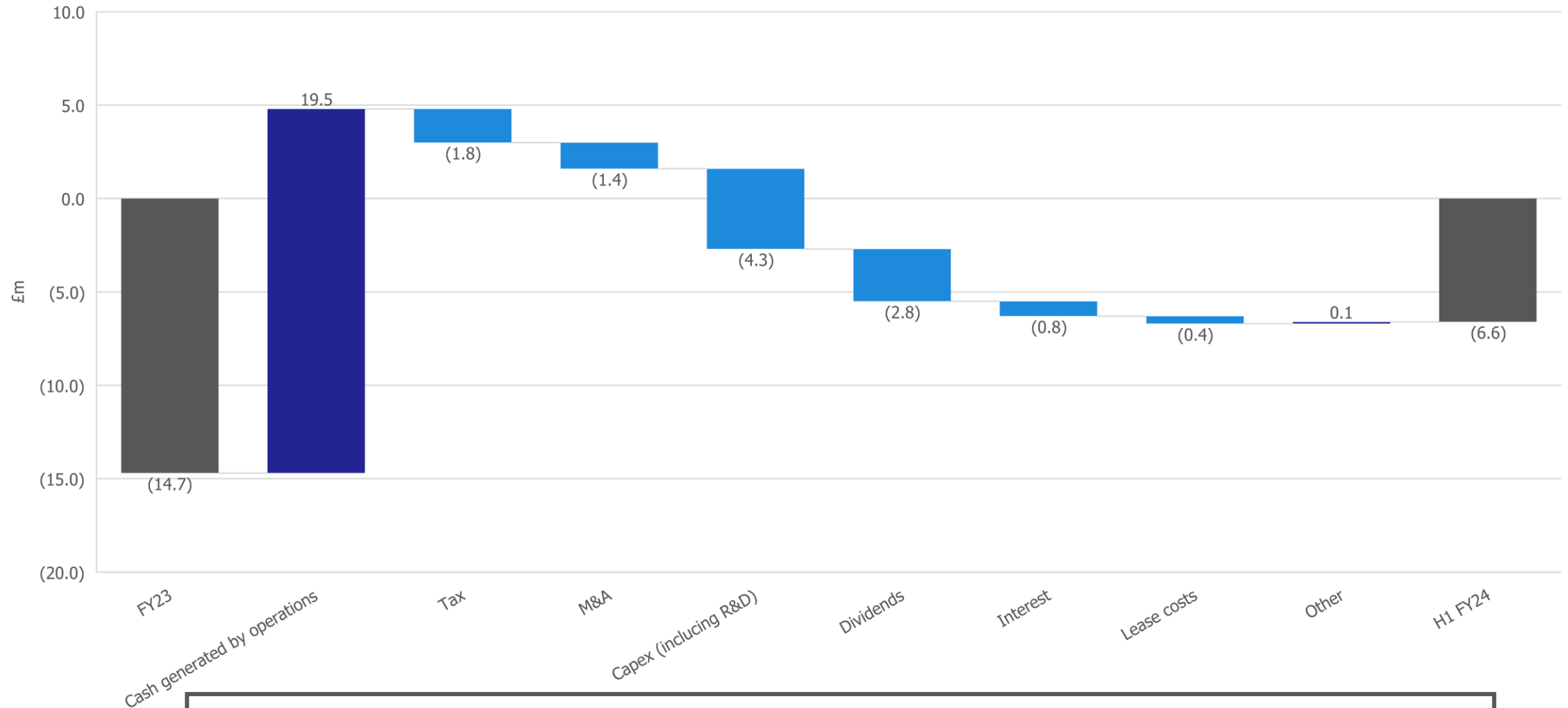| FY20	FY21	FY22	FY23	H1 FY23	H1 FY24
5.2	3.7	4.8	6.4	2.6	2.3
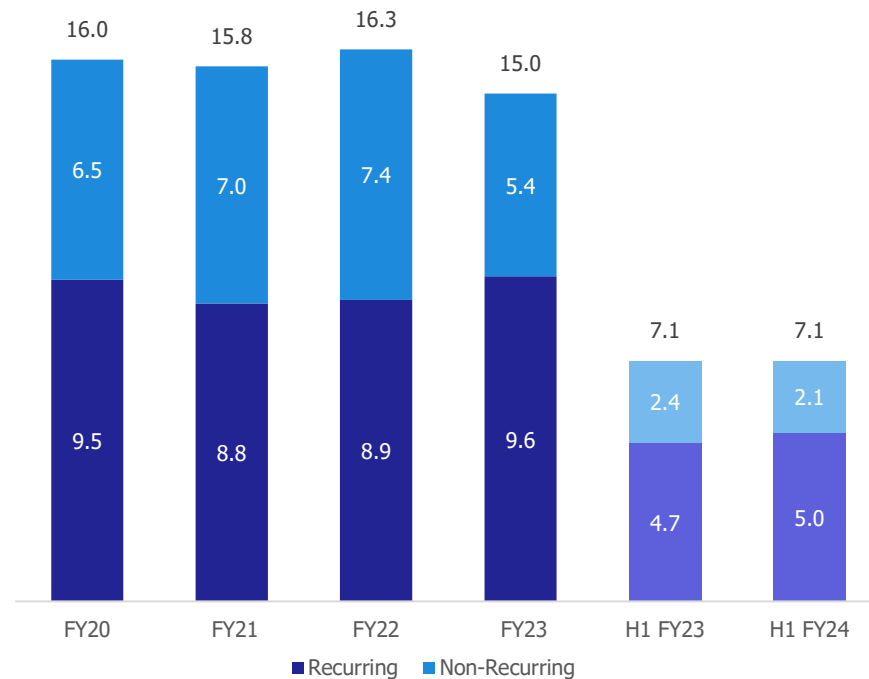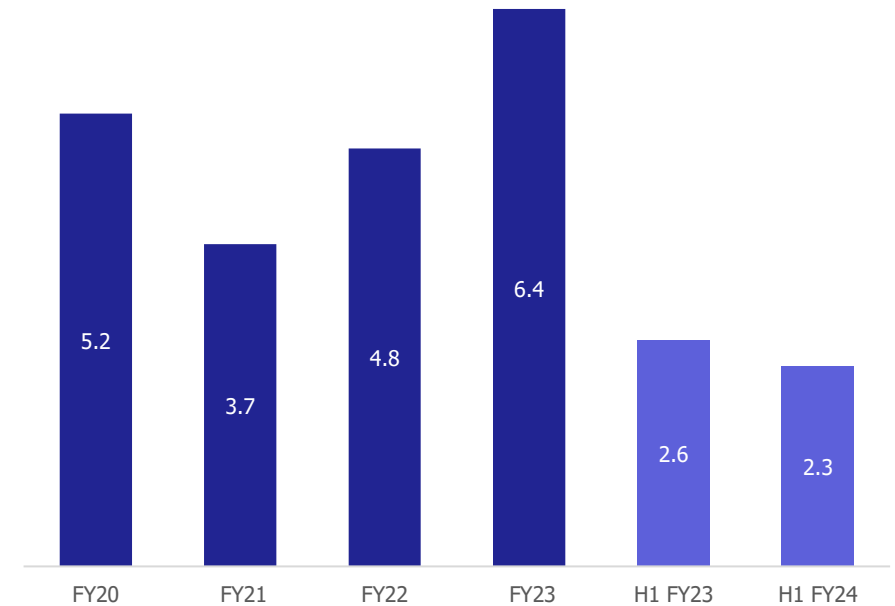
Improved second half expected with UK General Election

Financial review Net debt movement

Strong operating cash conversion rate at 149%

Financial review Guidance & outlook

Revenue growth	Adj. EBITDA margin	Cash	Increased facilities
Double digit revenue growth	Targeting 35% in the medium term	Continued strong cash generation reducing net debt and leverage	£75m RCF and £45m accordion providing the Group with significant resources for M&A

We have delivered a strong financial performance for the first half and are on track to deliver on our plans for the remainder of 2024 in line with the Board's expectations

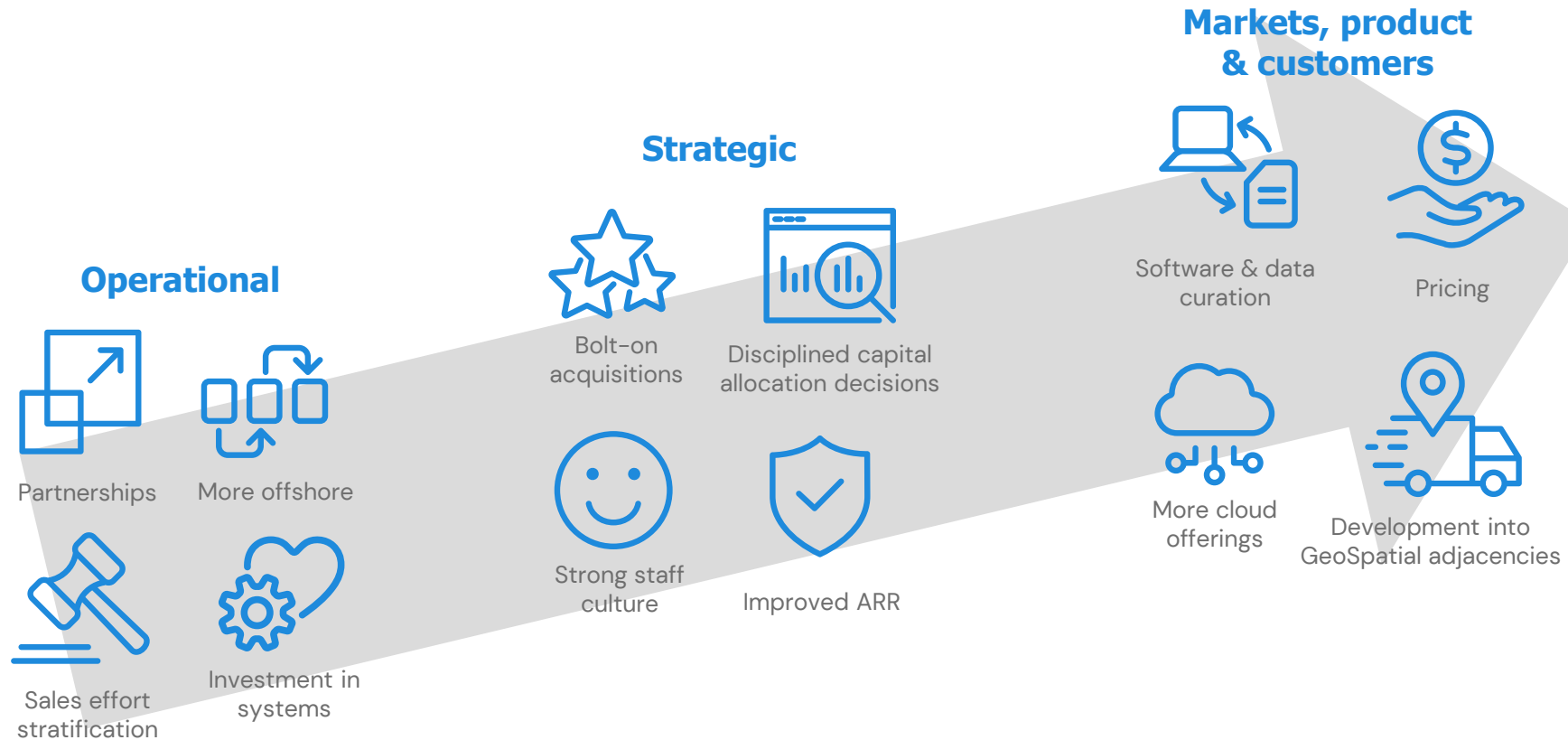# Strategy and Operations

David Meaden

Fortifying the foundations: Delivering operational growth

Land, Property & Public Protection

LG, Cloud, exeGesIS, Address Management & thinkWhere

Community Solutions

Elections, Social Care, Sexual Health Management & Grant & Research Databases

Assets

EIM, Facilities Management, Tracking & Transport

Operational

Partnerships

More offshore

Sales effort stratification

Investment in systems

Strategic

Bolt-on acquisitions

Disciplined capital allocation decisions

Strong staff culture

Improved ARR

Markets, product & customers

Software & data curation

Pricing

More cloud offerings

Development into GeoSpatial adjacencies

New

Accretive M&A

LPPP & Geospatial

LG, Cloud, exeGesIS, Address Management

Emapsite, Thinkwhere & Landhawk

+ substantive software and curated data opportunities

Community Solutions

Elections, Social Care, Sexual Health Management & Grant & Research Databases

+ complimentary M&A

Assets

EIM, Facilities Management, Tracking & Transport

Digital & Data Services

Wins and renewals in the first half

Our Four Pillars Good progress in the first half

Revenue Growth

- Idox Cloud seeing both significant Recurring Revenue growth (>20%) and Order Intake growth (+48%).

- Significant revenue growth in Address Management Solutions, supported by new customer acquisitions and expansion into adjacent markets.

- Full 6-month contribution from Emapsite.

Margin Improvement

- Leveraging matrix structure across departments to create efficiencies.

- Customer Success horizontal team aims to improve efficiency and delivery of services.

- Increasing operational teams in India.

Our Four Pillars Good progress in the first half

Communications

- Hybrid working is being embraced, combining open and engaging environments with effective collaboration.
- New offices in Belfast.
- Substantive return to the office planned in India to support peer learning and collaborative working environments.
- Introduction of Viva engage tool within the business to encourage collaboration.

Simplification

- Streamlining technologies and processes across the organisation improves consistency of service and reduces costs.
- Expansion of sales desk and revenue assurance teams enhances customer experience and simplifies operations.
- Simplification and streamlining of our contracting process within our legal team.
- Procurement and Supply chain management wins with nearly £200,000 savings made through rigorous process.

M&A Strategy: Accelerating growth and adding scale

- Established track record – proven ability to execute and integrate value accretive acquisitions
- Healthy M&A pipeline with positive leads on a number of strategic targets
- Operational cash generation and refinancing in October 2023 provide significant firepower

Key attributes

Additional Scale

Drive Growth
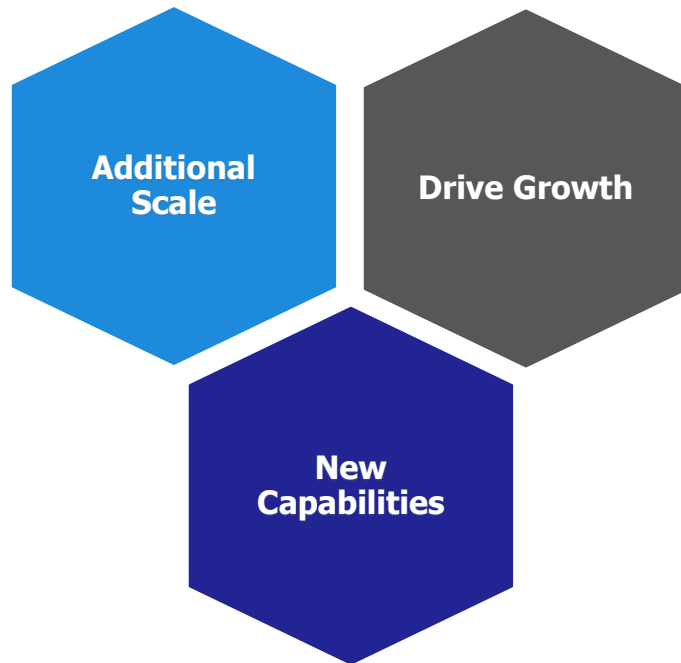
New Capabilities

Strategic
- Enhance existing software offering
- Broaden capabilities to create new innovative solutions
- Draw upon existing expertise and client relationships
- Align with our 4 pillars

Financial
- Drive profitable growth
- Increase recurring revenue
- Realise synergies
- Significant cash generation
- Driving shareholder value through accretion

Strong Track Record of Executing and Integrating Acquisitions

Aug 2019

tascomi
an idox company

Acquired **Tascomi**, UK–based provider of cloud–based software

Jun 2021

Aligned Assets

Acquired **Aligned Assets**, UK–based provider of location and address management solutions

Aug 2021

Acquired **ThinkWhere**, UK–based provider of geospatial information services

thinkWhere

Oct 2021

exegesis
An Idox company

Acquired **Exegesis**, UK–based provider of spatial data management solutions

Oct 2022

Acquired **LandHawk**, UK–based provider of geospatial information services and related mapping software

LANDHAWK

Aug 2023

EMAPSITE™

Acquired **Emapsite**, UK–based provider of geospatial data solutions

Geospatial: A sector with significant opportunities

We believe the next decade will bring significant opportunities for Geospatial software and data, allowing for extensive growth on our Geospatial revenue.

Our expertise in location intelligence and geospatial data management enables us to provide transformative solutions that address complex challenges across various sectors.

By integrating advanced technologies and building partnerships, we deliver value and significantly improve outcomes for our customers.

Our geospatial solutions encompass data collection, analysis, visualisation, and application development, ensuring we fully meet customer needs.

Building on our success
Collaboration with National Collection of Aerial Photography

- Geospatial division

- The digitised images support environmental monitoring, urban planning, and historical research by providing a detailed dataset for tracking changes over time and uncovering insights into past landscapes and developments.

- Development of a Cataloguing Tool has enabled NCAP to catalogue approximately 1.2 million images ten times faster and with greater accuracy.

- Technological advancements, including robotic automation, have allowed NCAP to convert over 3 million analogue images into high-resolution digital formats, enhancing the accessibility and utility of these historical resources.

- These technological innovations and tools enable NCAP to self-fund and secure its future.

Building on our success
National Geospatial Data Integration with Idox's Uniform

- Land, Property & Public Protection division

- Supporting the Scottish Government and Spatial Information Service (SIS) by creating a national geospatial dataset through the One Scotland Gazetteer (OSG) and Spatial Hub.

- Using the Digital Platform and Cloud Connector Framework (CCF), Idox automates data extraction from 32 Local Authorities (LAs), reducing manual processes and saving time and resources.

- Automation provides near real-time updates, enhances public transparency through portals like Tell Me Scotland, and improves data integrity via PowerBI dashboards.

- This automated geospatial data integration both enhances mapping services and drives possible revenue generation

Building on our success: Communities
Ensuring Seamless Election Processes

- Idox is ready to support the upcoming elections by ensuring a transparent, efficient, and accurate electoral process through our Postal Vote Management Systems.

- Idox's election management services are used both in the UK and internationally, with a strong presence in several countries where robust and reliable election management systems are critical for ensuring democratic processes.

- We have been delivering software, services, and support for all Parliamentary, General, and Local elections in Malta since 2019.

- Ensuring transparent and cost-efficient Elections to safeguard democracy globally.

Building on our success: Assets Collaboration with Deep Sea Development Services

- FusionLive provides effective and safe document control across an extensive array of partners.

- Tighter project management, reduced delays, and increased productivity.

- Idox deep technical knowledge, rapid implementation and flexible configuration were key success factors.

- Optimising document management for enhanced efficiency and productivity.

Conclusion

David Meaden

Positive momentum continues

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We operate in attractive markets, with strong market positions and insights, and we are confident that we will continue the excellent progress.

We will continue to **invest selectively** to enhance and **grow our capabilities**, building on the Group's already **strong recurring revenues**.

Attractive M&A pipeline with significant financial resources.

Strong performance for the first half of FY24, and we remain **on track** for the remainder of the year.

Q&A

Appendix

Appendix: Segmental revenue & EBITDA summary

		Land, Property & Public Protection		Assets		Communities		Total	
		H1 FY23	**H1 FY24**	H1 FY23	**H1 FY24**	H1 FY23	**H1 FY24**	H1 FY23	**H1 FY24**
Recurring revenue	£m	11.7	**17.6**	4.8	**4.7**	4.7	**5.0**	21.2	**27.4**
Non-recurring revenue	£m	9.8	**11.3**	2.4	**2.4**	2.5	**2.1**	14.6	**15.8**
Total revenue	£m	21.5	**28.9**	7.2	**7.1**	7.1	**7.1**	35.8	**43.1**
Adjusted EBITDA	£m	7.7	**9.2**	1.8	**1.6**	2.6	**2.3**	12.1	**13.1**
Adjusted EBITDA margin	%	36	**32**	25	**22**	36	**32**	34	**30**
Order intake	£m	35.0	**37.6**	8.3	**7.1**	8.7	**9.4**	52.0	**54.1**

Revenue

17%
16%
67%

EBITDA

18%
12%
70%

- Land, Property & Public Protection
- Assets
- Communities