

Investor Presentation Interims 2023

September 2023

Executive Management

A highly capable leadership team - a broad range of relevant experience



Scott Winner
CEO (2018-present)

Implemented companywide rationalisation with focus on profitability, product offering and growth.

Background includes roles in all aspects, product, professional services, technical design, and sales.

20+ years of experience in senior positions with technology and publishing companies; [McGraw-Hill](#), [Pearson](#), [Amplify](#)



Jon Sheffield
CFO (2017-present)

Streamlined cross-company financials with a focus on core business profitability and tracking.

Previously Group Financial Controller (2010–2017)

ACA qualified with reporting and compliance experience at [PWC](#).

Senior commercial roles held in retail and software industries; [Torex plc](#) & [Aurora Fashions](#)

Ingenta

45 years providing technology solutions to information and content providers

Company

Provide mission critical software to solve industry specific problems

Born from the publishing industry, Ingenta provides solutions to the unique problems faced by information and content providers.

We tailor our suite of products and services to provide solutions that enable customers to leverage our knowledge across hundreds of customers.

Products

Focus products to provide solutions from simple to complex

Our products are oriented and targeted at specific sized customers to provide solutions from the very small to the very large

Digital distribution products provide direct distribution to a global community through modern technologies.

Our commercial management solutions allow customer to sell products in all channels from paper to digital and manage Intellectual property rights and royalties

Services

Allow customers to focus on core value propositions as we focus on ours

We recognise that our customers care most about managing and producing great content and distributing to the world and our role is to help them do that.

We provide services that allow customers to focus on what they do best because we handle their needs both specifically and operationally in a way to enable it.

Publishing Market

The publishing market is growing

Book Publishing¹

6%
↑

Digital Publishing²

12%
↑

Gaming³

12%
↑

Music⁴

19%
↑



Focus

Targeting core markets with key offerings



Convergence

Between adjacent media types: audio books, digital books, animated books, associated music



Consolidation

Start-ups subsumed into sector behemoths



Growth

All target markets demonstrate continued long-term growth

1. Business Research Company

2. PR News Wire

3. PR News Wire

4. Mucially.com

Ingenta

Product focus

All customer sizes

Our product continuum allows customers to start small and grow with us

Given the nature of our markets with constant new smaller players, our solutions allow them to start on our economy models and grow with us.

We have tailored our products to have simple multi-tenancy solutions as well as allow growth to single-tenancy solutions for our largest customers.

Content Agnostic

Product solutions are not tied to specific content or vertical

Our products are oriented and targeted at customers that are expanding in content to enable convergence.

Our solutions support many types of content through all of our product suites and enable growth of customers by continual expansion of types of support.

New verticals can take advantage of the solutions that support their specific content.

Integration and alignment

All solutions focus on integration and alignment with customer solutions

Customers want best-in-class solutions in key areas with integration between those systems. Our solutions enable that and integrate to become a core part of customer technology landscape.

We enable our products through focused integration channels and services to implement new integrations into both standard and non-standard customer systems.

Who are ingenta?

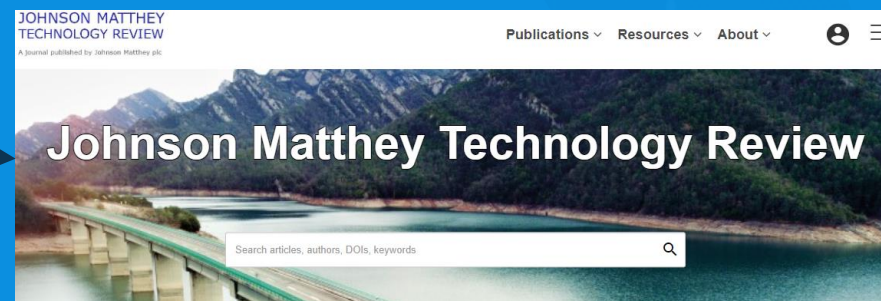
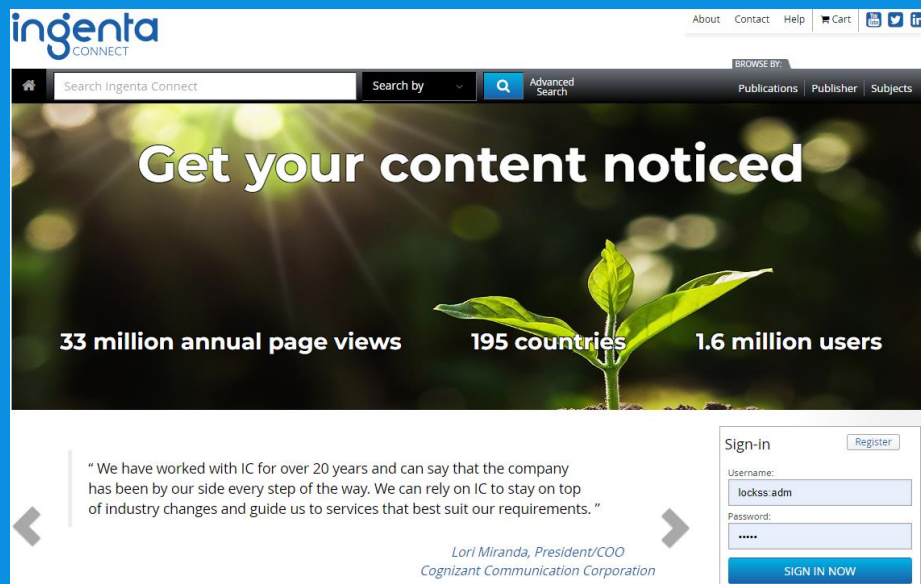
ingenta provides mission critical solutions



ingenta enables publishers to run their business and achieve the highest benefit from their IP

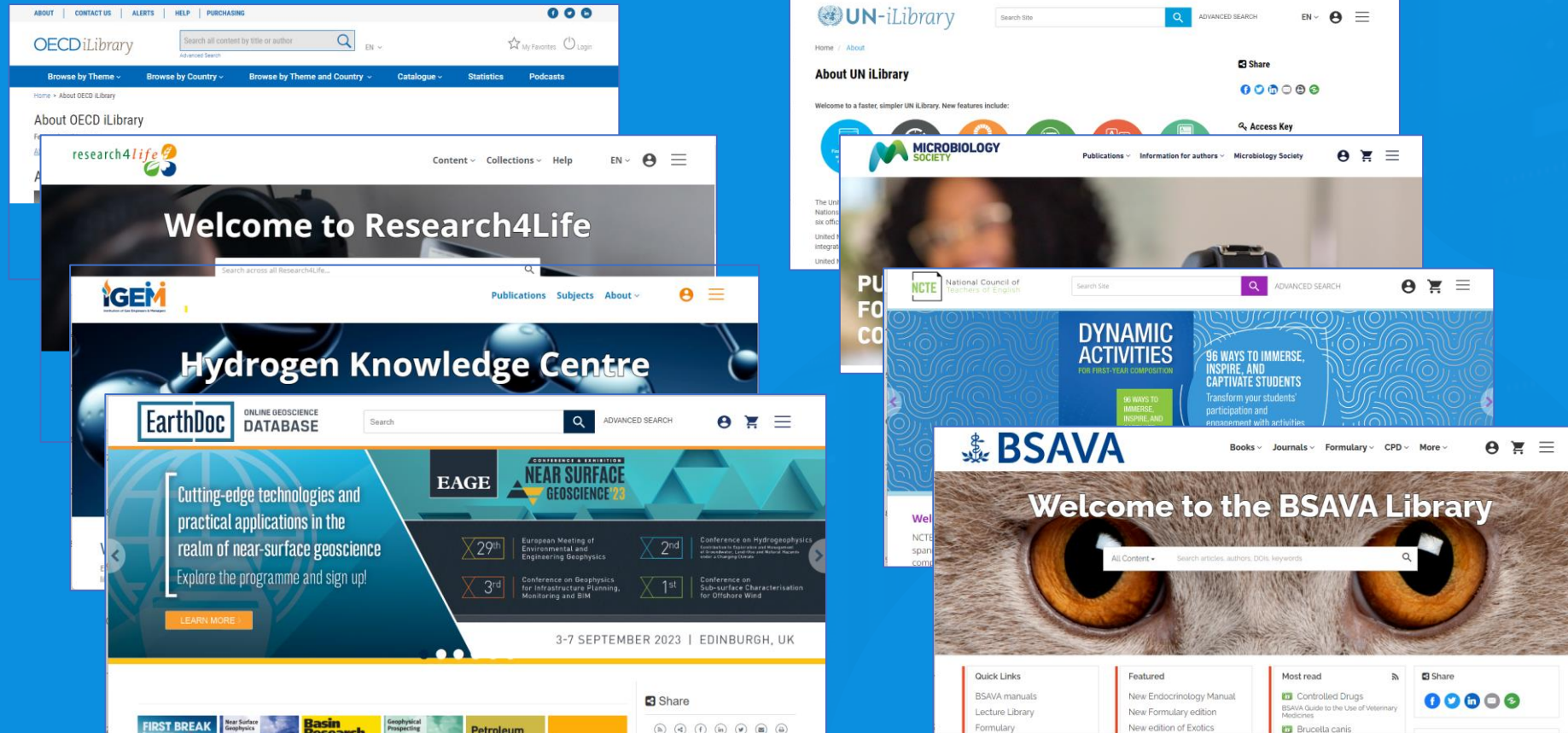
Content Division - Digital Distribution

Ingenta Connect – 130 publishers - growth with us to Ingenta Edify



Strategic Focus

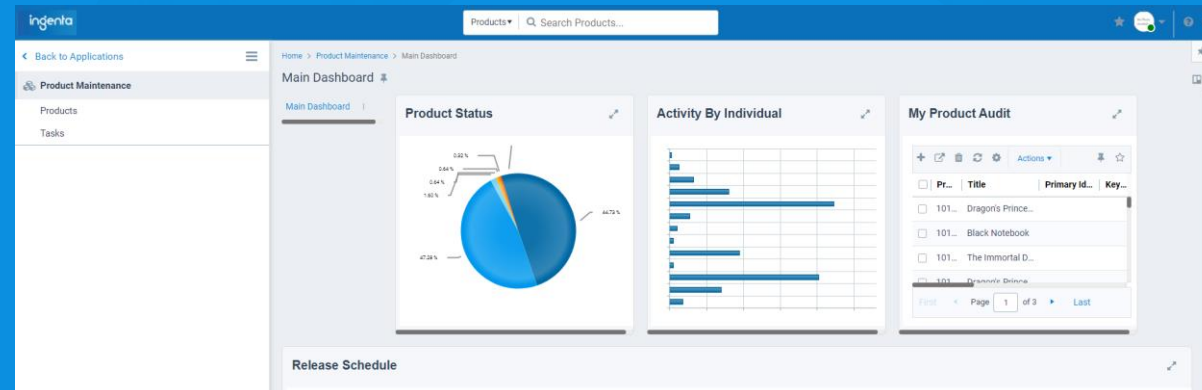
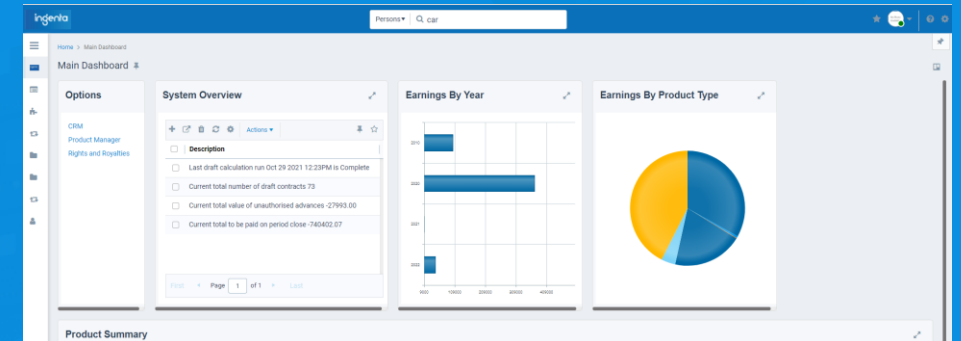
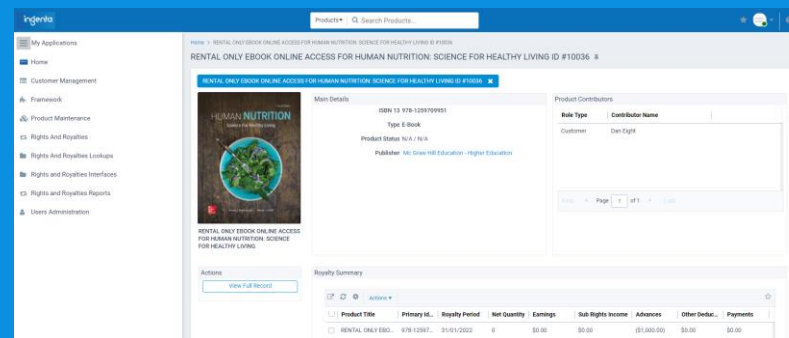
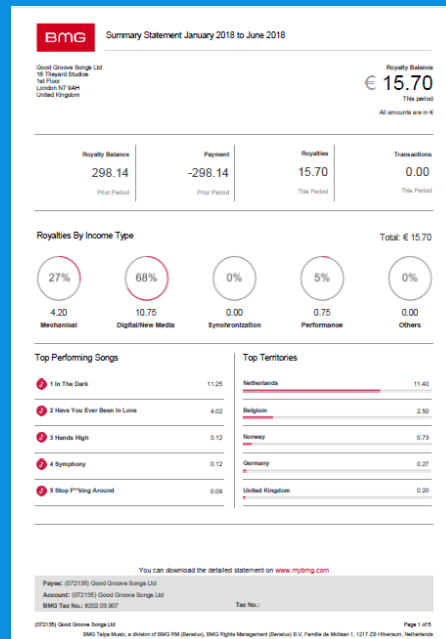
Digital distribution – NGO's, Associations, Scholarly – examples



Coming Soon: an intergovernmental marine group,
Annual Reviews, Knowable Magazine

Ingenta Commercial – IP Management suite

Commercial Offerings – operations, contracts, rights, royalties



Investment Summary

Mission critical software provider to publishing and media sectors

15

Long duration
customer relationships
– top 15 customer
average duration of 15
years

80%

80% recurring revenues
– focus on recurring “as
a service” revenues

£2.6m

Strong balance sheet,
net cash of £2.6m post
£2.2m tender offer
completed in 2022

20%

EBITDA margin

Expanding opportunities in current and faster growth verticals –
music, gaming and media.

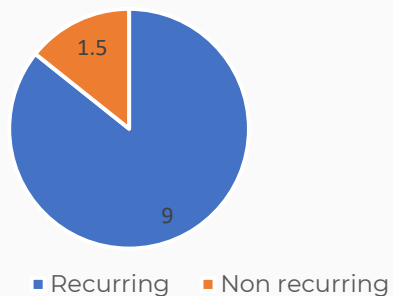
Detailed Financials



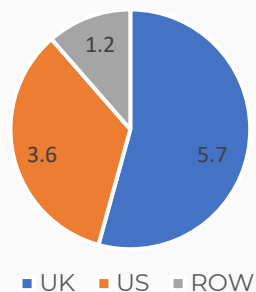
Revenue Analysis

2022

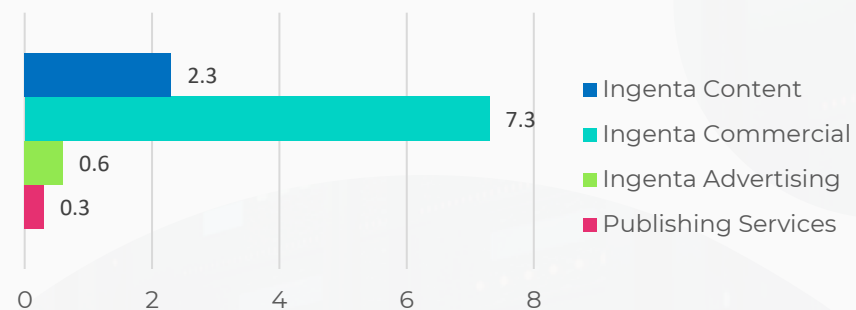
Revenue by type



Revenue by Region

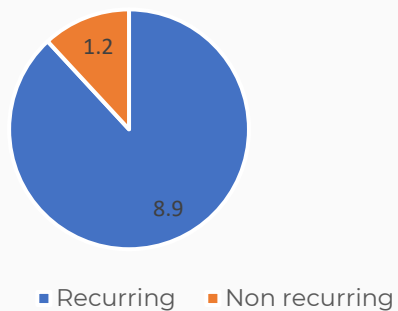


£10.5m revenue

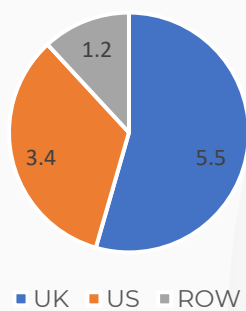


2021

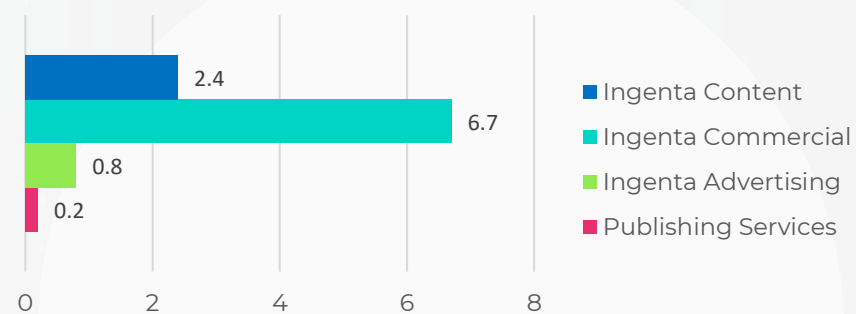
Revenue by type



Revenue by Region



£10.1m revenue



Income Statement

	2022 (£m)	H1 2022 (£m)	H1 2023 (£m)
Revenue	10.5	5.3	5.7
Cost of sales	(5.3)	(2.5)	(2.6)
Sales & Marketing	(0.7)	(0.4)	(0.3)
Administration	(2.4)	(1.2)	(1.2)
Adjusted EBITDA	2.0	1.3	1.6
Restructuring	-	-	-
Foreign Exchange	(0.3)	(0.5)	0.1
Revaluation	-	-	-
Underlying EBITDA	1.6	0.8	1.7
Depreciation	(0.4)	(0.2)	(0.2)
Finance Costs	-	-	-
Profit / (loss) before tax	1.2	0.5	1.5
Taxation	0.3	-	-
Profit / (loss) after tax	1.5	0.5	1.5
Profit / (loss) per share	9.02p	3.23p	10.37p
R&D costs	1.1	0.5	0.6

Revenue growing in 2022 and H1 2023

80% (2022: 89%) of revenues are recurring in nature

Business rationalisation has reduced annualised costs by £4m from 2017 levels

Unrealised FX from intercompany translation

2022 tax includes £0.3m deferred tax credit

Research and development costs charged to income statement

Balance Sheet

	2022 (£m)	H1 2022 (£m)	H1 2023 (£m)
Intangible Assets	2.7	2.7	2.7
Fixed Assets	0.3	0.5	0.1
Deferred Tax	1.4	1.2	1.4
Non-Current Assets	4.3	4.3	4.2
Trade Debtors	1.5	0.7	1.9
Accrued Income	-	0.1	0.1
Other Debtors	0.3	0.3	0.4
Cash	2.4	4.4	2.6
Current Assets	4.3	5.6	5.0
Share Capital	1.5	1.7	1.5
Reserves	2.3	4.1	3.6
Equity	3.8	5.7	5.1
Trade Creditors	0.4	0.3	0.3
Deferred Income	2.7	2.1	2.2
Accruals	1.0	0.7	1.0
Other Creditors	0.8	1.0	0.6
Liabilities	4.9	4.1	4.0
Total Equity and Liabilities	8.6	9.9	9.1

Intangible assets include goodwill related to acquisitions – No capitalised R&D

Deferred tax relates to £20m of tax losses carried forward

Positive distributable reserves in the parent company of £10.0m

Annual renewals follow calendar year (deferred income)

No borrowings other than leases

In excess of £20m spent on research and development since 2010

Cash Flow Statement

	2022 (£m)	H1 2022 (£m)	H1 2023 (£m)
Operating cashflow	1.6	0.8	1.7
Working Capital movements	0.5	0.4	(1.2)
Capital Expenditure	-	-	-
IFRS16 Lease payments	(0.3)	(0.1)	(0.1)
Interest Paid	-	-	-
R&D tax credit received	-	-	-
Dividend paid	(0.5)	-	-
Share Buyback	(2.2)	-	-
Cash movement in the period	(0.6)	1.4	0.2
Cash at beginning of period	3.0	3.0	2.4
Cash at end of period	2.4	4.4	2.6
Adj Free Cash Flow	2.1	1.4	0.2

Working capital impacted by annual renewals cash timing and project milestone billing

Infrastructure optimisation has reduced leasing costs and capital expenditure

Committed to shareholder return including [dividends](#) and [share buybacks](#)

Thank you



Appendix Slides



Executive Management

A highly experienced board



Martyn Rose
Chairman



Mark Rowse,
Non-exec Director



Neil Kirton
Non-exec Director



Sebastian White
Non-exec Director



Scott Winner
CEO



Jon Sheffield
CFO