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.


ACA qualified with reporting and compliance experience at PWC.

Senior commercial roles held in retail and software industries; Torex plc & Aurora Fashions
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.
The publishing market is growing

Book Publishing: 6%  
Digital Publishing: 12%  
Gaming: 12%  
Music: 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

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1. Business Research Company  
2. PR Newswire  
3. PR Newswire  
4. Mucially.com
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**

- Manage orders
- Payments system
- Product Distribution
- Sublicense media assets
- Royalty Payments

**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

- Long duration customer relationships – top 15 customer average duration of 15 years
- 80% recurring revenues – focus on recurring “as a service” revenues
- Strong balance sheet, net cash of £2.6m post £2.2m tender offer completed in 2022
- EBITDA margin

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

### Strong recent progress

<table>
<thead>
<tr>
<th></th>
<th>2022 (£m)</th>
<th>H1 2022 (£m)</th>
<th>H1 2023 (£m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>10.5</td>
<td>5.3</td>
<td>5.7</td>
</tr>
<tr>
<td>Recurring revenue</td>
<td>9.0</td>
<td>4.7</td>
<td>4.6</td>
</tr>
<tr>
<td>Adj EBITDA*</td>
<td>2.0</td>
<td>1.3</td>
<td>1.6</td>
</tr>
<tr>
<td>Adj Free cashflow</td>
<td>2.1</td>
<td>1.4</td>
<td>0.2</td>
</tr>
<tr>
<td>Cash balance</td>
<td>2.4</td>
<td>4.4</td>
<td>2.6</td>
</tr>
<tr>
<td>Headcount</td>
<td>71</td>
<td>78</td>
<td>71</td>
</tr>
</tbody>
</table>

- Revenue growth in 2022 & H1 2023
- Recurring revenue stable
- Strongly cash generative
- Fortress balance sheet
- Headcount optimisation to improve efficiency

* Adjusted for restructuring costs and unrealized foreign exchange gains/losses. See appendix for details.
Focus areas for the future

Development targets for 2023 and beyond

- **Revenue Growth**
  - Increasing sales and marketing investment including industry specific expertise

- **Infrastructure optimisation**
  - AWS optimisation
  - Fixed and variable resources to support growth

- **Expand presence in new Verticals**
  - Continued expansion into wider IP and rights management verticals, targeting music, gaming and media

- **Build on successes**
  - Leverage recent sales wins to continue and drive expansion into NGO’s, Association and Media
Detailed Financials
Revenue Analysis

2022
Revenue by type
- Recurring: 1.5
- Non recurring: 9

Revenue by Region
- UK: 3.6
- US: 5.7
- ROW: 0.3

£10.5m revenue
- Ingenta Content: 7.3
- Ingenta Commercial: 2.3
- Ingenta Advertising: 0.6
- Publishing Services: 0.3

2021
Revenue by type
- Recurring: 1.2
- Non recurring: 8.9

Revenue by Region
- UK: 3.4
- US: 5.5
- ROW: 1.2

£10.1m revenue
- Ingenta Content: 6.7
- Ingenta Commercial: 2.4
- Ingenta Advertising: 0.8
- Publishing Services: 0.2
### Income Statement

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

**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

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

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

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

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