

Growth and Innovation Forum

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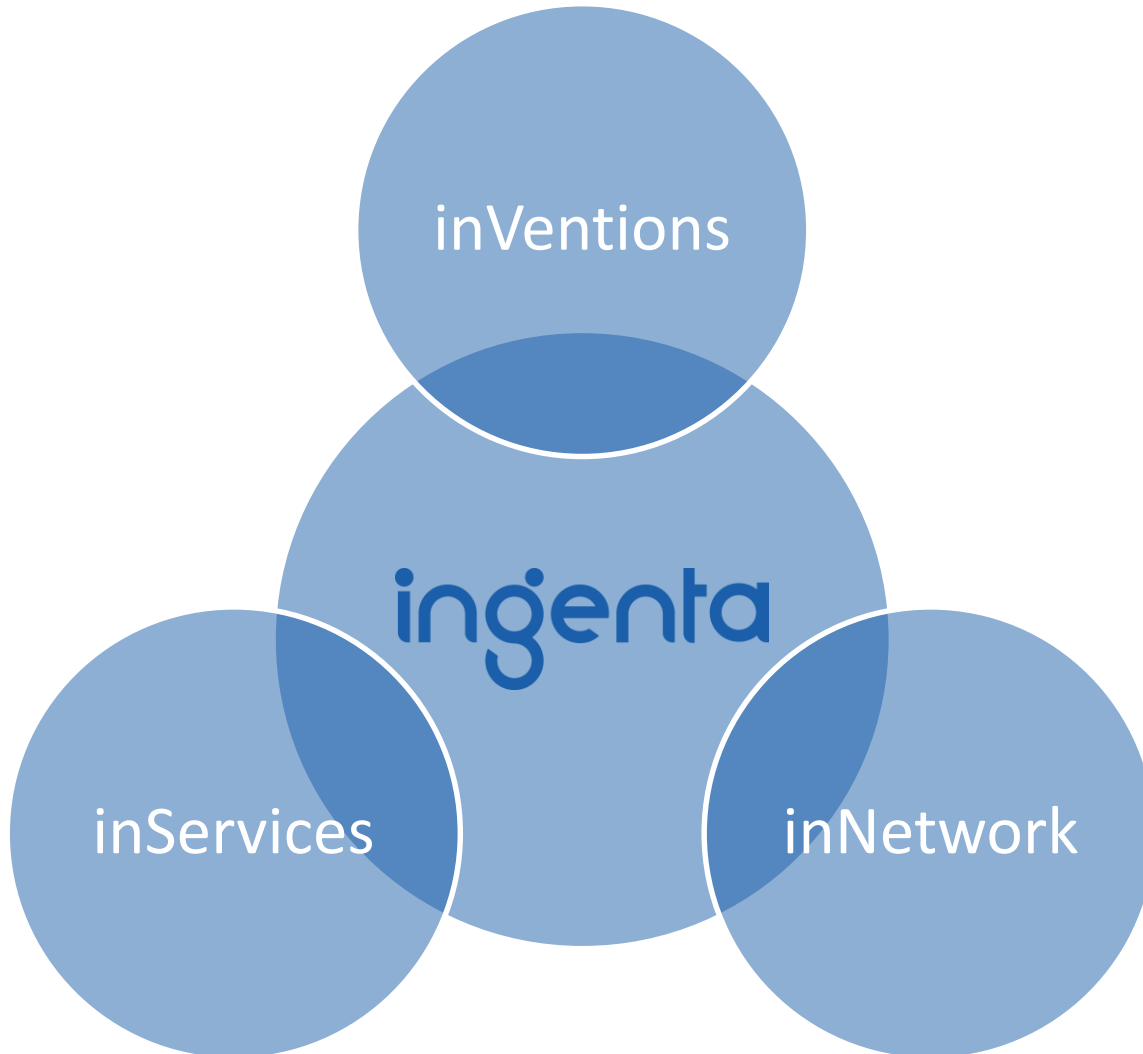
1. Mission Statement
2. Overview
3. Products and Services Offerings
4. Market Expansion Opportunities
5. Positioned for Growth

Mission Statement

Ingenta's mission is to increase share-holder value by providing media-agnostic business solutions to producers, publishers, and distributors through the implementation of our highly configurable software into complex business environments with knowledgeable and engaged staff, and superior service and support.

We value our independent and genuine culture as we focus on solving complicated situations in a way that unlocks our customers and ourselves.

ingenta: Media Management Solutions



inVentions:

- Owned / Created platforms
- Intellectual property

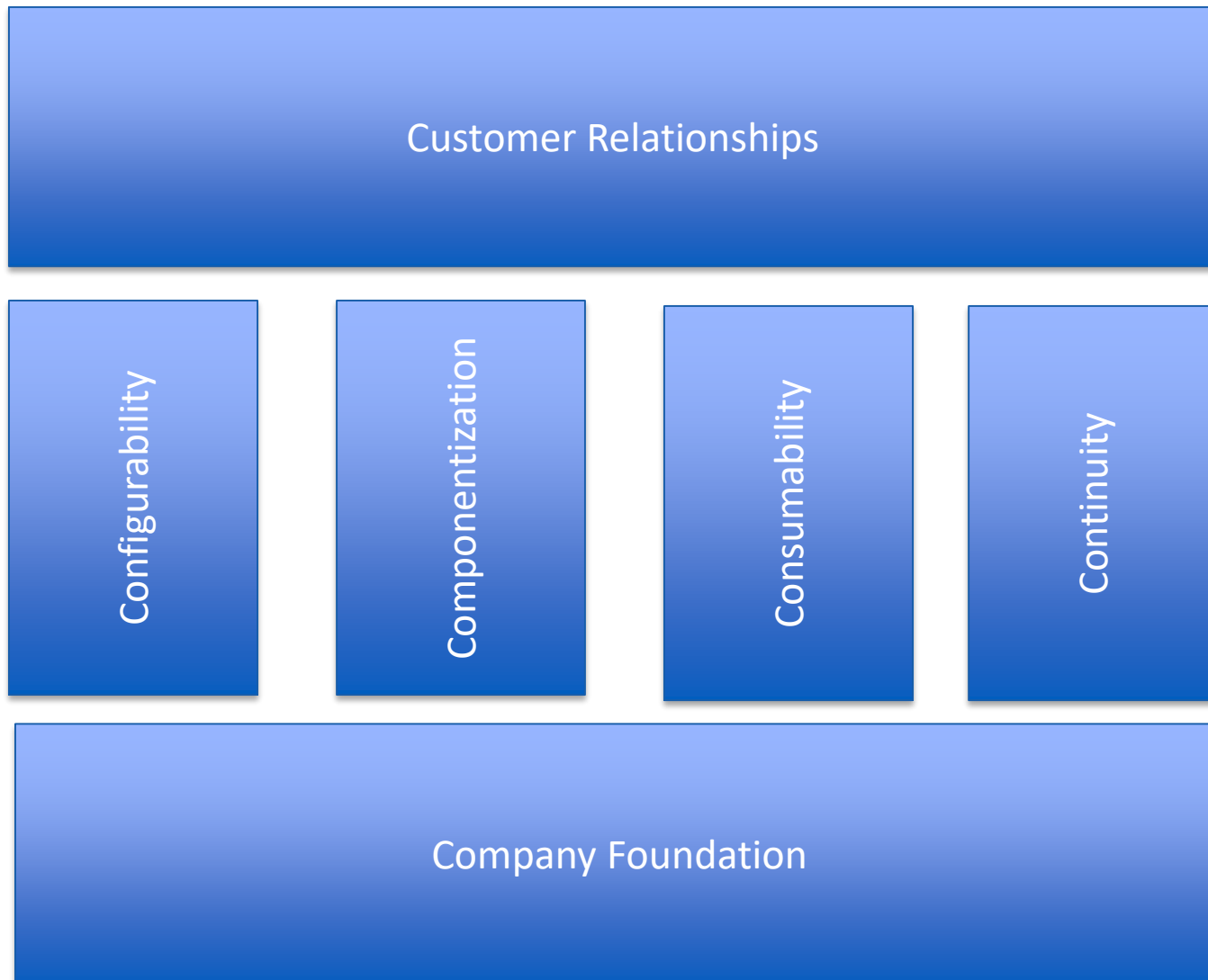
inServices

- Specific services to help customers run / sell their business

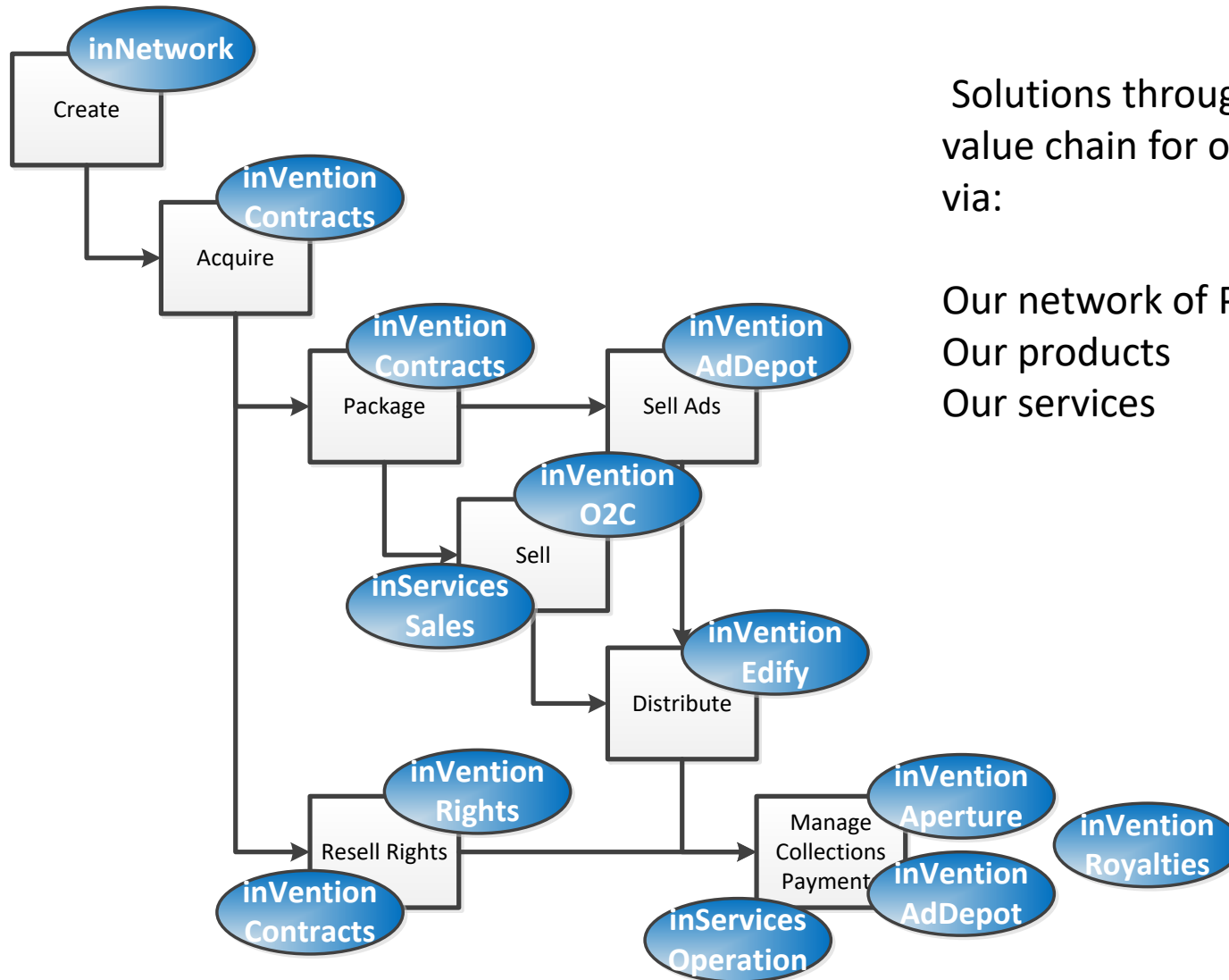
inNetwork

- Partner network including products and service partners

Ingenta Approach



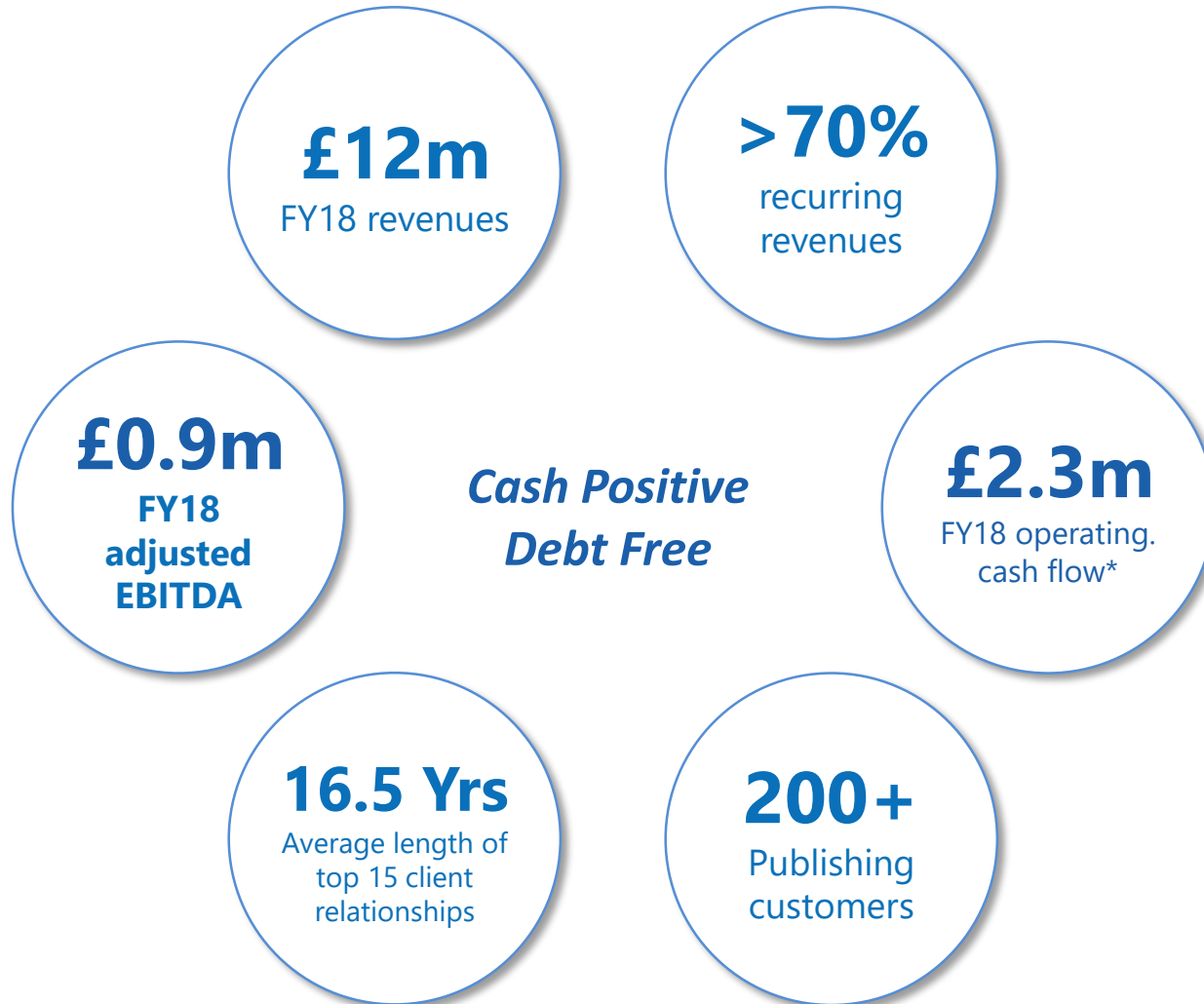
Value Chain Proposition



Solutions throughout the value chain for our customers via:

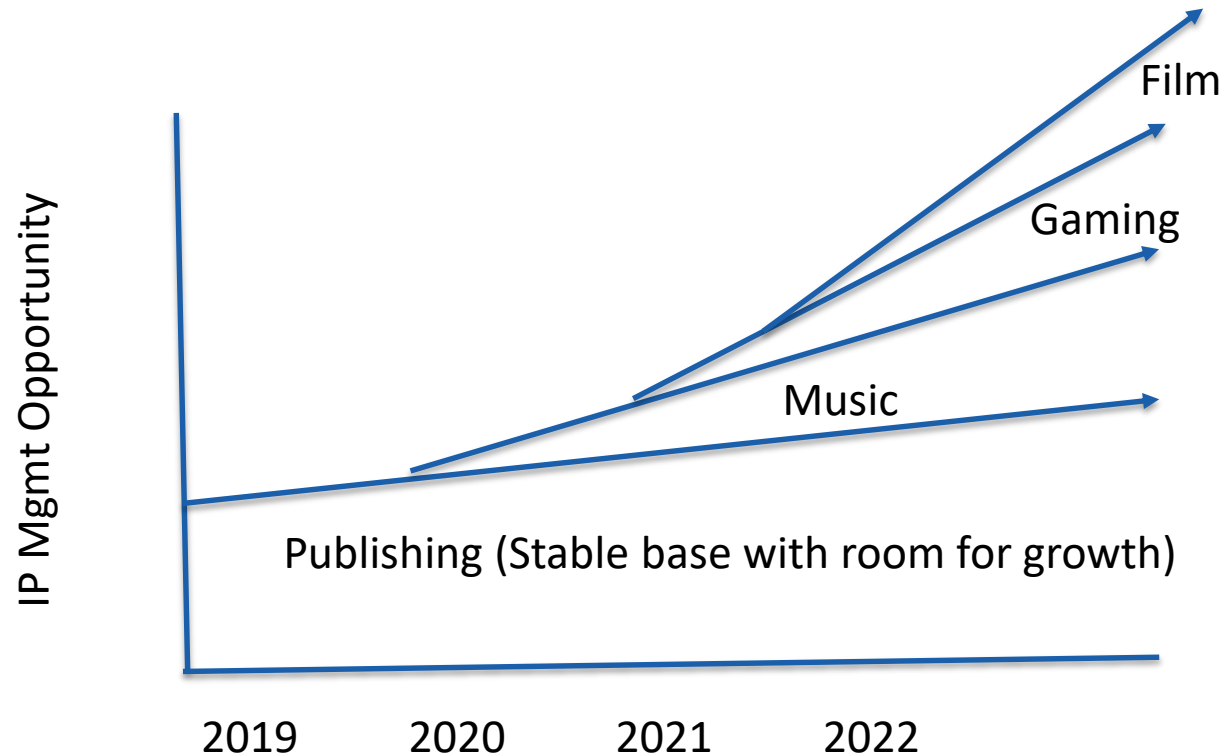
Our network of Partners
Our products
Our services

Key Figures



* before expenditure on R&D, acquisitions, dividends and reorganisation costs

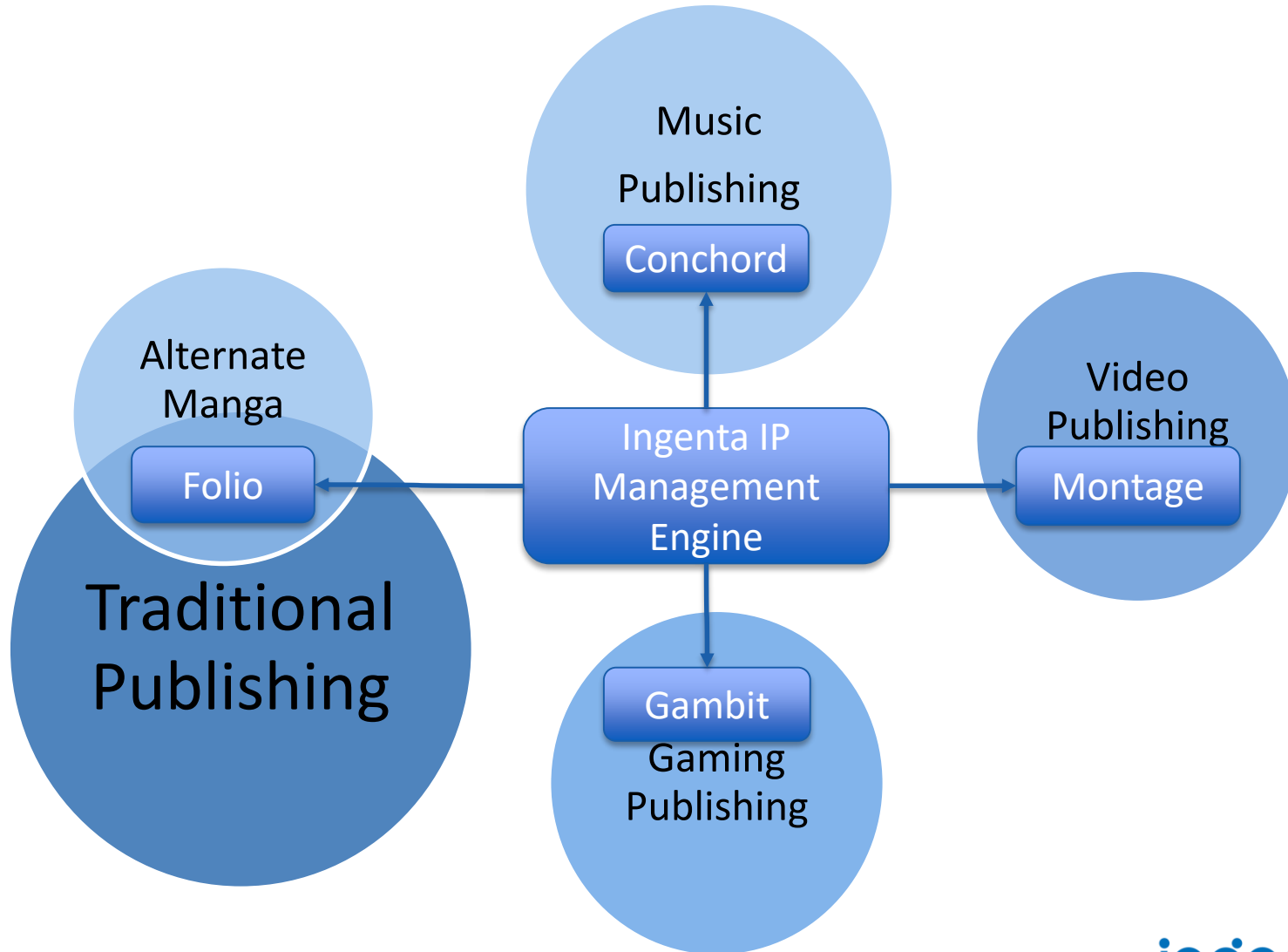
Focus: Addressable Market Expansion



We are leveraging our current stable base to break into adjacent markets greatly expanding overall value and potential

* before expenditure on R&D, acquisitions, dividends and reorganisation costs

Market Expansion Opportunity



Positioned for Growth

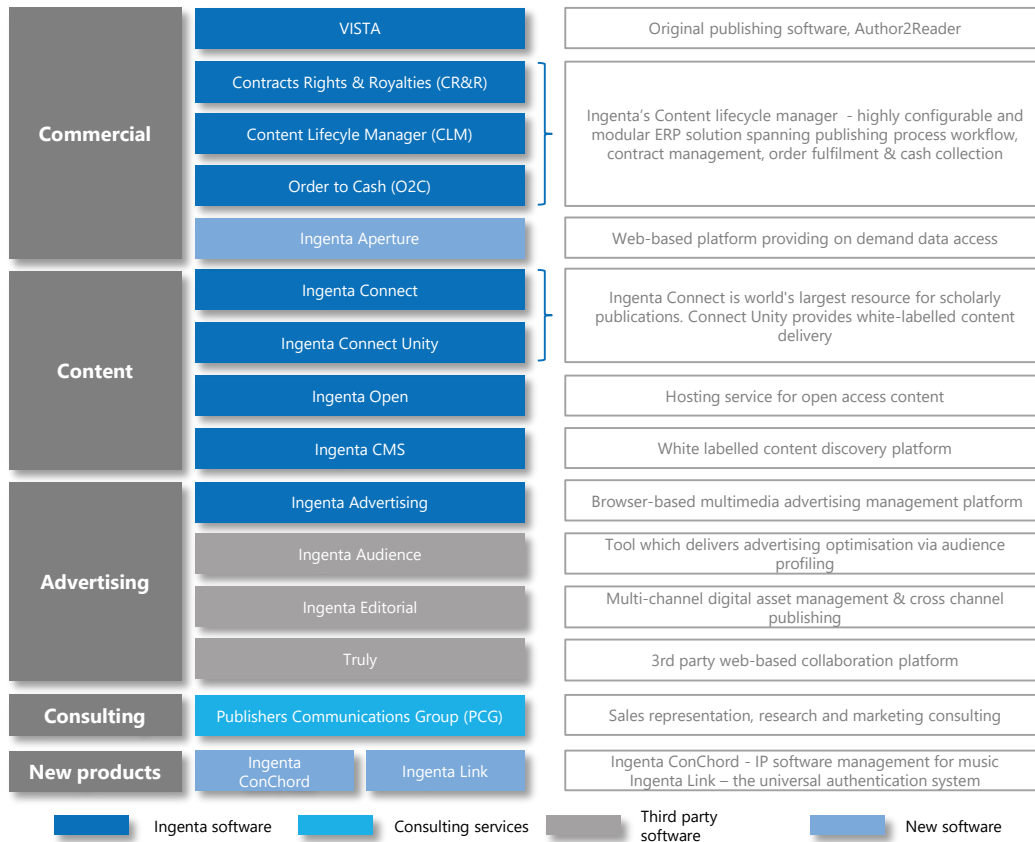
- Attractive offerings in core markets
- Increased opportunities in new large growing markets
- Minimal investment for product expansions
- Organizationally structured for expansion with approaches for fixed and variable staffing models
- Operating with few fixed assets and largely virtualized global teams



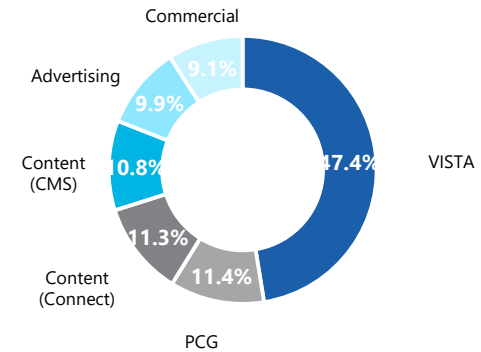
Appendix

1. Product Overview
2. Income Statement
3. Revenue Analysis
4. Balance Sheet
5. Cash Flow Statement

Product and Services Offerings



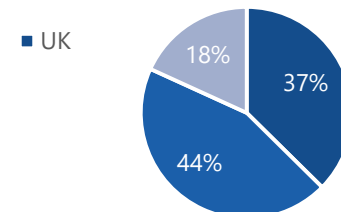
Revenue by solution (FY18)



Notes:

- 1) VISTA revenues have been presented within Commercial for the purposes of historical revenue analysis in the financial statements
- 2) Third party software and new software represents a negligible amount of income in FY18 and have therefore been excluded above

International sales mix (FY18)



Income Statement

	2019 H1 £m	2018 H1 £m	2018 £m
Revenue	5.3	6.4	12.0
Cost of Sales	(3.2)	(3.9)	(7.3)
Sales & Marketing	(0.5)	(0.6)	(1.1)
Administration	(1.2)	(1.2)	(2.6)
Adjusted EBITDA	0.3	0.5	0.9
Restructuring	(0.3)	(0.5)	(0.9)
Foreign Exchange	(0.0)	(0.1)	(0.0)
Revaluation	0.0	0.0	0.1
Underlying EBITDA	(0.0)	(0.1)	0.1
Depreciation	(0.2)	(0.5)	(1.2)
Finance costs	(0.0)	(0.0)	(0.0)
JV profit / (loss)	0.0	0.0	0.0
Profit / (loss) before tax	(0.2)	(0.6)	(1.2)
Taxation	(0.1)	(0.0)	0.4
Profit / (loss) after tax	(0.3)	(0.6)	(0.8)
Profit / (loss) per share (diluted)	(1.86)p	(3.59)p	(4.70)p
Research & Development costs	0.7	0.8	1.9

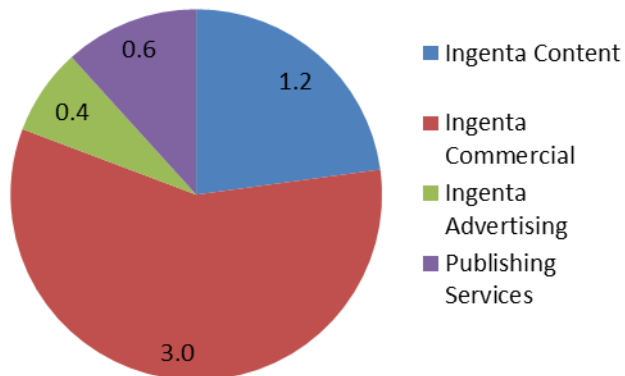
- Revenue focussed towards higher quality time and materials contracts
- Over 75% of revenues are recurring in nature
- Business combination plans have reduced annualised costs by £4m
- Margins improving
- Cost run rate currently at £9.5m
- 2018 Depreciation includes £0.9m non-cash impairment charges relating to investments
- Research and development costs declining, and all costs charged to income statement
- All comparatives restated for impact of IFRS16 'leases'

Revenue Analysis

2019 H1 Revenue matrix

	Licence	Time based services	Non Recurring	Managed Services	Hosting & Support	Retainer / Revenue Share	Recurring	Total	
Ingenta Commercial	0.1	0.5	0.6	1.1	1.3	-	2.5	3.0	57%
Ingenta Content	-	0.1	0.1	-	1.0	0.1	1.1	1.2	22%
Ingenta Advertising	-	0.0	0.0	-	0.4	-	0.4	0.4	7%
Publishing Services	-	0.4	0.4	-	-	0.3	0.3	0.7	13%
Total	0.1	1.0	1.1	1.1	2.7	0.4	4.2	5.3	100%
	2%	19%	21%	21%	50%	8%	79%	100%	

ACT H1 2019 - £5.3m revenue



- Strong recurring revenues in all divisions
- Multi year renewals typically covering 2 – 5 years
- Commercial Licences offered as SaaS and perpetual
- Content and Advertising licences incorporated into annual hosting and support fees
- Commercial Time-based revenues from implementations and change controls
- Majority of contracted work on T&M basis

Balance Sheet

	2019 H1 £m	2018 H1 £m	2018 £m
Intangible Assets	4.5	5.2	4.6
Fixed Assets	0.5	0.6	0.6
Investments	0.0	0.0	0.0
Non Current Assets	5.1	5.9	5.2
Trade Debtors	1.5	1.9	3.3
Accrued Income	0.4	0.4	0.9
Other Debtors	0.8	0.7	0.8
Cash	1.8	2.1	1.3
Current Assets	4.5	5.0	6.3
Total Assets	9.6	10.8	11.5
Share Capital	1.7	1.7	1.7
Reserves	2.9	3.7	3.5
Equity	4.6	5.4	5.2
Trade Creditors	0.3	0.5	0.6
Deferred Income	2.4	1.8	3.1
Accruals	0.4	0.8	0.6
Other Creditors	1.9	2.3	2.0
Loans	0.0	0.0	0.0
Liabilities	5.0	5.4	6.3
Total Equity and Liabilities	9.6	10.8	11.5

- Intangible assets include goodwill related to acquisitions
- No capitalised research and development costs
- Annual renewals follow calendar year
- In excess of £20m spent on research and development since 2010
- No borrowings other than leases
- Positive distributable reserves in the parent company of £7m
- £20m of tax losses carried forward

Cash Flow Statement

	2019 H1 £m	2018 H1 £m	2018 £m
Underlying EBITDA	(0.0)	(0.1)	0.1
Working Capital movements	1.0	0.6	(0.1)
Capital Expenditure	(0.2)	(0.1)	(0.4)
Interest Paid	(0.0)	(0.0)	(0.0)
Subsidiary acquisition	0.0	(0.2)	(0.2)
Dividend paid	(0.3)	(0.3)	(0.3)
Cash movement in the period	0.5	0.0	(0.8)
Cash at beginning of period	1.3	2.1	2.1
Cash at end of period	1.8	2.1	1.3

- Cash generation of £0.5m in 2019 H1 after expenditure on:
 - Research & development £0.7m
 - Dividends £0.3m
 - Reorganisation costs £0.3m
- Capital expenditure includes operating lease payments (premises)
- £0.3m R&D tax credit received in August 2019
- Loan payments all related to leasing
- Progressive dividend policy

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