

# Interim Results

Six months ended 30th November 2023

Rory MacDonald, CEO  
Neil Elton, CFO



# Important Notice

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM THE UNITED STATES OF AMERICA, AUSTRALIA, CANADA, NEW ZEALAND, JAPAN, THE REPUBLIC OF SOUTH AFRICA OR THE REPUBLIC OF IRELAND OR ANY JURISDICTION WHERE SUCH DISTRIBUTION IS UNLAWFUL.**

The following presentation, including any printed or electronic copy of these slides, information communicated during any delivery of the presentation and any question and answer session or any document or material distributed at or in connection with the presentation (together, the "Presentation"), has been prepared by Made Tech Group plc (the "Company"). By attending (whether in person or by telephone) or reading the Presentation, you agree to the conditions set out below. The Presentation is confidential and its distribution in certain jurisdictions is restricted by law. Therefore, it must not be distributed, published or reproduced (in whole or in part) or disclosed by its recipients to any other person for any purpose. Investors should not purchase or subscribe for any securities in the Company on the basis of the information referred to in the Presentation.

The Presentation is provided for general information only and does not purport to contain all the information that may be required to evaluate the Company. The information in the Presentation is subject to updating, completion, revision and verification. The Presentation is not intended to, and does not, constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any shares or other securities of the Company, nor shall it (or any part of it), or the fact of its distribution, form the basis of, or be relied on in connection with or act as any inducement to enter into, any contract whatsoever relating to any securities. Neither the Presentation nor any copy of it nor the information contained herein is being issued or may be distributed or redistributed directly or indirectly to or into any jurisdiction where such distribution would be unlawful, including but not limited to Australia, Canada, New Zealand, Japan, the Republic of South Africa, the Republic of Ireland or the United States of America, its territories or possessions. The securities of the Company have not been, and will not be, registered under the United States Securities Act of 1933 (the "Securities Act") or with any securities regulatory authority of any state or jurisdiction of the United States and may not be taken up, offered, sold, resold, pledged, transferred, delivered or distributed, directly or indirectly, within, into or from the United States, or to, or for the account or benefit of, any person with a registered address in, or who is a resident or ordinary resident in, or a citizen of the United States. Any securities will only be offered or sold outside the United States in "offshore transactions" within the meaning of and in reliance on the safe harbour from the registration requirements under the Securities Act provided by Regulation S promulgated thereunder.

In the European Economic Area (the "EEA"), the Presentation is being made, supplied and directed only to and at persons in member states of the EEA who are qualified investors within the meaning of Article 2(1)(e) of Directive 2003/71/EC (as amended) (the "Prospectus Directive") and, additionally in the United Kingdom, to qualified investors who (i) fall within the definition of "investment professionals" contained in article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the "Order"), (ii) are persons falling within article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the Order, or (iii) fall within another exemption to the Order (all such persons referred to in (i) to (iii) above together being referred to as "Relevant Persons"). Any person who is not a Relevant Person must not act or rely on this communication or any of its contents. Any investment or investment activity to which this communication relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

To the extent permitted by law and regulation, no undertaking, representation or warranty or other assurance, express or implied, is made or given by or on behalf of the Company or Singer Capital Markets Advisory LLP, as the Company's nominated advisor and broker (the "Nomad"), or any of their respective parent or subsidiary undertakings or the subsidiary undertakings of any such parent undertakings or any of their respective directors, officers, partners, employees, agents, affiliates, representatives or advisers, or any other person, as to the accuracy, completeness or fairness of the information or opinions contained in the Presentation.

Neither of the Company or the Nomad, their respective affiliates and advisers, agents and/or any other party undertakes or is under any duty to update the Presentation or to correct any inaccuracies in any such information which may become apparent or to provide you with any additional information. Save in the case of fraud, no responsibility or liability is accepted by any such person for any errors, omissions or inaccuracies in such information or opinions or for any loss, cost or damage suffered or incurred, however arising, directly or indirectly, from any use of, as a result of the reliance on, or otherwise in connection with, the Presentation.

The contents of the Presentation have not been verified by the Company or its advisers. No liability is accepted by the Company or its advisers for any information or opinions contained in the Presentation.

The Presentation includes statements that are, or may be deemed to be, forward-looking statements. These forward-looking statements include certain statements, estimates, opinions and projections provided by the Company in relation to strategies, plans, intentions, expectations, objectives and anticipated future performance of the Company and its subsidiaries. By their nature, such forward-looking statements, estimates, opinions and projections involve risk and uncertainty since they are based on various assumptions made by the Company concerning anticipated results which may or may not prove to be correct and because they may relate to events and depend on circumstances that may or may not occur in the future and may be beyond the Company's ability to control or predict. No representations or warranties of any kind are made by any person that any of the events expressed or implied in any such forward-looking statements, estimates, opinions or projections will actually occur. No person is under any obligation, or has any intention, to update or revise any such forward-looking statements, estimates, opinions or projections following the date of the Presentation. No forward-looking statement in the Presentation is intended as a profit forecast or a profit estimate.

The Nomad is acting exclusively for the Company and no one else in the matters and arrangements contained or referred to in the Presentation. The Nomad will not regard anyone other than the Company as a client in relation to any such matters or be responsible to anyone other than the Company for providing the protections afforded to their respective clients or for providing advice in relation to any such matters.

# Presenters



**Rory MacDonald**  
CEO



**Neil Elton**  
CFO

# Agenda

---

01. **Highlights**  
Rory MacDonald

---

02. **Financial Results**  
Neil Elton

---

03. **Operational Update**  
Rory MacDonald

---

04. **Strategic Update**  
Rory MacDonald

---

05. **Outlook**  
Rory MacDonald

---

06. **Q&A**  
Rory MacDonald & Neil Elton

---

# Highlights

Rory MacDonald  
CEO

# Highlights for H1 FY24

## Solid financial results in H1

- Revenue of £19.1m (H1 FY23: £20.6m) down 7%
- Sales Bookings of £12.6m (H1 FY23: £32.6m) down 61%
- Healthy Contracted Backlog of £61.3m (H1 FY23: £47.8m) up 28%

## Focus on performance

- Improved capacity management and cost control
  - Reduced headcount and contractor numbers
  - Improved billable utilisation
- Significantly improved profitability
  - Gross Profit margin of 37.1% (H1 FY23: 32.9%) up 420 bps
  - Adjusted EBITDA margin of 7.3% (H1 FY23: 2.5%) up 480 bps

## Investment in our team and offering

- Extension of Framework agreement coverage
- Launch of SaaS products targeting underserved local government market
- Investment in senior leadership team - Neil Elton (CFO) and Wayne Searle (CPO)

### Revenue

**£19.1m**

**-7%**

(H1 FY23: £20.6m)

### Adjusted EBITDA

**£1.4m**

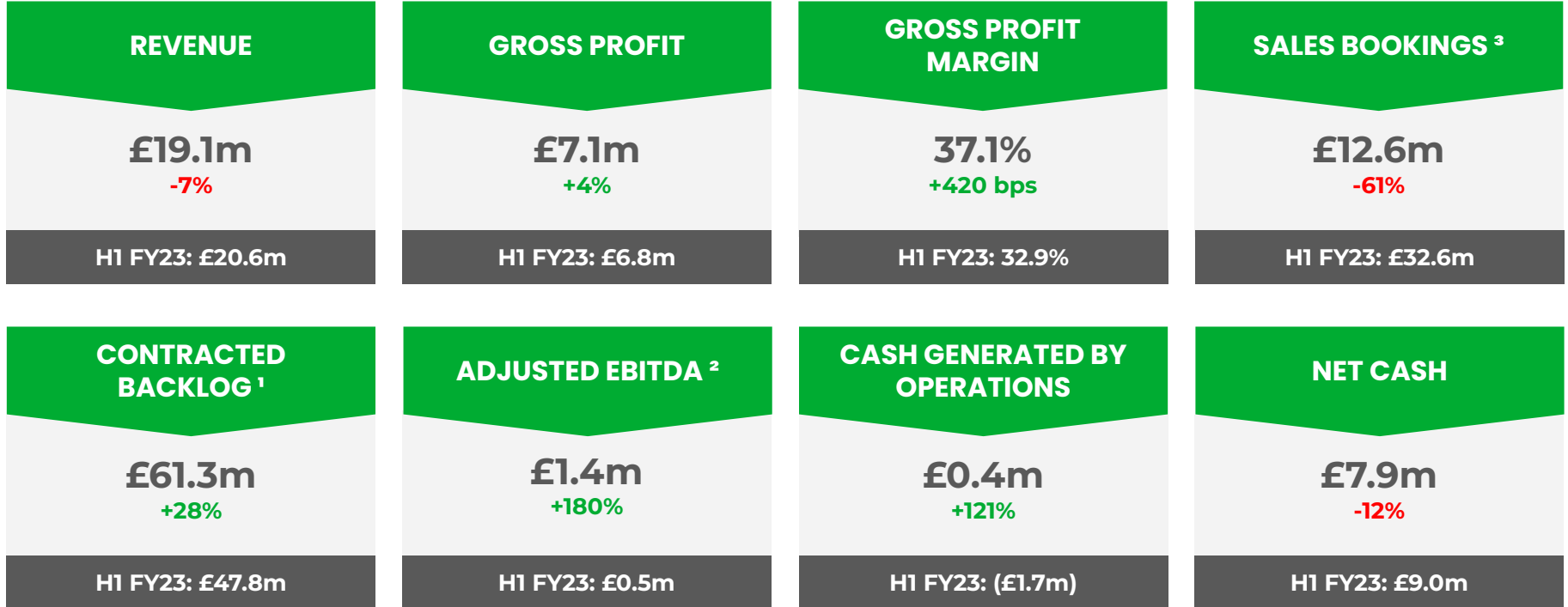
**+180%**

(H1 FY23: £0.5m)

# Financial Results

Neil Elton  
CFO

# H1 FY24 Highlights



1. Contracted Backlog is the value of contracted revenue that has yet to be recognised

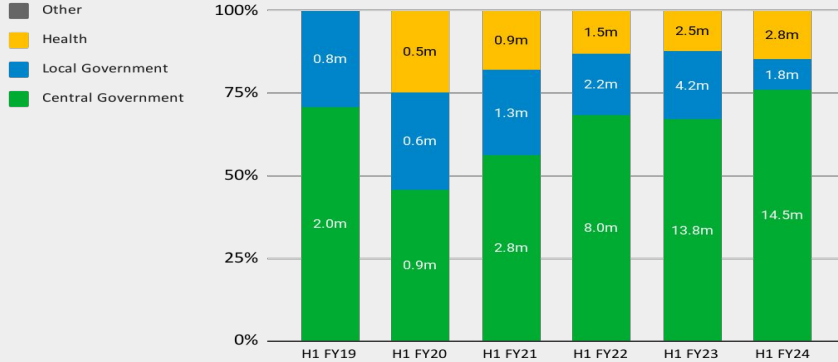
2. Adjusted EBITDA means operating profit before depreciation, amortisation, exceptional items and share based payment charge

3. Sales bookings represent the total value of sales contracts awarded in the year, to be delivered in FY24-FY27



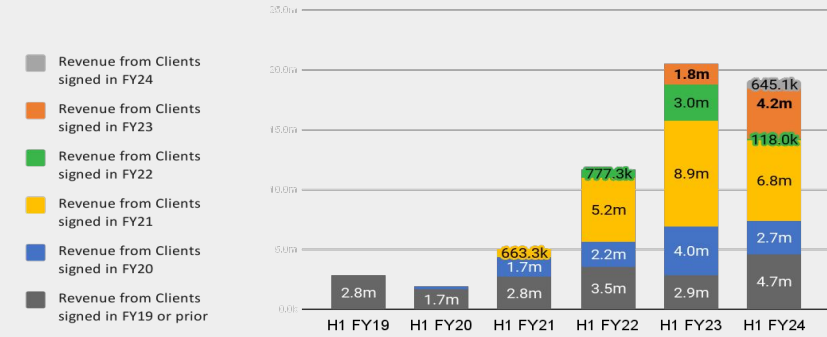
# Revenue and Gross Margin

## Industry Diversification & Expansion



- **Revenue** of £19.1m (H1 FY23: £20.6m) down by 7% due to client delays
- Increasing share of revenue represented by Central Government (76%) and Health (15%).
- Changes to Local Government strategy and Product strategy expected to drive higher volume of clients in medium term

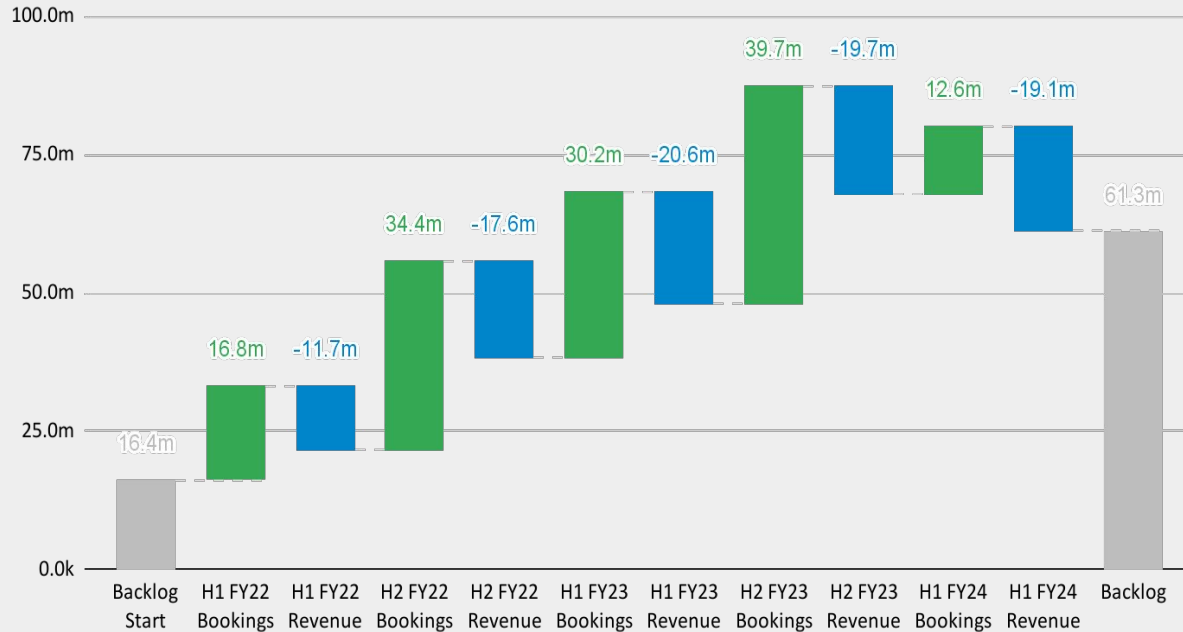
## Client Retention & Expansion



- **Solid client retention** - retaining all key clients
- **Gross Profit increase by 4%** to £7.1m (H1 FY23: £6.8m) despite reduction in revenue
  - reflects reduction in headcount and improved utilisation
- Ongoing productivity and cost control initiatives into FY25

# Long-term Visibility

## Bookings & Revenue Waterfall - £m



- **Sales Bookings** of £12.6m (H1 FY23: £32.6m) down 61%
- Key wins include:
  - DBT - £1.9m over 1 year
  - GDS - £5.0m over 2 years
  - MoJ - £3.8m over 1.5 years
- **Contracted Backlog** at end of Nov £61.3m (H1 FY23: £47.8m) which underpins revenue expectations for FY24 into FY25

# Adjusted EBITDA bridge

- Reduced **Operating Loss** of £1.1m reflects improved gross margin and cost control measures
- Launch of software products in H1 FY24 - amortisation of intangible assets over 3 years
- Impairment of 'Academy' IP as apprenticeship offering considered non-core
- Reduction in **share-based payment charge** primarily due to waiver of LTIP options by CEO and COO in February 2023
- £0.3m **exceptional charge** associated with targeted integration and restructuring actions
- **Adjusted EBITDA** margin of 7.3% represents 480 bps improvement on H1 FY23

£m	H1 FY24	H1 FY23	Variance
<b>Operating Loss</b>	<b>(1.1)</b>	<b>(1.7)</b>	<b>0.6</b>
Add back:			
Depreciation	0.2	0.2	-
Amortisation of Intangible of Intangible Assets	0.6	-	0.6
Impairment of Intangible Assets	0.9	-	0.9
Share-based payment charge	0.5	1.5	(1.0)
Exceptional Items	0.3	0.5	(0.2)
<b>Adjusted EBITDA</b>	<b>1.4</b>	<b>0.5</b>	<b>0.9</b>
<b>Adjusted EBITDA Margin</b>	<b>7.3%</b>	<b>2.5%</b>	

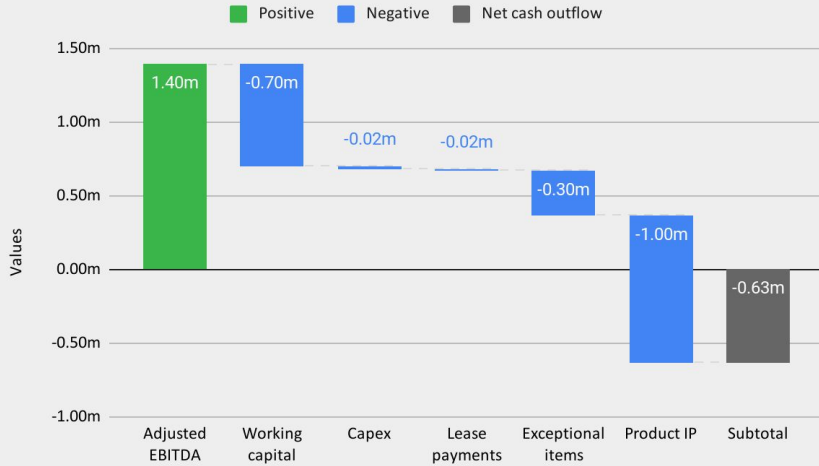
# Balance Sheet

- Intangible assets includes IP developed internally for products and/or business solutions that acts as business accelerators for the industries that we serve
- Debtor Days of 45 (H1 FY23: 37) - good cash collection; increase primarily as a result of payment delays by one client
- Increase in Trade Creditors and accruals £5.3m (H1 FY23: £4.2m)
- Healthy cash balance £7.9m (H1 FY23: £9.0m) and debt free

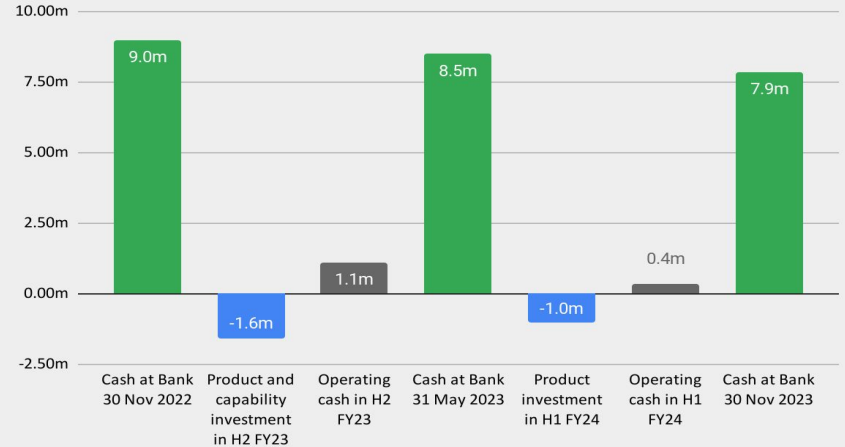
<b>BALANCE SHEET As at 30 November (£m)</b>	<b>H1 FY24</b>	<b>H1 FY23</b>
Tangible Fixed Assets	0.3	0.7
Intangible assets	4.5	3.4
Trade and other Receivables	7.3	6.4
Cash	7.9	9.0
Liabilities	(5.3)	(4.2)
<b>Shareholders' funds</b>	<b>14.7</b>	<b>15.2</b>

# Cashflow

## EBITDA and Cashflow Bridge – £m



## Cash Movements – £m

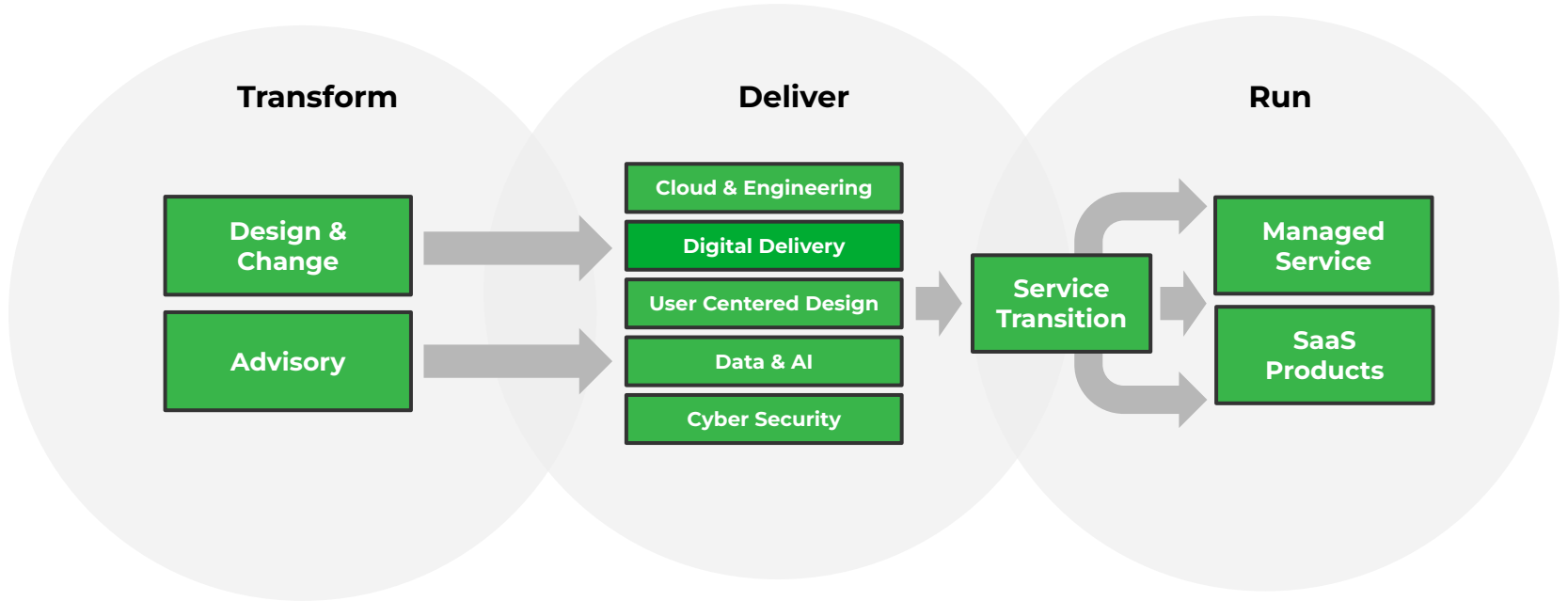


- Adverse working capital movement primarily relates to increase in debtor days
- Reduction in capitalised development spend expected to continue into FY25 as initial SaaS products enter commercialisation phase
- Anticipate that improved profitability, working capital and reduce intangibles spend in FY25 will generate positive free cash flow

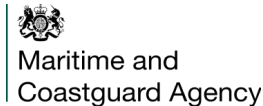
# Operational Update

Rory MacDonald  
CEO

# Capabilities & Offerings



# Clients



Camden





# Launching Homes for Ukraine

## Background

The Homes for Ukraine scheme allows individuals in the UK to sponsor Ukrainian nationals to live with them, provided they can offer suitable accommodation.

## What we did

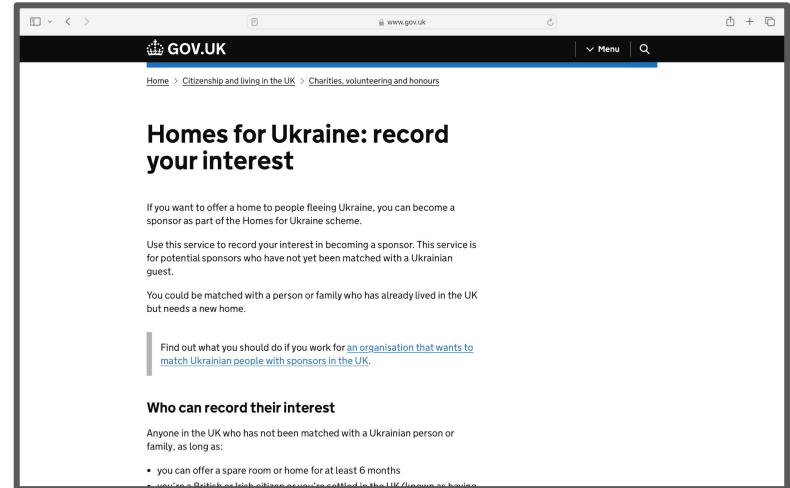
We provided a team of digital specialists who worked with DLUHC, Home Office & Local Authorities to launch this service in two weeks and iteratively improve it over subsequent months.

## Results

- 248,000 expressions of Interest from Sponsors
- 131,000 people arrived in the UK under the scheme
- 77% of visas processed within 15 working days
- £2.1b of funding provided



Department for Levelling Up,  
Housing & Communities



# Modernising the Criminal Justice System Exchange



## Background

The Criminal Justice System Exchange enables information to be shared between the Police National Computer, Crown Prosecution Service and Courts and Tribunal Service. The infrastructure and applications that comprise the CJSE were using out-of-date technology and becoming an increasing risk.

## What we did

Migration of the Bichard applications and infrastructure from an on-premise datacentre to AWS public cloud, replacing legacy IBM technologies with modern cloud components. Iterative modernisation of the service to meet evolving business and user needs, whilst improving the security and resilience posture.

## Results

- Processing 6,000-10,000 cases per day
- Significant reduction in operating costs
- Moved from annual to daily application releases
- Reduction in risk profile



Ministry  
of Justice

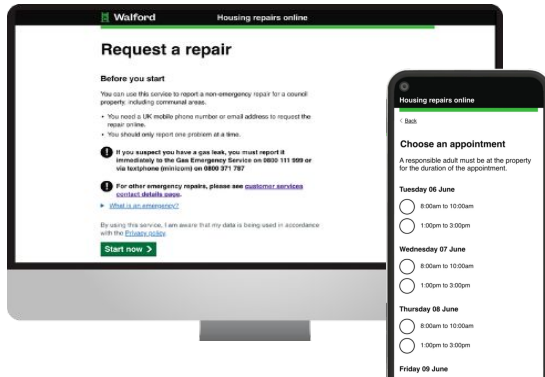
# Housing products for Local Government

## Housing repairs

Streamline management of housing repairs in a council's social housing estate; reduced cost + improved tenant service

**Market potential:** 30-40 councils in our immediate market opportunity; >£1m ARR being targeted

**Strategic value:** integration with existing systems will help position our product as a preferred interface for council teams



## Voids

Automate the prioritisation and planning of work to get empty properties back into occupation as quickly as possible.

**Market potential:** immediate market opportunity of circa 25 councils for whom we can shorten relet time by 20-30% thus increasing housing capacity and rental income

**Strategic value:** entry point will allow for expansion into housing allocation and waiting list management

## Evidence

Makes collection of ID evidence fast and fuss-free.

- Streamline process
- Minimise officers' manual effort and context switching
- Reduce data privacy compliance and security issues

# Our People

## Headcount

**388**  
(-20%)

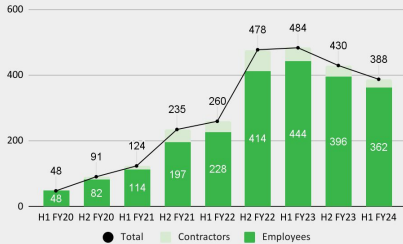
## Improved capacity management and utilisation

- Headcount reduced by 20% from 484 to 388
- Contractor numbers reduced from c10% of workforce to c6%
- Improvement in billable utilisation
  - resulting in increased profitability
- Launch of People Forum
  - Improving eSAT employee engagement
- Investment in senior leadership team
  - Neil Elton joined as CFO in January 2024
  - Wayne Searle joined as CPO in June 2023
- Investment in sales team to drive growth

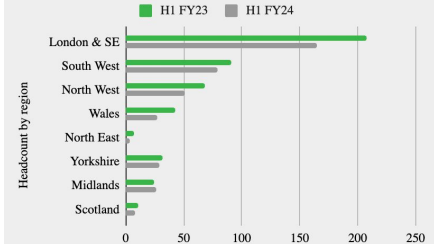
## Retention Rate

**87%**  
(+20 bps)

## Growth Trend



## Team Locations



# Strategic Update

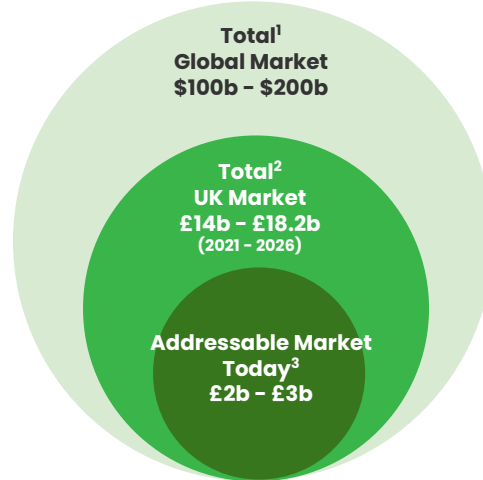
Rory MacDonald  
CEO

# Market Opportunity

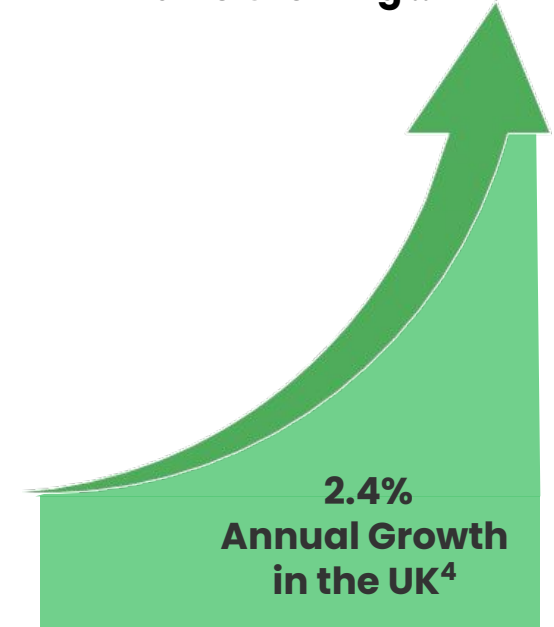
## Strong Tailwinds...

- ✓ Government technology no longer fit for purpose
- ✓ Drive to digital, to automate and drive efficiencies
- ✓ Reduction in large scale IT contract outsourcing

## Driving Large Market...

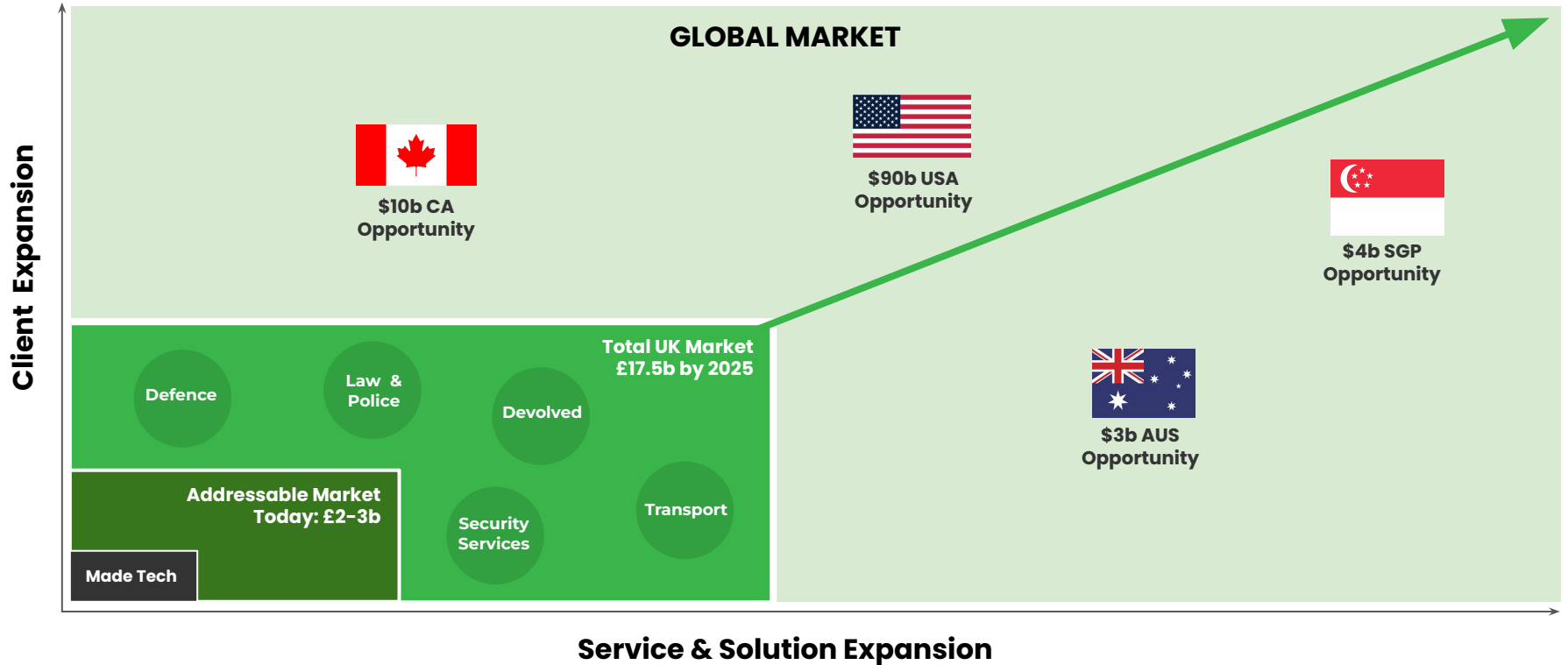


## That is Growing ..



1. Admission Document  
2. TechMarketView Public Sector Views Research 2023  
3. Crown Commercial Service Digital Marketplace 2023  
4. TechMarketView Public Sector Views Research 2023 - CAGR (Real Term) 2022-2026

# Long-term structural growth



# Overview of Plan

Growth			Operations	People
<p><b>Offerings &amp; Capabilities</b></p> <p>Expansion of capabilities to provide an end-to-end digital transformation offering to our clients.</p>	<p><b>Industry Expertise</b></p> <p>Deepening &amp; expansion of our industry verticals, to enhance our status as trusted advisors.</p>	<p><b>Geographic Coverage</b></p> <p>Purposeful and intelligent expansion into new territories within the UK and internationally.</p>	<p><b>Operational Excellence</b></p> <p>Build &amp; optimise best-in-class operational systems, processes and enabling functions.</p>	<p><b>Employee Experience</b></p> <p>Provide an industry leading employee experience with a focus on personal development.</p>



# Outlook

Rory MacDonald  
CEO

# Outlook



**Challenging** market conditions in short term. Anticipate **increase in opportunities** post general election as change requirements solidify



**Strong contracted backlog** and pipeline of opportunities underpins FY25 revenue



**Significantly improved profitability** as a result of better capacity management; anticipate further progress in FY25 and cash generation



We hold an **excellent position** in a **long-term, growth market**

# Q&A