

19 May 2020

Idox plc
('Idox', 'We' or the 'Group')
FY20 H1 Trading Update

Idox plc (AIM: IDOX), a leading supplier of specialist information management software and solutions to the public and asset intensive sectors, is pleased to issue a trading update in respect of the first half of its financial year, the six months ended 30 April 2020 ("FY20 H1").

Idox continues to make strong progress across all its activities and expects to report results for FY20 H1 in line with the Board's expectations.

Financial Summary

The Group expects to report the following results for FY20 H1:

- Revenue of £35.1m (2019 H1: £31.0m restated¹), an increase of 13% (10% organic).
- Adjusted EBITDA² of £9.6m (2019 H1: £4.1m restated¹), a significant increase of 138%. Adjusted EBITDA² margin improved to 27% (2019 H1: 13%, restated¹).
- Net debt at 30 April 2020 of £14.3m (30 April 2019: £25.4m, 31 Oct 2019: £26.4m), a significant decrease, giving a net debt to EBITDA ratio of 0.7 (net debt / trailing 12 months Adjusted EBITDA).

¹ 2019 H1 figures restated as disclosed in the FY19 Annual Report.

² Adjusted EBITDA is defined as earnings before amortisation, depreciation, restructuring, acquisition, corporate finance and share option costs.

'Four Pillars' programme

We are pleased to advise on our progress across the Group in the following areas:

- **Revenue enhancement** - we continue to improve sales governance and execution, including analysing in detail the revenue opportunities in our existing customer base and markets. During the period we have gone live with the Group's first ever business-wide CRM and have consolidated all the Group's marketing activities.
- **Margin enhancement** - we are consolidating common operations and identifying opportunities to move customers and products to the cloud to drive long-term margins. During the period we have completed the consolidation of the Group's nine customer support desks to a single support portal and are firmly on track with the integration of Tascomi, which was acquired in July 2019.
- **Communication** - During the period we completed the Group's first ever business-wide roadshow directly presenting to two-thirds of all employees and have increased regular employee engagement during lockdown.

- **Organisation simplicity** - we have streamlined the Group's activities and responded to employee feedback to remove unnecessary organisational complexity. During the period (and prior to the pandemic) we have exited all operations in Malta and the Republic of Ireland, which were sub-scale, and are in the process of consolidating our UK operations to a single entity to drive further efficiencies.

Notice of Results

The Group expects to report its FY20 H1 results on Monday 15 June 2020. Management intends to host a results webinar on the day. Please contact MHP Communications to register your interest.

Covid-19 Pandemic

The Group continues to regularly assess the impact of the Covid-19 pandemic on its immediate trading and longer-term prospects. The assessments performed and disclosed in our FY19 results in early April 2020 remain valid and the current year financial performance is expected to be in line with existing expectations. As planned, Idox has not needed to participate in any government job retention schemes.

Idox has benefitted from the fact that its business model has, for a number of years, included a large number of employees operating remotely. Therefore the move to home working across the Group was seamless and readily adopted and has ensured we have had suitable structures in place to monitor employee health and wellbeing.

The Group continues to manage carefully the exposures identified, and support our health, local authority and private sector customers to deal with the ongoing impacts arising from the pandemic.

David Meaden, Chief Executive of Idox said:

"Idox has delivered revenue growth and visibility, improved margins and strong cash generation. We have focused our efforts around our 'four pillars' programme to improve revenue, margins, communication and organisational simplicity.

"We are now in our 'run' phase, having created a stable baseline of profitable growth and having executed our business plan with greater focus and discipline during the 'walk' phase last year; we are building real momentum across the Group to create value for employees, shareholders and other partners.

"The Group has successfully risen to the challenges caused by the Covid-19 pandemic. Our core business model of home working and focus on the public sector means Idox is well placed to deal with the unfolding impacts of Covid-19. We continue to manage the exposures in the business, and support our customers, employees and wider communities. Consequently, we remain cautiously optimistic about the future."

For further information please contact:

Idox plc	+44 (0) 870 333 7101
Chris Stone, Non-Executive Chairman	
David Meaden, Chief Executive	
Rob Grubb, Chief Financial Officer	
Peel Hunt LLP (NOMAD and Broker)	+44 (0) 20 7418 8900
Edward Knight	
Nick Prowting	
James Steel	
MHP Communications	+ 44 (0) 203 128 8100

Reg Hoare
James Bavister
Amy O'Sullivan

idox@mhpc.com

About Idox plc

For more information see www.idoxplc.com @Idoxgroup

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

END

TSTKKFBKOBKPPD Anonymous (not verified) Half Year Trading Update
<http://www.DigitalLook.com>
30681256 A Tue, 05/19/2020 - 07:00 LSE RNS Results and Trading Reports IDOX