

# Final Results FY 2024

Claire Milverton – CEO  
Stuart Ritchie – CFO



# Agenda



**Claire Milverton**  
CEO



**Stuart Richie**  
CFO

Overview & Highlights 3

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Financial Review 8

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Market Overview & FY25 Areas of focus 16

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Summary & Outlook 23

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Q&A 24

# Overview & Highlights



**Claire Milverton**  
CEO



# 1Spatial plc: Overview

Existing enterprise business  
Provides expertise, reputation and financial resources

## Leaders in location data management

- ▶ Market-leading **software** platform for **Location Master Data Management (LMDM)**
- ▶ Enabling our customers to make critical decisions from **up to date, accurate location data**
- ▶ We sit in the middle of two growing markets: **GIS data** and **master data management**

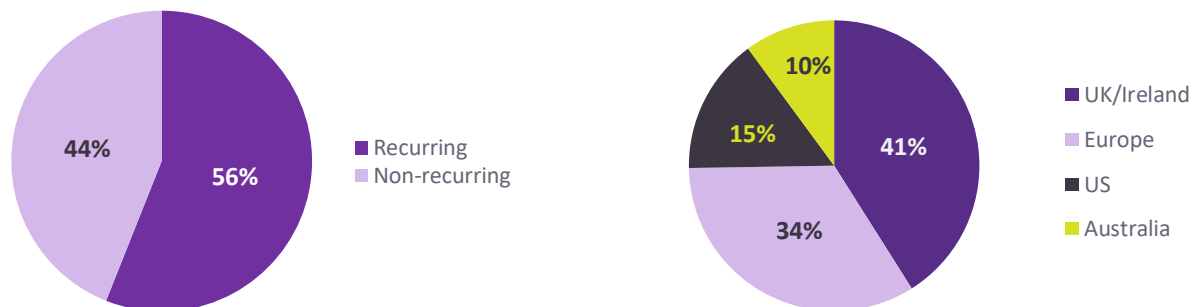
## Customers



## Partners



## Growing recurring revenues and increasing geographical spread



## Two new high margin SaaS solutions



£400m+

\$350m+

Significant ARR market opportunities

- ▶ Launched in FY24
- ▶ Pure SaaS: 80% - 90% gross margins
- ▶ Considerably expanding our addressable market
- ▶ Approx. £5m investment in cloud platform and SaaS to date

# A successful FY24: *Growing ARR & launch of SaaS solutions*

## Growing recurring revenue & margin expansion

£32.3m  
+8%

Revenue

£17.2m  
+9%

ARR

55%  
+3ppt

Gross margin

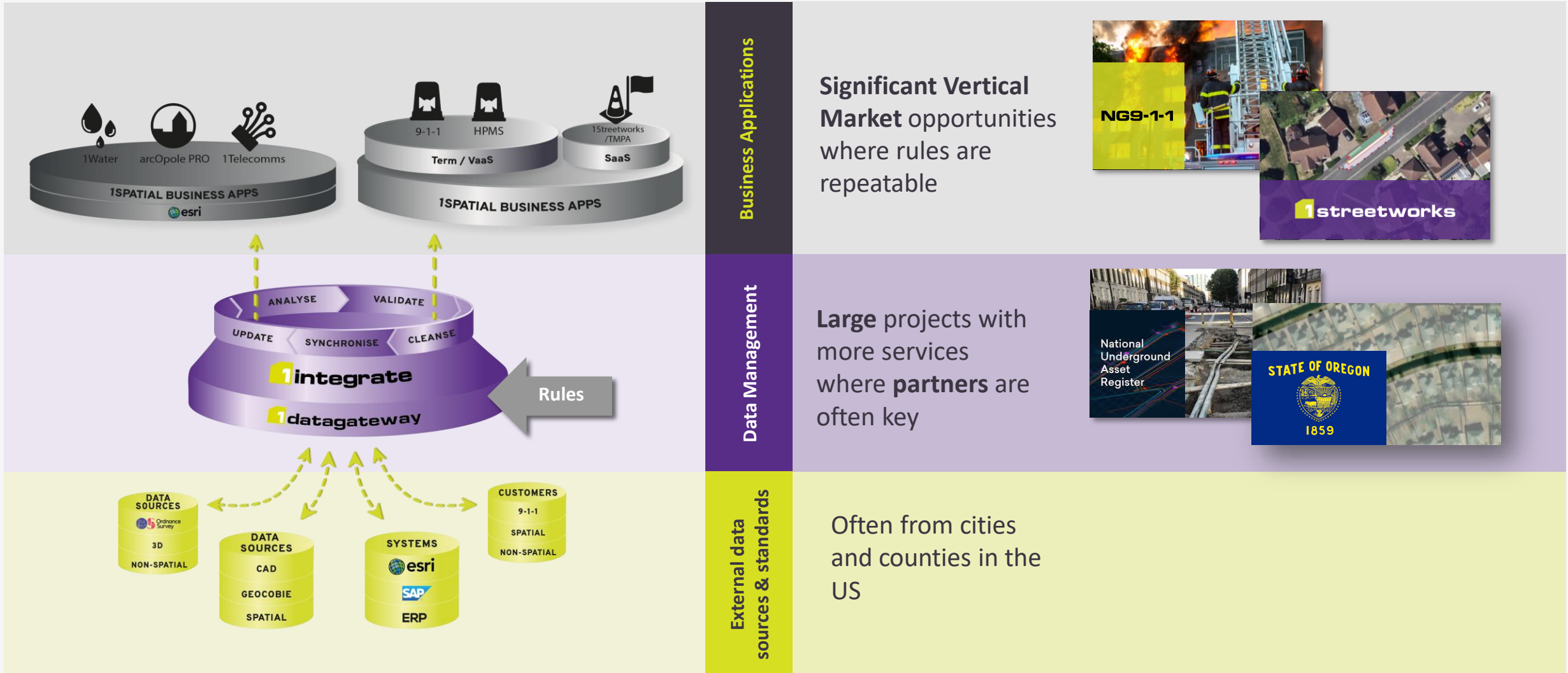
£5.5m  
+10%

EBITDA

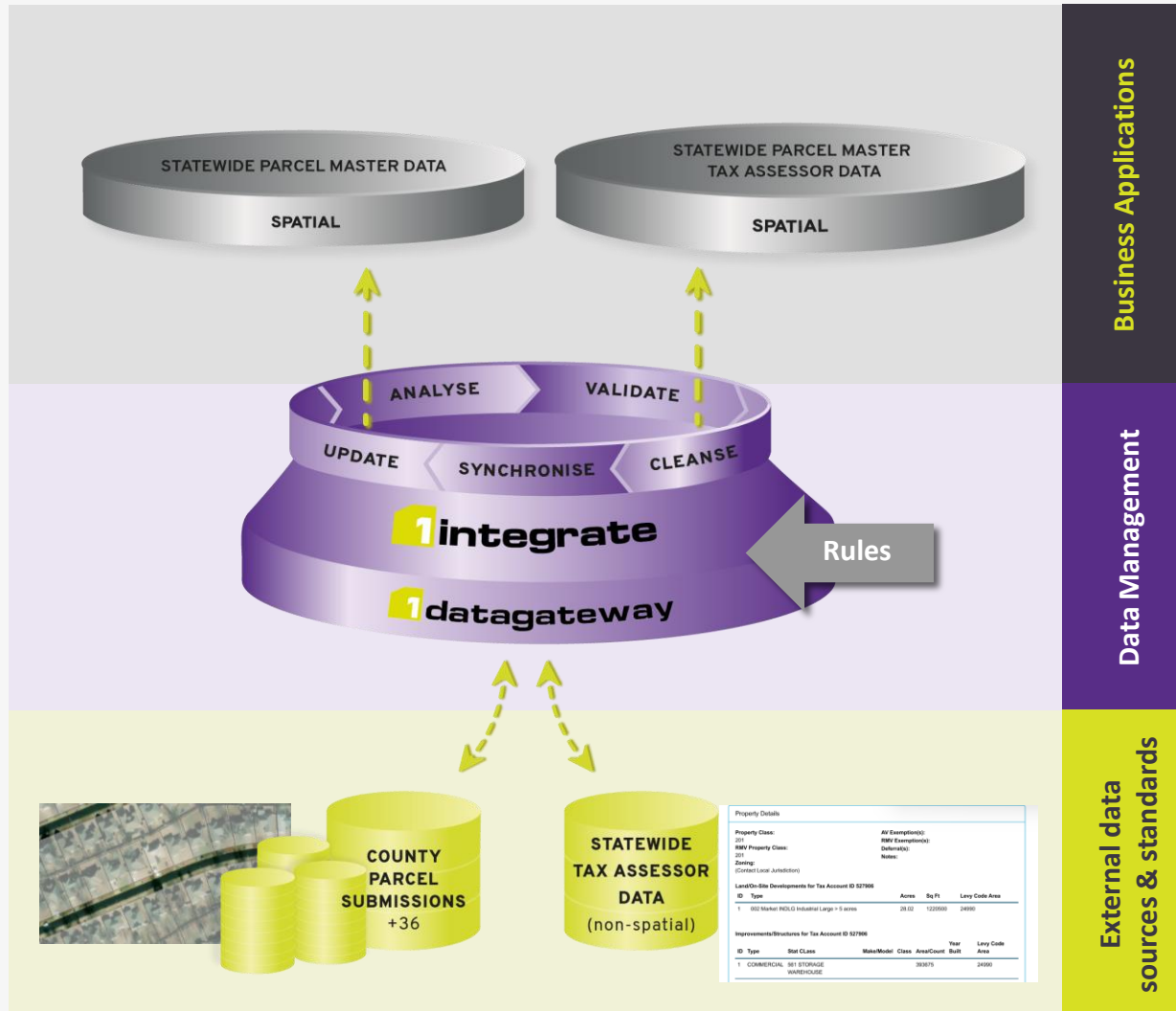
## Strong sales execution and contract delivery

- ▶ Multi-year contracts secured across all key geographies
- ▶ UK increased footprint across utilities, secured multi-year renewals and developed collaboration with UK gov agencies & partners
- ▶ Now in 18 States in the US, adding the State of Oregon and continuing to expand with existing customers
- ▶ Europe has completed transition from declining legacy software – now an engine for growth
- ▶ First two SaaS solutions successfully launched and £0.2m of revenue generated in H2 of FY24

# Our multi-use LMDM software platform



# Our platform in action: The State of Oregon



## Land

- First win in the State of Oregon for US\$0.4m of ARR using 1Integrate and 1Datagateway
- Bringing together parcel geospatial data from the 36 counties (usually Esri formats) & Statewide tax assessor data (Non-Spatial – table data)
- To create two new valuable **Statewide Spatial** databases

## Expansion potential

Within Oregon:

- Parcel rules and solution can be used for other States
- Project is progressing well and now in discussions about next projects e.g. NG 9-1-1 and Road Data for the Department of Transport

Within the US

- Ambition of US\$1m ARR per State – now have software in 18 States out of 50 in total

# Financial Review FY24



**Stuart Ritchie**  
CFO





# Financial Review – FY24

- ▶ Full year revenue performance slightly ahead of market expectations with EBITDA in line
  - ▶ Group revenue increased by 8% to £32.3 million
- ▶ Double digit growth in recurring revenues and EBITDA
  - ▶ Recurring revenue, as a percentage of total revenue, increased to 56%, up 7ppt (FY 2023: 49%)
  - ▶ Gross margin increased to 55%, up 3ppt
  - ▶ EBITDA increased 10% to £5.5 million
- ▶ Continued investment in **SaaS business and cloud platform**
- ▶ Streamlined cost base will drive **operational leverage**
- ▶ Successful execution will drive **transformational growth, margin and cash generation**

# FY24 Financial Highlights

## Income statement

### Summarised trading performance

- Significant increase in **recurring revenue** due to contract wins in UK and US.
- **Recurring 56%** (FY23: 49%) of Group revenues
- **Gross profit % increase** reflects improvements in revenue mix and increased operational leverage
- **Adjusted EBITDA\*** margin **17%** (FY23: 17%) reflects investment in sales to support growth opportunity, near term inflationary increases and adverse FX movements. £1m of annualised costs removed in Europe which will be reflected in future periods
- **Operating profit of £1.4m including restructuring costs** compared to a profit of £1.3m in the prior year

Summarised P&L (£m)	FY24	FY23	Variance (%)
Recurring revenue	18.1	14.8	22%
Non-recurring revenue	14.2	15.2	(7%)
<b>Revenue</b>	<b>32.3</b>	<b>30.0</b>	<b>8%</b>
Recurring revenue %	56%	49%	7%
<b>Gross Profit</b>	<b>17.9</b>	<b>15.5</b>	<b>15%</b>
Gross Profit %	55%	52%	3%
<b>Adjusted EBITDA*</b>	<b>5.5</b>	<b>5.0</b>	<b>10%</b>
Adjusted EBITDA* %	17%	17%	0%
Depreciation and amortisation	(3.4)	(3.4)	0%
Share-based payment charge	0.0	(0.1)	(100%)
Restructuring costs	(0.7)	(0.2)	250%
<b>Operating profit</b>	<b>1.4</b>	<b>1.3</b>	<b>8%</b>

# FY24 Financial Highlights

## Cash Flow

- Cash generated from operations excluding exceptional costs of **£5.3m** (FY23: £5.4m) – reflecting planned investment in sales resource and inflationary increases
- Exceptional costs relate to group restructuring and are non-recurring
- Increased investment in R&D and software to **£5.3m** (FY23: £3.9m) driven by SaaS solutions and developments with major partners with pre-defined future opportunities
- R&D expected to decrease in the short term (£0.5m in FY 2025)
- Net cash at 31 Jan 2024 of **£1.1m** (FY23: £3.1m) – available liquidity **£4.1m**
- Banking facilities in place - **£3m**. **£1.1m** undrawn at 31 Jan 2024. Sufficient liquidity to finance operations

Free Cash Flow (£000)*	FY24	FY23
Cash generated from operations including exceptional costs	4,674	5,352
Exceptional costs	667	48
Cash generated from operations excluding exceptional costs	5,341	5,400
Expenditure on software, product development and intellectual property capitalised	(5,295)	(3,854)
Lease payments	(904)	(1,099)
Net interest paid	(355)	(210)
Purchase of property, plant and equipment	(67)	(163)
Net tax received	140	179
Free cash flow* including exceptional costs	(1,807)	205
Free cash flow* excluding exceptional costs	(1,140)	253

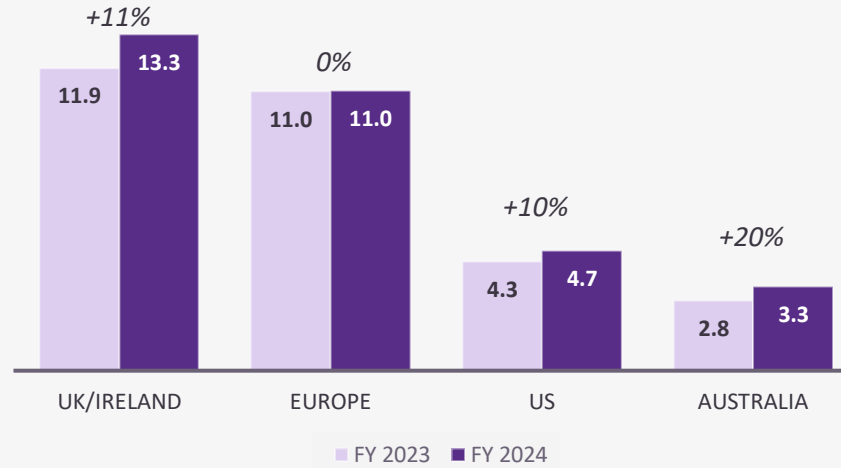
# FY24 Financial Highlights

## Regional Revenue

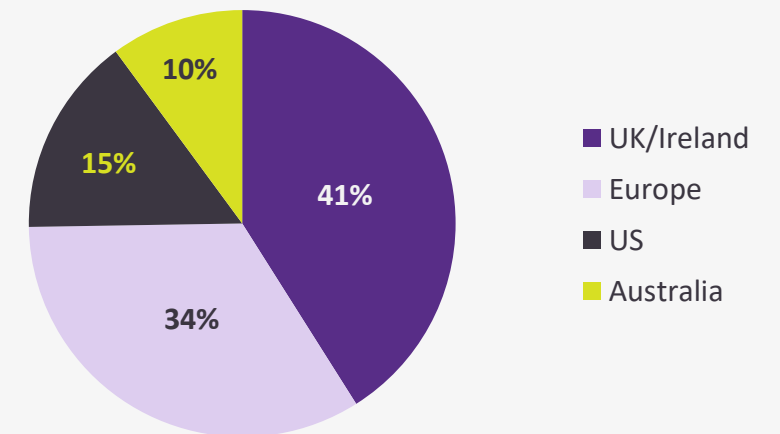
Strong double-digit growth across UK, US and Australia

- UK +11% – expanded footprint in utilities sector, multi-year renewals with existing customers
- Double-digit growth of +10% in US – work with 18 States - large potential for growth
- Europe revenue flat on last year but secured two multi-year €m contracts in the year. Clear visibility on FY25 revenue

Revenue by Region



% Revenue by region

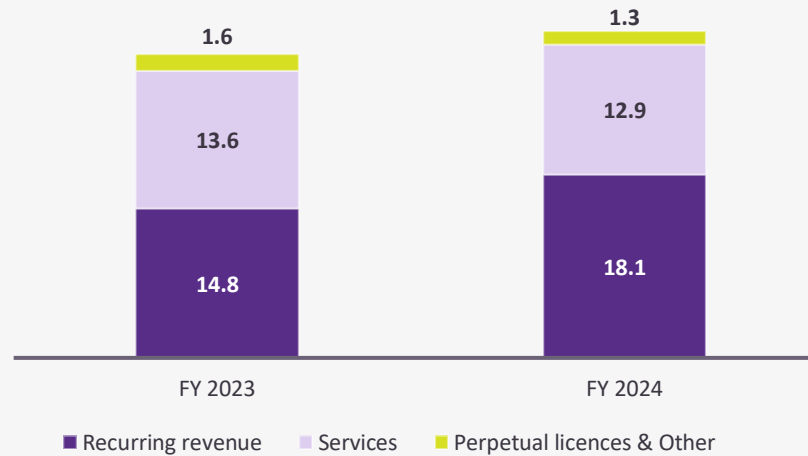


# Positive impact from recurring revenue\* growth

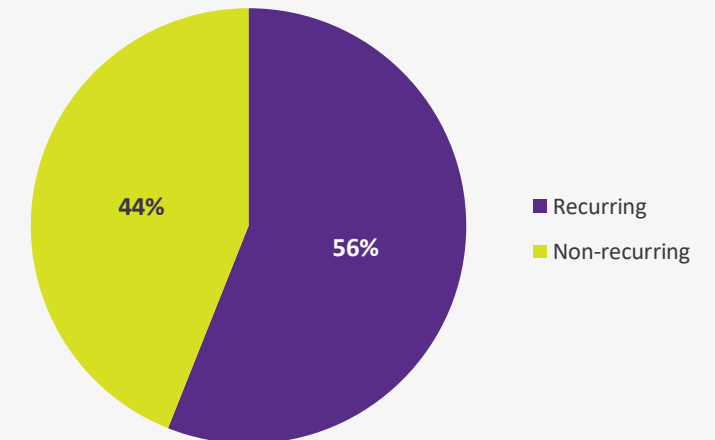
Focus on increased recurring revenue\* growth resulting in improved EBITDA performance:

- Total revenue up 8% to £32.3m (£30.0m)
- Recurring revenue\* up 22% to £18.1m (£14.8m)
  - Recurring term licence revenue up 60% to £8.3m (£5.2m)
  - First SaaS revenue contribution in FY 2024 (£0.2m) - growth anticipated for FY 2025 and beyond
  - Recurring revenue\* now 56% of total revenue (H1 FY24: 53%; FY23: 49%)

### Revenue by type (£m)



### Recurring revenue



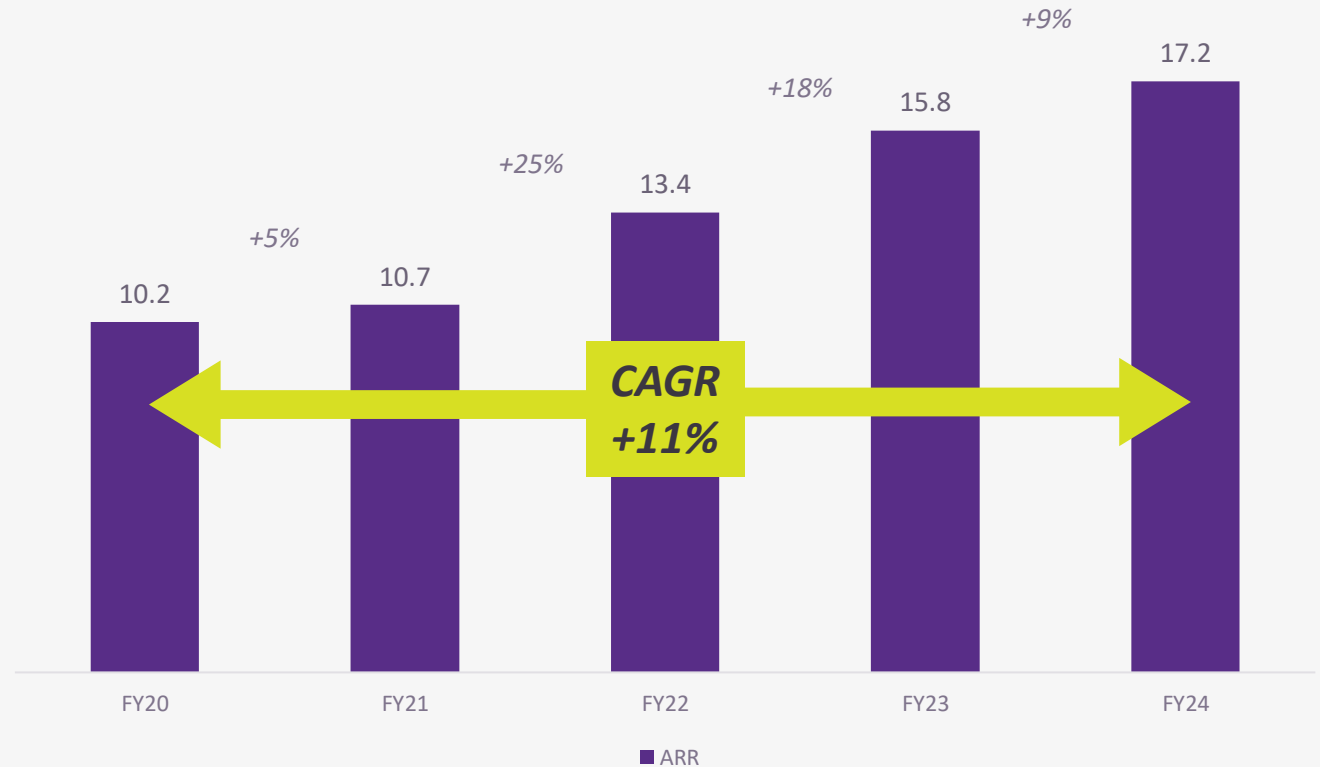
\* Recurring Revenue is the value of committed recurring contracts for term licences and support & maintenance recorded in the year.

# Continued growth in Annualised Recurring Revenue\*

ARR consistently grown over the past five years:

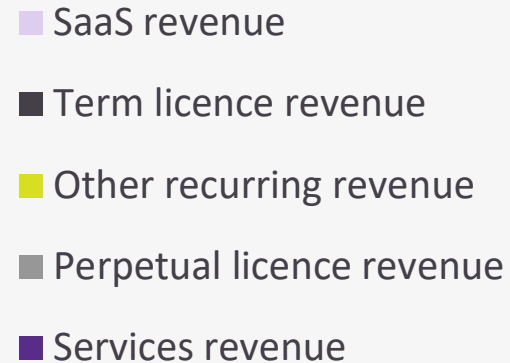
- CAGR of 11% from FY 2020 to FY 2024
- Total ARR up 9% to £17.2m from £15.8m in FY 2023
- Term licence ARR up 37% to £7.7m from £5.6m in FY23 following focus on recurring licence growth

## ARR Growth FY20 - FY24



# Continued progress on the evolution of our business model

- Focus is on transitioning towards a full **SaaS cloud-based revenue model** with new customer deals signed across our territories
- Aiming for higher proportion of **recurring SaaS and term licence revenue**
- Building a **scalable business** with repeatable solutions
- **Driving margin expansion** from SaaS cloud solutions



# Looking ahead



**Claire Milverton**  
CEO



Market  
overview

Demand for accurate location data has never been greater



Enterprise

The heart of 1Spatial and our competitive advantage



SaaS

Transformational growth opportunity



Demand for location data has never been greater

Organisations are using location data to make better decisions

Need to have **up to date, accurate data** at an **organisational and national level** to make these decisions



Plan for electric vehicles and other green energy sources



Maintaining the nation's flood defences



Improving response times for emergency services

# Our unique position in the middle of two growing markets

## Enterprise





# Location data management - Enterprise

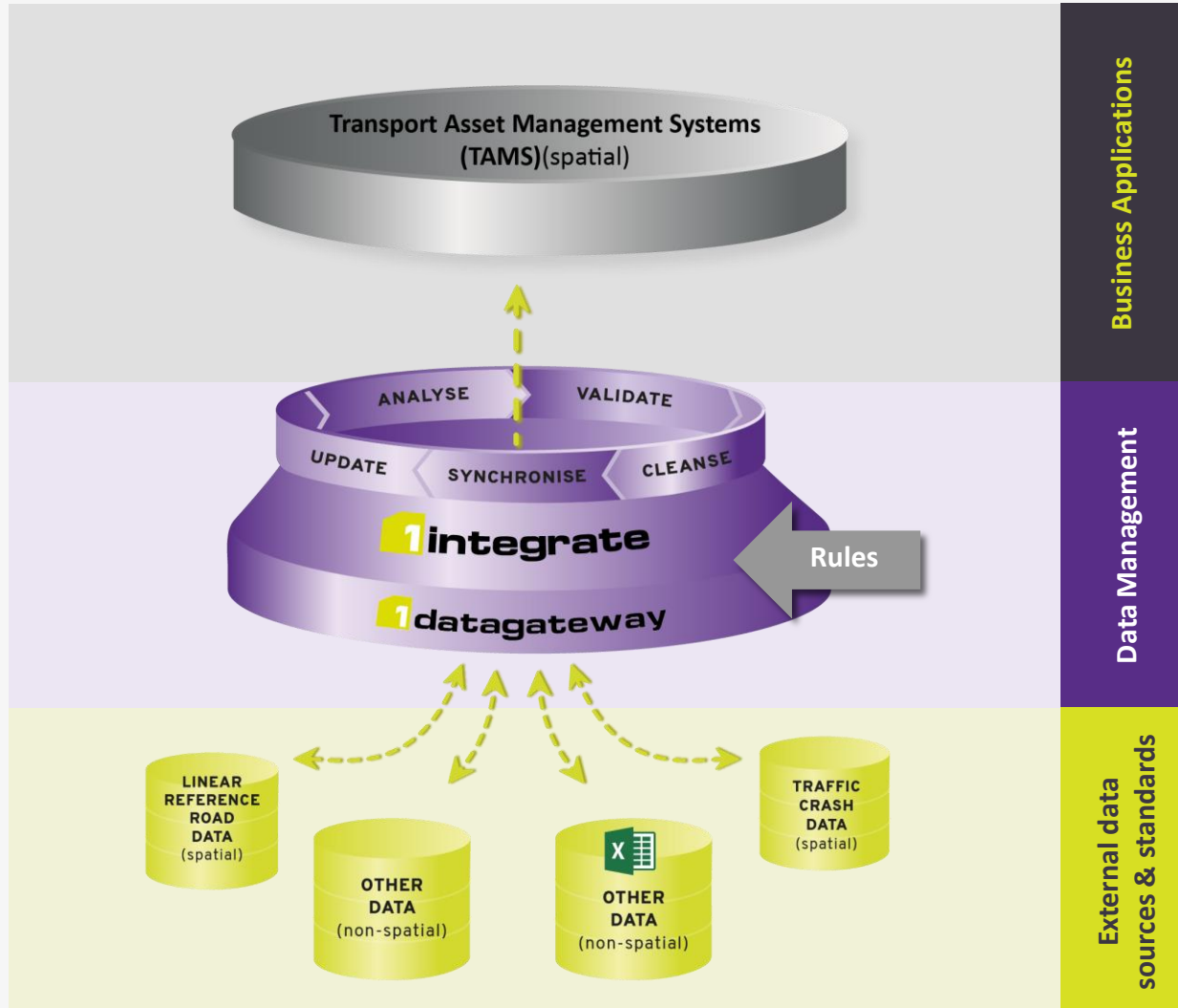
Our core & competitive advantage

**1**integrate **1**datagateway



- Continue to invest in our **world class platform**, including incorporation of AI
- Strengthening **partnership relationships**
- Considerable **US opportunity**
  - \$1m ARR opportunity in each US State
  - Have 18 States so far – each with expansion potential
- FY25 focus: Setting up the **US sales division for success**
  - More sector-based account management where we have proven strength  
NG 911 Industry Expert to start on 1 May 2024
  - Increased direct enterprise sales resource
- Post year end **contract momentum**: significant framework agreements:
  - UK Cabinet Office (via CGI)
  - State of Texas

# Our platform in action: Expansion with CalTrans via Rizing



- Expansion contract secured in Caltrans (DOT in California) in FY24 for US\$0.4m for Transport Asset Management System (TAMS) in conjunction with Rizing
- Bringing together the data from a significant number of databases to create the new TAMS database
- Need to keep all existing data synchronised and updated

## Further Expansion

- Post year-end CARS pilot opportunity with CalTrans for US\$225k
- Opinion leading DOT so offering can be provided to other DOT's
- Sector focus on DOTs in new structure



# SaaS solutions

Transformational opportunity

## NG9-1-1



### The Opportunity

Pushing out our NG9-1-1 (Emergency Services) enterprise offering to the cloud – enabling counties and cities to cleanse their data, ensuring compliance with NENA standards and to ensure accuracy of location data for NG9-1-1 call routing  
Addressable market of **over \$350m ARR** (23,000 cities and counties)  
US\$500 million funding for Next Generation 911 projects

- Pure SaaS solutions - no Services, quick to access, one platform to maintain
- Gross margin of **80-90%**
- Likely to be small individual sales, but on large scale
- Target of **10-15% market share**

### Progress in FY24

- Five contracts secured
- Identified requirement for Esri plug-in

### Focus for FY25

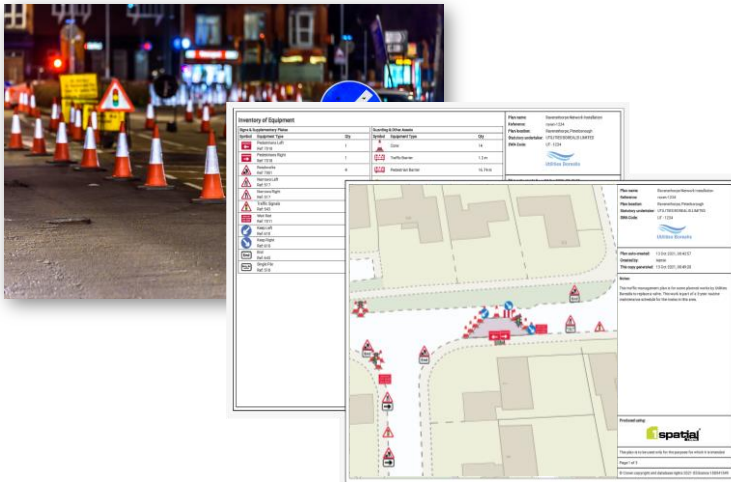
- Further development work to optimise speed of Esri integration
- New go-to-market approach, via distributors, led by new NG9-1-1 industry expert

# SaaS solutions

Transformational opportunity

## 1streetworks

Traffic Management Plan Automation



## The Opportunity

**First solution in the market** to fully automate the production of traffic management plan - significantly reducing time and costs

Currently over 4m roadworks a year on low-speed roads alone, giving addressable market of **over £400m ARR**

- Pure SaaS solutions - no services, quick to access, one platform to maintain
- Gross margin **80%**
- Target **25% - 30% market share, £40m ARR in next 5 years**

## Progress in FY24

- **First significant contract secured with UKPN in South**
  - Training - excellent feedback from all users
  - New business cases being developed with ROI identified
  - Working towards inclusion in FY26 budget



## Focus for FY25

- **2 key target areas**
  - Utilities aligned to UKPN
  - Tier 1s / other commercial non-regulated
- **Investing in sales resource** – New Sales Director and sales team
- Overall aim for FY25 to build foundations for **solid FY26 recurring revenue**

# Confident outlook



Solid start to the year



Growing SaaS contribution



Investing in our sales function



Confident in revenue progression

# Q&A

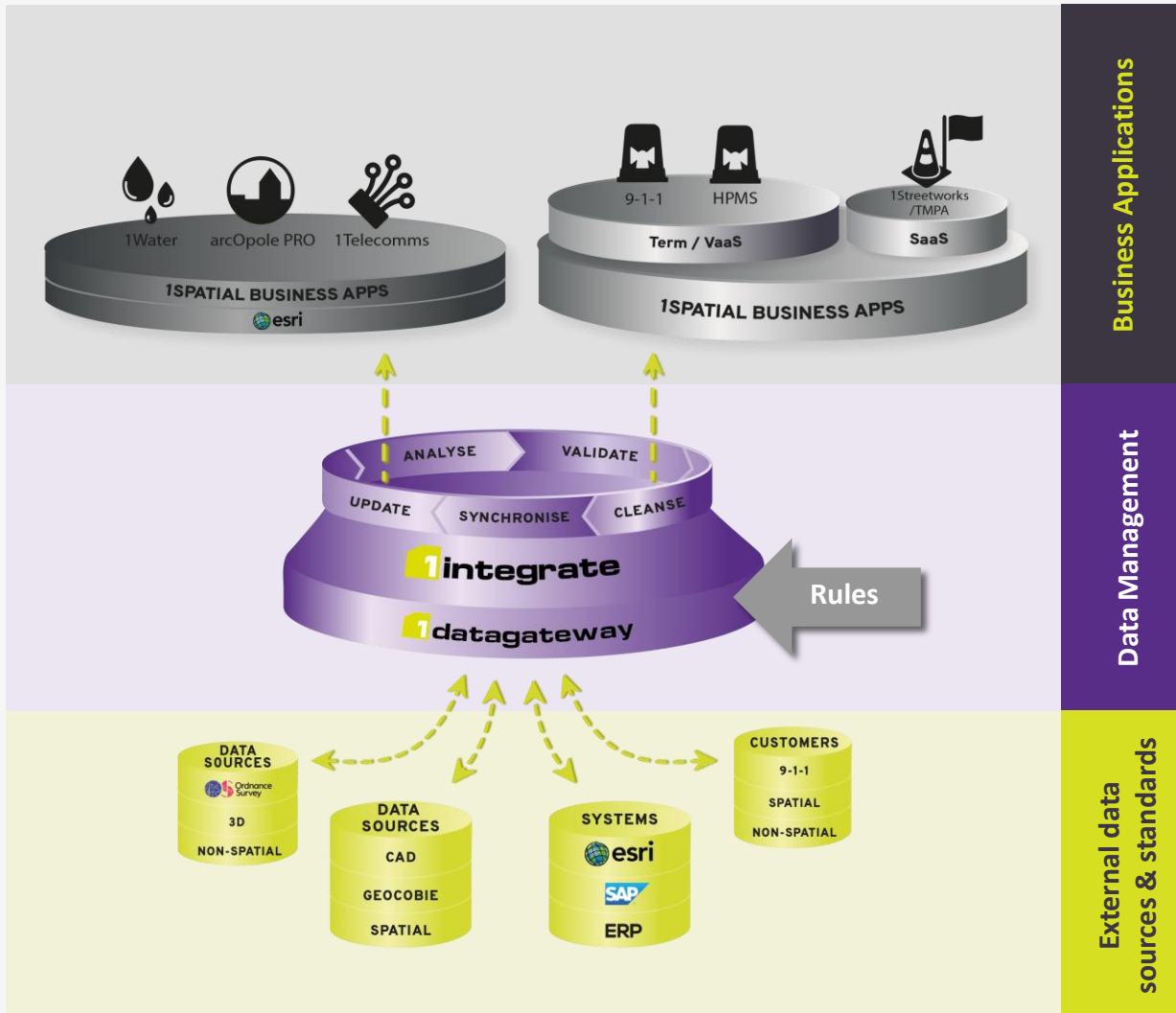




# Appendix



# Our multi-use LMDM platform



## Benefits of our Platform



### Data sharing/Collaboration

- Data/system Agnostic
- Enabler in the Ecosystem
- Create new data sets from existing data



### Automated approach to data validation

- Consistent, accurate data which is up to date
- Process huge quantities of complex data at speed including 3D data
- Self service validation



### Efficiencies

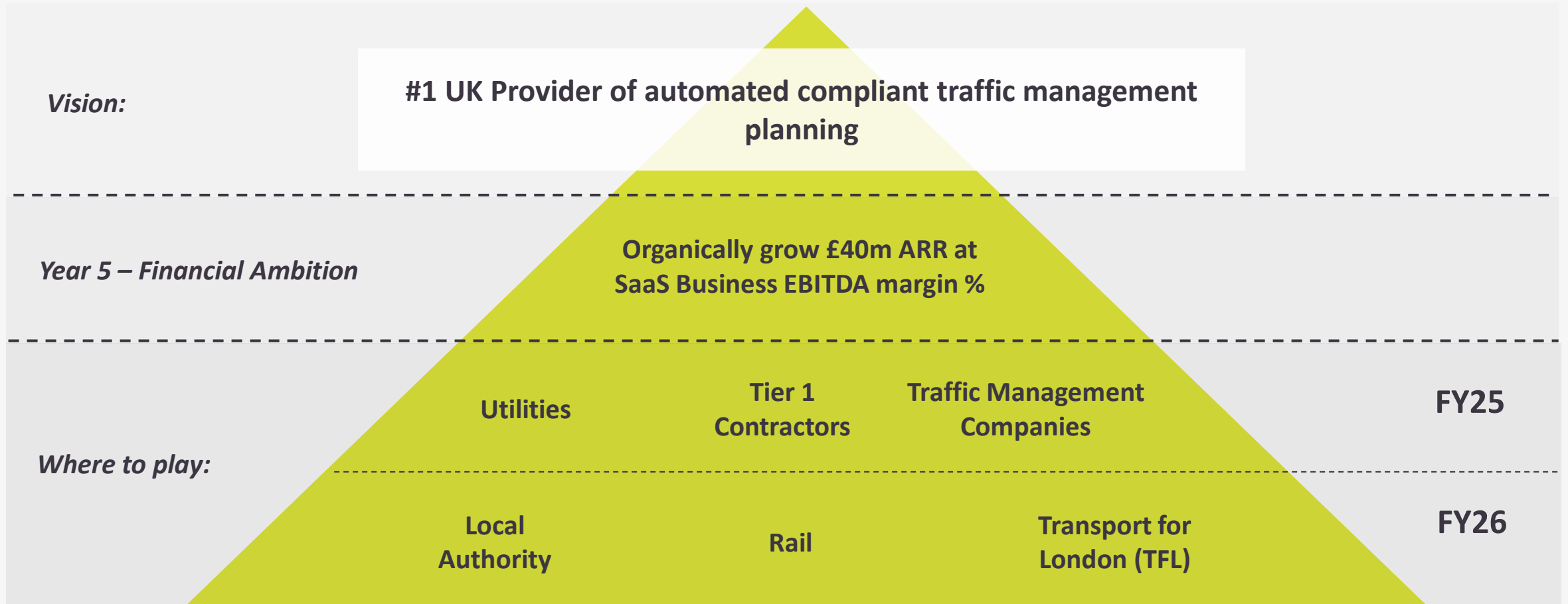
- Save time and money
  - Automation
  - Self-service portal
  - Create new data sets out of existing data

# Why we are needed

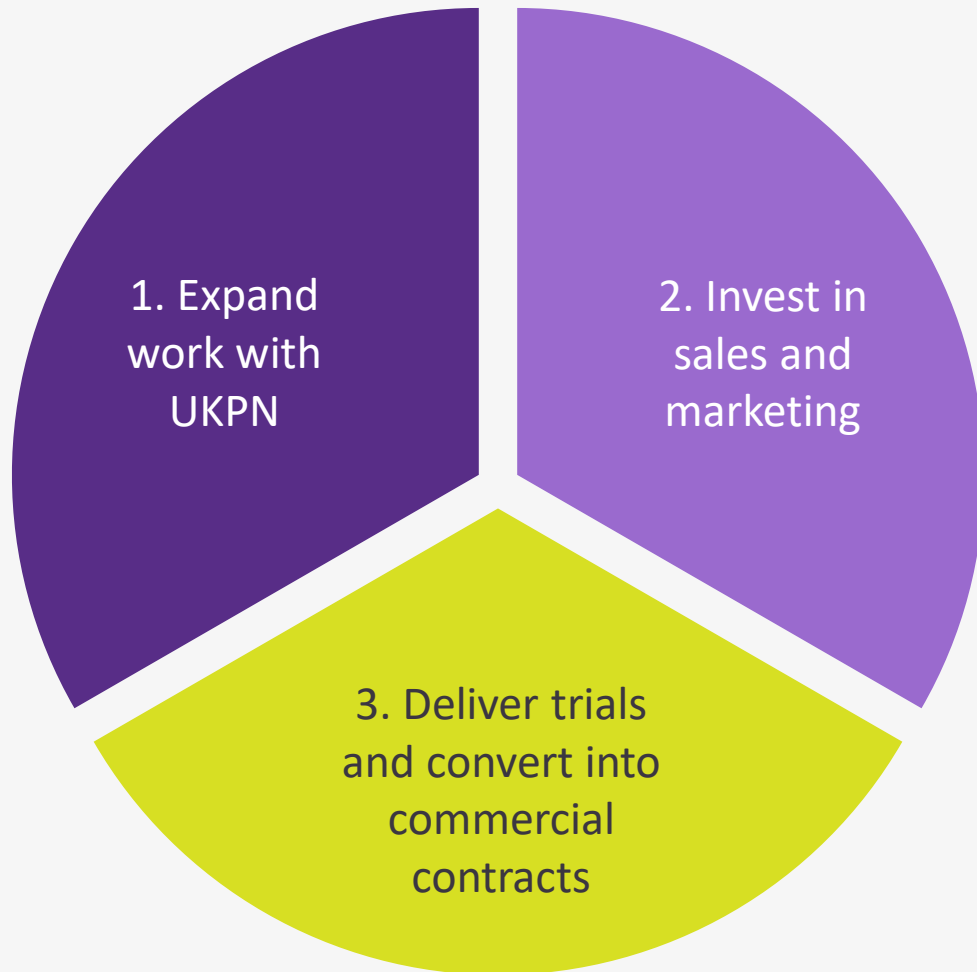


- **No register** of all the pipes and cables
- Fatalities and cost to UK economy **£1.2bn p.a.**
- UK Gov. creating register – **National Underground Asset Register**
- **650+ asset providers** (utilities, local authorities)
- **Contract WIN** for 1Spatial software platform for £6.5m
  - Sharing data
  - Different systems
  - Formats
  - Data quality
  - Update
- **Replicable** across other infrastructure projects and geographies

# Our Ambition



# FY25 Key Priorities



- **4 trials** ongoing with visibility of another 10 to commence in H1
- Targeted key account planning - managing risk
  - Trials across each sector with different buying cycles
  - Trials with small, medium and large organisations
- Each deal has potential to be between £100k to £3m ARR, with potential for expansion
- **Overall aim in FY25 is to build foundations for solid recurring revenue in FY26**

# Growth strategy underpinned by 1Team



## Our People - the lifeblood of 1Spatial – delivering confidence in everything we do

*Key focus on talent development, diversity and inclusion, employee experience and community impact*



**Newsweek's Top 100 Most Loved Workplace® (UK)**- backed by Best Practice Institute (BPI) research and analysis

## Key findings from our employee engagement survey:

- ▶ 82.3% are happy with their line manager relationship;
- ▶ 74.2% consider at least one colleague a friend;
- ▶ 84.2% feel respected and trusted by their line manager and peers;
- ▶ 70% agree that they are regularly updated with relevant 1Spatial news

**ESG – Our strategy is based on 4 pillars:**

**Planet**

**People**

**Practices**

**Product**

# Board of Directors



## Claire Milverton – Chief Executive Officer

Claire has been CEO of 1Spatial since January 2017 having previously been the CFO. Claire is passionate about leading and working collaboratively; making the best of her team's skills to create a great organisation and a positive culture - extending this approach to all other stakeholders including customers and partners. Having worked in finance, Claire is no stranger to issues in relation to poor quality data and recognises the importance of getting an excellent return on the data investment. She is a great believer in good data governance and building innovative solutions that can then capitalise on the high-quality data underpinning the solution. Claire has had a significant number of years in the technology sector from both her time working within 1Spatial and through her experience at PwC where she was a technology specialist. Claire is a qualified Chartered Accountant.



## Stuart Ritchie – Chief Financial Officer

Stuart joined the Board as Chief Financial Officer in December 2022. He is an experienced finance director with a strong background in publicly quoted international technology companies. Most recently Stuart was Group CFO at Fusion Global Limited, a provider of SaaS-based workflow software that generated £30m in annual revenue across its US, UK and continental European operations. His previous roles include Global Head of Accounting and external reporting at Zeal Network SE, a Frankfurt-listed eCommerce group. Stuart is a fellow of the Institute of Chartered Accountants, qualifying with EY.



## Andrew Roberts – Non-Executive Chairman

Andrew joined the Board in September 2016 and was Executive Chairman from 30 December 2016 until 31 January 2018 when he became Non-Executive Chairman. Andrew brings significant experience to 1Spatial from both a technology and equity capital markets perspective. Andrew led The Innovation Group plc from 2009 until its sale to Carlyle Group in 2016 for £500 million. Previously Chairman of Kewill plc, a leading international supply chain software business, Non-Executive Director and Chairman of Civica, a leading UK IT services business and Non-Executive Chairman of Vega Group plc until its sale in 2008 to Finmeccanica SPA for £61 million. Andrew started his career at ICL and then led the management team that turned-around private-equity owned Data Sciences (then a leading BPO business), which was sold to IBM in 1996.



## Francis Small – Non-Executive Director

Francis joined the Board in August 2017 as a Non-Executive Director. Francis brings significant experience from his financial services background, having been at Ernst & Young from 1979 to 2015 where he held key positions, including as London and then UK head of corporate finance, global vice chair and then managing partner of UK & Europe transaction advisory services, global leader of sovereign wealth funds (based in the Middle East) and ultimately senior partner for international clients. Francis graduated from Cambridge University with a degree in law, is a chartered accountant and a fellow of the ICAEW



## Peter Massey – Non-Executive Director

Peter joined the Board in July 2018 as a Non-Executive Director. Peter brings significant industry expertise and strategic insight to the Board in the key focus areas of Government, Utility and Transport which he has developed through his long career driving business growth within these industries. Peter has held a number of Senior Executive positions during his career including at Space Time Insight Inc., National Grid plc, Transco plc and British Gas plc.

In Peter's current roles as Business Development Director at On Device Solutions Limited and Founder and Managing Director at Upcurve Limited, he helps organisations enhance business performance and growth. Peter is a Chartered Engineer and graduated from the University of Salford with a BSc (Hons) in Natural Gas Engineering.

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