



FY 2022 Half Year Results

November 2021

John Watkins CEO & Jon Edwards CFO

- Return to profitability
 - 23% Growth in Revenue
 - Insurance and Automotive up £0.4m
 - Fleet and Optimisation up £1.3m
 - Connected devices increased in period by 1,000
 - 241% increase in Adjusted Profit/Loss before tax / 106% increase in Profit/Loss before tax
 - Improved gross margins due to higher proportion of software revenues
 - Increase in costs following reduction in furloughed team members and higher levels of marketing activity
- Net Debt increased since year end at £6.2m, £0.5m unutilised RCF and £0.9m cash in bank at period end
 - HMRC Time to Pay met in full reducing liability by £0.94m
 - Capital repayments resumed
- Outlook
 - Full year revenues to be circa £18m despite challenges around completion of driving tests continuing to affect Insurance revenues
 - Group expects to return profit measures slightly ahead than previous expectations despite this

Financial Statement

Income Statement



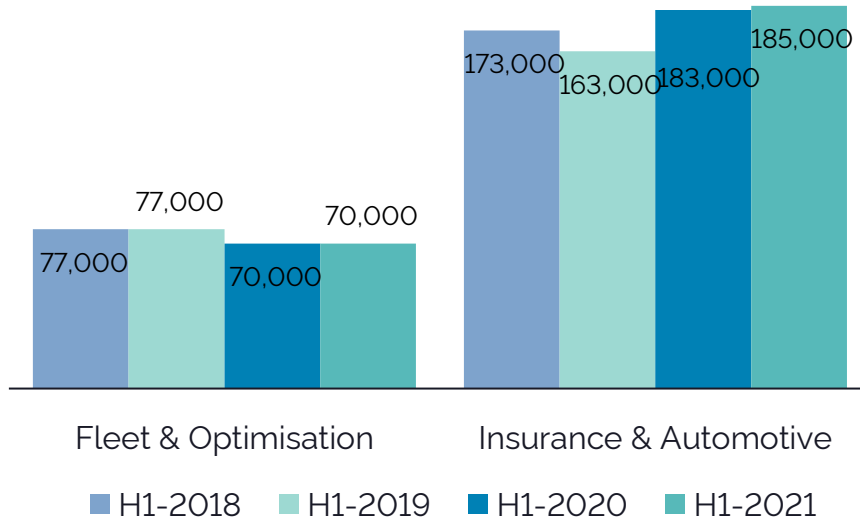
£000's	6 Months to 30	6 Months to	FY-2021
	Sept 2021	30 Sept 2020	
	Unaudited	Unaudited	Audited
Revenue	9,021	7,321	15,961
of which, Recurring Revenues	4,806	4,635	9,379
Gross Profit	5,844	4,517	9,318
Gross Profit Margin	64.8%	61.7%	58.4%
Administrative Expenses*	(5,262)	(4,711)	(9,585)
Adjusted Profit/(Loss) before Tax*	444	(314)	(342)
Profit/(Loss) before Tax	47	(845)	(1,867)
Profit/(Loss) after Tax	273	(732)	(1,237)
Adjusted basic EPS* (p)	0.81	(0.56)	0.07

H1-2021 Results

- Revenues up 23%
 - Recurring revenues up 4%
- Increased overheads:
 - £0.38m increase in costs due to lower levels of furloughed staff
 - Marketing spend up £0.15m
 - Depreciation & Amortisation £0.16m up
 - Underlying costs continue to reduce
- Reconciliation to statutory PBT
 - Exceptional costs £0.3m (30% down on prior year)
 - Share based payments £0.1m

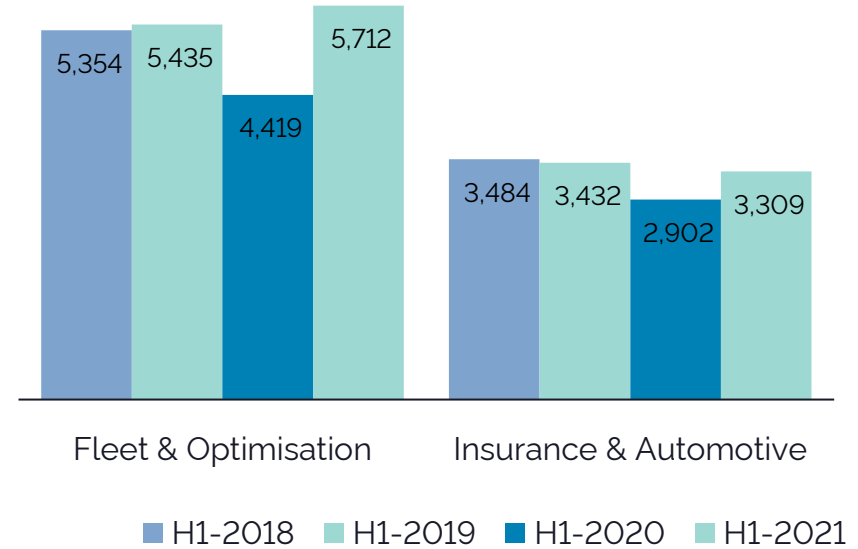
* Adjusted for exceptional costs and share based payments

Connections

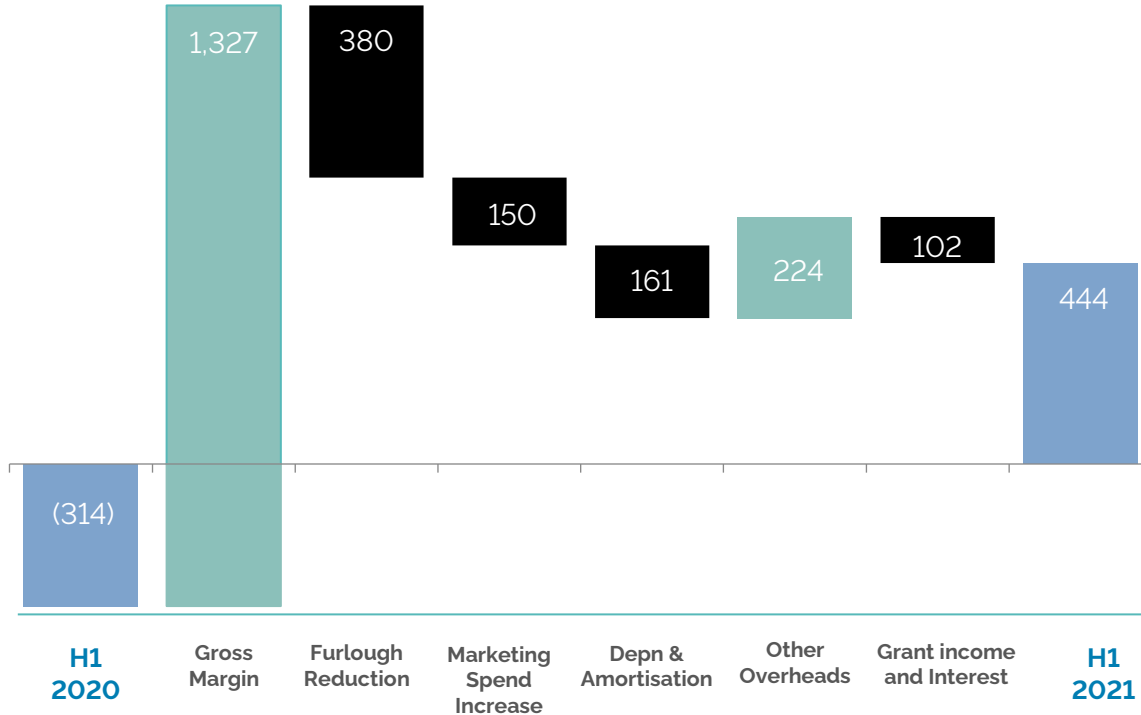


- Fleet Telematics connections static at 70,000
- Insurance & Automotive connections up 1,000 (0.5%) since FY2021 & 2,000 (1.1%) since H1 2020

Revenue by Sector



- Fleet & Optimisation revenue includes hardware, installation, service, consulting and Optimisation license fees - up 29%
- Insurance & Automotive revenue includes hardware, installation, consulting and service fees - up 14%



- Adjusted Profit/Loss increased by 241%
- Additional cost of staff as furlough reduced compared to prior period
- Increased marketing spend of £150K to generate more leads
- Other overheads includes payroll saving of circa £0.16m

Financial Statement

Consolidated Statement of Financial Position



£000's	30 Sept 2021	30 Sept 2020	FY-2021
	Unaudited	Unaudited	Audited
Non-current assets			
Intangible assets	22,568	22,230	22,187
Right of use assets	2,187	2,838	2,512
Other non-current assets	949	896	941
	25,705	25,964	25,640
Current assets			
Inventories	1,368	1,701	1,409
Trade and other receivables	7,301	7,171	6,679
Corporation tax receivable	1	317	690
Cash and cash equivalents	888	1,541	2,370
	9,558	10,730	11,148
Current liabilities			
	(7,187)	(11,696)	(6,979)
Current Assets less current liabilities	2,371	(966)	4,169
Non-Current liabilities	(7,586)	(4,457)	(9,687)
Net Assets	20,490	20,541	20,122

- Investment in R&D of £1.4m, £0.2m up on Covid impacted prior year
- Inventories down £0.33m compared to H1 2020 and down slightly from FY-2021
- Current & Non-Current liabilities adjusted compared to H1 2020 following new HSBC agreement being signed
- Current liabilities also include £0.8m of HMRC liabilities under Time to Pay agreement

Financial Statement

Consolidated Cash Flow Statement

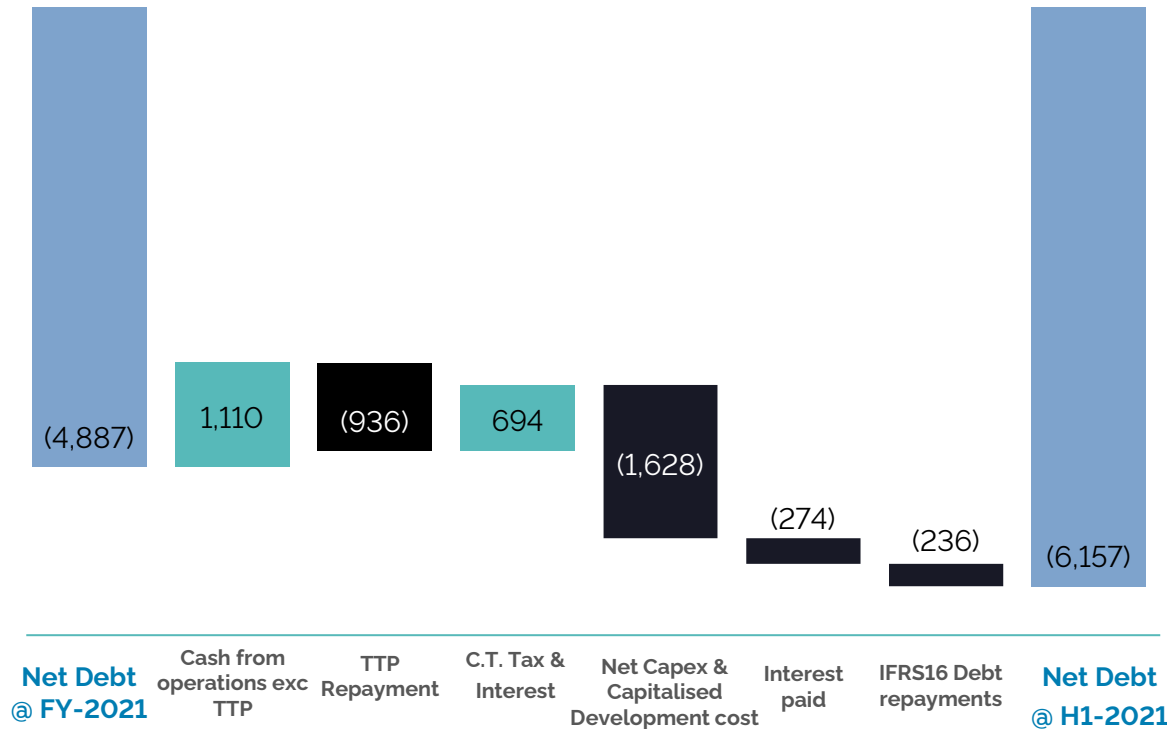


£000's	6 Months to 30 Sept 2021	6 Months to 30 Sept 2020	FY-2021
Net cash generated from operating activities	868	2,055	4,737
Cash flows from Investing Activities			
Purchases of property, plant and equipment	(230)	(183)	(330)
Purchases of software	(2)	(24)	(47)
Capitalised development costs	(1,396)	(1,220)	(2,290)
Net cash used in investing activities	(1,628)	(1,427)	(2,667)
Cash flows from financing activities			
Increase in bank loan	-	-	5,300
Loan arrangement fees	-	-	(86)
Repayments of bank loans	(168)	(171)	(5,379)
Repayment under lease agreements	(280)	(344)	(670)
Interest paid	(274)	(237)	(530)
Net Cash used in financing activities	(722)	(752)	(1,365)
Net change in cash and cash equivalents	(1,482)	(124)	1,665
Cash and cash equivalents at end of year	888	1,541	2,370

- £1.18m decrease in cash generated from operating activities
- Cash from operating activities includes £0.94m repayment of HMRC time to pay liability
- Investment in R&D up £0.2m to £1.4m
- HSBC and Maven capital repayments resumed in the latter part of period

Financial

Net Debt Bridge*



- Net debt excl. IFRS 16 impact increased to £6.16m
- Net debt including IFRS 16 is £7.9m
- Cash flow from operations was £1.2m lower than prior year due to smaller working capital benefit
- R&D tax credit cash claim was processed in the period and offset against agreed HMRC deferments
- Capitalised R&D £0.2m higher than prior year
- Additional £0.5m unutilised bank facility

* Excluding impact of IFRS 16

01

INCREASING OUR MARKET SHARE

- Grow market share in UK insurance telematics market through new customer contracts
- Expand European Fleet revenues by expanding international distribution partners
- Increase revenues through additional value adding solutions such as Optimisation, crash, ADAS and driver profiling

02

DELIVERING A CUTTING-EDGE SOLUTIONS PORTFOLIO

- Continue improvement of AI driven algorithms in risk, crash and video analysis
- Maintain R&D spend to support continued delivery of new features across Insurance, Automotive and Fleet
- Further develop EV capability to support customers move to Net Zero

03

STREAMLINING OUR INTERNAL OPERATIONS

- Reduce costs through better utilisation of hosting and technology
- Continue to reduce device costs

- Wider economic issues including continued driving test backlog and cost and availability of new and used vehicles softening the telematics insurance market
- COVID-19 impact on supply chain managed but drove £0.13m of additional cost – and availability of some key components remains an ever present risk
- Group expects however revenue in second half to be in line with first half resulting in revenues of circa £18m
- Profit measures for the full year expected to be slightly ahead of previous expectations despite wider economic issues
- Strong level of orders, post period, from existing and new Fleet customers
- Several new Insurance customers launching during H2 but mainly impact FY2023 and beyond



Thank You

Any Questions?