

Strong profitable growth by executing on our transformation strategy

Financial results for the 6 months to 31 December 2023

20 February 2024 – Sydney, Australia: Infomedia Ltd (ASX: IFM), a leading global provider of DaaS and SaaS solutions that empowers the data-driven automotive ecosystem, today announced its half year financial results for the 6 months ended 31 December 2023 (1H24).

1H24 financial snapshot relative to prior corresponding period (pcp)¹

- Total revenue of \$69.6 million, up 11%
 - Recurring revenue of \$68.8 million, represents 99% of total revenue
 - Exit ARR² as at 31 December 2023 of \$137.5 million, up 8%, and ARC² up 6% demonstrating positive operating leverage
- Underlying cash EBITDA³ of \$15.7 million, up 36% and underlying cash EBITDA margin⁴ of 23%, up five percentage points
- Continued strong underlying free cash flow of \$10.6 million
- NPAT
 - Reported NPAT of \$5.1 million
 - Underlying NPAT³ of \$9.6 million before one off costs, increased 35%
- Earnings per share up 6% to 1.37 cents
- Interim fully franked dividend declared of 2.2 cents per share

Commenting on the results, Infomedia CEO Mr Jens Monsees said: “I am pleased with the progress in the Strengthening Phase of our strategy. We are working on our priorities of revenue growth, operational excellence and global expansion.”

“Our dedicated team is focused on execution, and we can be proud of what they have achieved. We have seen double digit revenue growth with an impressive 99% from recurring revenue, disciplined cost management resulting in margin improvement and increasing profitability and positive operating leverage.

“We are building our muscle memory to ensure we have a sustainable and growing global business.”

¹ Unless otherwise denoted all comparatives are against 1H23.

² In constant currency

³ Infomedia uses certain non-IFRS measures that are useful in understanding the company’s operating performance. These are consistent with the internal measures disclosed in Infomedia’s Operating Segment Note (note 3 to the interim report) and are directly reconciled to the company’s statutory reported IFRS financial information within the Operating Segment Note. Underlying free cash flow is non-IFRS measure. How this is calculated and reconciliation to the relevant statutory IFRS measures is detailed in slide 16 of the results presentation lodged on the ASX on 20 February 2024.

⁴ Underlying cash EBITDA % to revenue.

Financial Overview

Infomedia's total revenue increased 11% to \$69.6 million, demonstrating ongoing progress on executing the Strengthening Phase of the Transformation Strategy. We continue to see good growth across our diversified product suite, with recurring revenue of \$68.8 million spread across all regions.

Exit Annual Recurring Revenue (ARR)^{2,3}, our measure of growth on a constant currency basis, was \$137.5 million, an 8% increase on pcp. Annual Recurring Costs (ARC)^{2,3} for the half were \$100.2 million, a 6% increase on pcp. These results demonstrate our positive operating leverage, driven by our focus on cost control measures and ongoing commitment to growing our recurring revenue base.

Net profit after tax (NPAT) was \$5.1 million and Underlying NPAT³ was \$9.6 million before one off costs related to the SimplePart earn-out and integration, and the offshoring project.

Strong underlying free cash flow³ of \$10.6 million, consistent with pcp, included a \$3.4 million increase of tax paid for the half due to lower R&D tax offsets.

The group has a solid balance sheet with \$65 million of cash on hand and no debt, providing flexibility for continued growth.

Operational Overview

During the half, Infomedia continued to increase its product footprint across regions, building greater critical mass. Our investment in Infodrive (DaaS) is enabling the Company to scale this product globally. Additionally, Infomedia continues to build out a new analytics solution leveraging the existing data assets and to further diversify future revenue streams.

Infomedia is shortening its delivery time driving faster revenue realisation. Additionally, we are upgrading the enterprise systems with an initial focus on our project management tool to provide better prioritisation and resource allocation which will drive improved commercial outcomes for the business. The Company also successfully piloted the two previously noted Dealer Management System (DMS) bidirectional integrations in the US. These integrations provide access to new customers and enhance our customer retention in North America. We have delivered growth across all three key regions in this half, most notably in APAC with a 16% increase in revenue.

Commenting on the business performance, Mr Monsees stated: "As a tech company, we are focused on ongoing product innovation, delivering additional value for our end customers, and driving efficiency. Our new operating model provides resource flexibility. Additionally, we continue to invest to expand globally through new OEM partnerships, new geographies and to assess potential M&A opportunities."

Dividend

Infomedia declared a fully franked dividend of 2.2 cents per share. The dividend record date will be 27 February 2024 and the payment date will be 11 March 2024.

Outlook

For the second half of FY24, we will continue to focus on strengthening the company's organic growth profile while driving efficiency and operational excellence.

Infomedia re-affirms its FY24 total revenue guidance of \$137 to \$142 million.

Investor group briefing being held at 11:00am AEST today.

As previously notified to the ASX, Jens Monsees (CEO) and Chantell Revie (CFO) will host an investor webinar at 11:00am AEST today, 20 February 2024 to present the 1H24 results, followed by Q&A.

Please use the following link to register for the webinar:

https://openexc.zoom.us/webinar/register/WN_QqLKyWJyS800gl-eeQiM3Q

ENDS

This release was authorised by the Infomedia Board.

About Infomedia: Infomedia Ltd (ASX: IFM) is a leading global provider of DaaS and SaaS solutions that empowers the data-driven automotive ecosystem. Infomedia's solutions help OEMs, NSCs, dealerships and 3rd party partners manage the vehicle and customer lifecycle. They are used by over 250,000 industry professionals, across 50 OEM brands and in 186 countries to create a convenient customer journey, drive dealer efficiencies and grow sales.

Please visit Infomedia's website <https://www.infomedia.com.au> and YouTube channel <https://www.youtube.com/infomedialtd> for more information.

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