

endava 

Q2 FY2024

# Investor presentation

# Disclaimer

This presentation includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this presentation, other than statements of historical facts, are forward-looking statements. The words “believe,” “estimate,” “expect,” “may,” “will” and similar expressions are intended to identify forward-looking statements. Such forward-looking statements include, but are not limited to, the statements regarding our business strategy and our plans and objectives for future operations, our addressable market and perceived growth over next five years, our assumptions regarding industry trends, potential technological disruptions, and client demand for our services. Forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from the results anticipated by these forward-looking statements, including, but not limited to: our business, results of operations and financial condition may be negatively impacted by the Russian-Ukraine military conflict and related sanctions, conflict in the Middle East or if general economic conditions in Europe, the United States or the global economy worsens, including increased inflation and recent and potential future bank failures; and the perceived impact and effect of macroeconomic conditions on Endava and its customers including the March 2023 banking collapse;

our ability to retain existing clients and attract new clients, including our ability to increase revenue from existing clients and diversify our revenue concentration; our ability to attract and retain highly-skilled IT professionals at cost-effective rates; our ability to penetrate new industry verticals and geographies and grow our revenue in current industry verticals and geographies; our ability to maintain favourable pricing and utilisation rates; our ability to successfully identify acquisition targets, consummate acquisitions and successfully integrate acquired businesses and personnel; the effects of increased competition as well as innovations by new and existing competitors in our market; our ability to adapt to technological change and innovate solutions for our clients; our ability to collect on billed and unbilled receivables from clients; our ability to effectively manage our international operations, including our exposure to foreign currency exchange rate fluctuations; our ability to remediate the identified material weaknesses and maintain an effective system of disclosure controls and internal control over financial reporting and our future financial performance, including trends in revenue, cost of sales, gross profit, selling, general and administrative expenses, finance income and expense and taxes, as well as other risks and uncertainties discussed in the “Risk Factors” section of our Annual Report on Form 20-F

filed with the Securities and Exchange Commission (the “SEC”) on September 19, 2023.

Except as required by law, we assume no duty to update any of these forward-looking statements after the date of this presentation to conform these statements to actual results or revised expectations. You should, therefore, not rely on these forward-looking statements as representing our views as of any date subsequent to the date of this presentation. Moreover, except as required by law, neither we nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements contained in this presentation.

This presentation also contains estimates and other statistical data made by independent parties and by us relating to market size and growth and other data about our industry. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. Neither we nor any other person makes any representation as to the accuracy or completeness of such data or undertakes any obligation to update such data after the date of this presentation. In addition, projections, assumptions and estimates of our future performance and the future performance of the markets in which we

operate are necessarily subject to a high degree of uncertainty and risk.

By attending or receiving this presentation you acknowledge that you will be solely responsible for your own assessment of the market and our market position and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of our business.

This presentation includes non-IFRS financial measures which have certain limitations and should not be considered in isolation, or as alternatives to or substitutes for, financial measures determined in accordance with IFRS. The non-IFRS measures as defined by us may not be comparable to similar non-IFRS measures presented by other companies. Our presentation of such measures, which may include adjustments to exclude unusual or non-recurring items, should not be construed as an inference that our future results will be unaffected by these or other unusual or non-recurring items. See the IFRS to Non-IFRS Reconciliation section for a reconciliation of these non-IFRS financial measures to the most directly comparable IFRS financial measures.

# Technology is our how. And **people** are our why.



For over two decades, we have been harnessing technology to drive meaningful change.

By combining world-class engineering, industry expertise and a people-centric mindset, we consult and partner with our customers to create technological solutions that drive innovation and transform businesses.

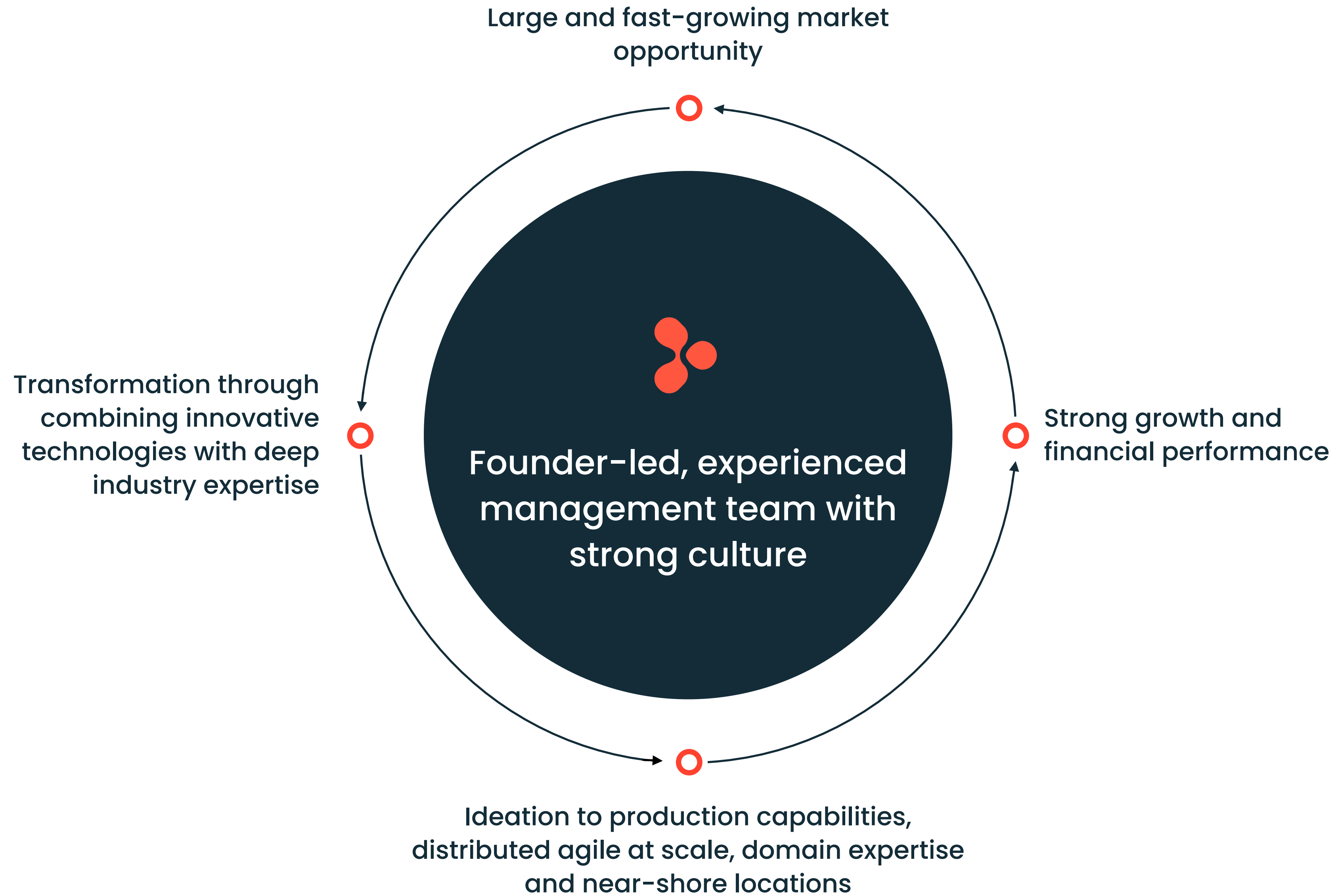
# 01 Opportunity & Approach

# We transform lives through technology.

Working side by side with leading brands, we build strategies, products and solutions tailored to unique needs – regardless of industry, region or scale. By combining world-class engineering, industry expertise and a people-centric mindset, we consult and partner with our customers to create technological solutions that drive innovation and transform businesses.

From ideation to production, we support our customers with bespoke solutions across various industries, including payments, insurance, finance and banking, technology, media and entertainment, telecommunications, retail and consumer goods, mobility, healthcare and life sciences, and energy and resources.





# We build on these pillars to create positive impact

## People-centricity

We care for our customers as individuals and empower our people to be the best they can be.

## Industry expertise

Grasping market trends and dynamics, we tackle specific challenges with tailor-made solutions.

## Technology

We leverage the latest technologies to meet diverse customer needs, regardless of industry or scale.

## Trusted partnerships

We build strong, trusted partnerships with our customers to support them through every step of their journey.



**\$3.4T**  
2026

**16.3%**

Five-year CAGR for digital transformation investments

**We serve a large addressable market.**



Our people are at the heart of who we are and drive our success as a business. We enable Endavans to be the best they can be through our positive working experience, ensuring everyone feels respected, included and connected to our culture.

11,539

Global employees

as of December 31, 2023

(5.3)%

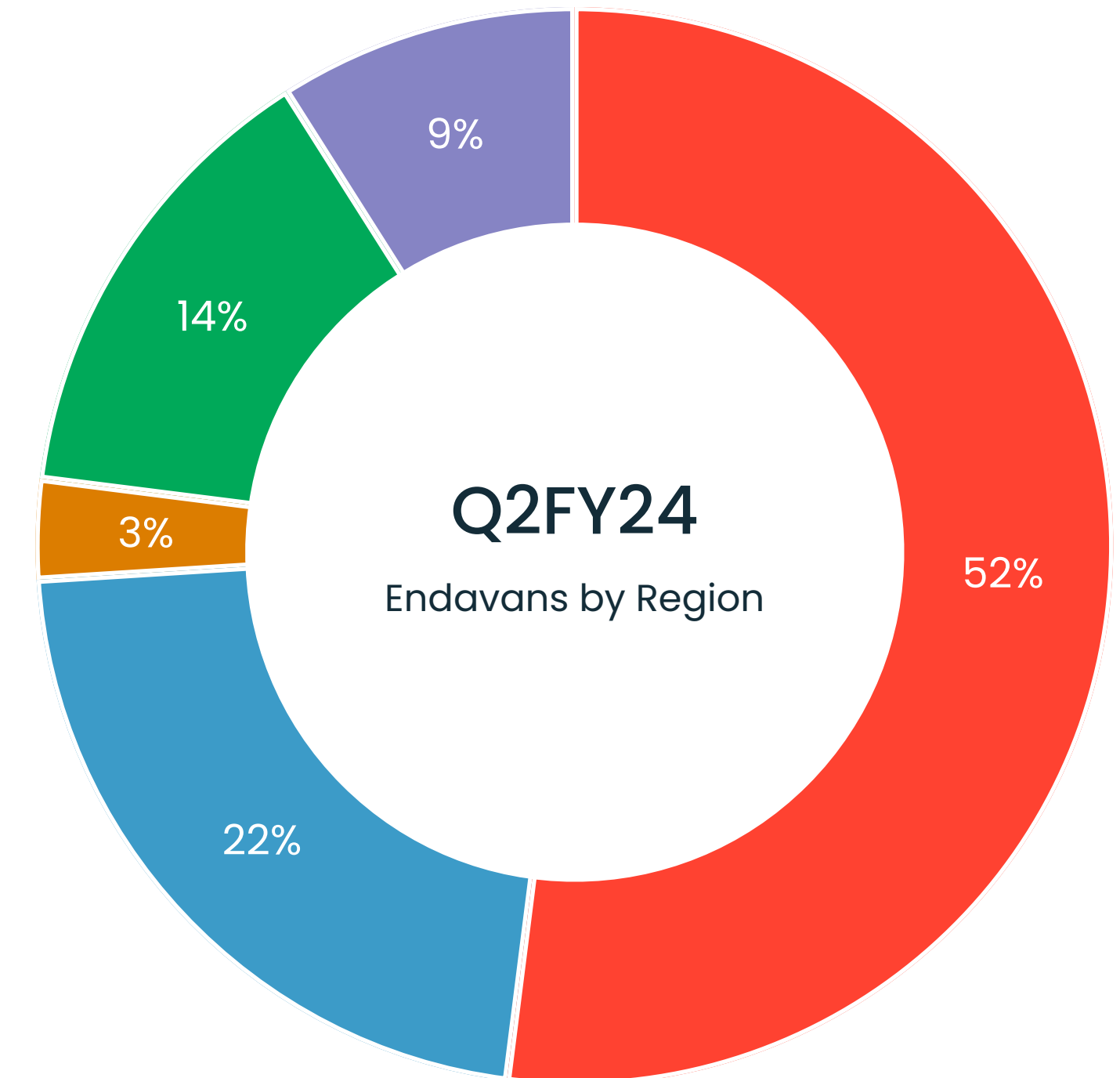
Employee decrease

Q2FY23 to Q2FY24

37%

Women in total staff

as of December 31 2023



Endavans by Geography	FY20	FY21	FY22	FY23	Q2FY23	Q2FY24
Western Europe	448	493	602	659	634	607
Central Europe - EU Countries	3,368	4,469	6,093	5,693	6,194	5,365
	<b>3,816</b>	<b>4,962</b>	<b>6,695</b>	<b>6,352</b>	<b>6,828</b>	<b>5,972</b>
Central Europe - Non-EU Countries	1,810	2,361	2,842	2,689	2,873	2,551
Latin America	895	1,244	1,927	1,661	1,882	1,589
North America	103	311	348	324	375	368
APAC		5	38	1,032	221	1,052
Middle East			3	5	4	7
	<b>6,624</b>	<b>8,883</b>	<b>11,853</b>	<b>12,063</b>	<b>12,183</b>	<b>11,539</b>

- Western Europe & EU
- Europe Non-EU
- North America
- Latin America
- APAC & Middle East

# Endava around the world

67 cities, 28 countries

## European Union

Austria, Bulgaria, Croatia, Denmark, Germany, Ireland, Netherlands, Poland, Romania, Slovenia and Sweden

## Europe – Non-EU

Bosnia & Herzegovina, Moldova, North Macedonia, Serbia, Switzerland and the United Kingdom

## North America

Canada and the United States

## Latin America

Argentina, Colombia, Mexico and Uruguay

## Asia Pacific

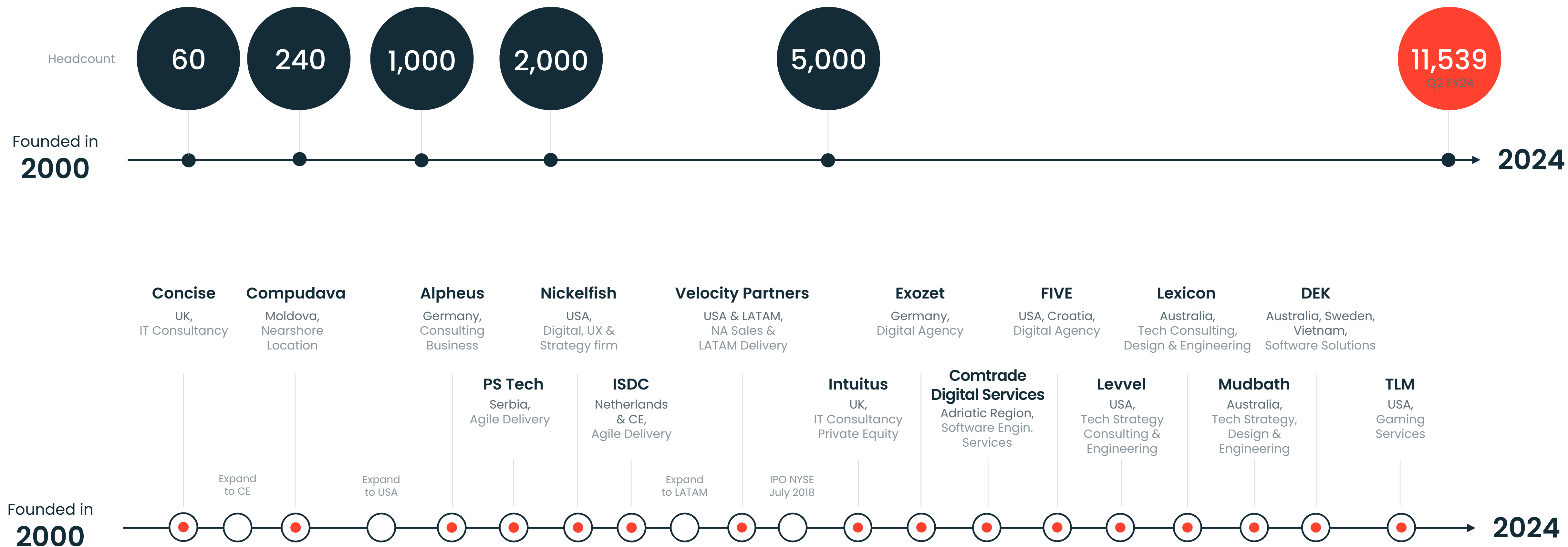
Australia, Malaysia, Singapore and Vietnam

## Middle East

United Arab Emirates



# History of Endava



# Supported by our capabilities

## Digital product acceleration

- Product strategy
- Experience design
- Growth marketing
- Analytics

## Digital engineering

- Architecture
- Cloud application engineering
- Platform engineering
- Software security
- Test engineering
- AR, VR, XR

## Advisory and digital strategy

- Technology strategy
- Enterprise architecture
- Data strategy

## Data and AI

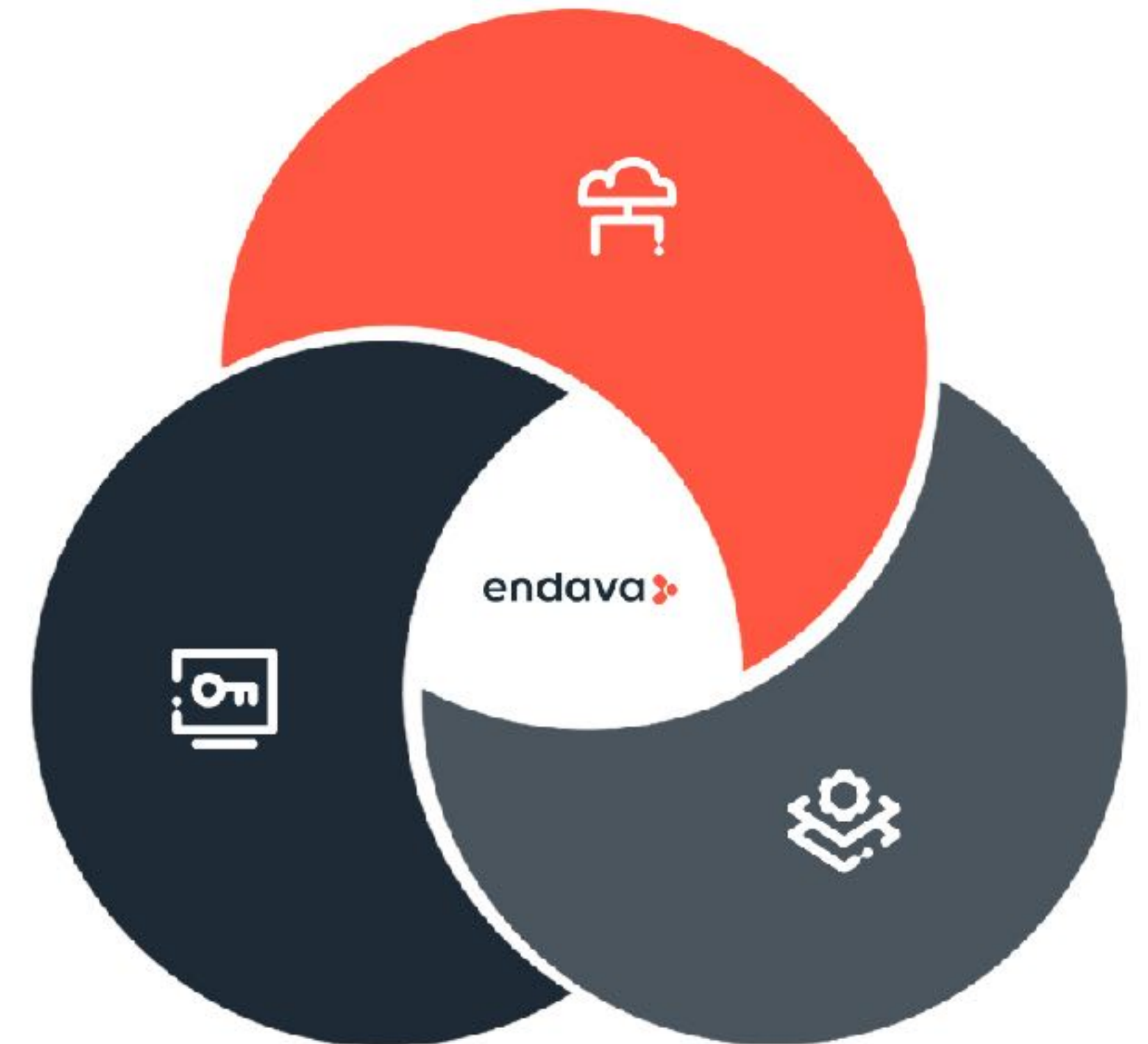
- Artificial intelligence
- Data engineering and platforms

## Leading delivery

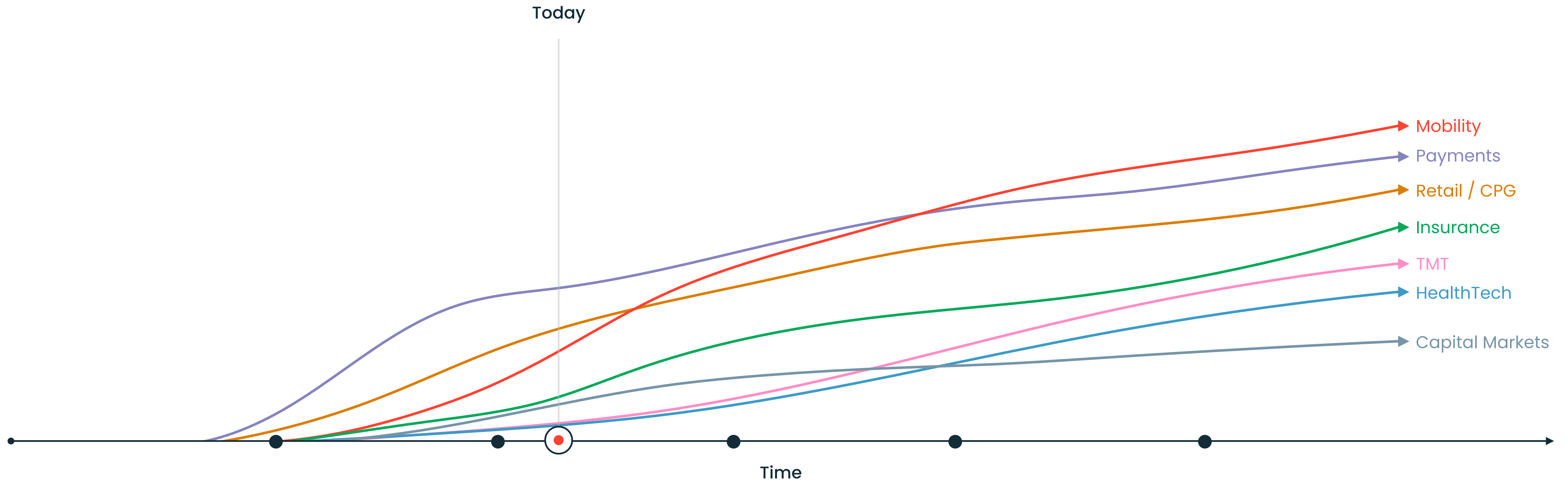
- Agile transformation
- Distributed agile delivery
- Accelerated DevOps delivery
- Delivery management

## Operations and Optimisation

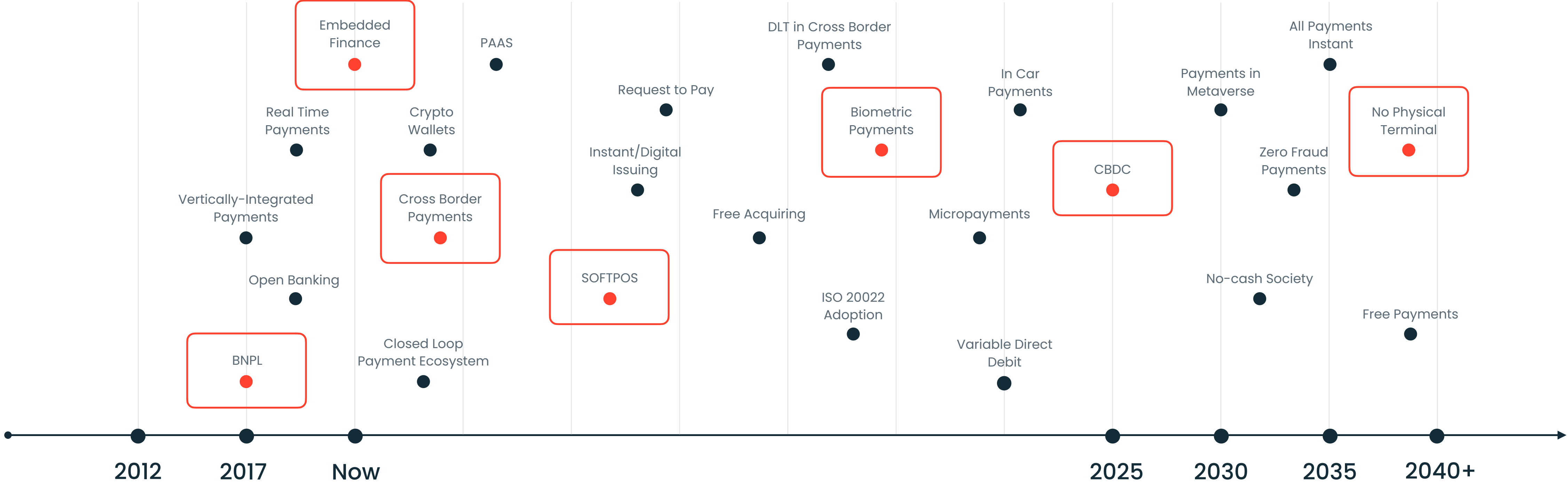
- Modern application management
- Managed cloud
- Service delivery
- Smart desk



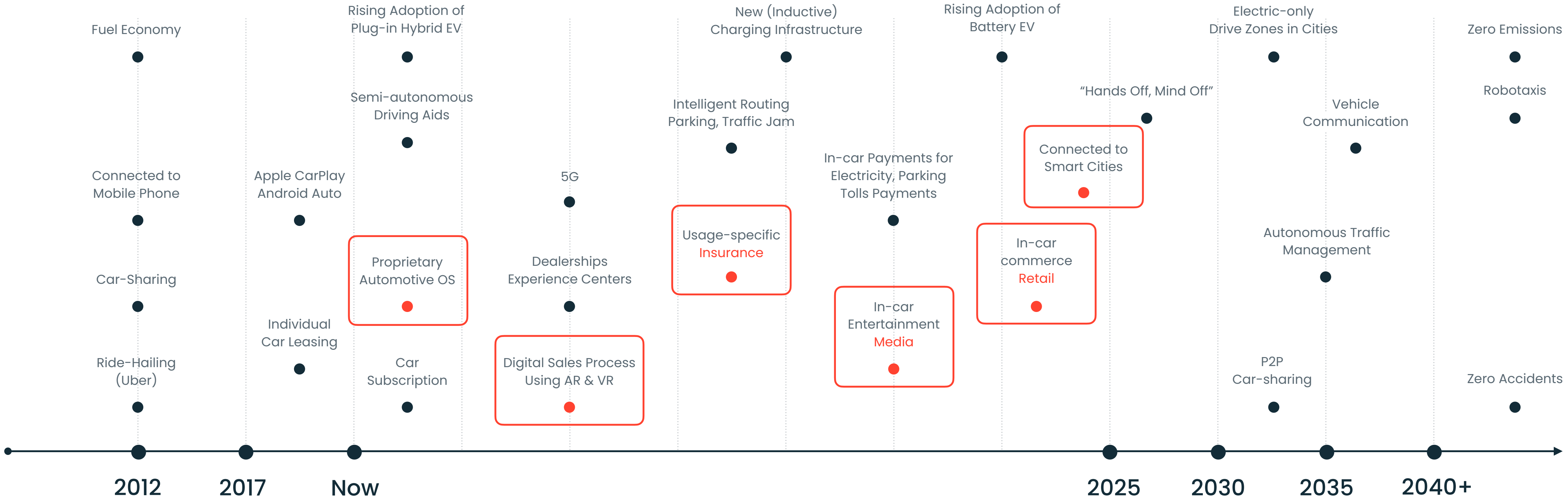
# Technology disruption waves & convergence



# Payments industry trends



# Automotive industry trends





# We.care

## brings our sustainability mission to life

### Our People /

We enable our people to be the best they can be through creating a positive work environment where everyone feels respected, included and connected to our culture.

### Social Impact /

We aim to create a positive difference for the communities where we live and work through strong strategic partnerships with non-governmental organisations (NGOs).

### Operating Responsibly /

Our commitment to act ethically and with the highest levels of integrity enables us to retain the trust and confidence of our people, customers and investors to build a strong and sustainable business for the future.

### Innovation & Data Integrity /

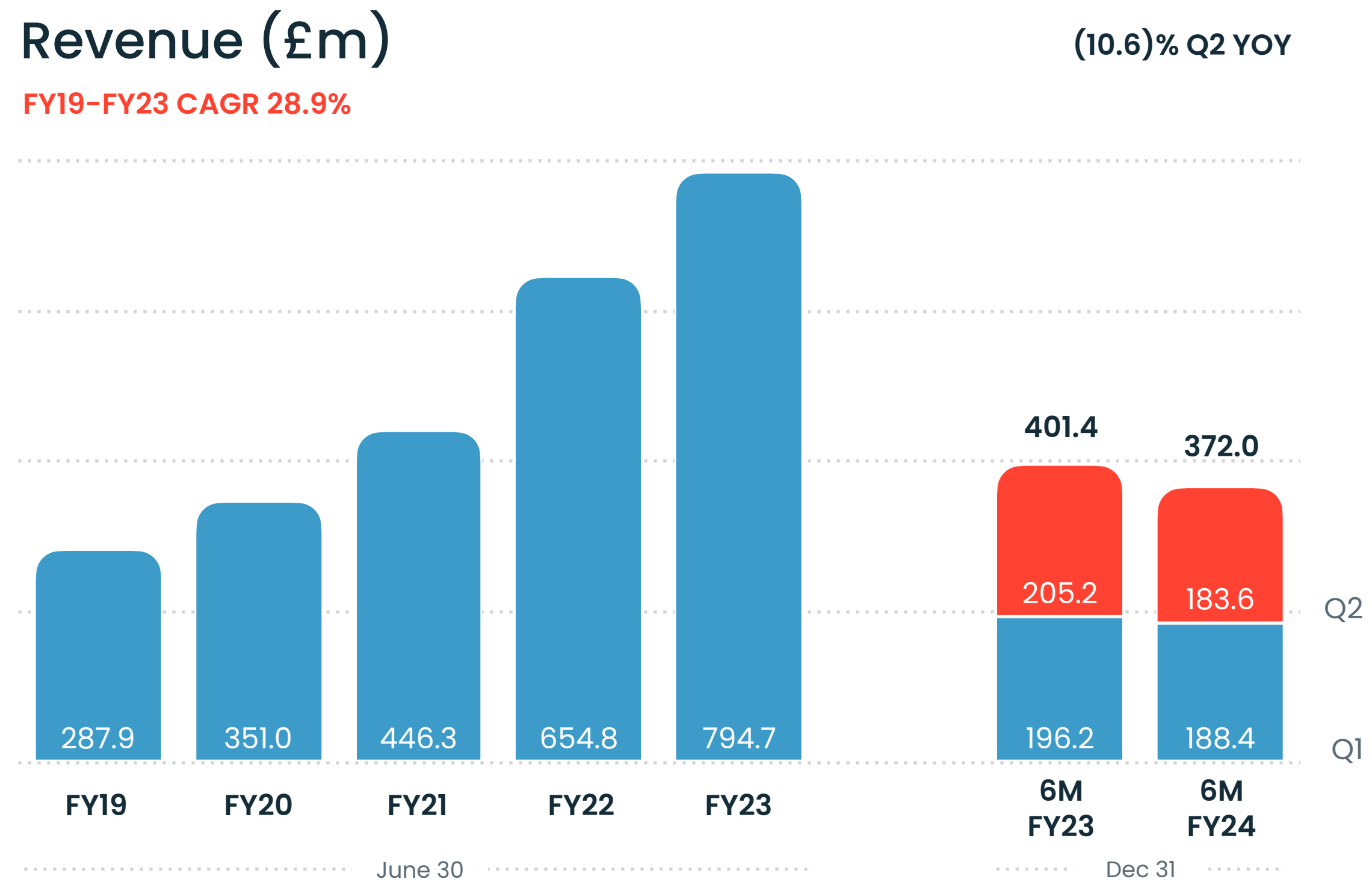
We develop smart solutions that are transforming lives through technology. By doing so, we strive to safeguard customer privacy and protect their assets by aligning with best practice industry standards.

### Environmental Impact /

As a business, we deeply care about our impact on the world and follow sound environmental practices to help reduce our environmental footprint.

# 02 Financials

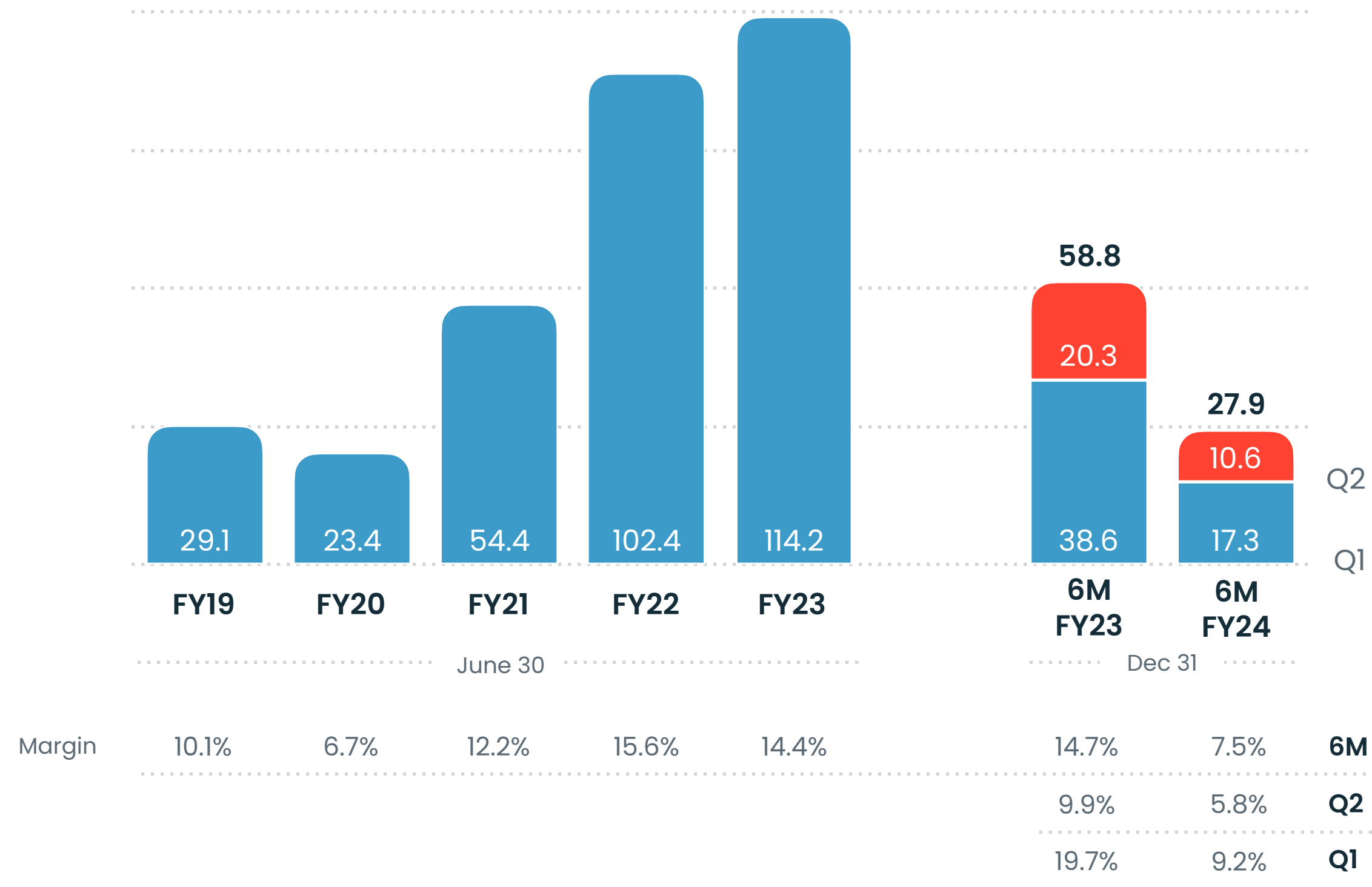
# Revenue



Over the last five fiscal years, 90.1% of our revenue each fiscal year, on average, came from customers who purchased services from us during the prior fiscal year.

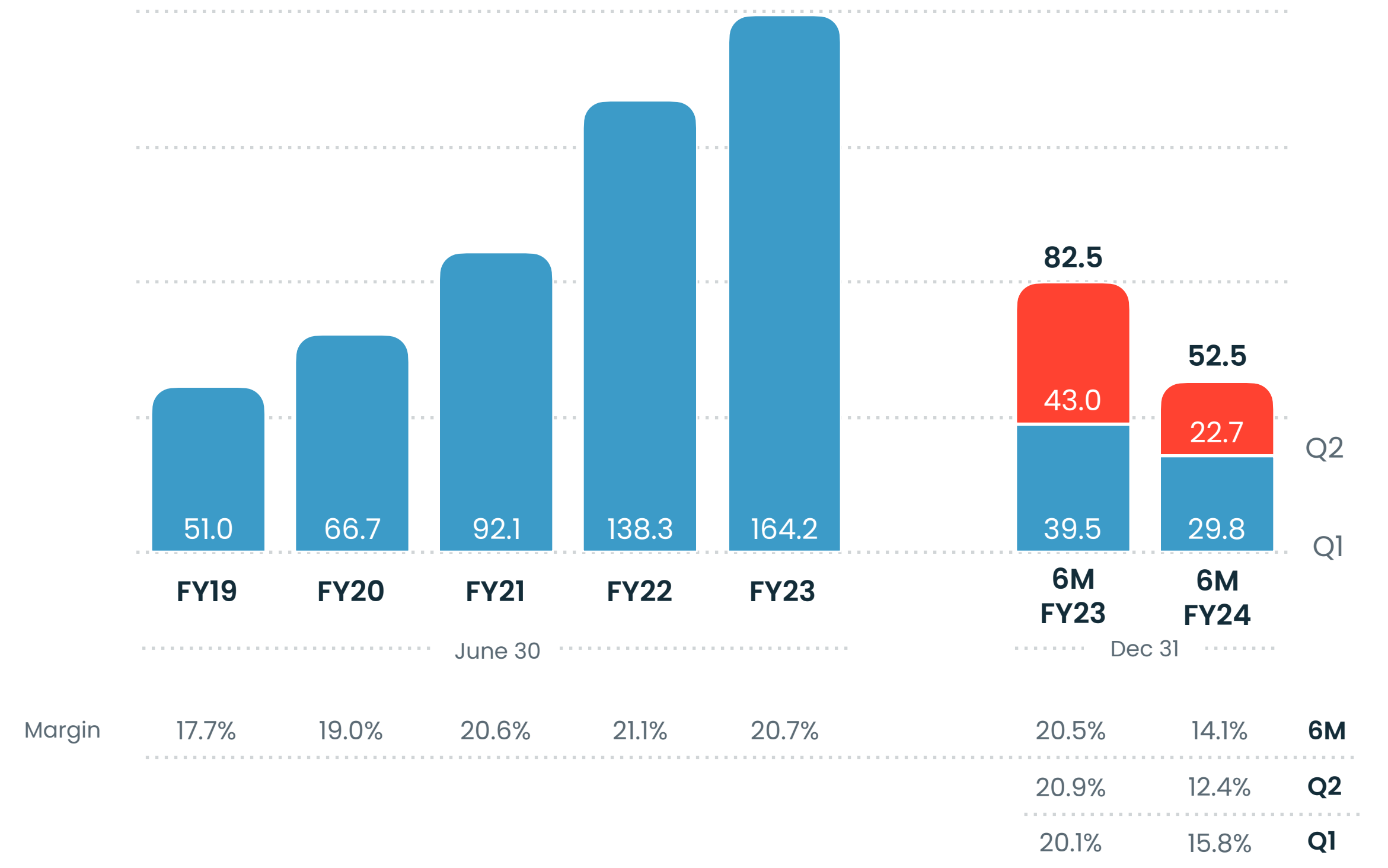
# Profitability

## Profit before tax (£m)



## Adjusted profit before tax

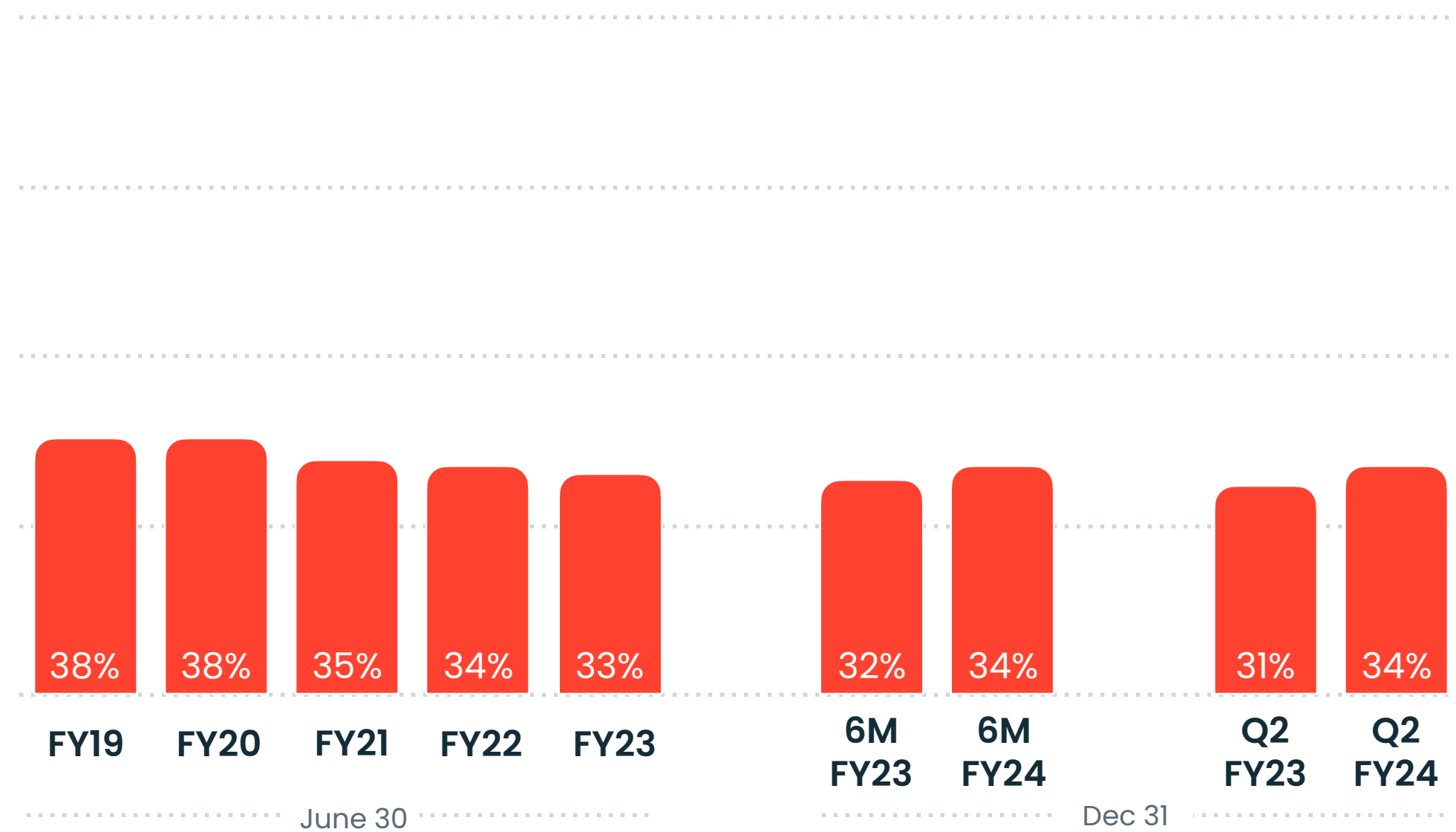
FY19-FY23 CAGR 34%



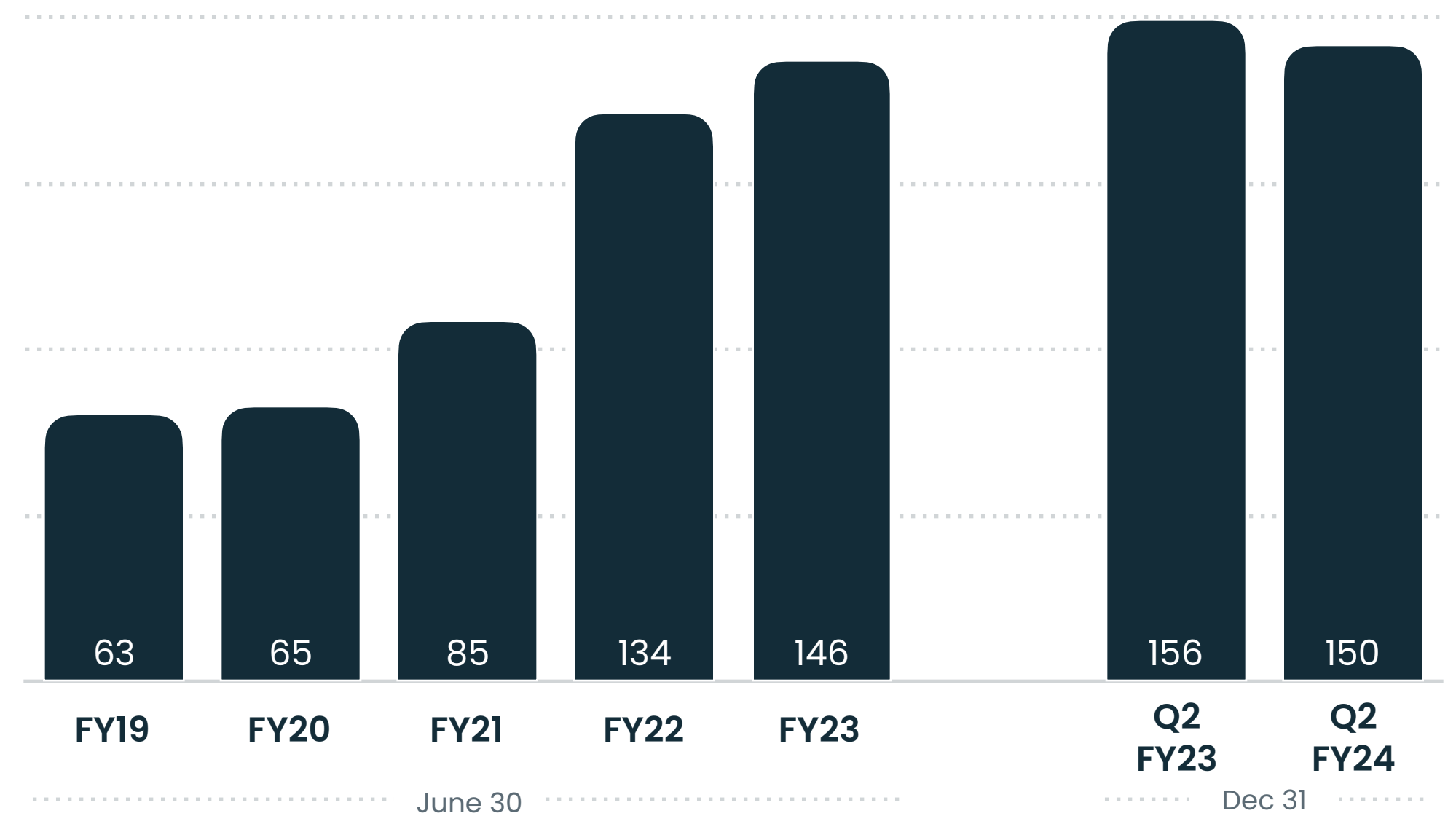
\* See page 26 for reconciliation of IFRS to Non-IFRS metrics

# Client relationships

Top 10 clients revenue %



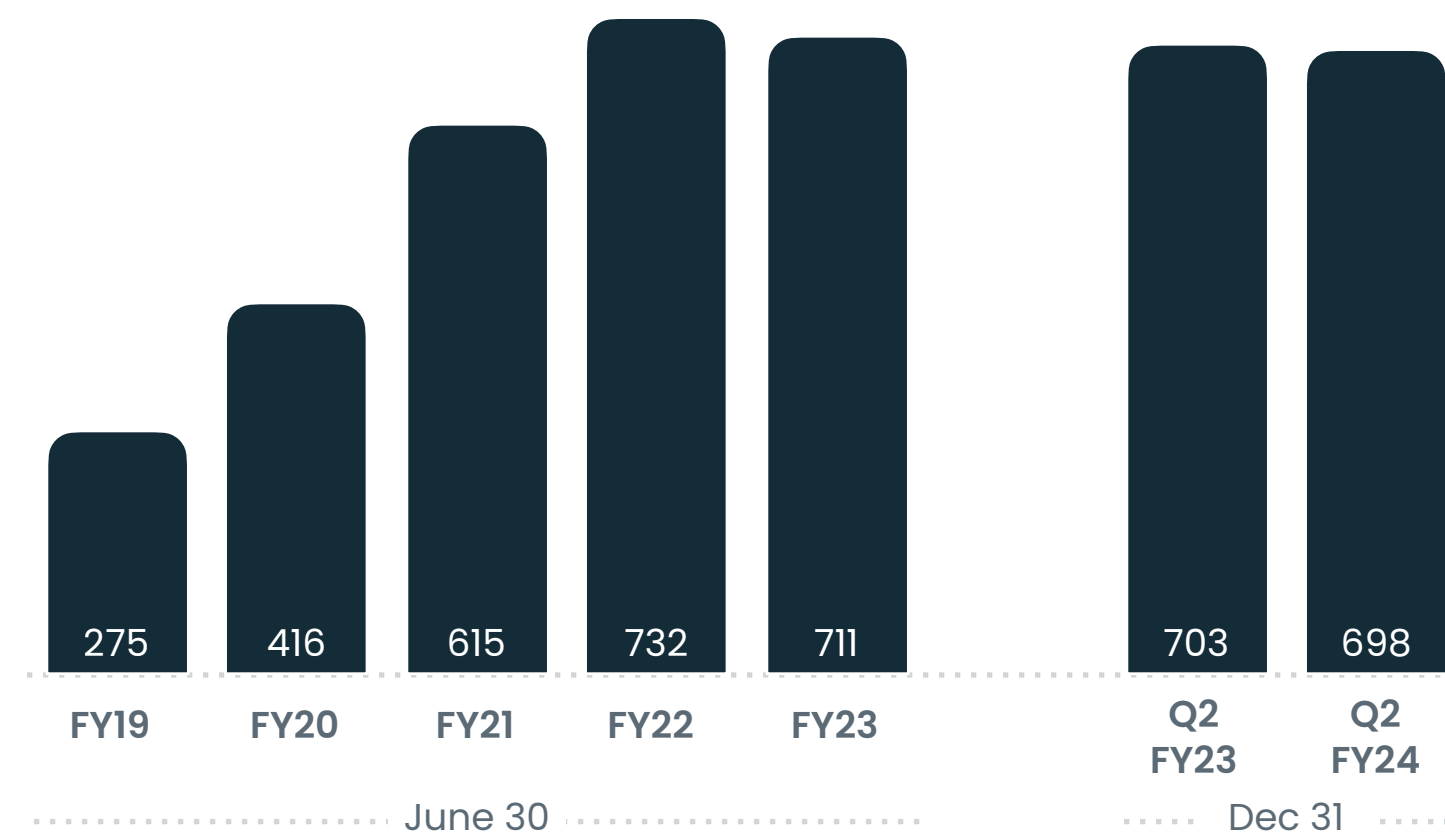
No. of clients / revenue > £1m\*



\* Calculated on a 12 month rolling basis.

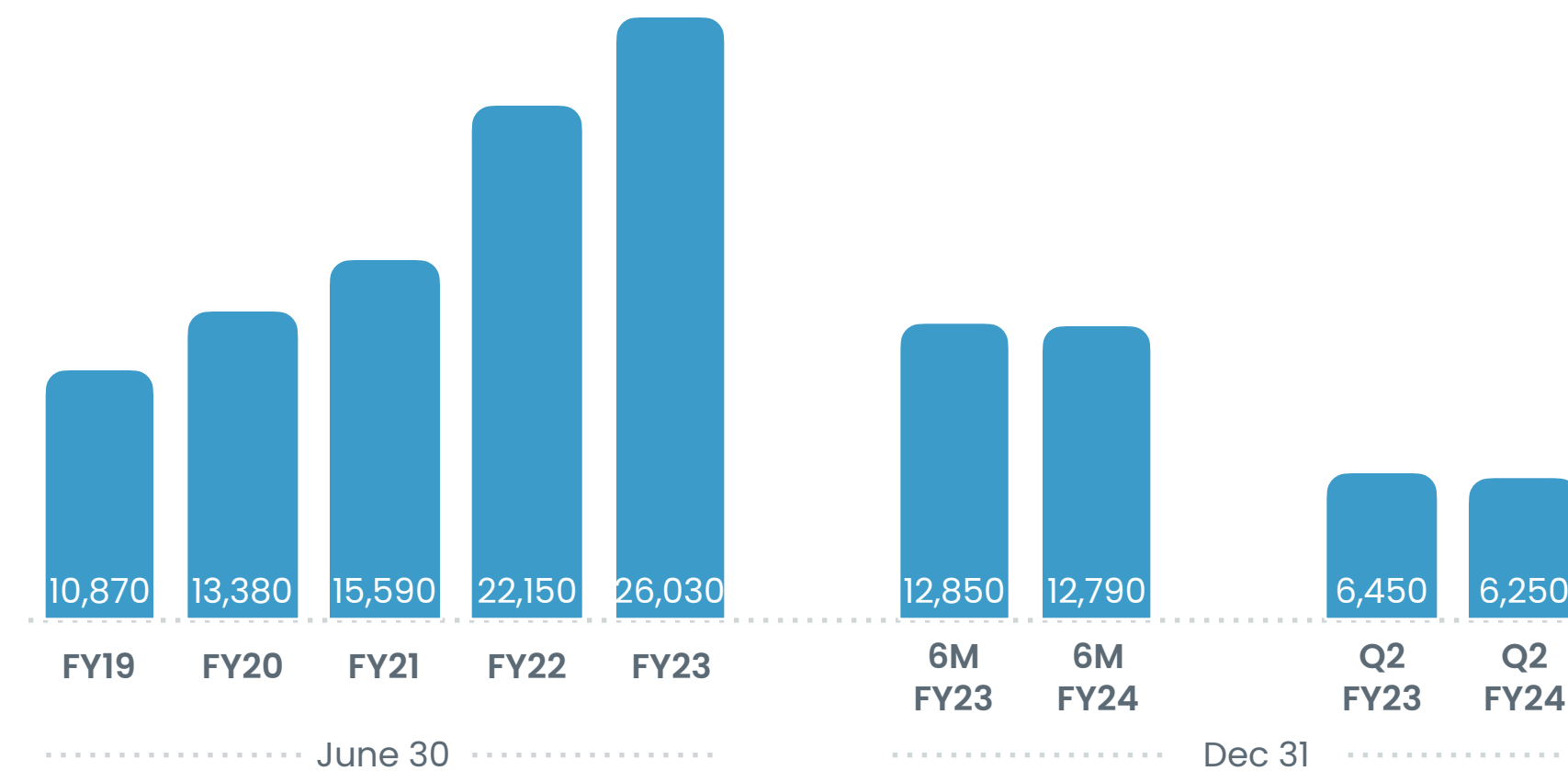
# Number & spend of clients

## Total no. of clients



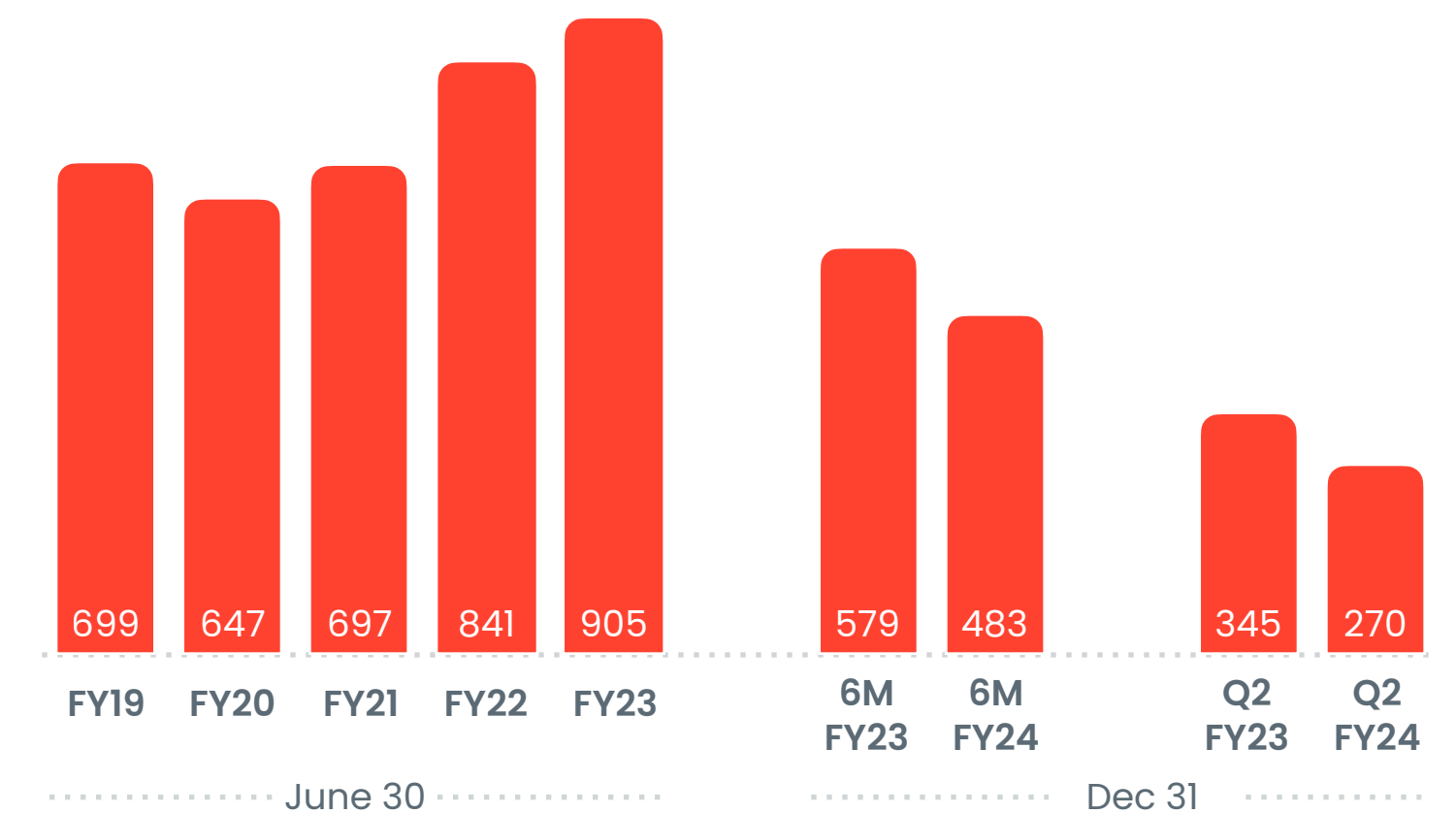
## Top 10 clients

Average spend (£000s)



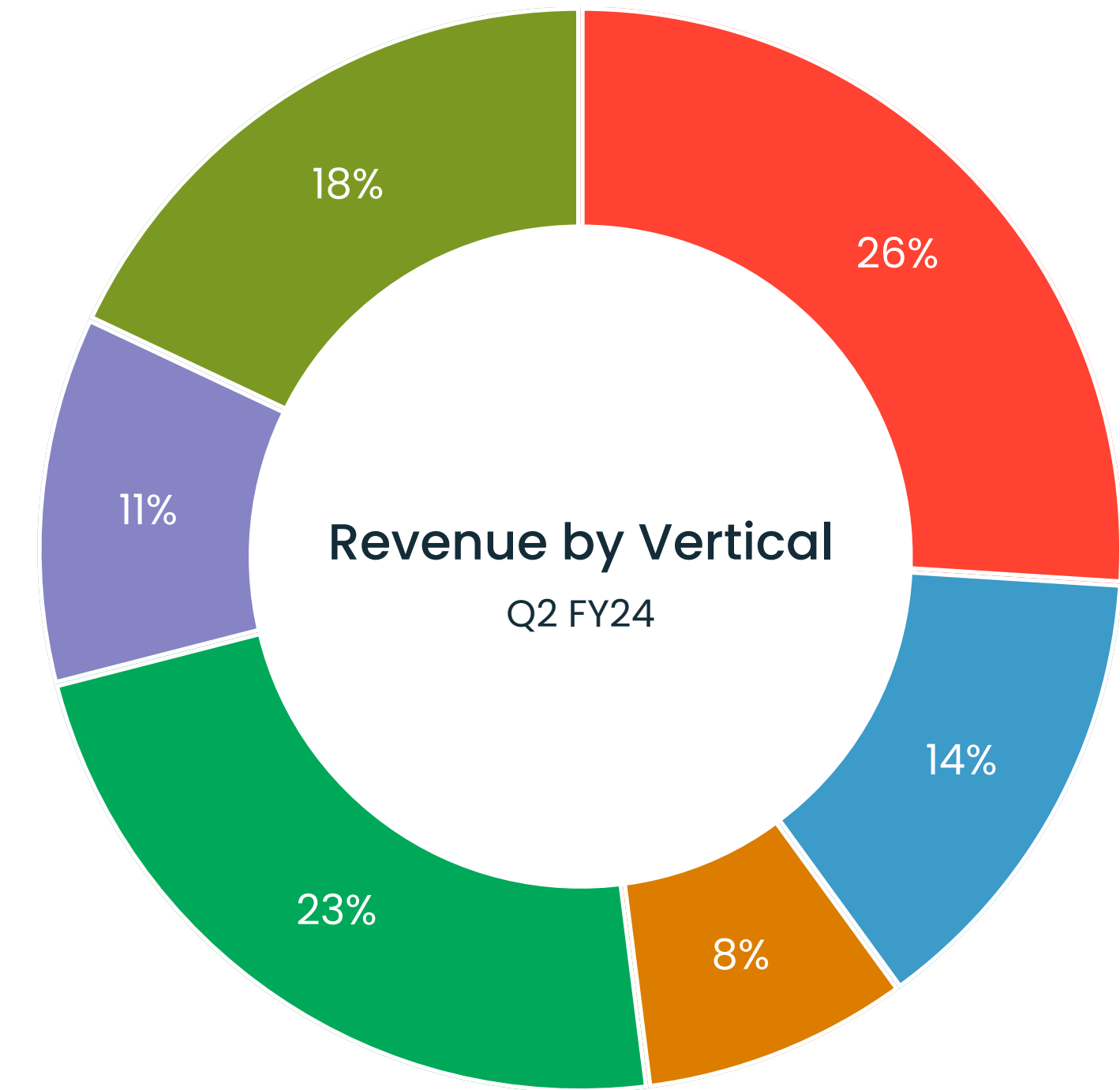
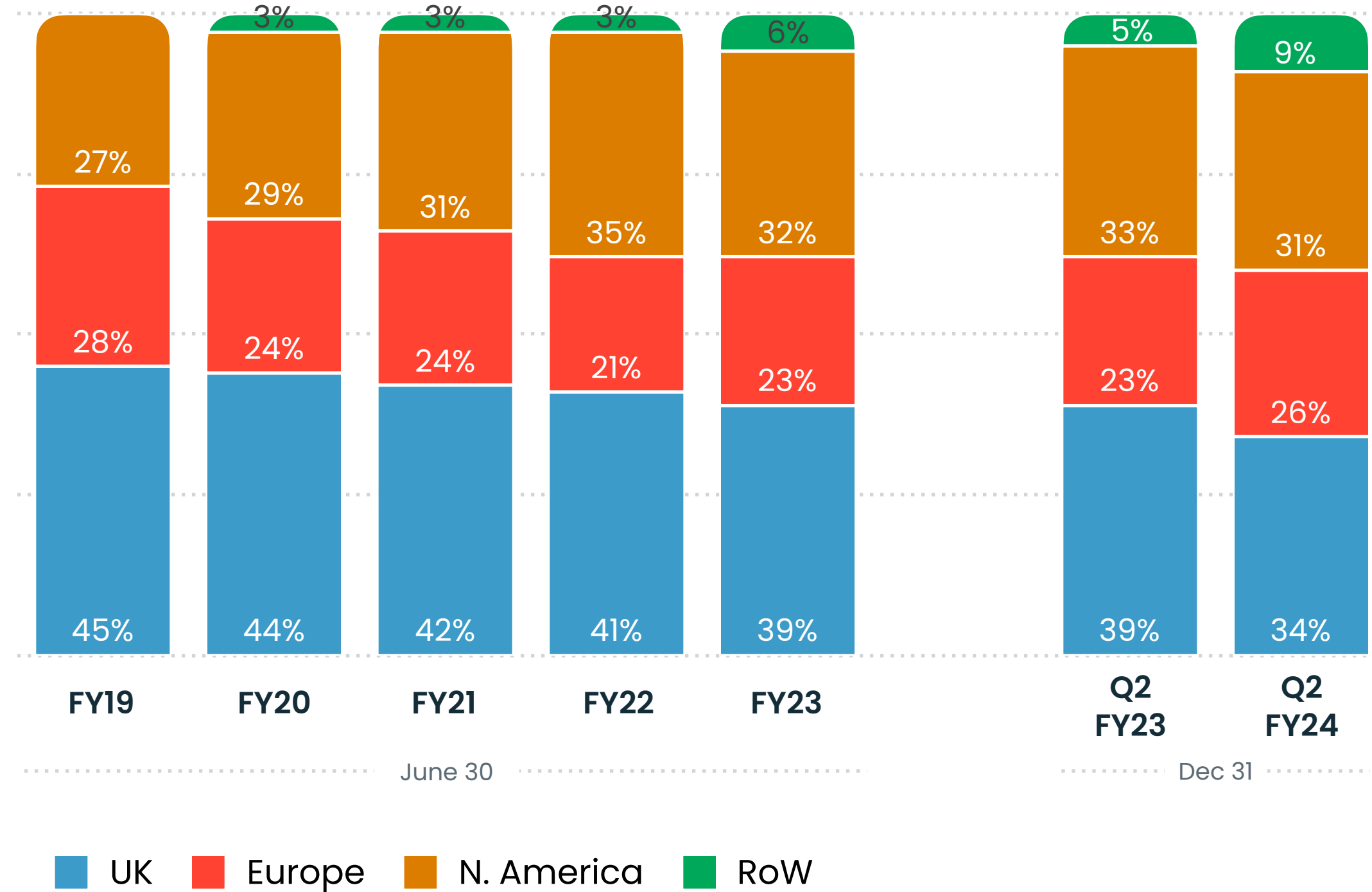
## Remaining clients

Average spend (£000s)



# Geography & Industry verticals

## Revenue by Region

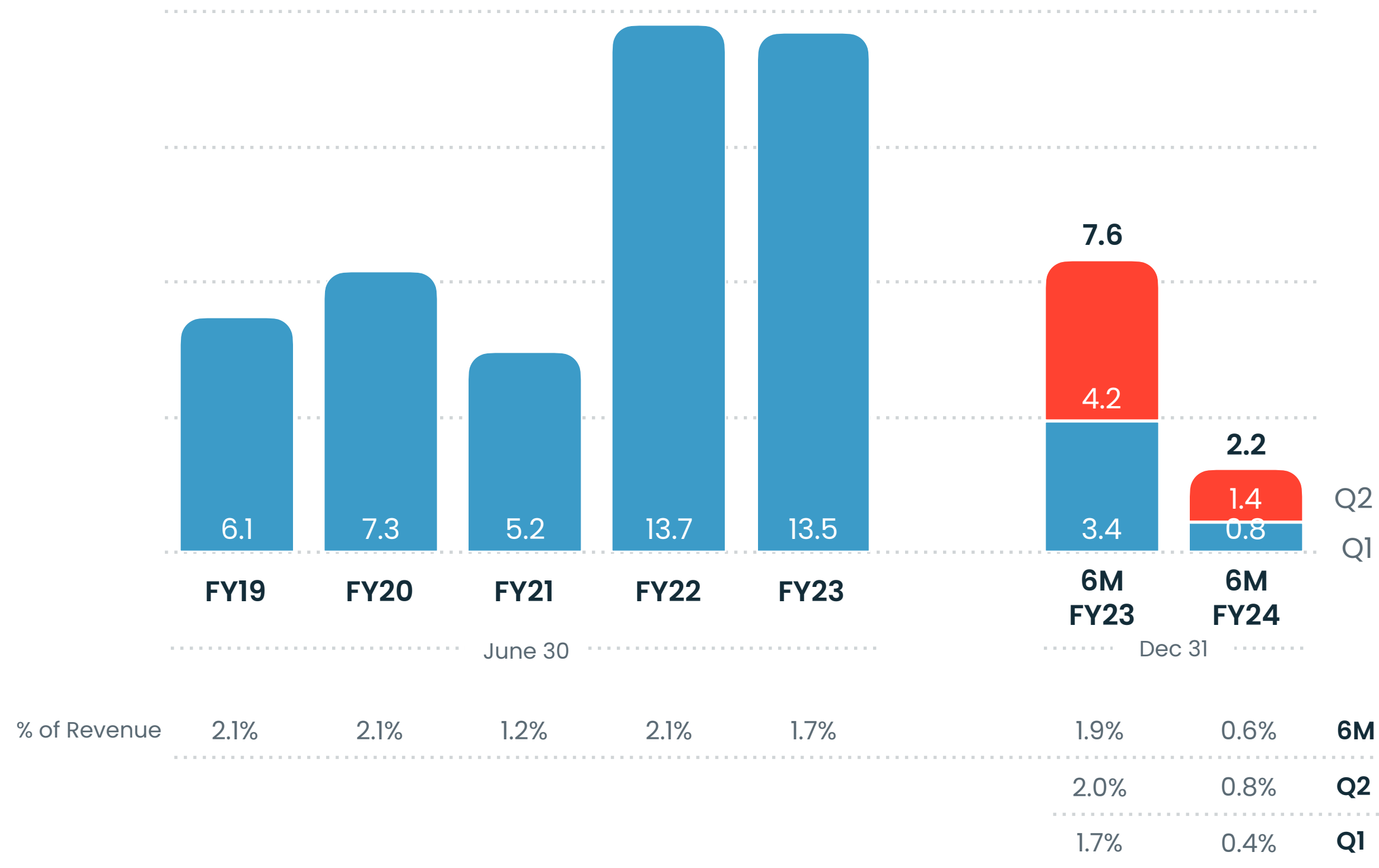


- Payments
- Banking & Capital Markets
- Insurance
- Technology, Media & Telecom.
- Mobility
- Other\*

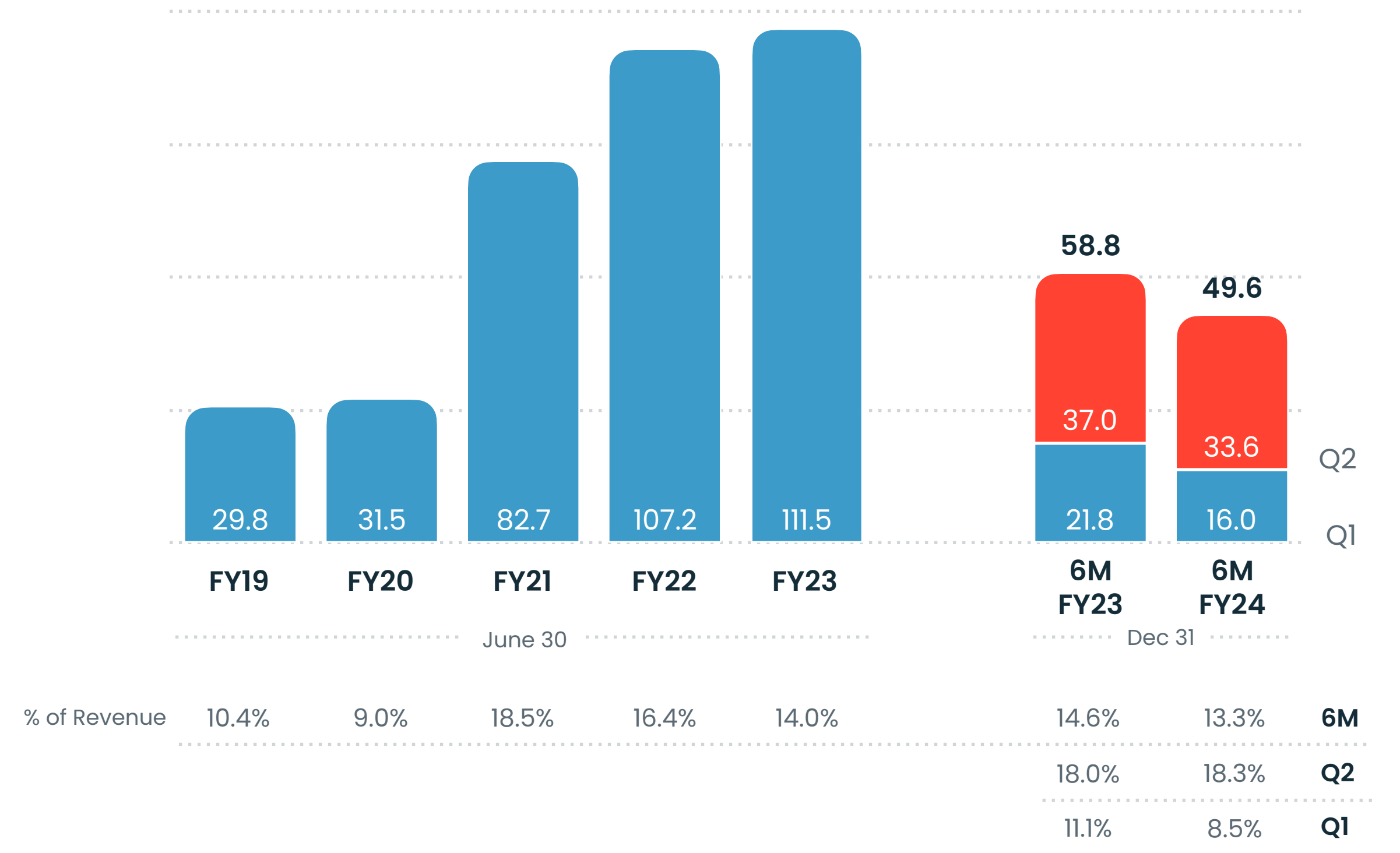
\* Other includes consumer products, healthcare, and retail verticals

# CAPEX & Adjusted FCF

## Capital expenditures (£m)



## Adjusted free cash flow (£m)\*



\* See page 26 for reconciliation of IFRS to Non-IFRS metrics



# 03 Appendix

# IFRS to Non-IFRS reconciliation

	TWELVE MONTHS ENDED JUNE 30					SIX MONTHS ENDED DECEMBER 31		THREE MONTHS ENDED DECEMBER 31	
	2019	2020	2021	2022	2023	2022	2023	2022	2023
<b>Reconciliation of Revenue Growth at Constant Currency to Revenue Growth as Reported under IFRS</b>									
<b>Revenue Growth as Reported under IFRS</b>	32.3 %	21.9 %	27.2 %	46.7 %	21.4 %	31.6 %	(7.3)%	30.2 %	(10.6)%
Foreign exchange rates impact	(1.2)%	(0.9)%	2.4 %	0.9 %	(4.8)%	(6.9)%	2.8 %	(6.8)%	2.5 %
<b>Revenue Growth at Constant Currency Including Worldpay Captive</b>	<b>31.1 %</b>	<b>21.0 %</b>	<b>29.6 %</b>	<b>47.6 %</b>	<b>16.6 %</b>	<b>24.6 %</b>	<b>(4.5)%</b>	<b>23.4 %</b>	<b>(8.1)%</b>
Impact of Worldpay Captive	—	3.2 %	0.8 %	—	—	—	—	—	—
<b>Proforma Revenue Growth Rate at Constant Currency Excluding Worldpay Captive</b>	<b>31.1 %</b>	<b>24.2 %</b>	<b>30.4 %</b>	<b>47.6 %</b>	<b>16.6 %</b>	<b>24.6 %</b>	<b>(4.5)%</b>	<b>23.4 %</b>	<b>(8.1)%</b>
Revenue	287,930	350,950	446,298	654,757	794,733	401,410	371,973	205,241	183,552
<b>Reconciliation of Adjusted Profit Before Tax and Adjusted Profit for the Period</b>									
<b>£ in 000s</b>									
Profit before Tax	30,100	23,364	54,368	102,379	114,163	58,839	27,918	20,271	10,605
Adjustments:									
Share based compensation expense	12,022	15,663	24,427	35,005	31,058	15,909	23,556	6,365	13,617
Discretionary EBT bonus	—	27,874	—	—	—	—	—	—	—
Amortization of acquired intangible assets	3,472	4,075	6,725	10,823	12,270	6,207	7,085	3,188	3,684
Foreign currency exchange (gains) / losses, net	(2,945)	(2,054)	6,546	(9,944)	10,729	7,533	2,685	14,947	4,764
Initial public offering expenses incurred	1,055	—	—	—	—	—	—	—	—
Secondary offering expenses incurred	1,009	—	—	—	—	—	—	—	—
Stamp duty on transfer of shares	10	—	—	—	—	—	—	—	—
Sarbanes-Oxley compliance readiness expenses incurred	1,440	—	—	—	—	—	—	—	—
Restructuring costs	—	—	—	—	6,588	1,113	—	1,113	—
Fair value movement of contingent consideration	5,805	—	—	—	(10,613)	(7,143)	(8,706)	(2,894)	(9,942)
Net gain on disposal of subsidiary	—	(2,215)	—	—	—	—	—	—	—
<b>Total Adjustments</b>	<b>21,868</b>	<b>43,343</b>	<b>37,698</b>	<b>35,884</b>	<b>50,032</b>	<b>23,619</b>	<b>24,620</b>	<b>22,719</b>	<b>12,123</b>
<b>Adjusted Profit Before Tax</b>	<b>51,968</b>	<b>66,707</b>	<b>92,066</b>	<b>138,263</b>	<b>164,195</b>	<b>82,458</b>	<b>52,538</b>	<b>42,990</b>	<b>22,728</b>
<b>Adjusted Profit Before Tax as a percentage of Revenue</b>	<b>18.0 %</b>	<b>19.0 %</b>	<b>20.6 %</b>	<b>21.1 %</b>	<b>20.7 %</b>	<b>20.5 %</b>	<b>14.1 %</b>	<b>20.9 %</b>	<b>12.4 %</b>
<b>Profit for the Period</b>	24,007	19,991	43,450	83,093	94,163	46,747	20,713	15,019	8,347
Adjustments:									
Adjustments to profit before tax	21,868	43,343	37,698	35,884	50,032	23,619	24,620	22,719	12,123
Tax impact of adjustments	(3,969)	(8,787)	(7,241)	(6,933)	(11,829)	(4,734)	(4,916)	(3,404)	(2,977)
<b>Adjusted Profit for the Period</b>	<b>41,906</b>	<b>54,547</b>	<b>73,907</b>	<b>112,044</b>	<b>132,366</b>	<b>65,632</b>	<b>40,417</b>	<b>34,334</b>	<b>17,493</b>
<b>Reconciliation of Net Cash from Operating Activities to Adjusted Free Cash Flow</b>									
<b>Net Cash from Operating Activities</b>	35,348	37,877	87,668	120,719	124,518	66,131	51,623	40,895	35,036
Adjustments:									
Grant received	1,784	888	228	139	494	220	230	220	23
Net purchase of non-current assets (tangible and intangible)	(7,326)	(7,319)	(5,236)	(13,695)	(13,487)	(7,575)	(2,227)	(4,151)	(1,423)
<b>Adjusted Free Cash Flow</b>	<b>29,806</b>	<b>31,446</b>	<b>82,660</b>	<b>107,163</b>	<b>111,525</b>	<b>58,776</b>	<b>49,626</b>	<b>36,964</b>	<b>33,636</b>
<b>Adjusted Free Cash Flow as a percentage of Revenue</b>	<b>10.4 %</b>	<b>9.0 %</b>	<b>18.5 %</b>	<b>16.4 %</b>	<b>14.0 %</b>	<b>14.6 %</b>	<b>13.3 %</b>	<b>18.0 %</b>	<b>18.3 %</b>

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