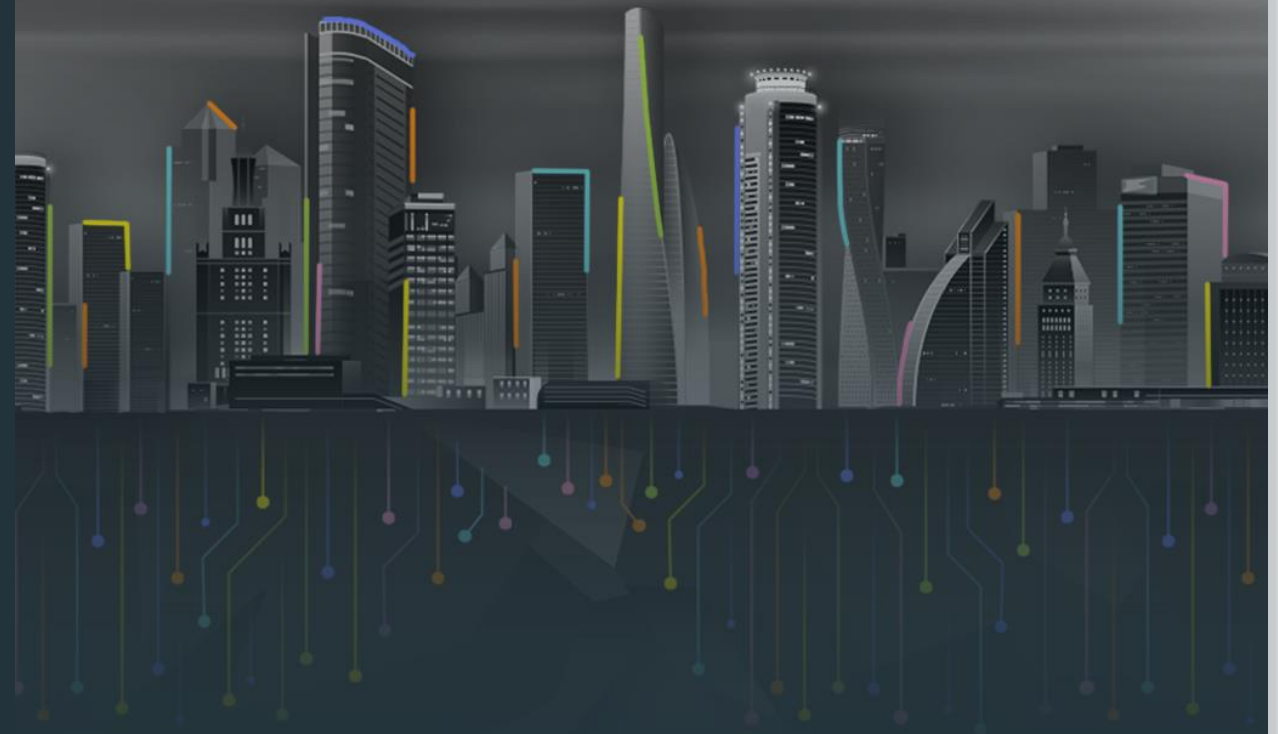




2023 Full Year Results.

For the year ended 31 December 2023

May 2024



01.
2023 Highlights

02.
Our Business

03.
2023 Financial Review

04.
Strategic Transformation
& Business Update

05.
Outlook

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Q&A

2023 Highlights.

2023 Highlights.

2023 Highlights



Revenues up +11.3% & Adjusted EBITDA up 106.8%

Strong recovery from period of hardware shortages



Sales momentum rebuilding following restructure

Awards exceeding £45m TCV, with great progress in focus areas



8 lots secured in NS3 public framework

Access to public sector procurement for a further period of 5 years



Cloud & Data Connectivity performance fuels the growth

Cloud and Data Connectivity recurring revenues up 24.7% & 11.4% respectively



Business transformation plan executed in H1

Discontinued operations/contracts, restructuring, £11m exit run-rate P&L benefits (+5.9m net of reinvestments)



Strategic pivot

Re-focusing the strategy of Maintel to specialised technologies aimed at high growth potential sectors



HSBC temporary financing covenants successfully navigated

Temporary covenants passed, we now return to the original arrangements

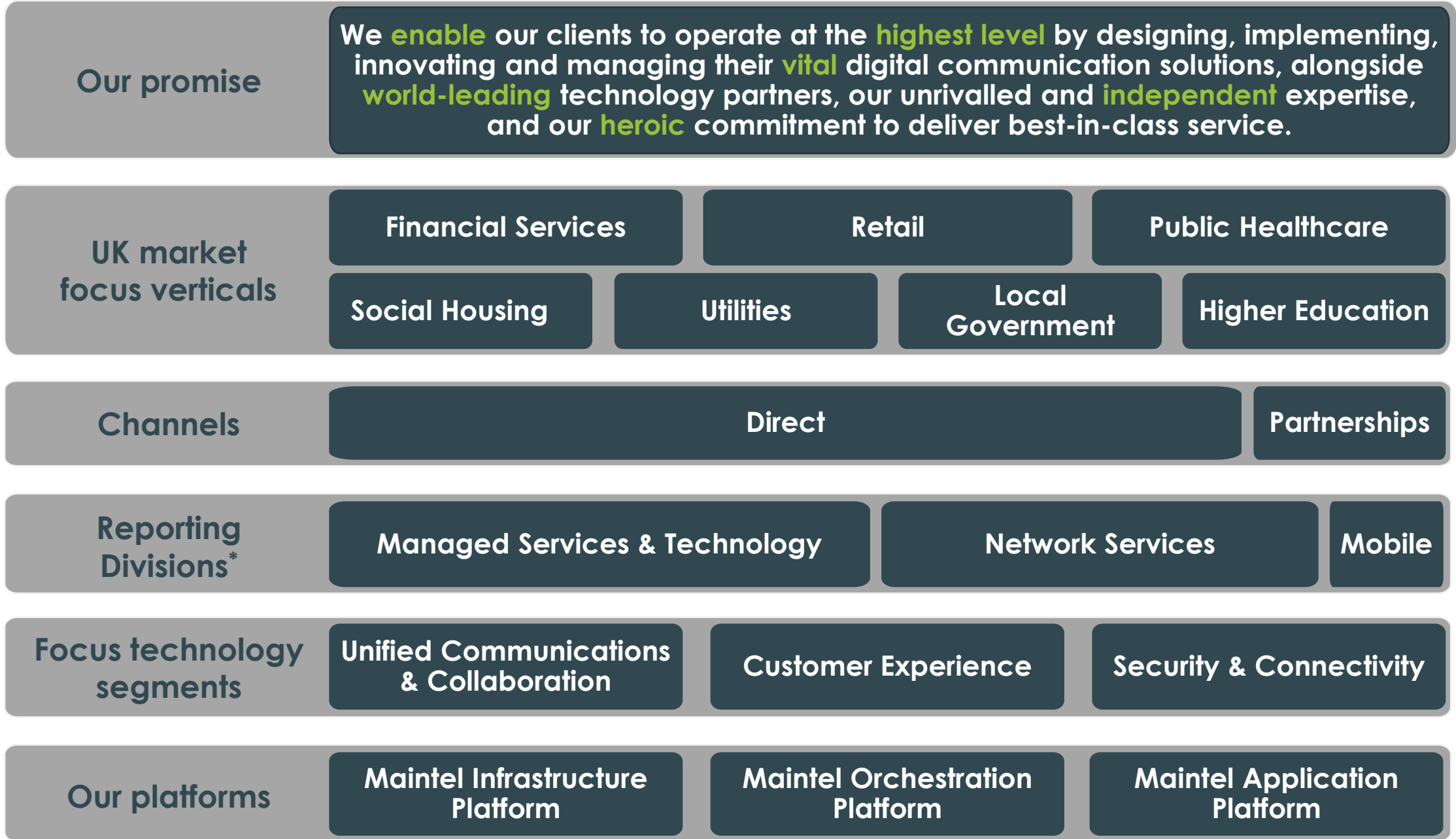


Continued development of own IPR to support market differentiation


Investment in further development of our customer portal, orchestration stack and our new Maintel Application Platform

Our Business.

Maintel Overview



*See page 15 for breakdown




Each month our service desk **resolves over 18 – 20k tickets!**



Locations:
London – HQ
Blackburn
Cannock



98% of all incidents are resolved remotely




AIM listed



We monitor daily **12k** customer WAN/LAN/WIFI devices



Customers use over **80,000+ telephone lines** – using over 70 million minutes a month



We have **>180,000 cloud subscribers**



FY23 Revenue of £101.3m

Accreditations



Our focus markets for growth

Significant room for growth in our target markets

Our Markets

	Financial Services <small>(FCA Credit Institutions)</small>	Enterprise Retail <small>(Orgs with >1,000 FTE)</small>	Public Healthcare <small>(UK NHS Trusts)</small>	Social Housing	Utilities <small>(Water & Energy)</small>
Number of target organisations	1091	2,800	215	1,600	54
Maintel's current penetration	3.9%	1.4%	50%	1.25%	20%
Maintel's penetration > £100k Spend	1.2%	0.6%	16%	0.25%	15%

Our key strategic partners.

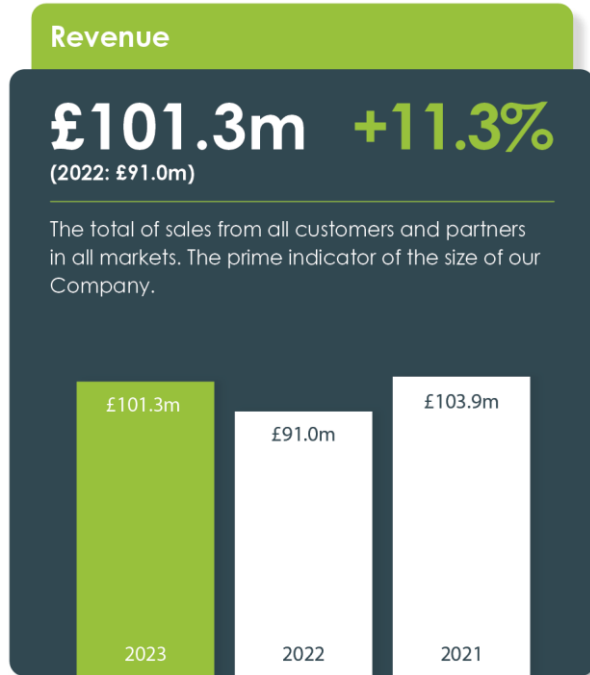
Maintel works closely with a number of carefully selected leading technology providers and carriers to deliver proven tailored communications solutions to customers.



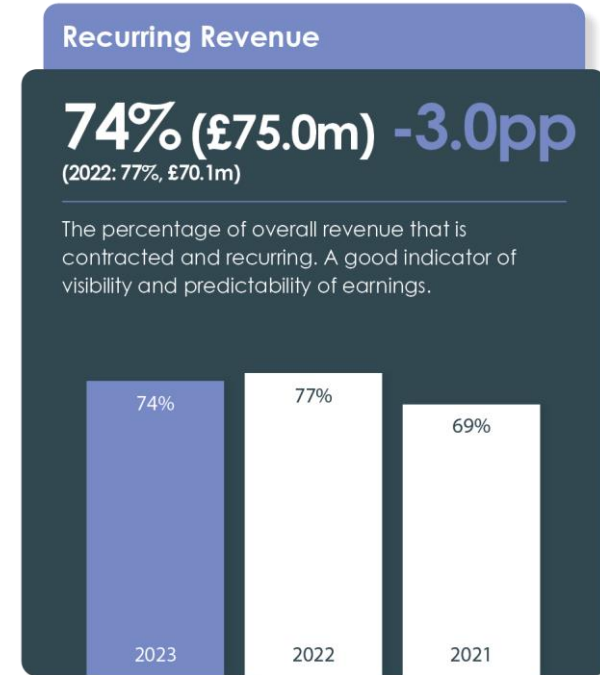
2023 Financial Review.

Key Financials

Financial Review



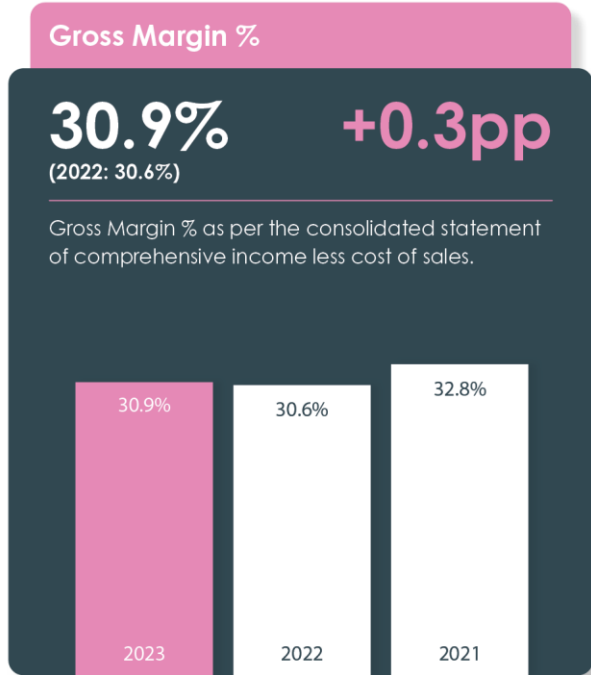
- Order Book +3.0%
- Cloud and Data Growth +3.0%
- Price Increases +2.1%
- Compounded by a 5pts reduction in churn and erosion



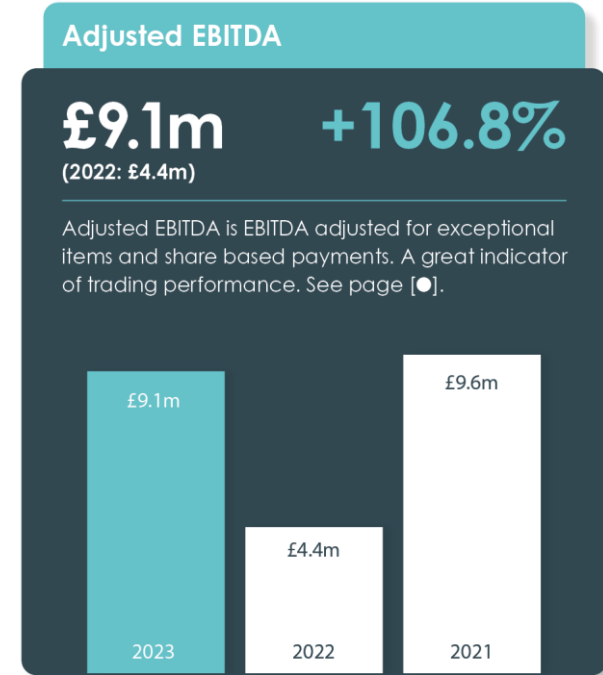
- +7.0% in absolute value
- Decrease Vs 2022 due to unusually low level of project revenue in 2022 (global supply chain issues)
- Overall increasing trend reflects the move towards SaaS model (Resell decreasing while consultancy revenue progresses)

Key Financials

Financial Review



- Net price increases contributed 2.1 pts
- Cloud higher margin revenue added 1.0pt



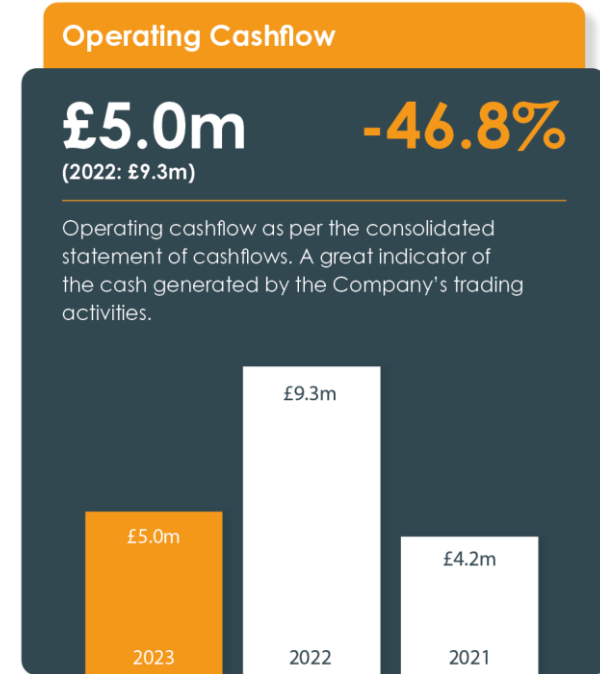
- Business transformation contributes +5.9m, net of re-investments
- Inflation and salary increase headwinds -£2.3m
- Non-recurring 2022 benefits -£1.6m

Key Financials

Financial Review



- Capex £4.4m (including £0.6m capitalised R&D), entirely client delivery focused
- Transformation and restructuring: £3.4m
- Interest payments £1.9m
- Net borrowings +£0.1m
- Total Net Debt: £18.9m



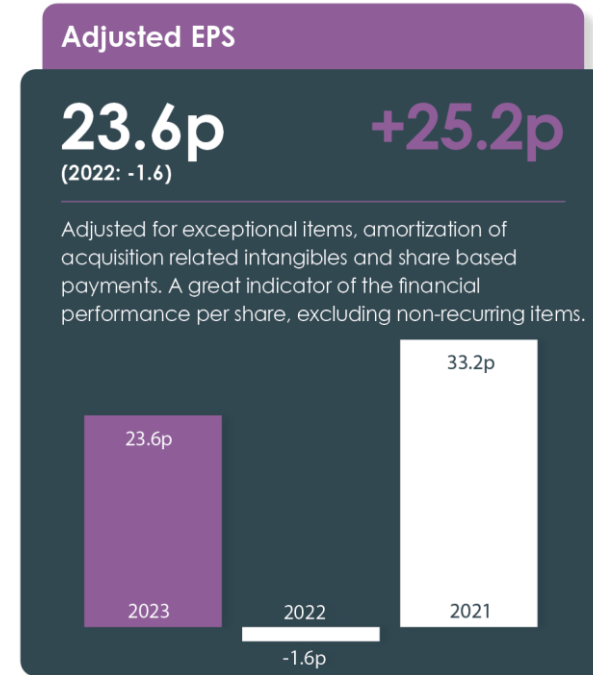
- Cash exceptional costs weighted -£3.4m
- High cash conversion (adjusted): 97%
- Working capital normalisation -£0.3m

Key Financials

Financial Review



- Adjusted Ebitda +£4.8m
- Interest charge +£1.0m



- Benefiting from increased deferred tax credit deriving from transformation and restructuring charges
- Unchanged number of shares

Financial performance - Group operations.

Managed Services & Technology

Managed services includes all support and managed service recurring revenues for hardware and software located on customer premises (Telephony, Contact Centre, LAN, WIFI Security).

Technology includes all non-recurring revenues from hardware, software, professional and consultancy services and other non-recurring sales.

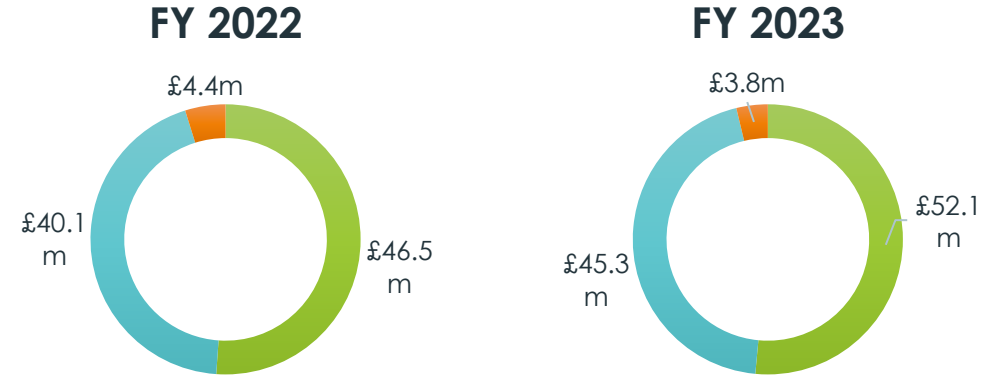
Network Services Division

The Network Services division is made up of three strategic revenue lines:

- Cloud – subscription and managed service revenues from cloud contracts
- Data – subscription, circuit, co-location and managed service revenues from Wide Area Network (WAN), SD-WAN, Internet access and managed security service contracts
- Call traffic and line rental – recurring revenues from legacy voice, modern SIP trunking & inbound calling contracts

Mobile Cloud Services

The Maintel's Mobile division generates revenue primarily from commissions received as part of its dealer agreements with O2, in addition to value added services sold alongside mobile such as mobile fleet management and mobile device management.



Managed Services & Tech Network Services Mobile

Revenue.	Managed Services & Tech.	Network Services.	Mobile.
2023	£52.1 m	£45.3 m	£3.8 m
2022	£46.5 m	£40.1 m	£4.4 m
	+12.0%	+13.0%	-13.2%

Gross Margin - 2023	23.6%	38.4%	40.7%
Gross Margin - vs 2022	-0.9pts	+1.9pts	-0.3pts

Managed Services and Technology.

£'000	Dec-23	Dec-22	Change
Revenue	£ 52,097	£ 46,509	12.0 %
Gross Profit	£ 12,285	£ 11,399	7.8 %
Gross Margin (%)	24 %	25 %	-

- Project revenue +23%, due to order book unwinding.
- Support revenue up +0.9% as churn reduced by 5pts.
- Gross margin impact by mix towards lower margin Tech revenue.

Network Services Division.

£'000	Dec-23	Dec-22	Change
Call traffic	£ 3,408	£ 2,921	16.7 %
Line rental	£ 7,234	£ 7,391	-2.1 %
Data connectivity services	£ 18,415	£ 16,537	11.4 %
Cloud	£ 16,000	£ 12,827	24.7 %
Other	£ 260	£ 417	-37.6 %
	£ 45,317	£ 40,093	13.0 %
Gross Profit	£ 17,386	£ 14,639	18.8%
Gross Margin (%)	38 %	37 %	-

- Growth in Cloud driving higher margin revenue.
- Return to strong growth in Data Connectivity, driven by key SD-WAN & cloud security contracts.
- Fixed line revenue (Call traffic and line rental) increased by 3.2%.
- Call Traffic +16.7%, driven by an increase in inbound contact centre calling traffic and outbound SIP call traffic (strong Financial Services customer base).
- Slight decline in line rental base (-2.1%) driven by migration from legacy PSTN services to consolidated modern alternatives.

Mobile Division.

£'000	Dec-23	Dec-22	Change
Revenue	£ 3,848	£ 4,434	-13.2 %
Gross Profit	£ 1,568	£ 1,820	-13.8 %
Gross Margin (%)	41 %	41 %	-
Number of customers	511	535	-4.5 %
Number of connections	28,445	26,689	6.6 %

- Division not core to Group growth.
- Focus on customer retention rather than new business.

Strategic Transformation & Business Update.

5 year strategy transformation.

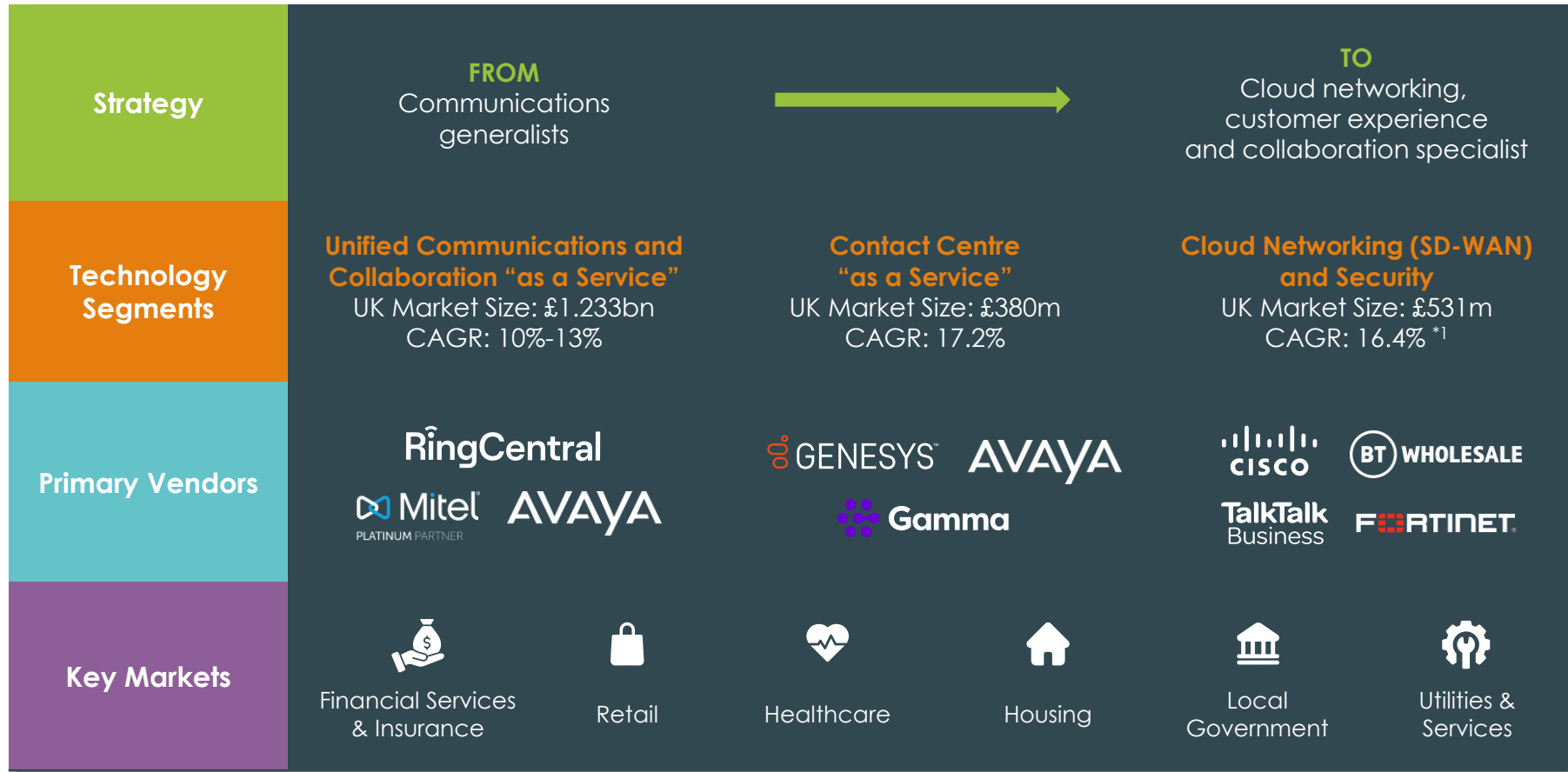
Driving share price:

- Quality/predictability of earnings
- Acquiring revenue streams in the 3 pillars
- Closing the gaps on product offer
- Recurring revenues driven by wider market penetration and cross selling
- Future proof product and service offering
- Increasing CAGR and GM%



Strategy Transformation Overview.

Strategy Update



*1 SD-WAN Managed Service CAGR

Strategy Evolution – 2023 2024 Timeline.

Strategy Update



Product/Service News.

Business Update



Maintel renew Cisco Gold Provider Status to the power of Three!

Maintel is excited to announce they now also hold three key Cisco **"powered Services"** - Secure Access Services Edge (SASE), Meraki SD-WAN and Catalyst SD-WAN.

Maintel is **one of only two** Gold Certified Partners to hold all three powered services in the UK, out of a total of over 1,500 Cisco partners.




Maintel expands partnership with Avaya.

Partnership will see Maintel adding Avaya Experience Platform™ to their portfolio of products and services.

Avaya Experience Platform™ will provide customers with a public cloud solution that is designed to help businesses innovate without disruption.



Maintel announce new alliance with Datatrack to help enhance call management, reporting and analytics across their Unified Communications and Contact Centre technology solutions and services






Maintel launches new Application Platform with Audiosafe as the first app.

Maintel's new Application Platform will deliver a transformational capability for all Cloud Communications customers.

The Audiosafe App provides customers with the ability to automatically archive, search and playback their call recordings securely and for any length of time required.



What is the Maintel Application Platform?

Business Update

An application & middleware “fabric”, anchored within Amazon Web Services (an extension of our Maintel Infrastructure Platform), that enables Maintel to deliver applications and integrations “as a service”.

“Lego blocks” of code, using a leading-edge serverless microservices architecture, that can be used in different combinations to rapidly create new applications and features.

A framework that ensure consistency, scalability, security and supportability.

	Fully Productised	Bespoke
Consistent Approach: Developed and deployed as per the Maintel Application Platform framework	✓	✓
Well documented internally	✓	✓
Tested via Maintel Quality Assurance Team	✓ Full	✓ Light
Reliably maintained once live	✓	✓
Easily supportable, with no single points of failure	✓	✓
Upfront Professional Service Charge	✓ Light	✓ Heavier - POA
Recurring Subscription Charge	✓ Heavier	✓ Lighter - POA
Multi-Tenanted	✓ Where it makes sense	
Productised Pricing	✓	
Customer Facing Collateral	✓	
Vendor app marketplace presence	✓	✓ Where possible



Maintel Audiosafe

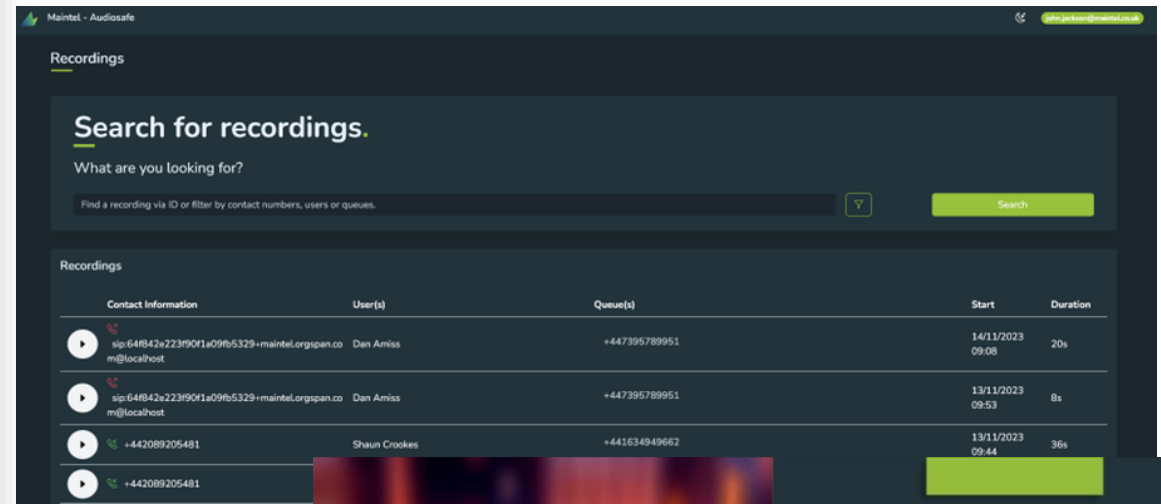
Business Update

The first app launched from the Maintel Application Platform.

Audiosafe provides customers with the ability to automatically export, archive, search and filter all their Call recordings, and retain them for as long as needed.

Solution

- App to export & centralise the recordings and metadata, initially from Genesys Cloud
- Additional platform support to come
- Subscription commercial model



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Outlook.

Full year 2024 – Outlook.

- Close out key deals in H1.
- Continue to build Sales Pipeline.
- Business transformation now focussed on brand, growth, specialisation, property and operational scalability.
- Continued tight cost control.
- Continued Digital Transformation of the Maintel systems and processes.
- Return to deleveraging.
- Focus on recruitment of Independent Chair & permanent CEO.
- Focus on margin improvement and mitigating the impact of continued inbound price pressure.
- The overall performance of the business, at the end of quarter one, is in line with management expectations.

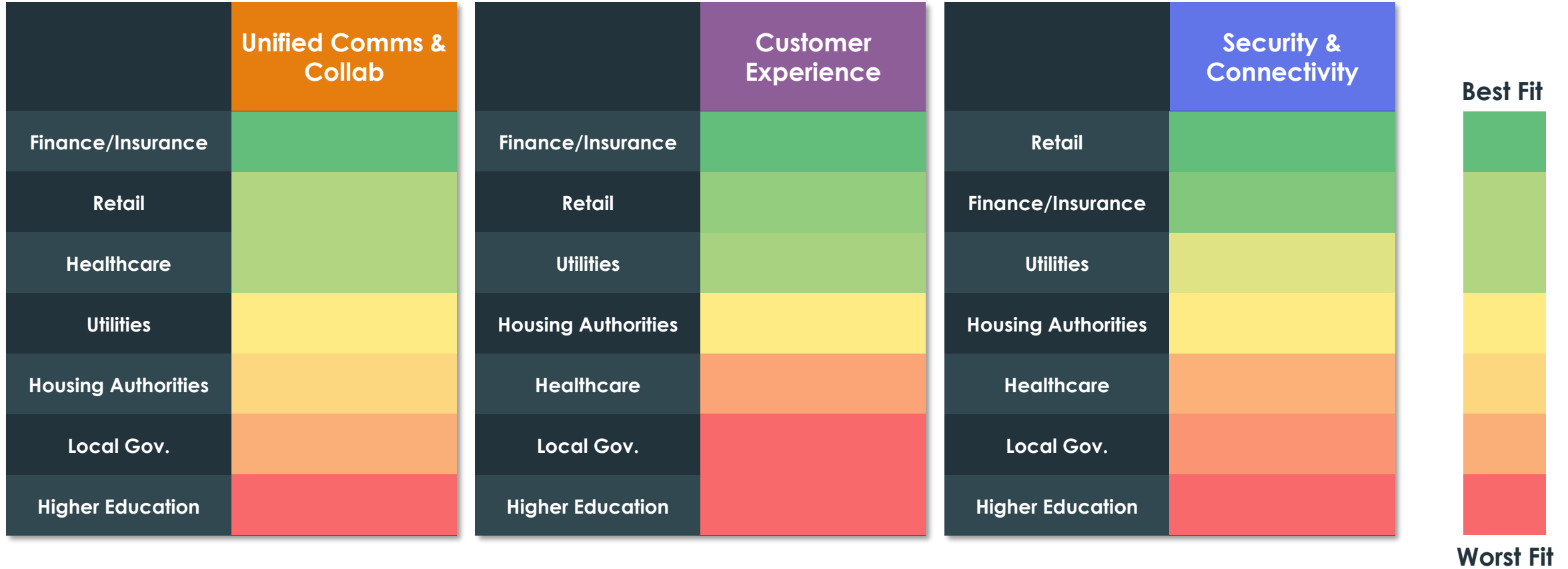


Questions & Answers.

Backup/Reference Appendix.

Industry to Product Attribute Mapping.

Appendix



ESG/Sustainability.




Maintel is green(er)

With a year-on-year increase of CDP rating through a focus on environmental aspects of the business, we are a greener company, not just in sentiment but by measurable means (with a nice certificate to prove it).

[See our cert](#)

CDP SCORE REPORT - CLIMATE CHANGE 2023




MAINTEL HOLDINGS PLC


Region	Europe
Country/Area	United Kingdom of Great Britain and Northern Ireland
Questionnaire	General
Activity Group	Media, telecommunications & data center services

The CDP Score Report allows companies to understand their score and indicate which categories require attention to reach higher scoring levels. This enables companies to progress towards environmental stewardship through benchmarking and comparison with peers, in order to continuously improve their Climate Change governance. Investors will additionally receive a copy of the CDP Score Report upon request. For further feedback please contact your account manager or your key CDP contact.


Your CDP score **Average performance**




B



B



B



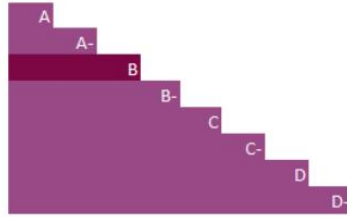
C

Media, telecommunications & data center services
Europe
Global Average

UNDERSTANDING YOUR SCORE REPORT

MAINTEL HOLDINGS PLC received a B which is in the Management band. This is the same as the Europe regional average of B, and the same as the Media, telecommunications & data center services sector average of B.

Leadership (A/A-): Implementing current best practices
Management (B/B-): Taking coordinated action on climate issues
Awareness (C/C-): Knowledge of impacts on, and of, climate issues
Disclosure (D/D-): Transparent about climate issues



Working Capital.

(£m)	Dec-22	Dec-23	Impact on FY 23 Cashflow
Non delivery related			
Other debtors	0.7	0.3	0.4
Prepayments	0.6	0.8	(0.2)
Other creditors	(5.2)	(5.9)	0.7
Delivery related			
Inventory	2.6	1.7	0.9
Trade debtors	13.0	12.3	0.6
Unbilled revenue	1.9	1.3	0.6
Deferred revenue	(20.1)	(21.9)	1.7
Trade creditors	(18.6)	(12.8)	(5.9)
Accruals	(3.2)	(3.4)	0.3
Cost deferrals	11.1	10.7	0.5
	(17.2)	(16.9)	(0.3)

Cash Conversion & Exceptionals.

	(£m)
Adjusted Ebitda	9.1
Capex / IFRS 16	(4.4)
Transformation & Restructuring	(3.4)
Interest	(1.9)
Working capital normalisation	(0.3)
Net Borrowings	0.1
Free cashflow	0.8

	(£m)
Net Debt @ 31/12/22	(18.9)
Free cashflow	(0.8)
Net Debt @ 31/12/23	(19.7)

		(£m)	
Exceptional items			
Non-cash	Transformation	Callmedia - Assets impairment	2,288
	Transformation	Property downsizing - Impairment	1,340
Cash	Restructuring	Restructuring	1,548
	Transformation	Other costs business transformation	540
	Temporary covenants	Covenants re-set	380
	Transformation	Callmedia - Trading loss	333
	Transformation	Property downsizing - Service Charge	237
	Transformation	Strategic review	160
	Transformation	Vendor contract over-capacity	153
			6,979
Other			
Cash			3,351
Non-cash			3,628
	Temporary covenants		380
	Restructuring		1,548
	Transformation		5,051

NHS Highland

The Customer

Argyll and Bute Health and Social Care Partnership (HSCP) provides all health and social care services across a large geographical area in the west of Scotland. GPs, hospitals, health workers and social care staff work side-by-side in a coordinated approach to service delivery.

The Issue

The legacy telephony system had been in place for many years and had developed known issues. Though it was a significant financial overhead, it was unable to support the integration of new technologies and was no longer providing value for money.

The Project

In a new ICON Communicate private cloud service delivered a hybrid working environment for 2,500 staff across 8 community hospitals and selected GP practices.

The Outcome

A modern, reliable and fully interlinked voice service across mainland and island practices supports IP phones with secure connectivity, and improved reporting has revolutionised call handling. The transition to the Maintel platform took just 3 months instead of the scheduled 6.



BNP Paribas Personal Finance

The Customer

A leading finance provider in Europe. Part of BNP Paribas, one of the largest banks in the world with over 200 years of history, operating in 72 countries with over 200,000 employees worldwide.

The Issue

BNPP needed to replace aging legacy on prem telephony with new cloud based services to enable their customer to communicate with them via Omni channel in a secure and compliant manner including PCI payment capability.

The Project

Maintel provided a cloud-based contact centre solution for 700 users.

The Outcome

Maintel implementation of a Genesys Cloud CX™ solution overlaid with Sycurio for secure payment capability has enabled them to easily manage their IT security and compliance requirements, remove risk and service their clients more efficiently. Maintel is a trusted advisor to BNPP and manages these technologies to deliver the right business outcomes for BNPP.



JD Sports

The Customer

A sports-fashion retail company headquartered in Bury, Lancashire, England with shops throughout the United Kingdom, Europe, the United States, Asia, and Australia. It has over 50 high street brands under its umbrella including sports brands such as JD Sports, Footpatrol, Sprinter, and Sport Zone, premium fashion brands such as Scotts and Tessuti, along with outdoor retailers Blacks, Millets, Go Outdoors and Ultimate

The Issue

JD needed to improve its network, telephony and mobile provisioning across its European store estate with a modern cloud-based unified communications infrastructure

The Project

Deployment of an SD-WAN enabled future-proofed network and upgrade to the latest telephony connectivity, with Maintel delivering and hosting the ICON Communicate platform, using Mitel equipment across its European store network. In addition, Maintel have provided an enhanced mobile service delivering 1,200 connections with improved tariffs and billing.

The Outcome

An integrated 'future proof' SD-WAN network, telephony and mobile solution, providing for a modernised unified communications infrastructure – better enabling video, audio, and web conferencing facilities to their stores.

