

RNS
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Eleco Plc
("Eleco", "Group" or the "Company")

H1 Trading update

The Board of Eleco plc (AIM: ELCO), the specialist software provider for the built environment, is pleased to provide a trading update for the six months ended 30 June 2024 (the 'Period'), based on unaudited management accounts for the Period.

Trading highlights

Eleco delivered further record growth in both Annualised Recurring Revenue¹ ("ARR") and Total Recurring Revenue² ("TRR"), reflecting continued progression on its growth strategy.

- ARR at 30 June 2024 increased 31% to circa £25.8m (£19.7m at 30 June 2023).
- TRR increased by approximately 24% to £12.0m (H1 2023: £9.7m), representing 74% of total revenue (H1 2023: 72% of total revenue), and 75% of total revenue excluding the effects of the Vertical Digital acquisition.
- Total revenue for the period increased by 21% to circa £16.3m and in constant currency terms approximately £16.5m (H1 2023: £13.5m). The organic growth rate for the period over its comparable period was 12%, excluding acquisition effects³.
- Cash as at 31 June 2024 was £12.0m (at 30 June 2023: £9.4m; at 31 December 2023: £10.9m) reflecting strong cash generation notwithstanding the Vertical Digital acquisition consideration of £1.1m and an increased final dividend payment of £0.5m (H1 2023: final dividend payment of £0.4m).

¹ ARR is defined as normalised annualised recurring revenues and includes revenues from subscription licenses, contract values of annual support and maintenance, and SaaS contracts. This ARR figure is calculated with the inclusion of contributions from acquisitions as part of the Group business going forward.

² TRR is defined as the recurring revenues from subscription licences, contract values of annual support and maintenance, and SaaS contracts

³ Revenues in H1 of 2024 include the first half contribution of the BestOutcome acquisition and also approximately two and a half months contribution of the Vertical Digital acquisition.

The Interim Results will be reported in full in September with a date to be confirmed in due course.

Jonathan Hunter, Chief Executive Officer of Eleco plc said:

"We are proud to report positive momentum in Eleco's trading performance for the first six months of the 2024 financial year, moving significantly ahead of the first six months of 2023.

"As anticipated with the launch of AstaGPT, our customers have benefited from using Generative AI to find tailored support from the wealth of our knowledge bank of documentation. AstaGPT was shortlisted for the Innovation of the Year at the Digital Construction Awards 2024. We also recently launched Asta Vision LiveTM, a powerful new collaboration capability which allows multiple project planners and stakeholders to work simultaneously on a project in an encrypted, SaaS cloud-based environment.

"Integration of the April-acquired Vertical Digital business is progressing well. This has bolstered our ability to meet our internal technical resourcing demands, utilising its proven track record in agile and innovative software development and consulting.

"Eleco is well positioned in an attractive market that is increasingly utilising technology to meet the demands of the built environment and the Company continues to strengthen its reputation as a trusted provider of best-of-breed technology solutions.

"The Board remains confident that Eleco will perform in line with market expectations for the full year."

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About Eleco plc

Eleco plc is an AIM-listed (AIM: ELCO) specialist international provider of software and related services to the built environment through its operating brands ElecoSoft, BestOutcome, Vertical Digital and Veeuze from centres of excellence in the UK, Sweden, Germany, the Netherlands, Romania and the USA.

The Company's software solutions are trusted by international customers and used throughout the building lifecycle from early planning and design stages to construction, interior fit out, asset management and facilities management to support project management, estimation, visualisation, Building Information Modelling (BIM) and property management.

For further information please visit www.eleco.com.

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