

29 April 2025

## **Alfa Financial Software Holdings PLC**

### **Q1 Trading update**

#### **Strong trading performance, TCV reaches new record, full year expectations unchanged**

Alfa Financial Software Holdings PLC ("Alfa" or the "Company"), a leading developer of mission-critical software for the asset finance industry provides an update on trading for the first quarter of the year ended 31 March 2025 ("Q1").

#### **Strong trading**

Revenue grew to £31m for the quarter, up 20% on the first quarter of last year, or 21% at constant currency in line with management's expectations.

Key financial highlights:

- Continued strong sequential growth in Subscription revenues, up 6% on Q4 2024 and 21% versus Q1 last year.
- Software Engineering revenues were up 79% versus Q1 last year following a shift back towards client-led enhancement work undertaken in H2 last year.
- Delivery revenues grew 8% versus Q1 last year.
- TCV at the end of the quarter was a record £227m, up from the previous record £221m at 31 December 2024 and versus £190m at Q1 last year.

#### **Operational performance continues to impress**

Following the successful release of Alfa Systems 6, we have generated strong interest in the new additional modules available as part of the product suite, with incremental module sales closed or in progress with 17 existing customers. We continue to invest in the product with a strong focus on client-led functional enhancements, which will allow us to maintain our lead over the competition. We have 5 customers live on Alfa Systems 6 already, which demonstrates both ease of upgrade and demand for the new modules available as part of the product.

#### **Robust pipeline development**

Following a record number of wins in 2024 our late-stage pipeline remains very strong, with one new European Equipment prospect added in Q1. Since the start of the year, one AsiaPacific Retail prospect moved back to the mid-stage pipeline resulting in 8 prospects in our late-stage pipeline. We are the preferred supplier with 7 of these and working under letters of engagement with 6.

We remain very confident in the overall strength of the pipeline from early stage through to late stage and are continuing with our recruitment plans across the UK, Europe and the US to accommodate the strong demand for our services.

The imposition of tariffs on the movement of goods has no direct impact on our business. We have also seen no change in buying behaviour from any of our customers as a result of actual or threatened imposition of tariffs and continue to believe that the underlying market conditions driving potential customers to implement new systems remains positive.

#### **Andrew Denton, Chief Executive Officer**

"We've had a strong start to the year across all revenue streams as we deliver for new customers, upgrade existing customers to Alfa Systems 6 and work with late-stage prospects through the sales process. We continue to see fantastic sequential growth in our Subscription revenues, up 6% on last quarter and 21% on the same quarter last year. We continue to invest in the product and our people to further enhance our leading position in the market and our excellent delivery track record. We have seen no change in customer buying behaviour as a result of current macro-economic uncertainty and we are well positioned to achieve our expectations for the year."

#### **Enquiries**

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#### **Notes to Editors**

Alfa has been delivering software systems and services to the global asset and automotive finance industry since 1990. Our agile methodologies and specialised knowledge of asset and automotive finance enables the delivery of large software implementations and highly complex business change projects. With an excellent delivery track record now into its fourth decade, Alfa's experience and performance is unrivalled in the industry.

Alfa Systems, our class-leading technology platform, is at the heart of some of the world's largest asset and automotive finance companies. Alfa Systems supports both retail and corporate business for auto, equipment, wholesale and dealer finance on a multijurisdictional basis, including leases/loans, originations and servicing. A cloud-native, end-to-end solution with integrated workflow and automated processing using business rules, Alfa Systems provides compelling solutions to asset finance companies.

Alfa Systems is currently live in 37 countries. Alfa has offices in Europe, Australasia and North America. For more information, visit [www.alfasystems.com](http://www.alfasystems.com).

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