



## MARKET RELEASE

19 August 2024

# Nuix Announces Strong FY24 Earnings Growth

**Sydney, Australia** – Global software company Nuix ('the Company', ASX: NXL) announces its results for the full year ended 30 June 2024 and updates the market on the Nuix Neo rollout.

### FY24 Highlights

- ACV and Statutory Revenue growth in excess of strategic objective
- Successful launch of Nuix Neo solutions, with strong Nuix Neo ACV growth
- Diversified sources of growth between new and existing customers, and new and existing product offerings
- Strong growth in Underlying and Statutory EBITDA
- Underlying and overall cash flow positive

### FY24 Key Financial Metrics

	FY24	FY23 (pcp)	% change pcp
Annualised Contract Value (ACV)	<b>\$211.5m</b>	\$185.5m	+14.0%
Statutory Revenue	<b>\$220.6m</b>	\$182.5m	+20.9%
Underlying EBITDA	<b>\$64.4m</b>	\$46.4m	+38.7%
Statutory EBITDA	<b>\$55.9m</b>	\$34.9m	+60.2%
Statutory NPAT	<b>\$5.0m</b>	-\$5.6m	>100%
Underlying Cash Flow	<b>\$24.7m</b>	\$9.1m	+171%
Overall Free Cash Flow	<b>\$11.9m</b>	-\$12.9m	>100%

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## ACV and Revenue Growth

Annualised Contract Value (ACV), which provides an annualised “run rate” of the value of Nuix’s contract value at a given point in time, was \$211.5 million at 30 June 2024, up 14.0% on the prior corresponding period (pcp). In constant currency, ACV rose by 12.0% on the prior year, exceeding Nuix’s FY24 strategic objective to grow ACV at about 10% in constant currency.

ACV growth was underpinned by strength across Nuix’s customer base, with North America a particularly strong driver of overall growth. Net Dollar Retention (NDR) rose to 112.9%, from 109.2% in the pcp, on further sales of new and existing product offerings to the Nuix customer base, including increasing sales of Nuix Neo. This NDR outcome was achieved in conjunction with a fall in customer churn to 4.4%, from 5.3% a year earlier.

Nuix also exceeded its strategic objective in relation to Statutory Revenue. Revenue rose by 20.9% on pcp to \$220.6 million. In constant currency, revenue rose 18.0%, well exceeding the objective to increase revenue by about 10% in constant currency.

As a proportion of revenue, multi-year deals rose slightly, to 31%, from 30% in the prior year, with key multi-year deals renewed during the year.

## Operating Leverage

In line with its objective of revenue growth exceeding operating cost growth, Nuix achieved strong growth in EBITDA for the full year.

Underlying EBITDA, which excludes net non-operational legal costs, rose 38.7% on pcp, to \$64.4 million, an outcome of stronger revenue growth paired with general cost containment.

Non-operational legal costs amounted to \$8.5 million (net of insurance recoveries), compared to \$7.8 million in the pcp.

Statutory EBITDA, which includes the impact of net non-operational legal costs, was significantly stronger for the full year, rising 60.2% to \$55.9m.

The outcomes for Underlying and Statutory EBITDA are in line with the expected ranges provided to the ASX on 3 June 2024.

Net Profit After Tax improved to \$5.0 million, from a loss of \$5.6 million in the prior year.

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## Cash Performance

Nuix achieved and exceeded its strategic objective to be Underlying Cash Flow positive for the full year.

Nuix recorded positive underlying cash flow from operations, that is, cash flow before net non-operational legal payments and payments related to the Topos and Rampiva acquisitions, of \$24.7 million for the full year, compared to \$9.1 million in the previous year. Software development costs continue to be funded from operating free cash flow.

Further, incorporating non-operational legal payments and payments related to acquisitions, Nuix recorded an overall cash flow positive outcome of \$11.9 million for the full year, compared to negative \$12.9 million in the prior year.

Nuix ended the full year with cash on hand of \$38.0 million, up 29% on the prior year, and up 59% on the first half.

Nuix ended the year with no debt, with the \$30 million revolving debt facility undrawn. The debt facility provides Nuix with flexibility and agility if required to drive growth as part of the Company's build, buy or partner approach.

## Nuix Neo: Further Rollout and ACV Growth

Nuix achieved its strategic objective to achieve a successful rollout of Nuix Neo and associated solutions to Early Adopters over FY24, with the rollout gathering further momentum in the second half.

Total ACV attributable to Nuix Neo amounted to \$12.1 million at 30 June, up 195% from the first half outcome of \$4.1m.

The strong outcome for Nuix Neo reflects the further successful rollout of Data Privacy and Investigations solutions to the Early Adopter group. The average ACV associated with each Nuix Neo sale is approximately 2-3x the size of a non-Neo sale, positively impacting overall ACV growth and Net Dollar Retention.

The third Nuix Neo use case solution, Legal Processing, was launched in June. Commercial conversations are now underway with customers.

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Group Chief Executive Officer Jonathan Rubinsztein commented:

“At the start of the financial year, we set ourselves ambitious strategic objectives relating to new product rollout and financial performance. We have met the strategic objectives we set, and in several cases, exceeded them.

FY24 represents a year of remarkable delivery by the Nuix team. The development and launch of Nuix Neo, along with three related use case solutions, is an outstanding achievement. Nuix Neo is an innovative step change in our customer offering and provides the foundation for an exciting growth trajectory for Nuix. Customer interest and take up has been particularly pleasing, as evidenced by the strong growth in Nuix Neo ACV over the year.

Along with R&D milestones, Nuix has delivered pleasing financial results for the year. In line with our strategic objectives, we continued to drive growth in ACV and Statutory Revenue, while remaining focused on costs. This top line delivery, coupled with cost discipline, contributed to very strong growth in Underlying and Statutory EBITDA as well as improved cash generation.

We are well positioned for the next stages of growth. In the coming financial year we will continue to invest in our technology, further evolving our offering in line with our strategic vision. The technology and financial base established in FY24 provides a solid foundation for growth into FY25 and beyond.”

## Outlook

Nuix provides the following commentary in relation to the outlook for FY25:

### Strategic Targets FY25:

- ~15% ACV growth in constant currency
- Continued successful rollout of Nuix Neo
- Revenue growth to exceed operating cost growth
- Underlying Cash Flow positive for the full year<sup>1</sup>

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<sup>1</sup> Excluding net non-operational legal costs



## Results Webcast

Jonathan Rubinsztein, Group Chief Executive Officer, and Chad Barton, Chief Operating Officer and Chief Financial Officer, will present the FY24 results via webcast today at 9:30am (AEST).

To access the webcast, please use the following link:

<https://webcast.openbriefing.com/nxl-fyr-2024/>

A replay of the webcast will be made available on the investor section of the Nuix website shortly after the event:

<https://www.nuix.com/investors>

This announcement has been authorised by the Board of Nuix.

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### About Nuix

Nuix is a leading provider of investigative analytics and intelligence software, that empowers customers to be a force for good by finding truth in the digital world. We help customers collect, process and review large amounts of structured and unstructured data, making it searchable and actionable at scale and speed, with forensic accuracy.

For further information, please visit <https://www.nuix.com/investors>