

# Welcome to Civica

Civica is an international software company and a global leader in public services technology.

We provide the software and automation behind essential every day services, working with our customers to deliver a stronger performance and achieve better outcomes for people and communities.

More than

**4,500**

colleagues

Supporting essential  
services for more than

**90 million**

people

Producing

**17 years**

of unbroken growth







# People and communities

Our purpose is simple. We provide the systems and the technology know-how to help our customers excel, working with them to make a difference for the lives of millions of people and the teams who serve them.

## Delivering key outcomes for our customers

We help organisations around the world use digital technology and automation to sustain and improve vital services, achieving the following key outcomes for our customers in response to rising social, demographic and economic pressures.



**High quality**  
public  
services



**Improved**  
customer  
experience



**Deeper**  
business  
insight



**Increased**  
operational  
efficiency



**Increased**  
income  
generation



**Increased**  
workforce  
productivity

# Chairman's introduction



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**2018 was another successful year for Civica in which the Group performed strongly and we continue to see a very positive outlook.**

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I am pleased to report a strong year for Civica both financially and operationally, in which we extended our unbroken record of profitable growth into a 17th year.

I am also very pleased with the strategic development of the Group, particularly our progress with cloud and digital solutions, which is underpinned by ongoing investment to enhance our skills and capabilities. We are proud of our distinctive culture and, while adding more than 900 new colleagues, both employee and customer satisfaction ratings have improved globally, with the company continuing to be recognised as the employer of choice in our sector.

As a leading international software company, we continue to grow our business and create new opportunities through the development of specialist software and digital services, with a clear focus on supporting better outcomes through technology-based transformation.

The strategic investment in Civica during October 2017 by global private markets investment manager Partners Group, on behalf of its clients, reflected the scale achieved by the business and provides strong support for the future ambition of the Group.

During the year to September 2018, we increased total revenues for the Group by 15 per cent to £373.2 million, producing 13 per cent EBITDA growth and healthy cash generation. This was driven by sustained organic revenue growth of 12 per cent, and reflects

the successful execution of Civica's clear strategy globally, which continues to deliver value for all of our stakeholders.

The business maintained strong momentum and growth across all our core markets, with a record order intake, including our largest contracts to date in both the UK and Australia. As a company we also expanded our customer base with innovative solutions to help meet changing needs within wider government and regulated markets.

During the year we also accelerated our shift to the cloud in response to increasing customer demand and the Group now supplies cloud-based solutions for more than 1,000 customers. We invested almost 20 per cent of revenues into product and service development, and also completed six highly complementary acquisitions. In addition we strengthened Civica's management team and operating platform in order to sustain our leadership position and performance over the coming years.

I would like to take this opportunity on behalf of the Board to thank all of our people for their outstanding contribution and our customers for their ongoing trust and commitment. Our track record of delivery along with continuous product innovation means the company is well positioned to support developing needs, and we continue to see a very positive outlook.

**Simon Downing,**  
Chairman

# 2018 Group financial highlights

During the year to 30 September 2018 the Group extended our long-term record of unbroken growth into a 17<sup>th</sup> year.

## Total Group revenues

**£373.2** million

Increased by 15%

(2017: £324.7 million)

## International revenues

**£109.5** million

Increased by 41%

(2017: £77.5 million)

## Recurring revenues

**£189.2** million

Increased by 24%

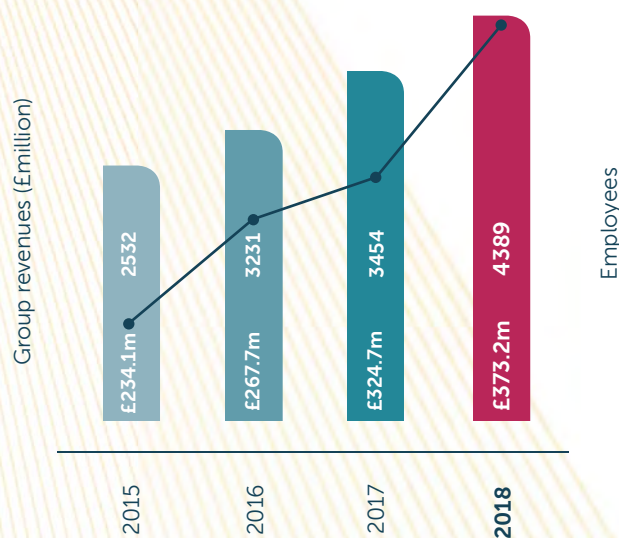
(2017: £152.4 million)

## Group EBITDA

**£77.7** million

Increased by 13%

(2017: £68.7 million)





# Global strategy, local focus

The Group has a clear and invested strategy to deliver on our vision, highly aligned with evolving customer needs in existing and adjacent sectors, and which we continue to execute successfully.

Supporting a broad customer base in the UK and Ireland, Australia, New Zealand, South East Asia and North America, the Group's consistent global approach is delivered through market-specialist divisions. Differentiated by extensive local-level domain expertise and customer relationships, the Group has a strong record of out-performing market growth rates through the successful local execution of our global strategy.

Civica operates in a large and growing market, where investment in technology is increasingly critical to meet rising demand and expectations and as a key enabler of cost savings. As well as sustaining our market-leading position and performance through the provision of business-critical software and digital solutions, the company also takes a wider role in major change programmes built on the foundation of our systems and technology.

Our capabilities are aligned to sustained demand and, with a strong global operating platform, the Group is well placed to build on local market opportunities.

## Clear growth strategy

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Grow the use of Civica software applications with new and existing customers, adding value through ongoing enhancement and innovation

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Build on leading position with cloud software and services to accelerate adoption across all markets

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Expand Civica digital solutions in all areas to deliver a new generation of modern services and enable transformation

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Grow scope and scale of international business activities on existing platform

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Drive innovation to deliver better outcomes for customers and communities in particular through intelligent automation and connected data.

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**In a market shaped by the need to digitally transform, there is acute awareness of the need to change behaviour and of the need to innovate and extract value from data.**

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© TechMarketView LLP

# Adding capability and scale through acquisition

M&A is a core element of the Group's strategy to complement organic growth and to strengthen our market position. During the year we continued to expand our capabilities and our customer base through acquisition. Since 2015 Civica has acquired and successfully integrated 14 highly complementary businesses, adding deep domain expertise and specialist services which are highly complementary to established activities across shared markets in the UK and internationally. More than half of these were sourced directly by Civica as part of our ongoing successful corporate development activity, for which a significant pipeline of future opportunities exists.

## Recent acquisitions timeline

- Dec 2016 Abritas
- Jul 2017 Carval Computing

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- Feb 2018 OneStep Solutions
- May 2018 NRS
- May 2018 VisionWare
- Aug 2018 Icon Global Solutions Pty (Carelink)
- Sep 2018 iCasework

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- Nov 2018\* ERS Group
- Dec 2018\* Trac Systems

The Group also added certain trade and assets from Northgate Public Services during 2018, in respect of its payments systems.

\* following the end of the Group's financial year

## VisionWare

The acquisition and integration of master data management (MDM) specialist VisionWare strengthened Civica's position particularly in local government and health care markets. Its products and services enable a complete, single view of customers, providing the foundation for improved public services and intelligent automation. The latest version of its innovative MultiVue software includes enhanced data matching, establishing the detailed relationships between people, properties and organisations which underpin digital business platforms.

## Carelink

We added to Civica's capability in health & care with the acquisition of community services software specialist Icon Global, trading as Carelink. Its cloud-based digital client management solutions are used by more than 140 customers across the community care sector in Australia. As well as extending our activities within the care sector locally, the combination of Civica and Carelink provides further opportunities for the growth and development of our health sector business internationally.

## iCasework

iCasework's specialist cloud software delivers on-demand case management for a variety of purposes, from information request and complaints handling to regulatory compliance. With organisations increasingly looking to automate case management processes, the acquisition expanded Civica's activity in existing and adjacent market sectors, providing software-as-a-service applications used by customers in the UK, Australia and the USA to handle millions of cases annually.

# Strategic foundations

The Group has a clear strategic focus to achieve our vision as the leading software partner for our markets. We deliver sustained growth through the development of innovative and cloud-based technology to improve customer outcomes. This is driven by investment in our people, products and operating platform.



## A cloud leader

A cloud leader for our markets, we continue strategically to increase our activity organically and via acquisition. While a cloud model is already standard for many of our solutions, adoption and momentum is having a greater impact as more organisations consider cloud first.

Cloud technology is a key enabler of digital transformation and to unlock the enormous value held in data. As a cloud-led business, our vision is to harness the potential of digital, cloud and data together to support our customers' digital ambitions underpinned by flexible modern software.

## In the Cloud

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**1,000+** customers

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**100+** new sales in 2018

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**250,000** government employees

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**20,000** clinicians and 160 care services

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**4,000** schools & libraries

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**30 million** users of customer-facing platforms

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**£2.5 billion** in secure payments annually

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**£3.5 million** savings for Roehampton University

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# Year in review

Advancing our strategic priorities for the benefit of all stakeholders and driving future growth.

## Best People

**4,500** talented specialists

**+36** employee Net Promoter result

**124,000** hours of learning and development

**Top 25** places to work\*

\*Glassdoor 2019 Employee's Choice

## Strong Platform

**1,600** experienced technologists

**£1.8 million** central project office investment

**117%** increase in Vadodara team

**6** new acquisitions

## Sustained Growth

**935** colleagues added in 2018

**24%** increase in recurring revenues

**47%** revenue growth in ANZ

**76%** growth in net revenues since 2015

## Innovative Solutions

**19%** of revenues invested in development

**1,000+** cloud-based customers

**7** Development Tracks including AI and Automation

**Innovation Partners** programme

## Improved Outcomes

**2 million** professionals rely on Civica systems

**Multi-million** savings for customers

**85%+** customer satisfaction

**Social value** programmes e.g. Young Enterprise

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This is what we believe digital engagement should look like in the future. Civica has allowed us to be truly transformational in the way we're approaching digital evolution, and more importantly, how we're approaching our citizens.

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CIO, North Lanarkshire Council

# Sustained development & growth



\*Customer track record prior to current business formation dates back to 1983.

2013

OMERS PE investment

2017

Partners Group investment

AU Education unit formed

First digital acquisition

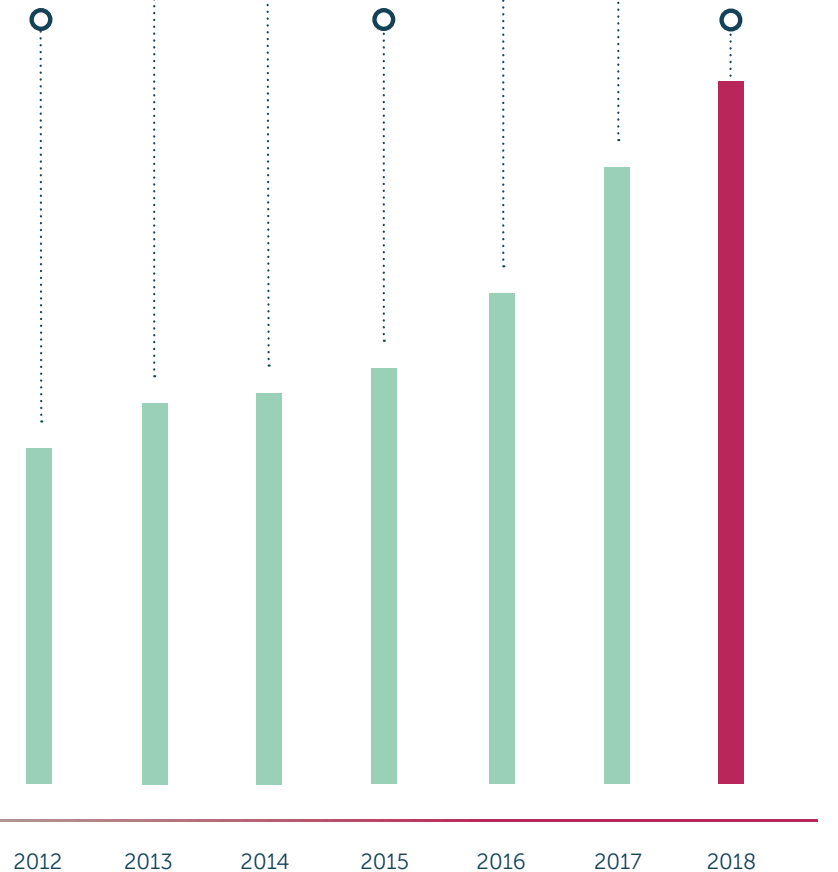
Digital division formed

Democracy & Engagement division formed

OnDemand launched

Central government expansion

Largest UK & AU contracts to date



“  
 Civica’s unbroken record of growth reflects the successful execution of our strategy to support the needs of our customers and the long-term development of our business.  
 ”

Wayne Story  
 Chief Executive Officer