

Osirium Technologies

Positive order momentum in Q4

FY20 trading update

Software & comp services

Osirium expects to report FY20 bookings ahead of our forecast, with revenue for the year in line. The flurry of contracts announced in Q4 reflects the pick-up in order activity after COVID-19 depressed activity in Q2/Q3. Management is confident that the momentum achieved in Q4 will continue into FY21. We maintain our forecasts pending FY20 results.

Year end	Revenue (£m)	EBITDA* (£m)	EPS* (p)	DPS (p)	P/E (x)	EV/sales (x)
12/18	0.96	(1.77)	(18.1)	0.0	N/A	2.9
12/19	1.17	(2.15)	(19.5)	0.0	N/A	2.4
12/20e	1.40	(1.94)	(16.0)	0.0	N/A	2.0
12/21e	1.68	(1.82)	(16.5)	0.0	N/A	1.7

Note: *EBITDA and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments.

In its year-end trading update, Osirium confirmed that bookings for FY20 will exceed £1.55m – this compares to our £1.51m forecast. Revenue for FY20 will be at least £1.4m (our forecast £1.4m). Bookings reached record levels in Q120, before COVID-19 restrictions resulted in delayed decision making from potential customers in Q2 and Q3. The Q4 bookings intake rebounded to record levels on the back of a number of contracts won via direct sales and reseller partners. Contracts were across range of verticals in the UK including healthcare, telecoms, retail and the emergency services; several were competitive wins, with one displacing an incumbent supplier. Cash at the end of FY20 stood at £1.4m (our forecast £0.7m) and deferred income at £1.5m (our forecast £1.5m). The board expects to deliver another year of material progress in 2021. We make no changes to our forecasts at this point, pending FY20 results in late March.

15 January 2021

Price **22.2p**

Market cap **£4m**

Net debt (£m) at end H120 0.3

Shares in issue 19.5m

Free float 91%

Code OSI

Primary exchange AIM

Secondary exchange N/A

Share price performance



Business description

UK-based Osirium Technologies designs and supplies subscription-based cybersecurity software. Its privileged access management platform includes privileged access, task, session and behaviour management. It also offers a secure process automation solution and a privileged endpoint management solution.

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