



LINX Budget for 2025



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LINX 123





Budget 2025 - Summary

- High level summary of Budget 2025 sent to members on 6 November 2024, together with 2025 pricing plans
- For 2024, revenue growth over 2023 is predicted to be 15% with a small deficit, largely due to one-off items
- Background economic conditions are more stable and outlook for inflation is lower than last year
- Interest rates still relatively high but reducing and may lead to more investments by members
- For 2025 we are budgeting 9% revenue growth over 2024 and a small surplus





Operational Results 2024

FOR ALL LANS	EST. END OF YEAR 2024	END OF YEAR 2023	PROJECTED CHANGE + / (-)
New Member Applications	80	93	(14.0)%
Members	878	881	(0.3)%
400 Gbps	15	7	114.3%
100 Gbps	403	373	8.0%
30 Gbps	54	41	31.7%
10 Gbps	703	758	(7.3)%
Connected peering capacity Tb	54.95 Tbps	48.91 Tbps	12.3%

- Fairly static membership numbers but growth in capacity per member
- Strong growth in higher peering services
- 12% growth in connected capacity





Financial Results 2024

	EST. FULL YEAR 2024	BUDGET 2024	POSITIVE / (ADVERSE) VARIANCE
REVENUE	£22.3M	£22.6M	(1.0)%
TOTAL EXPENDITURE	£22.7M	£22.5M	(0.9)%
(DEFICIT) / SURPLUS	£(0.4)M	£0.1M	N/A
CAPITAL EXPENDITURE	£2.7M	£3.1M	12.9%

- Revenue marginally below budget
- Revenue growth in Peering, Colocation services and overseas revenue
- Costs marginally over budget due to one-off factors
- Expected result is small deficit
- Capex expected to be below budget





Planned growth in 2025

Planned Growth in Members and Ports

TOTAL FOR ALL LANS	PLANNED END OF YEAR 2025	EST. END OF YEAR 2024	CHANGE + / (-)
Members	888	878	1%
Connected Capacity - Tb	85 Tbps	72Tb Tbps	18%

- Modest growth in membership numbers assumed in 2025
- 18% growth in connected capacity assume sure to healthy demand across services
- Variety of cost increase assumptions, depending on category
- Increased costs of regulation





Financial Budget 2025

	BUDGET 2025	BUDGET 2024	POSITIVE / (ADVERSE) VARIANCE
REVENUE	£24.4M	£22.5M	8.4%
TOTAL EXPENDITURE	£24.3M	£22.4M	(8.5)%
SURPLUS	£0.1M	£0.1M	0.0%
CAPITAL EXPENDITURE	£3.1M	£3.1M	0.0%

- 400GE, 100GE and the new 50GE services revenue budgeted to grow
- Current high demand for reseller services will continue
- Additional income will arise from expanding our overseas operations
- Capex similar level to 2024
- Continued focus on cash management – year end cash expected to be £9.4m



**Thoughts / Comments /
Questions?**