

2022 Interim Results Presentation



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Chief Executive Officer

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Chief Financial Officer

20 July 2022

Agenda

01 Financial and operating performance

02 Business unit review

03 Delivering on MAP23

04 Q&A

We Advise, Inform and Connect the marketing and legal professions

Our Vision

To be an international provider of market intelligence, learning and specialist consultancy within the marketing and legal professions that inspires and enables people to excel at what they do, to raise their aspirations and to enable our clients to deliver better performance.

Business units

Xeim

The Lawyer

Flagship 4



influencer intelligence



THE LAWYER

Core Brands

MarketingWeek



•YSTERCATCHERS



design

FASHION
BEAUTY
MONITOR

Really.

foresight
tomorrow's news today

Business remains on track to achieve MAP23 objectives

MAP23: Our 'Margin Acceleration Plan 2023'

MAP23	
> £45m Revenues by 2023	23% Adj. EBITDA margin by 2023

- Continued growth in Revenue and EBITDA
- Enhanced cash position, leaving us well placed to manage macroeconomic headwinds
- Flagship 4 brands driving performance, with combined growth of 11%
- Our people are enabling Centaur to drive solutions for our customers

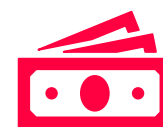
H1 2022 vs H1 2021



Revenue
£19.8m
(£18.3m)



Adj. EBITDA
£3.4m at 17%
(£2.2m at 12%)

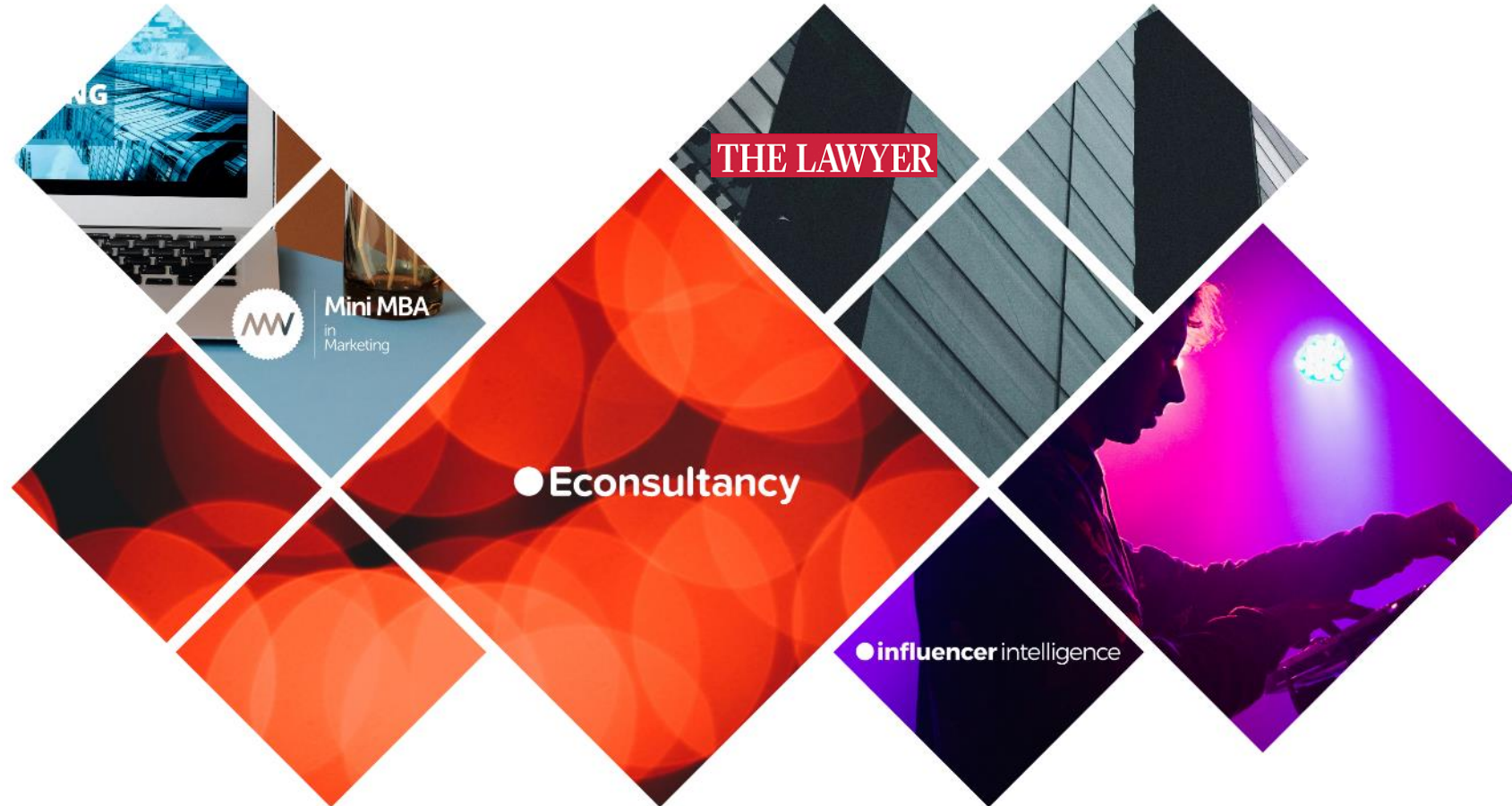


Net Cash
£14.2m
(£11.9m)



Dividend
0.5p per share
(0.5p)

Financial and Operating Performance



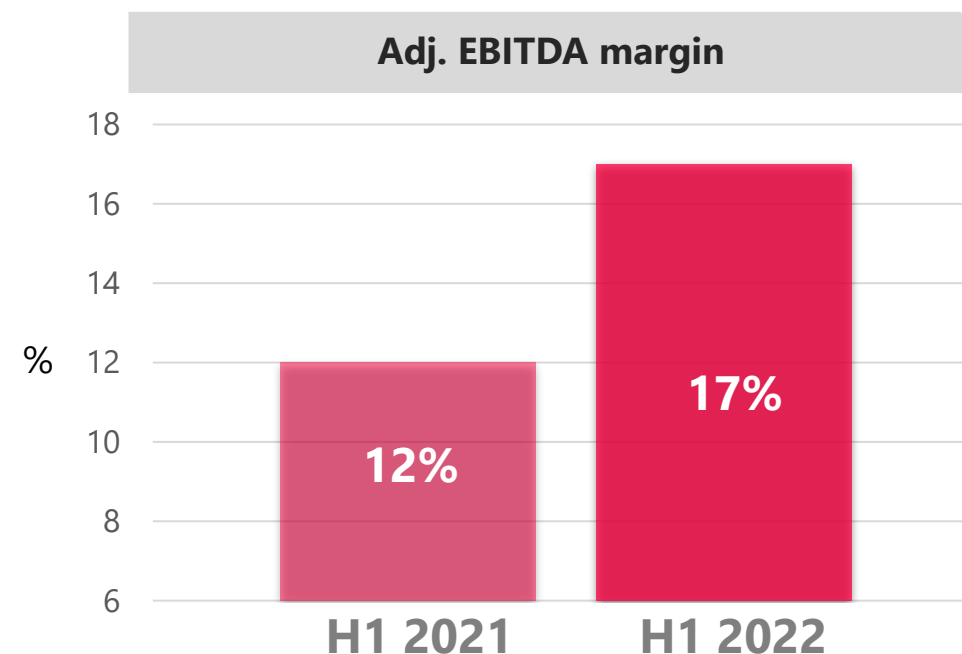
Growth in revenue, EBITDA and EBITDA margin

- Revenue grew 8% versus 2021
- Adj. EBITDA increased 55% to £3.4m
- Adj. EBITDA margin grew to 17%, with operational gearing from revenue growth and tight cost controls
- Group has shown progress across key financial metrics as anticipated

£m	H1 2022	H1 2021
Revenue	19.8	18.3
Operating expenses	(16.4)	(16.1)
Adjusted EBITDA	3.4	2.2
<i>Adjusted EBITDA margin</i>	17%	12%
Depreciation, amortisation and impairment	1.5	1.7
Interest expense	0.1	0.2
Adjusted profit before tax	1.8	0.3
Reported profit/(loss) after tax	0.7	(0.4)

Continued profitability improvement in H1

Adj. EBITDA £m	H1 2022	H1 2021
Xeim	3.9	2.4
The Lawyer	1.2	1.3
Central costs	(1.7)	(1.5)
Adjusted EBITDA	3.4	2.2



- Adj. EBITDA margin grew to 17% (H1 2021: 12%), reflecting the impact of operational leverage from revenue growth in the first half of the year
- 55% increase in EBITDA on same period in 2021

Robust balance sheet supports further investment in our brands

Balance sheet £m	H1 2022	FY 2021
Goodwill and other intangible assets	43.9	44.3
Property, plant and equipment	3.6	2.5
Deferred taxation and other receivables	2.5	2.8
Deferred income	(10.7)	(7.8)
Other current assets and liabilities	(5.3)	(7.2)
Non-current liabilities	(1.5)	(0.6)
Net assets before cash and short-term deposits	32.5	34.0
Net cash and short-term deposits	14.2	13.1
Net assets	46.7	47.1

- £0.8m CAPEX predominantly used to invest in Xeim's Flagship brands

- Healthy cash balance, up £1.1m

Cash flow £m	H1 2022	H1 2021
Adjusted operating profit	1.9	0.5
Depreciation, amortisation and impairments	1.5	1.7
Movement in working capital	0.8	3.8
Adjusted operating cash flow	4.2	6.0
Capital expenditure	(0.8)	(0.3)
Interest and finance leases	(1.0)	(1.2)
Free cash flow	2.4	4.5
Dividends	(0.7)	(0.7)
Purchase of own shares	(0.6)	(0.2)
Increase in net cash	1.1	3.6
Opening net cash	13.1	8.3
Closing net cash*	14.2	11.9

* Includes £3.5m of short-term deposits

- Working capital improved £0.8m, leading to cash conversion of 125%

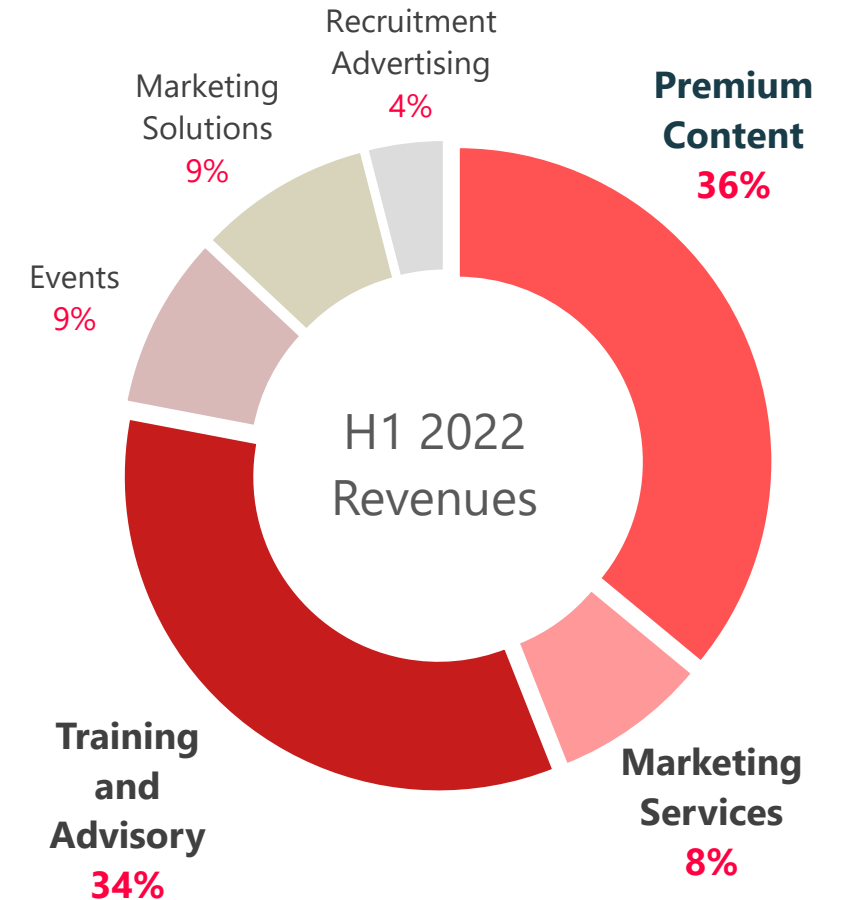
- RCF with NatWest for up to £10m

Business Unit Review



Over three-quarters of our revenues are derived from higher quality streams

		Premium Content	Marketing Services	Training and Advisory	Events	Marketing Solutions	Recruitment Advertising
Xeim	Econsultancy	✓		✓	✓	✓	
	Influencer Intelligence	✓					
	MW Mini MBA			✓			
	Festival of Marketing				✓		
	Creative Review / Design Week	✓			✓	✓	✓
	Marketing Week	✓				✓	✓
	Fashion & Beauty Monitor	✓					
	Oystercatchers			✓	✓		
	Foresight News	✓					
	Really		✓				
The Lawyer	✓			✓	✓	✓	



Focused investment in Flagship 4 delivering product innovation

Aligned with our strategy to deliver MAP23 targets through profitable organic revenue growth and operational leverage, we are investing in our Flagship 4 brands

Xeim

- Econsultancy's new learning management system product is on track for launch in H2
- Influencer Intelligence's consultancy offer launched
- MW Mini MBA's alumni network platform is in testing, subscription platform will be launched in H2



Mini MBA

 **influencer** intelligence

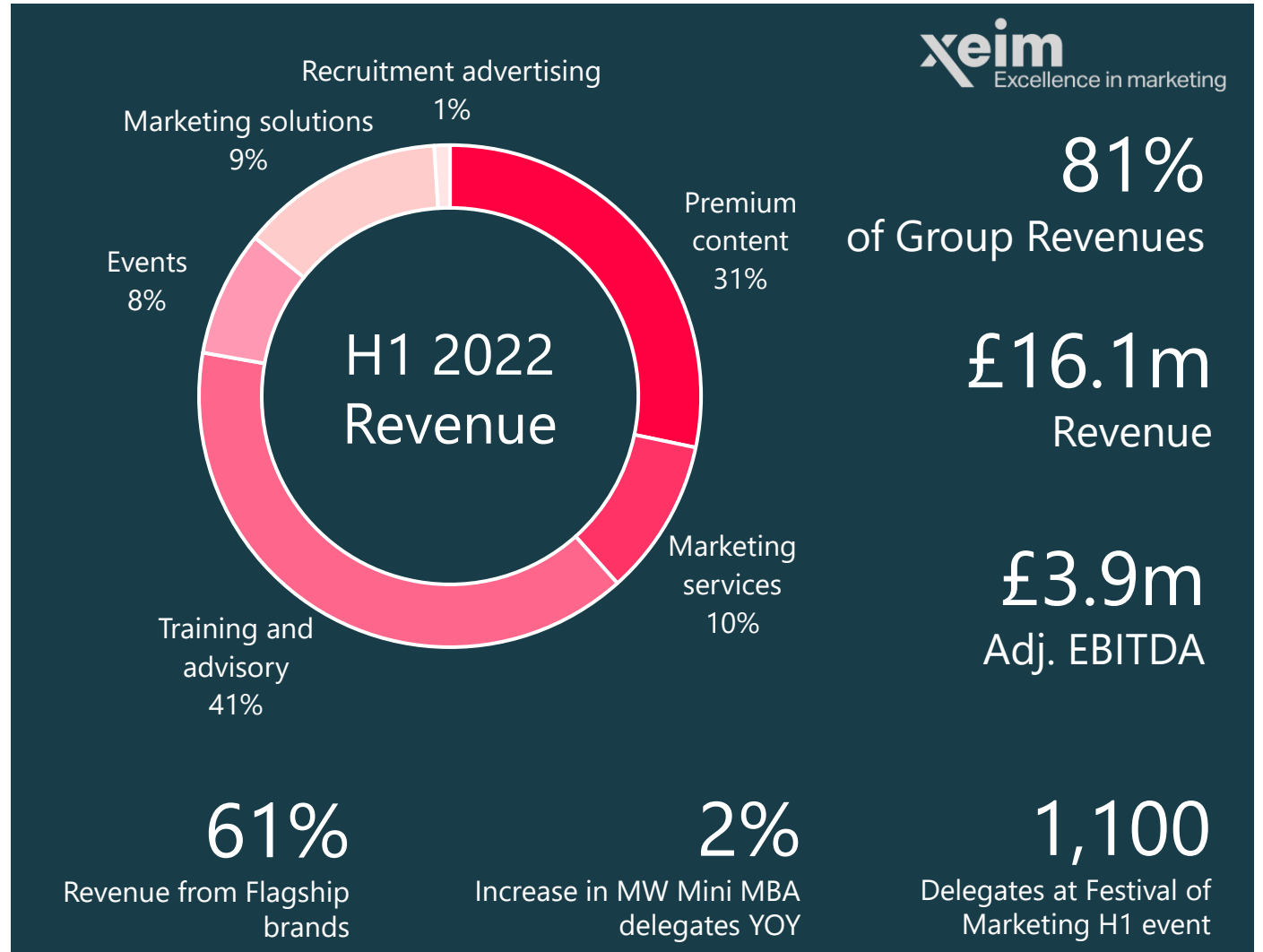
The Lawyer

- "Briefing Room" launched, connecting law firms with the in-house legal community
- Litigation Tracker expanded to cover international data

THE LAWYER

Xeim – revenue growth driven by continued focus on cross-selling

- 9% increase in revenue versus H1 2021
- Adjusted EBITDA up £1.5m to £3.9m, with increase in EBITDA margin to 24%
- Flagship 4 drivers of growth
 - Econsultancy’s blended learning continues to drive growth
 - Influencer Intelligence subscription revenues up 12% versus H1 2021
 - MW Mini MBA revenue growth of 16% versus H1 2021
- Continued development of Core Brands:
 - In-person Festival of Marketing event built on successful digital format in 2021
 - Oystercatchers accelerated blue chip client wins



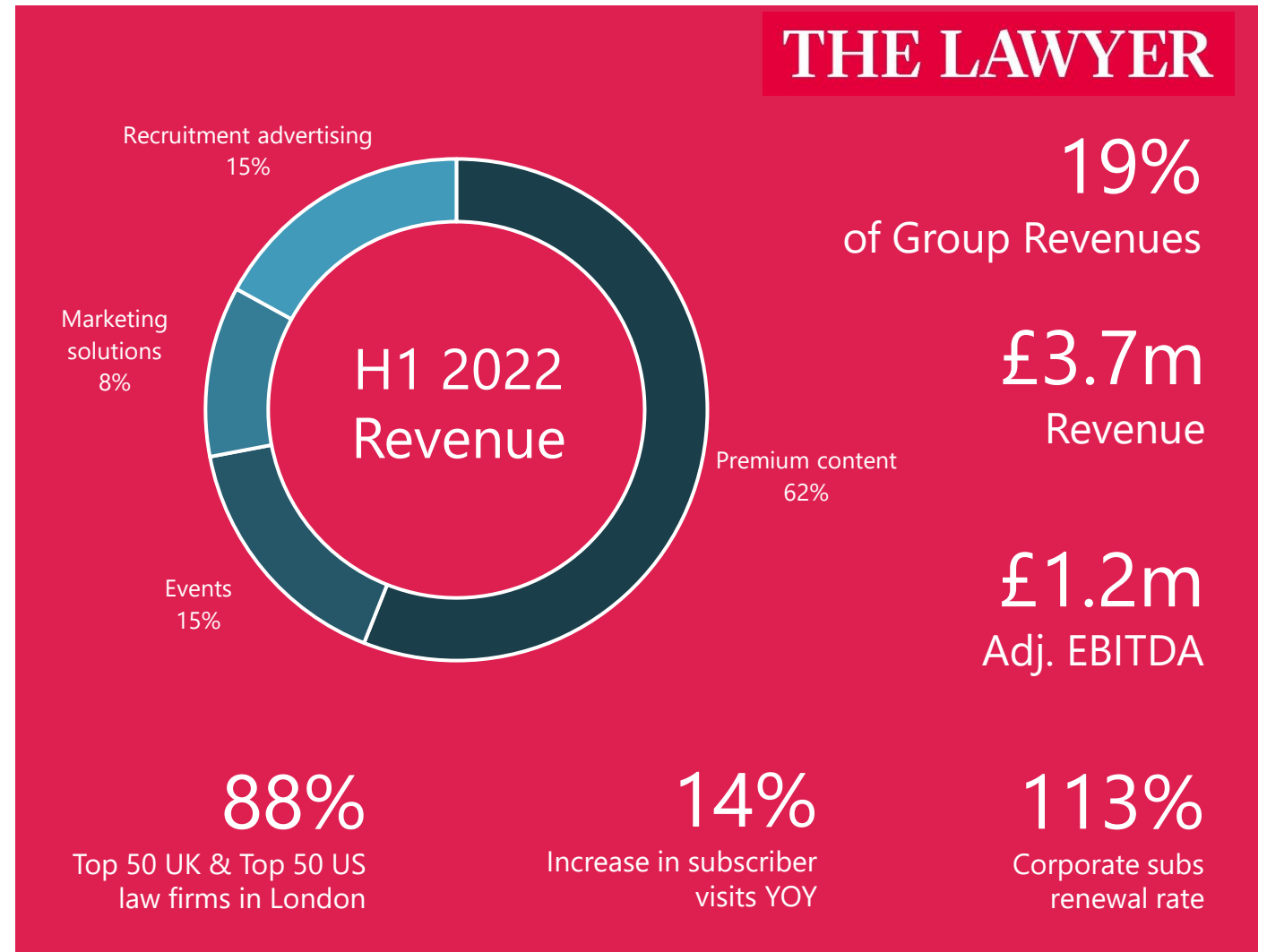
Long-term multi-brand contracts with international blue-chip clients

- Focus on the Top 200 companies by marketing spend
- Senior experienced team creating solutions and driving results
- 2022 focus on volume and value growth, with an increased average client spend and multi-year contracts
- Growth in training revenue driven by high value digital training and consultancy contracts
- Strong pipeline of forward sales for FY 2022



The Lawyer – strong renewal rates continue

- 6% increase in revenue versus H1 2021, but margin reduction to 32% from investment in people
- Corporate subs renewal rates of 113% supported by a 9% increase in Horizon usage
- Signal recorded a first-year renewal rate of 109%
- Achieved £0.5m of event revenue in H1 2022, up 17% on H1 2021.
- Enhanced The Lawyer's ability to connect customers, with the launch of digital platform "Briefing Room" and expansion of Litigation Tracker



Outlook – on track to achieve MAP23 targets

- Started 2022 well, building on the progress made in 2021
- Performance provides a platform for further growth
- Balance sheet strength provides resilience and enables investment in future organic growth opportunities
- Remain on track to achieve MAP23 targets, despite macroeconomic headwinds





Clear strategy to deliver MAP23

- Focus investment and resource on Flagship 4
- Drive opportunities through Xeim cross-selling capabilities
- Continue to invest in data and technology to develop digital offering
- Marketing investment to develop brand profiles, international footprint and ecommerce sales
- We are capitalising on inherent synergies



> £45m

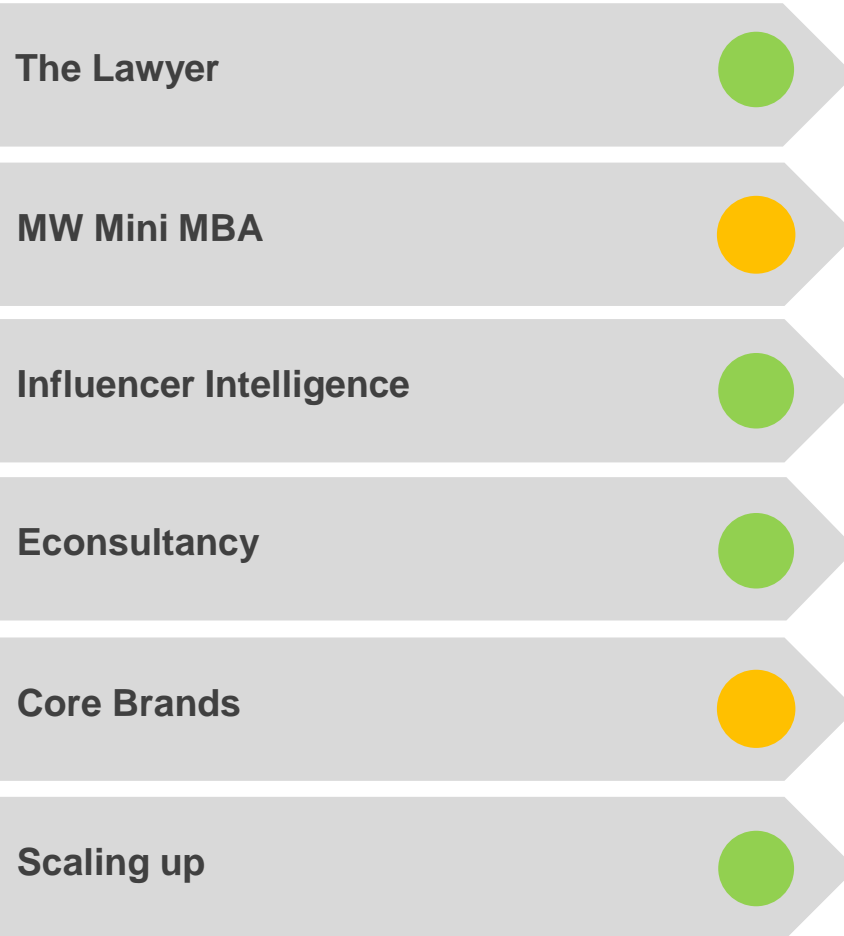
Revenues by 2023

23%

Adj. EBITDA margin by
2023

Progress towards our 2022 strategic deliverables

Areas of focus



Key 2022 Deliverables

- Re-set strategy to accelerate beyond MAP23 goals
- Increase Insight & Intelligence high-value content for subscribers
- Re-design website and launch The Lawyer app to start transition to “online first” buying journey
- Launch content marketing platform for law firms & launch Litigation Tracker International
- Bolster team to support growth
- Launch Alumni network
- Prepare 3rd MW Mini MBA course for launch in 2023
- Implement Corporate pricing model
- Position brand as ‘the Expert’ partner
- Scale influencer volumes >0.5m
- Launch consultancy service
- Implement ‘good, better, best pricing model’
- Implement single sign-on
- Go live with updated training content modules
- Launch LMS product
- Implement ‘good, better, best’ pricing model
- Plan and implement hybrid model for Festival of Marketing
- Increase value for key accounts across the Xeim customer base through Xeim Labs
- Re-set vision, strategy and purpose for Really
- Data – implement a Centaur-wide data strategy to enable the business to scale up beyond MAP23
- Digital Strategy – build portfolio development roadmap
- Implement Security, Scalability and Simplification (3S) programme and ISO 27001
- Continue to leverage cost base

● Complete ● On track ● Minor issues ● Major issues

Good momentum with our ESG strategy

E

- Minimal carbon footprint – committed to keeping it low and exploring net zero opportunities

S

- Executing on our priorities to:
 - Support hybrid ways of working
 - Continue to close the Gender Pay Gap and improve diversity
 - Set up maternity buddies and a menopause support group
 - Identify the profile for the Centaur “employee of the future”

G

- Board committed to the highest standards of corporate governance



Educational aid sent to Radzyń in Poland to help provide for Ukrainian refugees.

On track to achieve MAP23 and well-positioned to manage macroeconomic uncertainty

- Continued progress on financial and operating performance
- Margin expansion means on track to deliver MAP23
- Flagship 4 continue to drive revenue growth
- Cross-selling continues to have a positive effect
- Planning the strategy beyond MAP23 in progress
- On track to meet our 2022 objectives



 **influencer** intelligence



Mini MBA

THE LAWYER

Q&A