

2021 Annual Results Presentation



Swag Mukerji
Chief Executive Officer

Simon Longfield
Chief Financial Officer

Agenda

01 Financial and operating performance

02 Business unit review

03 Delivering on MAP23

04 Q&As

We Advise, Inform and Connect the marketing and legal professions

Our Vision

To be an international provider of business information, training 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 deliver better performance

Xeim



Mini MBA

The Lawyer

THE LAWYER

**Business
Units**

Flagship 4

MarketingWeek



•YSTERCATCHERS



design

FASHION
BEAUTY MONITOR

Really.

foresight
tomorrow's news today

Core Brands

2021 was a year of strong progress on MAP23

MAP23: Our 'Margin Acceleration Plan 2023'

MAP23

> £45m

Revenues by 2023

23%

Adj. EBITDA margin by 2023

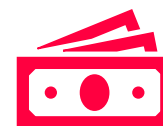
- Revenue and EBITDA continued to grow and we remain on track to deliver MAP23
- Enhanced cash position, leaving us well placed to invest in the quality of our brands, people and technology
- Expanded international reach, with over two-thirds of 2021 revenue growth coming from outside the UK
- Xeim saw improved cross-selling performance, initiated by Xeim Engage



Revenue
£39.1m
(£32.4m)



Adj. EBITDA
£6.4m at 16%
(£3.8m at 12%)



Net Cash
£13.1m
(£8.3m)



Dividend
1.0p per share
(0.5p)

We successfully delivered on our 2021 objectives

Areas of focus

Key 2021 Deliverables

Econsultancy



- Continue to improve blended learning offering to drive new enterprise sales
- Focus marketing and sales on digital excellence and transformation
- Virtual Econsultancy Live events
- Expanded digital content on website

MW Mini MBA



- New edition of marketing course
- Development of brand profile through targeted marketing and new website
- Create new partnerships and affiliations to drive international sales
- Re-develop learning platform

Influencer Intelligence



- Launch campaign management tool
- Influencer Connect, new e-commerce offering for SMEs
- Increased marketing and PR in UK and US for international reach
- Expand sector focus (e.g. health & wellness, technology) to increase new business

The Lawyer



- Evolve corporate subscriptions with introduction of new paid content to drive yield
- Transform market reports into new subscription product
- Introduce new and improved hybrid events
- Extend international relevance and reach

Core Brands



- Launch of two new events in March and June to complement main FoM event
- Leverage sales across the Xeim customer base
- Increase customer awareness of Xeim group proposition

Leverage cost base



- Cost management following £6m annualised cost saving in 2019
- Continuous process improvement

● Complete
 ● On track
 ● Minor issues
 ● Major issues

Our market is characterised by change



Proliferation of information

Shift to digital vastly accelerated over last two years

Resurgence of specialist media

Customers looking for connectivity and deep insight

Increasing value of data-driven insight brings opportunities for expansion into new target markets

Financial and Operating Performance



Growth in revenue, EBITDA and EBITDA margin

- Revenue grew 21% versus 2020

- Adj. EBITDA increased 68% versus 2020

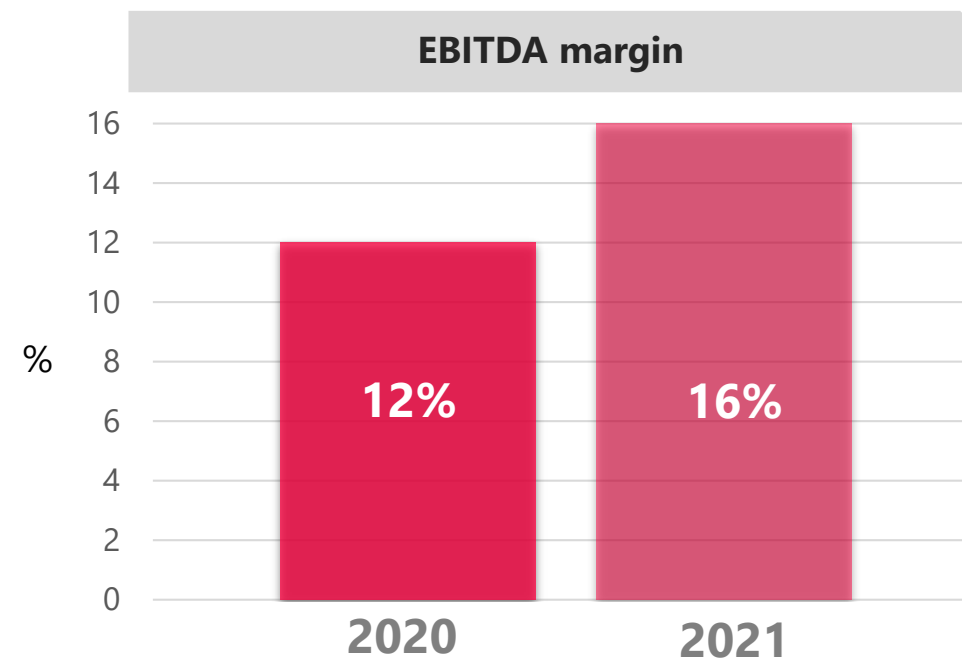
- Revenue increase and careful cost management drove margin growth

- Group returned to profitability

£m	2021	2020
Revenue	39.1	32.4
Operating expenses	(32.7)	(28.6)
Adjusted EBITDA	6.4	3.8
<i>EBITDA margin</i>	16%	12%
Depreciation, amortisation and impairment	(3.2)	(3.8)
Adjusted operating profit	3.2	0.0
Group statutory profit/(loss) after taxation	1.4	(14.4)

EBITDA and EBITDA margin grew in both business units

Adjusted EBITDA £m	2021	2020
Xeim	6.6	4.3
The Lawyer	2.7	2.1
Central costs	(2.9)	(2.6)
EBITDA	6.4	3.8



- Margin expansion accelerated, up 4 percentage points in 2021 following the 2 percentage points rise in 2020
- 68% increase in Adj. EBITDA from 2020

Robust balance sheet supports further investment in our brands

Balance sheet £m	2021	2020
Goodwill and other intangible assets	44.2	46.1
Property, plant and equipment	2.5	3.3
Deferred taxation	2.4	2.2
Deferred income	(7.8)	(7.0)
Other current assets and liabilities	(7.1)	(4.8)
Non-current liabilities	(0.2)	(0.9)
Net assets before cash	34.0	38.9
Net cash	13.1	8.3
Net assets	47.1	47.2

- Healthy cash balance, up 58% YOY

- New RCF signed with NatWest for up to £10m

Cash flow £m	2021	2020
Adjusted operating profit	3.2	0
Depreciation, amortisation and impairment	3.2	4.0
Movement in working capital	3.1	2.5
Adjusted operating cash flow	9.5	6.5
Capital expenditure	(0.8)	(0.8)
Adjusting items	-	(4.6)
Disposal of subsidiaries	-	(0.1)
Dividends	(1.4)	0
Other cashflows inc. payment of lease obligations	(2.5)	(2.0)
Increase / (decrease) in net cash	4.8	(1.0)
Opening net cash	8.3	9.3
Closing net cash	13.1	8.3

- Working capital improved £3.1m, leading to cash conversion of 164%

- £0.8m CAPEX predominantly used to invest in Flagship 4 customer platform development

2021 dividend

- Board reinstated dividend in 2021 having suspended it in 2020 following the onset of the pandemic
- Continued performance gives Board confidence to retain current dividend policy
- Dividend being paid represents 51% of adjusted earnings

Pay-out ratio of 40% of adjusted earnings (minimum 1p per share)

Board recommends a 0.5p final dividend for FY2021

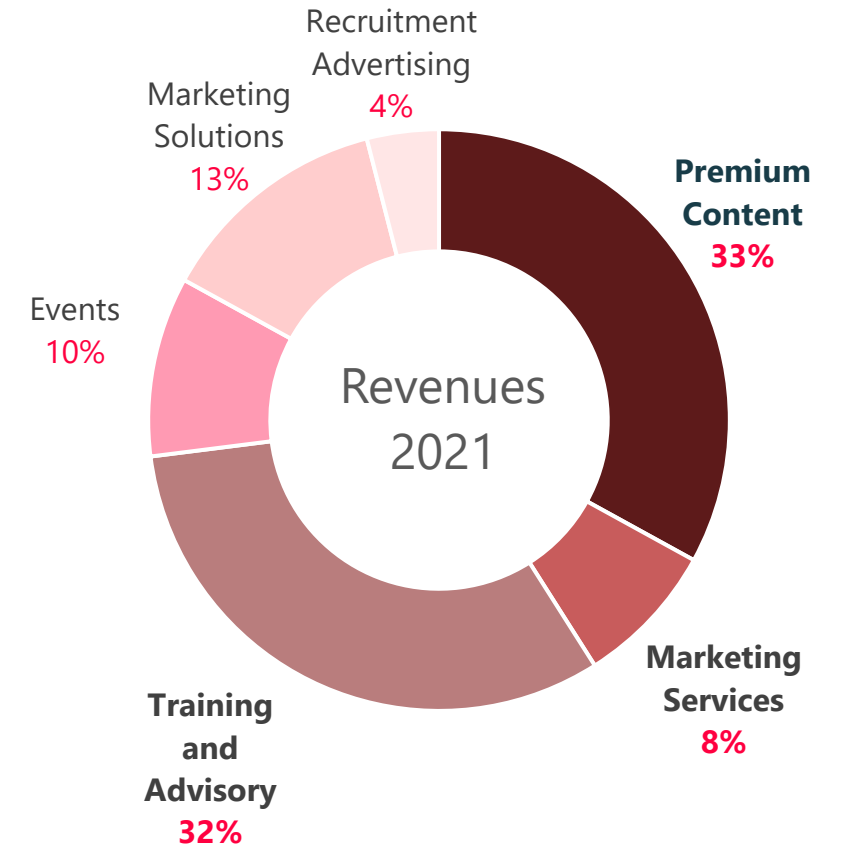
Total dividend of 1p per share for FY2021

Business Unit Review



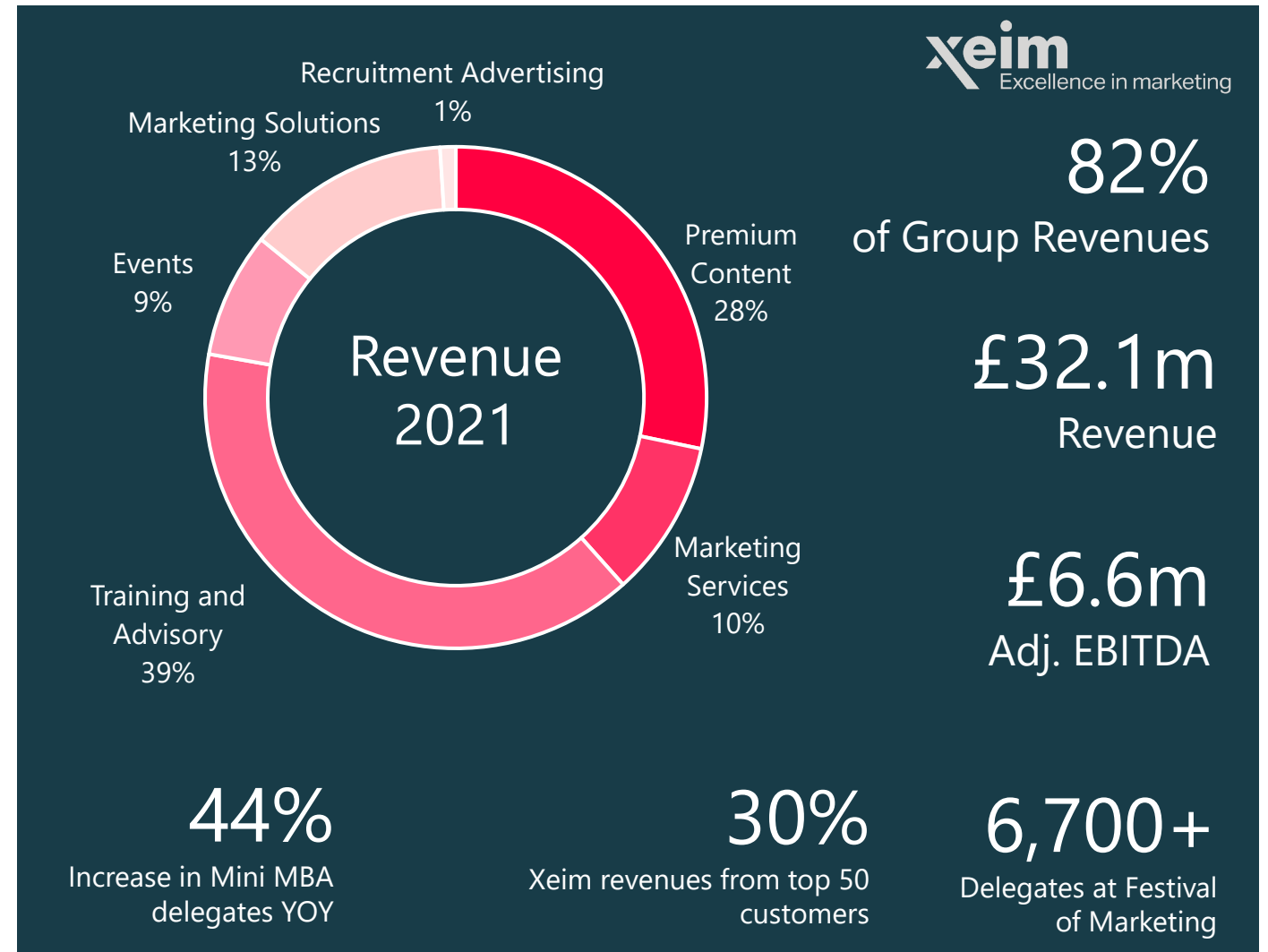
Around three-quarters of our revenues are derived from higher quality streams

		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 B2B		✓				
The Lawyer	✓			✓	✓	✓	



Xeim – revenue growth, with increased success from cross-selling

- Revenue up 23% to £32.1m
- Adjusted EBITDA increased 53% to £6.6m, while margin increased four percentage points to 21%
- Econsultancy’s blended learning continued to drive growth; Influencer Intelligence renewal rates improved over the year, and MW Mini MBA delegates up 44%
- Continued development of Core Brands with record achievements in marketing solutions
- Events revenue up 69% to £2.7m (from £1.6m the prior year). Festival of Marketing ran three hybrid events



Xeim – three of the Flagship 4



Econsultancy

- Premium content increased 18%, Training and Advisory returned to growth, up 22%
- Continued to win large contracts from blue chip international companies
- Events revenue trebled year-on-year with positive feedback from “Econsultancy Live Events”

3x

New
business vs.
2020 levels



influencer intelligence

- Overcame challenging market conditions in H1, to achieve H2 renewal rate of 95%
- Sustained increase in new business, up 41% from 2020
- Rated 4.8 out of 5 by the Influencer Marketing Hub

13%

YOY
revenue
decline



Mini MBA

- Delegates up 44% to c. 7,000 in the year
- Recurring corporate customers continued to grow
- NPS score of +75 and 98% customer satisfaction score

66%

YOY
revenue
increase

Global clientele spanning Europe, USA, APAC and UK

International blue-chip customers buy multiple products across Xeim's brand portfolio

Xeim Engage

- Launched in 2021, Xeim Engage focuses on Top 200 marketing spend companies
- Senior, experienced team creating solutions and driving results
- 90 clients spent over £50k with Xeim (2020: 77) representing 38% of revenues
- 2022 focus on volume and value growth, with an increased average client spend

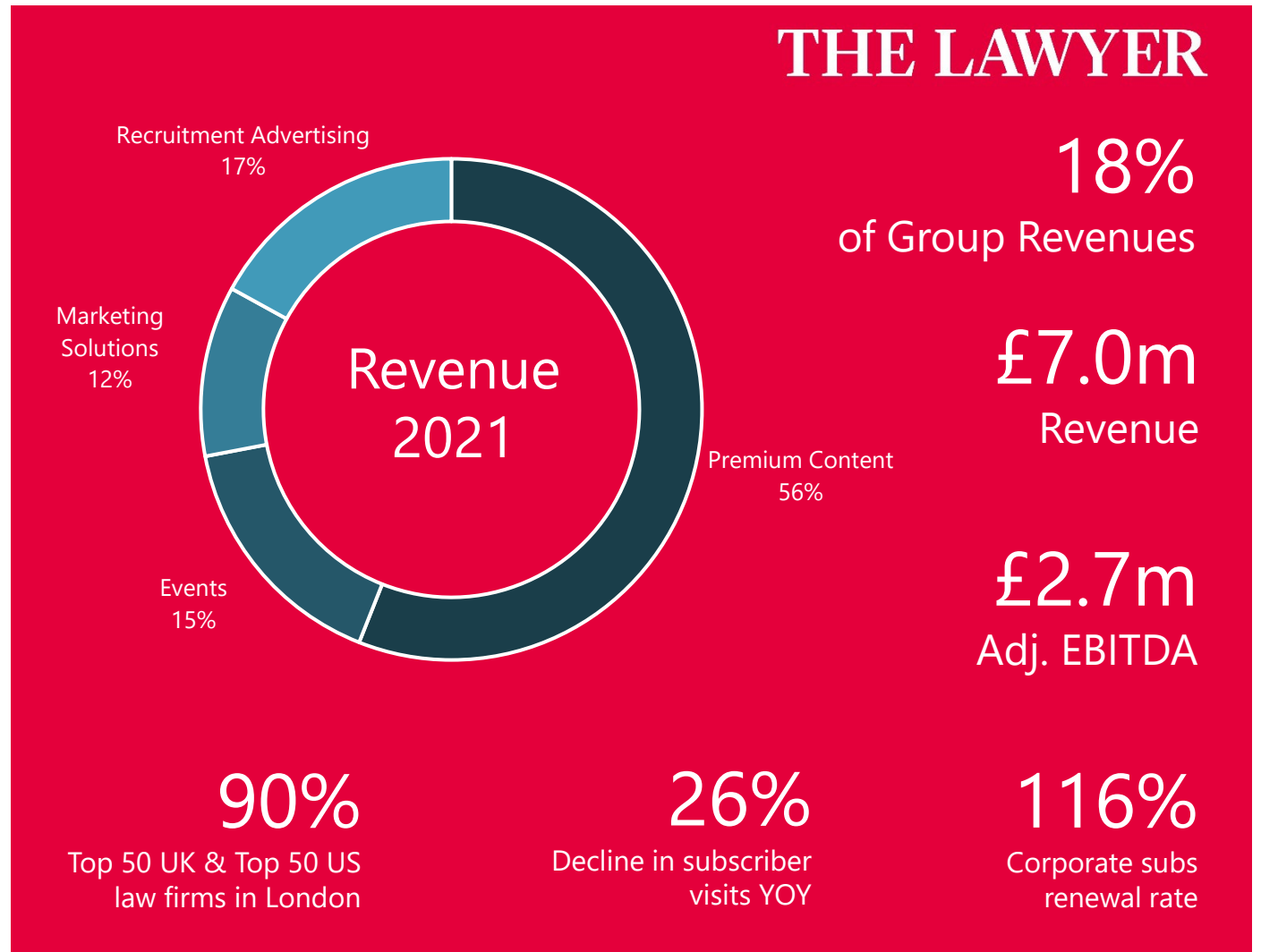
Xeim Labs

- Single access point to Xeim's community of marketing professionals
- Revenues up 26%
- In 2022 will increase value for key accounts across the Xeim customer base



The Lawyer – underlying business continues to perform well

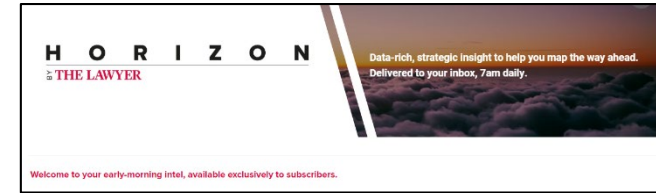
- Revenue up to £7.0m, with Adjusted EBITDA up to £2.7m
- Renewal rates and continued engagement indicate importance of The Lawyer to leading law firms and their fee earners
- Further development of Premium Content through paid-for subscription products Horizon and Signal
- High-margin Recruitment Advertising revenue grew 35%
- Lifting of Covid restrictions has seen a return in events (24% increase in revenues)



The Lawyer – 2021 highlights

THE LAWYER Signal

- Launched in 2021, Signal provides monthly strategic insight that benchmarks markets, competitors and clients
- Four subscription channels : The City, UK Legal, International, and Disputes
- Clear upsell opportunity – 82 out of 84 Signal customers have a Corporate subscription



- Daily newsletter, Horizon, provides data-rich insights on the legal sector
- Surpassed user engagement expectations with 13% increase in number of opened emails at a consistent 25% open rate
- In 2022, will be targeting in-house professionals to expand Horizon's reach

1.5m Annual subscriber visits to thelawyer.com

48% Website users have a weekly or daily habit with thelawyer.com

10k Daily opens from senior figures in law of Horizon 7am email

Outlook – positioned for growth

- 2021 provides a platform for further growth in 2022
- Started 2022 well, building on the progress made in 2021
- Balance sheet allows for increase in investment in quality, new products and other strategic initiatives
- On track to achieve MAP23 targets, despite macroeconomic and geopolitical headwinds



Our approach to ESG - DICE

The 'S' – Our People are our most important asset

- Progress in 2021:
 - Built on senior management expertise
 - Transparent, open communication and Kaizen
 - Gender Pay Gap has improved, together with our diversity profile
 - Successful restructure of Xeim sales teams
- Priorities in 2022:
 - Support staff returning to working in the office and hybrid ways of working
 - Continue to close the Gender Pay Gap and improve diversity
 - Maternity buddies and menopause support group
 - Identify profile for Centaur “employee of the future”

The 'E' and the 'G'

- Minimal carbon footprint – committed to keeping it low with WeWork
- Support communities and charities through fundraising, donations and pro-bono
- Board committed to the highest standards of corporate governance





Clear strategy to deliver MAP23

MAP23: our strategy to deliver targets through profitable organic revenue growth and operational leverage

- Focus investment and resource on Flagship 4
- Drive opportunities through Xeim Core Brands
- Continue to develop Xeim cross-selling capabilities
- Invest in technology and develop digital offering
- Raise marketing investment to develop brand profile, international footprint, ecommerce revenues
- Continue to capitalise on inherent synergies in portfolio



> £45m

Revenues by 2023

23%

Adj. EBITDA margin by 2023

Strategic deliverables for 2022

Areas of focus

The Lawyer



MW Mini MBA



Influencer Intelligence



Econsultancy



Core Brands



Scaling up



Key 2022 Deliverables

- Re-set strategy to accelerate beyond MAP 23 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 & Litigation Tracker internationally
- 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 with expanded digital content
- 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

In summary, 2021 was a year of progress

- Strong financial and operating performance
- Continued margin expansion leaves us on track to deliver MAP23
- Central operating costs well-controlled
- Flagship 4 continue to drive revenue growth
- Cross-selling started to have an effect



 **influencer** intelligence



Mini MBA

THE LAWYER

Q&A