

# 2023 Preliminary Results Presentation



**Swag Mukerji**  
Chief Executive Officer

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Chief Financial Officer

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# We enable ambitious leaders to see around corners and deliver change

## Our Vision

To be an international provider of business intelligence, learning and special 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 customers to deliver better performance.

### Xeim

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### The Lawyer

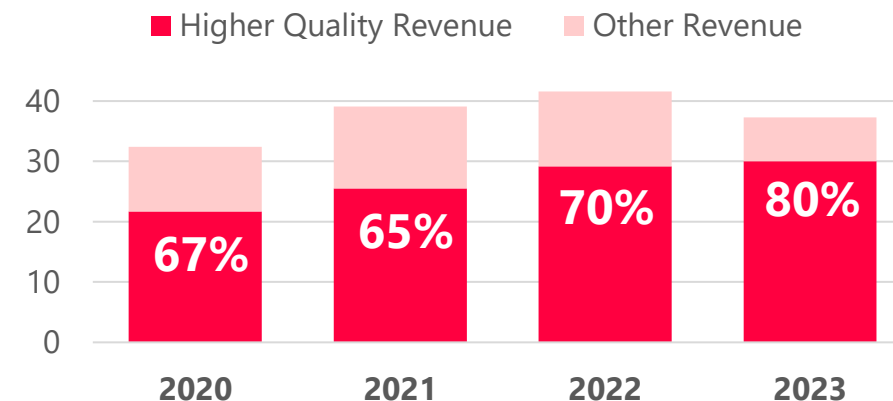
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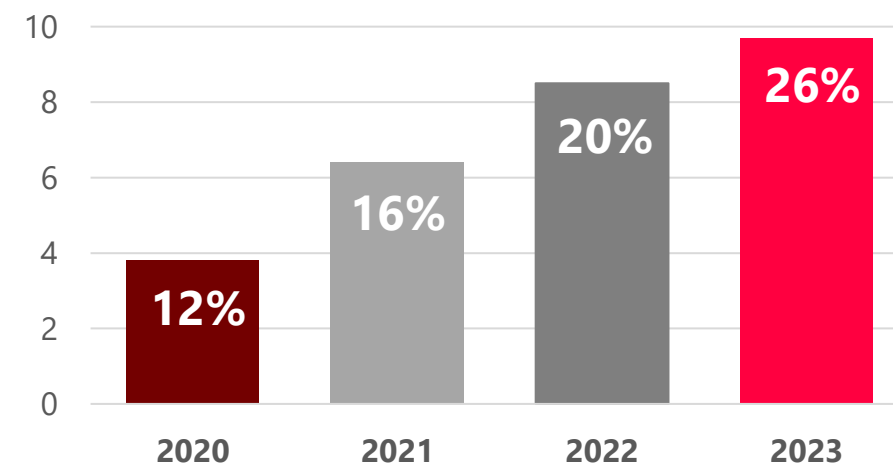
## MAP23 delivered three years of higher quality revenue and EBITDA margin growth

- 27% uplift in revenue from continuing operations
- 38% rise in higher quality revenue, increasing proportion from 67% to 80%
- EBITDA increased more than 150% to £9.7m, with a 109% cash conversion
- EBITDA margin more than doubled to 26%
- Cash generation returned £12.8m in ordinary and special dividends to shareholders

### Higher Quality Revenue £m\*



### EBITDA £m and EBITDA margin %\*



\* 2020, 2021 and 2022 as reported; 2023 continuing operations

## 2023 was another year of strategic and financial progress

- 3% growth in higher quality revenue to more than 80%
- 20% growth in EBITDA
- Improved profits facilitated 64% increase in ordinary dividends
- Group well-placed to manage uncertainty and invest in the future through cash generation

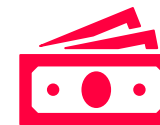
### FY 2023 vs FY 2022



**Revenue**  
**£37.3m**  
(£38.4m)



**Adj. EBITDA**  
**£9.7m at 26%**  
(£8.1m at 21%)



**Net Cash**  
**£9.5m**  
(£16.0m)



**Dividends**  
**1.8p per share**  
(1.1p per share)

# Successfully executed against our strategic deliverables for 2023

## Areas of focus for 2023



## Key 2023 Deliverables

- **Develop learning platform, increase learning content and atomisation of reports**
- Implement price increases and upgrades in the context of inflationary opportunities
- Develop new business - multi-touch learning sales from single team
- Grow renewals through improved renewals process and account plans
- Grow Alumni network and launch App
- Commercial - increase pricing and manage discount on corporate sales
- Improve online marketing and create brand marketing (long and short)
- **Launch new course - Q3 2023**
- Position as influencer expert - 'influencers that matter'
- Commercial & Marketing - retain renewal value, grow lead generation, increase new business
- Machine learning to support content
- Establish clear long-term product strategy and positioning
- **Festival of Marketing - grow October event (delegates and sponsorship)**
- Xeim Labs - improve product inventory across marketing solutions
- Really B2B - align team and resources with drive for new business
- Marketing Week - evaluate corporate subscription strategy to grow recurring revenue
- Launch new law firm practice area Signal channel (Practice Analysis)
- Implement customised website user experience
- Accelerate penetration into UK and European law firms with new content
- Launch advisory service for top UK law firms
- Implement data transformation programme
- Rationalise and inter-connect systems to automate key processes
- Implement Kaizen recommendations - people and ways of working
- ESG - embed climate-related considerations into strategic decision making

● Complete   ● On track   ● Minor issues   ● Major issues

# Financial Highlights



## Delivered profitable revenue growth and continued EBITDA expansion in 2023

- Managed pricing, revenue mix and gross margin to focus on profitable revenue growth
- 3% increase in higher quality revenue - 80% and growing
- Adj. EBITDA up 20% compared to 2022 with significant increase in EBITDA margin
- Adj. PBT increased 55% driven by EBITDA performance and saving in office lease D&A

£m	2023	2022
<b>Revenue</b>	<b>37.3</b>	<b>38.4</b>
<b>Adjusted EBITDA</b>	<b>9.7</b>	<b>8.1</b>
Xeim	9.0	8.1
The Lawyer	3.4	3.0
Central Costs	(2.7)	(3.0)
<i>Adjusted EBITDA margin</i>	<i>26%</i>	<i>21%</i>
Depreciation and amortisation	(2.1)	(3.2)
<b>Adjusted profit before tax</b>	<b>7.6</b>	<b>4.9</b>
<b>Group statutory profit after taxation</b>	<b>4.9</b>	<b>2.8</b>



## Structured approach to capital allocation has delivered for shareholders

- Capital allocation policy determines the use of cash

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

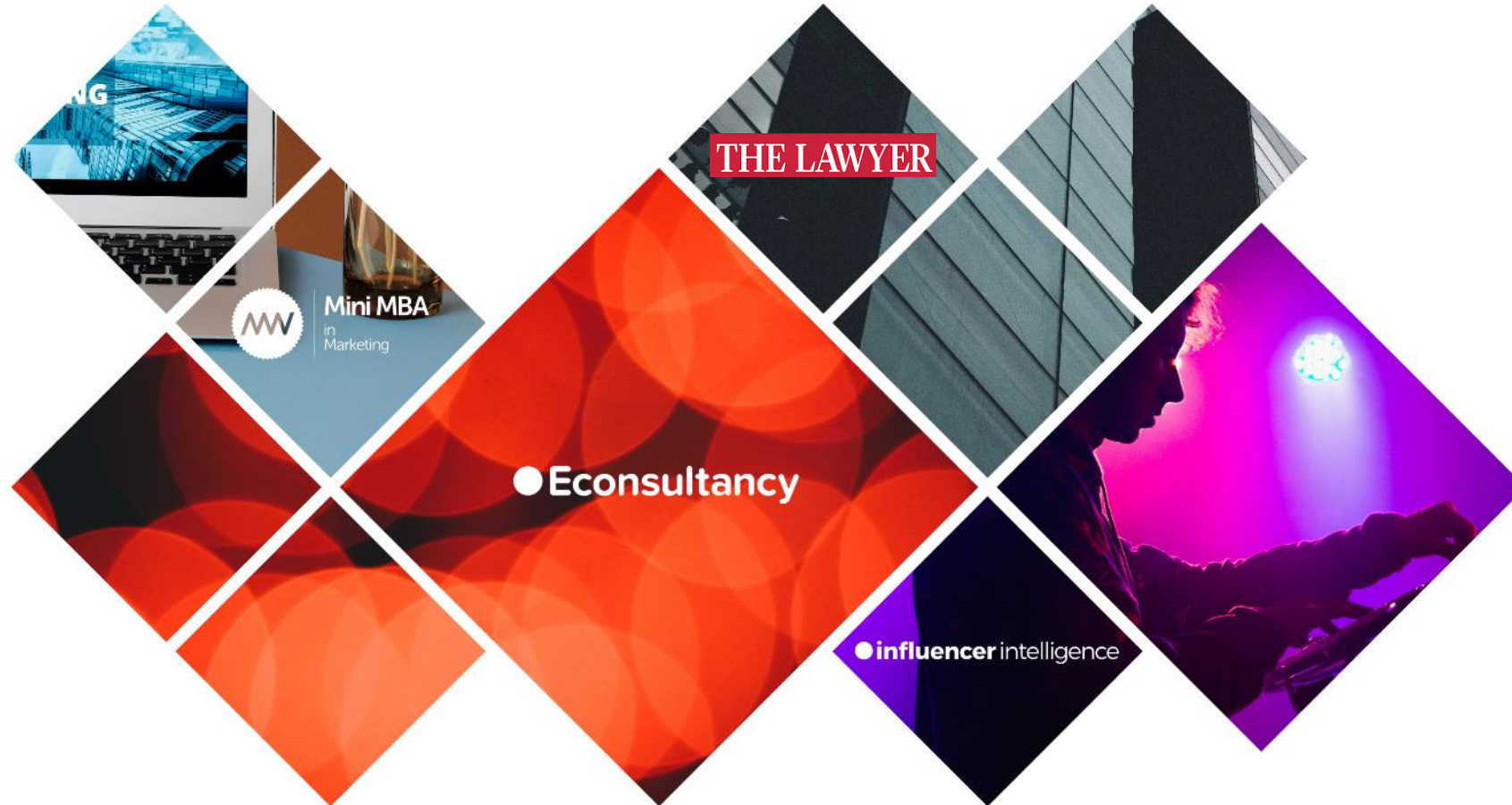
- Performance enables maintenance of ordinary dividends whilst investing in the future

**FY2023 ordinary dividend of 1.8pps following Board recommendation of 1.2pps final dividend**

- Success of the MAP23 strategy has delivered enhanced dividends

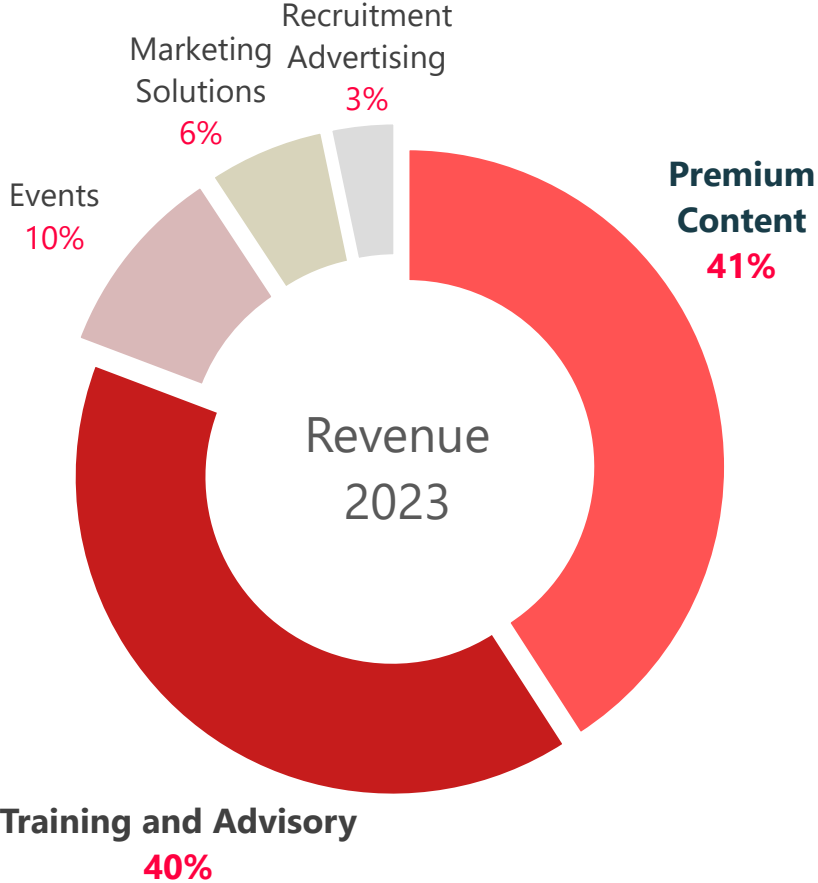
**£12.8m returned to shareholders over MAP23**

# Operational Performance



# Over 80% of revenue now derived from higher quality streams

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



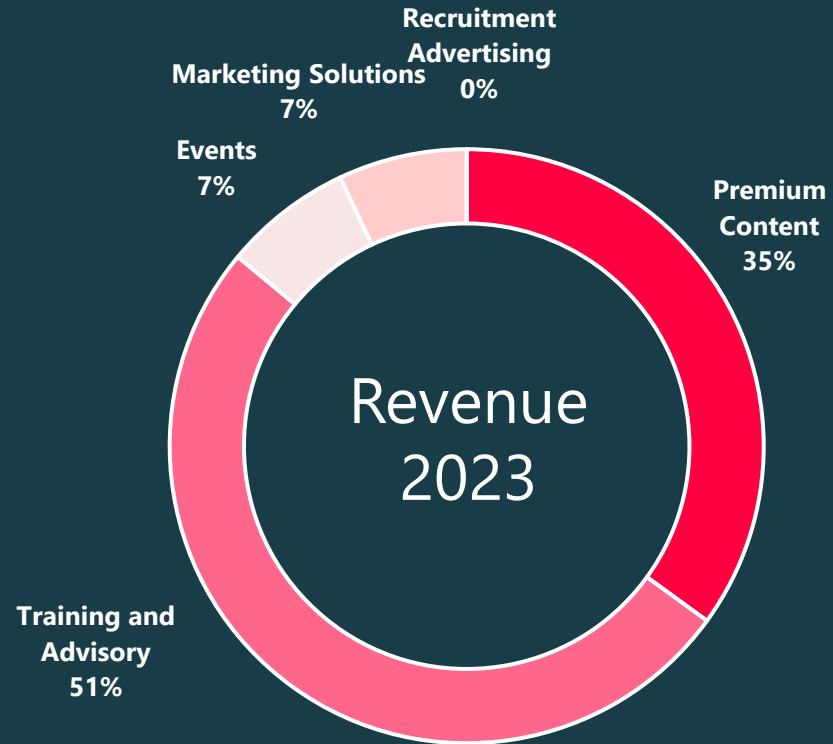
# Xeim – higher quality revenue and cost management drove EBITDA growth



78%  
of Group Revenue

£28.9m  
Revenue

£9.0m  
Adj. EBITDA



11% increase in Adj. EBITDA

8%  
Increase in MW Mini  
MBA revenue

37%  
Increase in Festival of  
Marketing revenue

31%  
Xeim revenue from top  
50 customers

1,000  
Delegates at Festival  
of Marketing

# New product case study – MW Mini MBA in Management



Launched the MW Mini MBA in Management, a 12-week course that equips marketers with the essential skills to make it in the boardroom

- Strong demand in marketing sector for high quality training products and services
- MW Mini MBA brand provided a platform to capture demand
- Agile operating model enabled the development and production of the course in nine months
- Highlights capability to continually innovate to meet demand from new and existing customers

Delivered by

10

internationally renowned professors

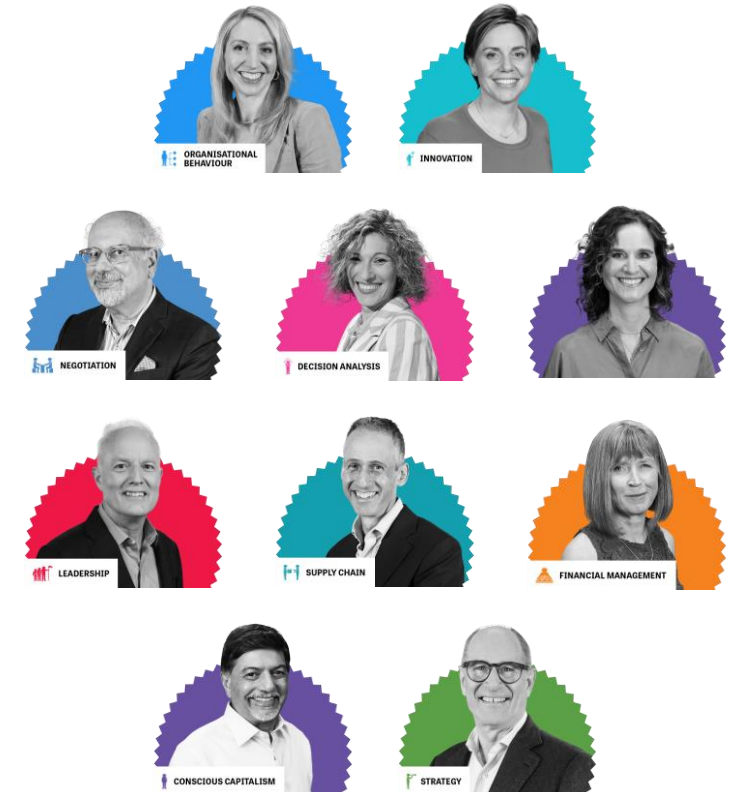
400

Senior Marketing delegates in the first cohort

Clear market opportunity with

30,000

alumni of the Marketing & Brand courses



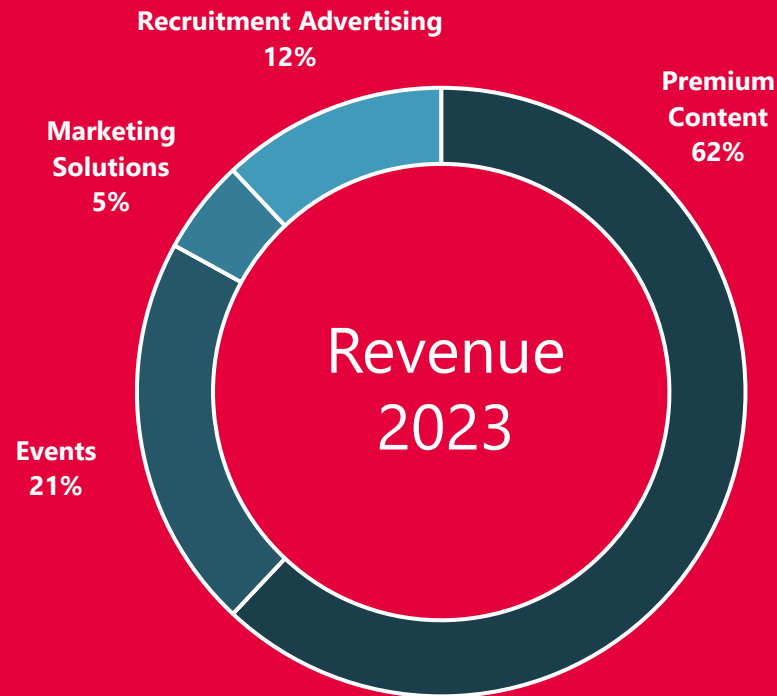
# The Lawyer – Premium Content has delivered sustained revenue and profit growth

## THE LAWYER

22%  
of Group Revenues

£8.4m  
Revenue

£3.4m  
Adj. EBITDA



13% increase in Adj. EBITDA

9%  
Increase in Premium  
Content revenue

108%  
Corporate subscription  
renewal rate

5%  
Increase in subscriber  
visits YOY

91%  
Top 50 UK & Top 50 US  
law firms in London

## New product case study – Horizon Live



Enhanced The Lawyer's subscription service for law firms with the launch of Horizon Live, an interactive forum for our senior law firm subscribers providing deeper insights

- Legal industry demand for intelligence and learning is foremost while networking capability is key
- New forum provides future trends insight from The Lawyer in-house analysts combined with exclusive dinners with Senior Managing Partners
- Strong take up amongst Top 25 Law firms and excellent feedback
- Demonstrates value driven from focus on what the customer needs, cements positioning as industry leader for sector research and intelligence



## 2023 strategic investment in innovation to meet customers' changing needs

### Xeim

- Successfully launched 3<sup>rd</sup> MW Mini MBA course and new network for alumni connecting MW Mini MBA courses
- Improvements to eLearning content on Econsultancy's new platform e.g. extended multilingual capability

**Targeted investment behind our brands to satisfy customer-driven demand**

### The Lawyer

- Launch of new information products for law firm talent planning
- New 'must-have' content for European and UK regional law firms

**Successful mix of creation of key new statement products alongside natural organic development**

### Technology

- New data stack, connecting and centralising data systems to drive significant insights and intelligence across the business
- Achieved ISO27001 certification as a company-wide framework to futureproof client compliance requirements

**Typically aim for payback on investment between 12-18 months**



# Future Value Creation



# We work hard to understand what our customers need

## JOHN LEWIS PARTNERSHIP



**OYSTERCATCHERS**



ALLEN & OVERY



Freshfields

Linklaters

**Deloitte.**

C L I F F O R D  
C H A N C E



## Scalable platform enables future growth



- Consistently keep customers at the core of our offering to drive insight and value
- Focus on higher quality revenue streams has created a more valuable business
- Highly capable leadership team who delivered MAP23 and are critical for the next phase of growth
- Created strong foundations and a scalable platform for the next phase of the Group's growth
- Comfortably exceeded profitability targets set out by MAP23 three years ago

# Creating value beyond MAP23



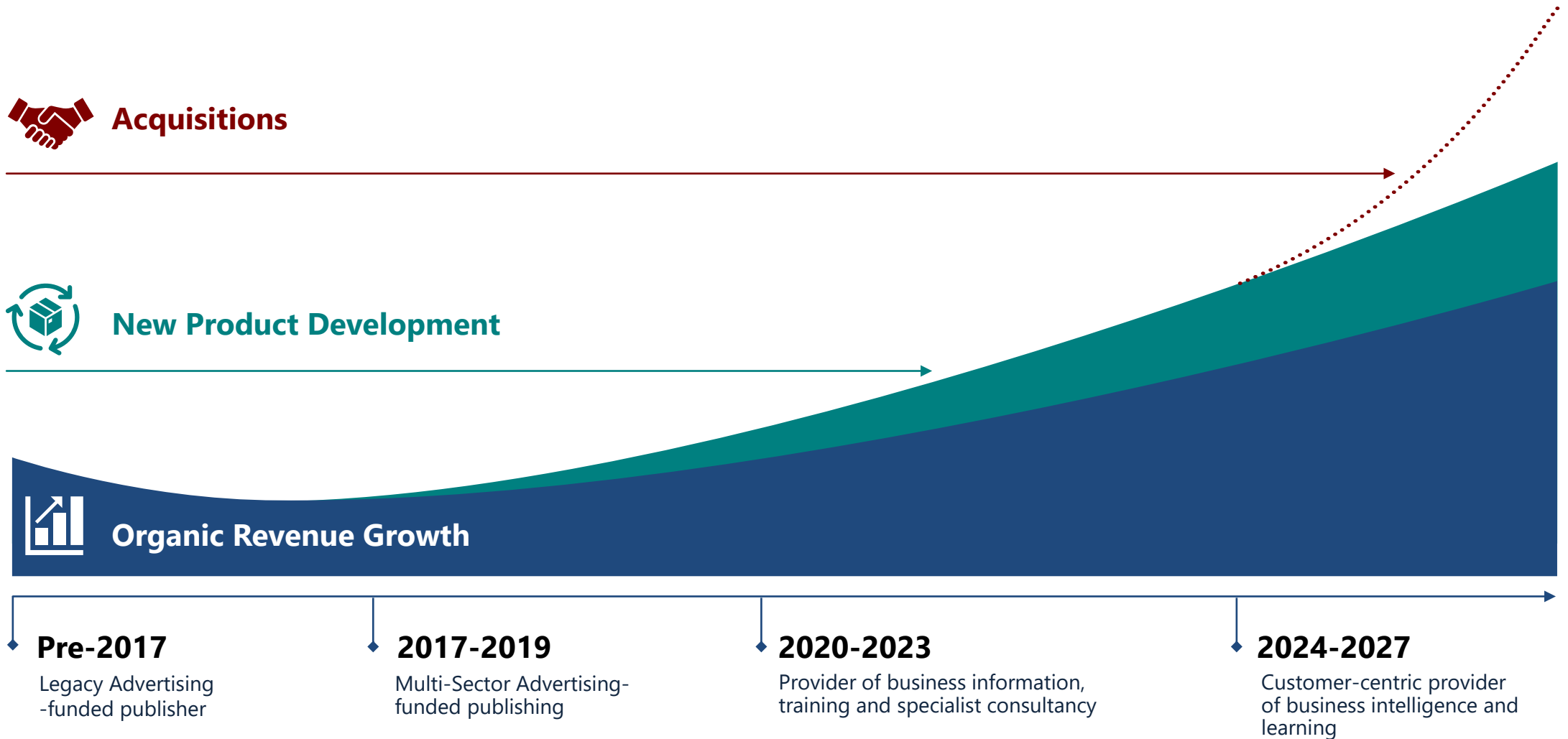
Acquisitions



New Product Development



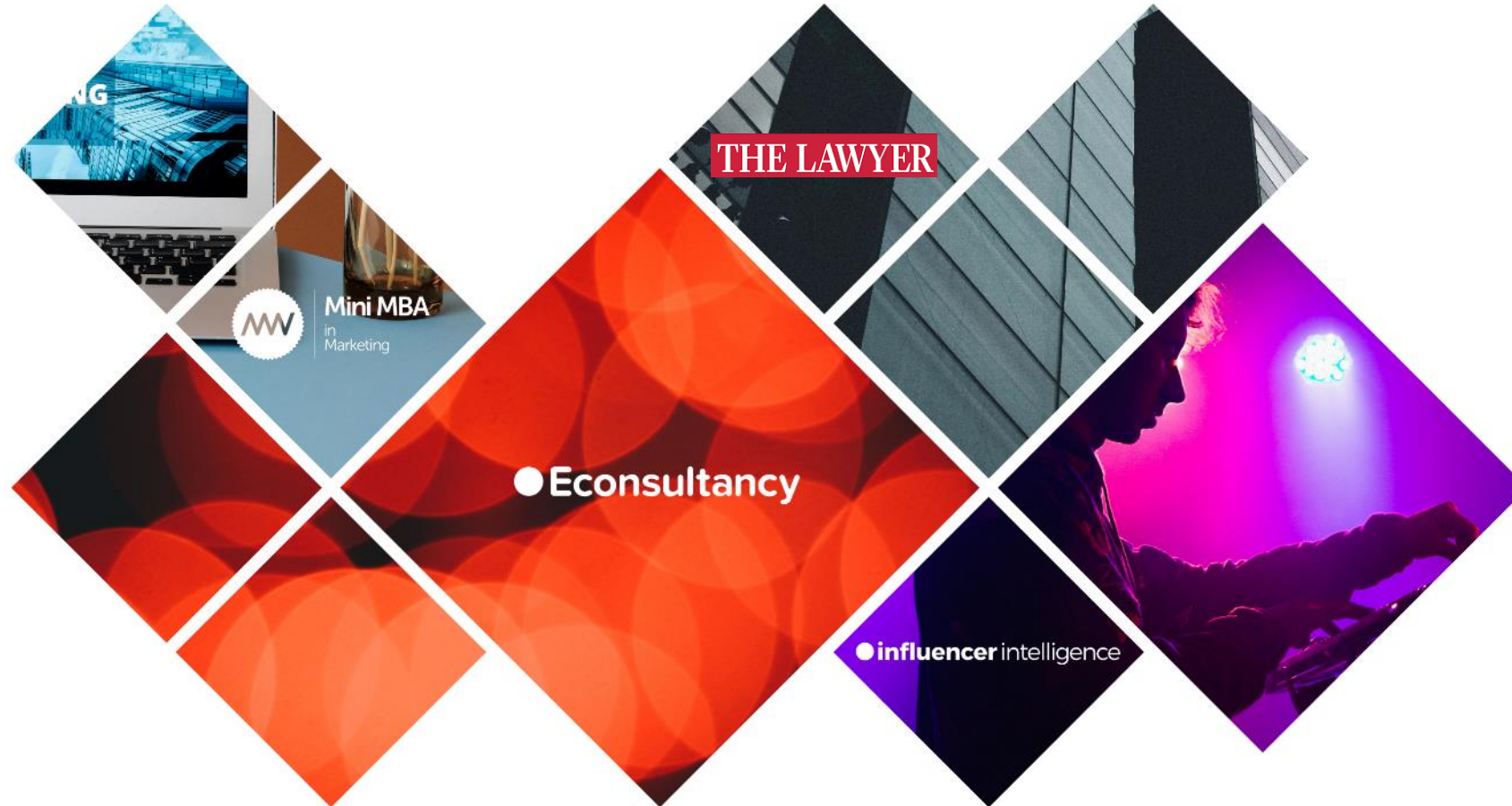
Organic Revenue Growth



# 2023 Preliminary Results Presentation

# Q&A

13 March 2024



## Robust balance sheet and cash flow supports further investment in our brands

Summary balance sheet £m	2023	2022
Goodwill and other intangible assets	44.7	43.8
Property, plant and equipment	2.2	0.4
Deferred taxation	1.9	1.6
Deferred income	(8.4)	(8.9)
Other current assets and liabilities	(4.0)	(4.1)
Non-current liabilities	(0.8)	-
<b>Net assets before cash</b>	<b>35.6</b>	<b>32.8</b>
Net cash (inc. short-term deposits)	9.5	16.0
<b>Net assets</b>	<b>45.1</b>	<b>48.8</b>

- Cash balance at a healthy level gives capacity to reinvest for growth
- Ordinary and special dividends of 6.2pps paid in 2023 and 8.9pps (£12.8m) relating to MAP23

Summary cash flow £m	2023	2022
<b>Adjusted operating profit</b>	<b>7.6</b>	<b>5.3</b>
Depreciation and amortisation	2.1	3.2
Movement in working capital	(1.9)	(0.1)
<b>Adjusted operating cash flow</b>	<b>7.8</b>	<b>8.4</b>
Capital expenditure	(2.1)	(1.4)
Adjusting items	(0.5)	(0.2)
Dividends	(8.9)	(1.4)
Taxation	(1.6)	-
Other cashflows inc. payment of lease obligations	(1.2)	(2.5)
<b>(Decrease)/increase in net cash</b>	<b>(6.5)</b>	<b>2.9</b>
Opening net cash	16.0	13.1
<b>Closing net cash (inc. short-term deposits)</b>	<b>9.5</b>	<b>16.0</b>

- £2.1m CAPEX used to invest in Econsultancy learning courses and MW Mini MBA in Management course
- Cash conversion of 80%, expect to return to historical levels this year.

# ESG – People are our most important asset

## Environmental

- Dedicated Climate Steering Committee
- Investigated the development of a Net Zero target
- Assessed options for the delivery of focused climate-related risk training



## Social

### *Progress in 2023:*

- Added to senior management expertise
- Launched new training programme
- Gender Pay Gap has continued to improve

### *Priorities in 2024:*

- New performance and people development processes
- Support communities and charities through donations and pro-bono
- Continue to close the Gender Pay Gap

## Governance

- As a premium-listed Plc, we are committed to the highest standards of corporate governance