

Interim Results Presentation

6 months ended 30 June 2021



Swag Mukerji
Chief Executive Officer

Simon Longfield
Chief Financial Officer

21 July 2021

Agenda

- 01** An Introduction to Centaur
- 02** Financial and Operating Performance
- 03** Business Unit Review
- 04** Strategy Update
- 05** Questions

An Introduction to Centaur – Advise, Inform, Connect

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

The Lawyer



 **influencer** intelligence



Mini MBA

THE LAWYER

Flagship 4

MAP23 – Our strategy to deliver profitable organic revenue growth

Centaur is focusing investment and resources on the Flagship 4 brands, its key drivers of organic growth

- Invest in technology and develop digital offering
- Continue to develop Xeim cross-selling capabilities
- Increase in marketing investment to develop brand profile
- Drive opportunities through our Core Brands
- Continue to capitalise on inherent synergies in portfolio

MAP23

> £45m

Revenues by 2023

23%

Adj.EBITDA margin by 2023

H1 2021 highlights – Continued recovery, on track for MAP23 targets

- After a better second half of 2020, Centaur carried positive momentum into H1 2021
- Investment in senior management, digital platform development, pricing strategy and marketing
- Robust revenue growth as brands show sustained recovery from pandemic
- Good growth in EBITDA and EBITDA margin
- Strong cash generation, raising net cash to £11.9m
- On track to achieve MAP23 revenue and margin targets
- Interim dividend of 0.5p per share



Revenue
£18.3m
 (£15.0m)



Adj. EBITDA
£2.2m
 (£0.9m)



Net Cash
£11.9m
 (£8.4m)



EBITDA Margin
12%
 (6%)

Financial and Operating Performance



Financial results – Improvement in revenues and margin

£m	H1 2021	H1 2020*
Revenue	18.3	15.0
Operating expenses	(16.3)	(14.1)
Adjusted EBITDA	2.2	0.9
<i>EBITDA margin</i>	12%	6%
Depreciation and amortisation	1.7	2.0
Adjusted operating profit/(loss)	0.5	(1.1)
Group loss after taxation	(0.3)	(13.7)

- Revenues rose by 22% to £18.3m, with robust sales growth across both Xeim and The Lawyer

- Recovery driven by Flagship 4 brands whose revenues grew by 27% to £12.1m (H1 2020: £9.6m) – reflecting MAP23 investment – with international revenues at 32% of the overall total.

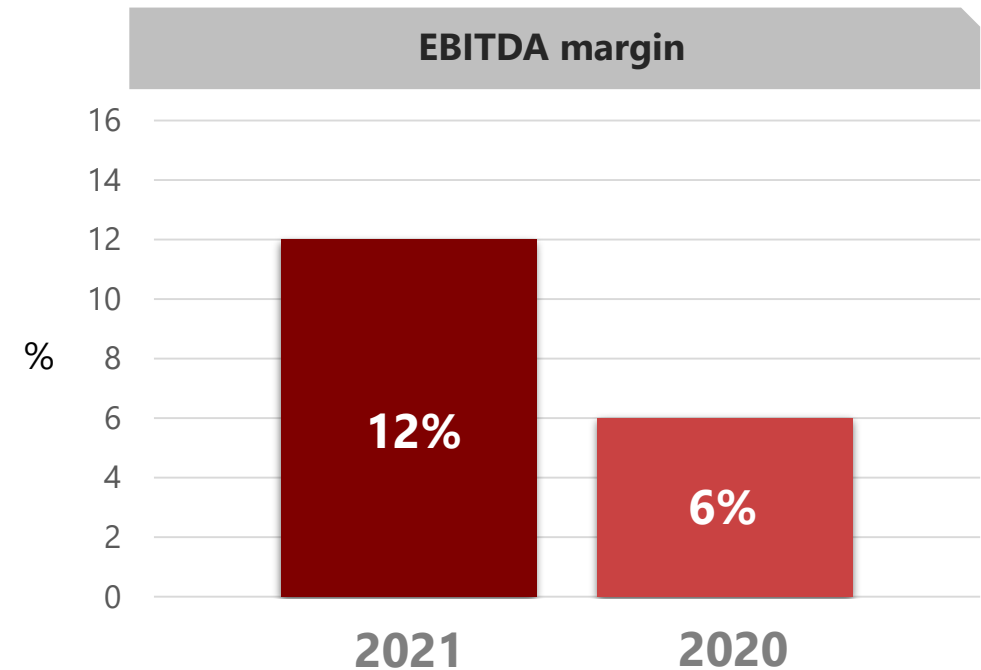
- Improved adjusted EBITDA performance, increased to £2.2m (H1 2020: £0.9m)

- EBITDA margin grew to 12% (H1 2020: 6%) in line with MAP23 strategy

*H1 2020 income statement restated to exclude MarketMakers and for change in revenue accounting method

Group EBITDA higher

Adjusted EBITDA £m	2021	2020*
Xeim	2.4	2.0
The Lawyer	1.3	0.6
Central costs	(1.5)	(1.7)
Group Adjusted EBITDA	2.2	0.9



Improved adjusted EBITDA, rising across both Xeim and The Lawyer

Demonstration of operational gearing inherent within Centaur's business model

Historical seasonality of Centaur business expected to result in increased revenue and profit in H2 v H1

*H1 2020 income statement restated to exclude MarketMakers and for change in revenue accounting method

Balance sheet

£m	2021	2020
Non-current assets inc. goodwill	50.2	56.3
Deferred income	(8.8)	(9.4)
Other current assets and liabilities	(6.6)	(3.6)
Non-current liabilities	(0.6)	(3.9)
Net assets before cash	34.2	39.4
Net cash	11.9	8.4
Net assets	46.1	47.8

- Strong balance sheet: closing net cash balance of £11.9m and an undrawn £10m RCF

- Deferred income reduced due to MarketMakers closure (£1.0m) offset by growth in business

Cash flow

£m	2021	2020
Adjusted operating profit (inc. discontinued ops)	0.5	(0.9)
Depreciation, amortisation and impairments	1.7	2.1
Movement in working capital	3.8	3.1
Adjusted operating cash flow	6.0	4.3
Capital expenditure	(0.3)	(0.6)
Exceptional items	-	(3.4)
Dividends	(0.7)	-
Other cashflows inc. payment of lease obligations	(1.4)	(1.2)
Increase / (decrease) in net cash	3.6	(0.9)
Opening net cash	8.3	9.3
Closing net cash	11.9	8.4

- Strong cash conversion 293% from increase in advanced bookings and decrease in trade receivables in H1

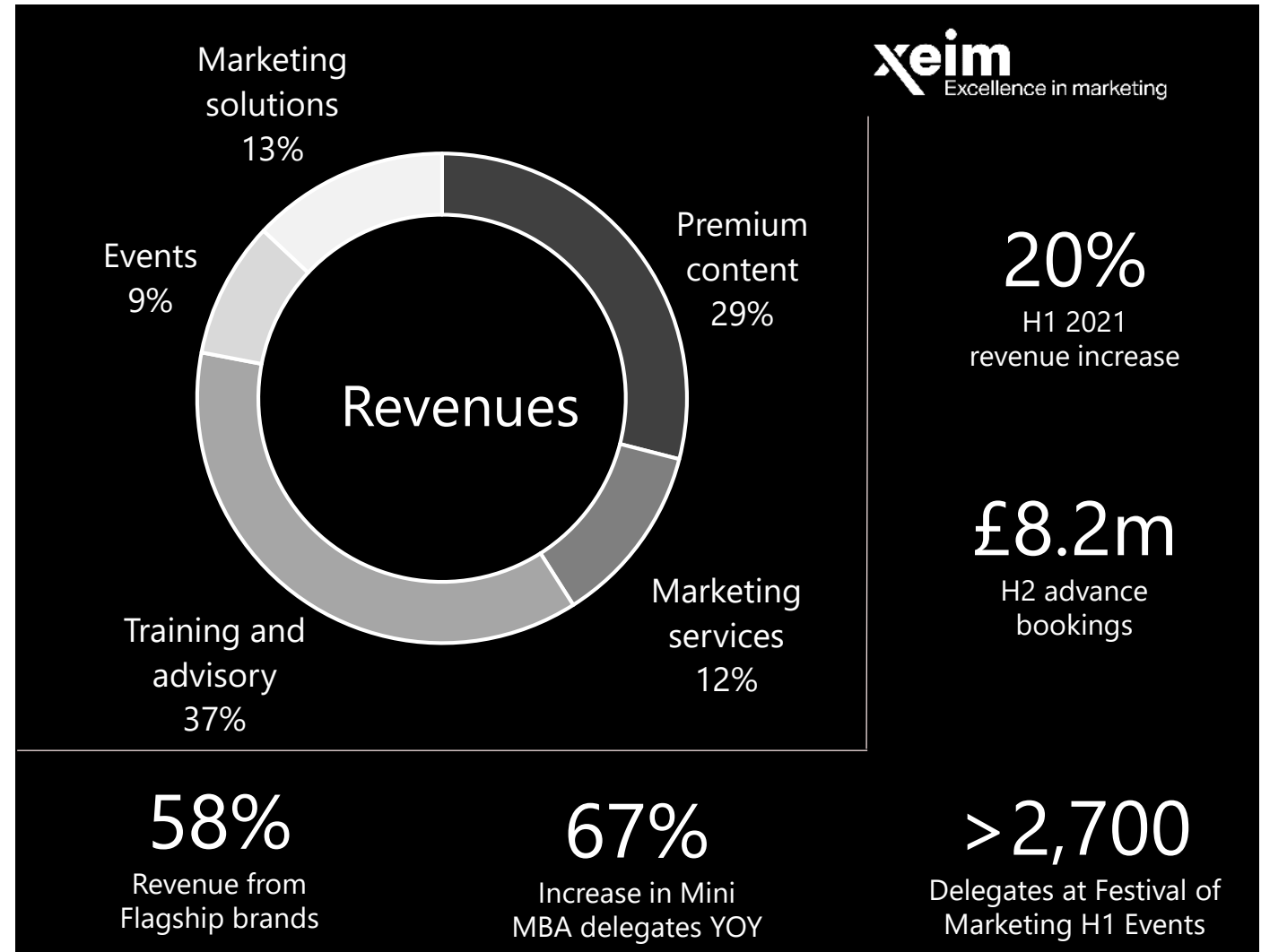
- Cash outflows include £0.7m dividends and £1.4m other cashflows mostly relating to office rent

Business Unit Review



Xeim – Increased focus on training and successful cross-selling

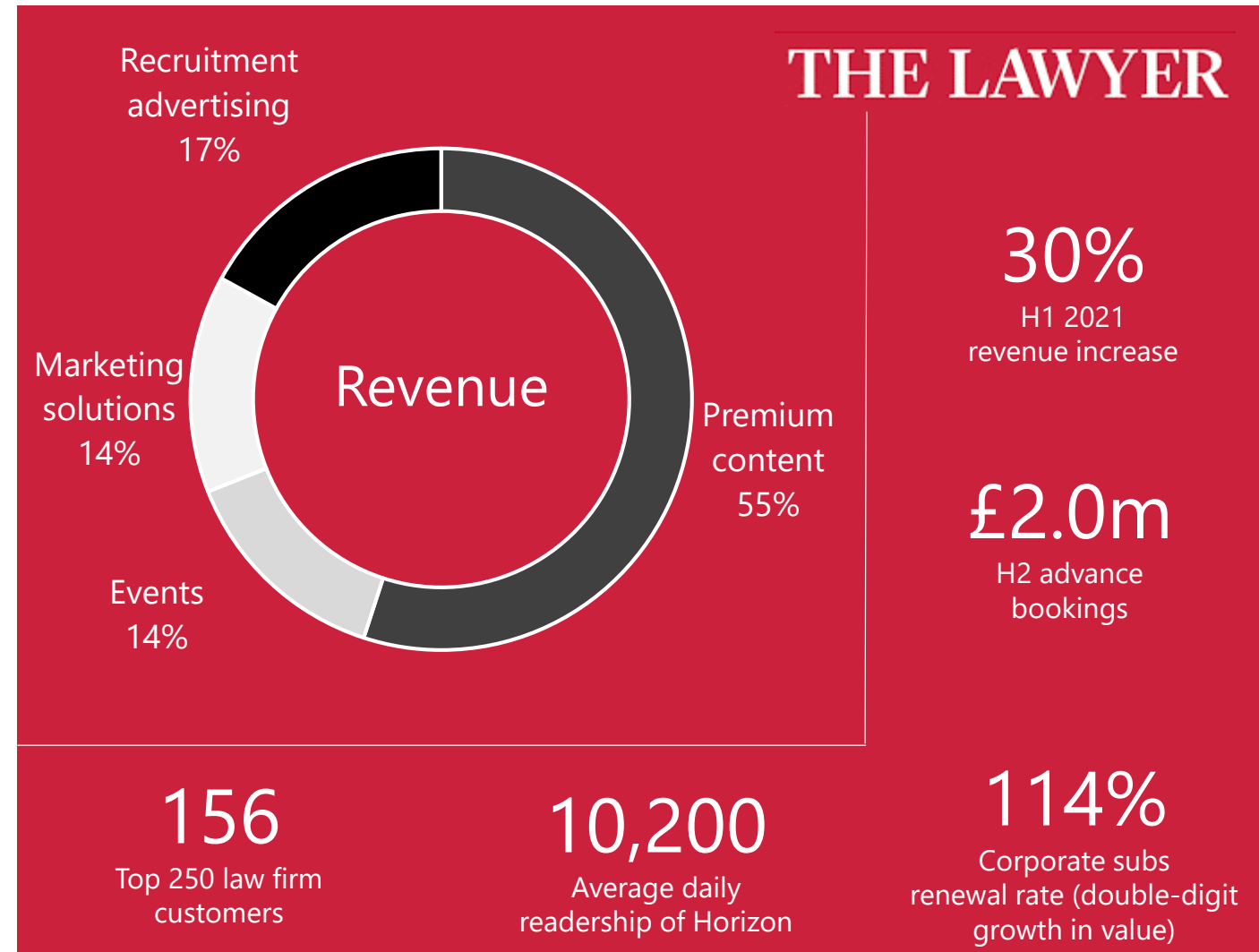
- Reported revenues increased by 20% to £14.8m (2020: £12.3m*)
- Adjusted EBITDA grew to £2.4m (2020: £2.0m)
- Revenues from training and advisory continued to grow to 37% (H1 2020: 29%). Events contributed 9% as brands adapted (H1 2020: 2%)
- Three of Flagship 4, Econsultancy, Influencer Intelligence and MW Mini MBA grew revenue to £8.6m
- Solid performance from Core Brands:
 - Festival of Marketing – Hosted two new digital events
 - Really B2B – Return to revenue growth
- Increased focus on larger customers spending > £100,000 pa



*H1 2020 income statement restated to exclude MarketMakers and for change in revenue accounting method

The Lawyer – Premium content holds strong while events and recruitment return

- Reported revenues grew to £3.5m (2020: £2.7m)
- Adjusted EBITDA recovered to £1.3m (2020: £0.6m)
- Higher premium content revenues, representing 55% of total revenues
- Double-digit growth in value of subscription renewals reflects The Lawyer's credibility with UK and international law firms
- Launched Signal, a new subscription service offering in-depth strategic insight into markets, clients and competitors
- Return of event revenue, now 14% of The Lawyer's total. 75 digital events hosted over the past half year
- Increase in recruitment advertising to £0.6m (H1 2020: £0.5m)



Flagship 4 driving revenue growth supported by investment and resource allocation

Centaur is investing in its senior management, digital platform development, pricing strategy and marketing

Senior management hires:

- Jane Wilkinson – Managing Director, The Lawyer
- Will Johnston – Group Commercial Director, Xeim

Digital platform development:

- Implementation of Piano to drive digital engagement and e-commerce conversion

Pricing strategy:

- Conducted pricing project with external consultants to optimise revenue

Marketing:

- Increased marketing spend to expand awareness and build on existing momentum



 **influencer** intelligence



Mini MBA

THE LAWYER

Core Brands – continue to support the growth of Xeim

Targeted marketing investment in the Core Brands portfolio

Senior management hires:

- Claire Rance – Brand Director, Core Brands
- Gill Huber – Managing Partner, Oystercatchers

Highlights across the Core Brands for H1 2021:

- Festival of Marketing: addition of two-new digital events is expected to contribute to an increase in revenues this year
- Fashion & Beauty Monitor: customers benefit from Influencer Intelligence's celebrity analytics via a single platform
- Really B2B: Coordination of Really B2B's services with Xeim Labs to provide a full lead generation service for clients



MarketingWeek



Current Xeim customers

Global clientele spanning Europe, USA, Asia Pacific and UK

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

We can optimise this by providing a single access point to our brands – products can be tailored and cross-sold accordingly



Uber



accenture






























abrdrn





SCREWFIX

Strategy Update



Our progress towards MAP23 remains on track

Areas of focus	Key 2021 deliverables
Econsultancy 	<ul style="list-style-type: none">  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
Mini MBA 	<ul style="list-style-type: none">  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 	<ul style="list-style-type: none">  Launch campaign management tool  Influencer Light, 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 	<ul style="list-style-type: none">  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 	<ul style="list-style-type: none">  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 	<ul style="list-style-type: none">  Cost management following £6m annualised cost saving in 2019  Continuous process improvement

Key:  Complete  On track  Minor issues  Major issues

Our People

Strategy, Structure & People

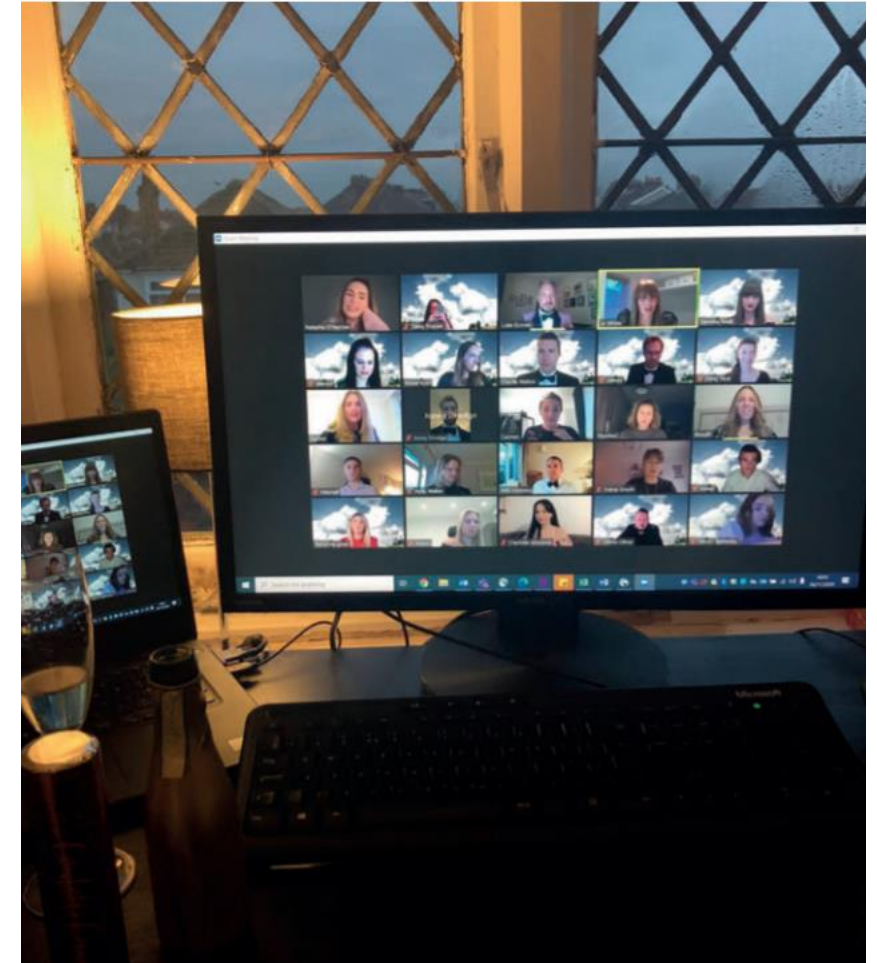
Talent acquisition

- Jane Wilkinson – Managing Director, The Lawyer
- Will Johnston – Group Commercial Director, Xeim
- Claire Rance – Brand Director, Core Brands
- Gill Huber – Managing Partner, Oystercatchers

Communications – open and transparent communications

Kaizen – empowerment and continuous improvement

D.I.C.E. – Diversity, Inclusion, Culture & Engagement



Summary

Progress against MAP23 objectives – revenues, EBITDA and margin all growing

Revenue recovery reflects customers and brands adapting to pandemic, led by the Flagship 4

Improvements in EBITDA and margin demonstrate Centaur's operational gearing

Cash balance remains strong at £11.9m with access to financing

Dividend policy resumed – 0.5p per share interim dividend

Centaur expects to continue to trade in line with expectations and MAP23 objectives for the rest of 2021



Questions?