

CENTAUR

PRELIMINARY RESULTS

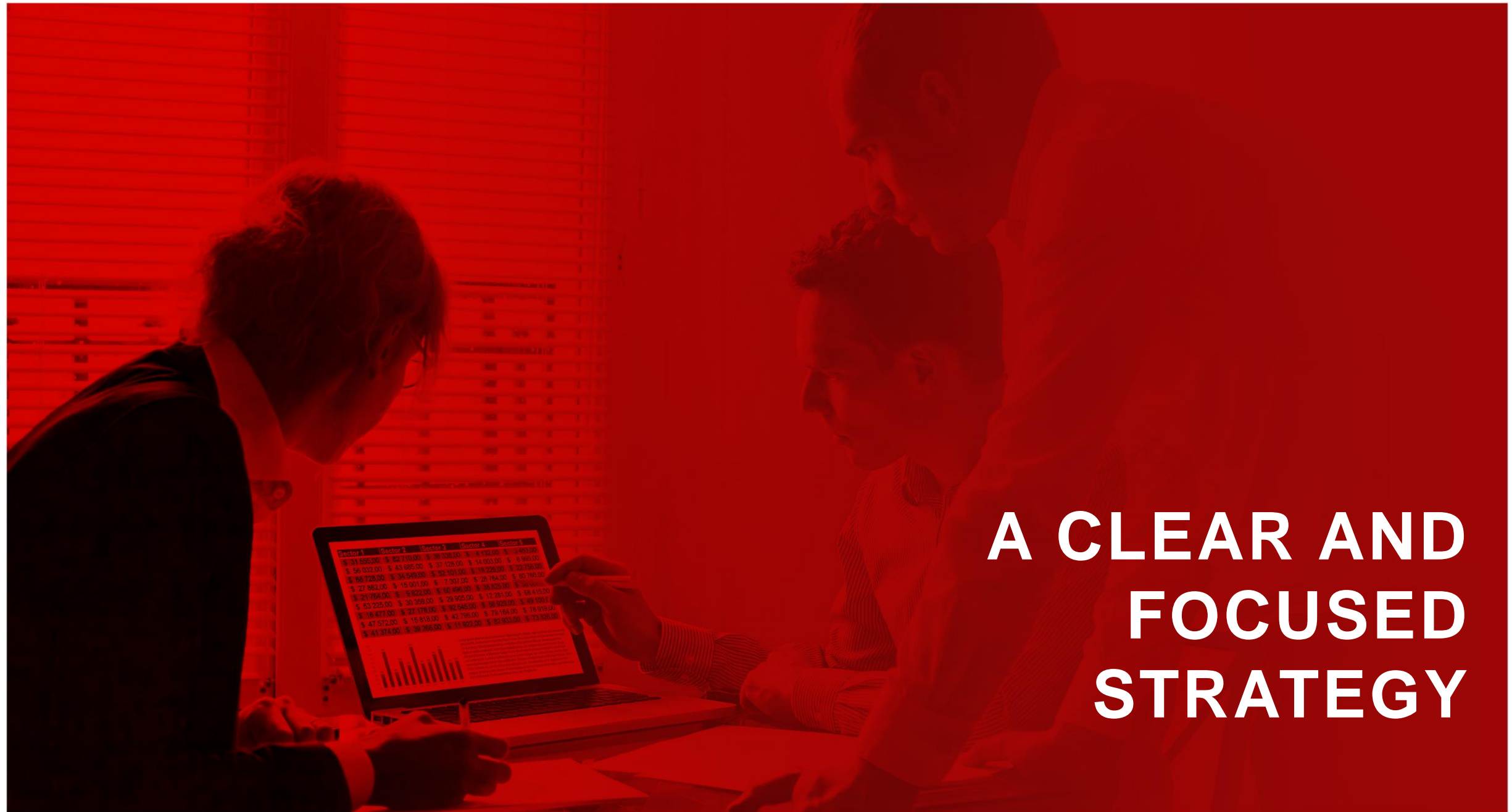
12 MONTHS ENDED 31.12.2018

STRICTLY CONFIDENTIAL



Agenda

- 01 Centaur's strategy
- 02 Financial performance
- 03 Operational review
- 04 XEIM
- 05 Summary



**A CLEAR AND
FOCUSED
STRATEGY**

Centaur's transformation



Like other traditional media groups, Centaur needed to transform a business built on advertising revenues.

Today, Centaur advises, informs and connects business professionals by offering business intelligence and expertise, consultancy and training, lead generation and events.

This is a more resilient and focused business with the opportunity to grow.

In moving from readers to paying customers, we are building **recurring high quality revenue streams** that will allow us to generate **growing profits at a higher margin** and to expand sales through new product development.

We are intent on simplifying the group, delivering operational benefits and focusing attention on our leading brands. Over the past six months we have accelerated this plan by exploring the divestment of our non-core businesses.

Executive summary: 2018 highlights

Strategic

- Strategic review resolved to focus on developing Centaur's information, intelligence and consulting services primarily in the global marketing sector
- Creation of XEIM to help our clients accelerate their marketing performance
- Exploring divestment of non-core businesses
- Econsultancy and The Lawyer moved to new technology platforms
- Cost efficiencies create opportunity to create higher margin operating model

Financial

- Adjusted operating profits increased 18% to £5.2 million
- Marketing achieved £1.7m in a transitional year
- Professional services increased by 28% to £2.3m
- Financial services had a stronger year, reporting profits of £1.2m
- Revenues from continuing operations increased 9% to £70.5m (-1.6% underlying)
- Recurring and repeatable revenues have grown to 48% (2017: 44%)
- Final dividend maintained at 1.5p to make 3p per share for the year

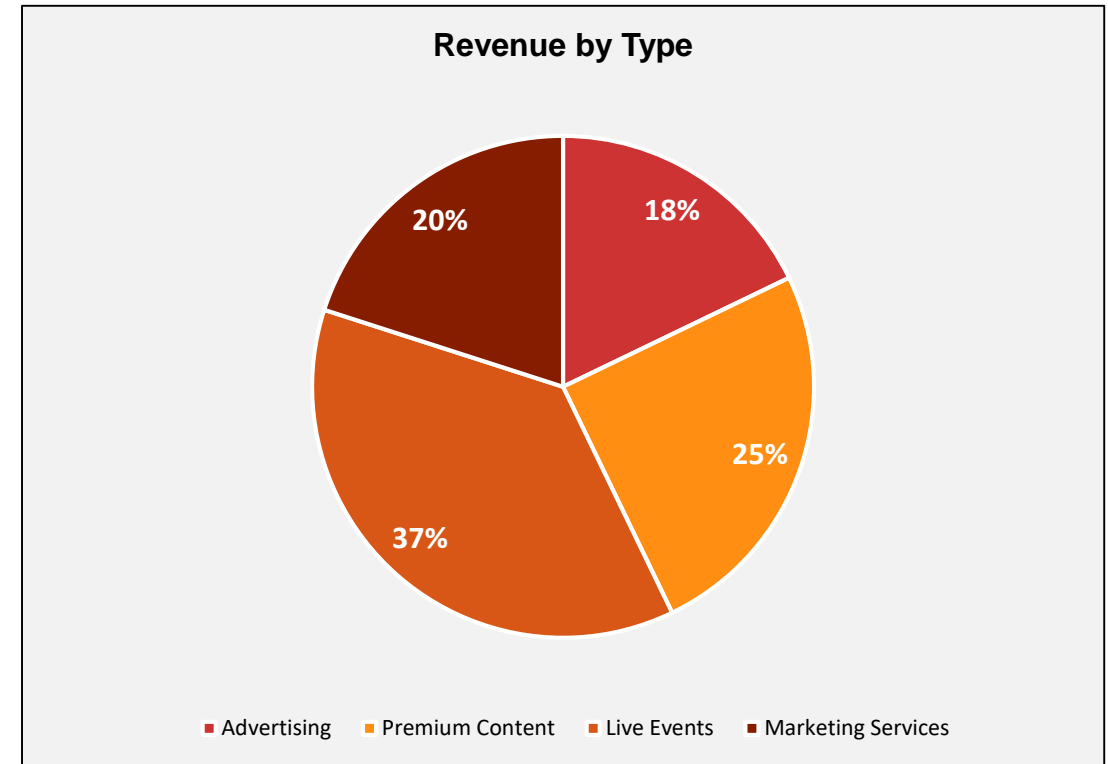
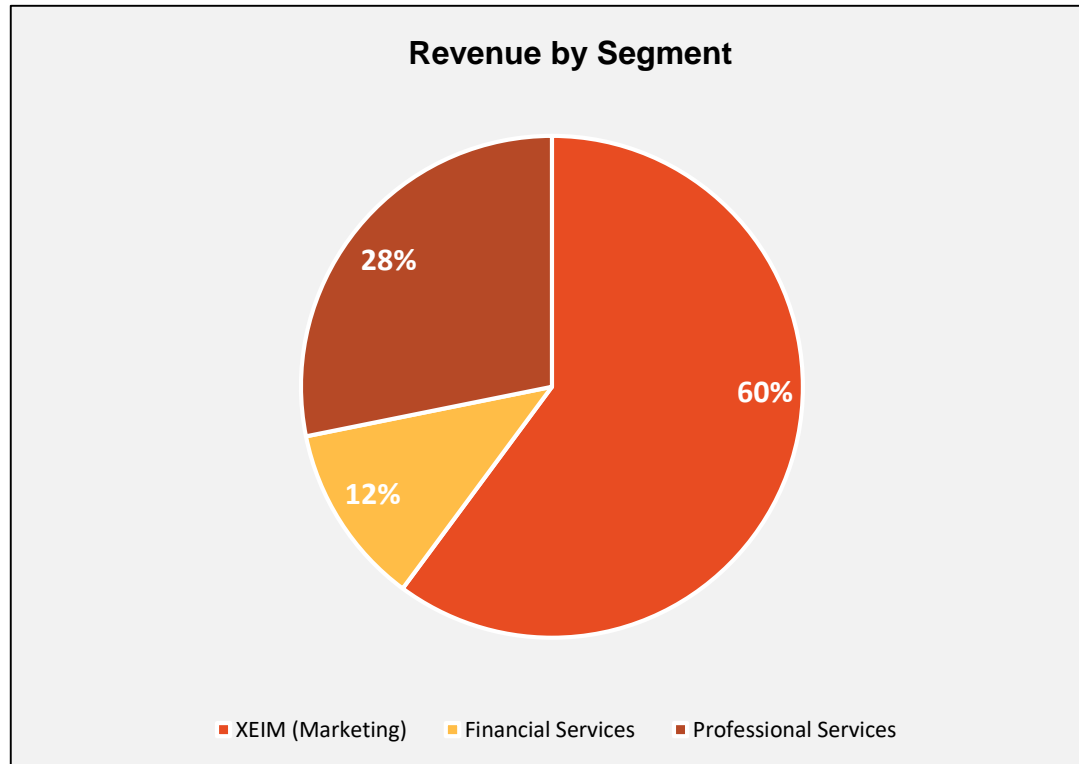
A more focused portfolio – divestment update

- Sales process intended to create simpler, more focused group with opportunities to reduce costs and increase margin
- Good interest in all of our non-core assets, despite Brexit-related uncertainty
- Transactions expected to complete before end of H1



FINANCIAL AND OPERATIONAL REVIEW

Centaur at a glance



Financial results

	2018 £m	2017 ¹ £m
Revenue	70.5	64.7
Other operating income	0.8	0.7
Net operating expenses	(66.1)	(61.3)
Adjusted Operating profit	5.2	4.1
Finance costs	(0.2)	(0.4)
Tax	(1.0)	(0.9)
Retained adjusted profit	4.0	2.8
Adjusted fully diluted EPS	2.6p	1.8p

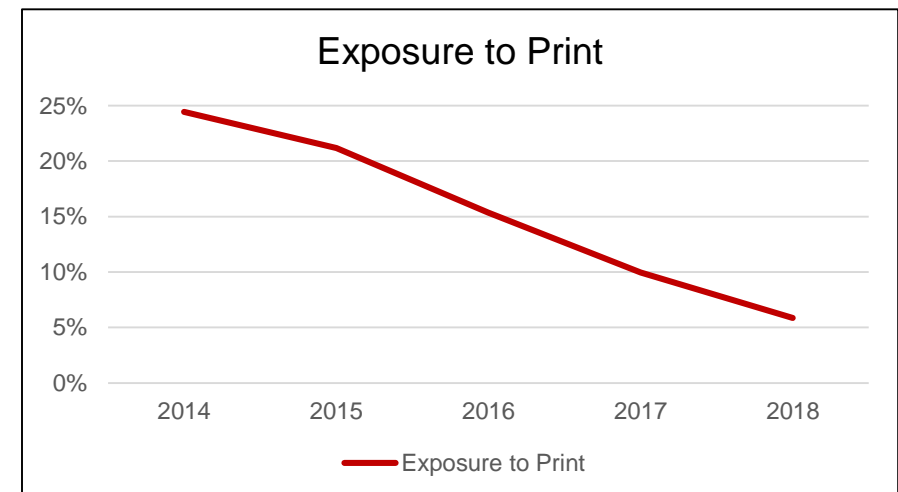
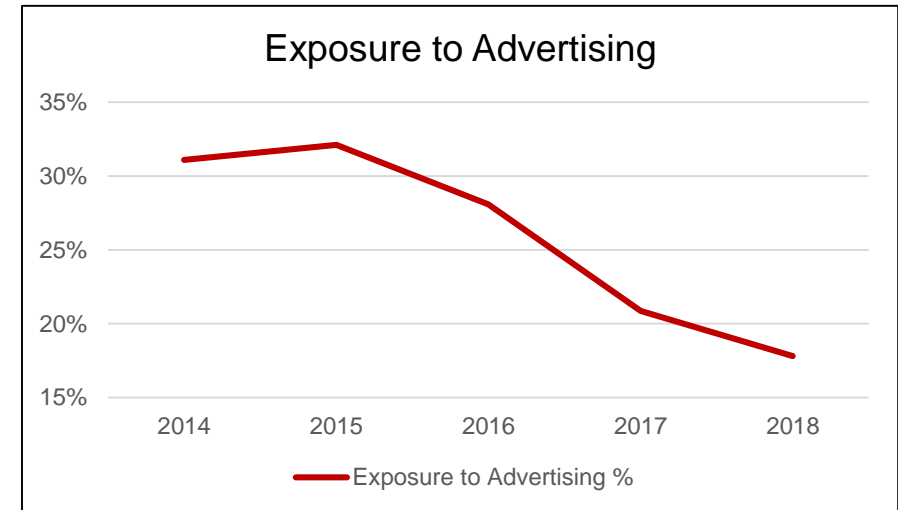
- Adjusted operating profits +18% to £5.2m
- Cost discipline supported increase in operating profits
- Revenue increase reflects inclusion of MarketMakers for full year
- MarketMakers earnout payment of £1.8m

¹ 2017 is on a continuing operations basis which excludes any revenue and profit generated by Home Interest

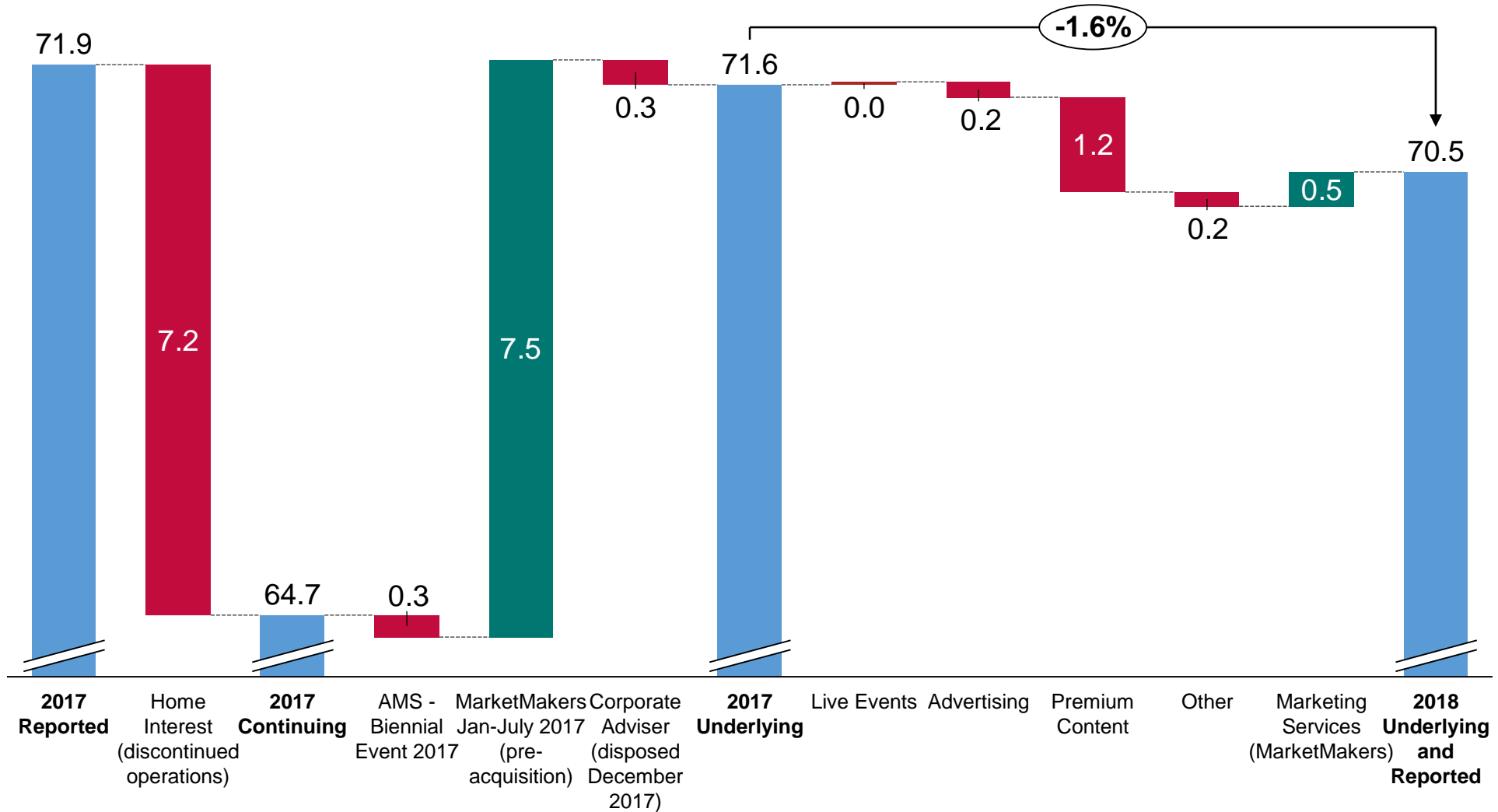
Revenue mix continues to improve

Centaur now has much more predictable revenues

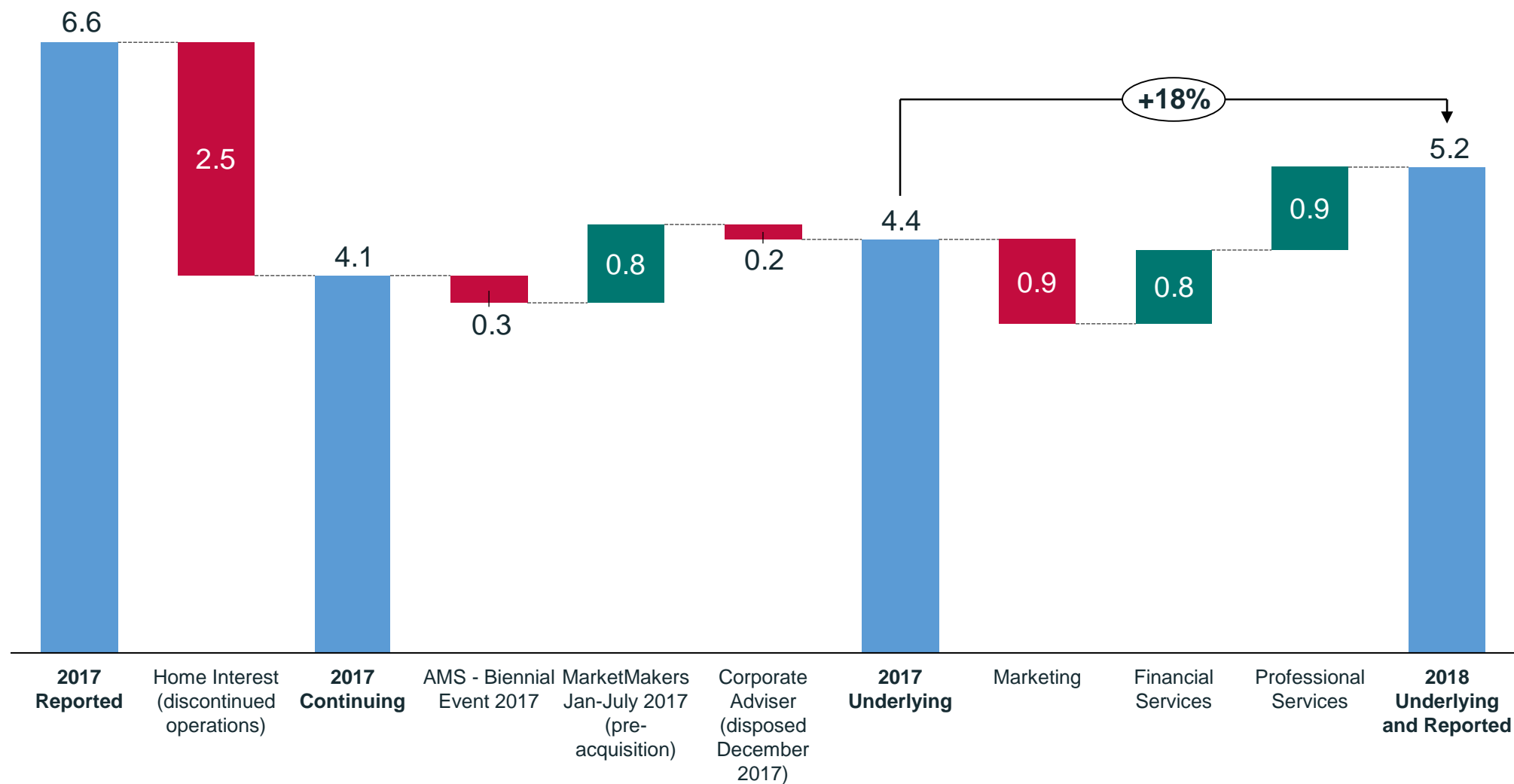
- 91% of Top 200 customers spent money with Centaur in each of past 3 years (excluding MarketMakers)
- Top 19 out of 20 enterprise customers spent last year
- Recurring and repeatable revenues have grown to 48%
- Non-advertising revenues at 82%
- Print advertising at 4%



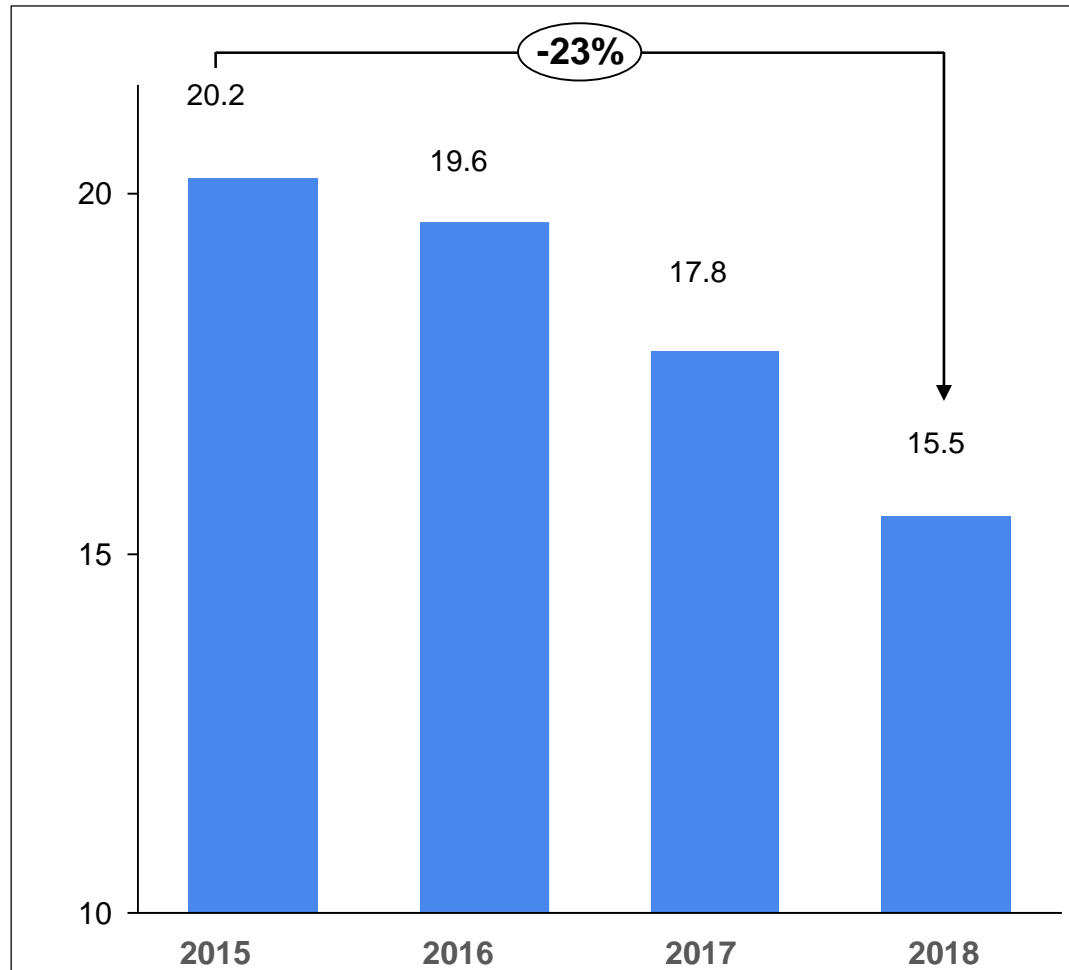
Underlying revenue bridge



Underlying profit bridge



A simpler business with lower overheads



- The simplification of the group following the sale of Home Interest in 2017 has enabled further cost reductions
- Tight cost control maintained
- Divestments will provide additional opportunities to reduce overheads and operate more efficiently

Cash conversion and cash flow

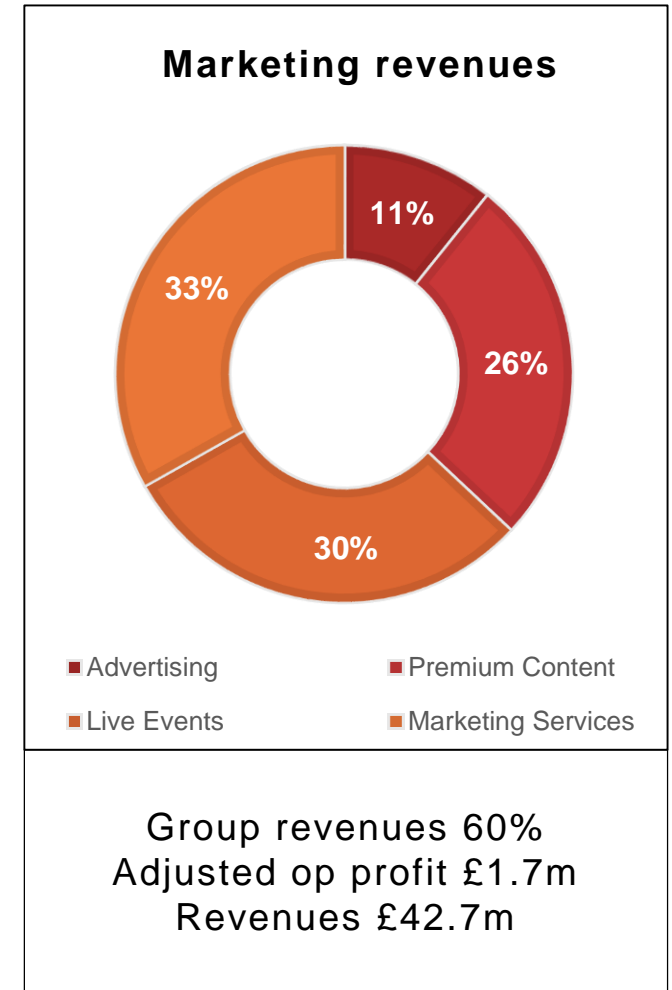
(£m)	2018	2017
Adjusted operating profit	5.2	6.6
Depreciation and amortisation	3.7	3.6
Movement in working capital	(1.3)	3.9
Adjusted operating cash flow	7.6	14.1
<i>Operating cash conversion</i>	85%	138%*

	£m
Cash balance at 31 December 2017	4.1
MarketMakers earnout payment	(1.8)
Dividends	(4.3)
Capex	(2.8)
Other net cash flows	5.0
Cash balance at 31 December 2018	0.1

*2017 cash conversion reflects recovery from cash collection problems of 2016

A transitional year for Marketing

- Revenues held back by:
 - Delayed transition to new technology platform
 - Small number of larger US contracts delayed
 - Growth of MarketMakers slowed in H2
- Econsultancy subscription renewals and growth have picked up since platform transition completed in September
- Launch of Influencer Intelligence has gone well
- Festival of Marketing had an excellent year, Marketing Week brand extensions performing well
- Rebranded as XEIM in January to support more coordinated Client sell



Strong profit performance from Professional Services

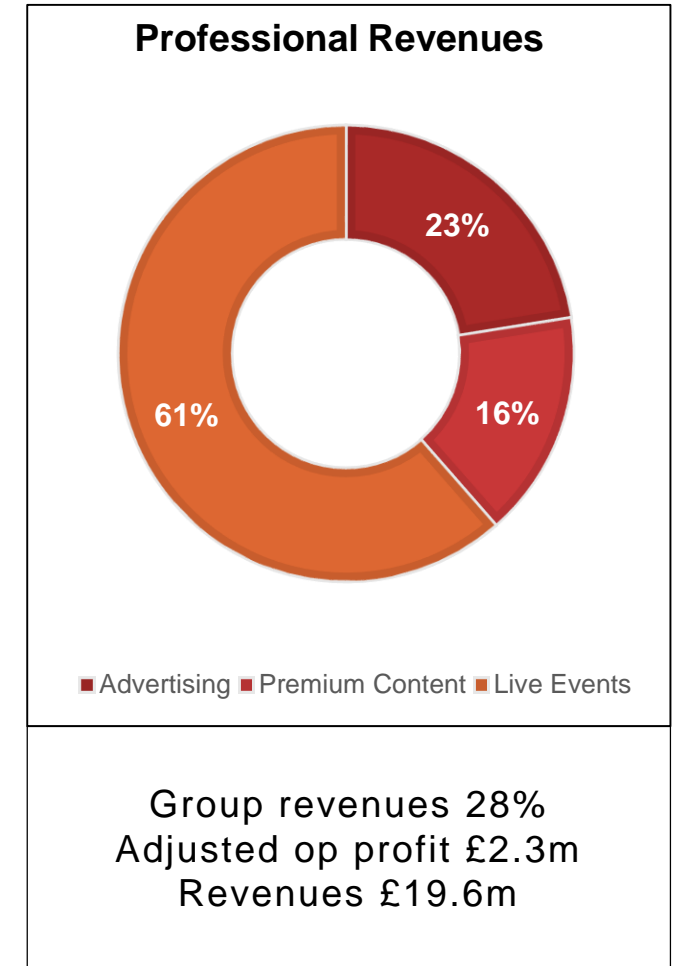
- Adjusted operating profits up 28% to £2.3m, reflecting robust performance from The Lawyer
- 61% of revenue now comes from live events, 23% from advertising and 16% from premium content

The Lawyer

- 2018 revenue up 4% at £7.4m
- The Lawyer's move to scalable technology platform has encouraged more digital usage and engagement

Exhibitions

- Business Travel Show delivered double-digit revenue growth thanks to more exhibitors
- Employee Benefits Live and The Meeting Show also increased revenue



The Lawyer: strong and growing engagement

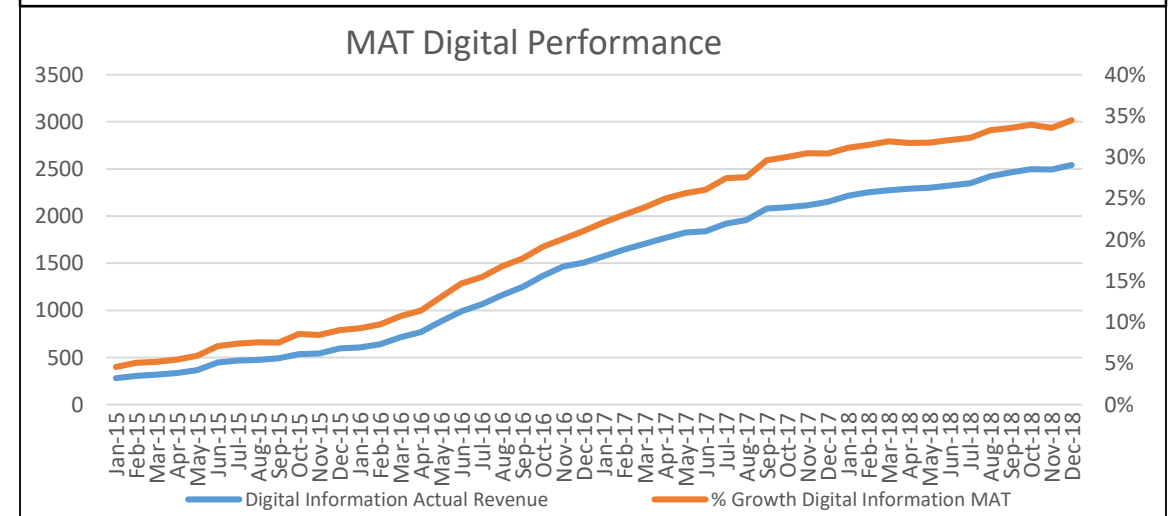
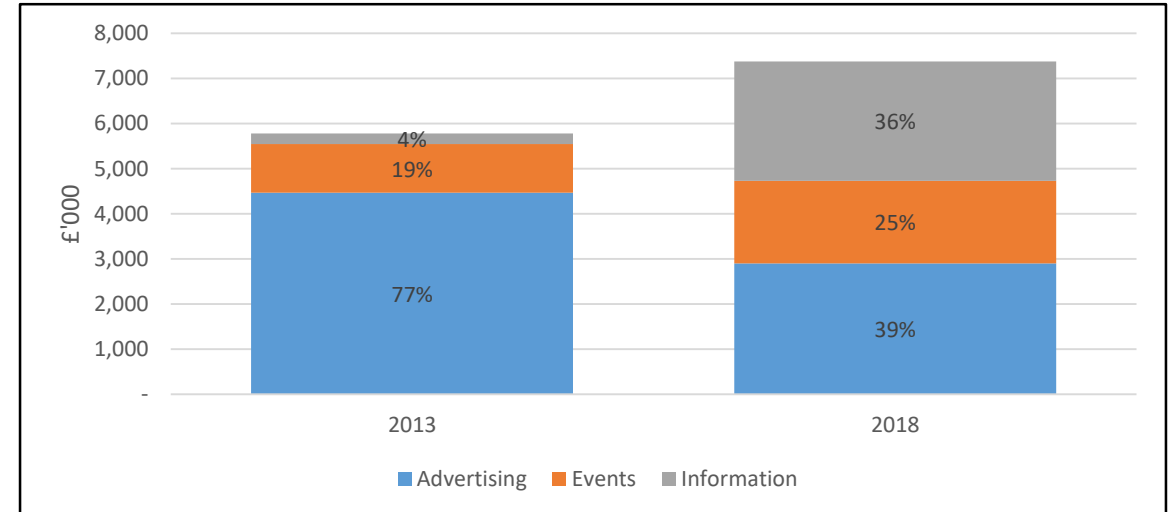
A leading media brand for the global legal services market, positioned for growth

- Information revenues up 19%
- Digital billings up 50%

In 2018, The Lawyer received a full year of benefits following transition from weekly to monthly magazines and a digital platform refresh

- Digital usage up 25% yoy since launch of new platform
- Successful launch of Litigation Tracker in January 2019

88 of the top 100 UK and US law firms are subscribers



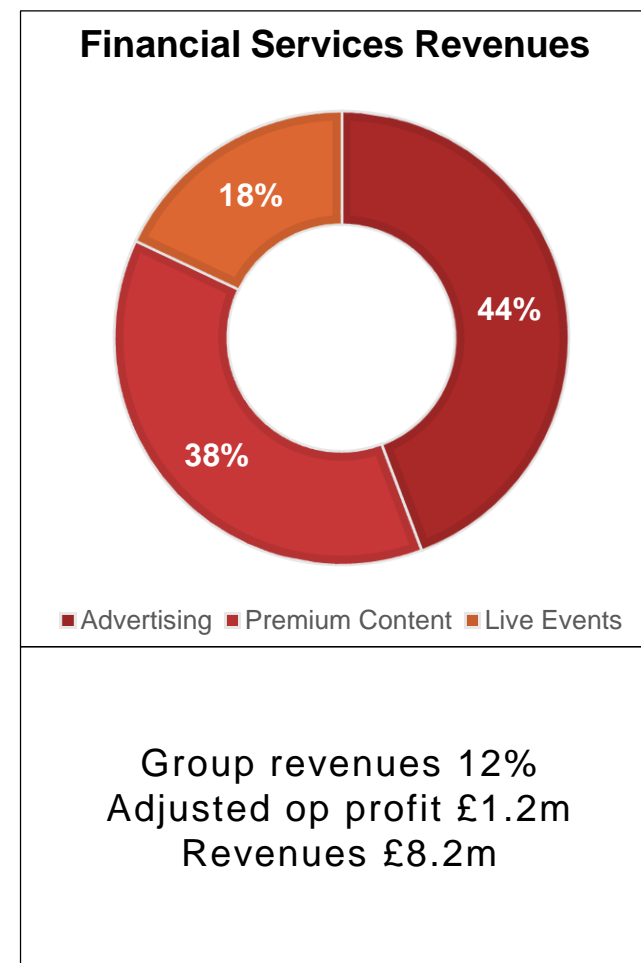
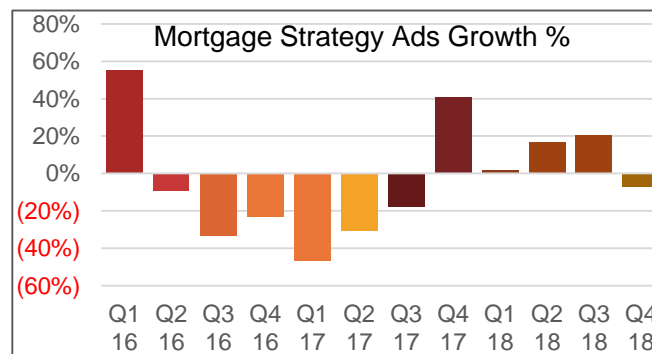
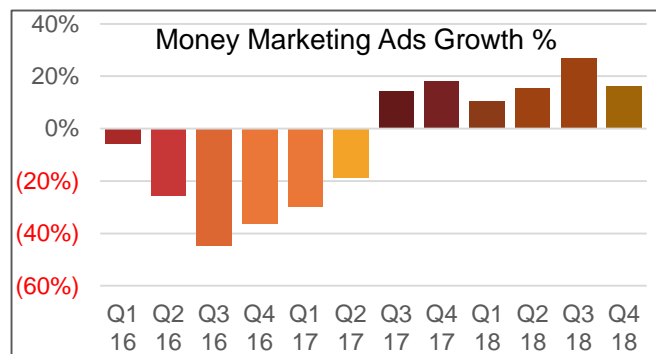
Financial Services stronger

Operating profit strengthened to £1.3m

- Performance bolstered by consolidation and focus on core brands: Money Marketing and Mortgage Strategy
- Strong digital advertising performance and uplift in display advertising

Adjusted operating profit margin improved from 39% to 43%

As expected, Tax Briefs experienced a year of lower revenues due to a change to a single budget announcement after two budgets in 2017





xeim
Excellence in marketing

XEIM is focused on a large, growing and global market

The power of

Advising, informing and connecting the modern marketer to accelerate performance.

design marketmakers Realty. F.A. Digital Marketing OYSTERCATCHERS
FASHION/BEAUTY MONITOR Econsultancy CREATIVE REVIEW influencer intelligence WW marketingweek.com

xeim
Excellence in marketing

XEIM was created to offer our customers excellence in marketing – by advising, informing and connecting marketing professionals

Market dynamics

- Marketing analytics have grown by 41% over the last 3 years to \$9.4bn*
- Social media marketing and monitoring has increased by 71% over the last 3 years to \$3.6bn*
- The global B2B Media & Business Information sector has grown by 13% over the last 3 years to \$4.8bn*
- Content marketing has risen by 11% over the last 3 years to \$10.3bn*
- Audience measurement has increased by 8% over the last 3 years to \$35.8bn*

*Source: Outsell

Advise, Inform, Connect



- **ADVISE** how to improve performance and ROI
- **INFORM** using data, content and insight
- **CONNECT** to specific communities

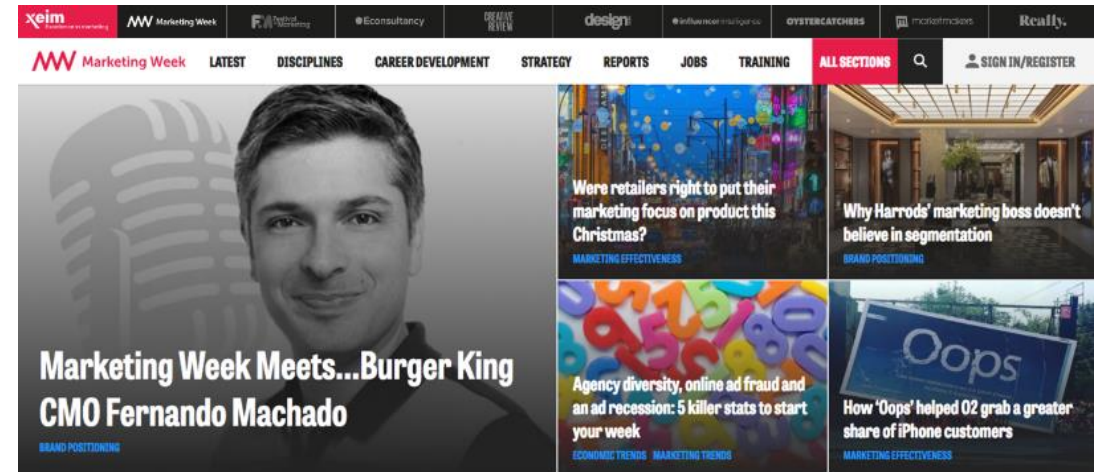
XEIM's growth potential

Strategy to drive profitable growth for XEIM:

- Grow digital information products globally and domestically
- Expand e-learning and Mini MBA series
- Expand enterprise accounts
- Scale core events
- Programme of cost reduction in central overheads
- Low profit and declining assets will be discontinued

By 2022, XEIM has the potential to deliver:

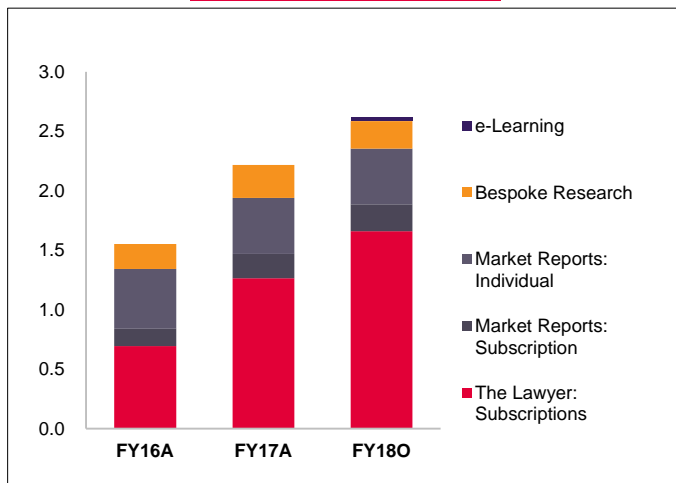
- Double-digit revenue growth
- Double-digit profit growth
- Ebitda margin of >20%



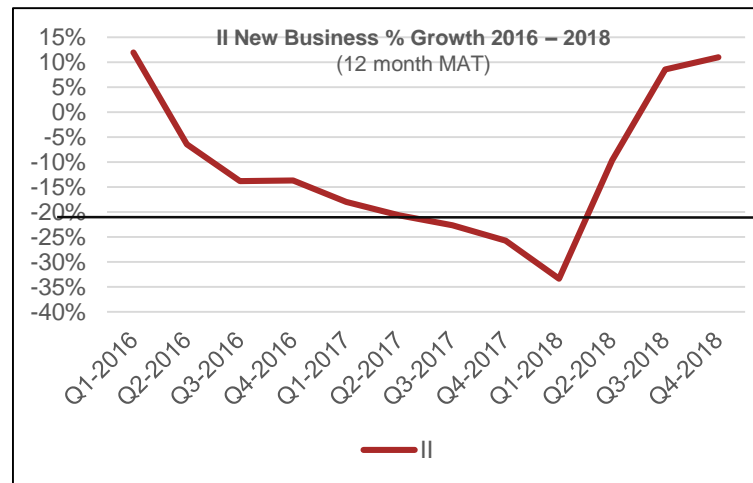
Investment in digital platforms driving growth

- The Lawyer completed a refresh to give the business a new multi-channel and scalable digital platform
 - Digital usage is up 25% year-on-year
- Launch of Influencer Intelligence’s new service, now fully combining data, intelligence and global trends
 - Trajectory of new business ended 2018 at +11% year-on-year, Q1 has started well
 - Traffic and usage are strong
- Econsultancy moved to a new, scalable technology platform, delivering product improvements, better customer journeys and greater sales focus – resulting in increased usage and higher renewal rates

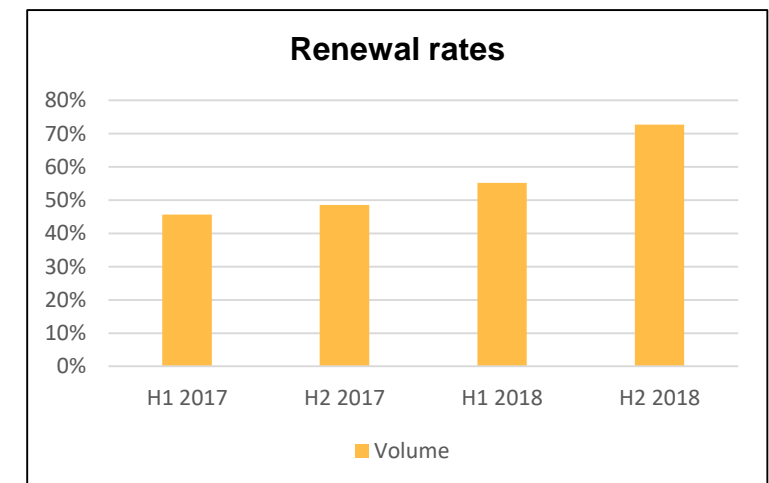
THE LAWYER



influencer intelligence



Econsultancy



Marketing Week's successful innovation continues to deliver

Marketing Week

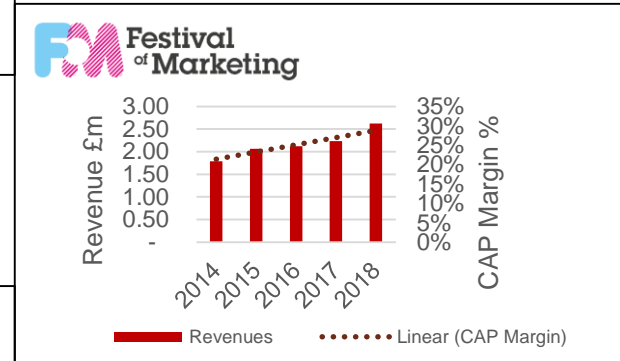
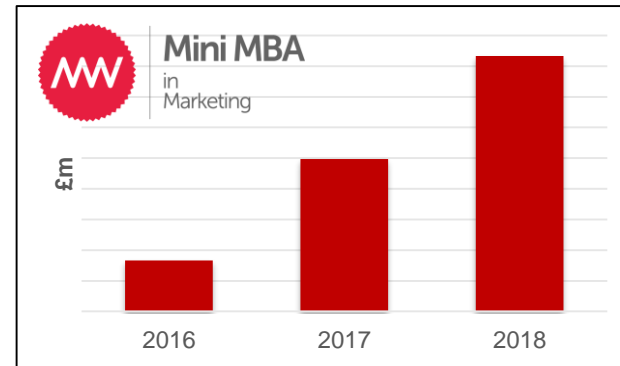
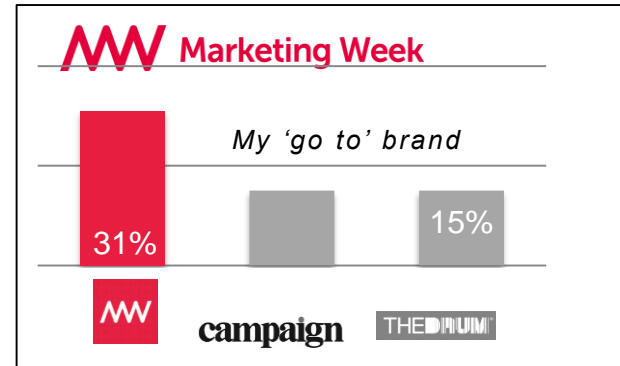
- Trusted source of industry expertise and intelligence
- 31% of customers say Marketing Week is their 'go to' brand
- A 'launch pad' for new product development

Festival of Marketing

- In 2018: 12 live stages of content and celebrated speakers
- More than 4,000 attendees
- Doubled profit contribution

Mini MBA

- Developed in 2016 with Mark Ritson
- Doubled number of delegates
- Revenues grew by +68%
- Satisfaction scores remain in excess of 90%
- Further MBA launches planned



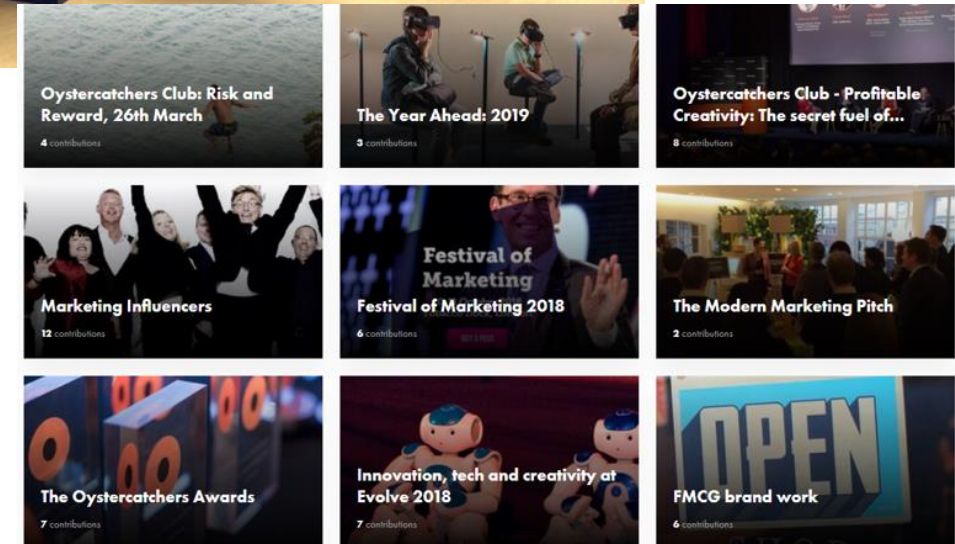
Building XEIM's capability

MarketMakers

- Acquired in 2017 to enhance lead generation capability
- UK's No.1 B2B telemarketing agency
- Includes Really, award-winning B2B agency with data science capability

Oystercatchers

- Acquired in 2016
- New strategy drove +10% profits year-on-year
- Oystercatchers product innovation includes:
 - Modern Marketing Pitch
 - New content platform for Club members with MW
 - New awards evening



Enterprise clients increasingly important to XEIM

Strong focus on the needs of our largest clients

- 75% of Top 100 customers have spent money with the business for 3 years running
- 26% increase in year-on-year spend across XEIM's Top 100 customers
- 17.7% of XEIM clients now buy multiple brands



In summary

- Centaur is now a more resilient and focused business with the opportunity to grow
- We will continue to simplify the Group and focus attention on our leading brands
- Creation of XEIM helps our clients accelerate their marketing performance
- Cost efficiencies create opportunity to create higher margin operating model
- Further detail on guidance at the half year

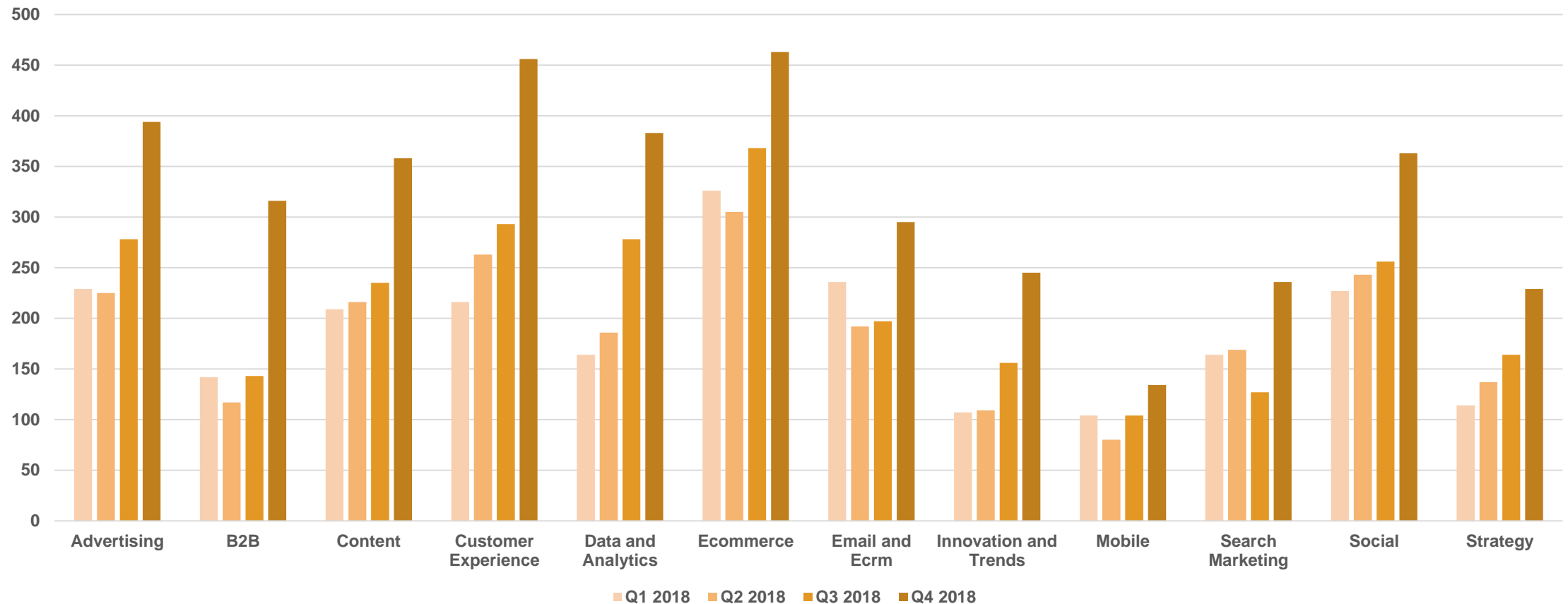


APPENDIX

Increases in Econsultancy product usage

Since new platform launch, traffic has increased significantly to all high value content areas

Topic Hub Page Traffic (page views)



CENTAUR 