

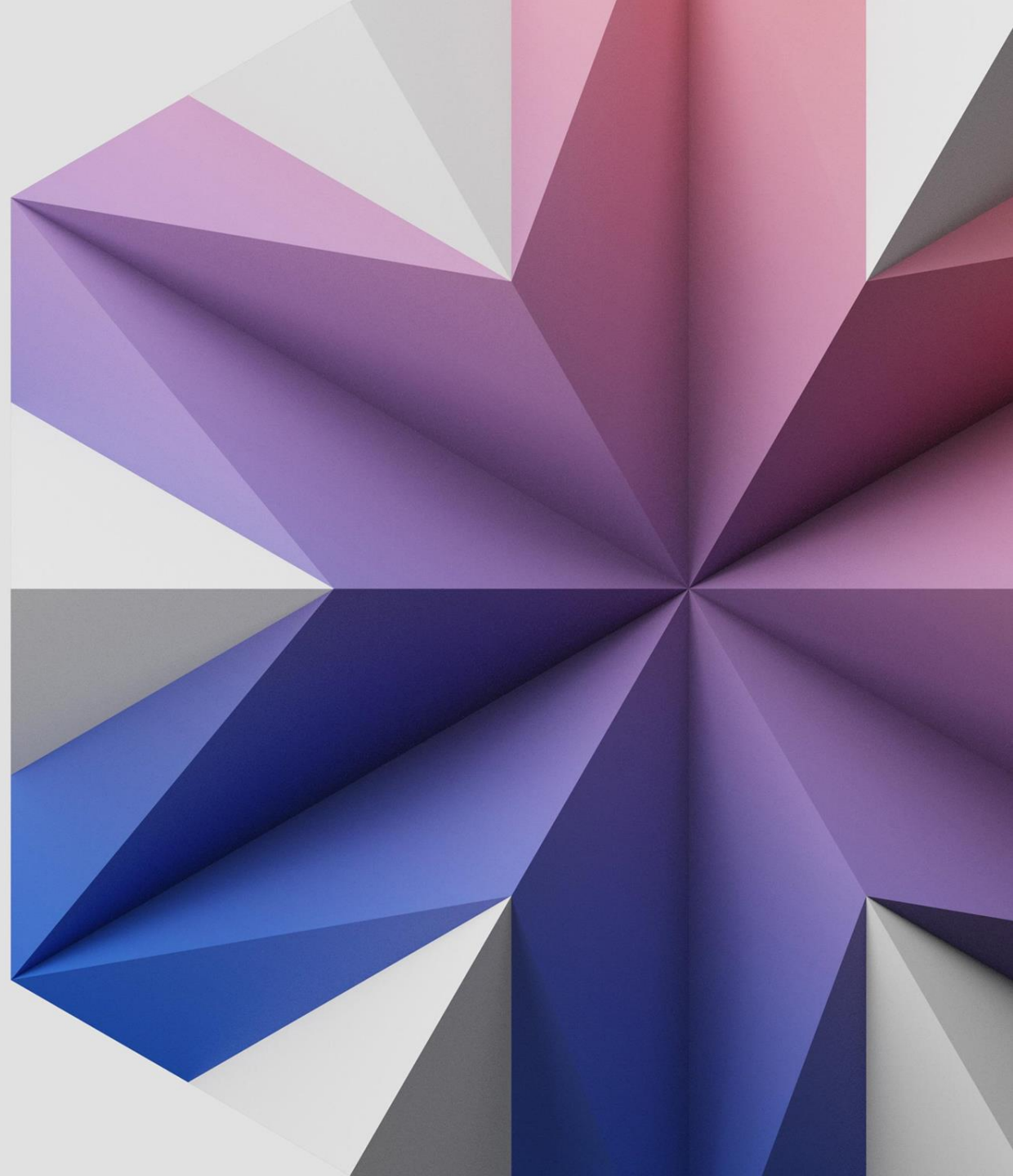
# ASCENTIAL

Act today, win tomorrow.

## Half Year Results

For the six months ended  
30 June 2023

22 September 2023



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# Agenda

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01

**Results Summary**  
Duncan Painter

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02

**Financials**  
Mandy Gradden

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**Events**  
Philip Thomas

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**Digital Commerce**  
Duncan Painter

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**Strategic Actions & Outlook**  
Duncan Painter

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06

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07

**Appendix**

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# ASCENTIAL

## 01 Results Summary

Duncan Painter

# H123 highlights

- Organic revenue growth of 16%.
- Organic EBITDA growth of 17%.
- All four segments continue to deliver strong levels of organic revenue growth, led by the Events segments\* (revenue up a combined 25%).
  - Marketing revenue up 28%
  - Retail & Financial Services revenue up 17%
  - Digital Commerce revenue up 10%
  - Product Design revenue up 8%



Total revenue

**£307m (£261m)**

Reported growth 18% ▲

Organic growth 16% ▲



Adjusted EBITDA

**£79m (£67m)**

Reported growth 17% ▲

Organic growth 17% ▲

# 2023 priorities and progress



## Events: double down on successful return

- Both LIONS and Money20/20 even further ahead of 2019 levels.
  - Lions H123 growth: 30%
  - Money20/20 Europe H123 growth: 19%



## Digital Commerce: creation of an integrated Enterprise product

- Product build: Flywheel Commerce Cloud, our integrated operating platform, completed. Customer transition has commenced.
- Created a unitary organisation structure under a single brand.
- Taking synergy actions to drive margin and operating leverage.



## Product Design: continue growth in non-fashion products

- Non fashion products grew by 13%; now accounting for just under half of billings.
- Fashion products also grew, by 2%.



## Execute Strategic Review proposals

- Actions well advanced to maximise shareholder value and position each business within the portfolio for long-term success.
- Market update expected before the end of the year.



# ASCENTIAL

## 02 Financials

Mandy Gradden

# Headlines of the half

## Adjusted results (£m)

	H123	H122	Reported growth	Organic growth
<b>Revenue</b>	<b>307.4</b>	<b>260.7</b>	<b>18%</b>	<b>16%</b>
Operating costs	(228.8)	(193.5)	(18%)	(15%)
<b>EBITDA</b>	<b>78.6</b>	<b>67.2</b>	<b>17%</b>	<b>17%</b>
<b>EBITDA margin</b>	<b>25.6%</b>	<b>25.8%</b>		
Depreciation and amortisation	(14.4)	(12.6)		
<b>Operating profit</b>	<b>64.2</b>	<b>54.6</b>		
Associates	(6.4)	(1.0)		
Net finance costs	(8.0)	(5.2)		
<b>Profit before tax</b>	<b>49.8</b>	<b>48.4</b>		
Tax charge	(15.2)	(12.2)		
<b>PAT</b>	<b>34.6</b>	<b>36.2</b>		
Minority interest	(0.7)	(0.9)		
<b>Diluted EPS – Continuing operations</b>	<b>7.7p</b>	<b>8.0p</b>		
Operating cash flow conversion	99%	128%		
<b>Net Debt</b>	<b>205.6</b>	<b>172.7</b>		

- Strong growth in both revenue and Adjusted EBITDA.
- Associates represents 36.5% share in Hudson (recently increased from 8% share).
- Net finance costs rise following significant step up in interest cost in H2 2022.
- Effective tax rate on adjusted PBT of 31%.
- Diluted EPS of 7.7p with increased Adjusted operating profits offset by higher losses from Associates and net interest expense.
- Good cash generation with operating cash conversion of 99%.
- Net debt of £205.6m, leverage 1.6x EBITDA.



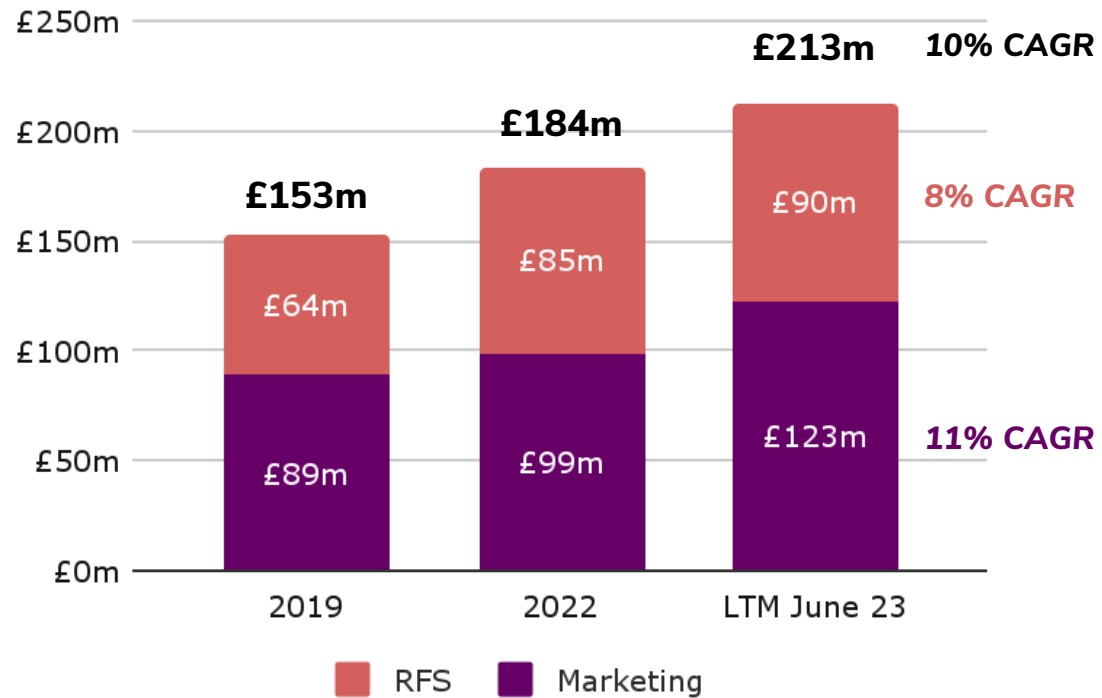
# Segmental overview

H1 2023				
	Revenue	Organic Revenue Growth	Adjusted EBITDA	Margin
<b>Events</b>				
Marketing	£105m	▲ 28%	£56m	53%
Retail & Financial Services	£31m	▲ 17%	£9m	28%
<b>Subtotal</b>	<b>£136m</b>	<b>▲ 25%</b>	<b>£65m</b>	<b>47%</b>
Digital Commerce	£114m	▲ 10%	£-m	-%
Product Design	£57m	▲ 8%	£27m	48%
Corporate Costs			(£13m)	
<b>Total</b>	<b>£307m</b>	<b>▲ 16%</b>	<b>£79m</b>	<b>26%</b>

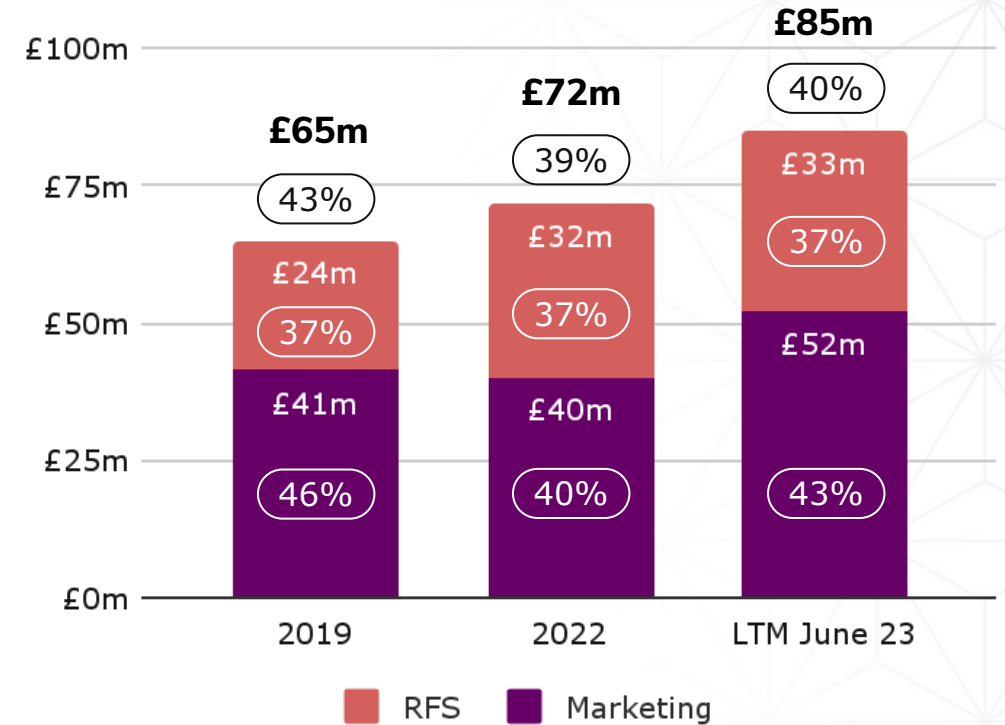
Last 12 months to June 2023			
Revenue	Organic Revenue Growth	Adjusted EBITDA	Margin
£123m	▲ 28%	£52m	43%
£90m	▲ 41%	£33m	37%
<b>£213m</b>	<b>▲ 33%</b>	<b>£85m</b>	<b>40%</b>
£245m	▲ 12%	£19m	8%
£113m	▲ 9%	£52m	46%
		(£23m)	
<b>£571m</b>	<b>▲ 17%</b>	<b>£132m</b>	<b>23%</b>

# Events 2019-2023

Revenue <sup>1</sup>



Adjusted EBITDA <sup>1,2,3</sup>



<sup>1</sup> Excludes RWRC disposed of in December 2022

<sup>2</sup> Adjusted EBITDA is stated prior to share based payments and amortisation of acquired intangibles

<sup>3</sup> Adjusted EBITDA is stated prior to a share of unallocated PLC costs of £23.3m (2022: £20.9m, 2019: £17.3m)

# Marketing

Exceptional growth from **Lions** with revenue 30% higher vs H122 or 40% vs 2019.

- Awards revenue up 11%
- Delegate revenue up 17%
- Sponsorship revenue up 66%
- Advisory up >x2
- Subscriptions up 8%

**WARC's** subscription-based growth continues with revenue up 12% in H1.

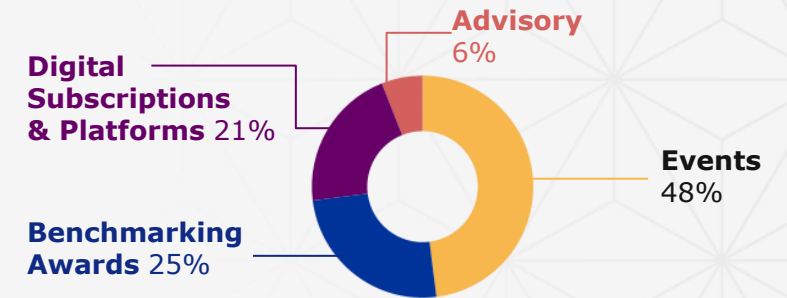
Acquisition of **Contagious**, after the half, brings expertise in creative trends insights.



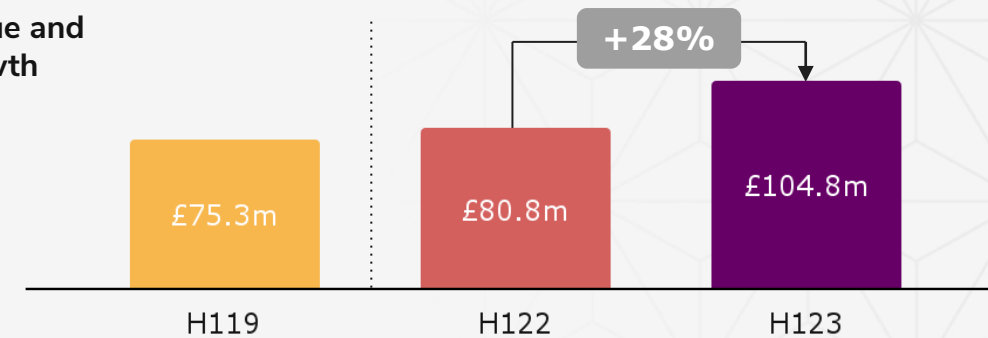
**WARC**



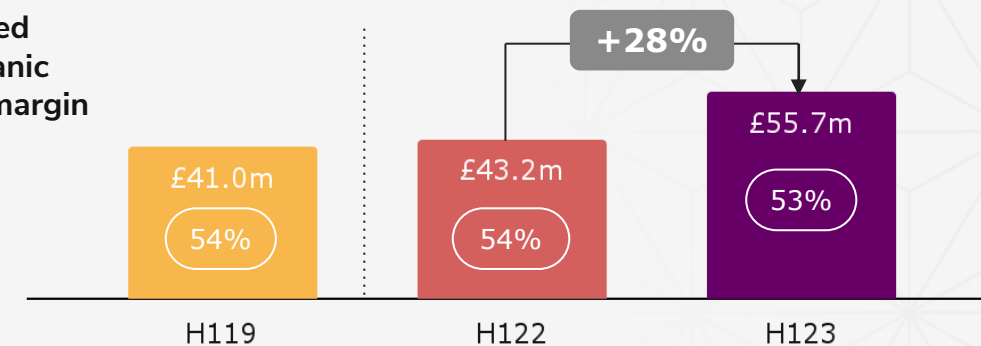
Business Model  
(LTM June 2023)



H123 revenue and organic growth



H123 Adjusted EBITDA, organic growth and margin





# Retail & Financial Services

**Money20/20 Europe** grew 19% vs 2022 edition (55% vs 2019).

- Delegate revenue up 11%
- Sponsorship revenue up 23%

Customer engagement for **Money20/20 US** show (October 2023) remains good.

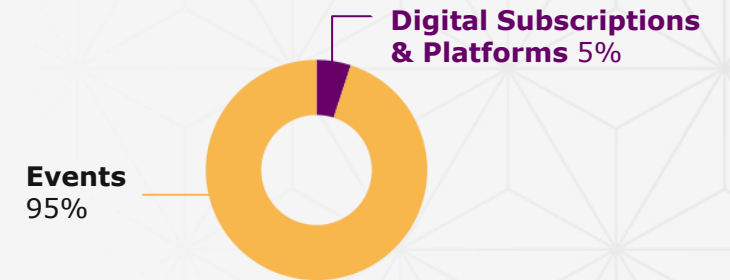
- Expecting revenue, in US\$ terms, to be flat to slightly down in 2023 given exceptional result delivered in 2022 (+64% on 2019) and disruption to the end market funding environment.

**Money20/20 Asia** (April 2024): trading well with c.£1m cost investment in the half.

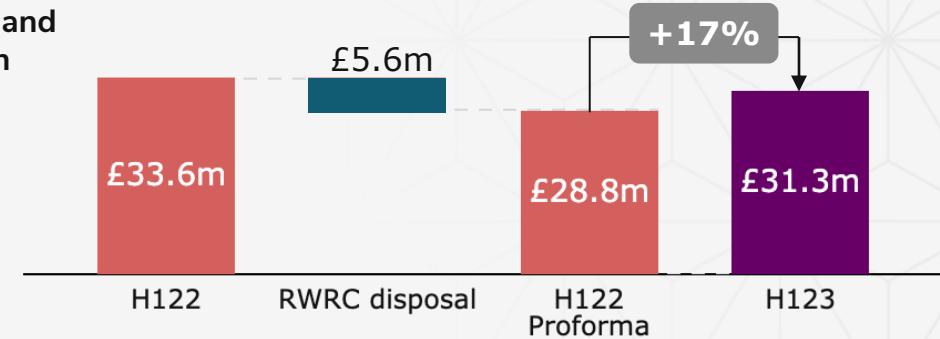
**MONEY  
20/20**

**acuity**  
(Formerly Price + Promotion)

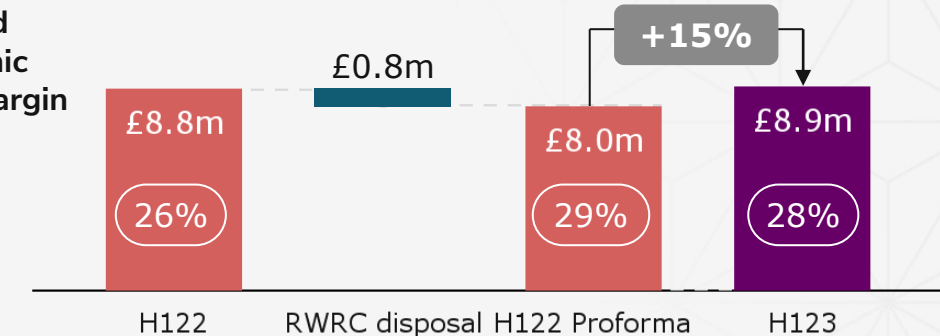
Business Model  
(LTM June  
2023)\*



H123 revenue and organic growth



H123 Adjusted EBITDA, organic growth and margin

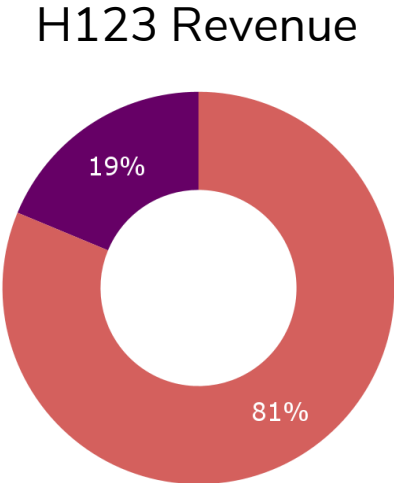


# Digital Commerce

- 10% organic revenue growth.
- 11% proforma revenue growth.
- Margin weighted towards H2, as previously reported, with H123 impacted by £3.3m of losses from H122 acquisitions.
- Synergy benefits already being realised from the platform integration.
- Targeting high single digit margins for the year and mid teens for 2024.

**Measurement & Benchmarking**  
Edge, Yimian, Intellibrand

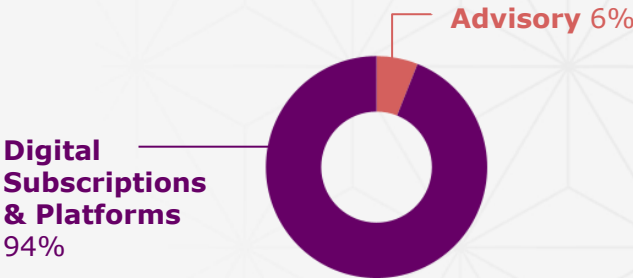
-2% Revenue growth\*



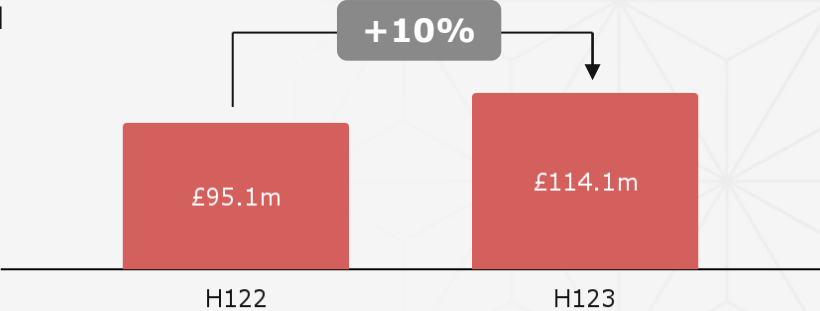
**Execution**  
Flywheel, WhyteSpyder, OneSpace, Intrepid, Perpetua/Sellics, DZ 4K Miles, ASR

+14% Revenue growth\*

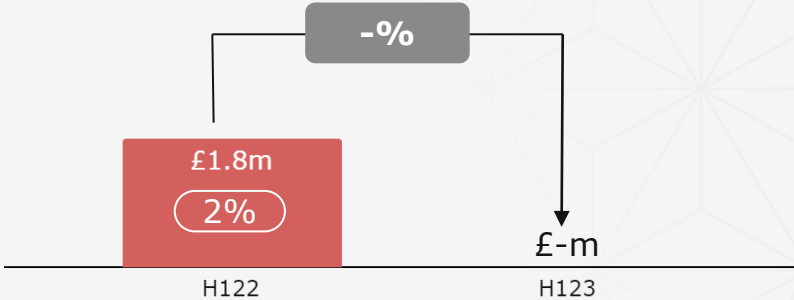
Business Model  
(LTM June 2023)



H123 revenue and organic growth



H123 Adjusted EBITDA, organic growth and margin



# Product Design

Growth driven mainly through new products.

- Non-Fashion products
  - grew 13%
  - now almost half of subscription base
- Fashion products
  - grew 2%
- Coloro: 60% revenue growth
- Advisory: 13% revenue decline

KPIs

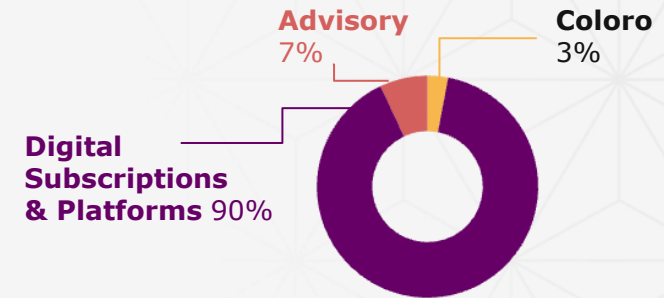
- Subscription billings +7%
- Renewal Rate: >95%
- Maintained very high levels of NPS

**WGSN**

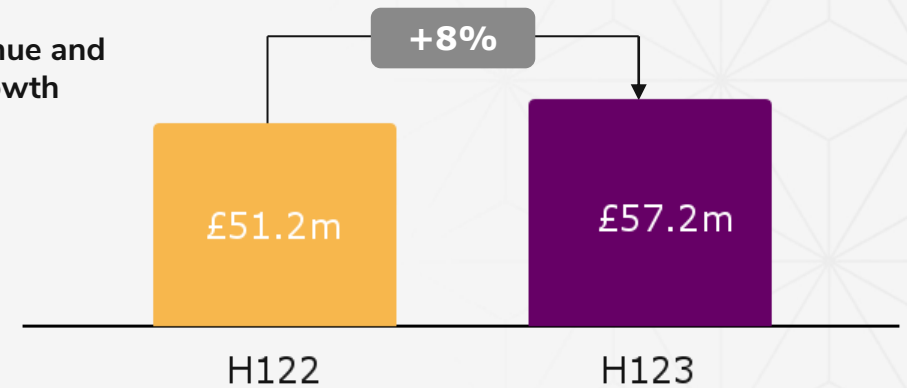
**coloro**

**START**  
by WGSN

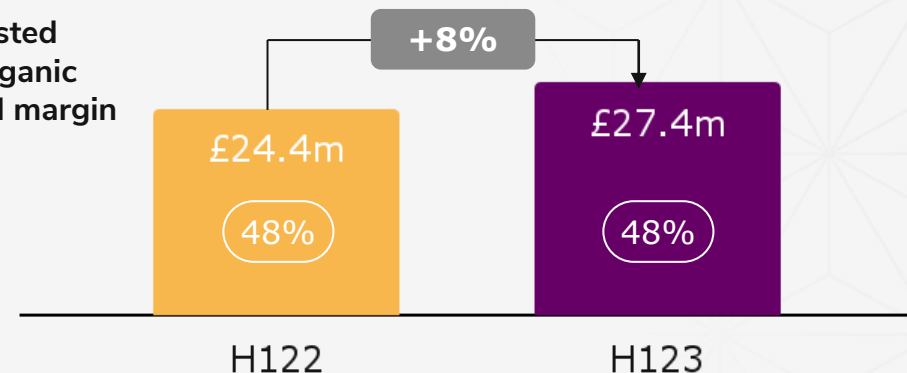
Business Model  
(LTM June 2023)



H123 revenue and organic growth

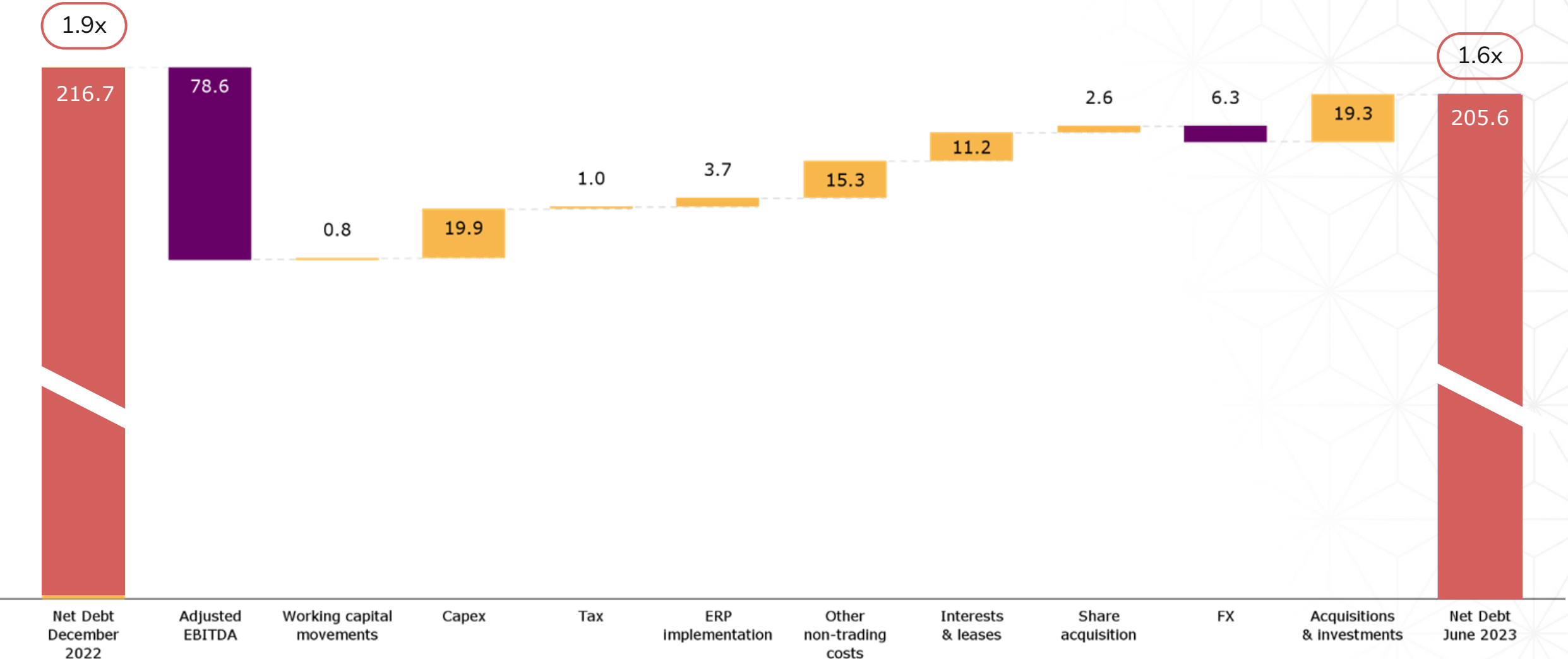


H123 Adjusted EBITDA, organic growth and margin





# Net debt bridge



# Financial highlights - H1 2023

Total Revenue  
£307m

▲ **16%**

Total EBITDA  
£79m

▲ **17%**

Operating Cash flow  
Conversion

**99%**

Net Debt Leverage

**1.6<sub>x</sub>**

# ASCENTIAL

## 03 Events

Philip Thomas



# Who we are

## About us

We are an exceptional B2B events business. We bring together global ecosystems where our customers do business, network and learn.

The two industries we serve are Marketing and Financial Technology.

Marketing



Financial  
Technology<sup>1</sup>

**.MONEY  
20/20**

## Key strengths

- Well-established premium event brands
- Valuable, growing markets with multiple revenue streams
- Broad geographic spread: customers in over 120 countries
- Highly attractive financial profile

## Levers for growth

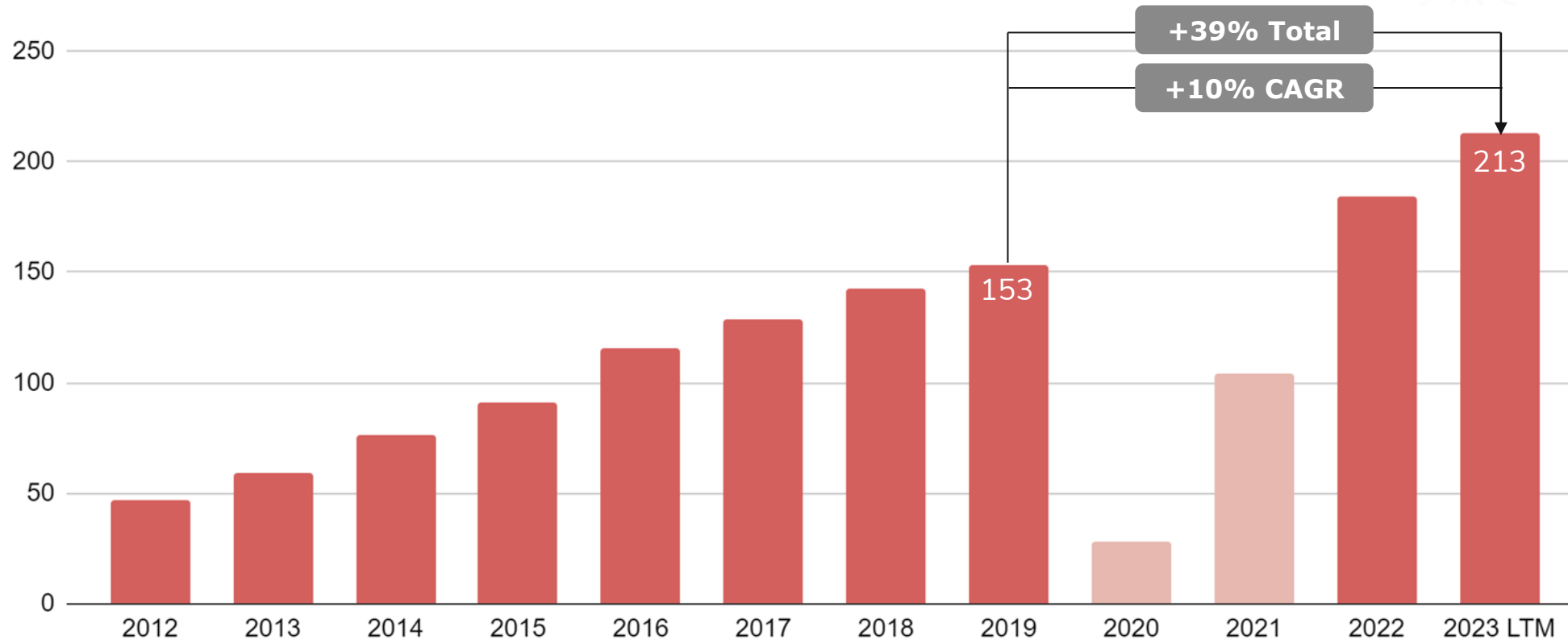
We have a clear strategy for organic growth, through penetration of new markets, geographical expansion, pricing opportunities and product innovation.



# Revenue

Strong track record - business well ahead of pre-Covid levels

Revenue growth profile (£m)



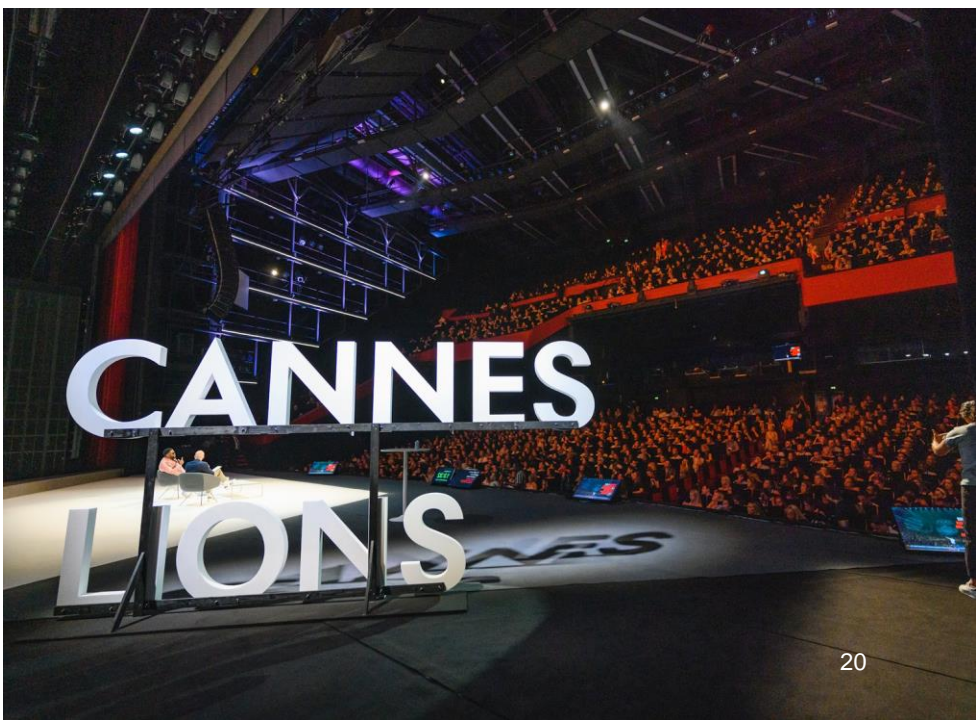
# Marketing

## Exceptional performance from LIONS

### Key stats and KPIs



<div>Awards entries 27,000</div> <div>▲ 6%</div>	<div>Attendee volume 12,000</div> <div>▲ 9%</div>	<div>Sponsorship AOV Companies 110 AOV £260k</div> <div>▲ 40%</div>
<div>Advisory revenue</div> <div>&gt;2x</div>	<div>WARC subscription retention rate</div> <div>&gt;95%</div>	<div>NPS</div> <div>▲ 13%</div>



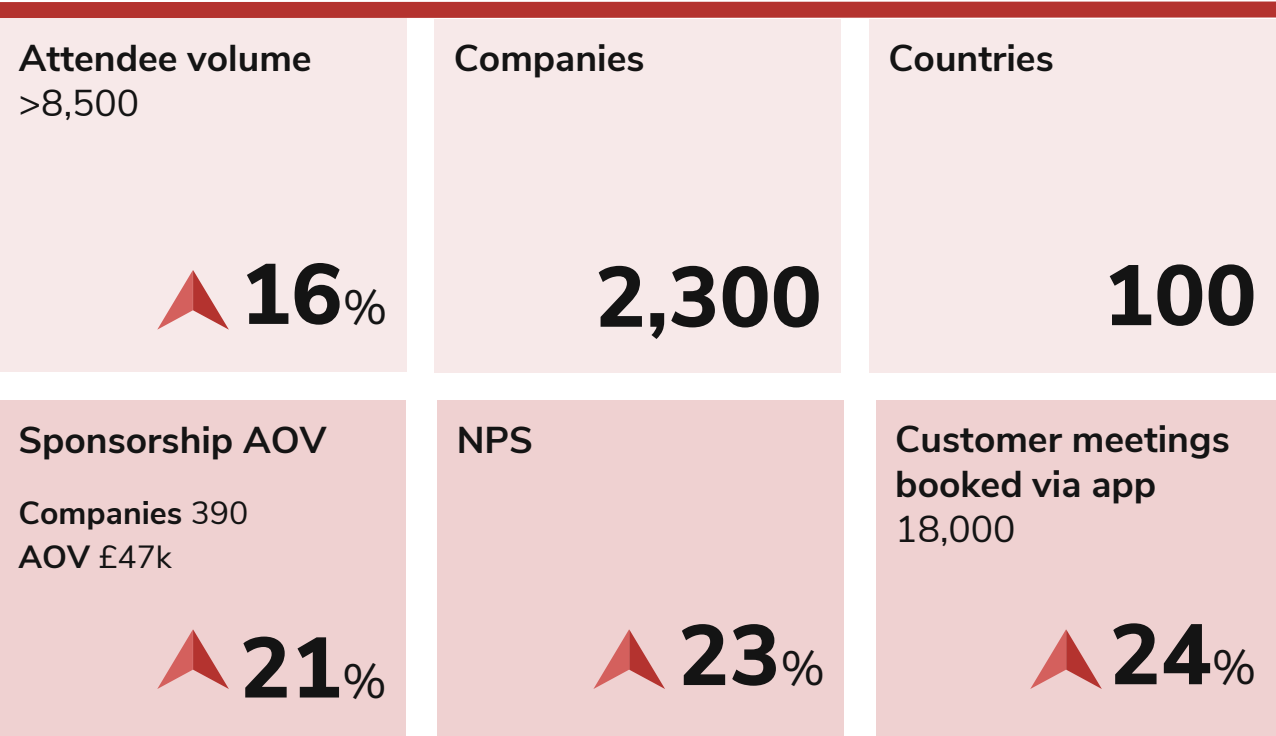


# Retail & Financial Services

Continued growth for Money20/20 Europe

Key stats and KPIs

## MONEY 20/20



# Highly attractive financial profile

## Strong revenue growth



**H123: +25%**

## Strong cash generation



**H123: +125%**  
operating cash  
conversion

## Excellent levels of profit



**LTM23: 40%**  
pre central costs

## Low capital requirements



**H123: 2%**  
capex/revenue

### Medium-term targets

#### Revenue growth

Averaging mid-high single digit per annum over the medium-term

#### Standalone PLC costs

c.50% of Ascential PLC

#### EBITDA margin after standalone costs

Low - mid 30's %

#### Capex

c.2-3% of revenue

#### Effective tax rate

c.26-27%

**Dividend policy and Leverage policy of the post-demerger Ascential Events to be confirmed**

Ascential | Events - Capital Markets Day

# Multiple levers for growth

## 1. Penetration of existing markets

- **LIONS:** Sponsorship revenue grew by >60% vs 2022
- **Money 20/20:** Europe sponsorship revenue grew by >20% vs 2022

## 3. Pricing opportunities

- **LIONS:** Platinum passes up >30%
- **Money20/20:** Europe sponsorship AOV grew by >20% vs 2022

## 2. Expansion into new geographies

- **Money20/20 Asia:** Preparations for launch in April 2024 progressing well

## 4. Product innovation

- **LIONS Awards:** Entertainment Lion for Gaming launched, with strong engagement (over 600 entries)
- **LIONS Advisory:** revenue more than doubled (vs H122)
- **Cannes Curated**

## 5. Bolt-on acquisitions



**Contagious**

2022

**Revenue:** c£5m

**EBITDA:** c£1m

Digital  
subscriptions

Creative trend analysis  
and insights

Advisory

Expertise in creative  
marketing transformation

## 6. Adjacent markets

- New markets under continual evaluation

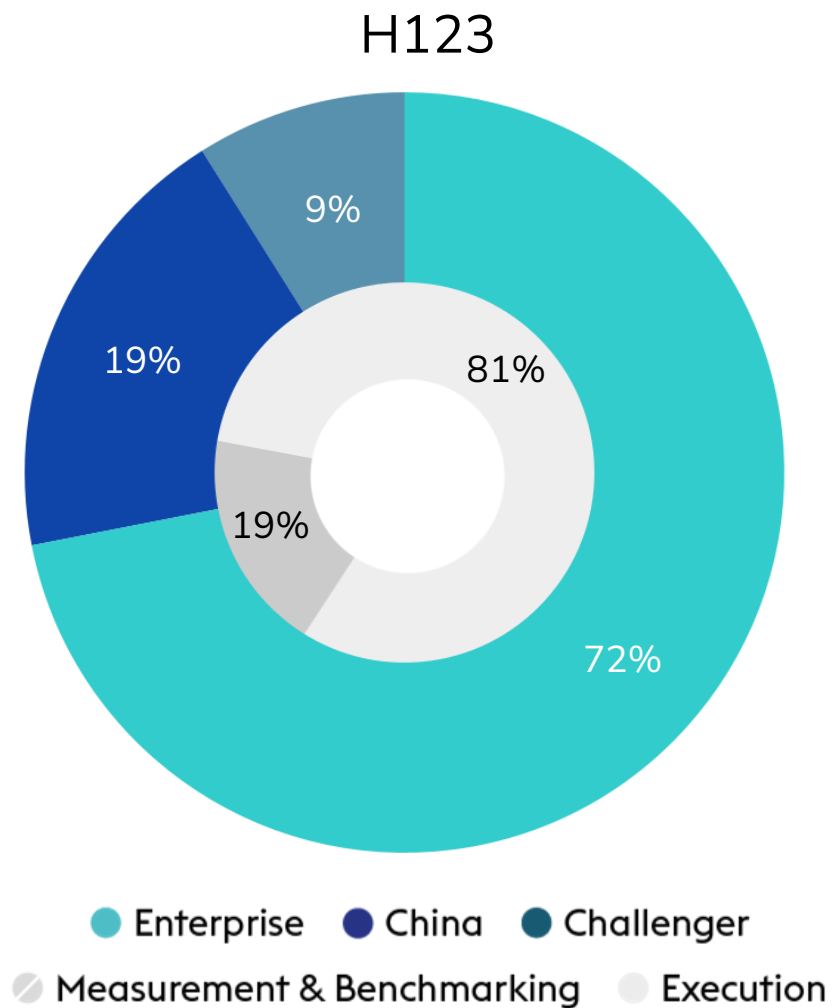


# ASCENTIAL

## 04 Ascential Digital Commerce

Duncan Painter

# Revenue split by product and customer segment

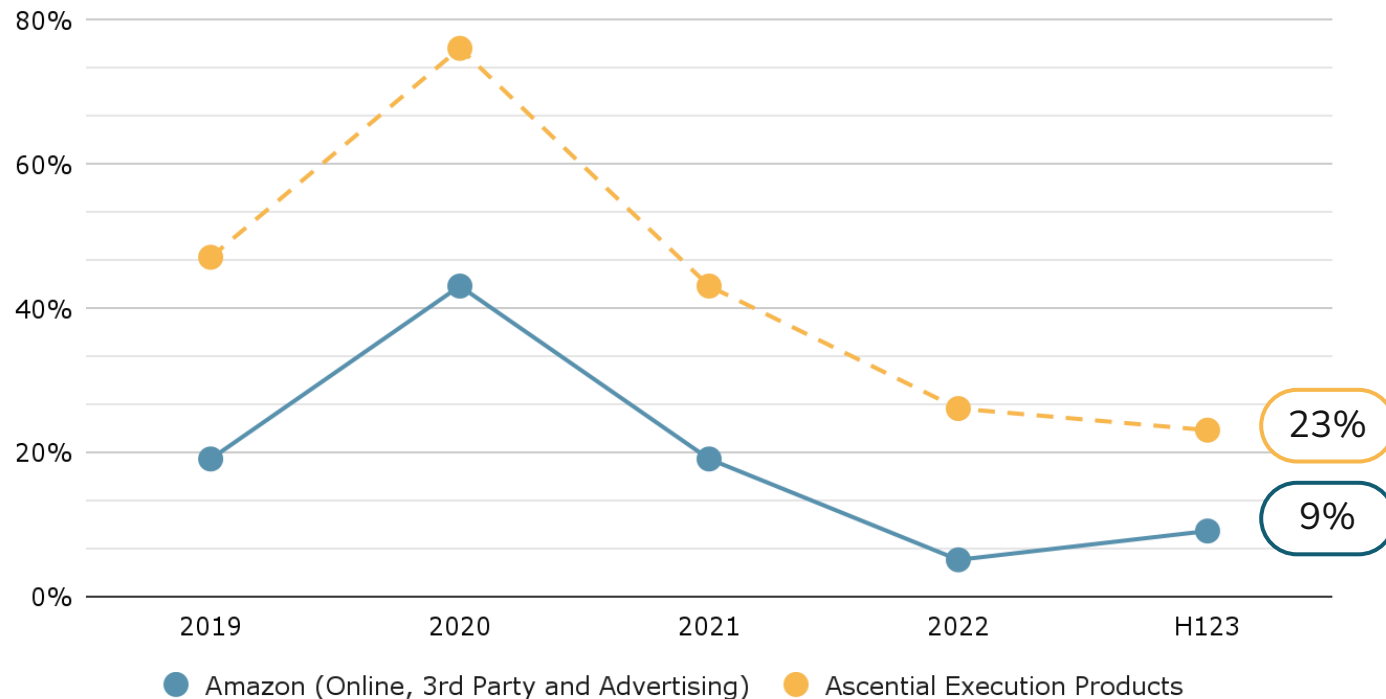


	H123	
	Revenue	Growth <sup>1</sup>
Execution products	£93m	14%
Measurement & Benchmarking products	£21m	(2%)
Total	£114m	11%
Enterprise customers	£82m	13%
Challenger customers	£22m	6%
China customers	£10m	2%
Total	£114m	11%



# Our Execution business grew faster than Amazon

Ascential Execution Products Proforma Revenue Growth  
vs Amazon Online + 3rd Party + Advertising Growth



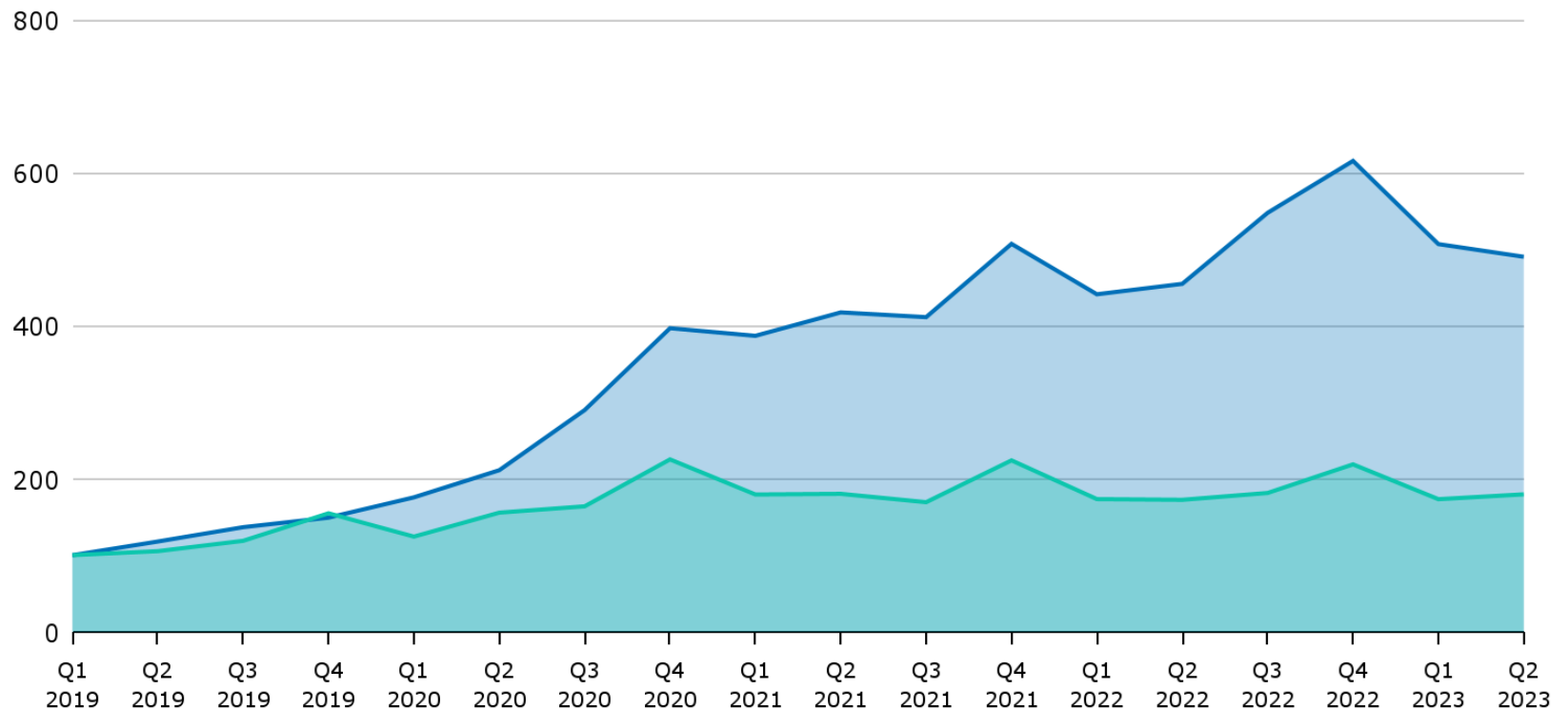
\*Ascential Execution Products: represented by the total revenue of the following brands; Flywheel, Onespace, WhyteSpyder, Perpetua and 4K Miles, that sell execution services to clients principally selling into US & Europe markets

- Execution overall is 81% of revenue and 14% growth.
- Our USA & Europe Execution revenue growth continues to outperform Amazon growth 23% v 9%.
- Highlights strength of product and service offering.
- Immediate ROI for customers.
- Low customer churn.

# Our Digital Commerce platform means our customers win

- Flywheel customers' sales are up **c.5x** since Q1 2019 compared to an Amazon average of c.**2x**.
- In H1 2023, Flywheel customer global sales grew **11% YoY** while Amazon global online store sales grew **2%**.

Indexed Quarterly Sales  
Global Flywheel Same-Client GMV vs Amazon Online Stores Net Sales



# Investments delivering Digital Commerce leadership



## Growth

- Continued key client wins
  - 150+ new Enterprise customers
  - 1,100+ new Challenger brand customers
- Net Revenue Retention grew to over 100%, up from 95% in 2022.



## One company, one brand

- Creation of a unitary organisation structure under a single brand, launching in October.
- Well prepared for separation.



## Product delivery

- Launched Flywheel Commerce Cloud, our integrated operating platform, with key clients commencing migration.
- Rolled out a consistent stream of new capabilities with our marketplace partners including Amazon, Walmart, Target, Instacart and Uber.



## Margin focus

- Synergy actions to drive margin in H2 and through 2024.
- Set to benefit from operating efficiencies.



# ASCENTIAL

## 05 Strategic Actions & Outlook

Duncan Painter



# Strategic actions and outlook

## Strategic actions:

- Separation plans for each business well advanced.
- Further market update before the end of the year.

## Second half operational focus:

- Deliver a successful edition of Money20/20 USA.
- Prepare for the launch of Money20/20 Asia in 2024.
- Complete the successful launch of Flywheel Commerce Cloud.
- Deliver on integration synergies to drive Digital Commerce margins.
- Continue to drive our non-Fashion products in WGSN.

*“After our seasonally stronger first half, we have had a solid start to the second half. Despite continued macro uncertainty impacting the industries we serve and currency headwinds, our businesses remain well set for the year, supported by multiple growth levers. The structural long-term growth in our end markets, and the success of our marquee events, underpins the Board’s confidence in the prospects of our businesses for the future.”*



# ASCENTIAL

## 06 Q&A



# ASCENTIAL

## 07 Appendix

# Reported results

£m	H123			H122		
	Adjusted results	Adjusting items	Statutory results	Adjusted results	Adjusting items	Statutory results
Revenue	307.4	-	307.4	260.7	-	260.7
Adjusted EBITDA	78.6	-	78.6	67.2	-	67.2
Adjusted EBITDA Margin	25.6%	-	25.6%	25.8%	-	25.8%
Depreciation, amortisation and impairment	(14.4)	(29.0)	(43.4)	(12.6)	(48.9)	(61.5)
Share-based payments	-	(8.8)	(8.8)	-	(7.6)	(7.6)
Non-trading items	-	(25.7)	(25.7)	-	(33.2)	(33.2)
Operating profit	64.2	(63.5)	0.7	54.6	(89.7)	(35.1)
Associates and JVs	(6.4)	(0.4)	(6.8)	(1.0)	(0.3)	(1.3)
Net finance costs	(8.0)	2.3	(5.7)	(5.2)	-	(5.2)
Profit before tax	49.8	(61.6)	(11.8)	48.4	(90.0)	(41.6)
Tax	(15.2)	10.2	(5.0)	(12.2)	15.8	3.6
Effective tax rate	30.5%	16.6%	nm	25.3%	17.5%	8.5%
Profit after tax - continuing operations	34.6	(51.4)	(16.8)	36.2	(74.2)	(38.0)
Profit after tax - discontinued operations	-	-	-	-	(0.4)	(0.4)
Profit after tax - total operations	34.6	(51.4)	(16.8)	36.2	(74.6)	(38.4)
Minority interest	(0.7)	1.0	0.3	(0.9)	1.1	0.2
Diluted EPS	7.7p	(11.5p)	(3.8p)	8.0p	(16.6p)	(8.6p)

# Segmental adjusted results

£m	Revenue		Adjusted EBITDA		Adjusted EBITDA margin		Depreciation		Adjusted Operating profit	
	H123	H122	H123	H122	H123	H122	H123	H122	H123	H122
Events										
Marketing	104.8	80.8	55.7	43.2	53%	54%	(1.2)	(1.4)	54.5	41.8
Retail & Financial Services	31.3	33.6	8.9	8.8	28%	26%	(0.2)	(0.2)	8.7	8.6
Subtotal	136.1	114.4	64.6	52.0	47%	45%	(1.4)	(1.6)	63.2	50.4
Digital Commerce	114.1	95.1	-	1.8	-%	2%	(10.0)	(7.7)	(10.0)	(5.9)
Product Design	57.2	51.2	27.4	24.4	48%	48%	(1.5)	(2.2)	25.9	22.2
Corporate costs			(13.4)	(11.0)			(1.5)	(1.1)	(14.9)	(12.1)
Total	307.4	260.7	78.6	67.2	25.6%	25.8%	(14.4)	(12.6)	64.2	54.6

# Adjusting items in Operating Profit

£m	H123	H122
Deferred and contingent consideration - Contingent on service	7.8	12.2
Deferred and contingent consideration - Revaluation	(17.1)	(4.6)
<b>Deferred and contingent consideration (subtotal)</b>	<b>(9.3)</b>	<b>7.6</b>
Strategic review costs	23.0	8.5
ERP and Salesforce implementation costs	3.9	13.3
Transaction and integration costs	6.5	4.3
Profit/(loss) on disposal of businesses	0.2	-
Property impairments and other	1.4	(0.5)
<b>Non-trading items</b>	<b>25.7</b>	<b>33.2</b>
Amortisation of acquired intangibles	17.3	17.5
Impairment of acquired intangibles	11.7	31.4
Share-based payments	8.8	7.6
<b>Total adjusting items - continuing operations</b>	<b>63.5</b>	<b>89.7</b>

Adjusting items reduced from prior year and include:

- £7.8m of deferred consideration\* costs more than offset by revaluation of the Perpetua earn-out agreement.
- £23.0m relating to the strategic review process including audit and professional fees, severance and retention.
- £3.9m relating to the implementation costs of the new ERP system (Salesforce system work completed in 2022).
- Transaction and integration costs relating to recent acquisitions.
- Impairment charge of £11.7m primarily driven by the impairment of acquired brand intangible assets following the decision to rebrand Digital Commerce under the Flywheel brand.

\*contingent on continued employment.



# Net finance costs

£m	H123	H122
Interest income	8.0	0.9
Interest payable on external borrowings	(9.9)	(3.1)
Derivatives (interest rate caps)	(2.0)	1.9
Foreign exchange (losses) and gains	(0.5)	0.1
Amortisation of arrangement fees	(0.4)	(0.4)
Unwind of discount on deferred consideration and lease liabilities	(3.2)	(4.6)
<b>Net finance costs - adjusted</b>	<b>(8.0)</b>	<b>(5.2)</b>
Foreign exchange gain on deferred consideration	2.3	-
<b>Net finance costs - adjusting</b>	<b>2.3</b>	<b>-</b>
<b>Total net finance costs</b>	<b>(5.7)</b>	<b>(5.2)</b>

- Interest income relates mainly to loans to Hudson MX £5.3m and interest income from interest rate caps £1.6m.
- Interest rates increased considerably towards the end of 2022.
  - the average gross annual interest rate on drawn borrowings in H123 was 5.7% compared to 2.1% in H122.
- Interest rate caps we hold hedge approximately 50% of gross debt levels for 2023.
  - benefiting the H1 2023 interest income by £1.6m and the 2023 cash flow by £1.3m.
- The discount unwind on deferred consideration is lower in H123 (vs H122) as older earnout agreements are settled.

# Debt facilities

	Jun 2023		Dec 2022	
	£m	Interest margin over IBOR	£m	Interest margin over IBOR
USD borrowings	(219.6)	1.75%	(192.6)	1.6%
Euro borrowings	(80.0)	1.75%	(110.2)	1.6%
<b>Total debt drawn</b>	<b>(299.6)</b>	<b>1.75%</b>	<b>(302.8)</b>	<b>1.6%</b>
Unamortised arrangement fees	1.2		1.6	
Derivatives (interest rate caps)	3.2		4.5	
Cash	89.6		80.0	
<b>Net debt</b>	<b>(205.6)</b>		<b>(216.7)</b>	
<b>Total facilities</b>	<b>450.0</b>		<b>450.0</b>	
Less total debt	(299.6)		(302.7)	
Cash	89.6		80.0	
<b>Available liquidity</b>	<b>240.0</b>		<b>227.3</b>	

- We have a £450m multi-currency RCF provided by a syndicate of 12 banks with a 5-year maturity expiring in January 2025.
  - Leverage covenant of 3.25x (with unused 0.5x acquisition spikes).
  - Interest cover covenant of 3.00x.
- As at June 2023 the interest margin was 1.75% over relevant currency IBOR (1.60% in December 2022).
- IBOR rates have increased considerably:

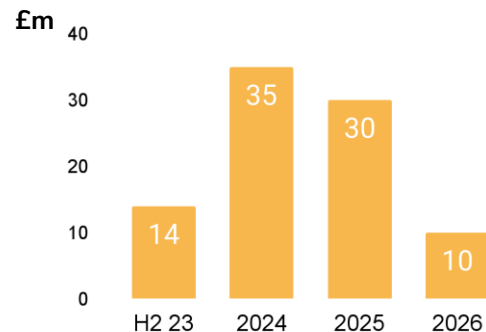
	June 2023	Dec 2022	Jun 2022	Dec 2021
	%	%	%	%
1-month rates:				
US LIBOR	5.2	4.4	1.8	0.1
EURIBOR	3.4	1.9	(0.5)	(0.6)

- Derivative balance relates to mark to market of the Group's interest rate caps which limit the impact over approximately 50% of opening gross borrowings at June 2023 with a strike price of 2.5% for US LIBOR and 0.5% for EURIBOR. Generates a positive cash impact in 2023, with positive P&L impact recognised in 2022.

# Deferred consideration

£m	H123	2022
<b>Balance sheet liability at start of period</b>	<b>108.1</b>	<b>102.9</b>
Additions	-	12.3
Acquisition-related employment costs accrued in the period	7.8	30.5
Revaluation of liability	(17.1)	1.0
Cash paid	(30.9)	(57.4)
Unwind of discount on deferred consideration	2.7	10.3
FX	(5.6)	8.5
<b>Balance sheet liability at end of period</b>	<b>65.0</b>	<b>108.1</b>

## Expected future cash payable:



- Expected future earnouts payable amount to up to £90m over the next three years.
  - based on current performance expectations of acquired businesses
  - of which £65.0m is recorded as a liability at June 2023

# Taxation

£m	H123			H122		
	Adjusted results	Adjusting items	Statutory results	Adjusted results	Adjusting items	Statutory results
<b>Continuing operations</b>						
PBT	49.8	(61.6)	<b>(11.8)</b>	48.4	(90.0)	<b>(41.6)</b>
Tax	(15.2)	10.2	<b>(5.0)</b>	(12.2)	15.8	<b>3.6</b>
Effective tax rate	30.5%	16.6%	<b>nm</b>	25.3%	17.5%	<b>8.5%</b>
<b>Total operations</b>						
Tax paid			<b>(1.0)</b>			<b>0.4</b>

## Tax charge

Adjusted effective tax rate of 31%.

- Higher rate (vs H122) reflects losses from Associates for which a deferred tax asset is not recognised. ETR ex-Associates is 25%.
- We expect the ETR to be:
  - c30-31% in the short-term
  - approximately 26-27% in the medium term once the Associates become profitable.

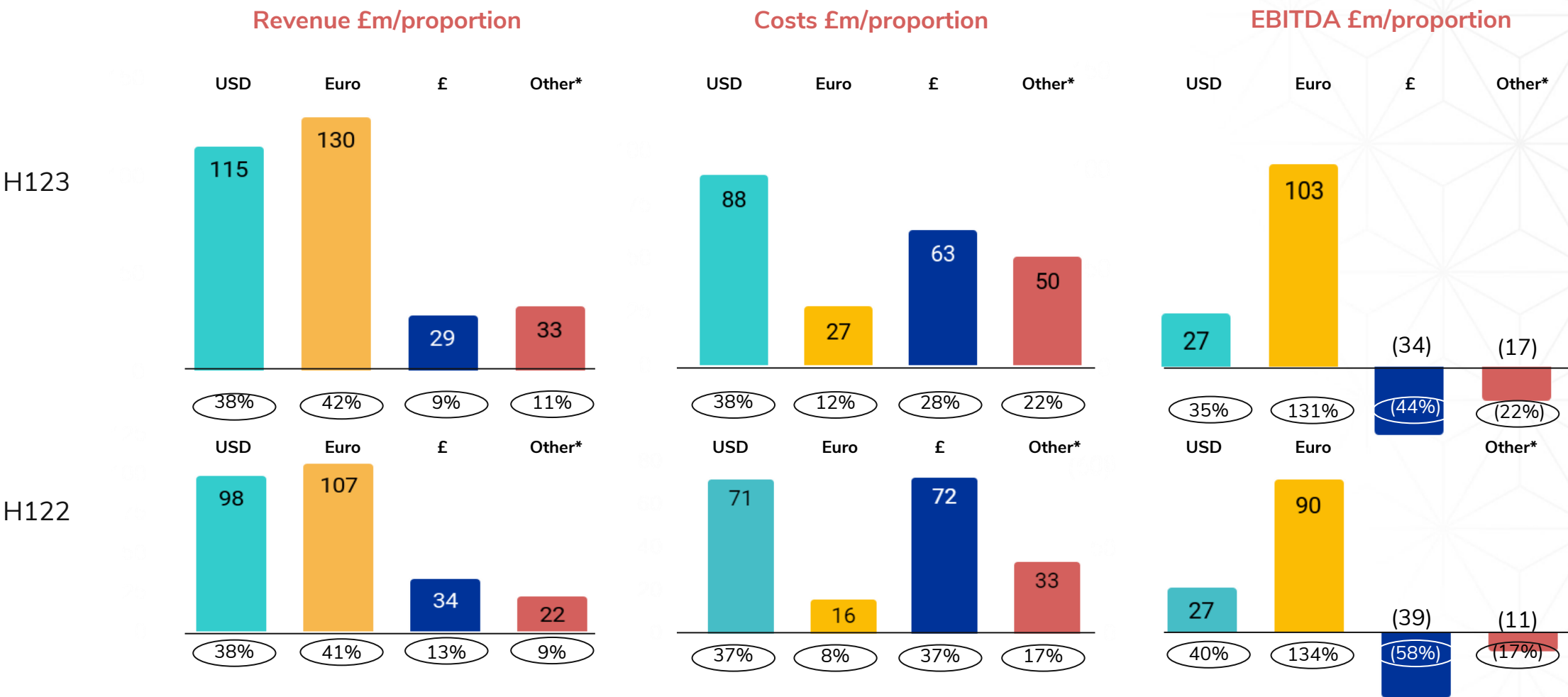
## Tax paid

- Cash tax was a net payment of £1.0m (H122 £0.4m refund).
- Cash tax will continue to benefit from the utilisation of UK and US losses and other deferred tax assets of £71.2m over the next 10 years.



# Currency mix

Over majority of revenue earned in USD and Euros with EBITDA entirely driven by USD and Euro earnings



\*Largest other currencies relate to China, Brazil, Thailand and Vietnam

# Currency sensitivity and rates

## Sensitivity to a 1% movement in exchange rates

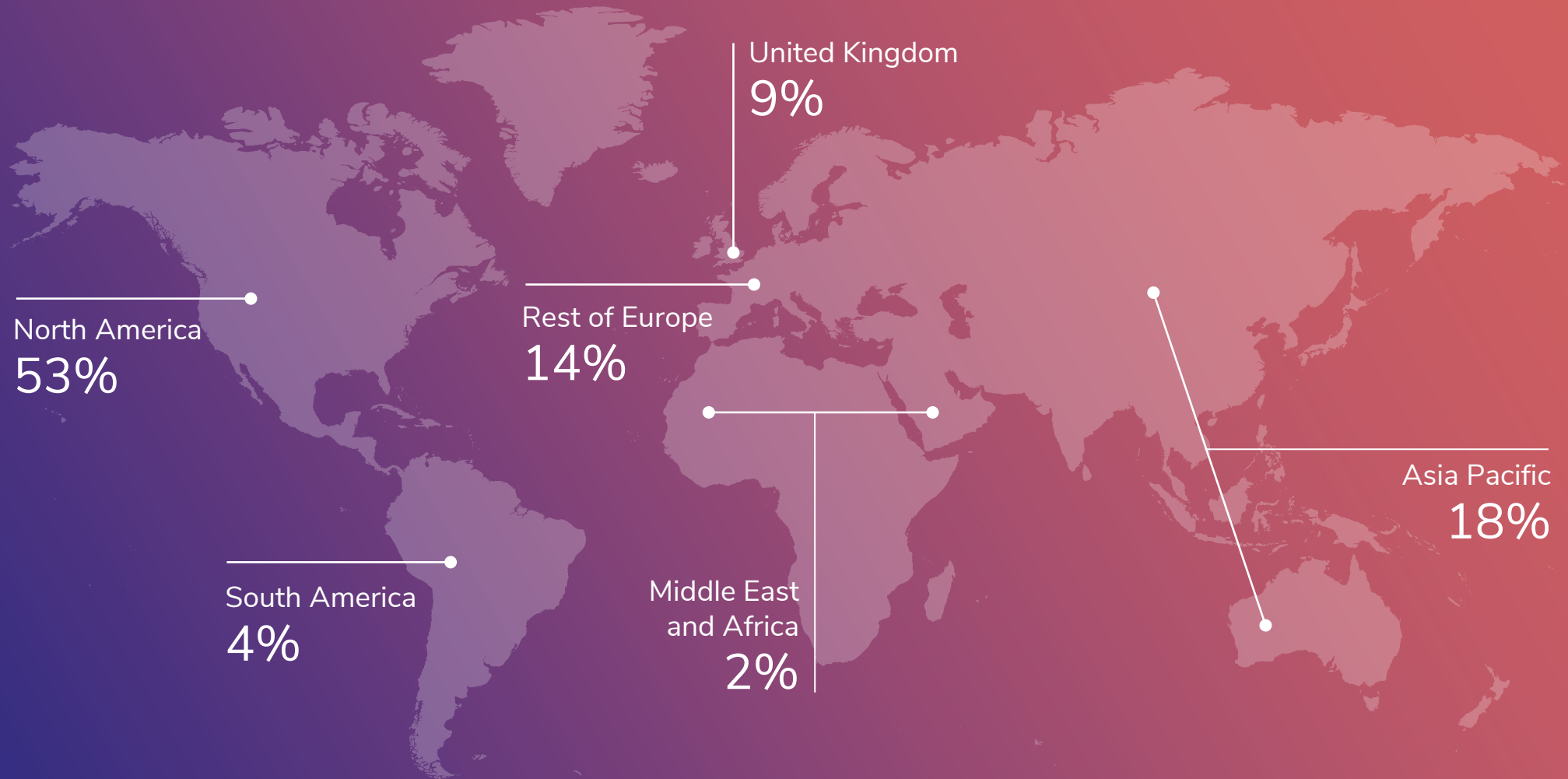
		Revenue	Costs	EBITDA
H123	USD	£1.2m	(£0.9m)	£0.3m
	Euro	£1.3m	(£0.3m)	£1.0m
2022	USD	£2.8m	(£1.6m)	£1.2m
	Euro	£1.3m	(£0.3m)	£1.0m
H122	USD	£1.0m	(£0.7m)	£0.3m
	Euro	£1.1m	(£0.2m)	£0.9m

## Exchange rates

	Weighted average	Period end
H123	USD 1.23	USD 1.27
	Euro 1.17	Euro 1.16
2022	USD 1.18	USD 1.21
	Euro 1.17	Euro 1.13
H122	USD 1.32	USD 1.22
	Euro 1.17	Euro 1.16

# Geographical mix

Revenue by location of customer<sup>1</sup>



# Cash flow

£m	H123	H122
Adjusted EBITDA	78.6	67.2
Working capital movements	(0.8)	18.5
<b>Operating cash flow</b>	<b>77.8</b>	<b>85.7</b>
% Operating cash flow conversion	99%	128%
Capex	(19.9)	(13.9)
Tax	(1.0)	0.4
<b>Free cash flow</b>	<b>56.9</b>	<b>72.2</b>
% Free cash flow conversion	72%	107%

£m	H123	H122
<b>Free cash flow</b>	<b>56.9</b>	<b>72.2</b>
Exceptional costs paid	(19.0)	(24.9)
Acquisition of investments/loan to associate	(13.3)	(18.5)
Acquisition consideration paid (including earnouts)	(30.9)	(114.3)
Disposal proceeds received	24.9	(0.4)
<b>Cash flow before financing activities</b>	<b>18.6</b>	<b>(85.9)</b>
Net interest paid	(7.1)	(2.5)
Net lease liabilities paid	(4.1)	(3.0)
Share purchase and Dividends paid to NCI	(2.6)	(1.2)
Debt drawdown	9.1	91.8
<b>Net cash flow</b>	<b>13.9</b>	<b>(0.8)</b>
Opening cash balance	80.0	84.1
FX	(4.3)	5.1
<b>Closing cash balance</b>	<b>89.6</b>	<b>88.4</b>
Unamortised fees and derivatives	4.4	4.1
Debt	(299.6)	(265.2)
<b>Net debt</b>	<b>(205.6)</b>	<b>(172.7)</b>



# Balance sheet

£m	Jun 2023	Jun 2022	Dec 2022
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets	895.8	979.7	953.5
Property, plant and equipment	6.2	5.1	5.7
Lease assets (IFRS16)	16.6	22.9	20.7
Investments	24.9	92.8	88.5
Other receivables	87.7	2.1	42.7
Deferred tax assets	54.5	63.2	60.3
<b>Total non-current assets</b>	<b>1,085.7</b>	<b>1,165.8</b>	<b>1,171.4</b>
<b>Current assets</b>			
Inventories	4.1	3.5	3.3
Trade receivables <sup>1</sup>	78.6	302.9	112.1
Other receivables	241.8	-	237.3
Cash	89.6	88.4	80.0
<b>Total current assets</b>	<b>414.1</b>	<b>394.8</b>	<b>432.7</b>

	Jun 2023	Jun 2022	Dec 2022
<b>Liabilities</b>			
Trade payables <sup>1</sup>	11.2	12.9	18.0
Other payables	258.7	206.0	259.6
Deferred income	115.3	121.9	117.3
Deferred and contingent consideration	65.0	80.7	108.1
Lease liabilities (IFRS16)	23.3	26.4	26.8
Borrowings	298.4	263.2	301.2
Tax liabilities	14.9	20.0	17.2
Provisions	3.3	3.0	4.0
<b>Total liabilities</b>	<b>790.1</b>	<b>734.1</b>	<b>852.2</b>
<b>Net assets</b>	<b>709.7</b>	<b>826.5</b>	<b>751.9</b>

<sup>1</sup> Other Receivables includes £183m (2022: £195m) of media reimbursable receivables relating to Digital Commerce. Other Payables includes £171m (2022: £194m) of media reimbursable payables relating to Digital Commerce. The resultant net reimbursable working capital position of £12m (2022: £1m) is stated after taking the benefit of the sale of £18m (2022: £28m) of receivables under our working capital facility.

**ASCENTIAL**

**Thank you**