

PRELIMINARY RESULTS **2021/22**

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Chief Executive Officer

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SAFE HARBOUR STATEMENT.

This presentation and the subsequent question and answer session may contain forward-looking statements that are based on current expectations or beliefs, as well as assumptions about future events. There are risk factors that could cause results to differ materially from those expressed or implied by such statements.

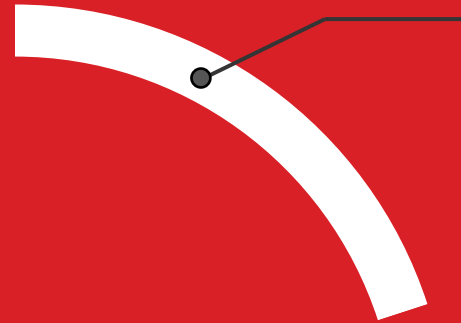
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AGENDA.

- 1 HEADLINES**
Mark Milner
- 2 FINANCIALS**
Guy Millward
- 3 STRATEGIC AND OPERATIONAL REVIEW**
Mark Milner
- 4 Q&A**



HEADLINES



HEADLINES.

- Organic¹ revenue growth 13%, total revenue £121.0m (2021: £113.0m)
- Adjusted² PBT up 38% to £20.7m, adjusted basic EPS up 37% to 18.7p
- Net cash³ £20.5m at 30 June 2022 (June 2021: £17.2m net debt³)
- Final dividend 5.8p, full year 8.2p, up 37% (2021: 6.0p)
- Resilient performance with increased strategic focus on Governance, Risk and Compliance (GRC)
- Significant progress in developing our GRC *Data Connect* and *Digital Learning* platforms
- Further embedded cultural ambitions, bolstered by commitments to Race at Work Charter, Inclusive Employers and Disability Confident scheme
- Set science-based Net Zero carbon targets

¹ Organic – eliminating the effects of exchange rate fluctuations and the impact of acquisitions and disposals

² Adjusted results exclude adjusting items, impairment, gain on disposal of subsidiary and business operations, amortisation of intangible assets (excluding computer software)

³ Excluding lease liabilities

WILMINGTON GRC PLATFORM.

Wilmington plc

Operating divisions



Wilmington Intelligence

Wilmington Training & Education

Market-facing brands



Strategic ambition



To become a global leader in Governance, Risk and Compliance information and training solutions

Objectives



Organic growth Investment Portfolio management



FINANCIALS

REVENUE ANALYSIS.

| | 12 MONTHS TO 30 JUNE 2022 £M | 12 MONTHS TO 30 JUNE 2021 £M | ABSOLUTE VARIANCE % | ORGANIC VARIANCE % |
|---------------------------------|---------------------------------------|---------------------------------------|---------------------------|--------------------------|
| Healthcare | 31.1 | 28.4 | 10% | 11% |
| Financial Services & Other | 23.2 | 21.3 | 9% | 10% |
| MIExact | 5.0 | 5.0 | 1% | 1% |
| Discontinued | 0.3 | 2.1 | (86%) | |
| INTELLIGENCE | 59.6 | 56.8 | 5% | 10% |
| Global | 23.2 | 22.4 | 3% | 3% |
| UK & Ireland | 22.1 | 20.3 | 9% | 9% |
| North America | 11.0 | 4.9 | 125% | 122% |
| Discontinued | 5.1 | 8.6 | (39%) | |
| TRAINING & EDUCATION | 61.4 | 56.2 | 9% | 18% |
| GROUP REVENUE | 121.0 | 113.0 | 7% | 13% |

- Revenue increased 13% on an organic basis (2021: 3%) driven by the successful digitalisation programme, new product investment and the return to F2F events
- Growth excluding events 5% reflecting increased demand for core offering in all product areas – T&E 6%, Intelligence 3% growth excl. events
- UK Healthcare and North America growth driven by F2F events
- Recurring annual or multi-year subscription revenues grew 5%, now 37% of revenues
- 69% of revenues come from returning customers. 75% of customers returned in 2022 (2021: 69%). Therefore 31% of revenue came from new customers.

GROUP INCOME STATEMENT.

| | 12 MONTHS TO 30 JUNE 2022 £M | 12 MONTHS TO 30 JUNE 2021 £M | VARIANCE £M | ABSOLUTE VARIANCE % | ORGANIC VARIANCE % |
|---|------------------------------------|------------------------------------|----------------|---------------------------|--------------------------|
| REVENUE | 121.0 | 113.0 | 8.0 | 7% | 13% |
| OPERATING PROFIT | 27.4 | 21.5 | 5.9 | 27% | 27% |
| Intelligence | 11.4 | 9.3 | 2.1 | 22% | 22% |
| Training & Education | 16.0 | 12.2 | 3.8 | 31% | 32% |
| Central overheads | (4.6) | (4.3) | (0.3) | | |
| Share based payments | (1.2) | (0.6) | (0.6) | | |
| ADJUSTED EBITA | 21.6 | 16.6 | 5.0 | 30% | |
| Net finance costs | (0.9) | (1.6) | 0.7 | | |
| ADJUSTED PROFIT BEFORE TAX | 20.7 | 15.0 | 5.7 | 38% | |
| Adjusting items ¹ | 15.4 | (17.0) | 32.4 | | |
| STATUTORY PROFIT/(LOSS) BEFORE TAX | 36.1 | (2.0) | 38.1 | | |
| Taxation | (3.3) | (2.5) | (0.8) | | |
| STATUTORY PROFIT/(LOSS) AFTER TAX | 32.8 | (4.5) | 37.3 | | |
| UNDERLYING TAX RATE | 21.0% | 20.5% | | | |
| ADJUSTED BASIC EPS | 18.66p | 13.62p | 5.04p | 37% | |
| DIVIDEND PER SHARE | 8.2p | 6.0p | | 37% | |

- 38% increase in Adj. PBT (2021: 27%) reflecting increased revenues, focus on cost management and continuing efficiencies of digital first model
- Adj. operating margin Intelligence 19% (2021: 16%), T&E 26% (2021: 22%)
- Adj. PBT margin up to 17% (2021:13%)
- Dividend up 37% in line with profits to 8.2p for the full year: 2.3 times cover

GROUP CASH FLOW.

| | 12 MONTHS TO 30 JUNE 2022 £M | 12 MONTHS TO 30 JUNE 2021 £M | VARIANCE £M |
|---|------------------------------------|------------------------------------|----------------|
| ADJUSTED EBITDA | 27.7 | 22.5 | 5.2 |
| Share-based Payments | 1.2 | 0.6 | 0.6 |
| Movement in working capital | (4.3) | (5.8) | 1.5 |
| CASH INFLOW FROM OPERATIONS | 24.6 | 17.3 | 7.3 |
| Interest paid | (0.5) | (1.2) | 0.7 |
| Tax paid | (3.4) | (2.7) | (0.7) |
| Payment of lease liabilities | (3.8) | (2.5) | (1.3) |
| Net capital proceeds/(expenditure) | 1.8 | (2.9) | 4.7 |
| FREE CASH FLOW BEFORE DIVIDENDS | 18.7 | 8.0 | 10.7 |
| Equity dividends | (5.5) | (1.8) | (3.7) |
| Purchase of shares by ESOT | (0.4) | (0.3) | (0.1) |
| Disposal of subsidiary/business operations | 22.8 | 4.5 | 18.3 |
| Deferred consideration | 0.3 | 0.3 | 0.0 |
| Adjusting and other items | 1.3 | (0.7) | 2.0 |
| CHANGE IN NET DEBT DURING THE YEAR | 37.2 | 10.0 | 27.2 |
| Brought forward net debt | (17.2) | (27.7) | 10.5 |
| FX | (0.2) | 0.5 | (0.7) |
| Cash in disposal group held for sale | 0.7 | 0.0 | 0.7 |
| CARRIED FORWARD NET CASH/(DEBT) <i>pre lease liabilities</i> | 20.5 | (17.2) | 37.7 |
| Lease liabilities | (7.5) | (10.8) | 3.3 |
| CARRIED FORWARD NET CASH/(DEBT) | 13.0 | (28.0) | 41.0 |

- Net cash (excluding lease liabilities) £20.5m (2021: net debt £17.2m) reflecting strong trading performance and sale of subsidiaries and property
- Strong cash conversion of trading profits 114% (2021: 104%)
- Capex is net of property disposal proceeds of £3.5m, £1.7m Capex spent
- Bank loans repaid and interest rate swaps closed during year due to the disposal of AMT
- Bank facility of £20m available for acquisitions, reduced from last year to save £700K of fees

**STRATEGIC AND
OPERATIONAL
REVIEW**

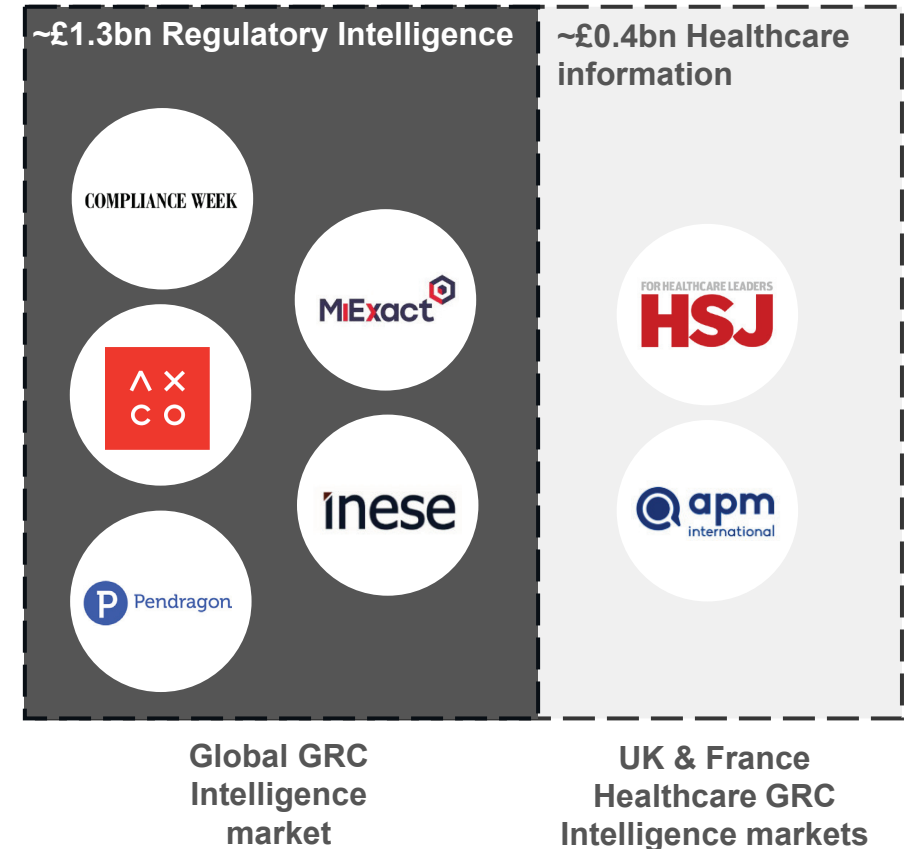


**HELPING OUR CUSTOMERS TO DO THE
RIGHT BUSINESS IN THE RIGHT WAY**

W intelligence

- Intelligence operates in two **large attractive GRC end markets**:
 - Global GRC Intelligence market sized at ~£1.3bn
 - UK & France Healthcare GRC Intelligence market sized at ~£0.4bn
- Both markets benefit from strong **growth drivers**:
 - Requirement for authoritative and trusted data
 - Need for accurate and up-to-date data
 - Continuous regulatory requirements, prompting data refreshes
- Significant headroom for growth for individual brands and the division as a whole

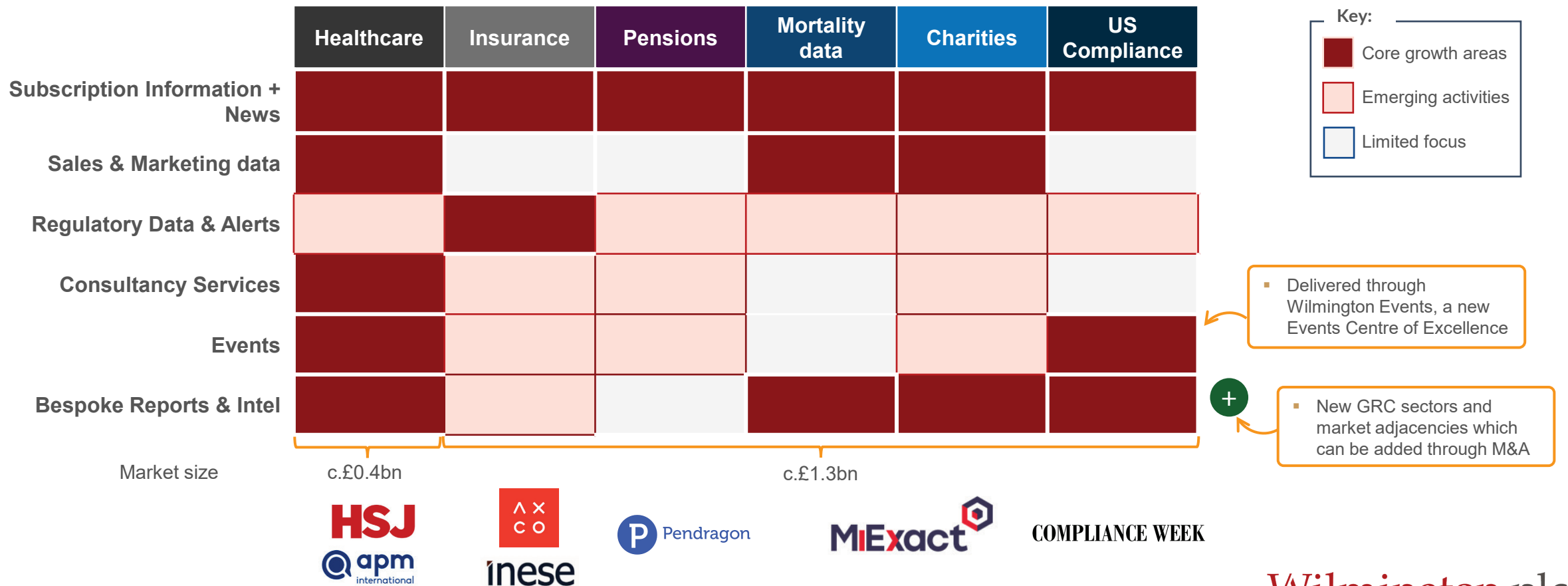
GRC Intelligence market sizing



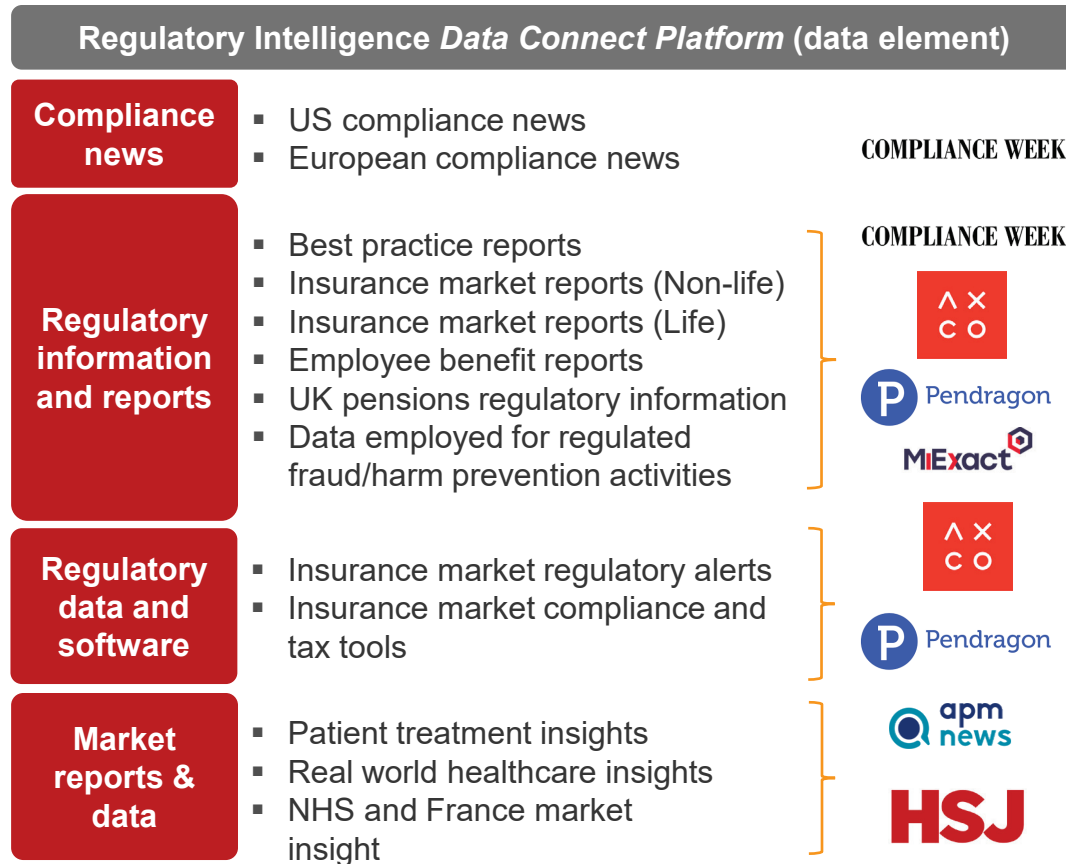
GRC INTELLIGENCE OPPORTUNITY.

- Subscription information is at the heart of all the brands, promoting strong recurring revenues with multi-year contracts
- Key areas of expansion include Regulatory Data & Alerts, Consultancy, Events and Bespoke Reports & Intel, which drive organic growth and cement our thought leadership position in each vertical

Key GRC Intelligence segments overlaid with current expertise



DATA CONNECT PLATFORM.



- **Data Connect** is a GRC platform that efficiently and intelligently combines data to produce valuable insights
- Expanding to include all Regulatory Intelligence products and services
- At the core is a unified data repository deploying Snowflake® technology
- The front end will be intuitive data dashboards
- APIs will embed data into customers' business processes and workflows
- *Data Connect* will enable operational efficiencies for Wilmington and our customers

Data Connect is a key part of Wilmington's strategy to:

- embed our insight into every critical decision our customers need to make, and
- empower customers to make better decisions for the benefit of the communities they serve

- Training & Education operates in **three large attractive, global GRC end markets**
 - Regulatory Compliance market sized at ~£2.9bn
 - GRC Professional Accreditation and CPD market sized at ~£50bn
 - GRC ESG and HR compliance market sized at ~£1.3bn
- Markets benefit from strong growth drivers:
 - Greater volume of regulation and governance
 - Great financial burden of regulation and governance
 - Greater need for skilled workers
 - Enforcement action
- Significant headroom for growth for individual brands and the division as a whole

GRC Training & Education market sizing

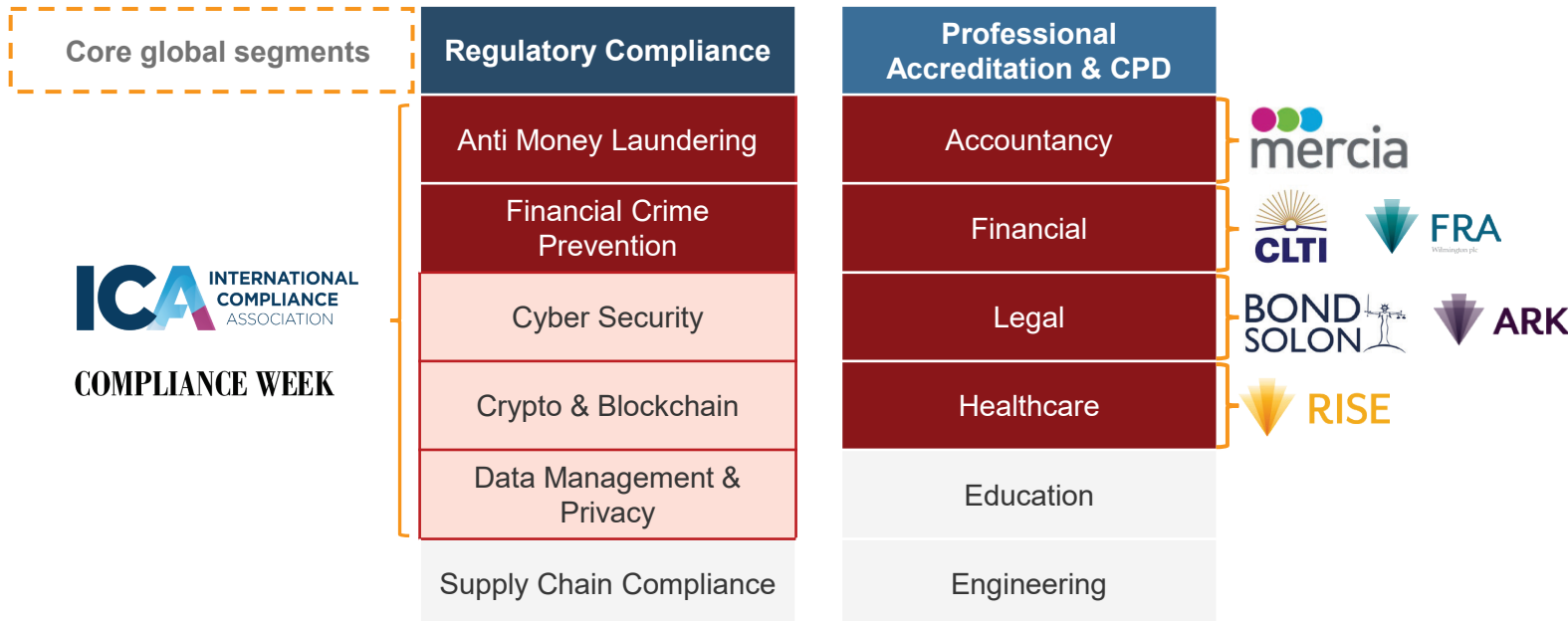


Global GRC training market

GRC TRAINING OPPORTUNITY.

- Training & Education benefits from a strong position in the GRC training market
- Core areas of growth are Anti Money Laundering, Financial Crime Prevention, Accountancy, Financial, Legal and Healthcare, with scope to expand into Cyber Security, Crypto & Blockchain, Data Management & Privacy, and ESG & HR compliance

Key GRC Training segments overlaid with current expertise



Market size

c.£2.9bn

Unsize, est.
£50bn+

Adjacent organic or inorganic growth opportunity

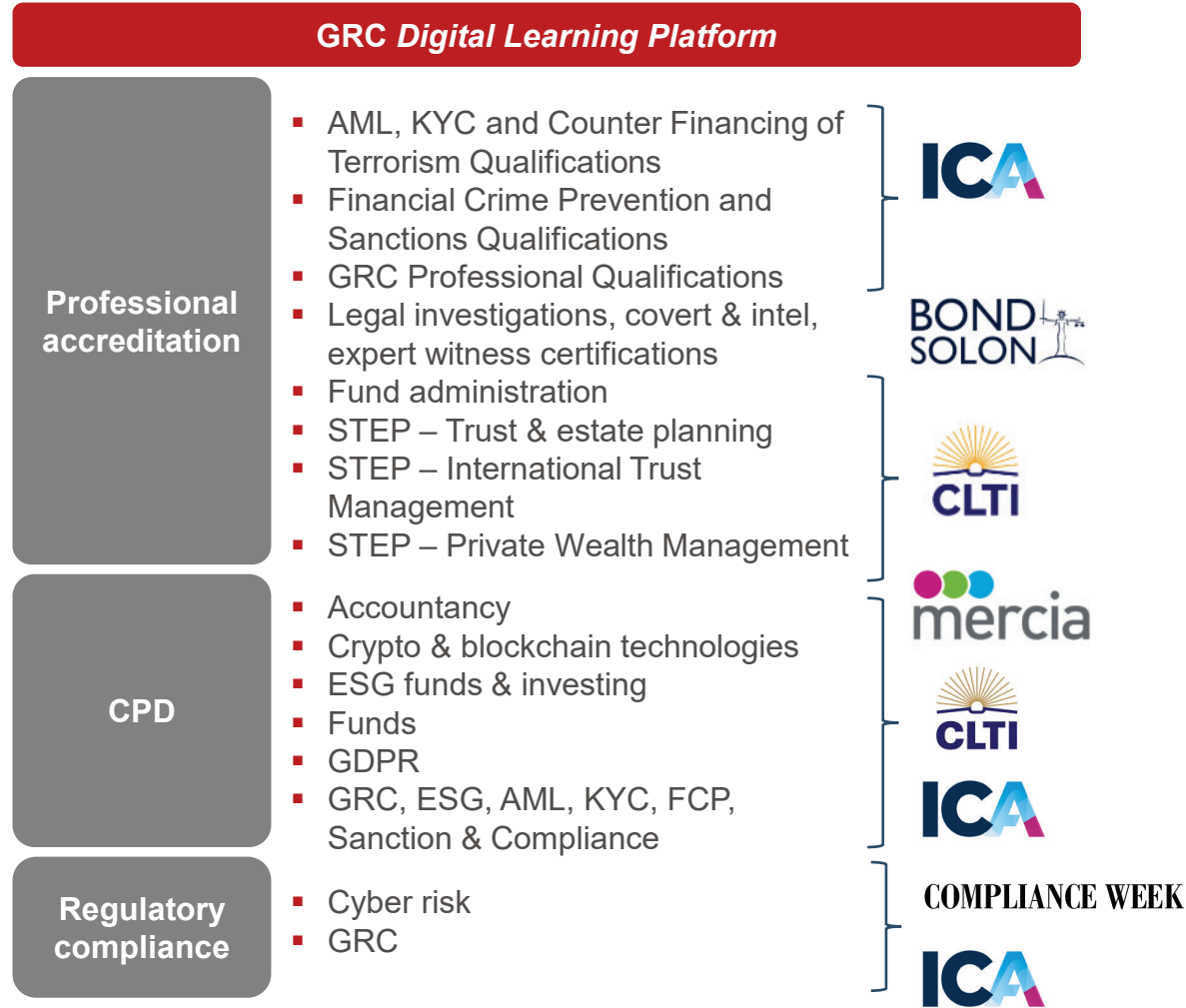


c.£1.3bn

Key:

- Core growth areas
- Emerging activities
- Limited focus

DIGITAL LEARNING PLATFORM.



- Developed a GRC *Digital Learning Platform*, launched in H2 FY22
- Initially deployed in ICA, the single platform will become a central home for all learning materials and content for all training brands
- Personalisation of the intuitive dashboard will deliver:
 - Enhanced customer experience
 - Increase in retention and upsell opportunities
 - Tools to enable the tracking and reporting of continuous professional development
 - Operational efficiencies

The *Digital Learning Platform* is a key part of Wilmington’s strategy to:

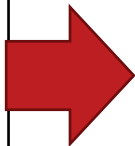
- deliver high quality GRC training and education services,
- placing both the individual and corporate customer in full control of their learning experience

RESPONSIBLE BUSINESS.

Responsible business culture underpinning strategic delivery

FY22 highlights

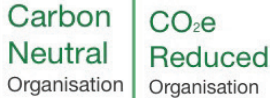
- ✓ **>90% disclosure rate**¹ to diversity characteristics survey, providing key data to measure progress
- ✓ Committed to accredited partner schemes demonstrating commitment to ambition to create an **inclusive culture**
- ✓ 8-week **digital accessibility campaign** delivered
- ✓ TCFD analysis highlighted robust risk mitigation strategies and **opportunities aligned to core offering**
- ✓ **Carbon reduction targets:** Absolute zero scope 1&2 by 2028 / Net zero scope 3 by 2045
- ✓ **63% reduction in total emissions** since 2019 baseline year



FY23 focus

- Deliver next phase of progress in respect of **inclusion commitments**
- Deliver digital accessibility campaign 2.0, progress roadmap to embed **WCAG 2.1 AA** standards
- Ongoing focus on **data** collection and analysis
- Acting on outcomes of TCFD **risks & opportunities** analysis

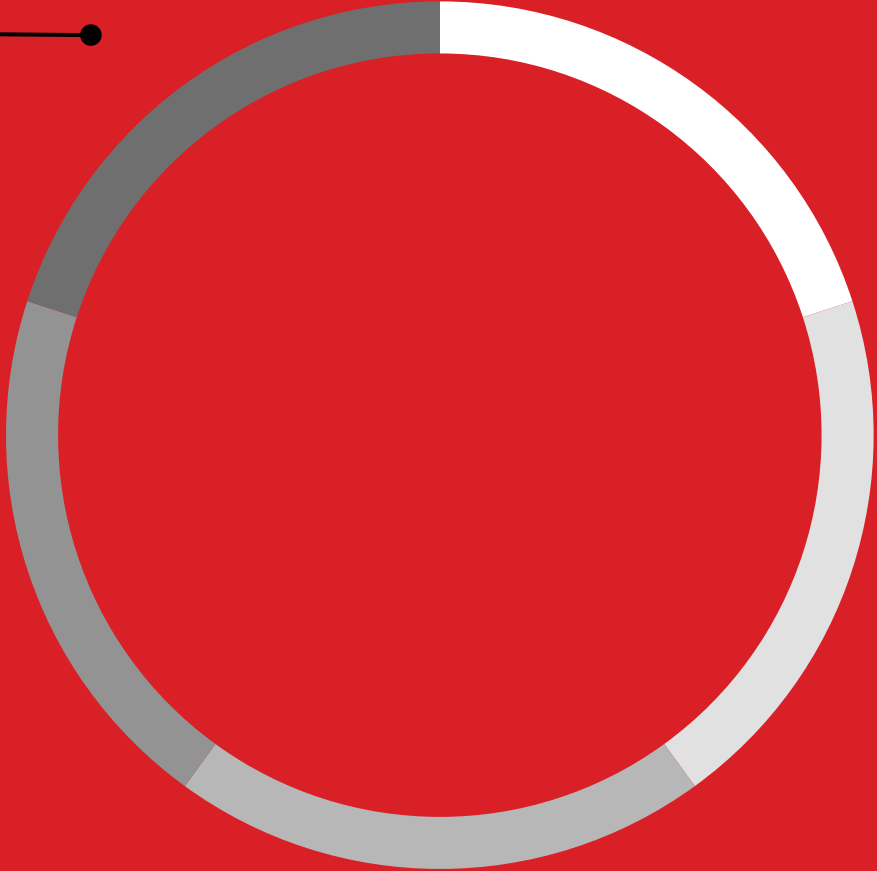
1 - 90% of all employees who received the survey, compliant with local data collection regulations



OUTLOOK.

- Resilient performance in FY22
- Continued focus on delivering organic growth
 - Further investment in new product development, sales, marketing, technology and data
 - Continuing portfolio management activities
 - Investing in talent in all areas of the business
- Expanding our interests, organically and inorganically, into high growth adjacent GRC markets
- Delivery and roll-out of the GRC *Data Connect* and *Digital Learning* Platforms
- Maintaining caution in the face of macroeconomic uncertainty
- Momentum built across all areas and well positioned for growth in FY23
- Q1 trading in line with expectations

Q&A



THANK YOU



Wilmington plc

RECONCILIATION OF ADJUSTED TO STATUTORY PBT.

| | £M |
|---|-------------|
| Adjusted PBT | 20.7 |
| Impairment of PPE | (0.6) |
| Amortisation of intangibles excl. computer software | (2.4) |
| Gain on disposal of PPE | 1.3 |
| Net gain on financing activities | 0.8 |
| Gain on disposal of subsidiaries | 16.3 |
| Statutory PBT | 36.1 |

- Non-cash impairment of PPE relates to the impairment of a building no longer in use, Wrens Court
- The gain on disposal of PPE relates to the sale of the Basildon building
- The net gain on financing activities relates to the disposal of interest rate swaps
- The gain on disposal of subsidiaries relates to the disposal of AMT £16.2m and La Touche £0.1m

GLOSSARY OF TERMS.

| Abbreviation | Definition |
|--------------|--|
| Adj | Adjusted |
| AML | Anti-Money Laundering |
| API | Application programming interface |
| Capex | Capital expenditure |
| CPD | Continuing Professional Development |
| EBITA | Earnings before interest, taxes and amortisation |
| EBITDA | Earnings before interest, taxes, depreciation and amortisation |
| EPS | Earnings per share |
| ESG | Environmental, Social and Governance |
| ESOT | Employee Share Ownership Trust |
| F2F | Face to face |
| FCP | Financial Crime Prevention |
| GDPR | General Data Protection Regulation |
| GRC | Governance, Risk and Compliance |
| ICA | International Compliance Association – Wilmington owned compliance industry body |
| KYC | Know Your Customer |
| M&A | Mergers and acquisitions |
| Mgmt | Management |
| PBT | Profit before tax |
| T&E | Training & Education |
| TCFD | Taskforce on Climate-Related Financial Disclosures |
| WCAG | Web Content Accessibility Guidelines |