

Results presentation

For the year ended 31 March 2024

FY24 RESULTS

The team



Dev Dhiman

CEO



David Ward

CFO

Introductory remarks

Dev Dhiman, CEO

Agenda

Introductory remarks

Dev Dhiman

Financial review and outlook

David Ward

First impressions and current focus areas

Dev Dhiman

Q&A

Both

Financial review and outlook

David Ward, CFO

Successfully executed our FY24 financial plan

- Excellent progress on simplification and cost savings
- As expected, growth accelerated in the final quarter

Revenue

£277.3m

+2.7% Constant currency growth, with **+5.0%** in 4Q24

Net revenue retention (NRR)

98.1%

+580 bps y-o-y Improvement driven by Identity stabilisation

Annualised cost savings

£10m

In-year benefit of **£8.8m**

Adjusted operating profit

£61.2m

+8.0% increase (excl. FX gain) driving **170bps** margin improvement to 22.1%

Operating loss (£41.4m) impacted by non-cash goodwill impairment charge from the first half

Net debt

(£80.9)m

£25.0m y-o-y reduction leading to Net debt / EBITDA **leverage 1.27x**

Strong cash conversion of **90.6%** is more reflective of historic levels

Summary income statement

	FY24 £m	FY23 £m	Growth
Reported revenue	277.3	278.8	(0.5)%
Gross profit	194.5	197.8	(1.7)%
Gross profit margin %	70.1%	71.0%	
Adjusted operating expenses	(132.4)	(141.2)	(6.3)%
(Increase)/decrease in ECL	(0.8)	0.2	
FX (losses)/gains	(0.2)	3.0	
Adjusted operating profit¹	61.2	59.8	+2.3%
Adjusted operating margin %¹	22.1%	21.5%	+60bps
Net finance costs	(9.0)	(6.4)	
Adjusted profit before tax	52.2	53.4	(2.2)%
Adjusted earnings	39.0	42.1	(7.3)%
Adjusted diluted earnings per share	15.1	16.4	(8.0)%

- **2.7%** constant currency revenue growth with **2H24 growth of 3.5%**
- Gross profit margin improved in **2H24 to 71.0%** - aligned with the prior year
- Focus on simplification and cost efficiency led to a **£8.8m (6.3%)** reduction in adjusted operating expenses
- Operating profit, excl. FX gains, **increased by 8.0%**
- **Finance costs** due to the impact of higher interest rates on the revolving credit facility (RCF)
- **25.2% adjusted effective tax rate** (FY23: 21.3%) reflecting increase in UK rate from 19% to 25%

Note:

¹ Adjusted operating profit is stated before amortisation of acquired intangibles, share-based payments and exceptional items

Exceptional and normalising items

	FY24 £m	FY23 £m
Adjusted operating profit	61.2	59.8
Amortisation of acquired intangibles	(39.4)	(42.8)
Share-based payment charges	(3.5)	(2.3)
Impairment of goodwill	(54.7)	(122.2)
Other exceptional costs	(4.9)	(5.0)
Operating (loss)/profit	(41.4)	(112.4)

	FY24 £m	FY23 £m
Other exceptional costs breakdown		
Team member restructuring	(4.0)	(1.8)
Impairment of intangibles	-	(2.8)
Integration costs	(0.7)	(0.7)
Rationalisation of office locations	(0.2)	(0.4)
Acquisition-related costs	-	1.1
Other	-	(0.4)
Total other exceptional costs	(4.9)	(5.0)

Normalising items

- Amortisation of acquired intangibles – decreased due to intangibles becoming fully amortised during the year
- Share-based payments charge increased versus the prior year as FY23 included a credit due to a change in vesting assumptions

Impairment of goodwill and other exceptional items

- Non-cash impairment of goodwill of £54.7m – unchanged from H1, and due to increase in discount rate versus FY23
- Other exceptional items of £4.9m primarily relates to the enablement of our cost-efficiency initiatives

Segmental performance

Helping organisations reach their customers

Location

FY24 revenue

£81.1m 29% of group

Constant currency (CCY) growth of 7.3%

3-year revenue CAGR of 8%

Contribution margin of 39.9% (FY23: 38.9%)

Customer success:



MARC JACOBS

KURT GEIGER



Helping organisations trust their customers

Identity

FY24 revenue

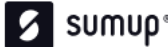
£156.0m 56% of group

CCY decline of 0.7% in line with expectations

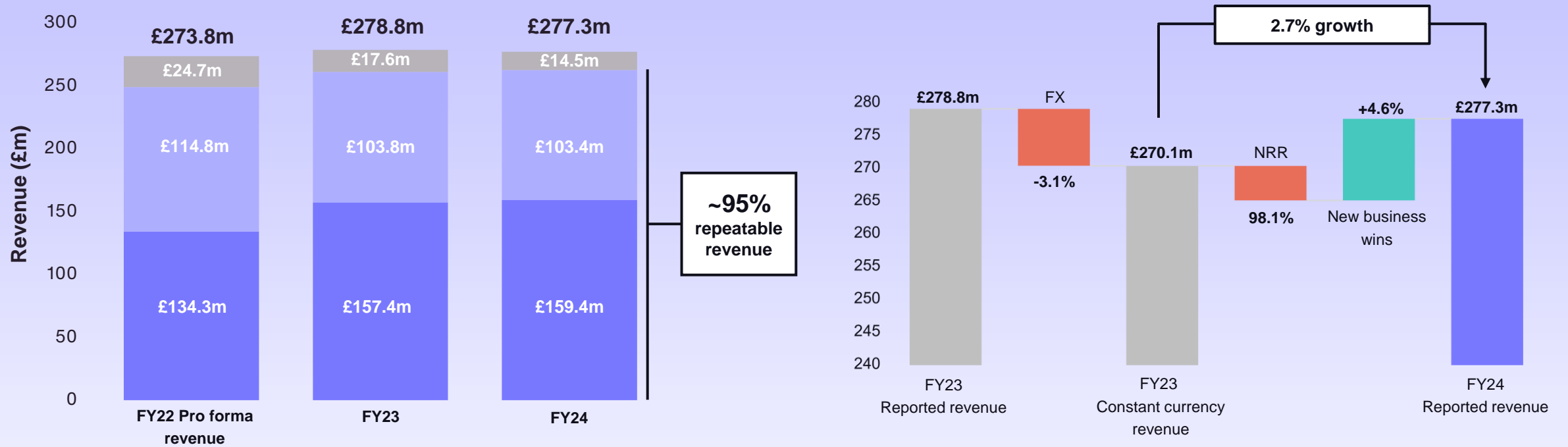
Improved Q4 driven by Americas and EMEA

Contribution margin of 27.4% (FY23: 29.3%)

Customer success:



Repeatable revenue increasing and NRR improving



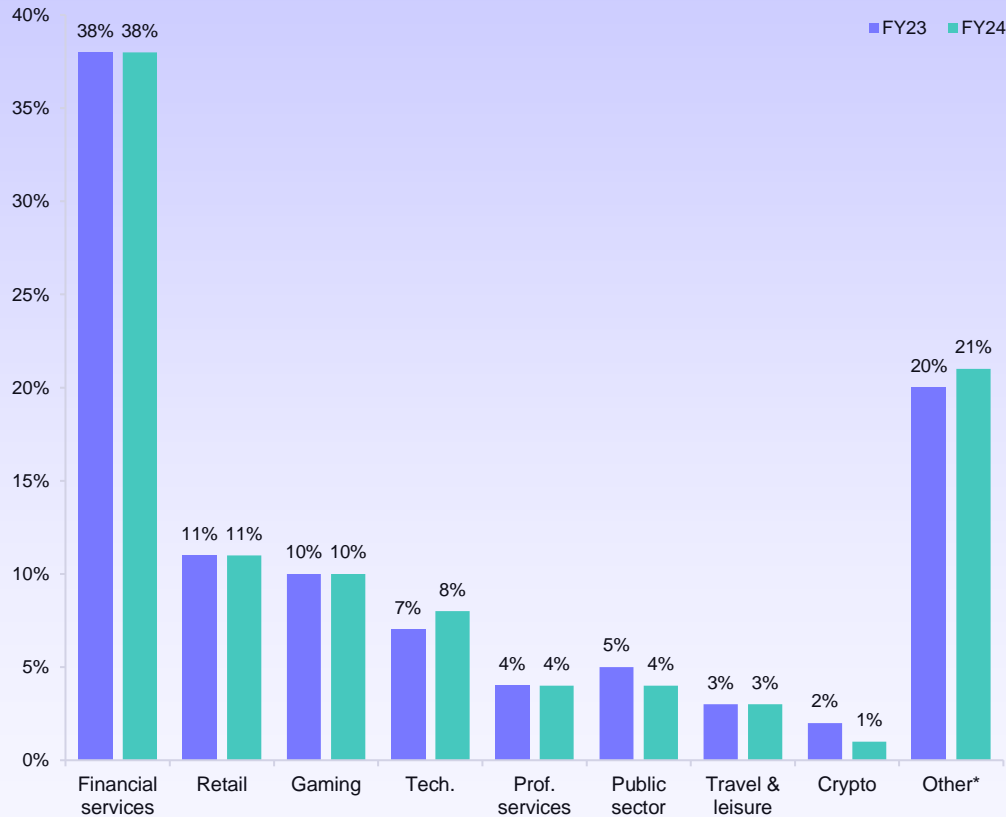
Key

- Services & hardware revenue
- Consumption revenue
- Subscription revenue

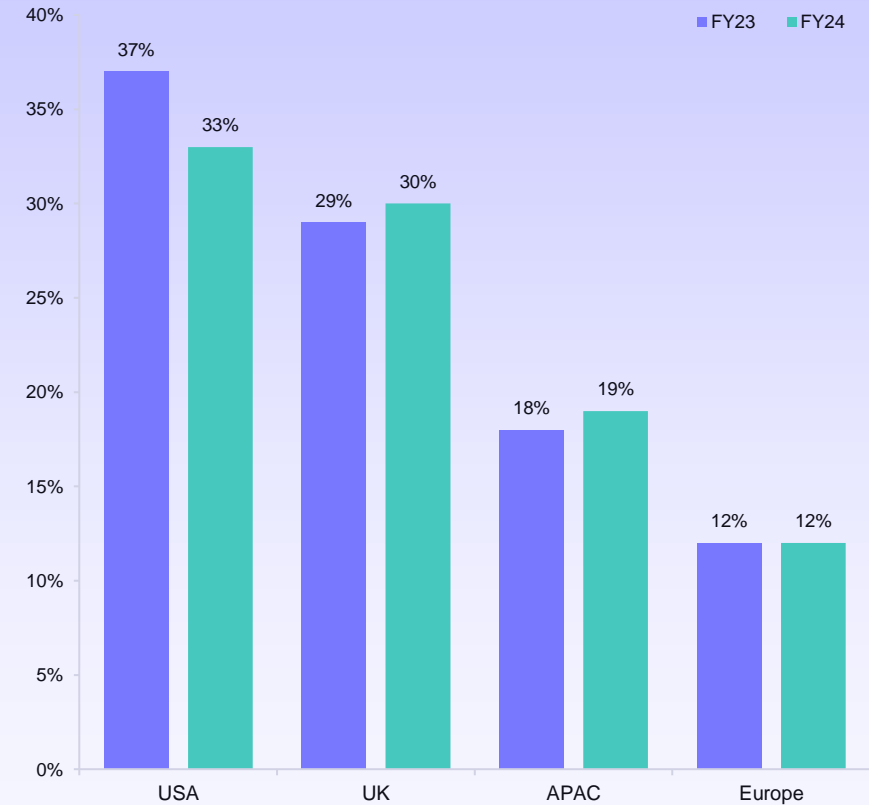
- As expected, net revenue retention (NRR) improved 580bps to 98.1% (FY23: 92.3%)
- Timing of Fraud revenues can distort NRR. **Excluding Fraud, NRR improved 790bps to 99.0%**
- Strong level of revenue from new business wins reflects success in securing new logos

Diversified across sectors and geographies

Revenue by sector



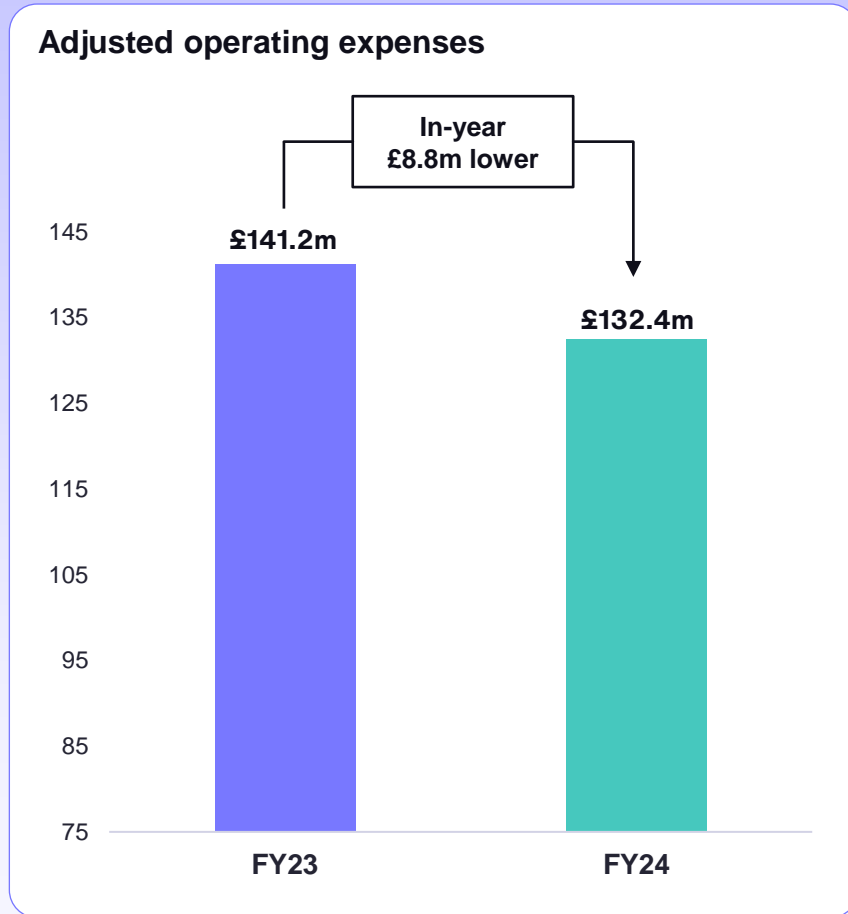
Revenue by geography



Note: FY23 revenue restated on a constant currency basis
 *Other incl. Channel partners, Utilities & telcos, Autos and Manufacturing
 Rest of World revenue is 6% (FY23: 4%)

Simplification and efficiency

£10m reduction in annualised opex run-rate



Focus areas:

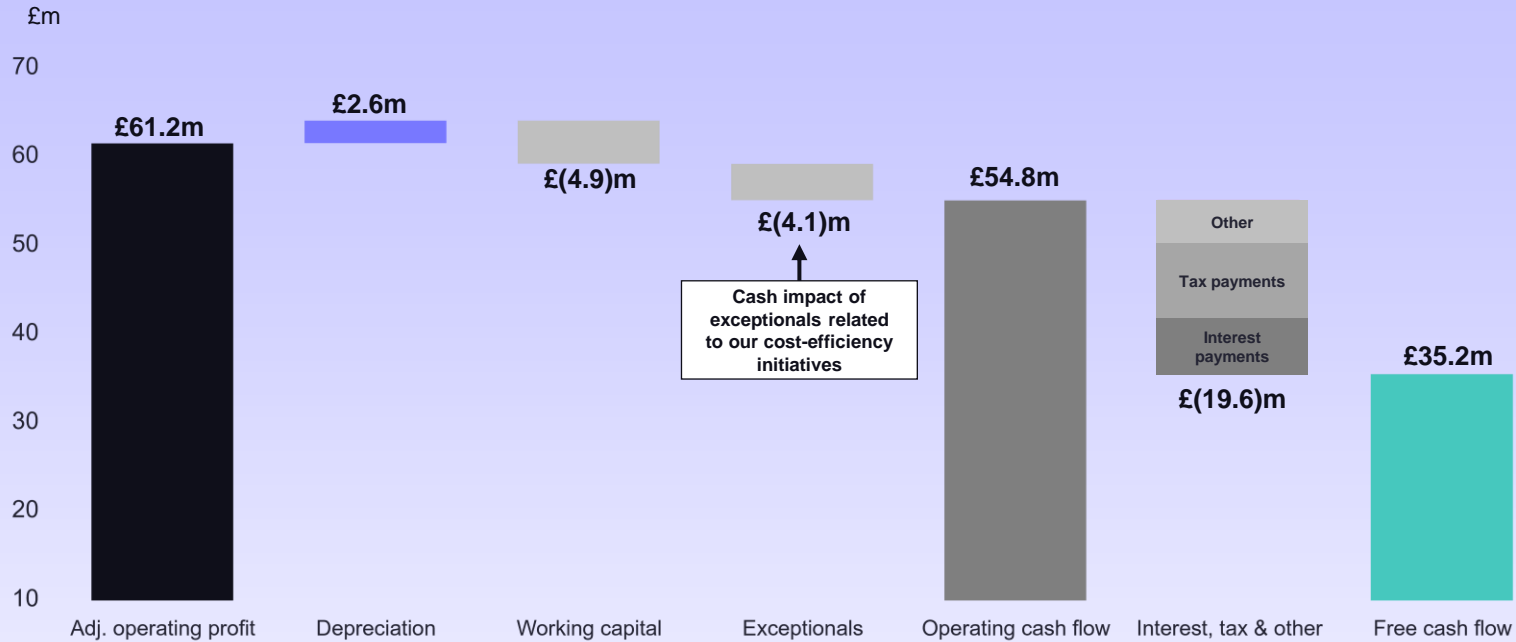
Operational efficiency

- Headcount: Reduced by 8% since March'23
 - Refined management structures / Strong management of underperformance / Scrutiny of replacement hires
- Central overheads reduced by £3.4m
- Offices: several properties either exited or rationalised
- Marketing: Brand consolidation

Product & technology

- 14% reduction in total technology-related costs
- A simplified portfolio of technology assets to meet rapidly changing market needs, increasingly aligned through product evolution
- Increased use of offshore teams
- AI driving increased productivity/efficiency
- Actively managing data and cloud costs

Strong cash generation



90.6%

Cash conversion
(FY23: 67.3%)

1.27x

Debt leverage
(FY23: 1.68x)

£10.6m

Recommended dividend of 4.20 pence
(FY23: £10.1m)

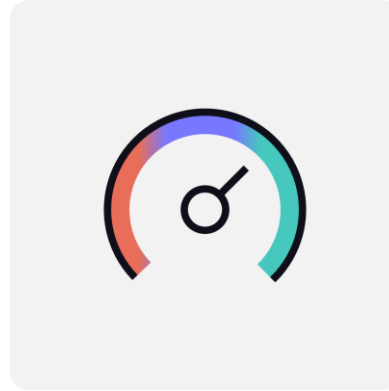
Net cash / debt analysis	FY24 £m	FY23 £m	FY22 £m
Cash	21.3	21.6	22.3
Debt	(102.2)	(127.5)	(129.3)
Net cash/(debt)	(80.9)	(105.9)	(107.0)
Net debt / EBITDA leverage	1.27x	1.68x	1.72x

Reiterating FY25 outlook



Revenue

Mid-single-digit growth



Profitability¹

High-single-digit growth



Cash generation

90-95% cash conversion

Note

¹Refers to adjusted operating profit

First impressions & current focus areas

Dev Dhiman, CEO

First impressions

Strong engagement with our key stakeholders during first 4 months in role



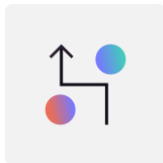
We are a high-quality business

Our business is supported by strong industry dynamics



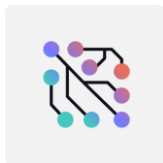
We have a significant Americas opportunity

Focused on driving top line growth from improved execution in our biggest market



We can implement operational improvements

Lots of potential to share and benefit from learnings and best practice across GBG



We can be simpler to understand

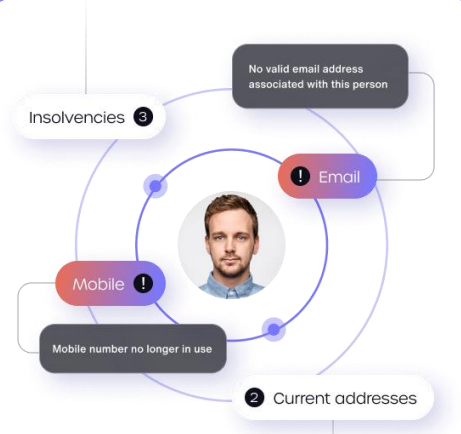
An opportunity to improve how all stakeholders perceive GBG

What does GBG stand for?

In an increasingly digital world, GBG helps businesses grow by giving them intelligence to make the best decisions about their customers, when it matters most.

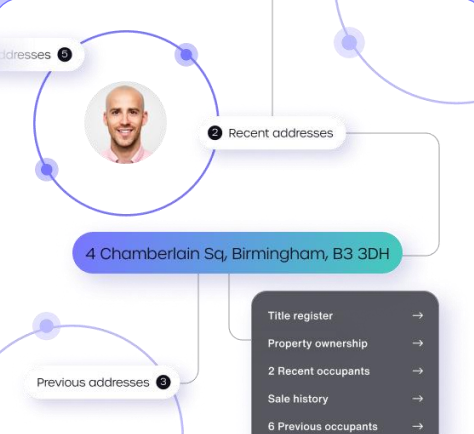
Every second, our global data, agile technology, and expert teams, power over 20,000 of the world's best-known organisations to reach and trust their customers.

Our relevance in an increasingly digital world




A diagram illustrating digital transformation. It features a central profile of a man with several data points connected by lines. The points include: 'Insolvencies' (3), 'Email' (1), 'Mobile' (1), 'Current addresses' (2), and 'Mobile number no longer in use'. A warning box states 'No valid email address associated with this person'.

Digital transformation



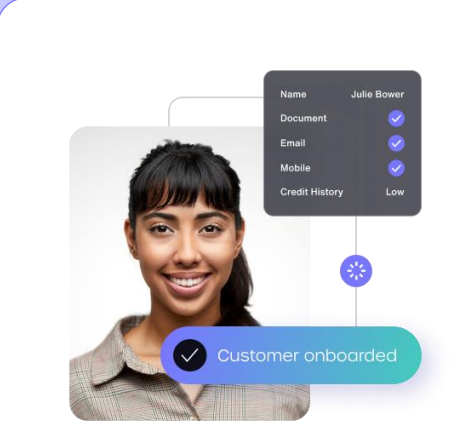
A diagram illustrating regulation and increasing compliance. It features a central profile of a man with data points: 'Recent addresses' (2) and 'Previous addresses' (3). A highlighted address is '4 Chamberlain Sq, Birmingham, B3 3DH'. A list of data sources is shown: 'Title register', 'Property ownership', '2 Recent occupants', 'Sale history', and '6 Previous occupants'.

Regulation & increasing compliance



A diagram illustrating the industrialisation of fraud and financial crime. It features a central profile of a woman with a 'Suspicious identity' warning. A 'Synthetic Identity Score' of 326 is shown. A list of data points includes: 'Olivia Smith', '15.09.1986', 'Mortgage account', and 'Current account'. A document snippet shows: '1. SMITH, OLIVIA', '2. OLIVIA', '3. 25.12.1988 UNITED KINGDOM', '4a. 01.01.2023 Ac. CIVLA', '4b. 31.01.2020', '5. SAMPLE758963214587415', '6.', '7. 123 Sample Lane, London, A', '8. AM/A/B/B/B/E/T/K/I'.

Industrialisation of fraud & financial crime



A diagram illustrating customer experience. It features a central profile of a woman with a 'Customer onboarded' confirmation. A list of data points includes: 'Name: Julie Bower', 'Document' (checked), 'Email' (checked), 'Mobile' (checked), and 'Credit History: Low'.

Customer experience

A fast-growing market opportunity, accelerated by developments such as AI

Our competitive differentiators

Why we win

Insights
enabling
decisions

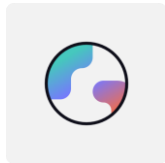
A growth
partner

Breadth of
solutions

Global
reach

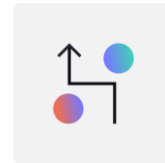
Secure &
Trusted

A solid platform that enables differentiation



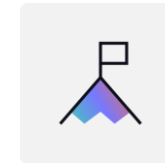
Global data

The most relevant, compliant
datasets globally



Agile technology

The scale to handle billions of
transactions reliably



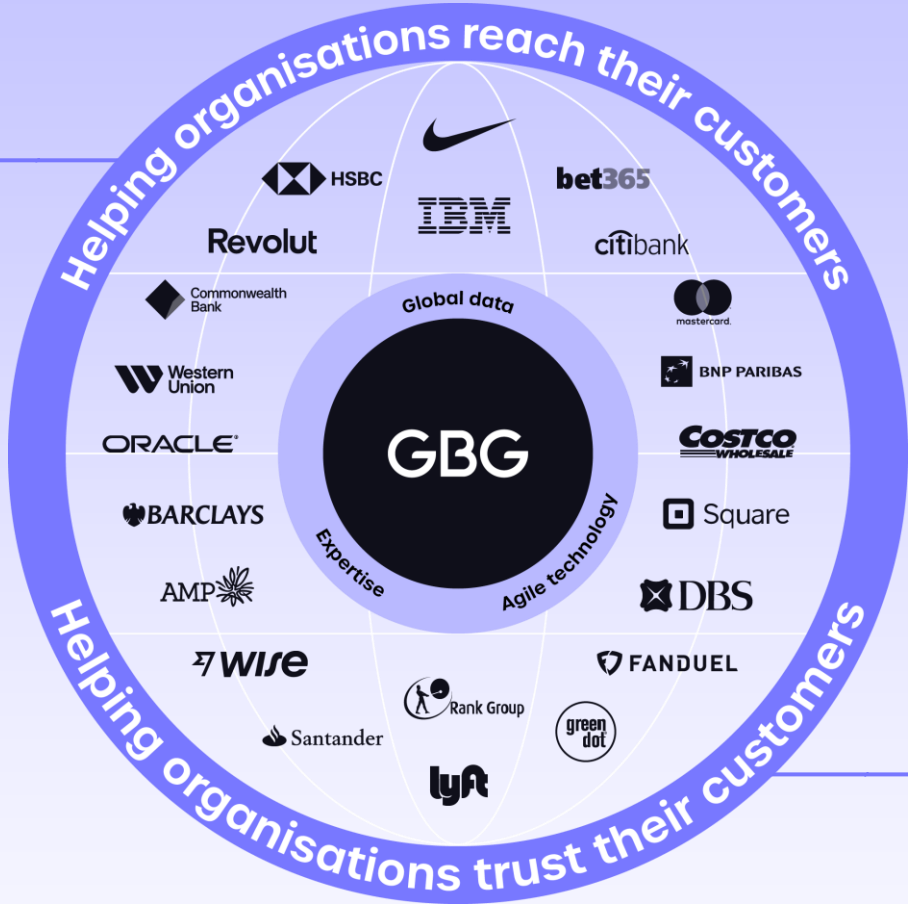
Expertise

Market experts with trusted
relationships

How we support 20,000+ organisations

REACH


- Refine customer journeys & improve conversion rates
- Help retailers optimise speed & accuracy of delivery
- Support global businesses expand their operations into new territories
- Leverage address validation to improve match rates & give an initial indicator of fraud



TRUST


- Help gaming operators take advantage of liberalisation in the Americas
- Prevent bonus and promotion abuse in customer acquisition campaigns
- Reduce cost through digital transformation
- Support global businesses expand their operations into new territories

Current focus areas



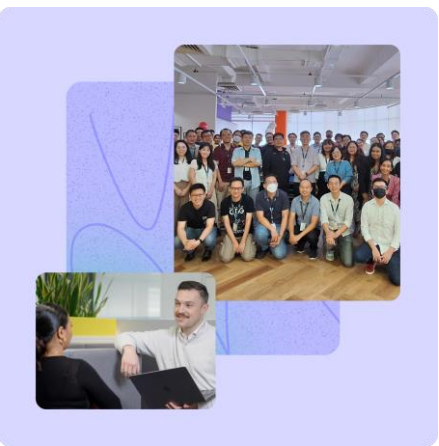
The graphic for 'Removing complexity' features a bar chart with four blue bars of increasing height, a circular icon with an eye, and a portrait of a woman with short blonde hair wearing a dark blazer.

Removing complexity



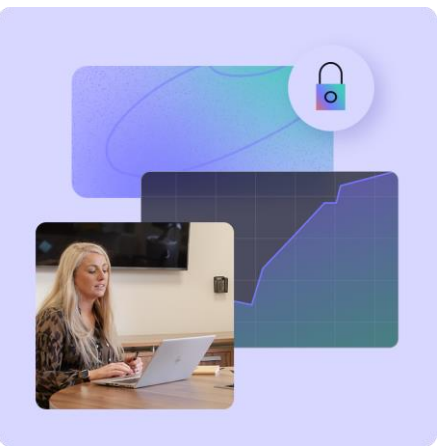
The graphic for 'Being globally aligned' features a globe icon, a circular icon with a network of nodes, and a photo of a man and a woman in business attire looking at a laptop.

Being globally aligned



The graphic for 'Driving high performance' features a group photo of many people in an office setting, a circular icon with a checkmark, and a photo of a man and a woman in business attire looking at a laptop.

Driving high performance



The graphic for 'Differentiating through innovation' features a padlock icon, a line graph showing an upward trend, and a photo of a woman with long blonde hair working on a laptop.

Differentiating through innovation

Removing complexity

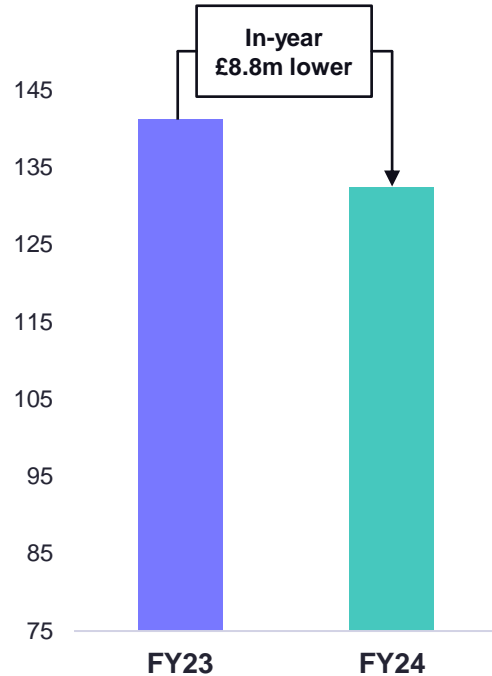
Continuing to drive efficiency and productivity

Being easier for stakeholders to engage with us

Simplifying our product and technology stack

More consistent external messaging

Adjusted operating expenses



Focus areas:

Operational efficiency

- Headcount: Reduced by 8% since March'23
 - Refined management structures / Strong management of underperformance / Scrutiny of replacement hires
- Central overheads reduced by £3.4m
- Offices: several properties either exited or rationalised
- Marketing: Brand consolidation

Product & technology

- 14% reduction in total technology-related costs
- A simplified portfolio of technology assets to meet rapidly changing market needs, increasingly aligned through product evolution
- Increased use of offshore teams
- AI driving increased productivity/efficiency
- Actively managing data and cloud costs

Being globally aligned

Better leverage our size and scale

Implementing a global operating model

Differentiate from regional providers

Maximise our 20,000+ customer relationships



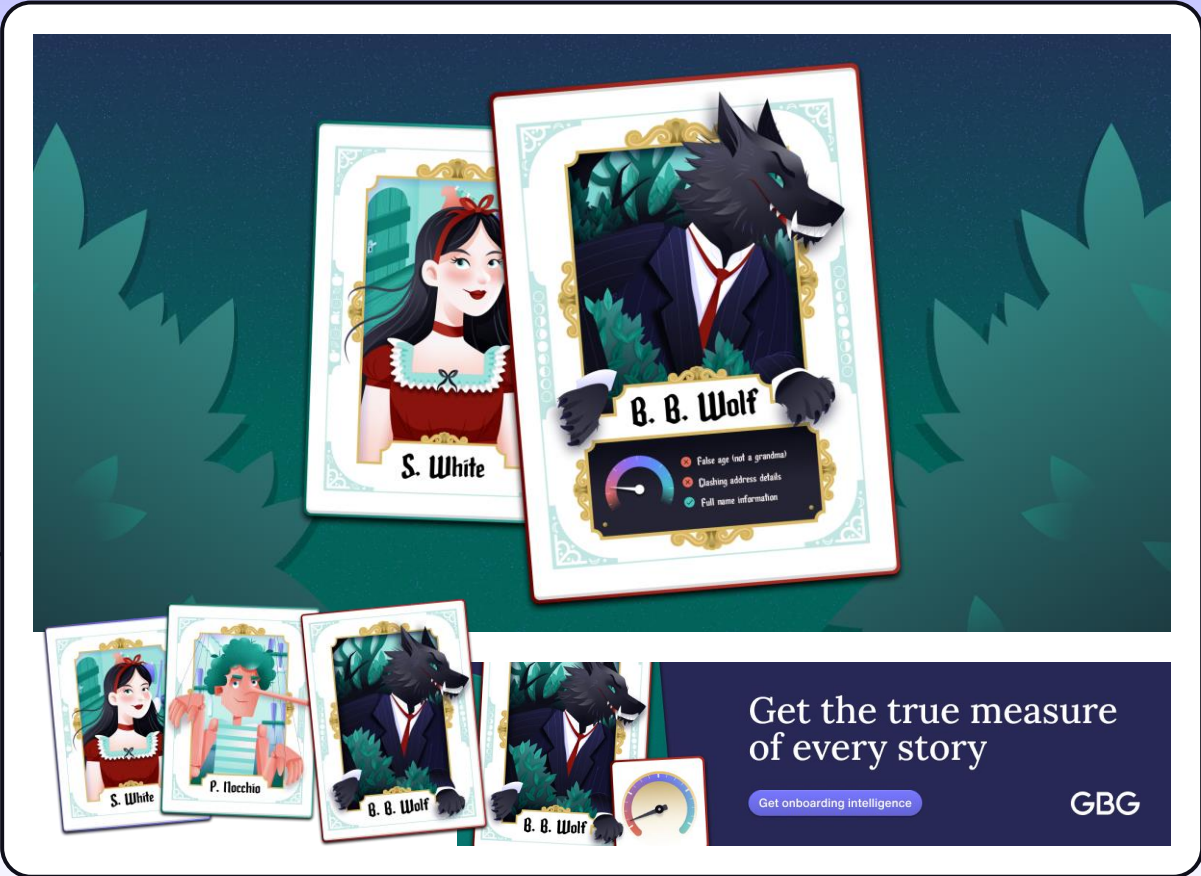
Driving high performance

Focus on improving Americas execution

Build a high-performance culture, focused on winning

Increased focus on competitive differentiation

Recognising & rewarding top performers



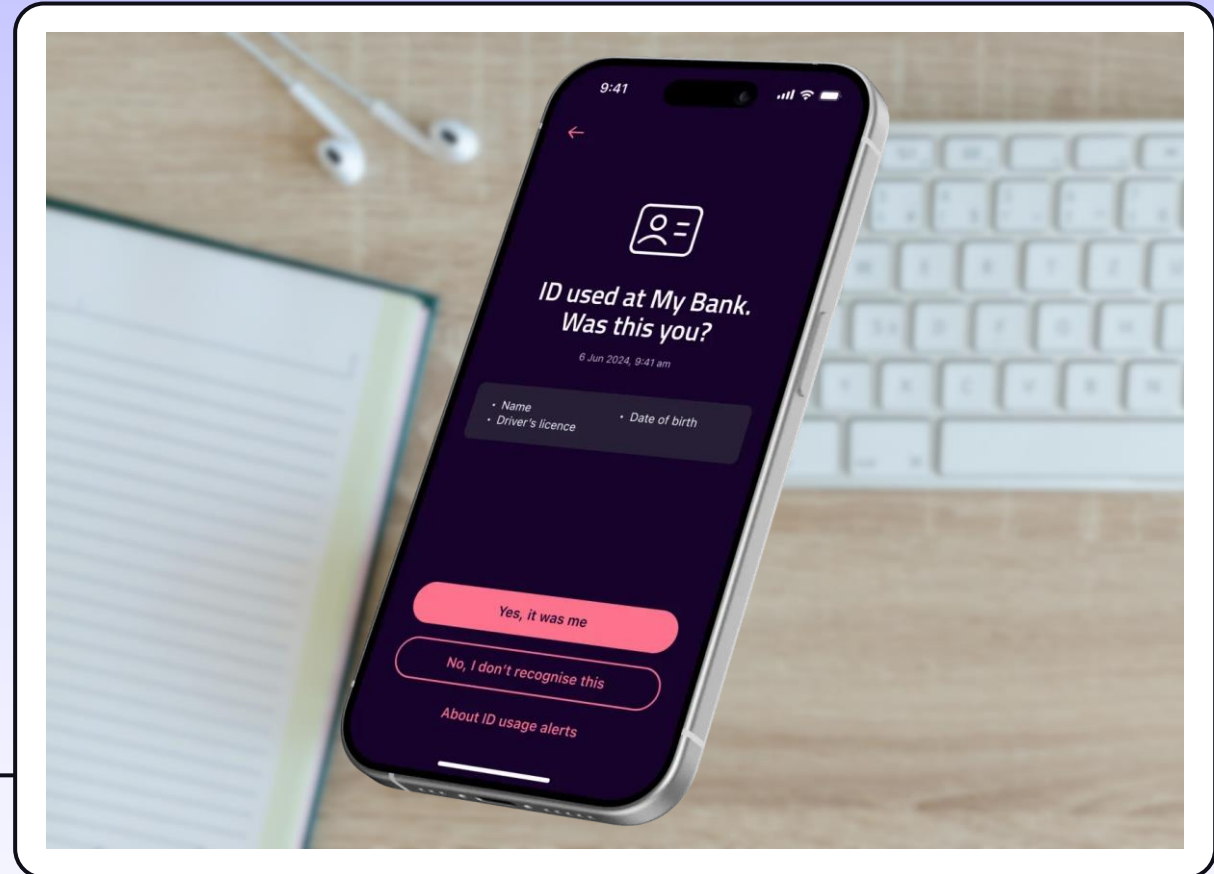
Differentiating through innovation

Targeted investment in market-leading solutions

Extend our data leadership including proprietary assets

Improved speed to market through single integration

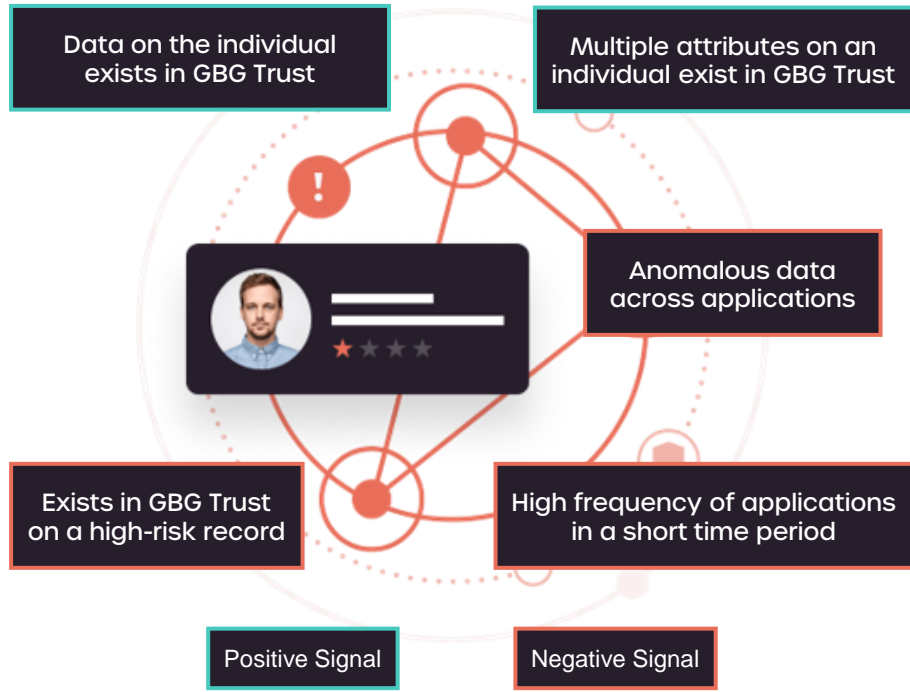
Amplify the impact GBG has within our markets



GBG Trust – our global identity network

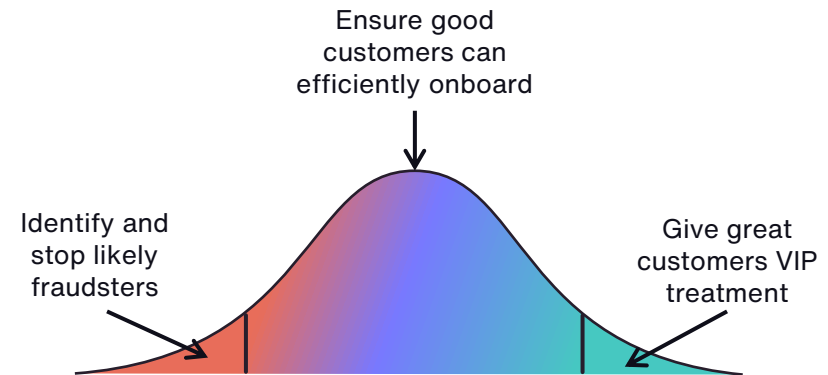
A proprietary data asset leveraging our global fraud platform & expertise to enable customers to immediately recognise great, good & bad customer prospects at the first point of contact

Creating expert insight...



..that extends our competitive differentiation

- Global alignment of solutions developed across our 3 regions
- A consistent GTM & brand approach
- Leverages scale of identity records flowing through GBG platforms
- Builds competitive moat; unique identity insights augmented by AI
- Delivering more value than just regulatory compliance



GBG Trust – our global identity network

Scaling at pace

50M+

Scaled to millions of identity records

600+

Global businesses contributing today

80+

Countries covered, a truly global solution

Attracting customers



'GBG Trust reduced the wave of money mules being onboarded by over 70%'

Tier 1 Australian bank

'Through the level of fraud detected, GBG Trust paid for itself just 17 days post-implementation'

UK Fintech



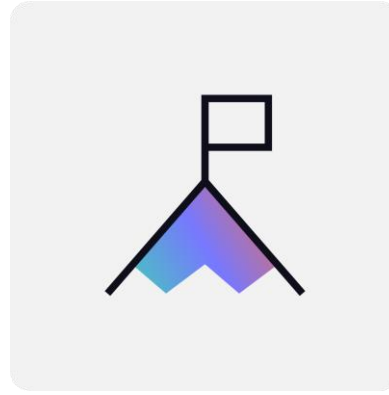
Future roadmap

- Integrating into GBG GO customer journeys
- Access for customers utilising our documents and biometrics solutions
- Continued enhancement of its AI/ML capabilities to increase insight accuracy
- Initiatives underway to explore collaboration with Location

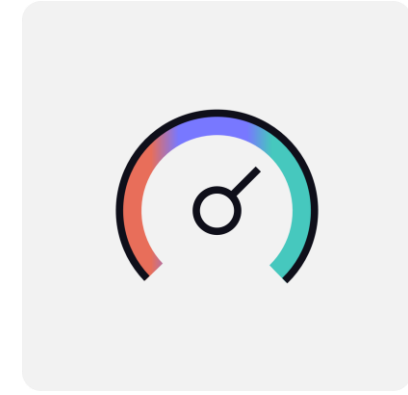
Delivering sustainable value



**Strong business,
attractive markets**



**Good execution in
many areas**



**Clear on our
focus areas**

Q&A

Appendices

Statutory income statement

	FY24 £m	FY23 £m	Growth
Reported revenue	277.3	278.8	(0.5)%
Cost of sales	(82.8)	(81.0)	
Gross profit	194.5	197.8	(1.7)%
Gross profit %	70.1%	71.0%	
Adjusted operating expenses	(132.4)	(141.2)	(6.3)%
(Increase)/decrease in ECL	(0.8)	0.2	
Adjusted operating profit excl. FX gains	61.4	56.8	+8.0%
Adjusted operating margin % excl. FX gains	22.1%	20.4%	+170bps
FX (losses)/gains	(0.2)	3.0	
Adjusted operating profit	61.2	59.8	+2.3%
Adjusted operating margin %	22.1%	21.5%	+60bps
Share-based payments	(3.5)	(2.3)	
Amortisation of acquired intangibles	(39.4)	(42.8)	
Exceptional items	(59.6)	(127.2)	
Operating loss	(41.4)	(112.4)	
Net finance costs	(9.0)	(6.4)	
Loss before tax	(50.4)	(118.8)	
Tax credit / (charge)	1.8	(1.0)	
Loss after tax	(48.6)	(119.8)	

FY24 Results presentation – June 2024

Cash flow statement

	FY24 £m	FY23 £m	Variance
Adjusted EBITDA	63.8	63.1	0.7
Working capital	(4.9)	(20.8)	15.9
Adjusted operating cash flow	58.9	42.3	16.6
Exceptional costs paid	(4.1)	(3.9)	(0.2)
Operating cash flow	54.8	38.4	16.4
Tax paid	(10.1)	(4.3)	(5.8)
Interest and borrowing costs	(8.4)	(6.3)	(2.1)
Dividend paid	(10.1)	(9.6)	(0.5)
Lease liability payments	(1.4)	(2.1)	0.7
Capex/development	0.8	(0.9)	1.7
Net share issue proceeds	-	0.9	(0.9)
Acquisitions/investments	(1.2)	(5.0)	(3.8)
Total net debt movement	24.4	11.1	13.3
Opening net debt balance	(105.9)	(107.0)	1.1
Effect of exchange rates	0.6	(10.0)	10.6
Closing net debt balance	(80.9)	(105.9)	25.0
Net debt / EBITDA leverage	1.27x	1.68x	0.41x

Group balance sheet

	FY24 £m	FY23 £m	Variance
Tangible assets	3.2	5.2	(2.0)
Goodwill, intangible assets and investments	744.1	854.3	(110.1)
Deferred tax assets	0.9	0.8	0.1
Non-current receivables	6.2	4.3	1.9
Non-current assets	754.5	864.6	(110.1)
Inventory	1.3	2.6	(1.3)
Current receivables	72.8	65.3	7.5
Net debt	(79.8)	(104.9)	25.1
Current liabilities	(43.7)	(37.3)	(6.4)
Tax receivable/(payable)	1.5	(0.9)	2.4
Deferred revenue	(55.3)	(56.5)	1.2
Lease liability	(1.7)	(1.8)	0.1
Contingent consideration	-	(1.2)	1.2
Non-current liabilities	(24.6)	(35.8)	11.2
Net assets	625.1	694.1	(69.0)
Capital and reserves	625.1	694.1	(69.0)

FY25 modelling considerations

Foreign exchange

Currency (vs. GBP)	% of group revenue	FY24 average rate	Impact modelling
US Dollar	~35%	1.26	1 cent move in the average exchange rate impact: <ul style="list-style-type: none"> • Revenue by c.0.3% • Adjusted operating profit of c.0.4%
Australian Dollar	~15%	1.91	1 cent move in the average exchange rate impact: <ul style="list-style-type: none"> • Revenue by c.0.1% • Adjusted operating profit of c.0.2%

Finance costs

Based on our current repayment profile and prevailing rate, our forecast charge is expected to be between £7.0m and £7.5m

Tax rate

The Group expects its future adjusted effective tax rate to be approximately 25%

Historic performance by segment

Reported revenue £m	FY20	FY21	FY22	FY23	FY24
Location	51.5	59.7	66.3	76.9	81.1
Identity	105.4	128.1	142.8	162.7	156.0
Fraud	35.5	26.5	33.3	39.2	40.2
Other	6.7	3.4	0.1	-	-
Group revenue	199.1	217.7	242.5	278.8	277.3
Adjusted operating profit £m	FY20	FY21	FY22	FY23	FY24
Location	14.6	19.5	24.6	29.9	32.4
Identity	33.6	47.7	57.0	47.6	42.7
Fraud	13.4	5.3	8.0	10.3	14.8
Other	(13.7)	(14.6)	(30.8) ¹	(28.0) ²	(28.7)
Group operating profit	47.9	57.9	58.8	59.8	61.2
Adjusted operating margin %	FY20	FY21	FY22	FY23	FY24
Location	28%	33%	37%	39%	40%
Identity	32%	37%	40%	29%	27%
Fraud	38%	20%	24%	26%	37%
Other	(7%)	(7%)	(13%)	(10%)	(10%)
Group operating margin	24.1%	26.6%	24.3%	21.5%	22.1%

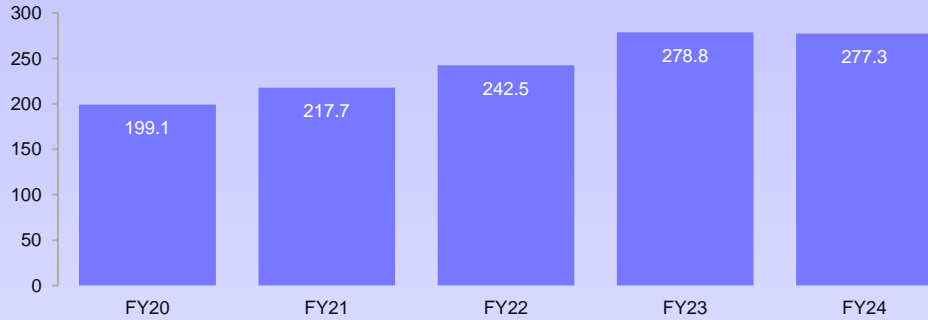
Notes:

1. From FY22 all shared costs moved into "Other" rather than allocated across the segments such as Facilities or Central Technology
2. Reflects the benefit from an FX gain of £3 million on the retranslation of intercompany loans

Historic Group performance

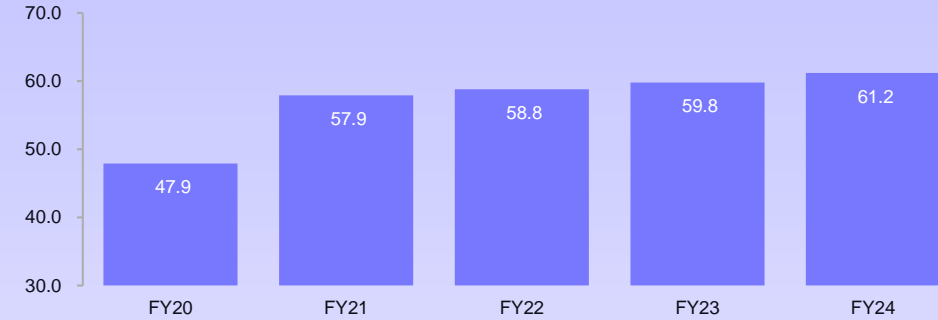
Reported revenue (£m)

5-year CAGR = 14.1%

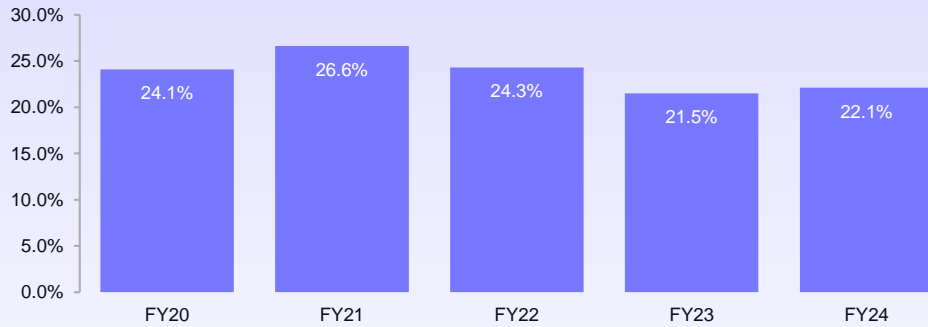


Adjusted operating profit (£m)¹

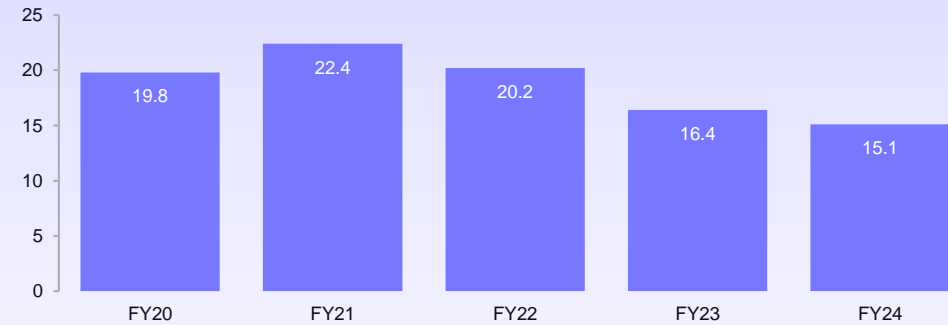
5-year CAGR = 13.8%



Adjusted operating margin¹



Diluted adjusted EPS (p)²



Notes:

- Profits before interest, tax, share-based payment charges, amortisation of acquired intangibles and exceptional items
- Diluted adjusted EPS is adjusted operating profit less net finance costs and adjusted tax divided by the weighted average number of shares in issue and could be issued through share options. The post-FY21 figures are primarily impacted by the issue of 52.1 million shares to part-fund the acquisition of Acuant in November 2021

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