PRELIMINARY RESULTS 2019

Martin Morgan, Non-Executive Chairman

Mark Milner, Chief Executive Officer

Richard Amos, Chief Financial Officer

London, 19 September 2019

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.

Introduction and highlights	Martin Morgan
Operational review and financial highlights	Richard Amos
First impressions	Mark Milner
Q & A	

INTRODUCTION AND HIGHLIGHTS.

HIGHLIGHTS.

Progress made through organic growth focus

- Momentum built across year
- Risk & Compliance achieved good growth
- Healthcare recovered from challenging prior year
- Professional impacted by market challenges

Revenue of £122.5m up 1% on last year (2018: £121.3m)

Organic* growth +1.5%

Compares to 3% organic decline last year and a flat H1

- Reflects shift in momentum

Adjusted** PBT reduced to £19.3m (2018: £21.8m)

EBITA margin 17.6% (2018: 19.6%)

- Reduction driven by anticipated ongoing cost increases

Year end net debt £33.9m (June 2018: £39.6m)

- Strong cash conversion of 123% (2018: 108%)

Proposed final dividend up 4% to 5.0p (2018: 4.8p)

- Total dividend up 3% to 9.1p (2018: 8.8p)

Investment plans continue at current levels

- Significant activity focused on operational improvements
- Investments prioritised on technology and product development in growth areas
- Digital learning now 30% of total training revenues

Looking forwards

- New Executive team in place
- Building momentum to drive organic growth and unlock shareholder value
- Trading in first two months in line with our expectations

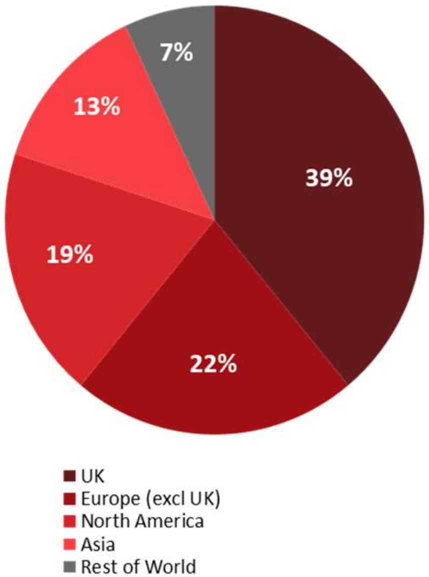
* Organic = at constant currency and excluding impact of acquisitions and disposals
**Adjusted results exclude adjusting items, gain on sale of subsidiary, impairment of goodwill and intangible assets, amortisation of intangible assets (excluding computer software), share of loss on equity accounted investment and finance costs

OPERATIONAL REVIEW.

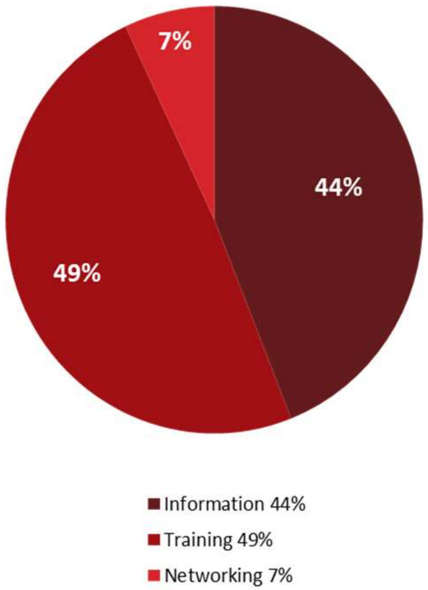
RISK & COMPLIANCE.

12 months 30 June	2019 £m	2018 £m	Absolute variance %	Organic variance %
Revenue	42.4	42.1	1%	6%
Operating profit	12.7	12.2	4%	9%
Margin %	30%	29%		

Revenue by region



Revenue by type



Year on year comparison impacted by disposal of ICP business in July 2018

- Organic variance adjusts for this and FX changes

Strong double-digit growth in main Compliance business, ICA

- Increased demand for bespoke in-house programmes
- Online revenue up over 50% year on year
- ICA membership up 2,000 to over 14,000

Other Compliance businesses delivered low single digit growth

- Slight reduction in Compliance Week revenue
  - New leadership and on-line platform launched
- Benefits coming through from investment in wealth management training business

Risk businesses produced 1% organic growth

- Axco - positive year under new management

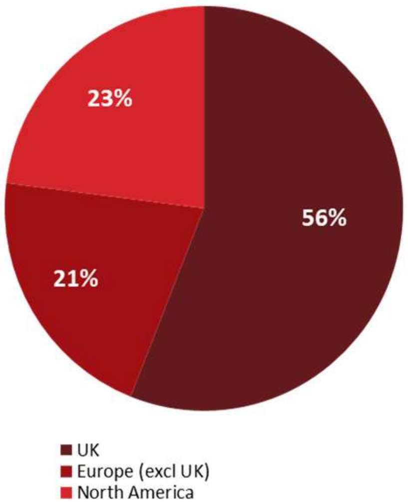
Operating margin maintained at 30%

- Strongest margin division in Group
- Reflects depth of owned intellectual property

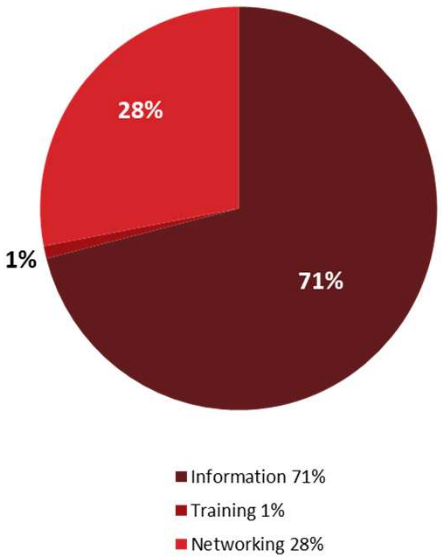
HEALTHCARE.

12 months 30 June	2019 £m	2018 £m	Absolute variance %	Organic variance %
Revenue	46.3	44.7	4%	1%
Operating profit	7.3	9.9	(26%)	(23%)
Margin %	16%	22%		

Revenue by region



Revenue by type



Significant progress over the year- restoring momentum

- Revenue increased 1% organically versus an 8% reduction last year
- Absolute variance includes benefit of full year of IM

Progress in European Healthcare

- French business achieved 7% organic revenue growth including launch of APMi service
- UK business new sales bookings up 6% on last year
- Product innovations - two key data products, Quantis and Investigator
  - IM technology further integrated

Better second half year in US Healthcare

- RISE Nashville revenue up 30% on last year
- Focus on event quality rather than quantity
- 54 events run in US in the year (2018: 70)

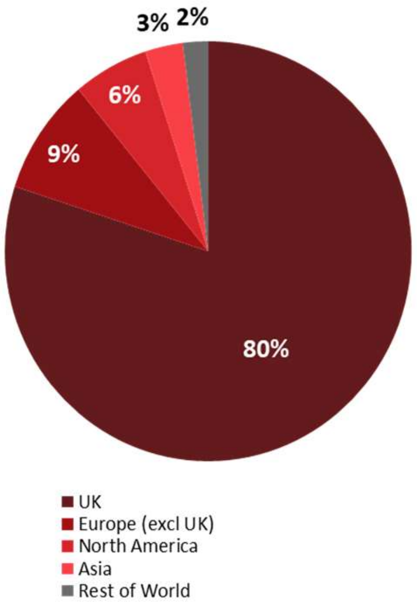
Divisional profit impacted by investments:

- Supporting new product launch
- Infrastructure costs from prior year upgrades
  - Office, CRM, digital marketing
- Planned staff increases

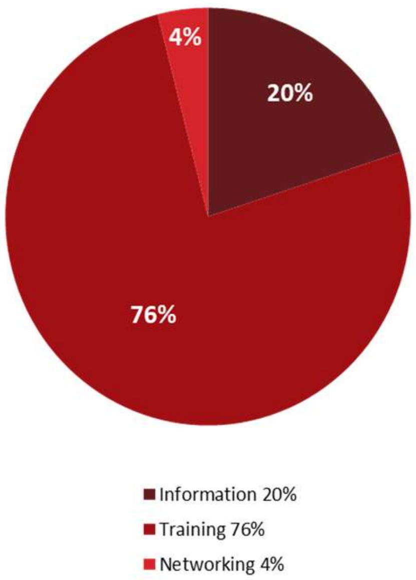
PROFESSIONAL.

12 months 30 June	2019 £m	2018 £m	Absolute variance %	Organic variance %
Revenue	33.8	34.5	(2%)	(2%)
Operating profit	5.8	6.2	(6%)	(6%)
Margin %	17%	18%		

Revenue by region



Revenue by type



Results impacted by challenging markets

- Absolute and organic reduction includes Ark closure
- Ongoing business - net overall modest revenue reduction

Accountancy – a year of change

- SWAT and Mercia combined as one business
- Integrating 5 CRM systems to one platform – ongoing

Legal – a year of progression

- Recurring framework contracts won in Bond Solon to support sustainability strategy
- IP portfolio expanded

Investment Banking – adapting to client needs

- Completed move to Totara LMS system
- Online dashboard created and launched

Operating profit reduction reflected revenue performance

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FINANCIAL HIGHLIGHTS.

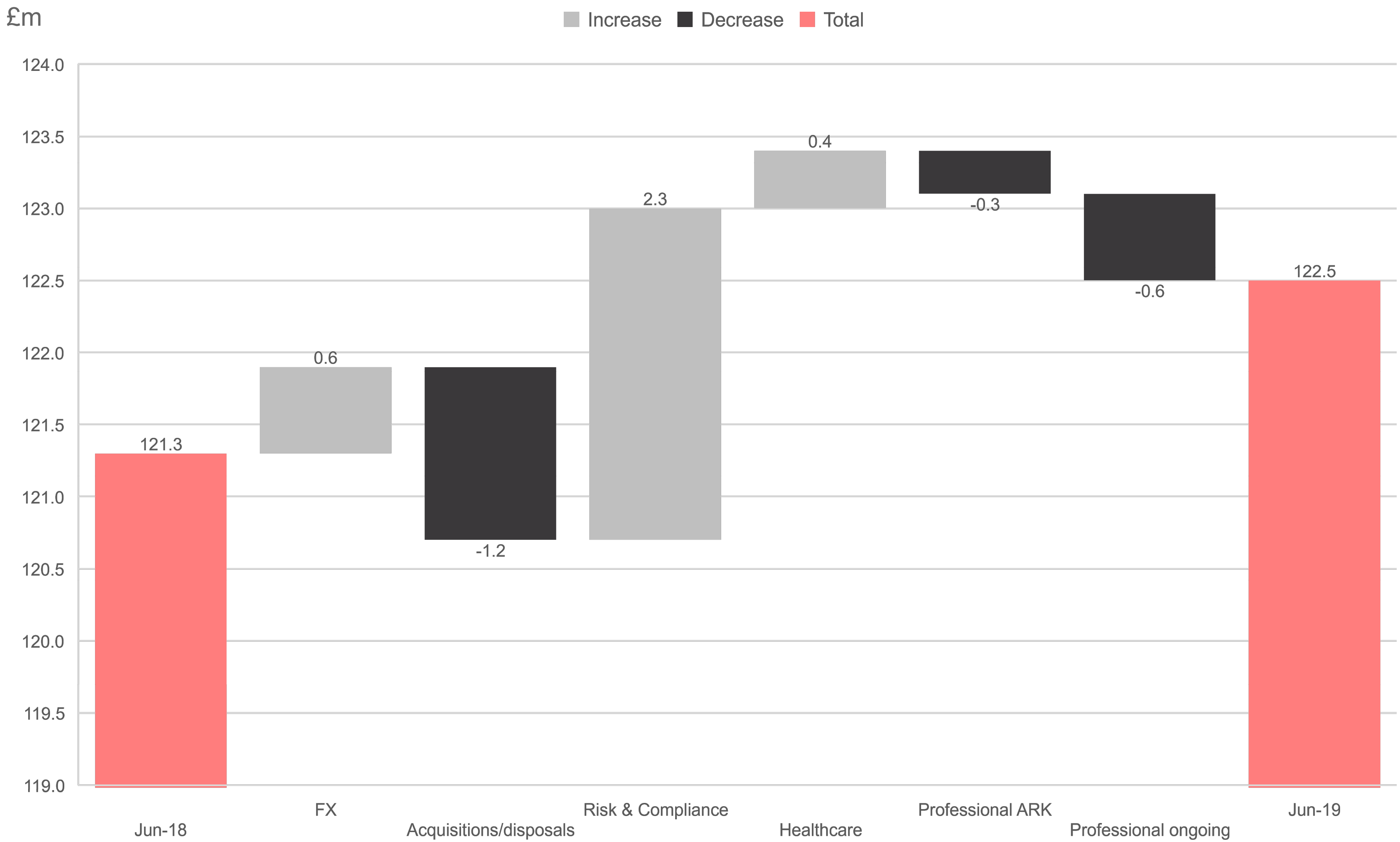
REVENUE BY DIVISION.

	12 months to 30 June 2019 £m	12 months to 30 June 2018* £m	Absolute variance %	Organic variance %
Revenue				
Compliance	29.0	26.6	9%	8%
Risk	13.4	15.5	(14%)	1%
Total Risk & Compliance	**42.4**	**42.1**	**1%**	**6%**
European Healthcare	29.0	27.9	4%	1%
US Healthcare	9.7	8.9	9%	5%
Other Information Businesses	7.6	7.9	(4%)	(3%)
Total Healthcare	**46.3**	**44.7**	**4%**	**1%**
Ongoing businesses	33.8	34.2	(1%)	(2%)
Ark business - closed	-	0.3		
Total Professional	**33.8**	**34.5**	**(2%)**	**(2%)**
Total group revenue	**122.5**	**121.3**	**+1%**	**+1.5%**

- Prior year's numbers restated for the adoption of IFRS 15 revenue recognition
- Absolute variance in Risk reflects disposal of ICP business
- European Healthcare absolute variance impacted by acquisition of IM
- US Healthcare absolute variance impacted by FX changes

* 2018 comparatives restated to reflect adoption of IFRS 15– see page 30 for detail

GROUP REVENUE BRIDGE.



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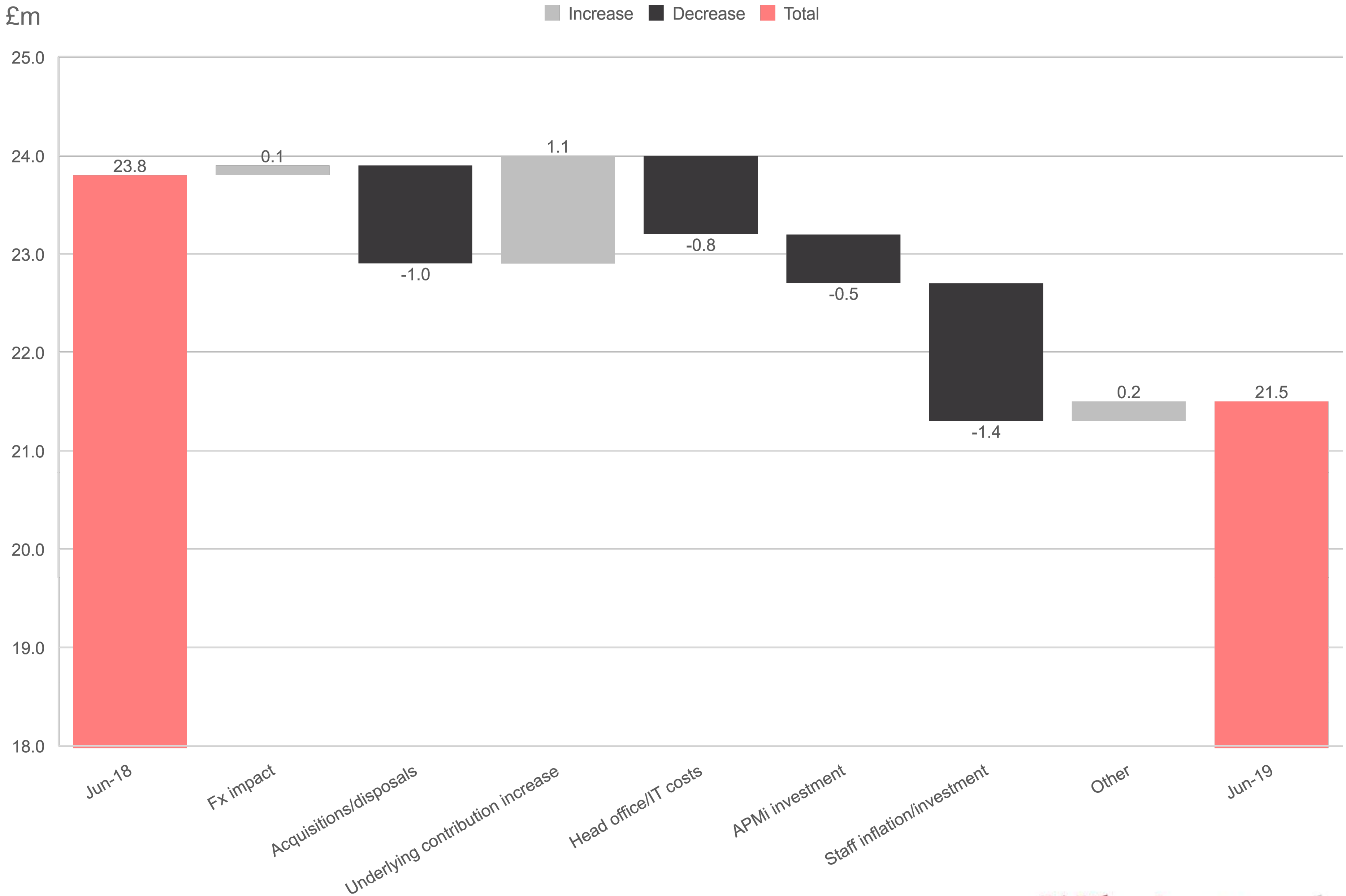
GROUP ADJUSTED EBITA BRIDGE.



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INCOME STATEMENT.

	12 months to June 2019 £m	12 months to June 2018 Restated £m	Variance £m	Absolute variance %	Organic variance %
Revenue	**122.5**	**121.3**	**1.2**	**1%**	**1.5%**
Adjusted EBITA	21.5	23.8	(2.3)	(10%)	(6%)
EBITA margin	*17.6%*	*19.6%*			
Share of loss of JV	(0.1)	-			
Finance costs	(2.1)	(2.0)			
Adjusted profit before tax	**19.3**	**21.8**	**(2.5)**	(11%)	
Adjusting items	(1.4)	(4.5)	3.1		
Gain on sale of ICP	1.9	-	1.9		
Amortisation of acquired intangible assets	(5.1)	(6.4)	1.3		
Impairment	-	(8.6)	8.6		
Statutory profit before tax	**14.7**	**2.3**	**12.4**		
Taxation	(3.5)	(2.6)	(0.9)		
Statutory profit after tax	**11.2**	**(0.3)**	**11.5**		

Underlying tax rate	21%	21%		
Adjusted basic EPS	17.44p	19.80p		(12%)
Dividend per share	9.10p	8.80p		3%

CASH FLOW.

	12 months to June 2019 £m	12 months to June 2018 Restated £m	Variance £m	Variance %
Adjusted EBITDA	24.3	26.0	(1.7)	(7%)
SBP	0.2	0.6	(0.4)	
Movement in WC	1.9	(0.9)	2.8	
Cash inflow from operations	**26.4**	**25.7**	**0.7**	**3%**
Interest paid	(1.9)	(2.0)	0.1	
Tax paid	(3.9)	(4.7)	0.8	
Net capital expenditure	(3.6)	(5.0)	1.4	
Free cash flow before dividends	**17.0**	**14.0**	**3.0**	**21%**
Equity dividends	(7.8)	(7.6)	(0.2)	
Cash on SBP	-	(0.1)	0.1	
Acquisition spend	(0.3)	(1.9)	1.6	
Deferred consideration	(1.5)	(0.2)	(1.3)	
Disposal of subsidiary	0.1	-	0.1	
Adjusting and other items	(1.3)	(4.0)	2.7	
Change in net debt during the year	**6.2**	**0.2**	**6.0**	
Brought forward net debt	(39.6)	(40.0)	0.4	
FX	(0.5)	0.2	(0.7)	
Carried forward net debt	**(33.9)**	**(39.6)**	**5.7**	**(14%)**

- Cash conversion strong at 123% versus 108% last year
  - Led by improved working capital management
- Capex down from the exceptional high of the prior year
- Free cash flows up £3m on previous year
  - Cash cover of more than twice the dividend cost
- Deferred consideration reflects SWAT payment
- Net debt represents 1.4 times EBITDA (2018: 1.5 times)
- Debt facility (£65m) renewed to July 2023 with extension option to Oct 2024

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SUMMARY BALANCE SHEET.

	30 June 2019 £m	30 June 2018 Restated £m
Fixed assets		
Goodwill/intangibles	100.7	104.4
Property and P&E	6.0	6.5
Other fixed assets	0.6	1.0
Working capital		
Deferred revenue	(30.8)	(28.4)
Other working capital	2.7	1.8
Cash/debt		
Net debt	(33.9)	(39.6)
Capitalised bank fees	-	0.3
Deferred consideration payable	(1.5)	(2.6)
Deferred consideration receivable	2.2	-
Financial instruments	(0.2)	(0.2)
Other		
Tax liabilities	(0.3)	(0.7)
Deferred tax	(2.6)	(3.1)
Net assets	**42.9**	**39.4**

- IFRS 15 changes
  - £3.6m opening adjustment to deferred revenue offset by opening reserves
  - £0.5m deferred tax benefit
- Deferred revenue increase £2.4m
  - Half relates to invoice timing
  - Remaining part reflects increased pre-booked revenue
- Consideration payable decreased - SWAT settled
- New consideration receivable - relates to ICP

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GUIDANCE AND CURRENT TRADING.

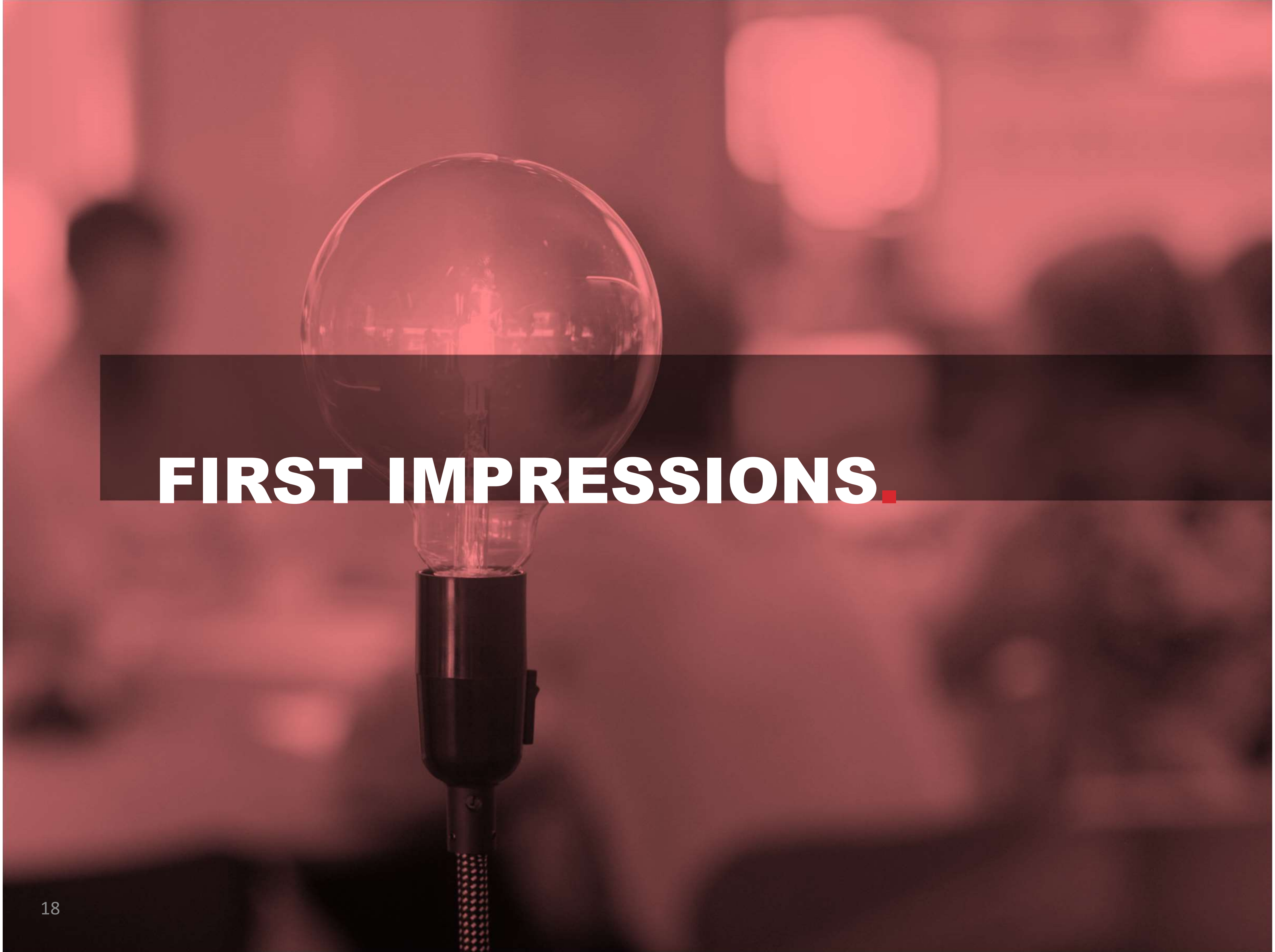
Guidance

- Expectations remain for organic revenue growth in low to mid-single digit range
    - Healthcare and Risk & Compliance expected to deliver similar organic growth to last year
    - Professional expected to recover to flat year on year
- Costs – no change in our expectations
- Capex c£3.0m
- Deferred consideration payable £1.7m
- Underlying tax rate – c20%
- IFRS16. Adds £13m to fixed assets and liabilities. Will reduce adjusted PBT by £0.2m due to non-linear discount unwind

Current Trading

- First two months trading in line with Board expectations
    - Revenue ahead of last year
    - Sales activity promising in each division

FIRST IMPRESSIONS.



MARK MILNER BACKGROUND.

- Successful credentials in B2B and B2C media, technology, information and data space
- Sales and commercial focus: General management since 2004
- Held senior roles at DMGT companies since 2001:
  - Digital ‘classified’ vertical channels
  - Digital variants of print brands
  - CEO of Digital Property Group (findaproperty.com, primelocation.com)
  - CEO of Landmark Information Group
- Proven track record of transforming brands and businesses and delivering growth
- Why I joined Wilmington?

WHY WILMINGTON?

- Familiar with structure and many of the business models
- Similar size to previous businesses
- Informed decision:
    - Public data
    - Relate to the dynamics and challenges of models
    - Thorough recruitment process
    - Access to strategy work
- Martin Morgan, Chairman

FIRST IMPRESSIONS.

- Still in onboarding period (<90 days)
  - Travelled to most locations
  - Met over 600 staff, conducted 30+ townhalls
  - Commence deep dives into the business units
- Employees are experts and embody passion and enthusiasm
- Generally benign markets and a healthy demand for our products and services
- Great brands and leading market positions
- Business review highlighted clear opportunities for growth
- Focus and build momentum - Do one thing. Do it well.
- Historically an acquisition-led business
- Focus on organic growth is key:
  - Product development
  - Technology enhancements
  - Sales & Marketing

60 DAY SUMMARY.

- Strong business
- Attractive markets
- Talented workforce
- Focussed on organic growth
- Building momentum and unlocking shareholder value

Q & A.

APPENDICES.

GLOSSARY.

APMi	New product being developed by APM International, French based healthcare company
CPD	Continuing Professional Development
CRM	Customer relationship management software
ICA	International Compliance Association – Wilmington owned compliance industry body
ICP	International Company Profile – credit referencing business sold in July 2018
IM	Interactive Medica – Acquired Feb 2018
Investigator	Most granular online library of UK healthcare data which includes over 450,000 healthcare personnel
JV	Joint venture
Quantis	A platform, both online and offline to display UK healthcare data
SBP	Share based payments
Totara ©	Learning Management System (LMS) being deployed group-wide
WC	Working capital

FINANCIAL PROGRESS OVERVIEW.

Revenue up
(% of Group Revenue)

	Revenue	Reported Growth
Risk & Compliance	35%	1%
Healthcare	38%	4%
Professional	27%	(2%)
Revenue	£122.5m	1%

EBITA anticipated reduction
(% of Group EBITA)

	EBITA	Reported Growth
Risk & Compliance	49%	4%
Healthcare	29%	(26%)
Professional	22%	(6%)
Adj EBITA	£21.5m	(10%)

OVERALL MARGINS

	EBITA Margin June 2019	EBITA Margin June 2018
Risk & Compliance	30%	29%
Healthcare	16%	22%
Professional	17%	18%
Wilmington plc (adjusted EBITA margin)	18%	20%

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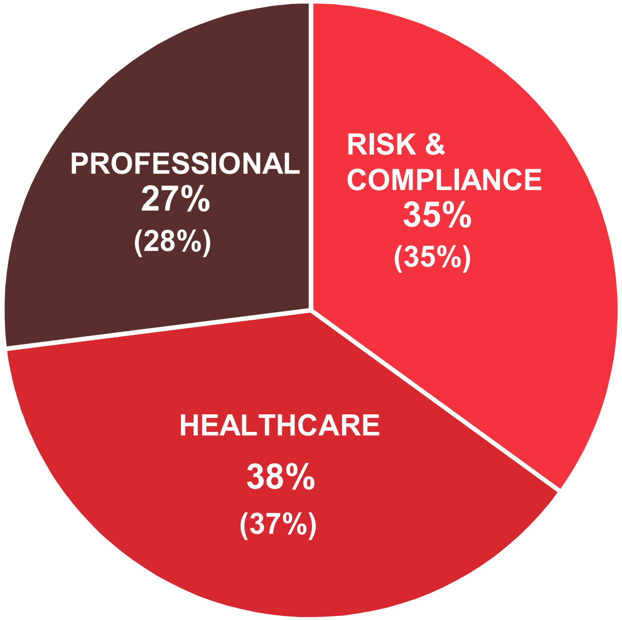
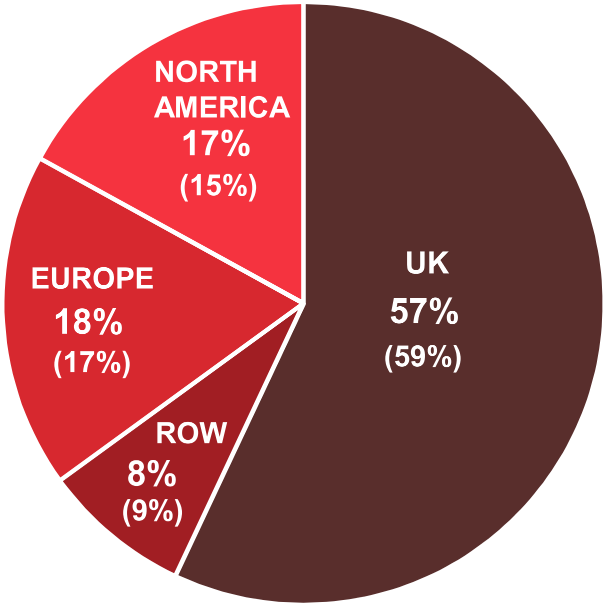
PROFILE OF THE BUSINESS.

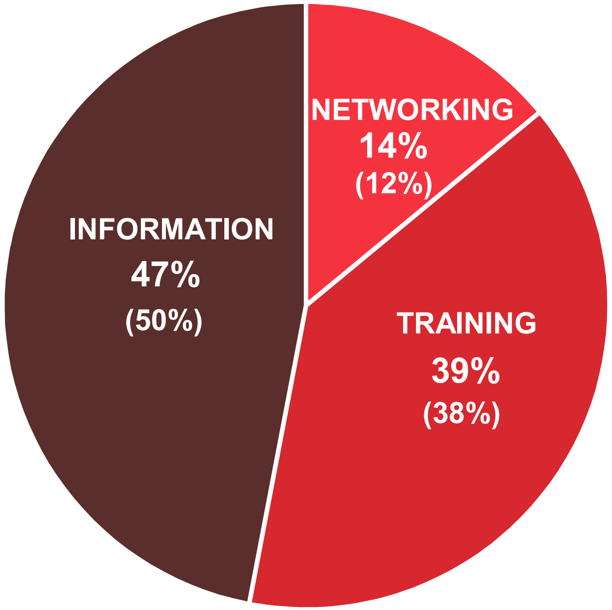
REVENUE BY AREAS OF KNOWLEDGE



REVENUE BY REGIONS



REVENUE BY TYPE



( ) June 2018 restated figures

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ADJUSTED EBITA BY DIVISION.

	12 months to June 19 £m	12 months to June 18 restated £m	Absolute variance %	Organic variance %
Adjusted EBITA				
Risk & Compliance	12.7	12.2	4%	9%
Healthcare	7.3	9.9	(26%)	(23%)
Professional	5.8	6.2	(6%)	(6%)
Group overheads	(4.1)	(3.9)		
Share based payments	(0.2)	(0.6)		
Total	**21.5**	**23.8**	**(10%)**	**(6%)**

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IFRS 15 BALANCE SHEET AT 30 JUNE 2018 RESTATEMENT.

	Previously reported £'000	IFRS 15 adjustment – revenue recognition £'000	Restated £'000
Non current assets: deferred tax assets	458	518	976
Other non-current assets	110,984	-	110,984
Current assets: Trade and other receivables	28,233	-	28,233
Other current assets	11,106	-	11,106
Total assets	**150,781**	**518**	**151,299**
Current liabilities: Trade and other payables	(26,368)	-	(26,368)
Current liabilities: Deferred revenue	(24,746)	(3,638)	(28,384)
Other current liabilities	(2,042)	-	(2,042)
Other non-current liabilities	(55,109)	-	(55,109)
Total liabilities	**(108,265)**	**(3,638)**	**(111,903)**
Net assets	**42,516**	**(3,120)**	**39,396**

RECONCILIATION OF FY2018 IFRS 15 P&L RESTATEMENT.

	Full Year to 30 June 2018		
	Jun 2018 originally reported £'000	IFRS 15 restatement £'000	**Jun 2018 restated £'000**
Revenue			
Risk & Compliance	42,860	(711)	42,149
Healthcare	44,681	-	44,681
Professional	34,551	(39)	34,512
Total	**122,092**	**(750)**	**121,342**
Adjusted EBITA			
Risk & Compliance	12,899	(711)	12,188
Healthcare	9,899	-	9,899
Professional	6,230	(39)	6,191
	29,028	**(750)**	**28,278**
Unallocated central overheads	(3,827)	-	(3,827)
Share based payments	(641)	-	(641)
Adjusted EBITA	**24,560**	**(750)**	**23,810**

RECONCILIATION OF FY2019 IFRS 15 P&L ADJUSTMENT.

	Full Year to 30 June 2019		
	Jun 2019 pre adjustment £'000	IFRS 15 adjustment £'000	**Jun 2019 actual £'000**
Revenue			
Risk & Compliance	42,997	(544)	42,453
Healthcare	46,310	-	46,310
Professional	33,750	12	33,762
Total	**123,057**	**(532)**	**122,525**
Adjusted EBITA			
Risk & Compliance	13,214	(544)	12,670
Healthcare	7,337	-	7,337
Professional	5,796	12	5,808
	26,347	**(532)**	**25,815**
Unallocated central overheads	(4,152)	-	(4,152)
Share based payments	(212)	-	(212)
Adjusted EBITA	**21,983**	**(532)**	**21,451**

PRE IFRS 15 YEARLY COMPARISON.

Pre IFRS 15 adjustment/restatement

	12 months to 30 June 2019	12 months to 30 June 2018	Variance	
	£'000	£'000	£'000	%
Revenue				
Risk & Compliance	42,997	42,860	137	0.3%
Healthcare	46,310	44,681	1,629	4%
Professional	33,750	34,551	(801)	(2%)
Total	**123,057**	**122,092**	**965**	**1%**
Adjusted EBITA				
Risk & Compliance	13,214	12,899	315	2%
Healthcare	7,337	9,899	(2,562)	(26%)
Professional	5,796	6,230	(434)	(7%)
	26,347	**29,028**	**(2,681)**	**(9%)**
Unallocated central overheads	(4,152)	(3,827)	(325)	
Share based payments	(212)	(641)	429	
Adjusted EBITA	**21,983**	**24,560**	**(2,577)**	**(10%)**


THANK YOU.