

NEXT15

PRELIMINARY RESULTS : APRIL 2022

AGENDA

Results summary and introduction

Business progress

Engine & Mach49 updates

Insights & observations

Long-term strategy update

ESG update

Numbers in detail

VISION & MISSION

We believe our future lies at the intersection of technology, business consulting and digital marketing - we call this growth consulting.

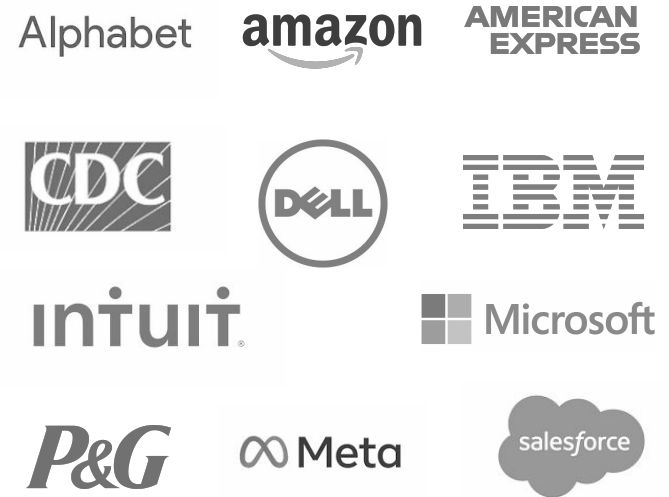
We are designing and building a global growth consultancy capable of working with the very best companies and entrepreneurs to build long-term sustainable businesses, organisations and brands.

INTRODUCTION TO NEXT15

Next 15 operates across four divisions and has offices across the world. Our divisions are:

1. Delivering business insights through data analytics and online research
2. Optimizing digital brand assets to drive long term customer engagement
3. Optimizing customer delivery (aka sales) through digital platforms such as e-commerce, demand gen and ABM
4. Maximizing the value of the business through business design, corporate positioning and venture creation

Our customers include:



RESULTS HIGHLIGHTS

Net revenue up 36%
(26.1% organically) to
£362.1m (2021: £266.9m)

**Adjusted operating
profit up 60%** to
£79.3m (2021: £49.5m)

**Margin performance
of 21.9%** (2021: 18.5%) -
benefitted from late Q4
projects and US \$ strength

**Adjusted diluted EPS
up 47%** to 59.7p (2021:
40.7p)

Strong performances across
all segments and geographies

Net cash as at 31 January of £35.7m and new
RCF of up to £100m signed in September 2021

Final dividend proposed of
8.4p (12.0p for full year)

BUSINESS PROGRESS

CLIENT WINS:

Aston Martin, Boots,
Toptal and Duolingo

ACQUISITIONS:

Engine UK: MHP Mischief,
Creative & Transformation

Shopper Media Group

Blueshirt Capital Advisers
("BCA")

Acquisition of MSI creates
\$20m US customer insight
business

PRODUCTS:

Prism - automated digital
DD

Audience 360 - customer
activation using 1st party
data

**Customer Data Platform -
Fulcrum** - predictive
analytics for retailers

BOARD UPDATE:

Strengthened with new
NED and COO joining the
board

ENGINE UPDATE

All three businesses have made the transition well and are ahead of expectations (albeit early days)

Client wins post-deal include: Health Education England (Transform), Henkel (joint ODD/Creative win), Alexion Pharmaceuticals (MHP)

Work on rebranding progressing

Cost savings marginally ahead of expectations

Collaboration with Savanta and M Booth on clients and products as predicted

MACH49 CONTRACT WIN

- Wholly owned subsidiary Mach49 enters 5-year strategic alliance with yet to be formally announced global technology and digital company
- Contract is to create and launch a series of innovation-led, technology-driven, sustainable ventures around the world
- Over the contract term total fees are expected to be in excess of \$400m
- Anticipated the work will be delivered at or above the Group's current operating margin
- Inevitably increases the value of the Mach49 earn-out materially which is capped at \$300m

INSIGHTS & OBSERVATIONS

Digital transformation journey still in its infancy for many customers - anticipate multi-year cycle.

Move towards tech-enabled subscription/fixed fee services is starting to accelerate.

Specialism is beating scale. Specialism *plus* scale is the long term formula

WFA is new norm but is opening up new pools of talent.

Minimal if any impact from war in Ukraine on our client revenues.

LONG-TERM STRATEGY UPDATE

Opportunities to make larger acquisitions/investments to drive scale especially in underweight/high growth areas of the business such as:

- APAC
- EMEA
- Issues consulting
- eCommerce
- US digital paid media
- US data
- ABM
- Demand/Lead gen

Significant investments in H2 were made to scale systems and internal control functions ahead of additional acquisitions

Acquisition pipeline is very robust

Aiming to double revenues within four years

SEGMENTAL PERFORMANCE

Net Revenue	£42.1m	+	£187.6m	+	£79.9m	+	£52.5m
% of Total Net Revenue	11.6%		51.8%		22.1%		14.5%
	INSIGHT		ENGAGE		DELIVERY		TRANSFORM
	Margin - 21.4%		Margin - 21.6%		Margin - 35.6 %		Margin - 29.0%
	Organic growth - 18.6%		Organic growth - 15.7%		Organic growth - 40.0%		Organic growth - 99.9%

ESG UPDATE

B Corp certification - Pushing for Q4 2022

Measuring our carbon footprint

Assessing the carbon impact of the work we do for our clients

DE&I action plan in place across the business after major review using external consultants

Introduced balanced scorecard reporting for all businesses

Ethics Group making decisions about non values-aligned clients

NUMBERS IN DETAIL

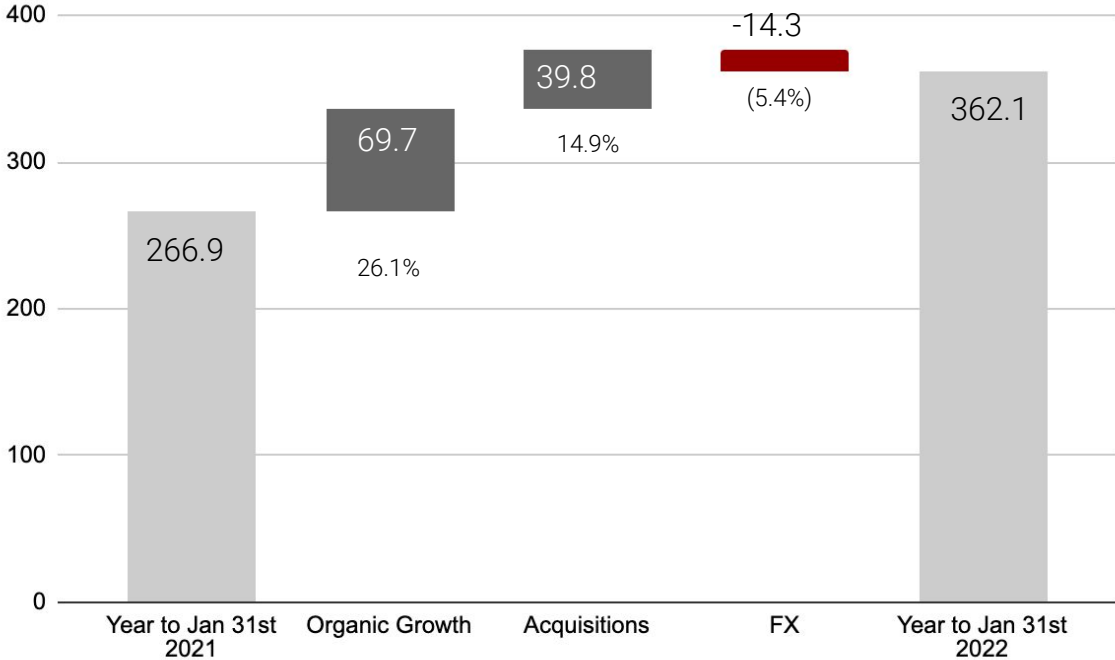
PRELIM RESULTS : APRIL 2022

ADJUSTED P&L

£M	2022	2021	GROWTH %
Net revenue	362.1	266.9	36%
Organic revenue growth/(decline)	26.1%	(3.4)%	
Operating profit	79.3	49.5	60%
Operating margin	21.9%	18.5%	
Profit before tax	79.3	49.1	62%
Tax	(17.2)	(9.9)	
Minorities	(3.6)	(1.0)	
Profit after tax	58.5	38.2	53%
Diluted EPS (p)	59.7	40.7	47%
Final dividend per share (p)	8.4	7.0	20%

REVENUE BRIDGE

Revenues £m



SEGMENTAL

Operation	Net revenue 2022 £M	Organic growth	Operating Profit £M	Margin 2022	Margin 2021
Customer Insight	42.1	18.6%	9.0	21.4%	14.7%
Customer Engage	187.6	15.7%	40.4	21.6%	22.1%
Customer Delivery	79.9	40.0%	28.5	35.6%	30.7%
Business Transformation	52.5	99.9%	15.2	29.0%	22.0%
Head Office	-	-	(13.8)	-	-
Total	362.1	26.1%	79.3	21.9%	18.5%

CASH FLOW

£M	2022	2021
Inflow from op activities	92.7	66.4
Working capital	0.2	6.5
Net inflow from operations	92.9	72.9
Tax	(14.1)	(8.4)
Net capex	(5.9)	(4.1)
Acquisitions	(28.2)	(23.6)
Net interest and dividends paid	(11.0)	(0.7)
Repayment of lease liabilities	(12.0)	(12.6)
Exchange (loss) / gain on net cash	-	(0.2)
Increase in net cash	21.7	23.3
Net cash closing	35.7	14.0

ADJUSTMENTS

£M	2022	2021
Adjusted profit before tax	79.3	49.1
Restructuring	-	(2.7)
Property impairment	(0.2)	(10.0)
Deal costs	(0.5)	(0.4)
Charge for one-off employee incentive schemes	(5.9)	(2.4)
Acquisition accounting related costs	(151.9)*	(36.3)
Gains on investment activities	0.5	-
Furlough	(1.4)	1.4
Statutory loss before tax	(80.1)	(1.3)

* £107m of this charge relates to the Mach49 increase in earnout

FORECAST COMMITMENTS

	31 Jan 2022
	£M
FY 2022	-
FY 2023	36.0
FY 2024	30.8
FY 2025	45.8
FY 2026	39.7
FY 2027	31.5
FY 2028	31.3
Total	215.1

OUTLOOK

BUSINESS: Organic growth will remain strong

Good acquisition pipeline

PRODUCT: Progress being made on productization and client integration

Using strong performance as opportunity to invest in product development

OPERATIONAL: Progress on office sub-lets ahead of schedule

Staff cost increases are being largely matched by fee increases and growth rates

Acquisition of Engine and major contract win by Mach49 gives the group further confidence in another year of significant progress

APPENDICES

REGIONAL

Operation	Net revenue 2022 £M	Organic growth	Operating Profit £M	Margin 2022	Margin 2021
US	199.3	33.2%	58.3	29.3%	24.7%
UK	137.5	18.3%	30.9	22.5%	21.1%
APAC	15.2	11.9%	1.4	9.3%	17.1%
EMEA	10.1	21.3%	2.5	24.9%	23.2%
HEAD OFFICE	-	-	(13.8)	-	-
Total	362.1	26.1%	79.3	21.9%	18.5%

BALANCE SHEET SUMMARY

£M	31 January 2022	31 January 2021
Intangible assets	183.1	163.8
Non-current assets	83.1	52.3
Current assets	178.6	105.6
Non-current liabilities	(203.0)	(93.1)
Current liabilities	(180.3)	(111.7)
Net assets	61.5	116.9
Share capital	2.3	2.3
Reserves	57.6	114.7
Minorities	1.6	(0.1)
Total equity	61.5	116.9
Net cash	35.7	14.0