



Investor Presentation

27 February 2023



“ Helping Online Consumers make informed choices ”

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Refreshed management team

New appointments ensure experience and continuity



Michael Riedl, Group CEO

- Promoted to Group CEO in December 2022 from previous role of Group CFO. Became Group CFO in 2019 following CentralNic's acquisition of KeyDrive, where he had been CFO since 2011
- Strong financial and operational experience across the Group and wide and in-depth knowledge of the Company's markets as a whole
- Responsible for the creation of the Online Marketing division
- Degrees and qualifications in Computer Science, Law, Accounting and Business from bodies including CIMA and Harvard Business School

Billy Green, Group CFO

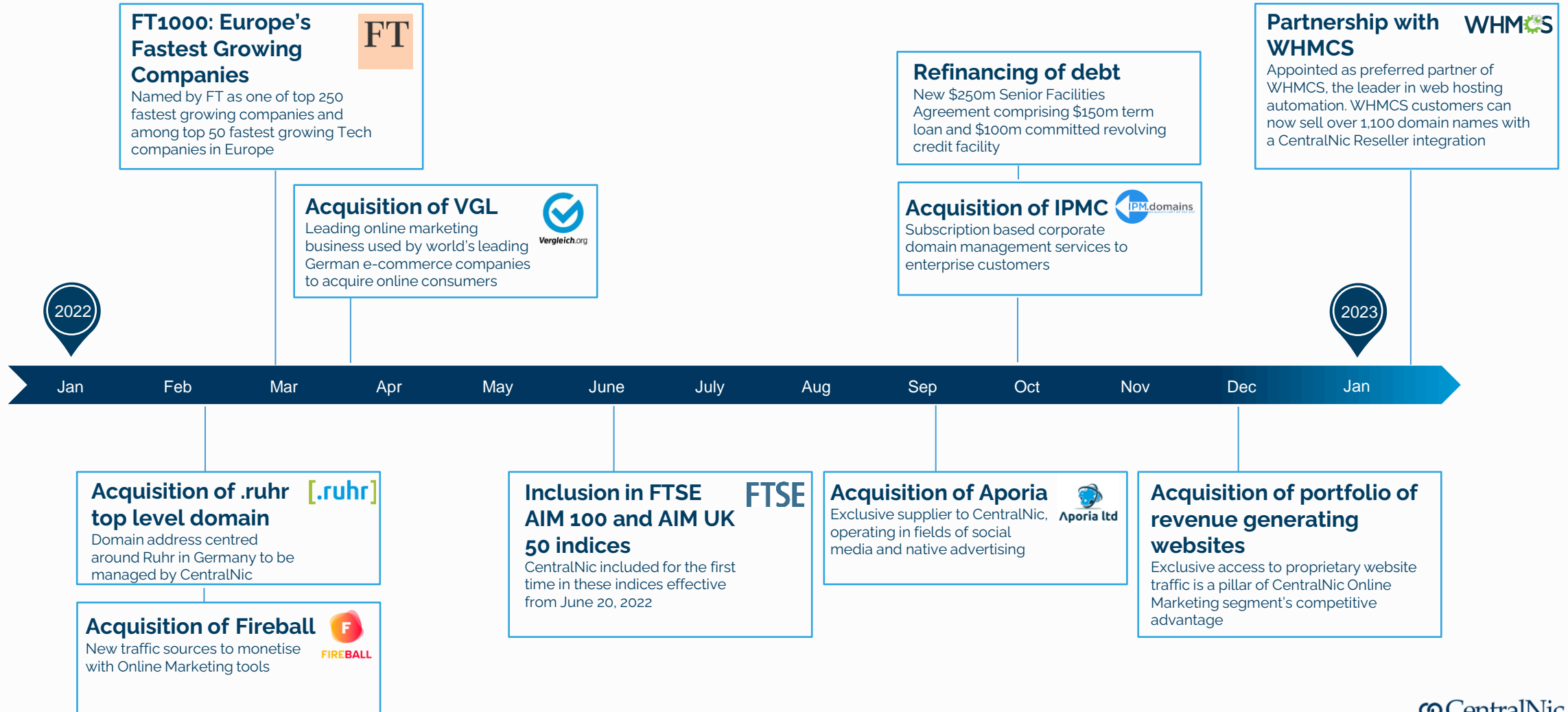
- Joined CentralNic in 2019 as Group Finance Director, before becoming Group Chief Financial Officer in December 2022
- Decisively contributed to the acceleration of the reporting cycle, improved analytical insights such as segregation of organic from acquisitive growth and the successful refinancing of the Company's bond debt in October 2022
- UK qualified chartered accountant with more than twenty years post-qualified experience





Recent Highlights

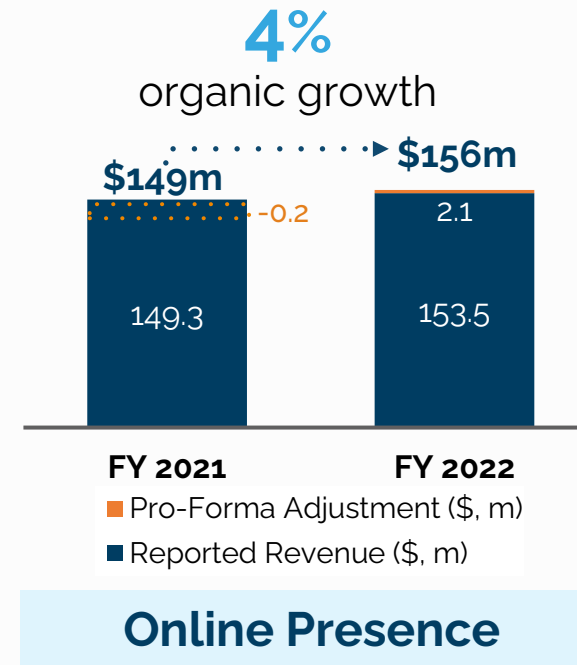
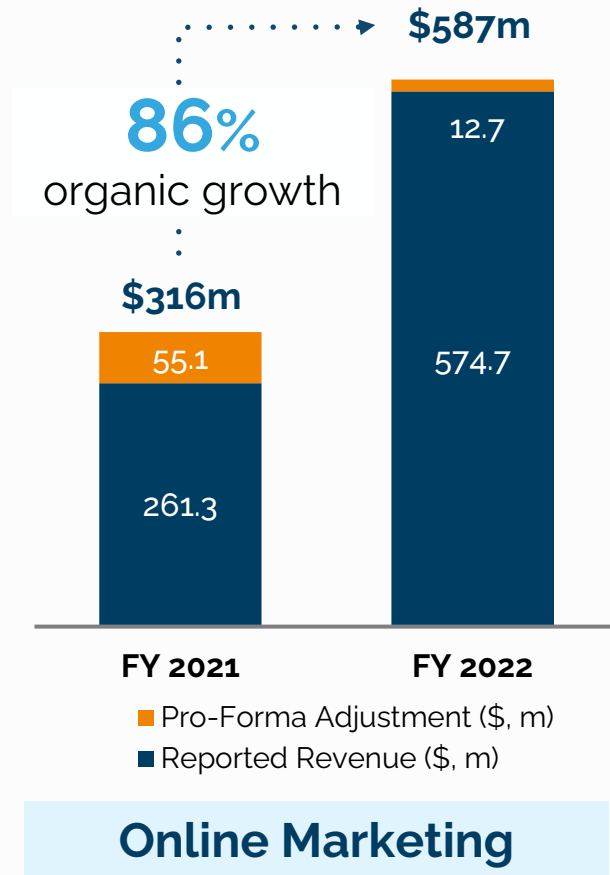
Strategy of investing to drive growth is delivering results





Record 60% Group organic growth for 2022

Strong value propositions make for strong growth



Note:

(1) Pro-forma adjustment for acquired revenue, constant currency FX impact and non-recurring revenues



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In Online Marketing, CentralNic helps online consumers make informed choices – an evergreen purpose



01



We do so by creating **consumer journeys** that convert general interest media users into high conviction online consumers.

02



We engage by offering **contact points** on social media, publisher websites and search engines by placing ads¹ for broad categories.

03



We educate the online consumer through **easy to understand** advertorials and review websites.

04



By working with world leading aggregators, we have access to commercial inventory that **closely matches** the consumer's intent.

05



CentralNic is particularly good at this due to **machine learning** on billions of consumer interactions, providing superb insights into the psychology of online consumers

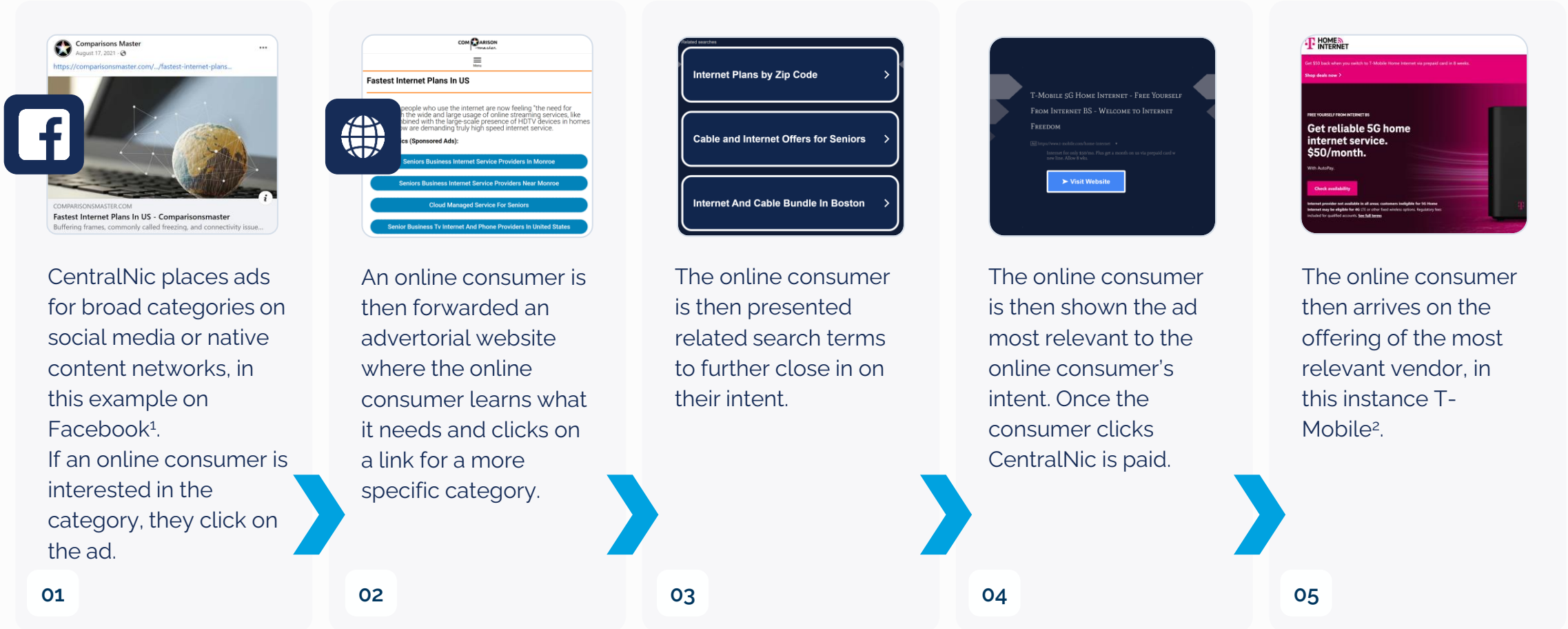
What does this look like in real life?

Notes: [1] CentralNic (and its syndication partners) place ads on social media, publisher websites and search engines.

Consumers on social media are run through brief consumer guides before being referred to a recommended merchant



Social media user experience:

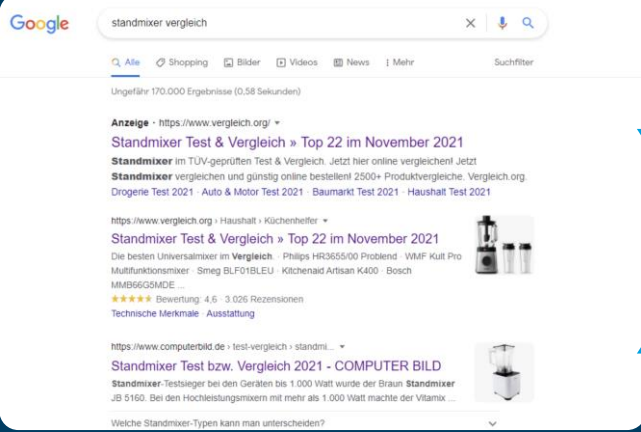


Notes: [1] Facebook is an example of a supplier. They provide traffic, and CentralNic pays for it; [2] T-Mobile is an example of a customer. CentralNic refers a customers and gets paid for it.

Search engine users are directed to review websites before buying the product of their choice at an ecommerce partner

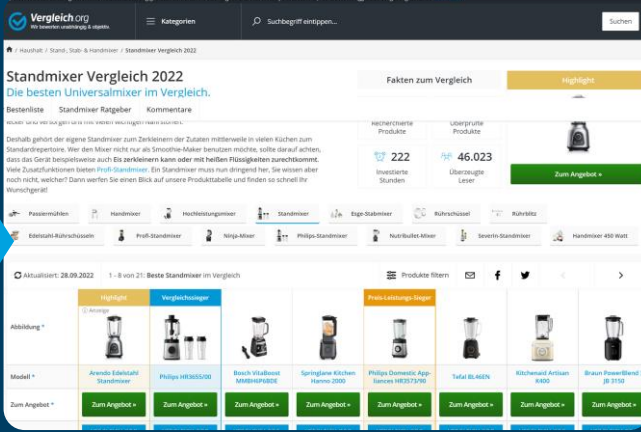


Search engine user experience:




CentralNic places ads for product categories on search engines. Due to a vast inventory of high-quality product review content, CentralNic would also appear high in the organic search ranking.

01



The online consumer is then presented a choice of relevant products where we identify the best, the most affordable, the best price-quality and bestseller products – consumers are typically happy to adopt one of these four strategies.

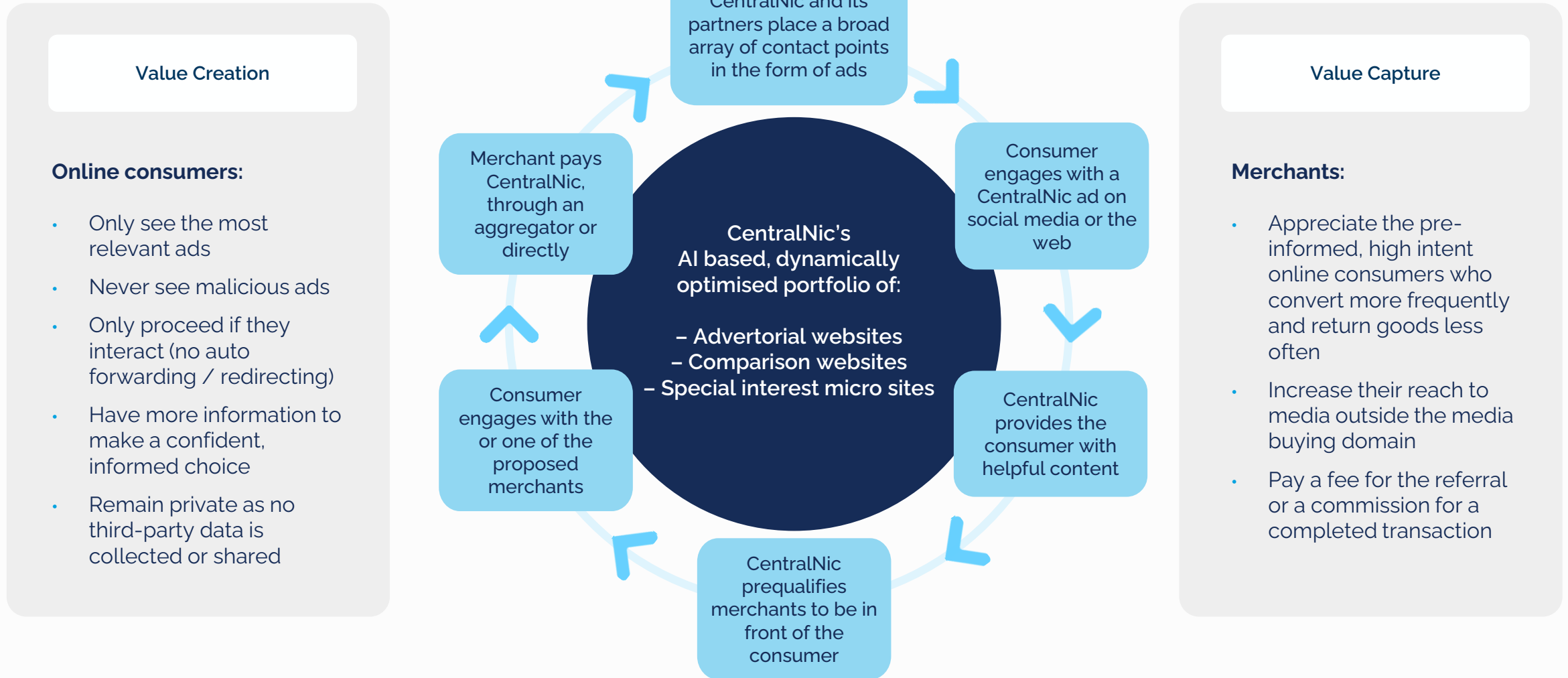
02



The online consumer then clicks out to the merchant with the offer that comes closest to their intent or need. When the consumer checks out of the ecommerce partner's site, CentralNic is paid.

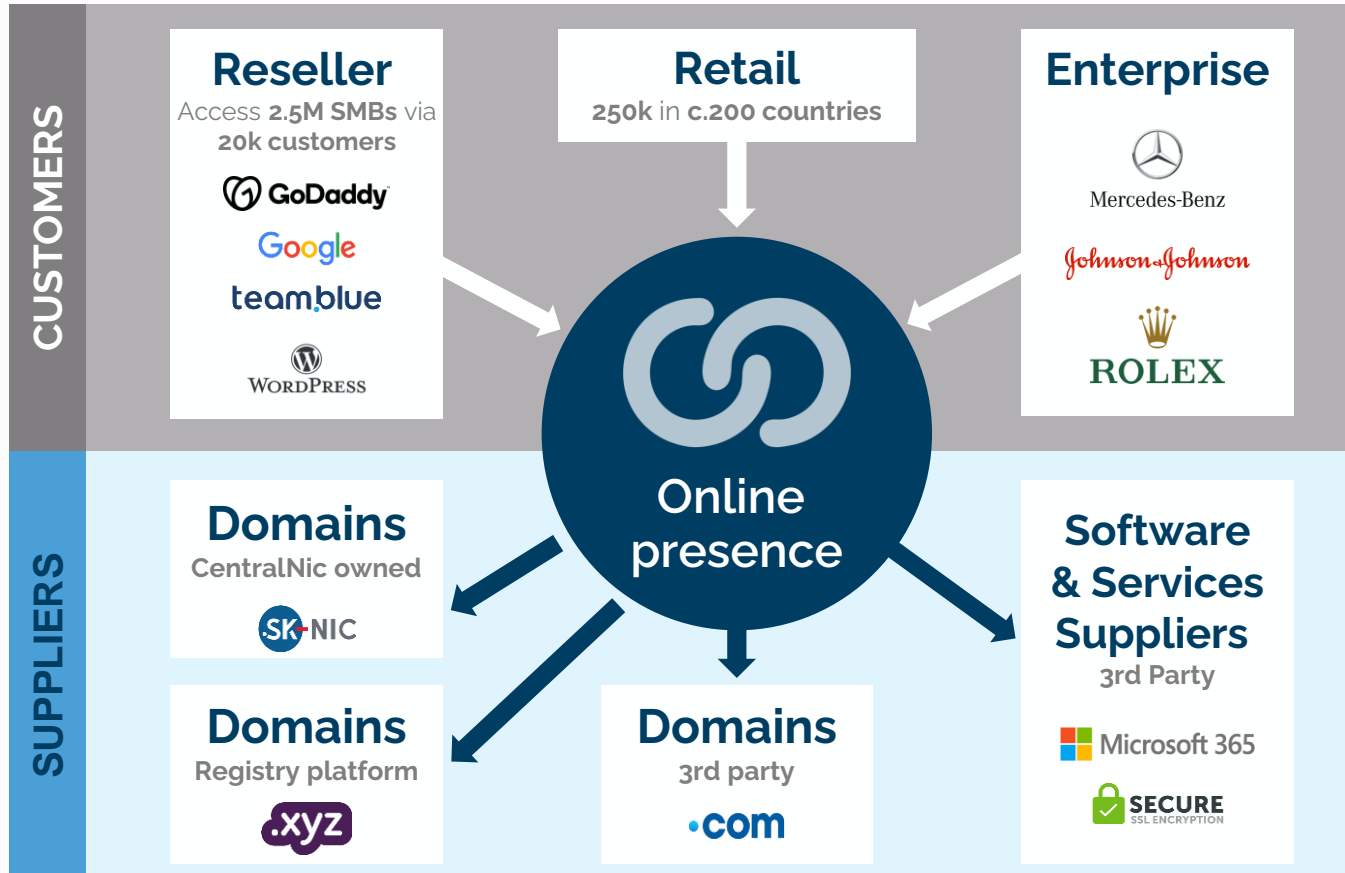
03

Online consumers value the noise reduction and privacy – value is captured through commercial alliances



In Online Presence, CentralNic is a leading distribution channel for domains and one-stop shop for their users

We provide the tools for businesses to go online



Market features

- Subscription revenues
- Huge customer stickiness - only 2% of customers change suppliers each year
- Upsell/bundling opportunities
- Healthy acquisition pipeline

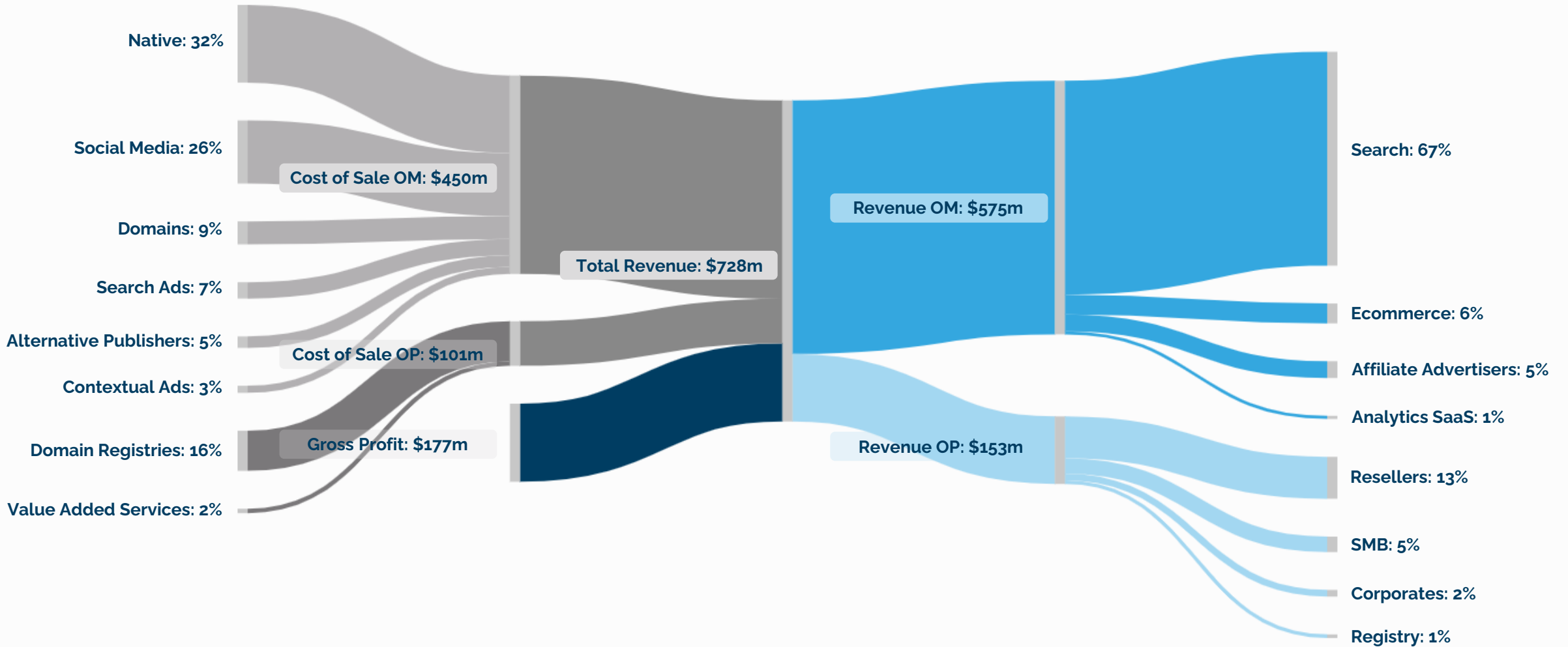
Our value adds

- Comprehensive domain selection
- Technical excellence
- Compliance management
- Centralised billing/payments
- Expert customer service/advice

CentralNic creates a vibrant, symbiotic ecosystem



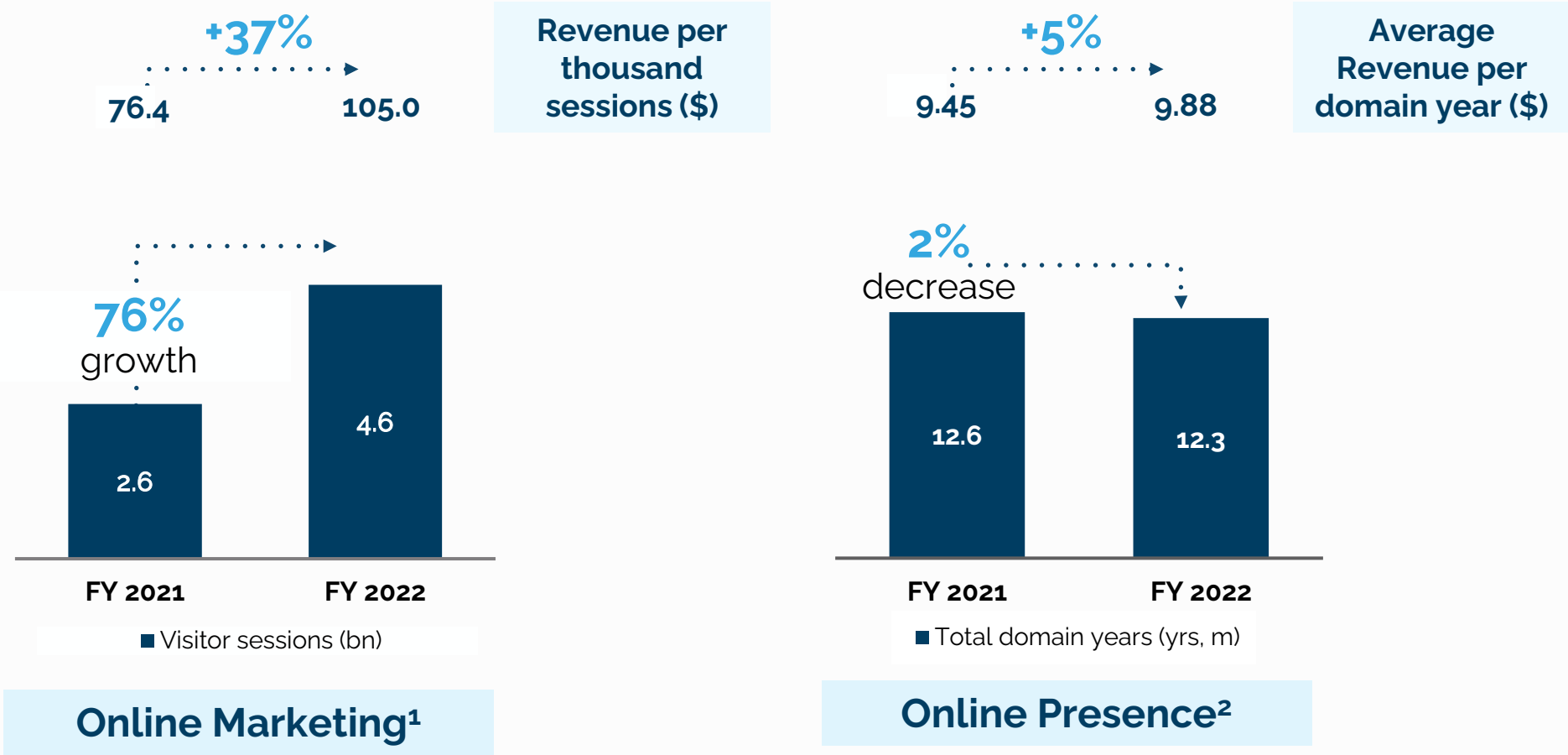
FY22 value flows, Sankey presentation



Segmental KPI evolution demonstrates our ability to attract more consumers and extract more value



Key volume and price quality metrics



Note:
 (1) Based on analysis of c.84% of the segment which can adequately and reliably be described by these KPIs; (2) Based on analysis of c.79% of the segment which can adequately and reliably be described by these KPI



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FY 2022 Financial Highlights

Achieving record growth

Gross Revenue

\$728.2m **+77%**

FY 2021: **\$410.5m**

Net Revenue

\$177.7m **+50%**

FY 2021 : **\$118.5m**

Adjusted¹ EBITDA

\$86.0m **+86%**

FY 2021: **\$46.3m**

Adjusted EPS

¢ 20.01 **+70%**

FY 2021: **¢ 11.80**

Operating Profit

\$33.6m **+172%**

FY 2021: **\$12.4m**

Adjusted² Cashflow

\$95.0m **+69%**

FY 2021: **\$56.3m**

Notes:

(1) Subsidiary Earnings before interest, tax, depreciation, amortisation, non-cash charges and non-core operating expenses

(2) Cashflow from operations adjusted for exceptional costs incurred and paid during the year and settlement of one-off working capital items from the prior year



Income Statement

(\$, m)	FY 2021	FY 2022	% Change
Revenue	410.5	728.2	77%
Cost of sales	(292.0)	(550.5)	
Net revenue (Gross profit)	118.5	177.7	50%
Gross margin %	29%	24%	
Administrative expenses	(101.1)	(138.4)	37%
Share-based payment expenses	(5.0)	(5.7)	
Operating profit	12.4	33.6	172%
Adjusted EBITDA¹	46.3	86.0	86%
Depreciation	(3.5)	(3.0)	
Amortisation of intangible assets	(18.3)	(36.4)	
Non-core operating expenses	(8.7)	(8.2)	
Net foreign exchange gains/(losses)	1.6	0.8	
Share-based payment expenses	(5.0)	(5.7)	
Operating profit	12.4	33.6	172%

Notes:

(1) Earnings before interest, tax, depreciation, amortization, non-cash charges and non-core operating expenses

Revenue up by

77%

and Adjusted EBITDA up by

86%

Significant uplift in Operating profit

Gross margins remaining constant in each business - product mix shifting with massive growth of Media Buying



Balance sheet

(\$, m)	FY 2021	FY 2022	% Change
Non-current assets	271.8	365.1	34%
Current assets	128.4	193.7	51%
Total Assets	400.2	558.7	40%
Non-current liabilities	149.1	192.0	29%
Current liabilities	137.1	199.6	46%
Total Liabilities	286.2	391.6	37%
Total Equity	114.0	167.1	47%
Total Equity and Liabilities	400.2	558.7	40%

(\$, m)	FY 2021	FY 2022	% Change
Gross interest-bearing debt	131.1	151.6	16%
Mark-to-market¹	6.4	0.0	(100%).
Cash	56.1	95.0	69%
Net debt²	81.4	56.6	(30%)

Notes:

(1) Liability/(Asset) arising from EUR/USD hedge of EUR denominated bonds

(2) Includes gross cash, bond and bank debt, the Mark-to-market of hedging liabilities, and prepaid finance costs

Cash position improved over
31 December 2021

Substantial Net debt reduction
despite spending \$96m on
acquisitions (of which \$55m came
from an equity raise and remainder
debt financed or taken out of cash
reserves)

Cash flow statement

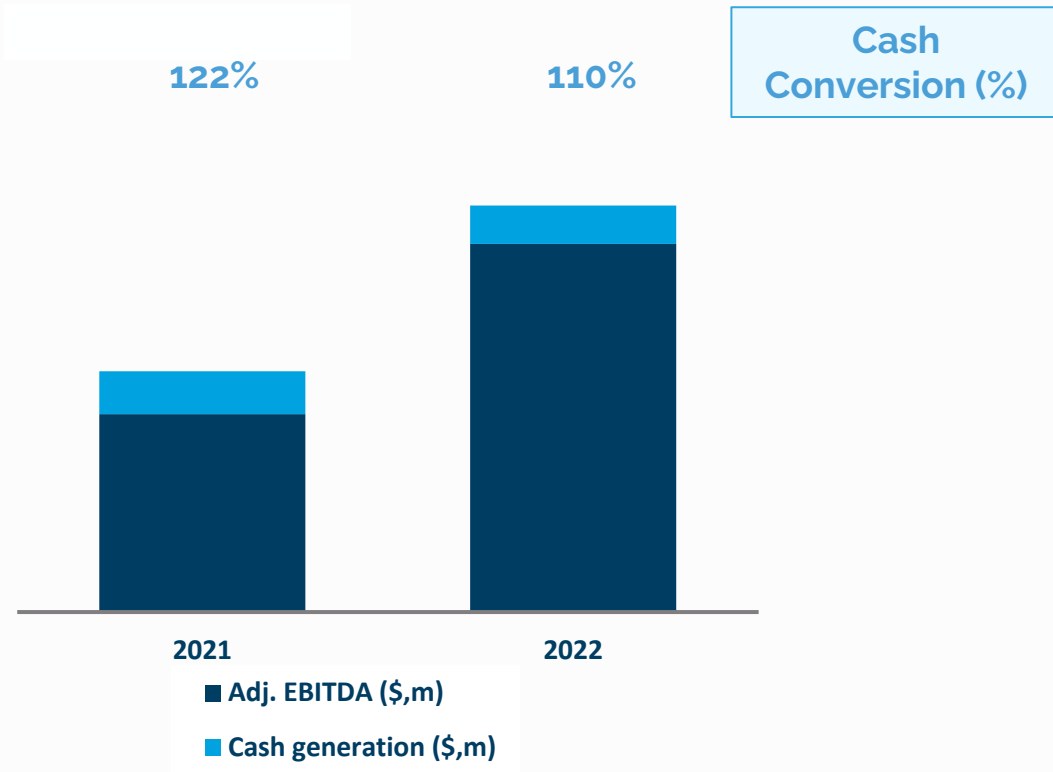


(\$, m)	FY 2021	FY 2022	% Change
Profit before taxation	1.6	14.8	n.m
Adjustments for:			
Depreciation of PPE	3.5	3.0	(15%)
Amortisation of intangible assets	18.3	36.4	99%
Finance cost (net)	10.8	18.7	74%
Share-based payments	5.0	5.7	14%
Increase in trade and other receivables	(20.8)	(9.9)	52%
Increase in trade and other payables and accruals	24.6	16.9	(31%)
Decrease in inventories	0.3	0.2	(18%)
Cash flow from operations	43.3	85.9	99%

Unadjusted cash flow from operations grew by

99%

High cash conversion



Notes:

(1) Adjusted Cash Conversion is defined as Adj. Cashflow from Operations divided by Adj. EBITDA

Cash generation from operations
= 110%
of Adjusted EBITDA

Testament to consistently high cash conversion

Adjusted Cashflow Bridge:	FY 2021	FY 2022
Cashflow from operations	43.3	85.9
Exceptional costs	11.0	7.9
Settlement of working capital items	2.0	1.2
Adj. cashflow from operations	56.3	95.0
Adjusted EBITDA*	46.3	86.0
Adjusted Cash Conversion %	122%	110%
Income tax paid	(2.2)	(8.4)
Purchase of PPE	(0.7)	(1.3)
Purchase of intangible assets	(4.1)	(5.2)
Payment of lease liability	(2.0)	(2.2)
Interest paid	(8.7)	(7.7)
Adj. free cashflow	38.4	70.2
Adjusted Free Cash Conversion %	83%	82%

Profits improve with scale



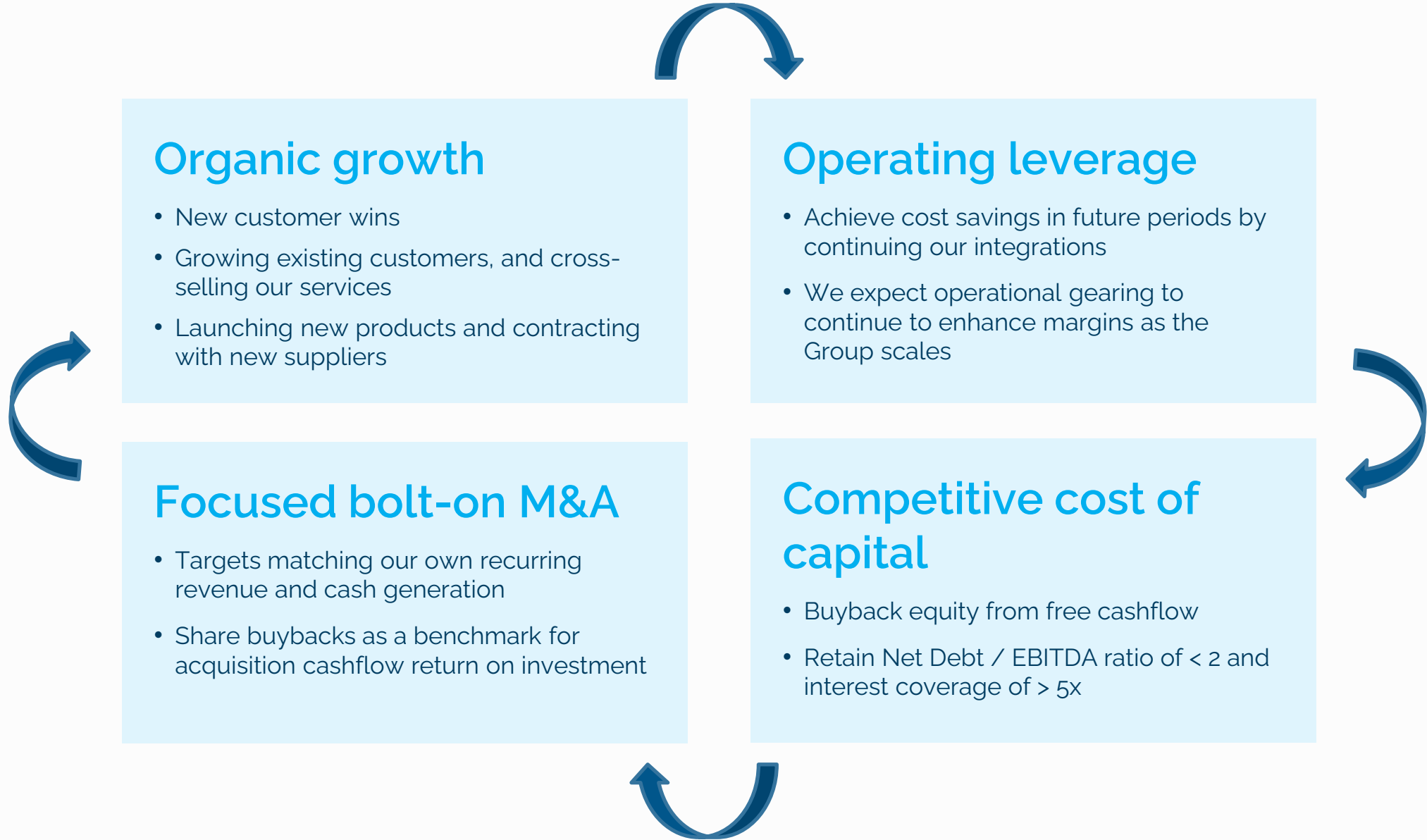
(\$,m)	FY2021	FY2022	Δ FY2022 – FY2021
Net revenue (gross profit)	118.5	177.7	59.2
1 Core operating expenses (overheads)	(72.2)	(91.7)	(19.4)
Adj. EBITDA	46.3	86.0	39.8
2 Amortisation of intangible assets	(18.3)	(36.4)	(18.1)
Depreciation of PPE	(3.5)	(3.0)	0.5
Net foreign exchange gains/(losses)	1.6	0.8	(0.8)
3 Non-core operating expenses	(8.7)	(8.2)	0.5
Share-based payments expense	(5.0)	(5.7)	(0.7)
Operating profit	12.4	33.6	21.2
4 Net finance costs	(10.8)	(18.7)	(7.9)
Profit before taxation	1.6	14.8	13.3

- 1 Overhead to plateau** – staff cost increased due to 6 acquisitions between 1 January 2022 and 31 December 2022 new hires to accelerate organic growth.
- 2 Amortisation relates to M&A** – these are non-cash costs. When we make acquisitions, IFRS requires us to allocate part of the purchase price to intangibles that are then written down through the P&L each year
- 3 Non-core operating expenses to reduce over time** – contingent costs related to acquisitions and integrations. Reduces as profits grow and as outside advisers are replaced with in-house staff
- 4 Finance Costs secured** – the Company has successfully refinanced its bond and lowered the interest rate from 7% plus 3m EURIBOR to 2.75% above SOFR (USD)



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Strategic priority: creating a virtuous circle



Outlook & Summary



Profits expected to improve with scale in future years:

- Significantly outperformed 2022 analysts' forecasts
- Board remains confident in Company's outlook for FY2023
- The Company will issue its Audited Annual Report on 27 March 2023
- Intention to propose a maiden dividend of 1p to the AGM

- 1 Full year 2022 results demonstrate the strong performance, sustainability and potential of our marketplace model
- 2 Future acquisition targets in line with our capital allocation policies
- 3 Continuing improvement in cash position, interest coverage and net debt to EBITDA ratio as company grows

CentralNic recap

Helping online consumers make informed choices

- **A leading global internet solutions company, operating in two highly attractive markets: high-growth digital advertising (Online Marketing segment) and domain name management solutions (Online Presence segment)**
- **Our segments include:**
 - **Online Marketing:** creating privacy-safe and AI generated online consumer journeys that convert general interest online media users into confident high conviction consumers through advertorial and review websites
 - **Online Presence:** a critical constituent of the global online presence and productivity tool eco system, where we serve as the primary distribution channel for a wide range of digital products;
- **High quality earnings:**
 - Subscription recurring revenues in Online Presence and revenue share on rolling utility-style contracts in Online Marketing
- **Significant growth market:**
 - Online Marketing market growth at +20% long-term average growth rate
 - A proven business model, with scalable technology
 - Global consolidator with a track record of delivering accretive M&A
- **Attractive scale and financial profile:**
 - FY22 revenues of US\$728m and Adj. EBITDA of US\$86m
 - Organic growth superstar – delivered +60% in FY22
 - Strong and consistent cash generation of +100%
 - Net debt / EBITDA now <1x

4.6bn

Online consumer
engagements in
FY22

12.3m

Domain years
processed in FY22

c.78%

Revenue CAGR
FY13 to FY22



Thank You

