

STRICTLY PRIVATE & CONFIDENTIAL

2020 INTERIM RESULTS

15 September 2020



INTERIM RESULTS H1 2020



NEIL STEVENS
Joint CEO



MATT TIMMINS
Joint CEO



GARETH HAGUE
Group FD

AGENDA

H1 Highlights

1

Accelerating
Digital
Strategy

2

Financial
Performance

3

Clear
Strategic
Focus

4

RESILIENT PERFORMANCE – DIGITAL ACCELERATION



RESILIENT PERFORMANCE – DIGITAL ACCELERATION

H1 2020 – FINANCIAL HIGHLIGHTS

£28.9m

Revenue

(1)% H1 2019

£7.4m

Adjusted¹ EBITDA

(8)% H1 2019

25.5%

Adjusted¹ EBITDA Margin

27.5% H1 2019

£5.3m

Adjusted¹ PBT

(14)% H1 2019

4.22p

Adjusted¹ EPS

(24)% H1 2019

65%

Free cash flow conversion

Net debt of £25.8m

FULL YEAR EPS NO LESS THAN 11.0p

As at 30 June 2020



RESILIENT PERFORMANCE - DIGITAL ACCELERATION

H1 2020 – OPERATIONAL HIGHLIGHTS

Scale strong,

Subscriptions **growing**

Defaqto **strong
delivery**

Digital strategy

moved all services to
platform

All intermediary
services delivered to
schedule

Customer **engagement
& satisfaction** increased

Award Winning
Service

Effectively responded to COVID-19 disruptions



SIMPLYBIZ

Fintech & Services to 5,600 retail intermediaries

Bankhall

Daintree
WEALTH MANAGEMENT

Lloyd &
Whyte

tavistock
INVESTMENTS PLC

basi&basi

DGS
DISTRIBUTED FINANCIAL PLANNERS

mha
TAIT WALKER

TENET
CONNECT SELECT GROW

beaufort
FINANCIAL

Fairstone

Paradigm

threesixty

BROOM
IMAGINATIVE
FINANCIAL
ADVICE

GENISTAR
professional advisers

Pareto
ALL PARTNERS FINANCIAL

true potential

BROWN SHIPLEY
A QUINTET PRIVATE BANK

INFORMED
financial planning

Prism Financial Advice Ltd
Independent Financial Advisers

validpath

CHN
FINANCIAL CONSULTANCY

LJ FINANCIAL PLANNING LIMITED
Chartered Financial Planners

Quilter

75POINT³
FINANCIAL ADVICE FOR LIFE

Distribution Services to 400 financial institutions

AEGON

Vitality

AVIVA

GUARDIAN
LIFE. MADE BETTER.

canada
life

embark
group

Orbis
Invest Differently

JUST.

ROYAL
LONDON

M
&G

Enabling better outcomes



A Quality Business in a Quality Market

**Market
leading scale**

**Unrivalled
breadth**

**Quality
revenues**

**Strong
margins**

**Accelerating
digital
strategy**

£2.6 trillion retail market



FINANCIAL PERFORMANCE



H1 2020 Financial Performance

£m	2020	2019	Change
Revenues	28.9	29.1	(1%)
EBITDA ¹	7.4	8.0	(8%)
EBITDA Margin ¹	25.5%	27.5%	(7%)
Profit before tax ¹	5.3	6.2	(14%)
EPS ²	4.2p	5.6p	(24%)
Free cash flow conversion ³	65%	43%	

1 - Adjusted EBITDA is earnings before interest, tax, depreciation, amortisation, share option charges and operating exceptional costs. Adjusted profit before tax excludes operating exceptional costs and amortisation of intangible assets arising on acquisition.

2 - Adjusted Earnings Per Share is calculated as adjusted profit after tax, which excludes operating exceptional costs and amortisation of intangible assets arising on acquisition, divided by the average number of ordinary shares in issue for the period.

3 - Free cash flow conversion is calculated as adjusted EBITDA, less working capital movements, lease payments, CAPEX, development expenditure, corporation tax paid and interest, as a percentage of Adjusted EBITDA.

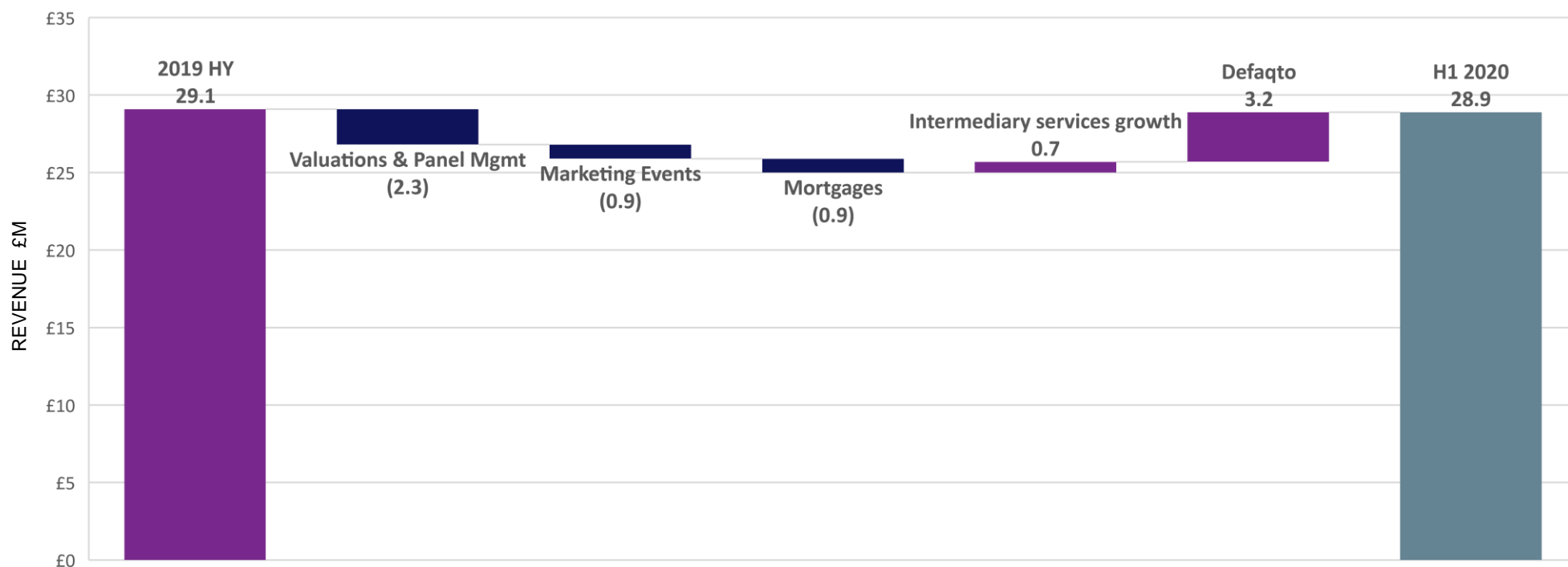


RESILIENT PERFORMANCE

H1 2020 – REVENUE

Revenue £m - Impacts in period

■ Increase ■ Decrease ■ Total



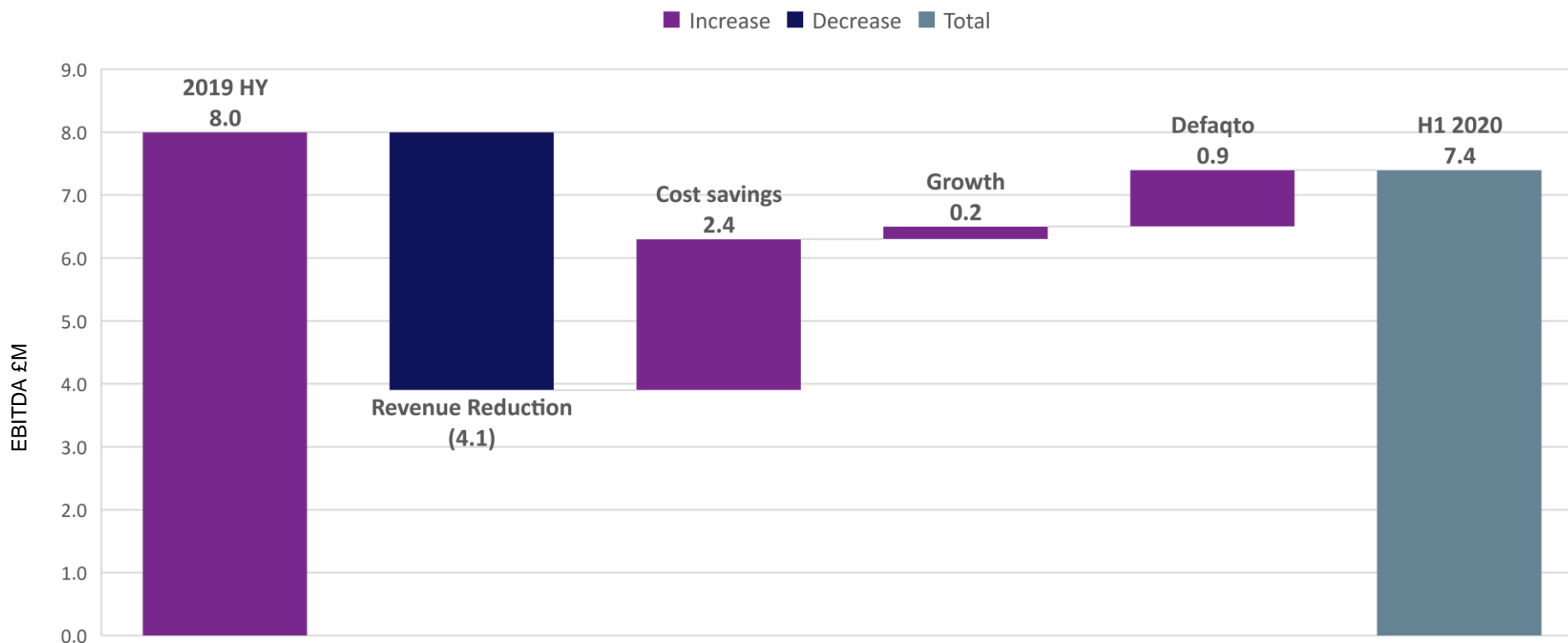
£4.1m of revenue impacted by Covid-19 lockdown



RESILIENT PERFORMANCE

H1 2020 – Adjusted EBITDA

EBITDA £m - Impacts in period



£1.7m of EBITDA directly impacted by Covid-19 lockdown



H1 2020 - FREE CASH FLOW

£'000	Jun 20	Jun 19
Adjusted EBITDA ¹	7.4	8.0
Working Capital	1.8	(2.4)
Tax paid	(1.4)	(0.4)
CAPEX	(1.0)	(0.0)
Development spend	(1.4)	(0.9)
Interest	(0.3)	(0.4)
Lease Payments	(0.5)	(0.4)
Free cash flow	4.7	3.4
Conversion (%)²	65%	43%

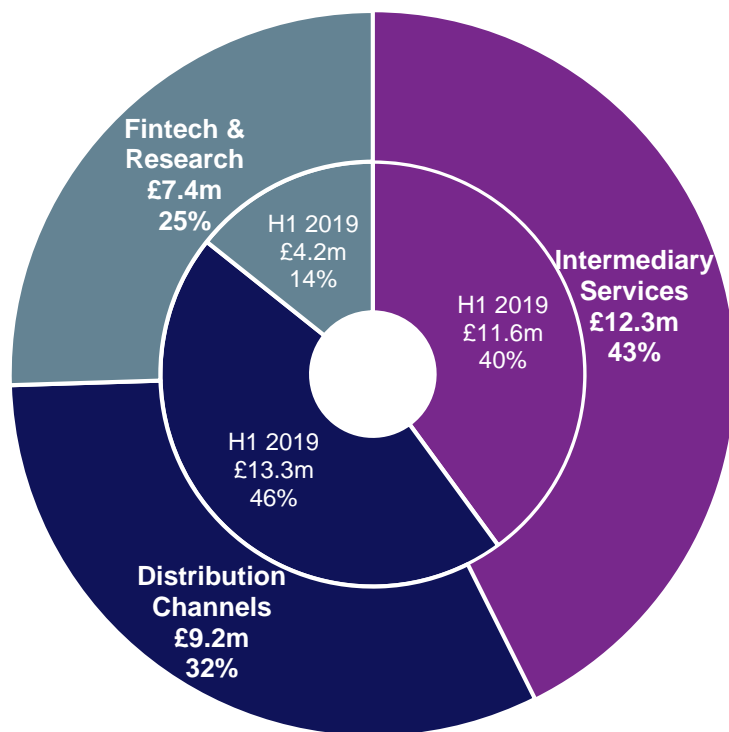
1 - Adjusted EBITDA is earnings before interest, tax, depreciation, amortisation, share option charges and operating exceptional costs.

2 - Free cash flow conversion is calculated as adjusted EBITDA, less working capital movements, lease payments, CAPEX, development expenditure, corporation tax paid and interest, as a percentage of Adjusted EBITDA.

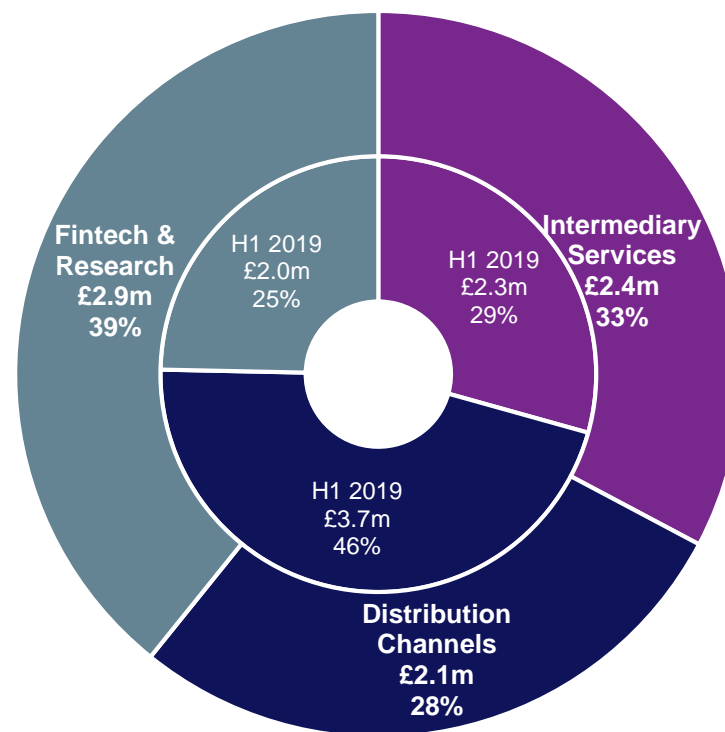


GROWING QUALITY EARNINGS

H1 2020 Revenue £m



H1 2020 EBITDA £m



STRATEGIC PRIORITIES



STRATEGIC PRIORITIES

	Accelerating Digital delivery	✓
	Growth in value per customer	✓
	Growth in higher value customers	✓
	Effective cost control	✓
	Capital & Cash efficiency	✓



DIGITAL ACCELERATION



Regulatory
Services

Qualifications
and training

Adviser &
company data

Financial
Planning

Product and fund
research and
ratings

Suitability and
client reporting

Fintech & services platform

Enhanced services

Increased products per customer

Improved margin





RESILIENT PERFORMANCE



Resilient trading



Preserved scale and quality earnings



Strong margin



DIGITAL ACCELERATION



Digital delivery to all customers



Improved customer journey



Digital platform for growth

FULL YEAR EPS NO LESS THAN 11.0p



APPENDICES

Business overview (18-22)

Market drivers (23-25)

Revenue model (26-30)

Product mix (31-33)



PROVEN MANAGEMENT TEAM



MATT TIMMINS
Joint CEO

Joined the Group as Marketing Director at inception in 2002
Appointed Joint Managing Director in May 2010



NEIL STEVENS
Joint CEO

Joined the Group in 2003
Appointed Joint Managing Director in May 2010



GARETH HAGUE
Group Finance Director

Joined the Group in 2016 as Group Financial Controller
Appointed Group Finance Director in April 2018

NON-EXECUTIVE DIRECTORS



KEN DAVY
Non-Executive Chairman



TIM CLARKE
Non-Executive Director

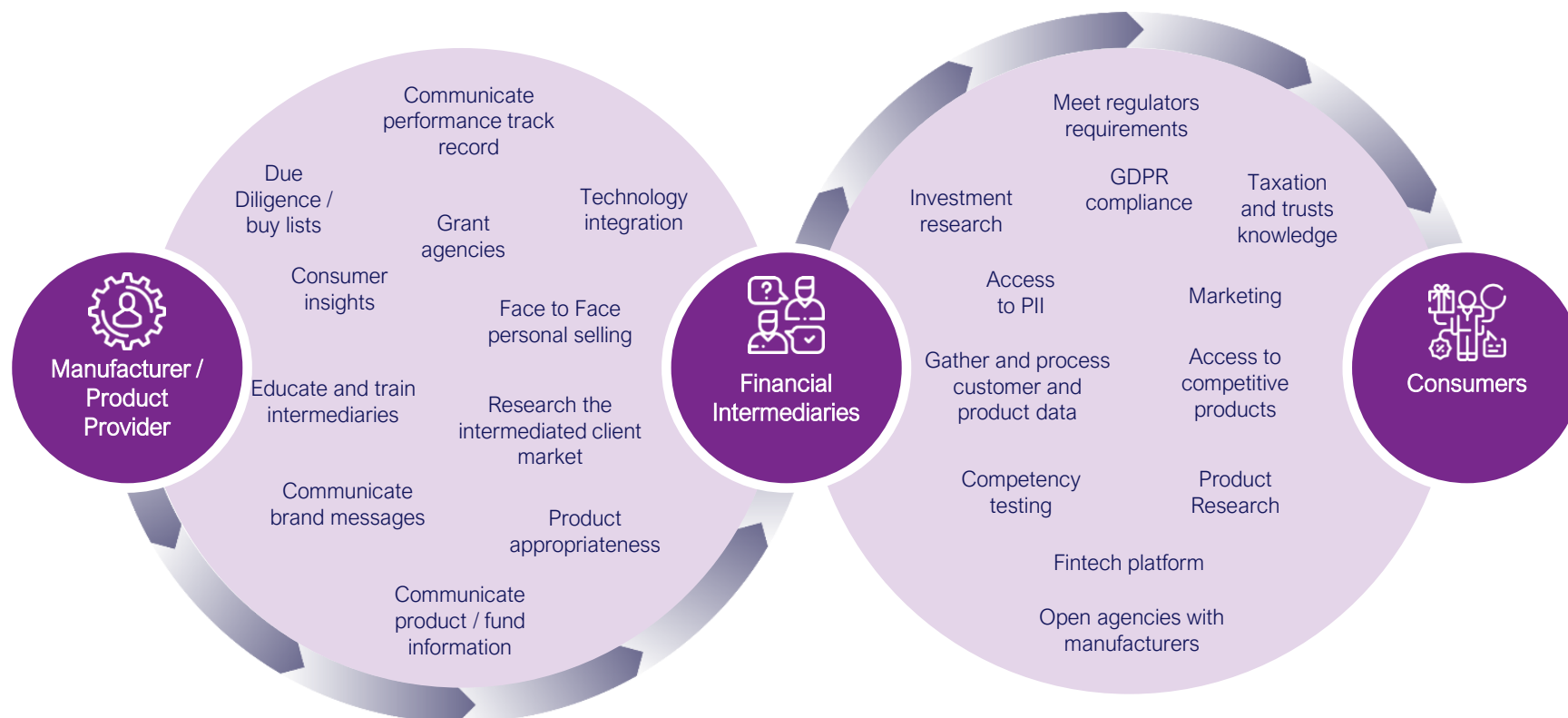


GARY HUGHES
Non-Executive Director



UK FINANCIAL SERVICES – AN INTERMEDIATED MARKETPLACE

A HIGHLY FRAGMENTED MARKET WITH REGULATORY AND DISTRIBUTION CHALLENGES



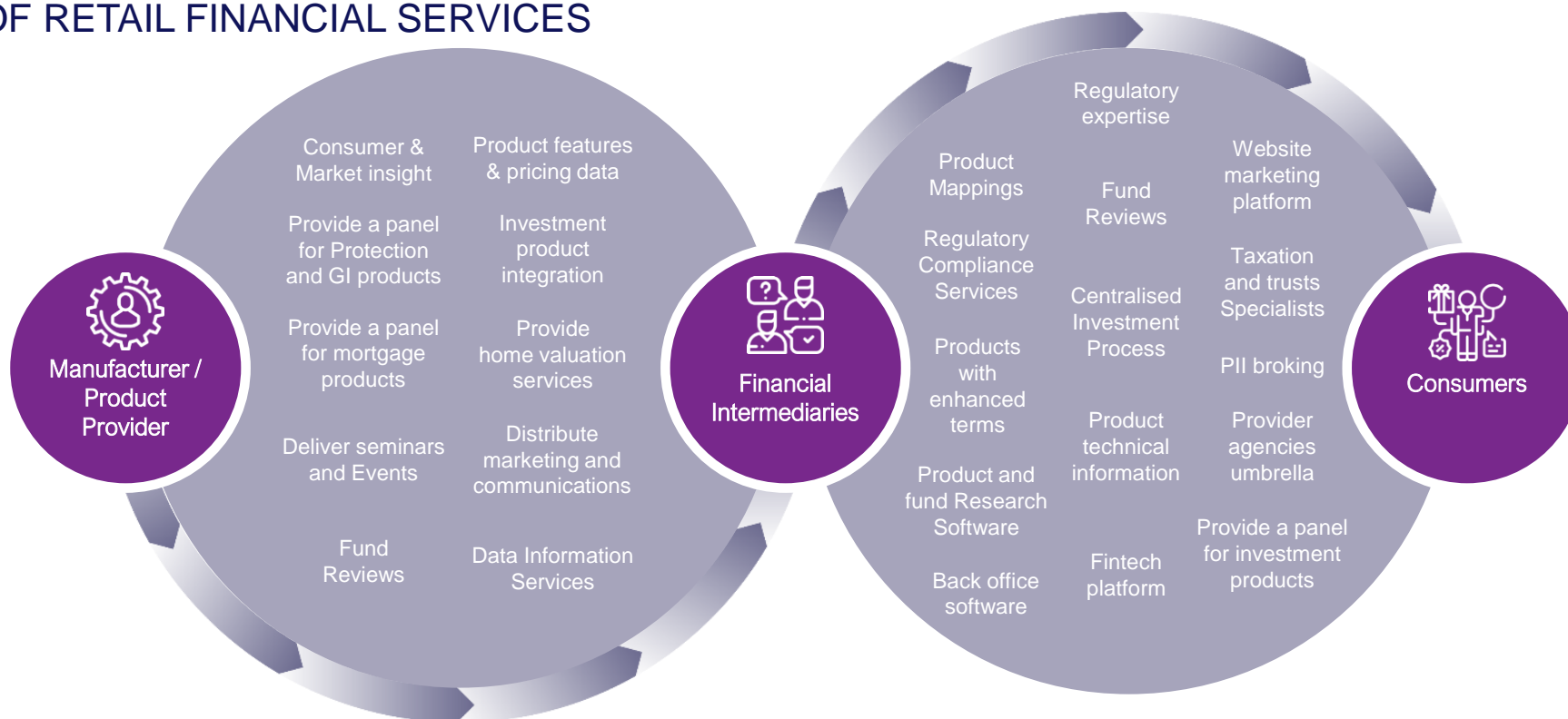
Est. 80% of UK Retail Asset Management sales are intermediated **£197bn in 2018***
Est. 70%+ of UK Mortgages sales are intermediated **est. £187bn in 2018****

*Source: The Investment Association, 2019
**Source: UK Finance



MARKET ENABLER

PROVIDING ESSENTIAL SERVICES TO THE SUPPLY-SIDE AND DEMAND-SIDE OF RETAIL FINANCIAL SERVICES

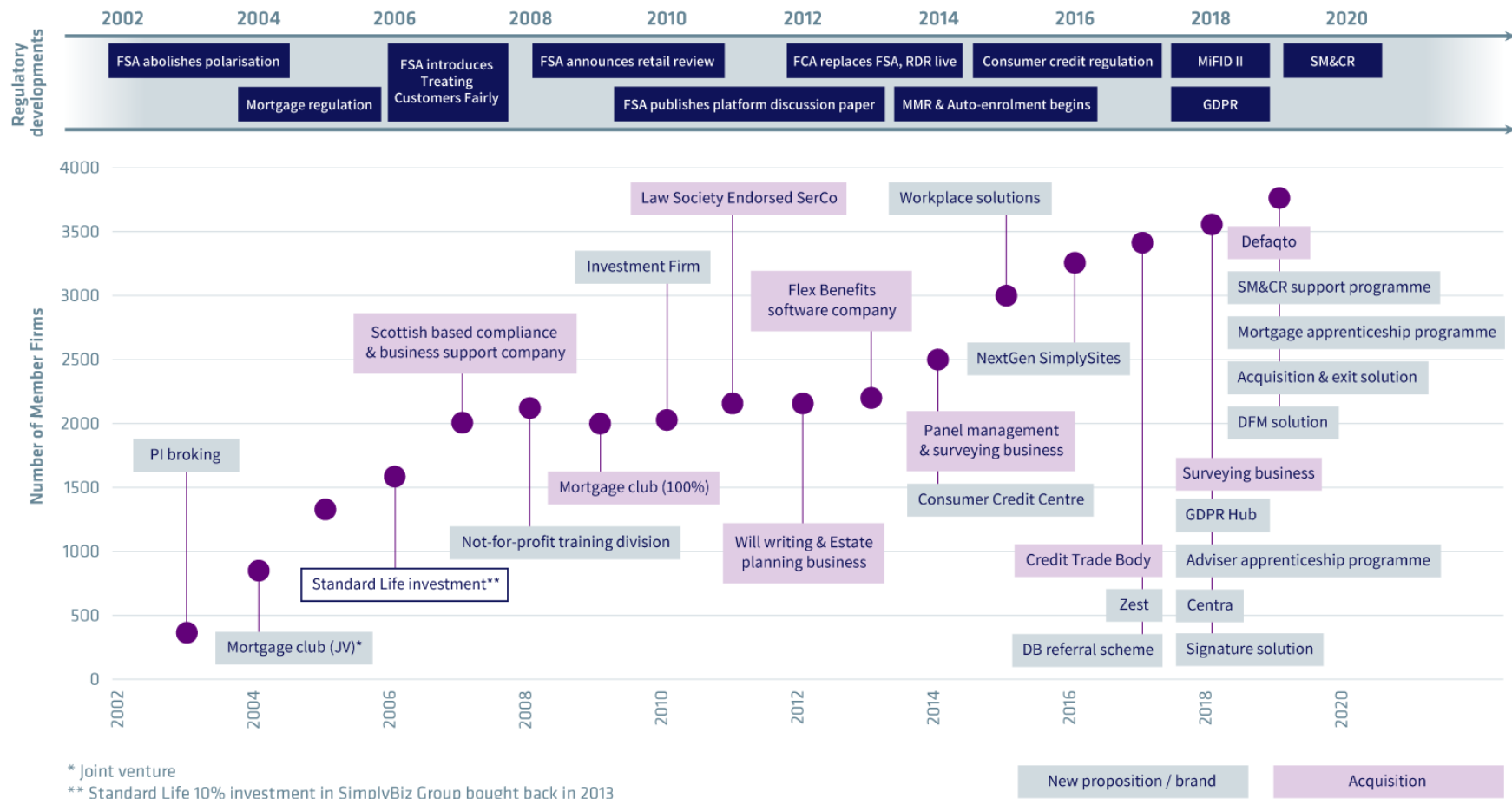


OUR LOCATIONS AND TEAMS

- 560 staff at 30/06/20
- Track record for recruiting and retaining talent across all business areas
- High level of staff retention, average tenure of 5 years
- Staff skill set and experience supports continued operational leverage



DEFENSIVE GROWTH – BENEFICIARY OF CHANGING REGULATION



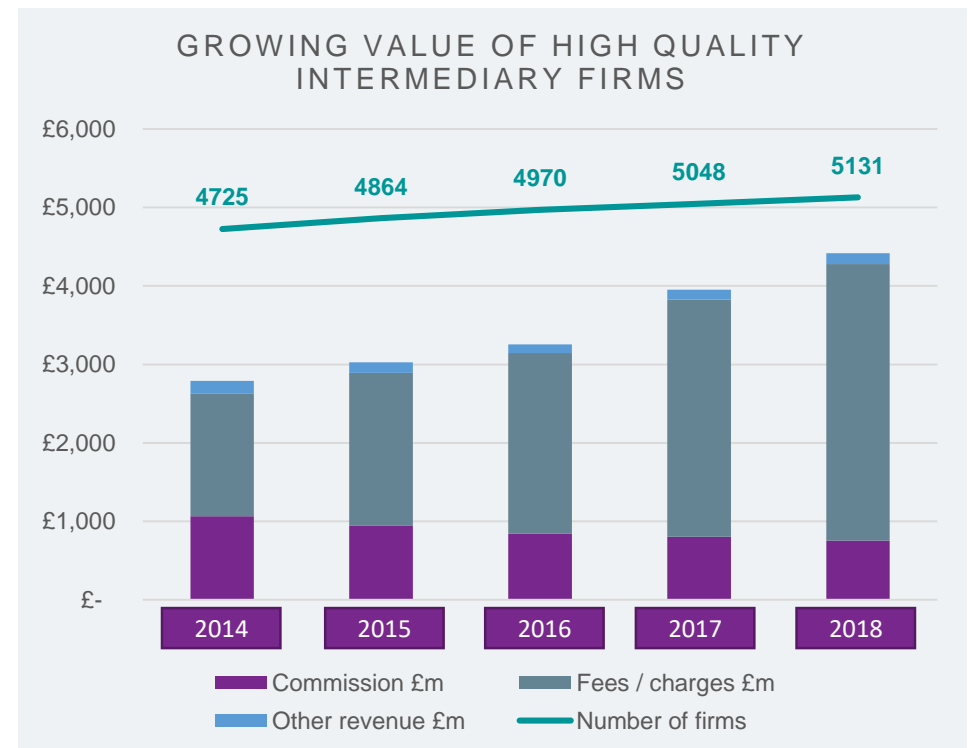
NEW SERVICE DEVELOPMENT TO RESPOND TO MARKET TRENDS, REGULATORY INTERVENTION AND MEETING ADVISER NEEDS...



MARKET DRIVERS: INVESTMENT INTERMEDIARIES

HIGH QUALITY CUSTOMERS WITH STRONG GROWTH DRIVERS

- Strong customer growth
- Rapid digital adoption.
- Regulatory drivers increase demand



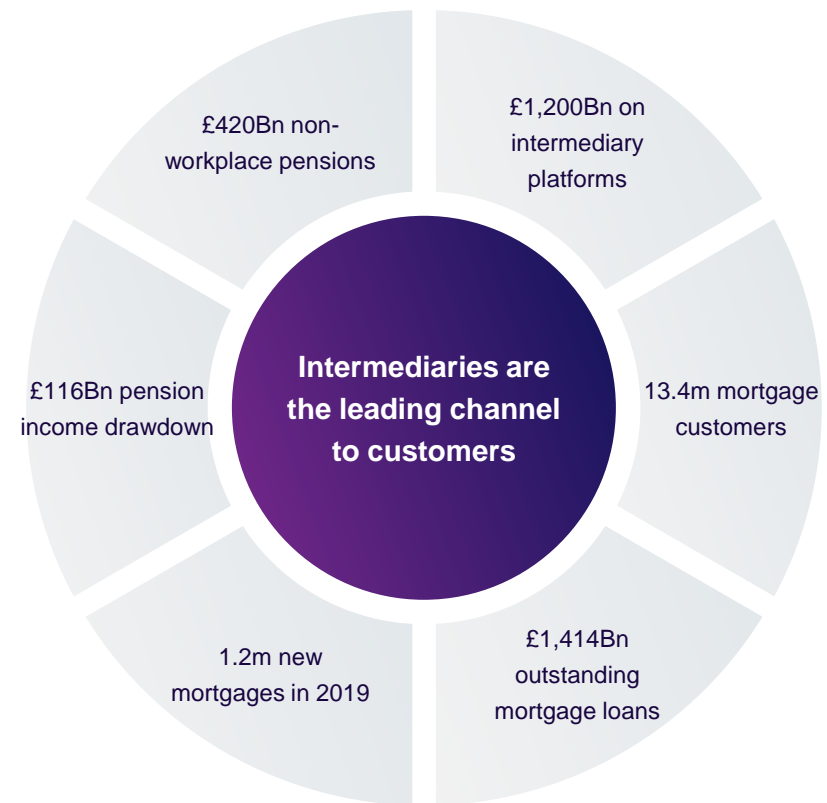
Source: FCA Sector views 2020



MARKET DRIVERS: PRODUCT PROVIDERS

HIGH QUALITY CUSTOMERS WITH STRONG GROWTH DRIVERS

- Intermediary Market is no.1 channel
- Data on and engagement with intermediaries are essential
- Regulatory drivers increase demand



Source: FCA Sector views 2020



MARKET DRIVERS: REGULATORY CHANGE

REGULATORY DRIVERS ARE STRONG IN 2020/21 FROM DEAR CEO AND FROM FCA SECTOR VIEWS

Regulatory Drivers - Intermediaries	Regulatory Drivers – Product Providers
Advice Suitability	MiFID II
Fees	Costs and Charges
Defined Benefit Pensions	Investment Risk
Senior Manager's Regime	Product Design



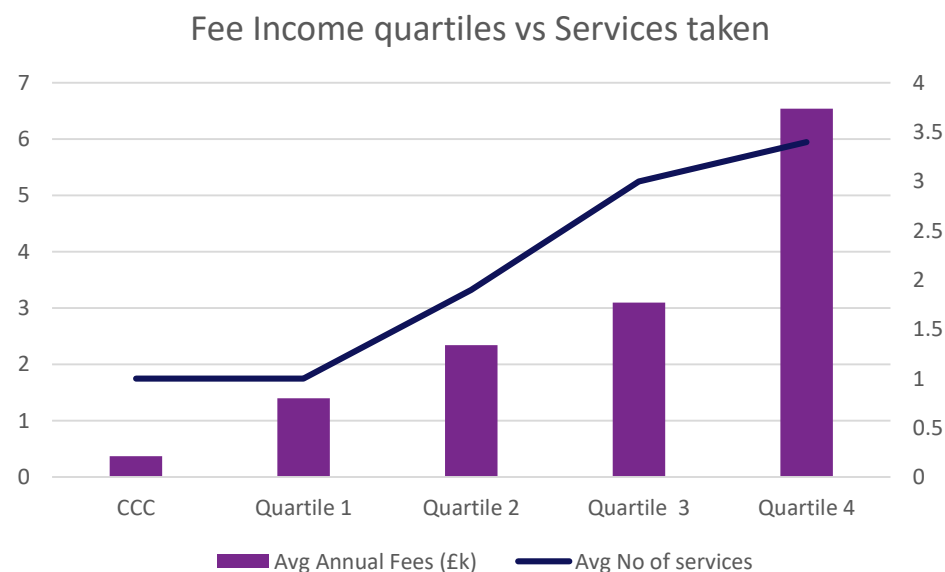
STRATEGIC PRIORITIES - GROWTH IN VALUE PER CUSTOMER

QUALITY CUSTOMER BASE WITH LATENT VALUE

- New customer wins focus on **value per customer**

Customer Case Study 1			B Group	Large IFA
Annual Fees (£)	£	33,792		
Turnover	£	4,000,000		
Services taken		5		
Customer Case Study 2			K St	Wealth Manager
Annual Fees (£)	£	29,664		
Turnover	£	800,000		
Services taken		3		

- Digitisation will **increase services** and **fee income**

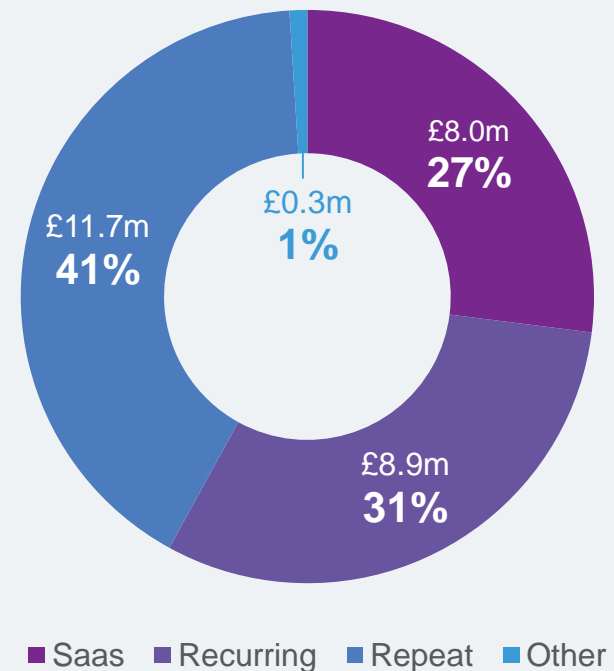


STRONG MARGIN WITH QUALITY EARNINGS

RESILIENT PERFORMANCE WITH ACCELERATED DIGITAL DELIVERY

- High-quality revenues delivered by a resilient business
- 58% SaaS and recurring revenues
- Accelerated digital delivery is expected to increase SaaS and recurring revenues

REVENUE QUALITY H1 2020

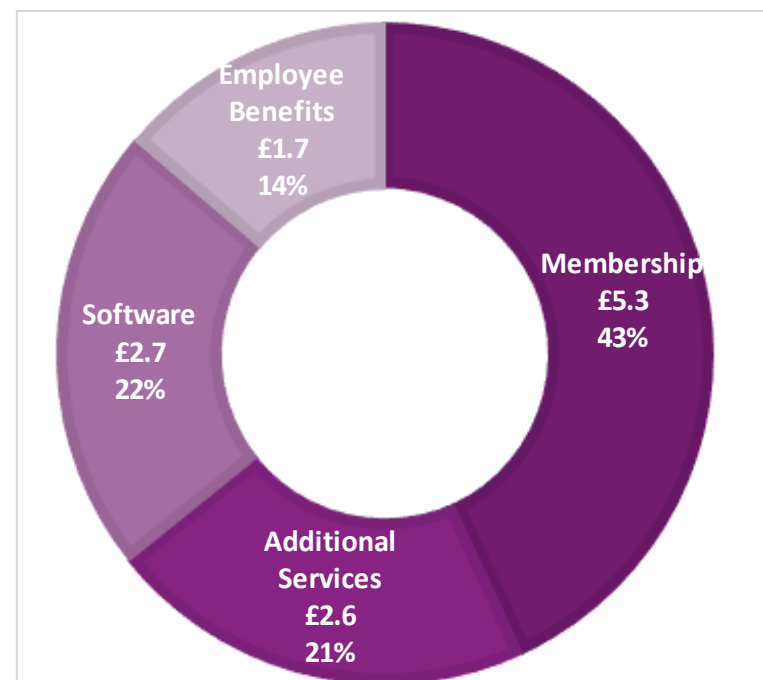


DIVISIONAL PERFORMANCE

INTERMEDIARY SERVICES

	H1 2020	H1 2019	Growth
Revenue £m	12.3	11.6	5.9%
% Group	43%	40%	
EBITDA £m	2.4	2.3	3%
% Group	33%	29%	
Margin %	19.6%	20.2%	

All services in the division are provided to and paid for by financial intermediaries and employee benefit providers



		H1 2020	% Division	Growth	Quality	Margin
Membership	Intermediary member fees for support services	£5.3	43%	4.4%	Recurring	High
Additional Services	Additional compliance and business support	£2.6	21%	9.0%	Recurring	Medium
Software	Reseller and proprietary Fintech	£2.7	22%	10.1%	SaaS	Medium
Employee Benefits	Zest Fintech for EBCs, Providers and Employers	£1.7	14%	1.0%	SaaS	Low

£ figures in £m

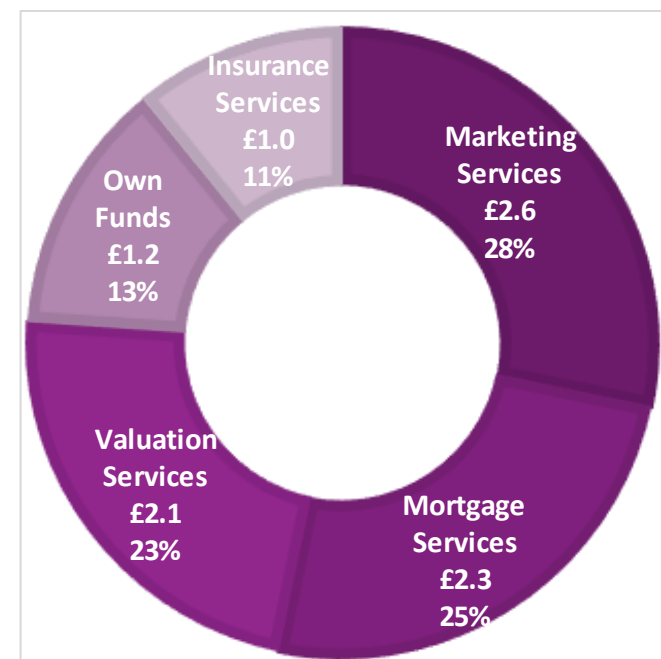


DIVISIONAL PERFORMANCE

DISTRIBUTION CHANNELS

	H1 2020	H1 2019	Growth
Revenue £m	9.2	13.3	-30.8%
% Group	32%	46%	
EBITDA £m	2.1	3.7	-44%
% Group	28%	46%	
Margin %	22.4%	27.7%	

All services in the division are provided to and paid for by product providers and employee benefit providers



		H1 2020	% Division	Growth	Quality	Margin
Marketing Services	Seminars and marketing content to advisers	£2.6	29%	-25.9%	Repeat	High
Mortgage Services	Mortgage club transaction fees on products	£2.3	24%	-28.2%	Repeat	High
Valuation Services	Property valuations for mortgage transactions	£2.1	23%	-52.0%	Repeat	Low
Own Funds	Investment solutions	£1.2	13%	1.6%	Repeat	High
Insurance Services	Commission income on product sales	£1.0	11%	-3.1%	AUM	High

£ figures in £m



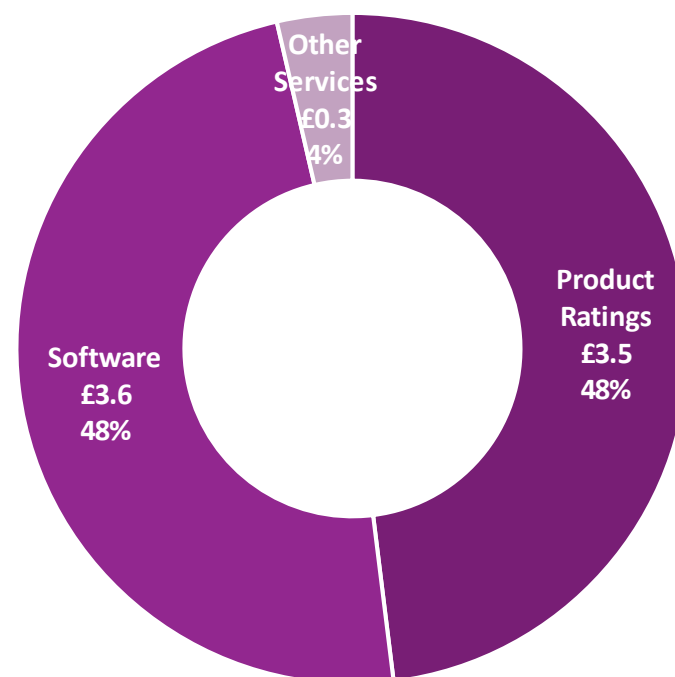
DIVISIONAL PERFORMANCE

FINTECH & RESEARCH –

EARNINGS ENHANCING RESULTS IN H1 2020

	H1 2020	H1 2019	Growth
Revenue £m	7.4	4.2	77.1%
% Group	25%	14%	
EBITDA £m	2.9	2.0	46%
% Group	39%	25%	
Margin %	39.2%	47.5%	

All services in the division are provided by Defaqto



		H1 2020	% Division	Growth	Quality	Margin
Product Ratings	Research and ratings for financial products	£3.5	48%	97%	Repeat	High
Software	Fintech and data services	£3.6	48%	86%	Saas	High
Other Services	Bespoke project and consultancy	£0.3	4%	-41%		Medium

£ figures in £m



DELIVERING BETTER OUTCOMES FOR RETAIL FINANCIAL SERVICES

SimplyBiz *Intermediary Services*

Membership

Additional services

Software

Employee Benefits



SimplyBiz *Distribution Channels*

Marketing Services

Mortgage & Valuation Services

Insurance Panel

Own products

Market and product insights



DELIVERING BETTER OUTCOMES FOR RETAIL FINANCIAL SERVICES

defaqto

INTERMEDIARY SERVICES

Fintech
(Engage + CENTRA)

Research and Panels

Data Services



defaqto

DISTRIBUTION CHANNELS

Ratings

Fund Reviews

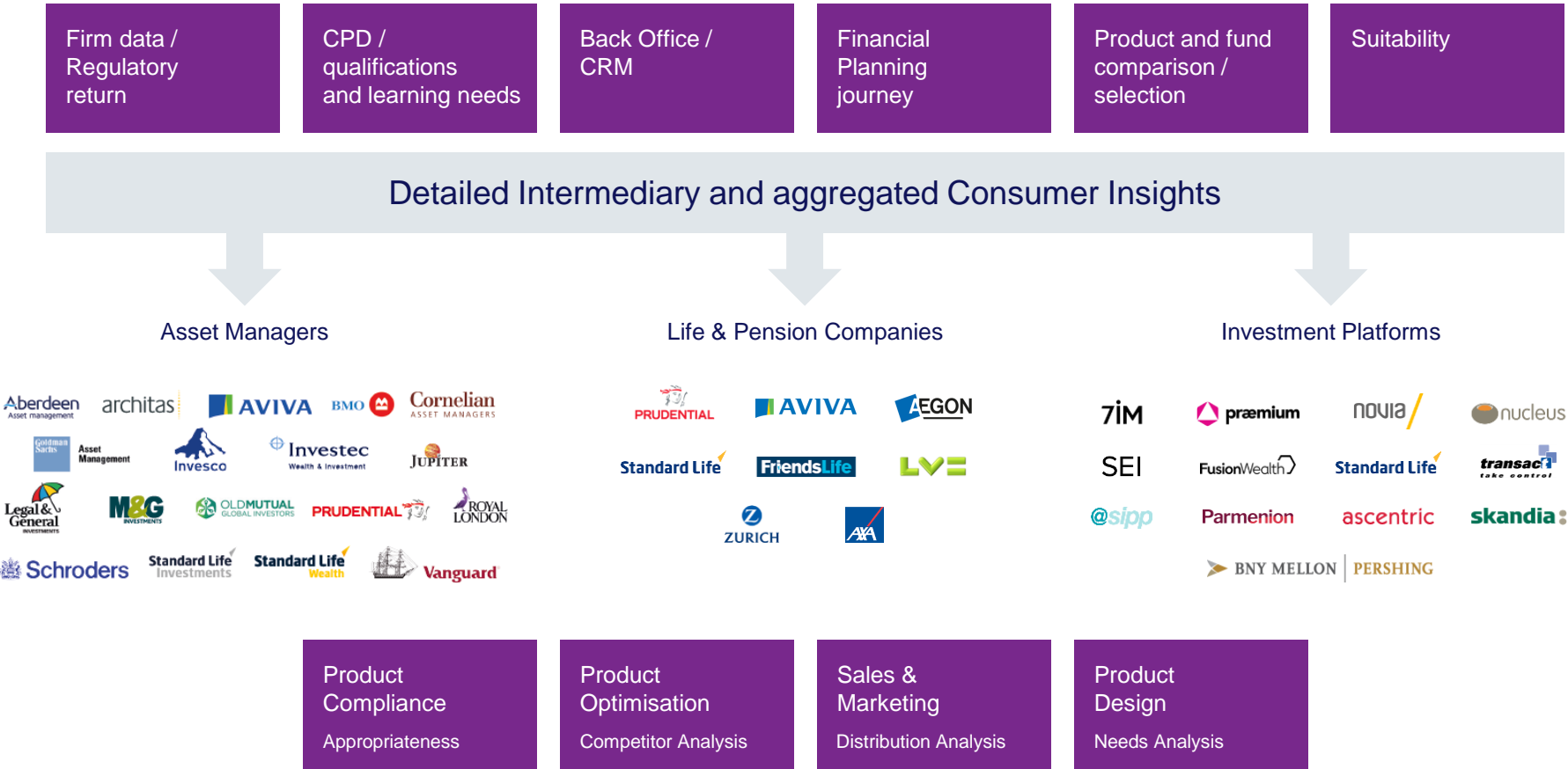
Mappings

Market Insights

FINTECH & RESEARCH THAT INFORMS CONSUMERS, ADVISERS AND PRODUCT PROVIDERS



POWERFUL ANALYTICS DATA



THESE ARE EXAMPLES OF SERVICES AND TARGET CUSTOMERS WE CAN PURSUE



DISCLAIMER

This presentation has been prepared by The SimplyBiz Group plc (“SimplyBiz” or the “Company”) and the information contained herein is restricted and is not intended for distribution to, or use by any person or entity in any jurisdiction or country where such distribution or use would be contrary to local law or regulation. In particular, the information contained herein is not for release, publication or distribution, directly or indirectly, in or into the United States, Australia, Canada, Japan, the Republic of South Africa or any other jurisdiction in which such release, publication or distribution would be unlawful.

The presentation and the information contained herein is for information purposes only and shall not constitute an offer to sell or otherwise issue or the solicitation of an offer to buy, subscribe for or otherwise acquire securities in any jurisdiction in which any such offer or solicitation would be unlawful. This presentation and the information herein does not constitute or form part of any offer to issue or sell, or the solicitation of an offer to purchase, acquire or subscribe for any securities in the United States, Canada, Australia, Japan or the Republic of South Africa and may not be viewed by persons in the United States (within the meaning of Regulation S under the US Securities Act of 1933, as amended (the “Securities Act”). Securities in the Company may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and the securities law of any relevant state or other jurisdiction of the United States.

Recipients in jurisdictions outside the United Kingdom should inform themselves about and observe any applicable legal or regulatory requirements in relation to the distribution or possession of these presentation slides to or in that jurisdiction. In this respect, neither SimplyBiz nor any of its connected persons accepts any liability to any person in relation to the distribution or possession of these presentation slides to or in any such jurisdiction.

This presentation is strictly confidential and is being provided to you solely for your information and may not be reproduced in any form or further distributed to any person or published in whole or in part, for any purpose; any failure to comply with this restriction may constitute a violation of applicable securities laws.

This presentation has not been (i) produced as a result of a process which was designed to ensure that it satisfies the standards, of accuracy, disclosure or completeness required of a prospectus, or listing particulars or other disclosure document to be published in connection with an application for shares or other securities to be admitted to listing or dealing or trading on a regulated market or a recognised investment exchange (as defined in the Financial Services and Markets Act 2000 (“FSMA”)) (ii) approved for the purposes of section 21 of FSMA by, a person authorised under FSMA or (iii) subjected to the due diligence investigations, verifications and other procedures commonly carried out or applied in relation to the publication of a prospectus, listing particulars or other disclosure document on such an application, nor does it contain all information that would be required if it were a prospectus for the purposes of Directive 2003/71/EC. Accordingly, this presentation does not purport to be all-inclusive.

In making this presentation available, SimplyBiz makes no recommendation to buy, sell or otherwise deal in shares in SimplyBiz and its subsidiaries (the “Group”) or in any other securities or investments whatsoever, and you should neither rely nor act upon, directly or indirectly, any of the information contained in these presentation slides in respect of any such investment activity. Past performance is no guide to future performance. If you are considering engaging in investment activity, you should seek appropriate independent financial advice and make your own assessment. This presentation (and any subsequent discussions arising thereon) may contain certain statements, statistics and projections that are or may be forward-looking. The accuracy and completeness of all such statements, including, without limitation, statements regarding the future financial position, strategy, projected costs, plans and objectives for the management of future operations of the Group are not warranted or guaranteed. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that may occur in the future. Although SimplyBiz believes that the expectations reflected in such statements are reasonable, no assurance can be given that such expectations will prove to be correct. There are a number of factors, many of which are beyond the control of the Group, which could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include, but are not limited to, factors such as: future revenues being lower than expected; increasing competitive pressures in the industry; and/or general economic conditions or conditions affecting the relevant industry, both domestically and internationally, being less favourable than expected. We do not intend to publicly update or revise these projections or other forward-looking statements to reflect events or circumstances after the date hereof, and we do not assume any responsibility for doing so. By accepting these presentation slides, you agree to be bound by the above conditions and limitations.

