

YouGov®

29 October 2024

FY24

Results Presentation

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- Alex McIntosh **(CFO)** **01** Financial review
- Steve Hatch **(CEO)** **02** Business update
- 03** Summary

01 Financial Review

Key highlights

Operational updates

- New commercial and product leaders appointed to accelerate growth and drive our Data Products strategy
- Three acquisitions completed – CPS, KnowledgeHound and Yabble
- Further enhanced panel quality and data integrity to maintain our market leading position on quality
- Expect to achieve £20m in savings from cost optimisation plan

Revenue

£335.3m

30%
reported

3%
underlying
basis

Adjusted operating profit

£49.6m

15% margin

1%
reported

(37%)
underlying

Adjusted EPS

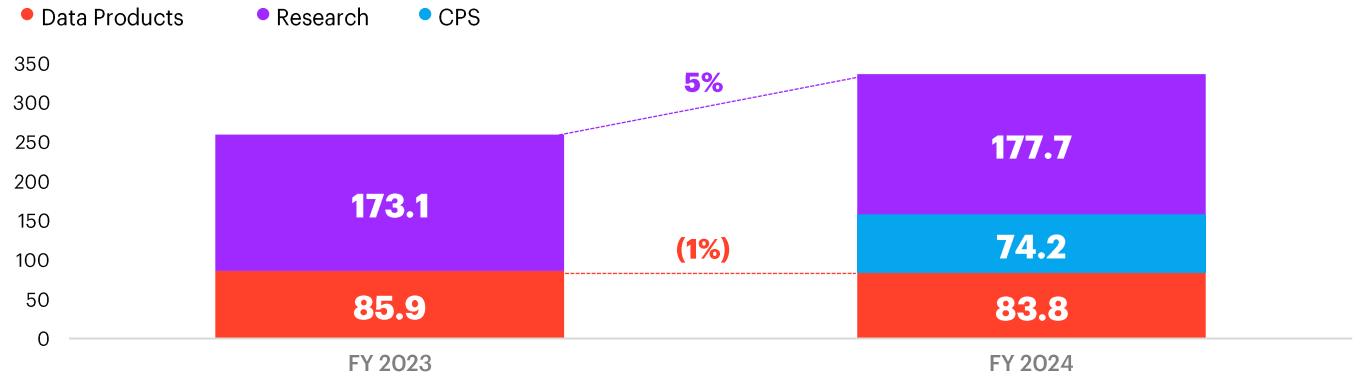
29.4p

(29%)
reported

Varied performance across divisions

- **Data Products:** Flat performance in a challenging environment that led to lower level of new subscription sales
- **CPS:** High contribution to Group results due to phasing of client delivery in January and July
- **Research:** Strong growth in customised research, particularly in the US, partially offset by lower volumes in fast turn-around projects
- **Operating profit margin:** Limited revenue growth (excl. M&A) and higher staff & technology costs resulted in decline in margin to 15%

Revenue¹ by Segment (£m)



Adj. Operating Margin by Division (£m)

	FY 2024	FY 2023	Growth %	Margin %	
				FY 2024	FY 2023
Data Products	27.4	36.8	(26%)	33%	43%
CPS	19.7	-	-	27%	-
Research	19.8	25.5	(22%)	11%	15%
Central Costs	(17.3)	(13.2)	31%	-	-
Group	49.6	49.1	1%	15%	19%

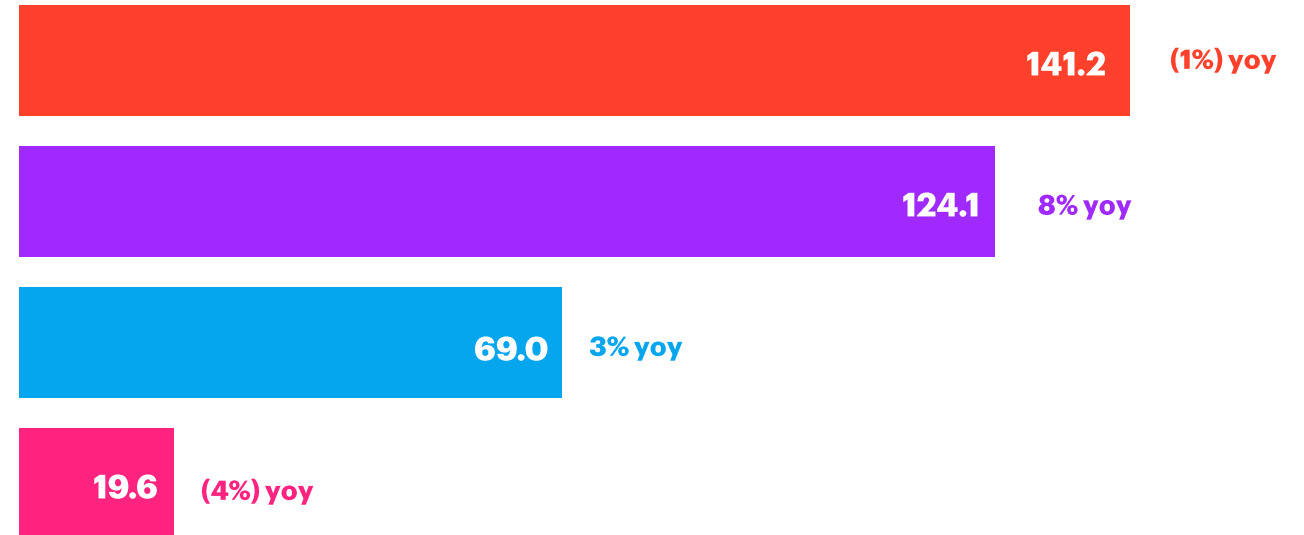
¹ Growth figures are on an underlying basis. Defined as growth in business excluding impact of current and prior period acquisitions, and movement in exchange rates.

Americas continues to deliver strong growth

- **EMEA:** Flat underlying growth due to leadership challenges during the year; new commercial leaders to be appointed imminently
- **Americas:** Strong performance in the region, primarily driven by technology clients
- **UK:** Positive growth stemming from expansion with key clients against a difficult backdrop
- **APAC:** Performance impacted by lower spend in Australia, in particular the government sector

FY 2024 Revenue¹ (£m)

● EMEA ● Americas ● UK ● Asia Pacific

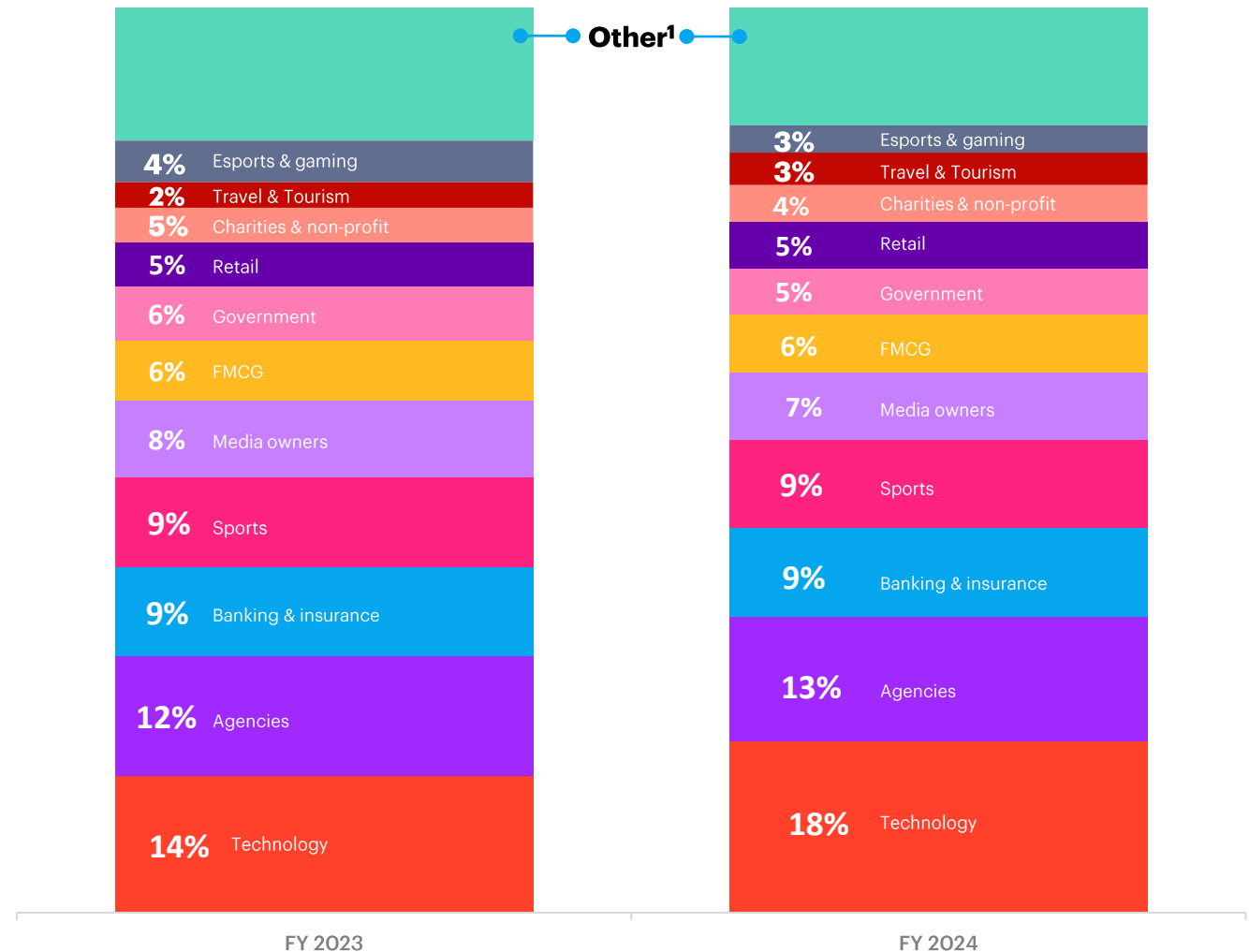


¹ Regional revenue figures exclude Intra-group revenue. Growth figures are on an underlying basis. Defined as growth in business excluding impact of current and prior period acquisitions, and movement in exchange rates.

Diversified customer base continues to provide resilience

- The Technology sector remains the largest segment and one of the fastest growing sectors
- Agencies, which represent the largest segment for Data Products, continue to expand share
- Pro-forma for the inclusion of CPS, share of FMCG sector at 20% and Retail sector at 9%

¹Other includes sectors such as Leisure, Automotive, Health & Pharma, Telcos. Sector breakdown excludes CPS



Robust balance sheet; leverage in line with expectations

- New €280 million term loan facility signed in October 2023
 - €240 million amortising term loan with a tenor of four years
 - €40 million RCF with a tenor of three years, of which €24 million was drawn as of the end of the year

Net debt and leverage position

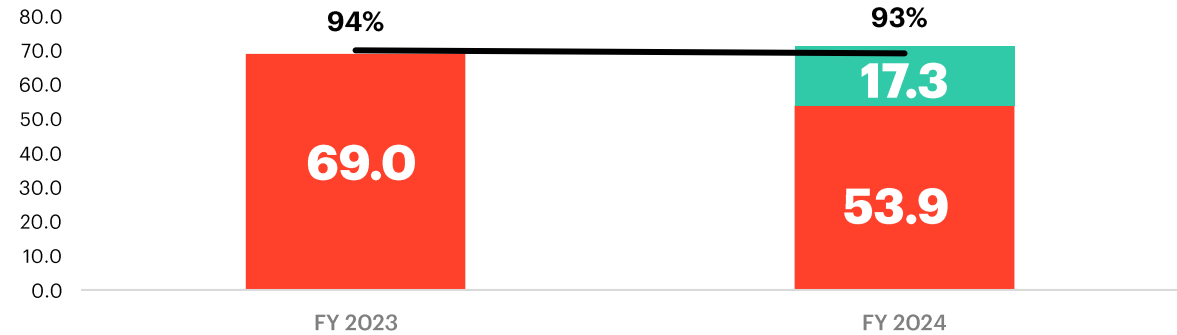
£ in millions	FY 2024
Total Debt	221.8
Less: Cash	(73.6)
Net Debt	148.2
Net debt / EBITDA	1.7x
Interest cover ratio	9.7x

Operating cash generation continues to support investments

- Stable cash generation from operations after adjusting for exceptional costs related to CPS acquisition
- Cash conversion of 93% excluding acquisition-related costs
- Higher spend on panel recruitment due to inclusion of CPS and investments in US and UK panels ahead of major elections
- Capitalisation of technology investment lower as teams focused on maintenance activities

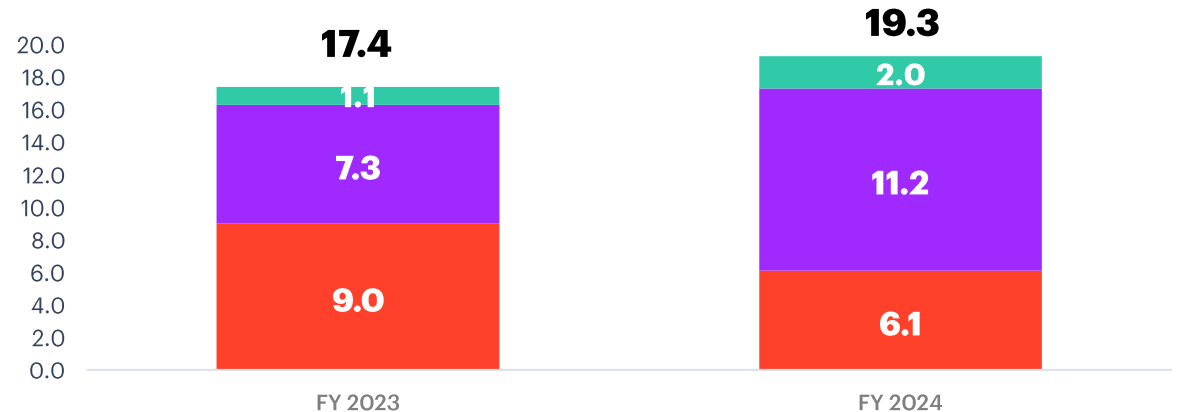
Cash generation and conversion

● Operating cash generation (£m) ● Acquisition-related costs (£m) — Cash conversion



Capital expenditures (£m)

● PP&E ● Panel recruitment ● Technology



Cost optimisation plan on track to generate savings, while we continue to invest for innovation and growth



Increased Efficiencies

Annualised cost savings anticipated

£20m

of which 70% to be realised in FY25

- Right-sized teams
- Optimising panel spend
- Reduced third-party suppliers and costs
- Discontinuing non-scalable products
- Scaled back real estate footprint



Focused Investments

Capital Expenditure for FY25

In line with FY24

as a % of revenue

- Deepening use of AI/ML across products and teams
- Enhancing UI/UX of core Data Products to improve client experience
- Bolstering teams in priority markets
- Expanding CPS data collection and panel capabilities

Current Trading and Outlook

01 Expect to meet FY25 expectations

- Trading is broadly in line with the prior year, reflecting the slower sales bookings momentum in H2 FY24
- CPS integration progressing in line with expectations
- Sales bookings momentum expected to pick up in Q2 and Q3 FY25 during renewal season
- Margin improvements to be H2 weighted following implementation of the cost optimisation plan

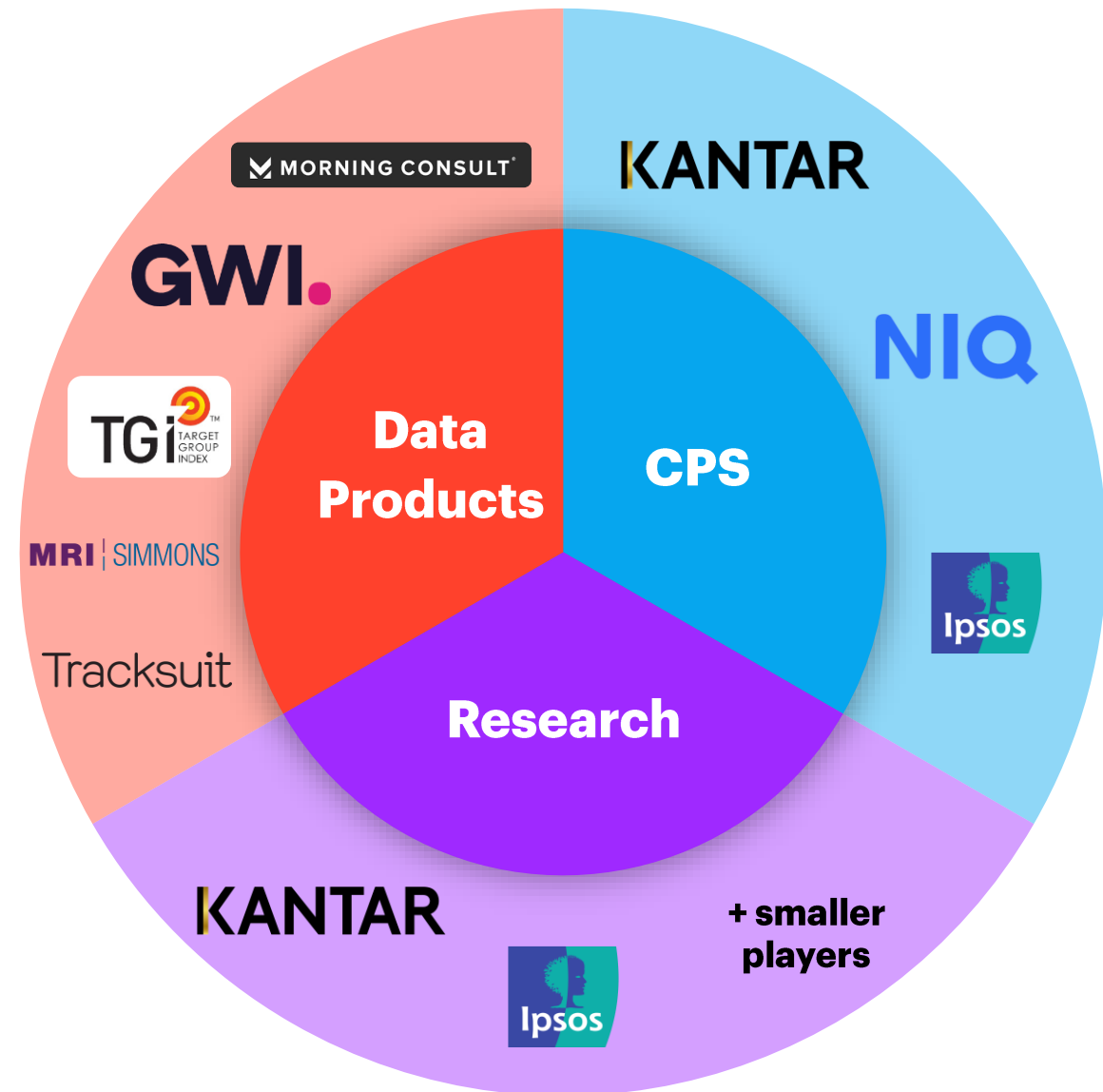
02 Continued capital allocation discipline

- Highly cash generative business will continue to enable a balanced mix of growth investment and consistent de-levering over the coming years
- Robust balance sheet maintained with first amortisation payment on the loan to be completed at end of October 2024
- FY25 capital expenditures as a % of revenue to be broadly in line with the prior year
- Continue to retain strong cash balances

02 Business Update

Competitive landscape and market size

- Total Insights industry size (2023): \$142bn
- Market research sector TAM: \$54bn
- YouGov market share: 0.7%
- Highly fragmented industry
- Regional and global competitors across the pricing spectrum
- YouGov focus on mid- to high-end of the market
- Low penetration presents large potential opportunity
- Data and panel quality increasingly under scrutiny is a positive for YouGov



“Ever since their 2012 breakout performance, the public polls relying exclusively on data from so-called online opt-in panels have underperformed the competition. Only YouGov, long at the cutting edge of this kind of polling, is still producing reasonably accurate results with these panels.”

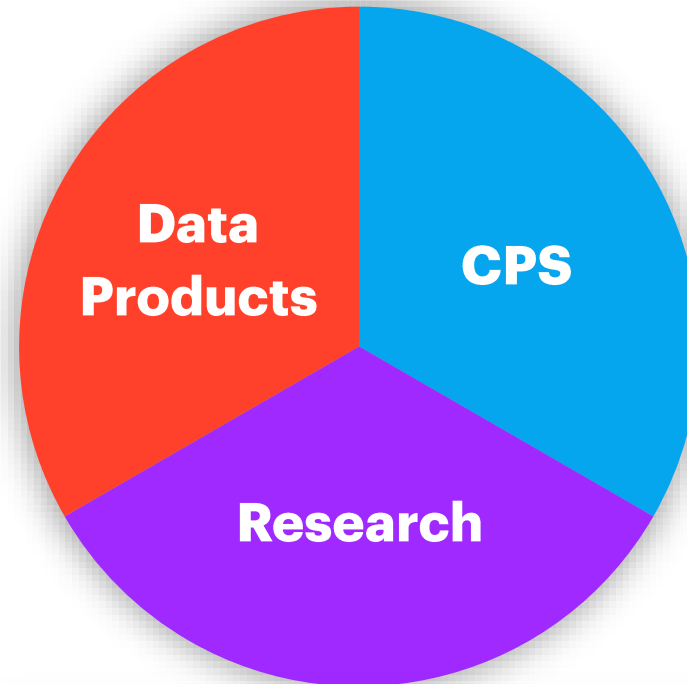
The Problem With a Crowd of New Online Polls

New York Times, September 27 2024

Clear strategy in place to accelerate performance across the business

Data Products

- New products
- Enhanced features
- Price optimisation



CPS

- Enhanced data
- Panel expansion
- Deeper integration

Research

- Expand recurring revenue
- Data integrations
- New client wins

Data Products strategy: New products, enhanced features and price optimisation

FY 2024

**Data Products
Renewal Rate**

~80%

**Recurring
Revenue**

~90%

**No. of
Subscriptions**

~2,000

FY 2025 and beyond

- **New Chief Product Officer (CPO)**
New CPO to build on our existing product portfolio and drive our new product strategy
- **Broader product mix**
Capitalise on low penetration with brands through launch of CategoryView
- **AI-enabled features**
Deliver AI-powered Data Products through the integration of Yabble's powerful tools with our high-quality syndicated dataset
- **UI/UX improvements and inclusion of Behavioral Data**
Ensure data is more discoverable and intuitive for users. Product differentiation with behavioral data
- **On-Platform activation**
Drive activation sales through the YouGov Platform using integrations with the wider marketing ecosystem (\$7.5bn market)

CPS strategy: Enhanced data, panel expansion and deeper integration

FY 2024

% of revenue from repeat clients¹

>70%

Top 20 client retention post-acquisition

100%

FY 2025 and beyond

- **Roll off GfK TSAs**
Integration into YouGov systems and remove dependency on TSAs
- **Integration of commercial teams**
Aligning our European commercial teams to drive collaboration and cross-selling opportunities
- **One client platform experience**
Integration of CPS clients into the YouGov customer platform
- **Expansion into new markets**
Progress strategic ambitions to expand into markets with one or no incumbents where the upside is greatest
- **Enhancing data collection capabilities**
Commercial launch of passive data and receipt scanning initiative in Nordics and commence data collection in Germany

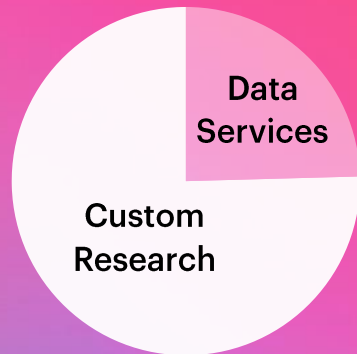
¹ Defined as CPS customers that have contributed to revenue in each of the last 5 years

Research strategy: Expand recurring revenue, data integrations and new client wins

FY 2024

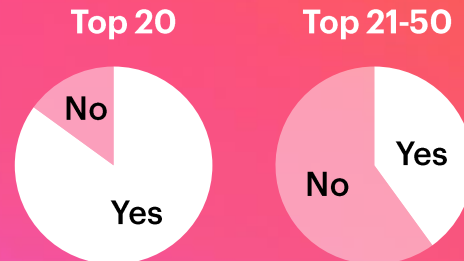
FY 2025 and beyond

Research Revenue



40% recurring revenue

of Clients with custom trackers



**Top 20 vs Top 21-50
ARPC¹ ratio**

6:1

- **Increase custom tracking revenue**

Leverage the success with our top 20 clients and target custom tracking projects with the rest of our top 50 clients

- **Data integrations for custom research**

Building on our success with two large multi-national clients, we plan to expand our data integration offering to provide custom research results straight into client systems

- **Expansion of panel**

To meet the demands of our largest clients with the most complex research needs, we will expand our low-incidence and B2B panels

- **Target new clients**

Focused account-based marketing to generate quality leads at target clients where we see the biggest opportunities

¹ Average revenue per client

03 Summary

FY25 Priorities and Opportunities



Increased efficiency

Simplify our organisation to better service our clients

01



Focused Growth

Retain existing and win new data product clients

Expand our share of wallet with large accounts through custom research and data integrations

02



Continued Innovation

Continue to develop and launch innovative products and solutions that maximise the value of our unique dataset

03

Q&A

Living consumer intelligence | business.yougov.com

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Appendix

Summary of key changes in reporting methodology

New segmentation aligns with internal management reporting structures and improved cost allocation between divisions better reflects segmental profitability

Revenue

What has changed:

- Custom Research and Data Services combined under “Research”
- CPS included as a new segment
- Products previously included in “Central” have been reclassified into Data Products or Research

Cost of Sales

What has changed:

- Certain expenses have been reclassified from administrative expenses to cost of sales. These expenses include:
 - Panel acquisition amortisation charge
 - Costs directly attributable to data collection in Switzerland, namely staff costs

Operating Profit

What has changed:

- The allocation methodology of function and departments costs (commercial, operations, HR, IT, panel, facilities, CenX and finance) has been updated, principally resulting in fewer unallocated costs held centrally
- Group executive and Governance costs remain within “Central” costs
- Operating profit also impacted by reclassification of products previously included in “Central”

Historical financials under new reporting methodology

Revenue (£m)	FY22		FY23		FY24	
	H1	FY	H1	FY	H1	FY
Data Products	34.7	73.9	42.4	85.9	41.9	83.8
CPS	-	-	-	-	14.1	74.2
Research	67.4	149.8	88.9	173.1	86.8	177.7
Other	(0.9)	(2.6)	(0.1)	(0.7)	(0.3)	(0.4)
Group	101.2	221.1	131.4	258.3	143.1	335.3

Adj. Operating Profit (£m)	FY22		FY23		FY24	
	H1	FY	H1	FY	H1	FY
Data Products	13.8	31.5	18.0	36.8	15.2	27.4
CPS	-	-	-	-	8.4	19.7
Research	2.2	11.3	10.7	25.5	12.1	19.8
Other	(1.7)	(5.4)	(6.1)	(13.2)	(7.8)	(17.3)
Group	14.3	37.4	22.6	49.1	27.9	49.6