Results presentation

For the year ended 31 March 2023

Chris Clark
CEO

David Ward
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GBG

2023

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Not a profit forecast

The financial information contained in this presentation is based on publicly available historic financial information of the GBG and is not intended to be a profit forecast or profit estimate under applicable rules.

Introduction & FY23 review

Chris Clark - CEO

FY23 at a glance

Important strategic progress

- Simplification **& efficiency**
- Product **innovation**
- **Cross-sell / up-sell** to existing customers
- **Geographic** expansion
- **Entering** new & emerging sectors

Financial summary

Revenue and adjusted operating profit as previously announced

- Pro forma revenue £279.8m, up 3.7% on a constant currency basis
  - Strong performance in Fraud and Location
  - Strong new logo growth, but net revenue retention impacted by macro conditions
- Adjusted operating profit £59.8m, up 1.7%
- Annual impairment review, £122.2m non-cash exceptional goodwill impairment charge
- Board recommends a final dividend, up 5% to 4.00p per share

Location

Validating accurate and reliable address data to ensure our customers can, with minimum friction, provide their products and services to the right people, in the right place

Simplification & efficiency

- The next generation of the industry's most advanced type-ahead address capture solution released with AI-parsing capability to increase match-rates

Product innovation

- Expanded our digital-first capabilities with the initial launch of a new SaaS platform in the Americas

Cross-sell / up-sell to existing customers

- New customer wins across all regions
  - Inditex (Owner of Zara), Converse and Clarks
  - Scentsy, Delonghi and Teufel Audio represent the direct-to-consumer trend

Geographic expansion

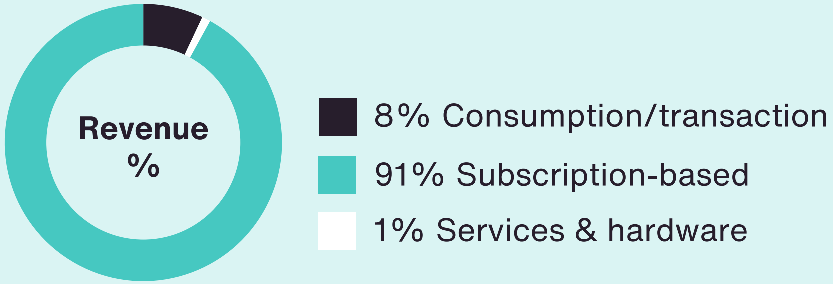
- Diversifying sectors; new financial services and gaming customers such as Lloyds Bank, Klarna and Bet 365

Entering new & emerging sectors

- Extended our long-standing relationship with IBM

FY23 revenue

£76.9m **28% of Group**



Strong FY23 constant currency growth of 11.7%

- Growth was driven by cross-sell/up-sell, proactive pricing and international expansion, despite lower transactional volume in some sectors

Identity

Building trusted relationships through document and data identity verification to prove an individual is who they say they are and good to do business with, which can help prevent crimes such as money laundering and identity fraud

Simplification **& efficiency**

Product **innovation**

Cross-sell / up-sell to existing customers

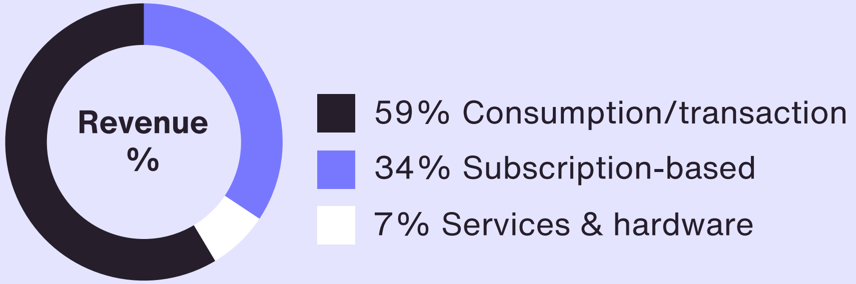
Geographic expansion

Entering new & emerging sectors

- Acuant integration complete. Evolved our GTM in the Americas with IDology as our primary brand
- Deploying our solutions globally
  - Including Mobile Fraud signals, Compliance platform and Multi Bureau
  - Strengthened documents & biometrics; one library utilising 8,000 documents augmented by AI
  - GBG GO launched, resonating with customers and new deals secured
- Good new logo performance across sectors and regions:
  - Bally's, Pollard, Confidia, Mortgage Advice Bureau and Transamerica and growing public sector exposure
- Strong customer retention and momentum on cross-sell and up-sell initiatives; Americas team secured >100 opportunities to date including B2B Soft, Clickbank and Qolo

FY23 revenue

£162.7m **58% of Group**



FY23 pro forma constant currency decline of 1.9%

- Lower transactional volumes from internet economy, particularly Americas, reduced our net revenue retention
- Macro uncertainty lengthened sales cycles and delayed some projects
- Combined pro forma growth of 9.1% in EMEA & APAC demonstrates their sector diversity

Fraud

Offering real-time protection and regulatory compliance protection against modern-day financial crimes, identifying and helping to prevent or pursue bad actors to avert crimes such as identity, application and transaction fraud

Simplification & efficiency

- Deploying fraud data-sharing consortium approach based on our group-wide capability and experience in identifying suspicious transactions

Product **innovation**

- GBG Alerts, an innovative Identity solution, launched in Australia to combat potential data breaches, which leverages our extensive fraud monitoring capabilities

Cross-sell / up-sell to existing customers

- Continued expansion in Southeast Asia
  - CTOS in Malaysia, Union Bank of the Philippines and Indonesia with Bank BJB

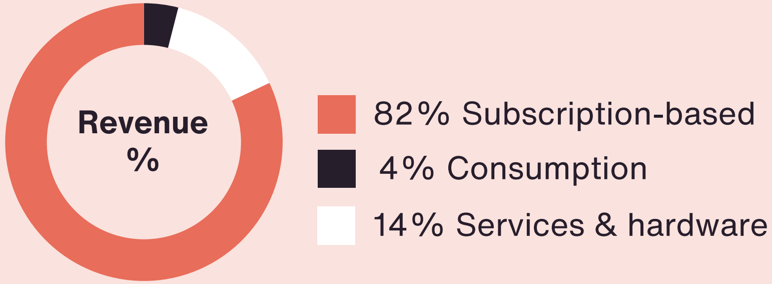
Geographic expansion

- Notable new EMEA customers include Banque Marocaine, the UK Government’s Department for Work & Pensions and the non-food retailer, Next

Entering new & emerging sectors

FY23 revenue

£39.2m **14% of Group**



Strong FY23 constant currency growth of 14.7%

- Robust demand driven by the increasing convergence of fraud and identity
- Success in securing new customers alongside renewals with large financial institutions

Making a positive difference to society

Safeguarding our customers and their consumers from negative impacts is at the heart of the solutions we offer

Three pillars drive our key ESG initiatives

Environment

New goals set out to reduce and improve our impact on the planet

- Achieve net zero by 2045
- Reducing our Scope 1 and 2 emissions by 42% over the next decade

Everyone

- Exceed 40% female representation by 2026
- Continually increase participation in our voluntary diversity data collection

Ethics

- Put the ethical use of data at the heart of everything we do
- Incorporating the role our industry plays in building a better world into our thought leadership

FY23 achievements

Carbon neutral in our own operations during FY23

2023 Gallup Exception Workplace Award winner

GALLUP EXCEPTIONAL WORKPLACE AWARD
2023 WINNER

UK Government Trust Framework Certification

Financial review

David Ward - CFO

Financial review

Higher statutory revenue and adjusted operating profit. Our cash-generative model continues to support ongoing investment in the business and the repayment of the debt

£278.8m	£59.8m	(£127.2)m	(£105.9)m	4.00p
Statutory revenue growth **+15.0%** Pro forma constant currency revenue growth **+3.7%**	Adjusted operating profit Growth **+1.7%** Margin **21.5%**	Total exceptional charge includes a non-cash goodwill impairment of **£122.2m**	Net debt as at 31 March 2023 includes a negative **£8.6m USD retranslation** impact Net debt / EBITDA leverage **1.7x**	Final dividend per share Growth **+5.0%**

Group income statement

	FY23 £m	FY22 £m	Growth
Statutory revenue	**278.8**	242.5	**+15.0%**
Cost of sales	**(81.0)**	(70.5)	
Gross profit	**197.8**	171.9	**+15.1%**
Gross profit %	***71.0%***	*70.9%*	
Operating expenses	**(141.2)**	(112.8)	**+25.3%**
FX gains / (losses)	3.0	-	
Decrease/(increase) in ECL	0.2	(0.3)	
Adjusted operating profit[1]	**59.8**	58.8	**+1.7%**
Adjusted operating margin %[1]	***21.5%***	*24.3%*	
Share-based payments	**(2.3)**	(6.2)	
Amortisation of acquired intangibles	**(42.8)**	(24.7)	
Exceptional items	**(127.2)**	(4.5)	
Operating (loss) / profit	**(112.4)**	23.4	
Net finance costs	**(6.4)**	(1.8)	
(Loss) / profit before tax	**(118.8)**	21.7	
Tax charge	**(1.0)**	(6.4)	
(Loss) / profit after tax	**(119.8)**	15.3	

- 15% statutory revenue growth; 3.7% on a pro forma constant currency basis
- Consistent gross profit margin
- Higher OPEX due to prior year acquisitions, salary inflation (~6.5%) and continued investment in R&D and technology
    - Modest pro forma constant currency increase of 2.5% reflects cost optimisation initiatives
- Finance costs increased due to the interest on the revolving credit facility drawn to part-fund the prior year acquisitions
- 21.3% adjusted effective tax rate (FY22: 22.1%)
- Adjusted diluted EPS decreased to 16.4 pence (FY22: 20.2 pence)

Note:
1 Adjusted operating profit is stated before amortisation of acquired intangibles, share-based payments and exceptional items

Exceptional items

Total net exceptional charge of £127.2m includes a £122.2m non-cash goodwill impairment charge following annual impairment review

Impairment of goodwill

- Annual impairment review conducted on the Group's goodwill of £749m
- Non-cash goodwill impairment charge of £122.2m against our Identity business in the Americas, formed from our IDology and Acuant acquisitions
  - Reflects the macro pressure that has affected our Identity business in the Americas
  - Represents approximately 19% of the associated pre-impairment carrying values of goodwill and intangible assets
  - No cash impact, treated as exceptional given size and nature

Other exceptional items

Exceptional costs of £5.0m (FY22: £4.5m) were incurred by the Group in the year, the most significant elements were:

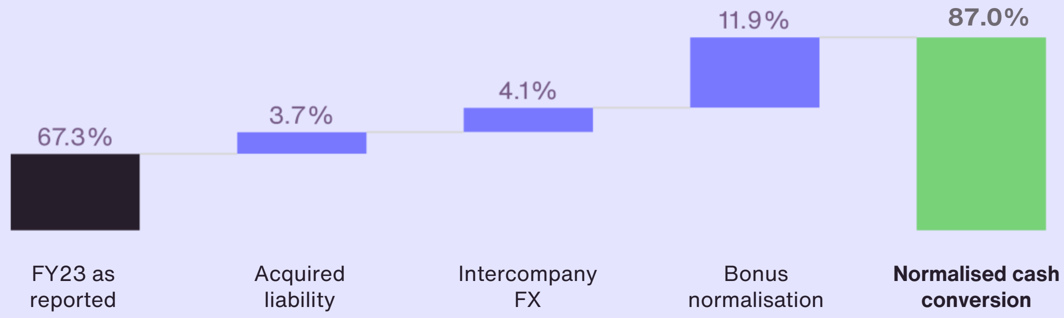
M&A	Final adjustment in respect of the IDology acquisition	(£0.8)m
M&A	Write-off of the Acuant brand following integration	(£2.8)m
M&A	Fair value adjustment of contingent consideration related to the Cloudcheck acquisition	£2.8m
M&A / efficiency	Acquisition integration costs	(£0.7)m
Efficiency	Team member reorganisation costs	(£1.8)m
Efficiency	Rationalisation of the GBG office footprint	(£0.4)m

Group balance sheet

	FY23 £m	FY22 £m	Variance
Tangible assets	**5.2**	7.3	(2.1)
Goodwill & intangible assets	**854.3**	971.9	(117.8)
Deferred tax assets	**0.8**	0.7	0.1
Non-current receivables	**4.3**	-	4.3
Non-current assets	**864.6**	980.1	(115.5)
Inventory	**2.6**	1.2	1.4
Current receivables	**65.3**	69.7	(4.3)
Net Debt/Cash[1]	**(104.9)**	(105.9)	1.1
Current liabilities	**(37.3)**	(49.6)	12.3
Tax (payable)/receivable	**(0.9)**	6.3	(7.2)
Deferred revenue	**(56.5)**	(58.8)	2.3
Lease liability	**(1.8)**	(3.4)	1.6
Contingent consideration	**(1.2)**	(7.8)	6.5
Non-current liabilities	**(35.8)**	(44.5)	8.8
Net assets	**694.1**	787.1	93.0
Capital and reserves	**694.1**	787.1	93.0

FY23 cash conversion

Adjusting for specific non-recurring factors, cash conversion is 87%

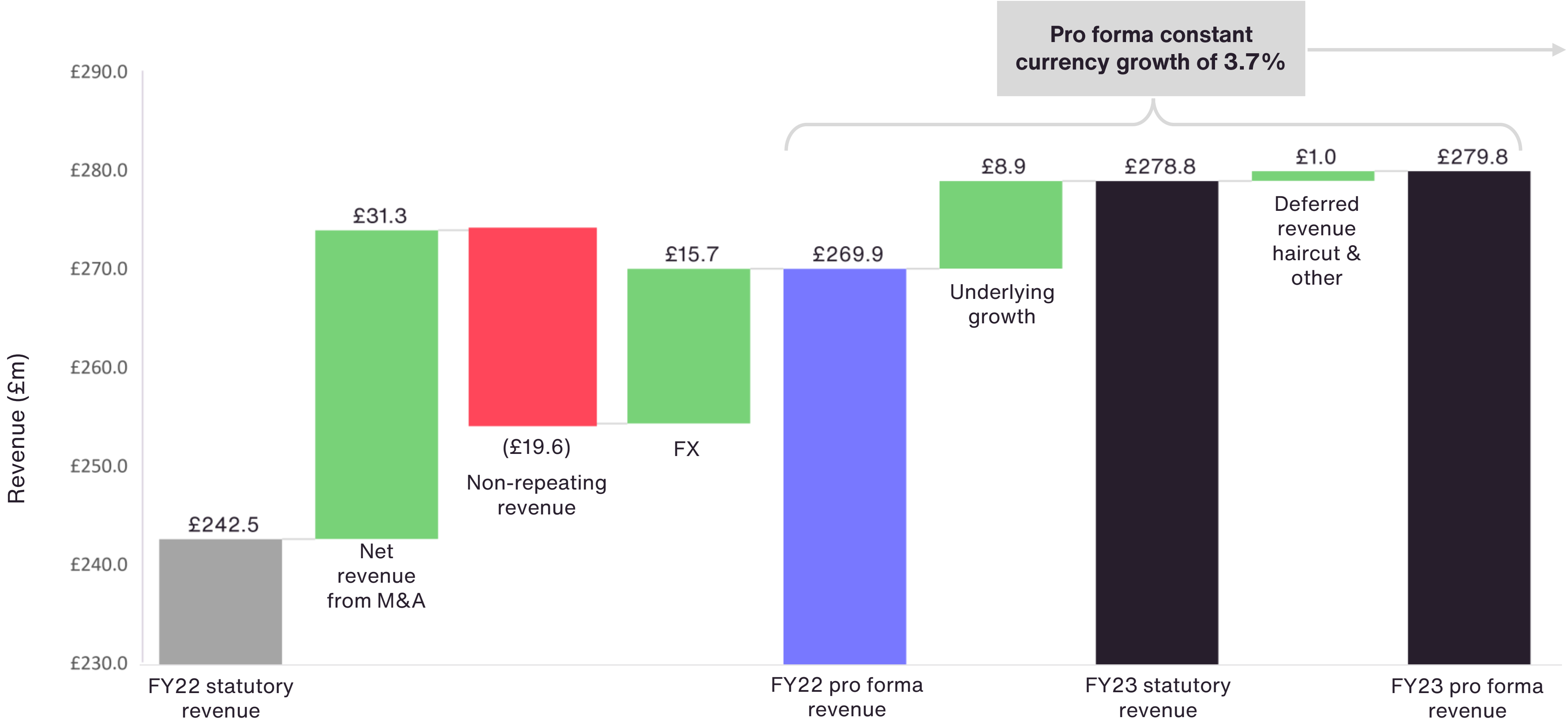


- At 31 March 2023 we had a net debt position of £105.9m[1], despite:
  - One-off payment of £2.3m for an acquired liability
  - A negative £8.6m retranslation impact
  - £9.6m full year dividend payment
  - £2.5m of shares purchased for the new employee benefit trust
- Exercised a one-year extension option on the existing revolving credit facility until July 2026 with a further option to extend until July 2027

Note:
[1] Loans on the balance sheet are net of £1 million (FY22: £1.1 million) unmortised arrangement fees which are excluded above

Group revenue bridge

- Statutory revenue growth of 15.0%; pro forma constant currency growth of 3.7%
- Growth from new customers consistent with our mid-term guidance
- Customer retention remains high, but net revenue retention (NRR) lower
- Historic growth typically driven 1/3 by new logos and 2/3 from existing customers



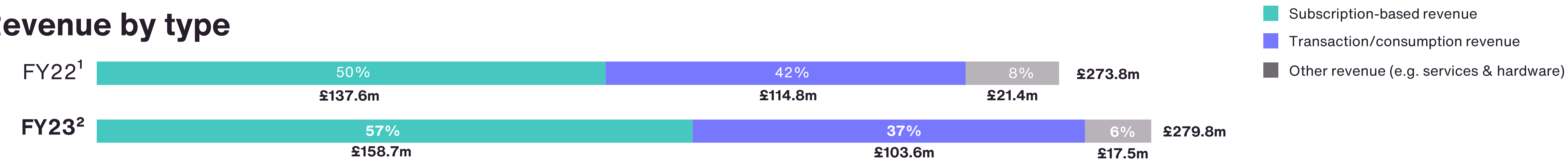
Driven by
new logo revenue
~4.8%
In line with our mid-term expectation for new logo growth

Offset by
Lower NRR
98.5%
High customer retention, however, transactional volumes impacted by market cyclicality

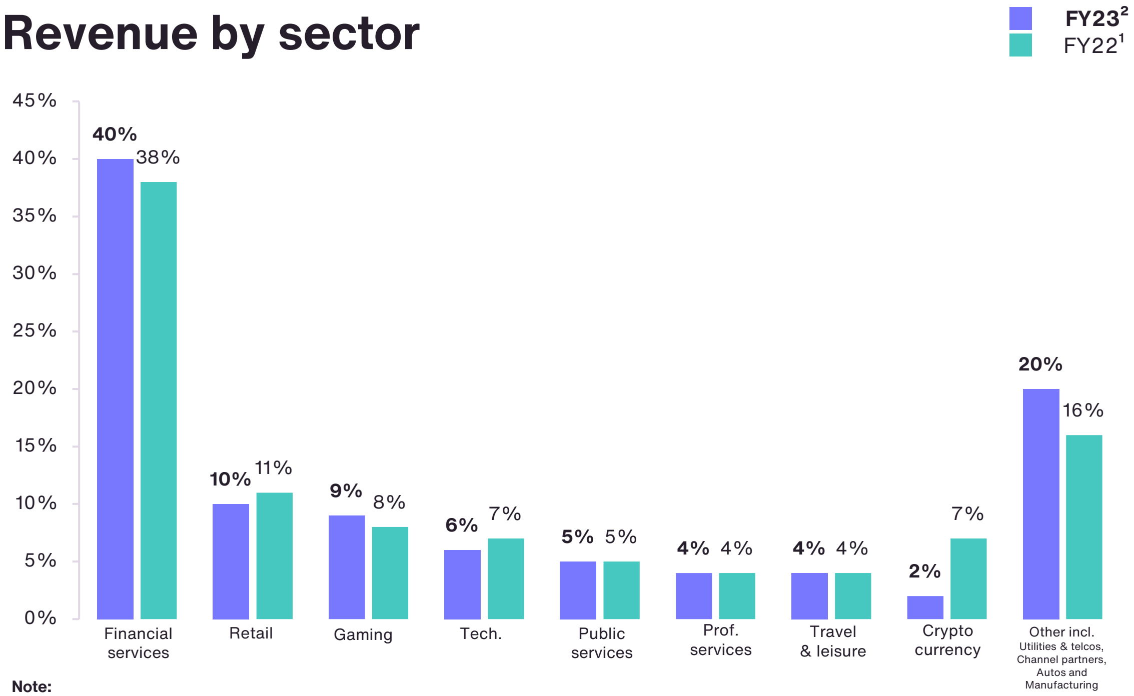
A diversified revenue mix

Delivering our solutions through a mix of commercial models across a good spread of sectors and geographies

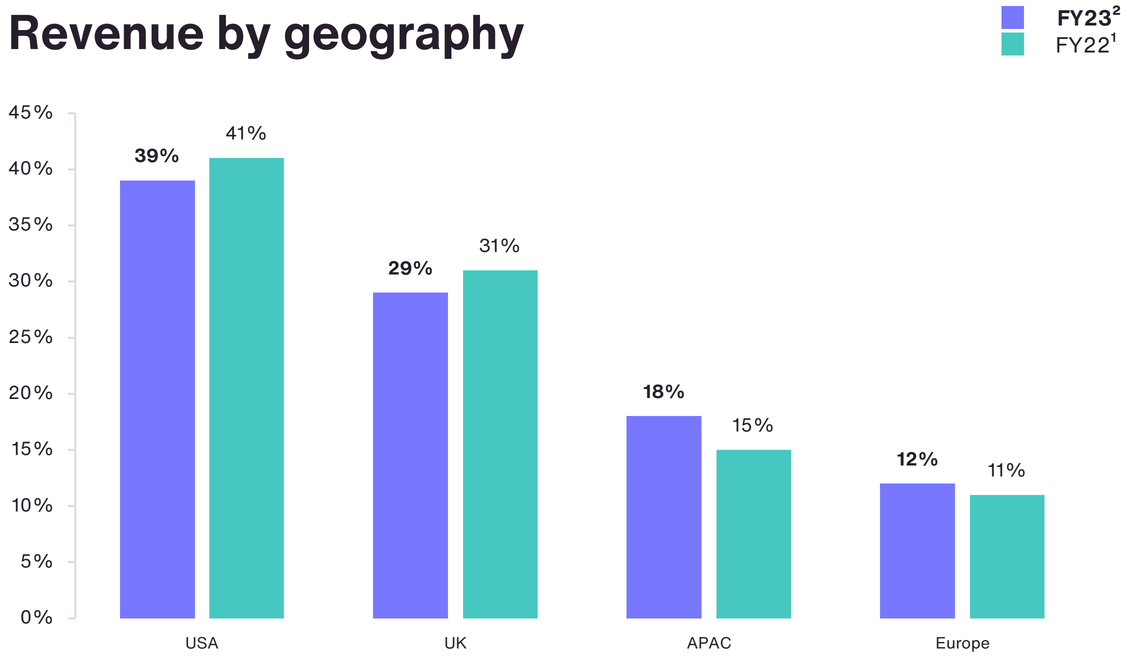
Revenue by type



Revenue by sector



Revenue by geography



Note:
[1]FY22 includes full year contributions from the acquisitions of Acuant and Cloudcheck and adds back the deferred revenue haircut
[2]FY23 on a pro forma basis

Sustaining efficiency and disciplined investment

Our intense focus on efficiency will drive long-term benefits while also protecting short-term margins

Areas of focus

Operational efficiency

- Driving operating leverage from our central business functions
- Review office space requirements
- Single global customer support framework
- Management structures
- Data procurement costs

Product & technology

- Simplified portfolio to meet rapidly changing market needs
- Utilising AI to improve efficiency and increase fraud detection
- One consolidated document library
- Accelerating harmonisation across our technology portfolio

Sales & marketing

- Combined GTM team in Americas
- IDology adopted as our primary brand in the Americas
- Utilising sales tools to drive higher sales productivity

GBG has a flexible cost base that can adjust to align with demand

Cost of sales highly variable

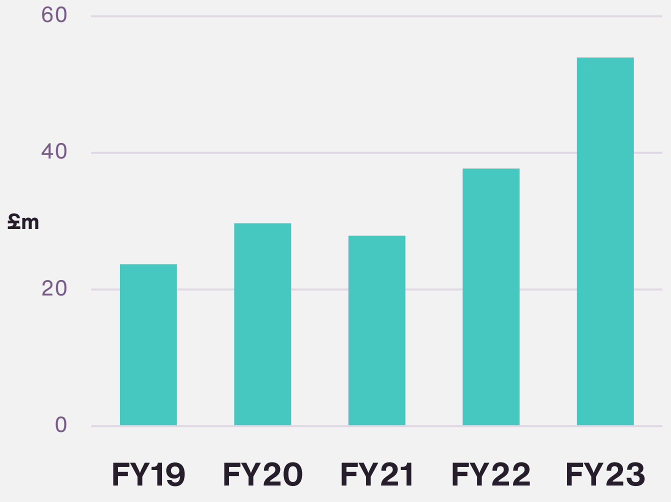
Optimised variable pay components

Discretionary expenditure

Recruitment can be slowed/paused

Investing for the future

Increased our technology investment by 22.8% vs. FY22[1]



Note:
1 On a constant currency basis excluding the impact of prior year acquisitions

Well-positioned for profitable growth in the mid-term

Committed to our mid-term growth targets

Revenue growth
12-14%

Adjusted operating margin
23-24%

Cash conversion
c.95%

FY24 outlook reflects the challenging short-term macro

- Continue to expect some gradual revenue acceleration in the latter part of the year
- The Board is confident that GBG will deliver its FY24 profit expectations assisted by a group-wide focus on efficiency

Technical guidance

Cash conversion	Financing and effective tax rate	Leverage
c.95%	Finance charge c.£8.5m Adjusted effective tax rate c.26%	Continued deleveraging, c.1.25x by year-end

Summary & looking ahead

Chris Clark - CEO

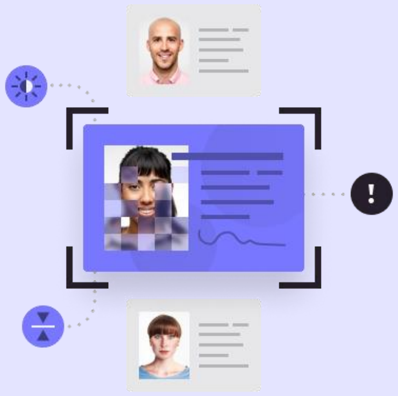
Summary

- FY23 impacted by post-pandemic corrections, particularly Identity in the Americas
- Demonstrated good growth throughout the wider business, strong new business, excellent customer retention and momentum on cross-sell and up-sell
- Delivered important strategic progress and operational improvements that will have long-term benefits to the Group

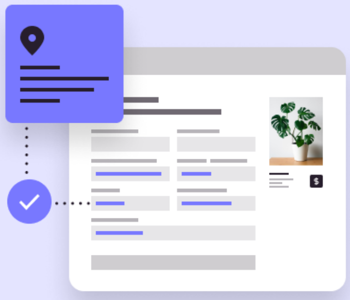
Looking ahead, GBG is well-positioned with its portfolio of relevant, layered capabilities

Operating in a market with enduring structural growth

Digital acceleration



Industrialisation of fraud and financial crime



Competitive need to reduce friction

Regulation and increasing compliance

Accelerated by developments such as generative AI, increasing the market opportunity

Pursuing efficiency, differentiation and expansion

Our priority in FY24 is to focus investment to meet rapidly changing customer needs

Simplification
& efficiency

Product
innovation

Cross-sell / up-sell
to existing customers

Geographic
expansion

Entering new &
emerging sectors

To deliver profitable growth that will underpin our mid-term targets

Q&A

Appendices

Modelling considerations for FY24 – Foreign exchange

Currency (vs. GBP)	% of group revenue	FY23 average rate	GBG internal FY24 rate	Impact modelling
US Dollar	40%	1.21	~1.26	**1 cent** move in the average exchange rate impact: • Revenue by c.0.3% • Adjusted operating profit of c.0.5%
Australian Dollar	18%	1.76	~1.87	**1 cent** move in the average exchange rate impact: • Revenue by c.0.1% • Adjusted operating profit of c.0.1%

Modelling considerations for FY24 – Finance costs

Based on our current repayment profile & prevailing rate, our forecast charge is approximately £8.5 million:

Current interest rate %	Impact of interest rate move
5.05% (Current rate as of 13.06.23) + 1.75% margin based on the current leverage position	A **25 bps** move in the US Secured Overnight Financing Rate (SOFR) will impact interest costs by c.£0.3 million in FY24

Finance costs also include bank fees related to the current revolving credit facility of approximately £0.8m

Modelling considerations for FY24 – Tax rate

	UK	USA	Australia	Other	Group
% of Adjusted Operating Profit	50 - 55%	35 - 40%	c.7%	c.3%	100%
FY23 Actual Effective Tax Rate[1]	**18%[3]**	**26%[4]**	**24%[5]**	**28%**	**21%**
Change in Statutory Tax Rate[2]	6%	-	-	-	n/a
Forecast FY24 Effective Tax Rate[1]	**24%**	**26%**	**27%**	**17 - 30%**	**25-27%**

Notes:
1 The adjusted effective tax rate after removing the amortisation of acquisition intangibles, exceptional items and share based payments
2 The UK statutory tax rate increased from 19% to 25% from 1 April 2023
3 The UK effective tax rate is lower than FY23 UK statutory rate of 19% (FY24: 25%) mainly due to patent box and R&D relief
4 The US effective tax rate is higher than US statutory rate of 21% due to State taxes and one-off prior year adjustments regarding State filings
5 The Australia effective tax rate in FY23 was lower than Australian statutory rate of 30% due to R&D relief and one-off prior-year adjustments

Cash flow statement

	FY23 £m	FY22 £m	Variance
Adjusted EBITDA	**63.1**	62.2	0.9
Working capital	**(20.8)**	(2.8)	(18.0)
Adjusted operating cash flow	**42.3**	59.4	(17.1)
Exceptional costs paid	**(3.9)**	(3.3)	(0.6)
Operating cash flow	**38.4**	56.1	(17.7)
Tax paid	**(4.3)**	(11.6)	7.3
Interest	**(5.9)**	(1.4)	(4.5)
Dividend paid	**(9.6)**	(6.7)	(2.9)
Lease liability payments	**(2.1)**	(2.0)	(0.1)
Capex/development	**(0.9)**	(1.7)	0.8
Net share issue proceeds	**(1.8)**	306.0	(305.2)
Share forfeiture receipt	**0.1**	-	0.1
Borrowing costs	**(0.4)**	(0.9)	0.5
Acquisitions/investments	**(5.0)**	(466.3)	461.3
Total net cash/(debt) movement	**11.1**	(128.5)	139.6
Opening net cash/(debt) balance	**(107.0)**	21.1	(128.1)
Effect of exchange rates	**(10.0)**	0.4	(10.4)
Closing net cash/(debt) balance	**(105.9)**	(107.0)	1.1

Debt leverage & borrowing

Net cash / debt analysis	**31 Mar 23 £m**	**31 Mar 22 £m**	**31 Mar 21 £m**
Cash	21.6	22.3	21.1
Debt	(127.5)	(129.3)	-
Net cash/(debt)	(105.9)	(107.0)	21.1
Net debt / EBITDA leverage	1.7x	1.7x	Positive cash

Pro forma revenue breakdown

Adjusting for the impact of acquisitions, disposals and non-repeating revenue

	Pro forma FY23		Pro forma FY22		Constant currency change %
	£m	% of Rev	£m	% of Rev	
Subscriptions:					
- Transactions / consumption-based	45.4	16%	45.0	18%	(2.0)%
- Term-based	113.3	41%	92.6	36%	15.4%
Total subscription-based revenue	**158.7**	**57%**	**137.6**	**54%**	**9.8%**
Transaction / consumption revenue	**103.6**	**37%**	**95.2**	**38%**	**1.4%**[1]
Other	**17.5**	**6%**	**21.4**	**8%**	**(24.5)%**
	279.8	**100%**	**254.2**	**100%**	**3.7%**

Note:

1 Excludes non-repeating revenue during FY22. Including this, the constant currency change would have been (16.8)%

Cryptocurrency volumes declined due to broader macroeconomic and market volatility

- 1H23 cryptocurrency volumes had declined significantly year on year due to the broader macro slowdown and market volatility, which has impacted this sub-sector
- GBG's total FY23 revenues from cryptocurrency customers was 1.8% of Group revenues, a reduction from 7% during FY22
- Current volumes have stabilised at a run rate of around 1% going forward

Revenue from cryptocurrency customers

£m	FY23	FY22	Decrease
1H Revenue	**3.3**	10.3	7.0
2H Revenue	**1.6**	10.0	8.4
Total	**4.9**	20.3	15.4

Historic performance by segment

Statistory revenue £m	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Location	25.2	41.9	47.9	51.5	59.7	66.3	76.9
Identity	33.5	43.9	58.2	105.4	128.1	142.8	162.7
Fraud	21.3	25.9	29.1	35.5	26.5	33.3	39.2
Other	7.5	8.0	8.3	6.7	3.4	0.1	-
Group revenue	**87.5**	**119.7**	**143.5**	**199.1**	**217.7**	**242.5**	**278.8**

Adjusted operating profit £m	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Location	7.7	13.8	16.6	14.6	19.5	24.6	29.9
Identity	5.6	9.4	15.2	33.6	47.7	57.0	47.6
Fraud	7.3	6.6	9.0	13.4	5.3	8.0	10.3
Other	(3.6)	(3.5)	(8.8)[1]	(13.7)	(14.6)	(30.8)[2]	(28.0)[3]
Group operating profit	**17.0**	**26.3**	**32.0**	**47.9**	**57.9**	**58.8**	**59.8**

Adjusted operating margin %	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Location	31%	33%	35%	28%	33%	37%	39%
Identity	17%	21%	26%	32%	37%	40%	29%
Fraud	34%	26%	31%	38%	20%	24%	26%
Other	(4%)	(3%)	(6%)	(7%)	(7%)	(13%)	(10%)
Group operating margin	**19%**	**22%**	**22%**	**24%**	**27%**	**24%**	**21.5%**

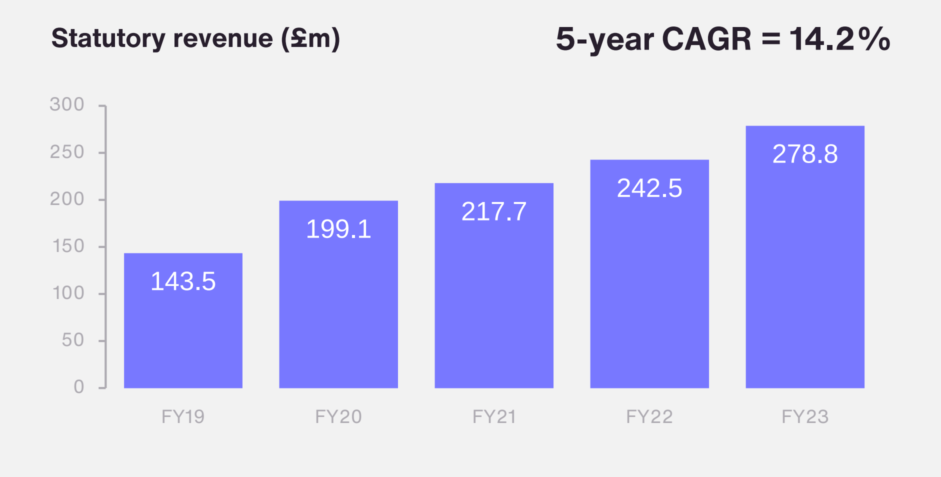
Notes:

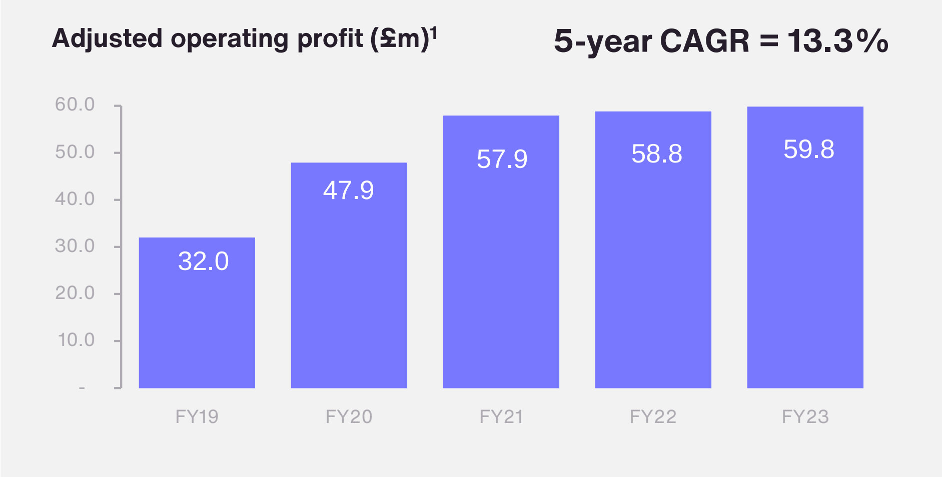
1 Included within ‘Other’ is the profit of the marketing services business, and from FY19 onwards group operating costs such as compliance, finance, legal, people team, information security, directors’ remuneration and PLC costs

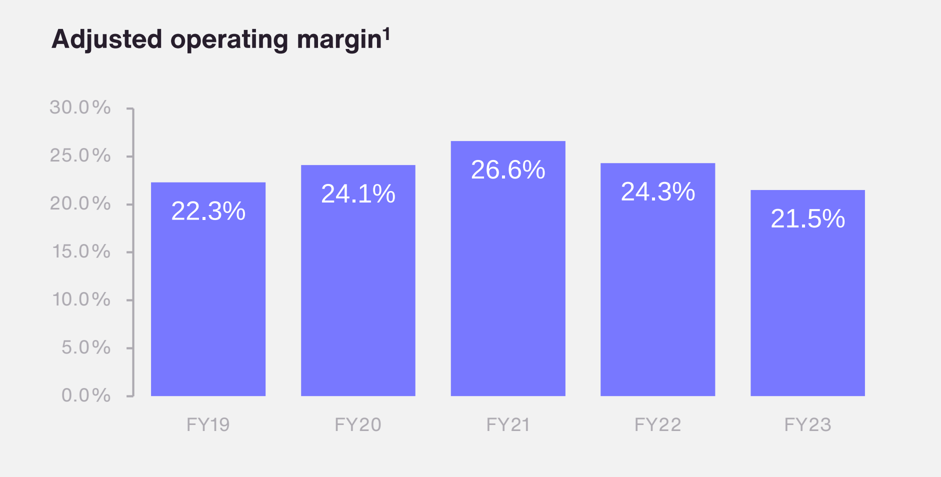
2 From FY22 all shared costs moved into “Other” rather than allocated across the segments such as Facilities or Central Technology

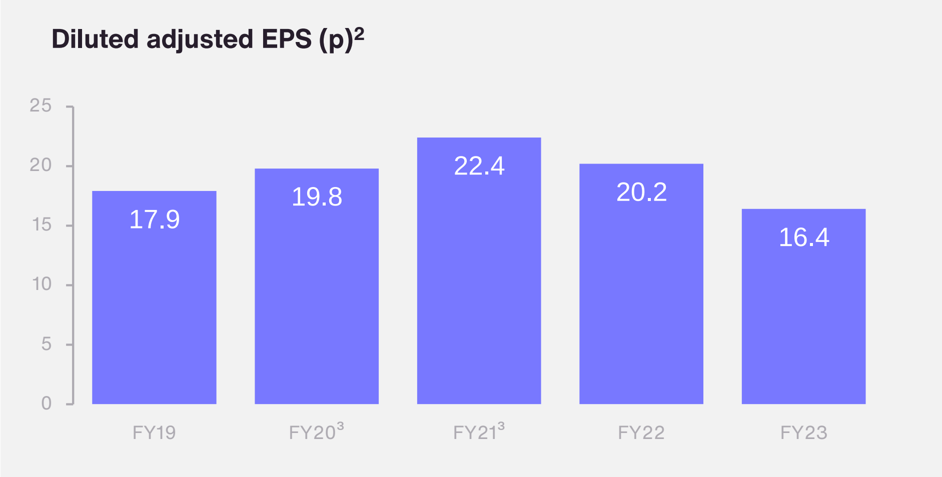
3 Largely reflects the benefit from an FX gain of £3 million on the retranslation of intercompany loans

Historic performance









Notes:
1. Profits before interest, tax, share-based payment charges, amortisation of acquired intangibles and exceptional items
2. Diluted adjusted EPS is adjusted operating profit less net finance costs and adjusted tax divided by the weighted average number of shares in issue and could be issued through share options. FY23 and FY22 figures are primarily impacted by the issue of 52.1 million shares to part-fund the acquisition of Acuant in November 2021
3. The Group has amended the adjusted earnings per share calculation so that an adjusted tax charge is used rather than the full reported tax charge. The diluted adjusted EPS for FY20 and FY21 has been restated to reflect this amendment

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