Acquisition of a portfolio of brands from Dennis Publishing
Acquisition of a portfolio of brands from Dennis publishing for an enterprise value of £292m¹

Include market trusted brands Kiplinger, The Week, Money Week & ITPRo

Deal expected to complete¹ in early October 2021 and will be funded through amended and extended debt facilities with leverage expected to rapidly be below our targeted 1.5x's

Executive Summary

**01 Acceleration of Strategy**

- Accelerate the realisation of Future’s strategy by enhancing:
  - Capability (Spokes)
  - Content (Wheels)
  - Geographic diversification

- Continued benefits of the Future platform effect

- High proportion of attractive recurring revenue
  - 75% of revenue²
  - High retention c80%
  - High gross contribution margin

- High proportion of revenue generated from North America
  - 56% of revenue²

**02 Significant Financial benefits**

- Strong organic growth profile, with EBITDA margin growth outpacing revenue growth
  - +12% revenue² growth in 2020
  - +14% EBITDA² growth in 2020

- Materially earnings enhancing in the first full year

- ROIC expected to exceed WACC in the first full year of ownership

- Approximately £5m recurring run-rate annual synergies, of which 50% will be realised in FY 2022.

- Strong cash conversion, enabling rapid de-levering below 1.5x

¹Completion of the acquisition is conditional upon, among other things, expiration of the applicable waiting period under the U.S. Hart-Scott-Rodino Antitrust Improvements Act of 1976 ("HSR"). The purchase price of £300m is to be satisfied in cash on completion (expected on 1 October 2021), subject to normal closing adjustments. Under the terms of the acquisition, the Vendors have agreed to pay Future a minimum of £8m and a maximum of £10m within 12 months of completion.

²FY2020 numbers carved out numbers - Period Jan-Dec 2020
Acquisition rationale

Accelerate the realisation of Future’s strategy by enhancing:

- **Capability** (Spokes)
- **Content** (Wheels)
- **Geographic diversification**

Whilst benefiting from the platform effect

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**Strategy Recap**

Future is a **global platform** for intent led specialist media **underpinned by technology, enabled by data**, with diversified revenue streams

We help people to do the things that matter in their life, our content and brands give them a place they want to **spend their time while meeting their needs**

We **diversify our monetisation models** to create significant revenue streams. We are focused on three material revenue types; Advertising, Consumer Direct and eCommerce affiliate

We **leverage our data and analytics** to predict our audiences needs, this drives innovation and execution of our strategy

We **expand our global reach** through organic growth, acquisitions and strategic partnerships

We operate as a **responsible business** driven by strong purpose, value and culture. Our strategy drives returns and sustainability for the long term

With data and content at its heart, the **Future wheel** provides the framework to meet our audiences needs through a range of products and services. To grow we add new revenue channels or new audiences
Acquisition of a division of Dennis Publishing
A robust and growing business that brings further revenue diversification:\footnote{FY2020 numbers carved out numbers - Period Jan-Dec 2020}

<table>
<thead>
<tr>
<th>By Geography</th>
<th>US</th>
<th>UK</th>
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<tbody>
<tr>
<td>Revenue</td>
<td>£104.8m</td>
<td>£20.0m</td>
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<td>Subscribers</td>
<td>+1.2m</td>
<td>12</td>
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\footnotesize{\textbf{FY2020 numbers carved out numbers - Period Jan-Dec 2020}}
Why Dennis?
**Strategic** acquisition, enhancing our capabilities, content and geographic diversification

We have a core skill in identifying and integrating acquisitions

Our selection strategy is based on identification of assets with new verticals and / or opportunities to monetise existing elements of the Future wheel faster

The acquisition represents an opportunity to scale our business through enhanced platform capability and strengthening three verticals (Wealth, Knowledge, B2B Technology)

Acquisition a result of internal M&A team identifying this as an attractive opportunity and so direct outreach

**Tactical**
- Bolstering core consumer paid content, adds incremental profit
  - Low multiples, quick returns
  - Funded via current cash flows

**Strategic**
- Bolstering our growth levers, acceleration of strategy
  - Access to new verticals or markets
  - Building platform capability
  - Debt funded

**Transformational**
- Takes us in a new direction, step change in strategy
  - Change to strategy, new monetisation paths, deeper integration to the supply chain
  - Equity and debt funded
Compelling strategic rationale

01 Scale the ‘Wealth’ vertical
- MoneyWeek and Kiplinger provide a highly complementary and scale presence in this vertical both in the US and UK, enhancing our ability to broaden its monetisation channels
- Leverage our technology platforms and centres of excellence approach to these brands

02 Increase recurring revenue and subscription capabilities
- Subscriptions represent 75%\(^1\) of the business’s revenues, driving stable, long-term customer retention
- Leverage the subscription conversion engine and add further expertise in pricing and yield management to our existing subscription business
- Provide additional data enrichment through highly qualified first party data in both the US and UK

03 Extend reach in North America
- The acquired brands generate the majority of revenue in the US, equivalent to c.56%\(^1\) of revenue, bringing further geographic revenue diversification to the Group

04 Deepen the ‘B2B PRO Tech’ vertical and lead generation capabilities
- Enhance the Group’s proposition in the B2B PRO Tech segment with ITPro while also scaling the Group’s lead generation capabilities

05 Enhance the ‘Knowledge’ vertical
- As trusted brands with strong retention and growth rates, The Week UK, The Week US, The Week Junior UK and The Week Junior US, will add over 700,000 subscribers to the Group
- Leverage our technology platforms and centres of excellence to these brands, including eCommerce opportunities

\(^1\) FY2020 numbers carved out numbers - Period Jan-Dec 2020
Overview
A trusted consumer premium content subscription platform accelerating growth in our target verticals

**Kiplinger**  **MONEYWEEK**

- 27% of revenue\(^1\)
- Kiplinger 100 years in market
- MoneyWeek 21 years in market
- Over 550k subscribers\(^2\)
- 73% retention rate\(^3\)
- 67% subscription revenue
- 6m online users\(^4\)

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Opportunity to build out further digital audience, advertising and eCommerce services

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1. FY2020 numbers carved out numbers - Period Jan-Dec 2020
2. Subscribers in March 2021
3. 3% renewal rate of customers with 2+ year tenure, based on Kiplinger letter
4. Average monthly users for the period Jan-Dec 2020 from Google Analytics
B2B PROTECH vertical overview

A premium content subscription platform accelerating growth in our target verticals

- 7% of revenue\(^1\)
- 15 years in market
- 100% digital
- 80% lead generation for IT Pro
- 0.6m users\(^2\)

Opportunity to grow in North America and leverage Future portfolio

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1. FY2020 numbers carved out numbers - Period Jan-Dec 2020
2. Average monthly users for the period Jan-Dec 2020 from Google Analytics
A trusted consumer premium content subscription platform accelerating growth in our target verticals

- **63%** of revenue\(^1\)
- **26 years** in market
- Over **700k** subscribers\(^2\)
- **85%** retention rate\(^3\)
- **85%+** subscription revenue
- **13m** users\(^3\)

Opportunity to leverage wider portfolio for cross-sell titles and to build eCommerce

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1. FY2020 numbers carved out numbers - Period Jan-Dec 2020
2. Subscribers in March 2021
3. % renewal rate of customers with 2+ year tenure, implied standard subs rate for the Week US
4. Average monthly users for the period Jan-Dec 2020 from Google Analytics
Complementary platform capabilities enhancing our existing strengths

Platform capabilities

Subscriptions

- 75% of revenue
- Over 1.2m subscribers
- Retention c.80% - higher than Future average, leveraging subscription engine
- Further expertise in pricing and yield management to our existing subscription business

Lead Generation

- High growth asset in highly attractive B2B technology lead generation market
- c.80% lead generation revenue for IT Pro
- Combination of Future lead generation technology - Falcon coupled with Dennis operating model accelerates our strategy

First party data

- Accelerates data strategy with high quality first party data from the acquired brands combined with Future portfolio to create enriched data segment in the US and UK
- Enhance our Aperture Audience platform
Financial benefits & transaction details
Significant financial benefits

01 Attractive profile

- Strong organic growth profile, with EBITDA margin growth outpacing revenue growth
  - +12% revenue growth in 2020
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- High proportion of attractive recurring revenue
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- High proportion of revenue generated from North America
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02 Financial benefits

- Materially earnings enhancing in the first full year

- ROIC expected to exceed WACC in the first full year of ownership

- Approximately £5m recurring run-rate annual synergies, of which 50% will be realised in FY 2022.

- Synergies represent c.25% of FY 2020 EBITDA.

03 Highly cash generative

- Low capital intensity model

- Highly cash generative business

- Strong cash conversion, enabling rapid de-levering below 1.5x

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1. FY2020 numbers carved out numbers - Period Jan-Dec 2020
2. % renewal rate of customers with 2+ year tenure
Transaction details

**Funding**
- EV £292m, 100% debt funded
  - Debt facility was increased to £600m in July via an amend and extend exercise. The amended facility, which remains at competitive market rates, comprises:
    - a three year £400m RCF
    - a £200m Term Loan repayable in June 2023
  - The Group expects to rapidly de-lever below 1.5 times after completion given the cash generative nature of the business

**Timetables**
- Completion\(^2\) expected 1 October 2021

**Integration**
- Proven playbook of integration
- Planning underway

Recap of our capital allocation

Strict capital allocation focused on value creation and returns, with 4 priorities:

01 **Organic investment** to support the ongoing growth in business
02 **M&A** to add content and/or capabilities, strong cash flows provide flexibility for acquisitions
03 **De-leveraging** to provide flexibility to capitalise on growth opportunities
04 **Progressive dividend** policy

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Summary
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- **In line with our strategy** to accelerate delivery through value-creative M&A
- **Compelling strategic rationale**, diversifying our revenue streams:
  - **Content verticals**
    - Wealth, Knowledge and B2B Pro Tech enhanced, notably in North America
  - **Capabilities**
    - Subscriptions
    - Lead generation
    - First party data
  - **Geographic diversification**
- **Financially attractive**: materially earnings enhancing in the first full year and highly cash generative business
- **Funded through debt**: expected to de-lever quickly below 1.5x
Appendix
Appendix

Brands acquired

- Kiplinger
- MoneyWeek
- THE WEEK
- THE WEEK Junior
- ITPro.
- PC PRO
- Science+Nature
- active
- COACH
- MINECRAFT WORLD

Locations

- New York
  76 employees
- London
  254 employees
- Washington DC
  48 employees
**Disclaimer**

Important information regarding forward-looking statements

This announcement contains statements which are, or may be deemed to be, "forward-looking statements"; which are prospective in nature. All statements other than statements of historical fact are forward-looking statements. They are based on current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as “Plans”, “expects”, “expected”, “is subject to”, “budget”, “scheduled”, “estimates”, “forecasts”, “goals”, “intends”, “anticipates”, “believes”, “targets”, “aims” or “projects”. Words or terms of similar substance or the negative thereof, are forward-looking statements, as well as variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “should”, “would”, “might” or “will” be taken, occur or be achieved. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations.

Forward-looking statements include statements relating to: (a) future capital expenditures, expenses, revenues, earnings, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (b) business and management strategies and the expansion and growth of the Company’s operations; and (c) the effects of global economic conditions on the Company’s business. Such forward-looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors may cause actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Important factors that could cause actual results, performance or achievements of the Company to differ materially from the expectations of the Company, include, among other things, general business and economic conditions globally, industry trends, competition, changes in government and changes in regulation and policy, including in relation to the environment, health and safety and taxation, labour relations and work stoppages, interest rates and currency fluctuations, changes in its business strategy, political and economic uncertainty and other factors. Such forward-looking statements should therefore be construed in light of such factors. Neither the Company nor any of its Directors, officers or advisers provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Announcement will actually occur. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as at the date of this announcement. Other than in accordance with its legal or regulatory obligations (including under the Listing Rules, Market Abuse Regulation and the Disclosure Guidance and Transparency Rules), the Company is not under any obligation and the Company expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.