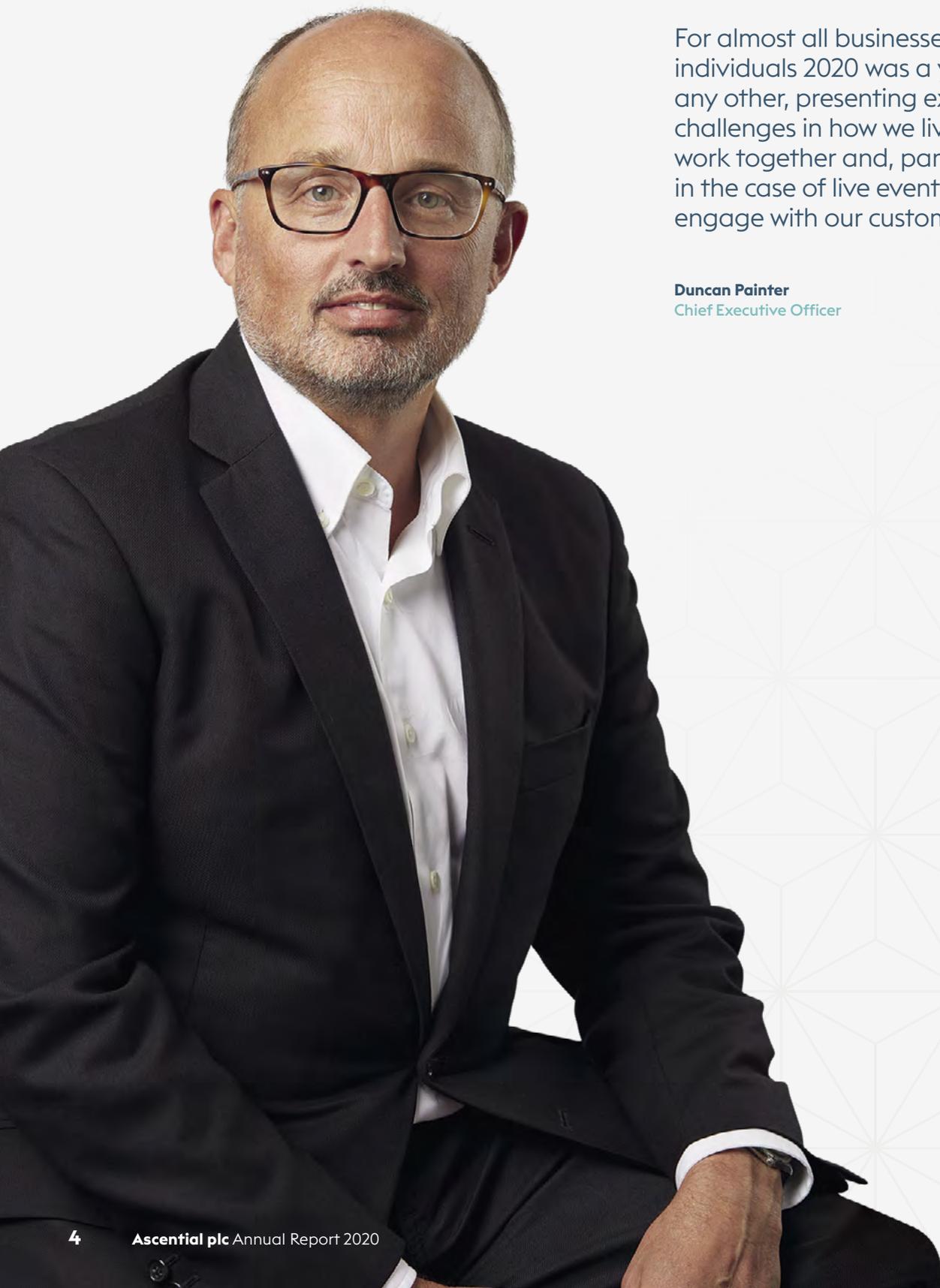


Strategic focus delivering



For almost all businesses and individuals 2020 was a year unlike any other, presenting extreme challenges in how we live our lives, work together and, particularly in the case of live events, how we engage with our customers.

Duncan Painter
Chief Executive Officer

Channel shift supports strategic positioning

The early phase of the pandemic restrictions served both to highlight and to accelerate the migration of consumer purchase behaviour globally onto digital platforms. The acceleration of this underlying trend unquestionably provided some tailwinds to our Digital Commerce business in 2020, particularly those products based on execution. More fundamentally though, it represents a likely permanent shift that will underpin our strategic position in years to come. Indeed, all indications suggest that the addressable market for eCommerce optimisation is substantial and will continue to expand rapidly. We believe we are in an excellent position to continue to capitalise on the competitive advantage that we have established to date and we operate within a total addressable market estimated to be \$15.7 billion growing at 14% per annum over the period from 2020 to 2023.

2020 in perspective

In certain respects, many of the changes we have had to make, both culturally and practically, will become part of our lives for the foreseeable future. However, there is also now clear reason to have confidence that vaccine deployment will allow the face-to-face interaction that we value so much to return gradually in the current and future years.

It is against this backdrop that I am pleased to say we have not only shown notable resilience as a business, displaying great examples of innovation in the development of our products, but have pushed further ahead in realising our strategic objectives and reinforcing our competitive position in several key areas.

Our responsibility

In a year of considerable turmoil for our society it has been more important than ever that we continue to be as supportive as possible of our own people, and of the communities in which we operate. Early in the year, we swiftly implemented temporary Executive and Non-Executive pay reductions and made limited use of the UK furlough scheme, with the goal of minimising the prospect of job losses and financial hardship for our people. On a pastoral level, a priority throughout the year has been to provide continued support to ensure our colleagues come through this pandemic secure in their physical and mental health: signposting

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extra support, creating bespoke Learning & Development content to address new ways of working, and increasing our level of leadership communication. Outside Ascential we made a significant degree of content available free of charge to the business communities that we serve during this period of widespread uncertainty.

Looking ahead, we are excited to have launched a company-wide Diversity and Inclusion report that demonstrates the diversity of our workforce, alongside a set of commitments that will guide us in sustaining a strong and diverse culture. One key objective is to create a workforce that fully reflects, at all levels, the racial and ethnic mix of our major markets within the next ten years. We are encouraged to see that our employee groups including Ascential Pride and Black In Business have flourished throughout the year and we are proud that WGSN and LIONS in particular, continue to lead the way in addressing pressing social and environmental issues with their global audience.

Capital allocation and deployment of resources

We are pleased to have found new owners for each of the Built Environment & Policy businesses that will continue to nurture their strong teams and potential. The sales of these businesses represent a significant moment in the realisation of our strategic goals, meaning we are now wholly focused on our core business areas that serve customers across digital marketplaces.

Throughout 2020 decisive cost actions, particularly in light of the uncertainty over live events revenues, enabled us to continue to invest in our core strategic areas while also protecting the integrity and long-term value of our world-class brands. These actions, combined with the successful sale of the Built Environment & Policy businesses have further reinforced our balance sheet and allow additional scope to selectively add to our capabilities, particularly in the burgeoning Digital Commerce market.

This was illustrated by the recent additions of X Target and Intellibrand, and our continued investment in exciting opportunities such as Hudson MX.

Execution against our 2020 objectives

Although much has changed around us since we set these objectives twelve months ago, we have managed to deliver significant results in each area:

1. Increase the rate of Organic revenue growth in the Sales Segment by accelerating Money20/20 and by driving strong billings growth in Edge in the second half of the year: 2020 saw Digital Commerce (formerly a sub-segment of Sales) become our largest and fastest growing segment, with proforma revenue growth of 25%. Edge Digital Shelf billings showed double-digit growth in the year, accelerating in the second half.
2. Focus on our service offering to further reduce customer churn: Our businesses achieved record levels of engagement with their customer bases, particularly through their digital product offerings.
3. Deliver product superiority across the Company allowing for further premium pricing for our highest quality product: We increased our product investment and achieved double-digit growth in our digital subscriptions and platforms products.
4. Deliver greater simplicity and efficiency throughout the business, including new systems and processes in our Finance, Marketing and Sales functions: We have executed the sale of all three Built Environment & Policy businesses, identified previously as non-core, which simplifies our operating and strategic profile. We have also made progress on the transition to a new global streamlined back-office capability, commencing the rollout globally later this year.

Financial Results

The impact of the pandemic-related restrictions in 2020, on both our events and strategic advisory business drove an overall revenue decline of 31%, while Adjusted EBITDA dropped by 73%. We recorded an operating loss of £166.5m in 2020 in part as a result of significant exceptional items from the revaluation of our deferred consideration obligations and the impairment of goodwill and intangibles in our Retail & Financial Services segment. On an underlying basis that excludes the impact of deferred and cancelled events, our revenues were up modestly overall, at 3%. This reflects the very strong performance from our Digital Commerce segment, where revenue grew 25% (on a proforma basis), or, looking at our revenue by type, growth of 11% from our digital subscriptions and platforms business, which represented 79% of our revenue in 2020.

Through Digital Commerce, more so than any other area of our business, we have seen the restrictions brought by the pandemic influence a fundamental shift in how our largest customers go to market. In the key US region, for example, we saw eCommerce penetration advance further in the second quarter of 2020 than in the previous ten years. This dynamic has driven particularly strong continued growth from our platform execution business while subscription-based measurement analytics products have also begun to benefit from the increased need of customers to reach their markets across multiple platforms. Key to meeting this demand was the successful integration of the Edge businesses early in the year which provides a single robust platform and interface for brands to manage their services. For Flywheel Digital, expansion onto burgeoning platforms such as Walmart, Kroger and Instacart has been a significant factor in their ability to track their own customers' growth in the period.

Product Design performed with great resilience in the year, led by a solid revenue performance from its majority subscriptions business tempered by tougher conditions in advisory. While the fashion vertical continued to decline, we saw the successful launch of Food & Drink as the business continues to expand into adjacent design verticals that also complement our expertise within other segments such as Digital Commerce. Highlights in 2020 also included the succession of record net promoter scores achieved by WGSN, testifying to the strength of this business's customer appeal.



Revenue

£263.7m

Adjusted EBITDA

£28.5m

The Marketing segment was significantly impacted by the pandemic related government restrictions in 2020, with the cancellation of the Lions festival and economic shock on the customer ecosystem felt keenly in our strategic advisory business. Despite this adversity, subscription revenues performed strongly, and while currently at a relatively small scale, we have a roadmap to growing their contribution through our continuing investment in Hudson MX's media buying solution. Following cancellation of the festival in June we launched Lions Live, a platform for the creative community, which attracted over 80,000 participants. Despite this success we remain convinced that face to face engagement has a unique appeal, particularly for leading global events such as Cannes Lions. We greatly look forward to welcoming the creative community back to the platform this June, where we are planning to deliver a next-generation hybrid event combining a broad and global virtual reach, including fully digital awards, with in-person physical participation if possible.

Retail & Financial Services was another segment significantly affected by the pandemic restrictions prevalent last year, with Money20/20 shows in Europe and the US cancelled, together with the smaller World Retail Congress and Retail Week Live. Looking to this year we are excited about the potential for all four events, set to take place in the second half of the year, with Money20/20, in particular, representing the most significant focal point for a payment technology industry that continues to be a thriving and dynamic end market.

Our discontinued business, Built Environment & Policy returned to strong levels of growth overall in the second half of the year, led by the largest business, Groundsure, where we saw record levels of activity following the revival of the UK property market in May. Glenigan and DeHavilland both demonstrated more even progression in the year underpinned by solid subscription renewals, despite new business being impacted by lower activity in the UK construction industry and broader government policy, respectively.

Management and Board

In January of this year, we were pleased to welcome Paul Harrison, formerly a Non-Executive Director and our Audit Committee Chair, into a new executive role as Chief Operating Officer. This brings further depth to our senior management team as well as Paul's highly relevant experience of driving growth in innovative digital businesses. Chip DiPaula and Patrick Miller, co-founders of Flywheel Digital, have assumed joint leadership of our Digital Commerce business, a segment that in the last year has become our largest and fastest growing and remains at the centre of our ambition to drive the company forward. Within Digital Commerce Deren Baker, formerly CEO of Jumpshot, has been appointed to lead Edge. For Product Design we have appointed Carla Buzasi, formerly Managing Director of WGSN, to lead the business unit.

In terms of our non-executive Board members we have made three appointments in the past twelve months: Charles Song, Suzanne Baxter and Funke Ighodaro. Their addition to the Board widens the diverse experience and skills at our disposal and we look forward to their contributions.

2021 Priorities and Outlook

As we begin to emerge from the pandemic, we will continue to pursue the strategic priorities that we outlined last Summer:

1. Accelerating investments to drive strong organic growth in our Digital Commerce businesses and continued bolt-on investments.
2. Continuing the new customer segment expansion for our Product Design business unit.
3. Making the necessary changes to ensure our marquee events of Cannes Lions and Money20/20 are set up to bounce back strongly, subject to the easing of local restrictions and pandemic recovery.
4. Continue to streamline our operations, enabling accelerated investment and further strengthening our balance sheet.
5. Continue to build on our innovative culture, record level of employee engagement and to empower success for our diverse workforce at all levels of our organisation.

The pandemic has thrown considerable challenges at our business both in terms of the underlying trading conditions in some of our end markets and disrupting the environment in which we engage with the audience of our two major events brands. However, it is also clear that a number of our brands, particularly in our key Digital Commerce and Product Design business units, remain well positioned, even more so than twelve months ago, to benefit from the accelerated shift towards eCommerce that we have seen the past year. In terms of our balance sheet, we continue to maintain substantial liquidity. Additionally, following the sale of the Built Environment & Policy businesses, which further refines our strategic focus, we have flexibility to continue to invest in the development of the high growth areas of our business, whether organically or through targeted acquisition opportunities.

2021 has started well with strong growth in revenue and profits in the first two months of the year. While the speed of vaccine deployment and easing of government restrictions will heavily influence the near-term financial success of our event products, we have high levels of confidence in our digital subscriptions and platforms products and, after double-digit growth in 2020, expect these revenue streams to continue to grow well in the coming year.

The actions we have taken, and the priorities we are executing against, position us well to return to continued strong growth over the coming years.

Duncan Painter
Chief Executive Officer
12 March 2021