

MINDGYM

A decorative graphic on the right side of the slide features several overlapping circles and rounded rectangular bars in various colors: white, bright green, blue, and cyan. Each shape has a soft, greyish shadow cast to its right, creating a sense of depth and movement against the black background.

Interim Results Presentation

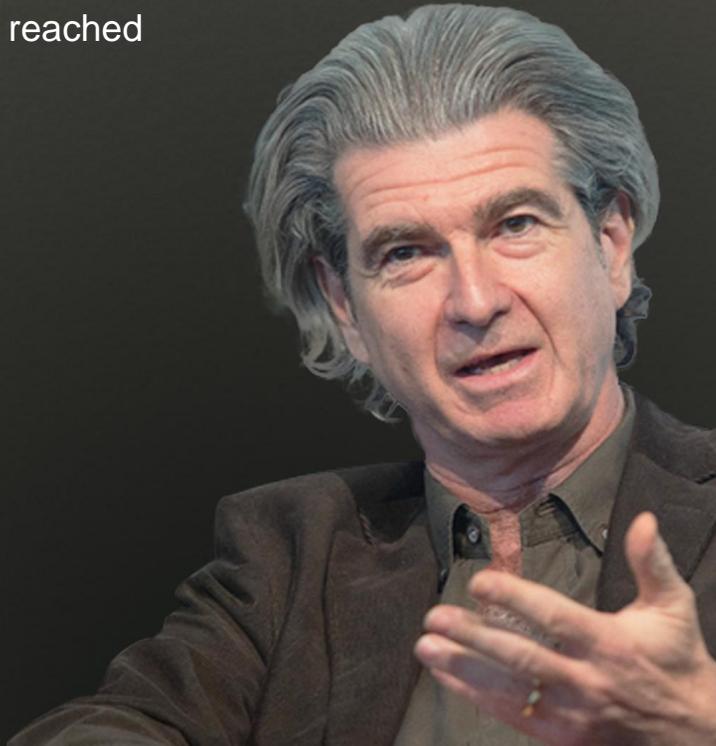
H1 FY24

December 2023

Presentation team

Octavius Black Chief Executive Officer

- Co-founded MindGym in 2000 and ParentGym in 2009
- Co-authored MindGym's four books, the first of which reached no. 2 on Amazon.co.uk



Dominic Neary Chief Financial Officer

- Appointed as Chief Financial Officer on 1 January 2022
- **Previous experience includes:**
 - EU Finance Director at Just Eat
 - Commercial Finance Director at Moneysupermarket.com
 - 10 years in various financial positions at Reckitt Benckiser including North America pharmaceuticals



Agenda

01

The way ahead

02

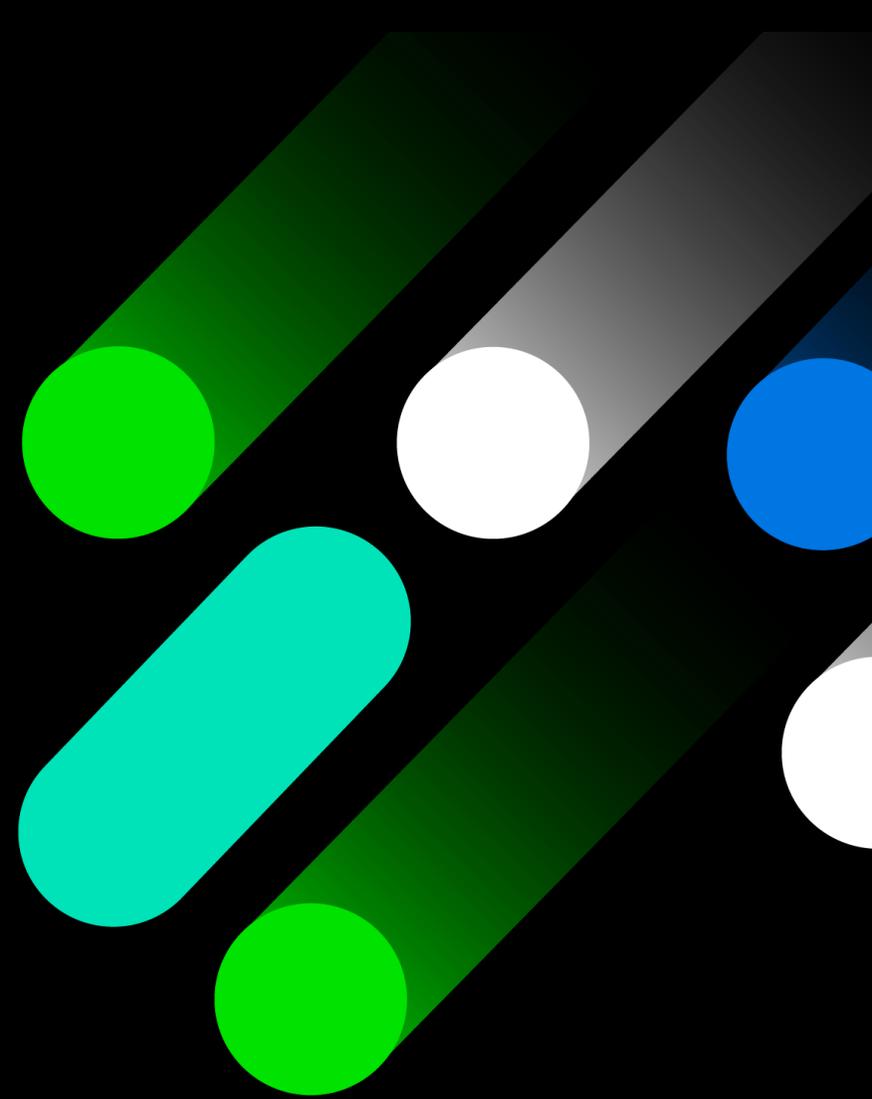
H1 highlights

03

Our strategy

04

Outlook





01

The way ahead

A rapidly changing global workplace creates opportunity

The impact of AI, global conflict, political instability, COVID-19 and environmental pressures have created a rapidly changing workplace to which business need to adapt

Leadership

A rapidly evolving world means a need for leaders with innovation, resilience and an ability to cope with change



Tomorrow's leaders need to be better than today's

Culture

A strong organisational culture is proven to be essential in attracting and retaining staff, improving and satisfying the demands of regulators



Building the right culture creates competitive advantage

Skills shortage

In a highly competitive global market, the right new talent cannot always be found externally



Organisations move to retain and build talent vs buy

MindGym
is uniquely
positioned
to succeed

Top notch clients

Repeatedly chosen by the
world's best companies,

having worked with:

- 63% of FTSE 100
- 55% of S&P 100

Proprietary IP

Market leading IP on culture,
leadership and performance
Using world's leading psychology
and 23 years' experience

Omnichannel

- In person
 - Virtual
 - Digital
 - Diagnostic
- Global live delivery
with over **400 MindGym
certified coaches**



700 proven assets

Tried and tested with more
than **5 million business
leaders in 50 countries**

Platforms and data

Proprietary platforms for

- 1:1 coaching
- Diagnostics

Aggregated data to
provide unique insights

Self-funded development

Including eWorkouts, Performa
and diagnostics. No debt

Commercial advantage

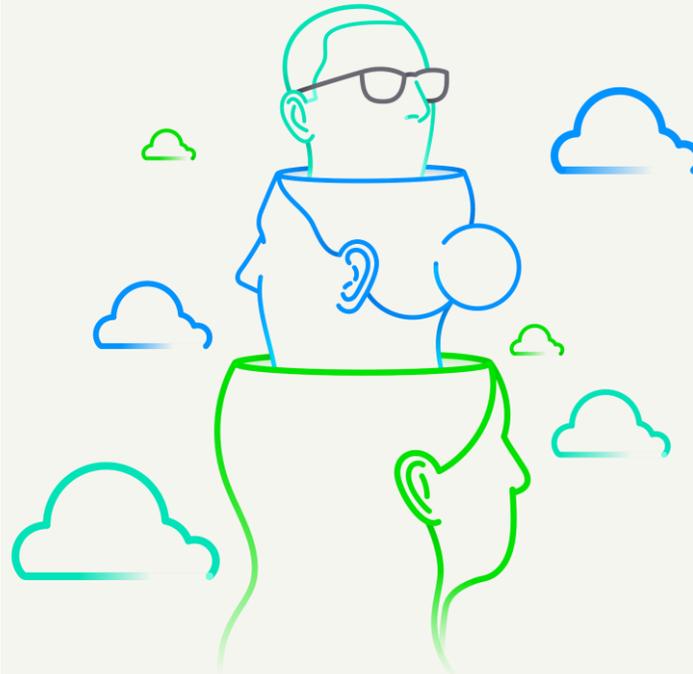
Christoffer Ellehuus joins as CEO designate

At the start of 2023, Octavius asked the Board to search for a CEO successor.

Christoffer brings complementary skills:

- 21 years experience in Human Capital at CEB and Korn Ferry where he is President of Digital and leader of Global Sales Effectiveness
- Led successful Sales, Product and Digital functions and was CEO of an L&D business
- Worked in both the US and the UK

Starts 8th Jan. Transition to CEO by the July 2024 AGM



Maintaining strong corporate governance

Ruby McGregor-Smith's 3-year term as Chair comes to an end in July 2024, at which point Octavius will transition to Executive Chair, with an increased focus on major clients, market presence & IP.

Other Board changes will ensure continued strong governance, and Board independence:

- Sally Tilleray will continue as SID
- Trevor Phillips and David Nelson will continue as NED's
- Joanne Cash will step down
- We will recruit an additional independent non-exec



02

H1 highlights

Key financials

£20.9m

Revenue

-22%

vs FY23 H1

-£4.1m

Adjusted
EBITDA

-£5.3m

vs FY23 H1

Highlights



Economic headwinds impacting performance:

Revenues of £20.9m, down 22% on H1 FY23

- Americas: £11.1m (down 33% on H1 FY23).
General market weakness in Q2, notably in technology
- EMEA: £9.8m, (down 3%); resilient performance with £2m of energy framework revenue moving into H2 FY24

Despite a challenging Q2, MindGym continues to be trusted by the world's best companies

Regional revenue



US reduction of 33% reflecting economic headwinds in Q2 and Technology

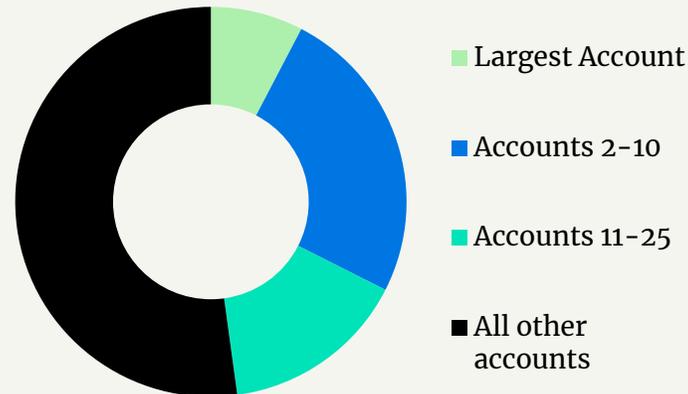


EMEA -3% despite £2m of energy framework being delayed to H2



Robust pipeline growth in both regions since the end of H1 with encouraging progress on conversion in EMEA

Account size



MG retains a broadly distributed **blue chip client base**

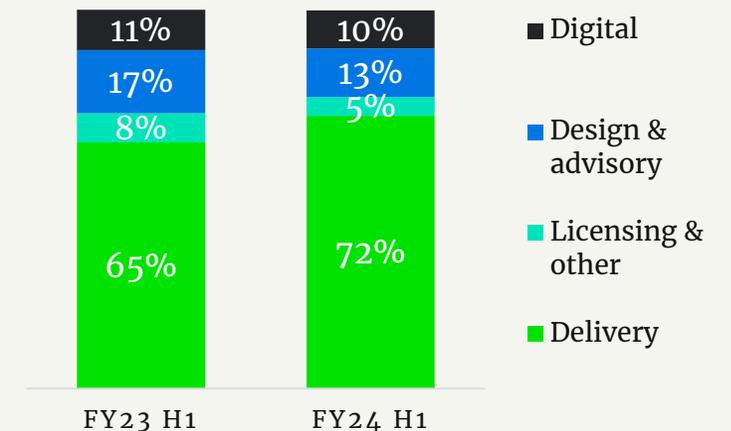


93% repeat revenue¹



MG works with the world's best companies — **63%** of the FTSE 100 and **55%** of the S&P100

Revenue by product type



Delivery: Impact of strong programs in Q1 and start of the Energy framework



Design & advisory: Fallen as a result of delays in decision making in Q2



Digital Products: eWorkout rebuild and Diagnostics driving growth in H2 and FY25

Key financials

£20.9m

Revenue

-22%

vs FY23 H1

£7.8m

Exceptional
Items

+£7.8m

vs FY23 H1

£8.0m

Annualised cost
reduction

c.£3m in year

-£4.1m

Adjusted
EBITDA

-£5.3m

vs FY23 H1

-£13.2m

PBT

-£14.0m

vs FY 23 H1

£2.1m

Cash

-£5.5m

vs 31 March 2023

Highlights



Economic headwinds impacting performance:

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CAPEX focus on revenue generating assets, with pause elsewhere

- Increased focus on digital assets which are revenue generating
- Development of other digital assets paused resulting in £6.6m one-off non-cash impairment
- £1.1m other EI: restructuring costs and partial US lease impairment, which ends in Feb 2025, and will generate c. £0.6m of savings



£8m cost reduction focusing on cash and profit

- £4.5m of annualised Opex savings delivered in period, with benefit commencing from H2 FY24 onwards
- £3.5m of annualised capex reduction resulting from pause in digital strategy benefiting from Jan 2024 onwards



Company retains adequate liquidity

- Cash at bank of £2.1m (March 23: £7.6m)
- Immediate access to £2m of undrawn £10m credit facility which the company does not expect to utilise



03

Our strategy

Strategy for growth



Integrated solutions

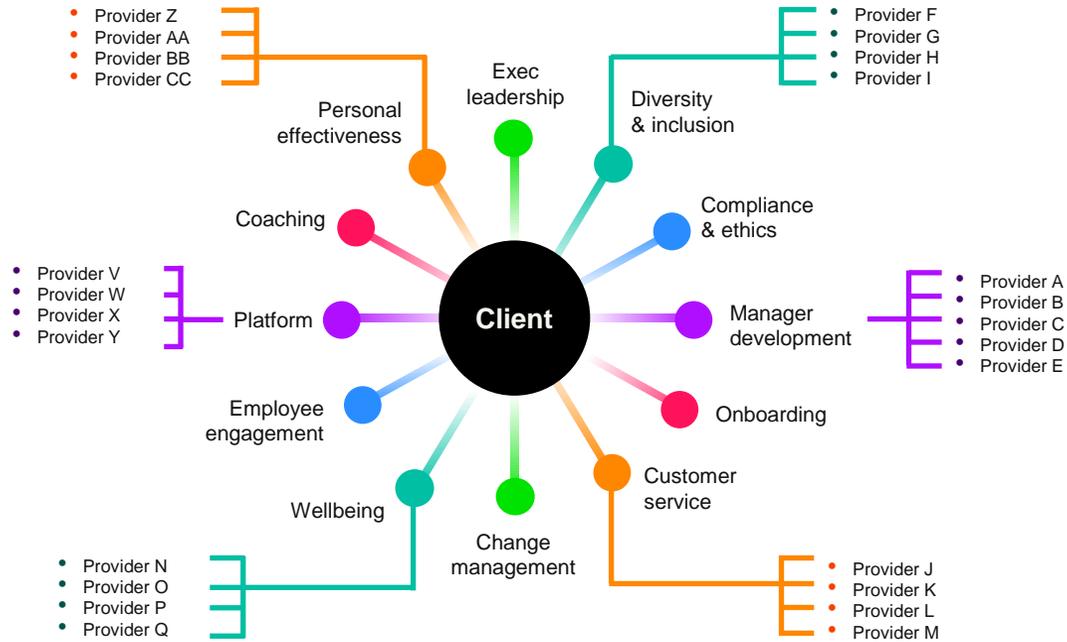
Integrating in the **\$370bn Human Capital Market**

Short-term digital focus on **revenue generating assets**

The \$370bn market opportunity

Total < sum of the parts

NOW

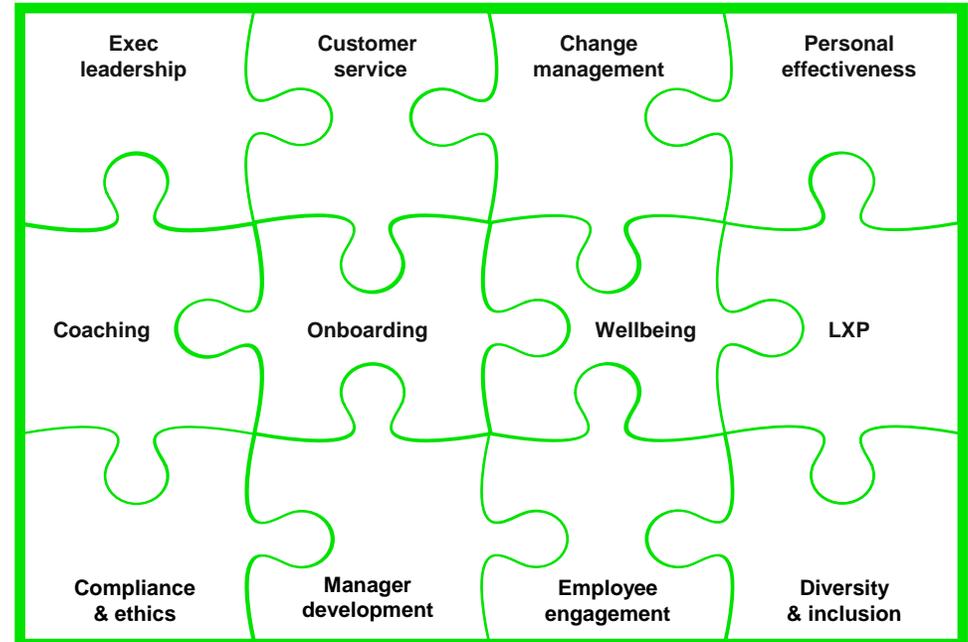


Lacks coherence • Significant waste • No consistent data

\$50m spread across **100+ providers**

Total > sum of the parts

FUTURE



Integrated content • Integrated distribution channels • Fuelled by data

\$40m concentrated with **1 OR 2 providers**

MindGym's business model

Building integrated solutions around our members, for our clients

One to Many

- Pivot to digital transformed business – delivering 20 years IP to 500k people each year virtually, hybrid and in person

On Demand

- eWorkouts overhauled to drive future growth

One to One

- Performa launched with positive client feedback

Diagnostics

- Platform successfully trialed
- H2 FY24 testing with clients

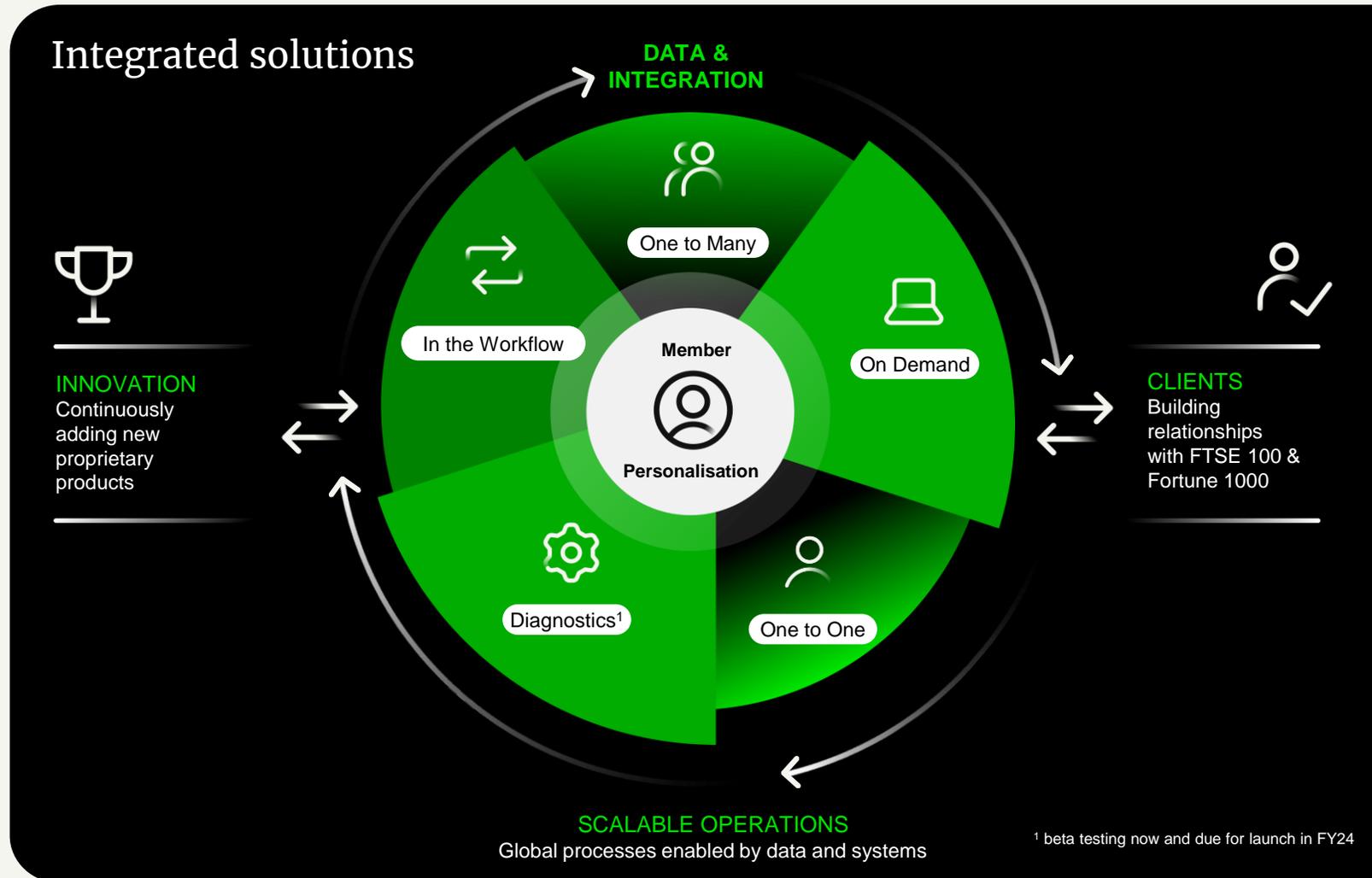
In the Workflow

Pause

- Prompts, cues and chat to support behaviour change, integrated into the tools people use moment to moment

BCP Integration

- Client and participant journey is fully integrated across all solution sets through a single technology platform



Strategy for growth



Integrated solutions

Integrating in the **\$370bn Human Capital Market**

Short-term digital focus on **revenue generating assets**



Award-winning products

Culture change and habits

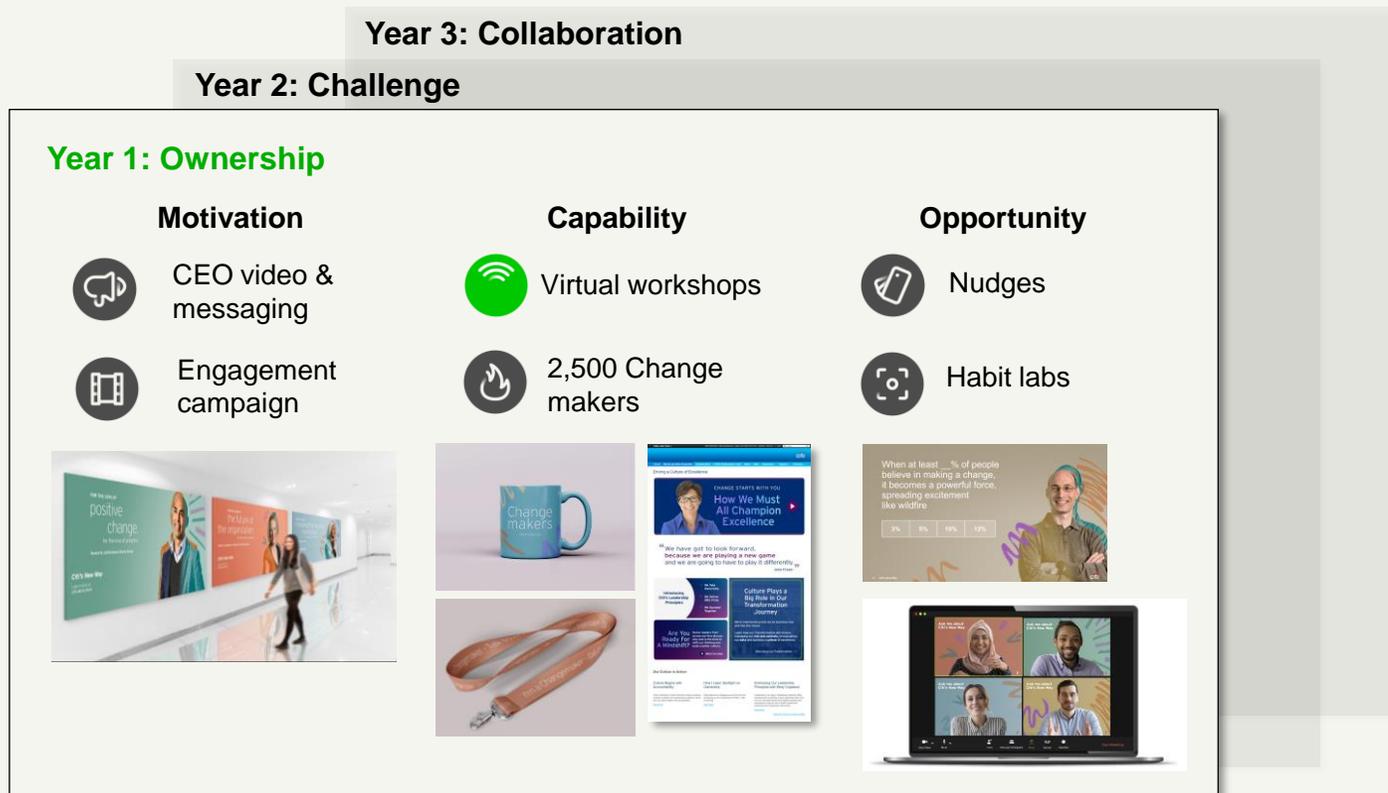
3 awards with **Association of Business Psychologists** based around multi-year programme with Citi

Changing culture by changing habits



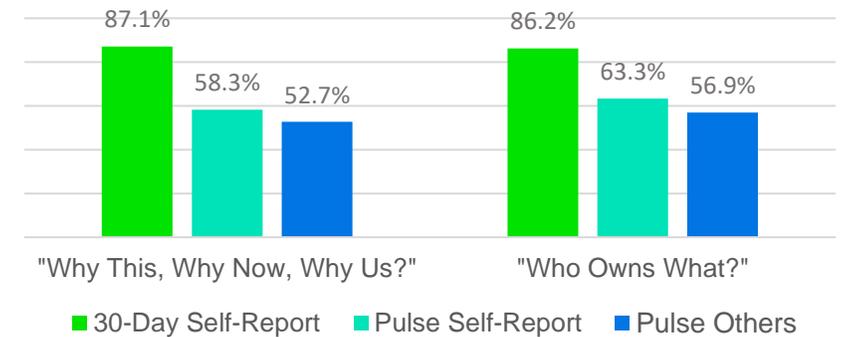
Opportunity and solution

Citi had aligned on 3 core behaviours. The opportunity was how to bring them to life in the daily habits of 30,000 leaders.



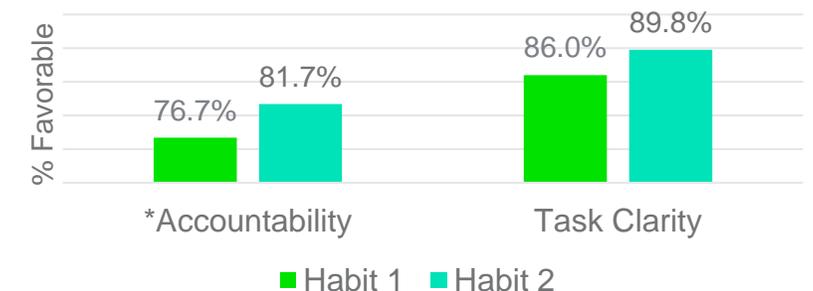
Impact

% Reporting Habit Adoption of Once a Week or More



People are held more accountable with this habit than without it

Tasks are clearer with this habit than without it



An award-winning approach

MindGym's pioneering work with Citi won three awards at the 2023 **Association of Business Psychology Awards**

- 🏆 Chair's Choice Overall Award
- 🏆 Excellence in Learning and Development
- 🏆 Excellence in Innovation

"This work was original in so many ways, but still evidence-based to allow a reasonable assumption of success.

This represents operating at the exciting forefront of Business Psychology."

Clodagh O'Reilly (ABP Chair)



Strategy for growth



Integrated solutions

Integrating in the **\$370bn Human Capital Market**

Short-term digital focus on **revenue generating assets**



Award-winning products

Culture change and habits

3 awards with **Association of Business Psychologists** based around multi-year programme with Citi



Diagnostics

MindGym's new diagnostics platform is now launched and in trials with clients

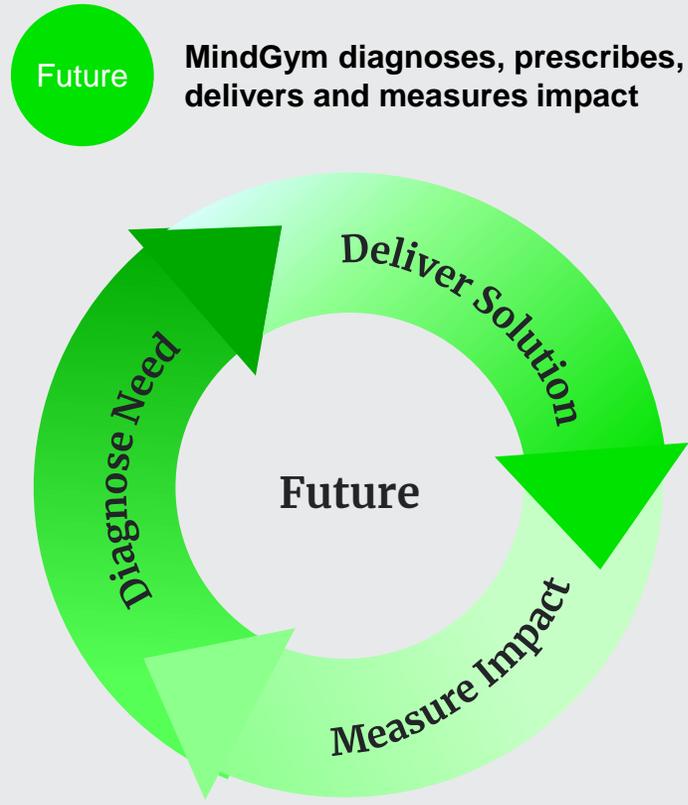
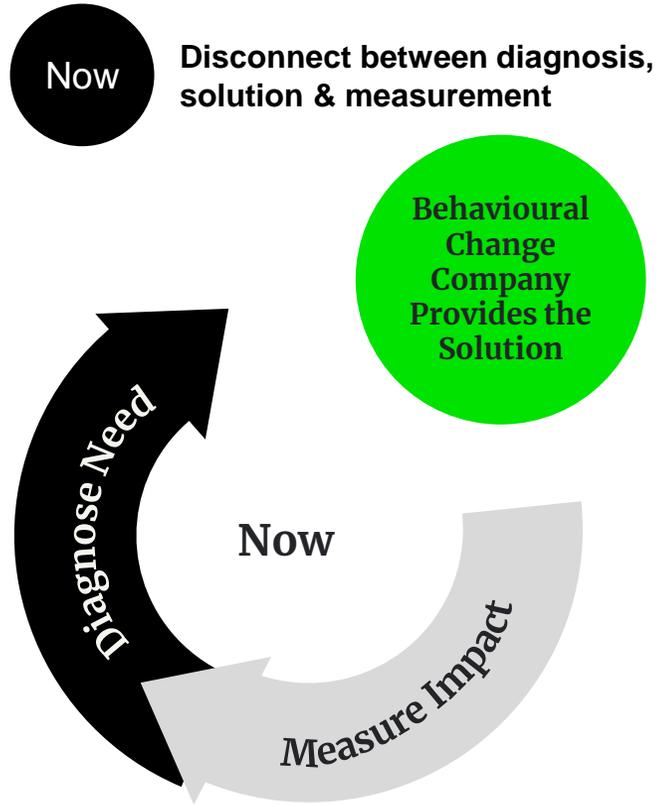
Works together with our POV's highlighting opportunities and targeted solutions

Provides increased benefit as a multi-year product = longer term client relationships

New Wellworking POV demonstrates this

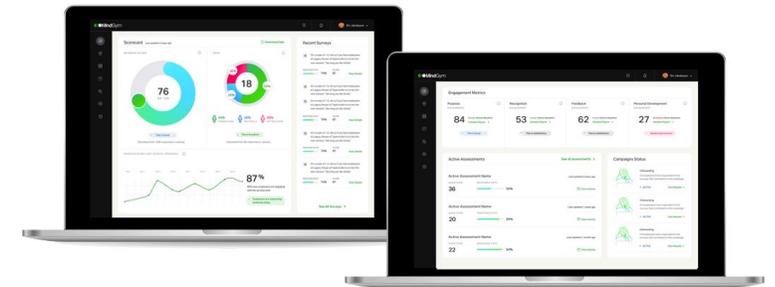
Diagnosics is key for MindGym and its clients

MG organisational & 10X individual diagnostics tested in FY24



Self-serve platform circa 18 months ahead of schedule

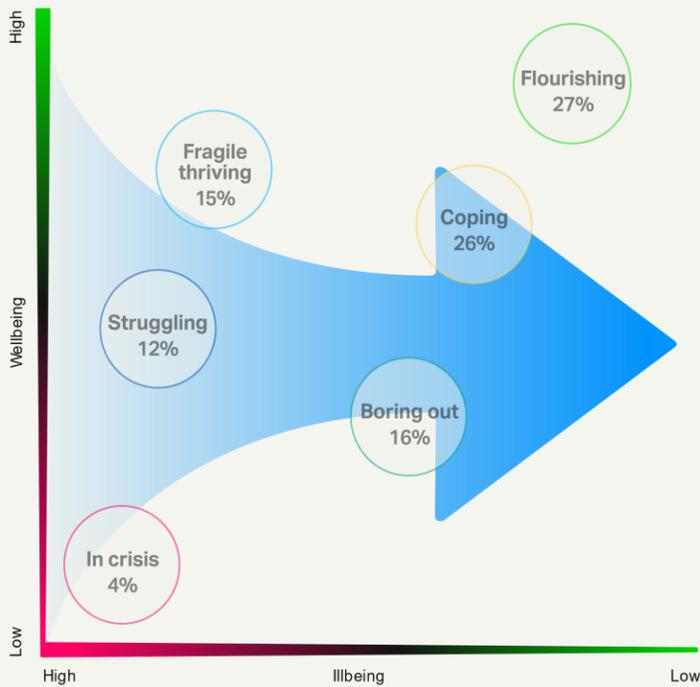
- Organisational diagnostics has now been integrated and successfully tested
- Plans for tests with 3 clients by the end of FY24
- Individual diagnostics in FY25 based on 10X





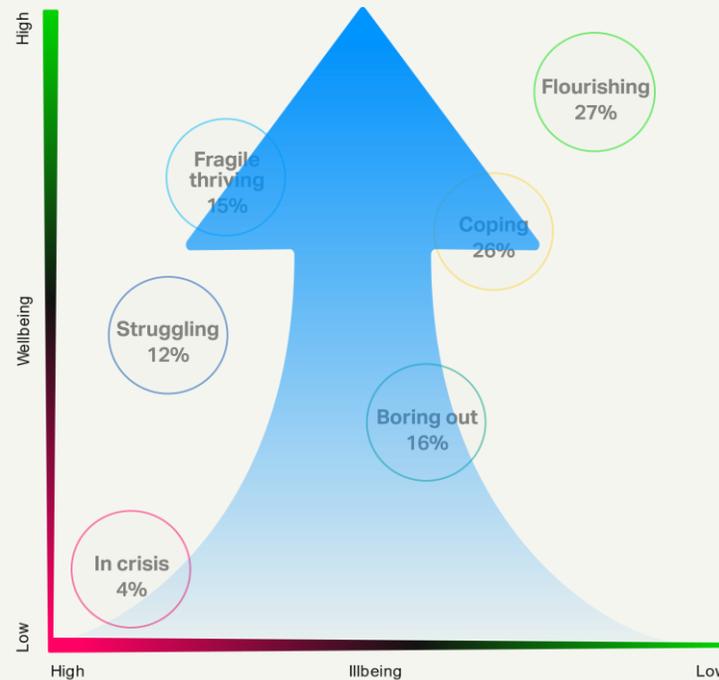
Recover

To reduce illbeing



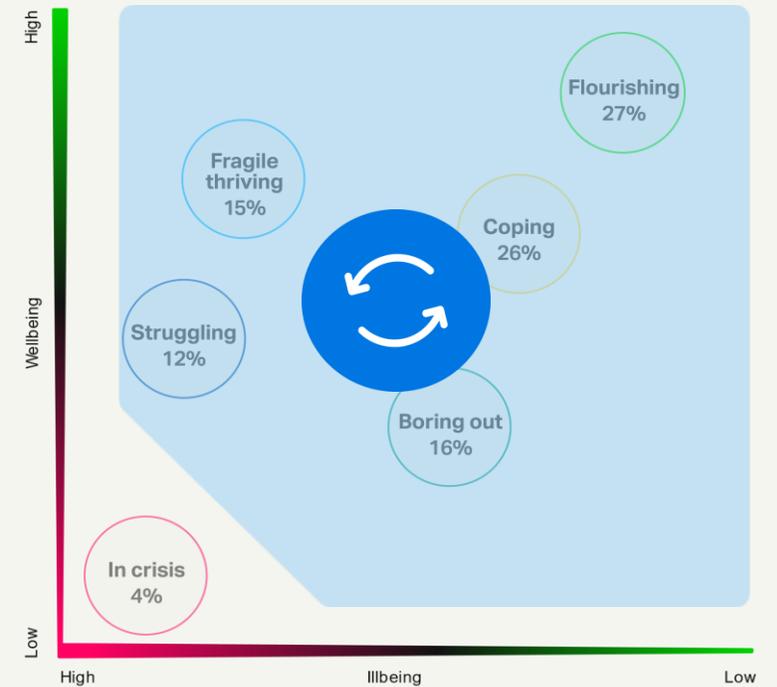
Reignite

to increase wellbeing

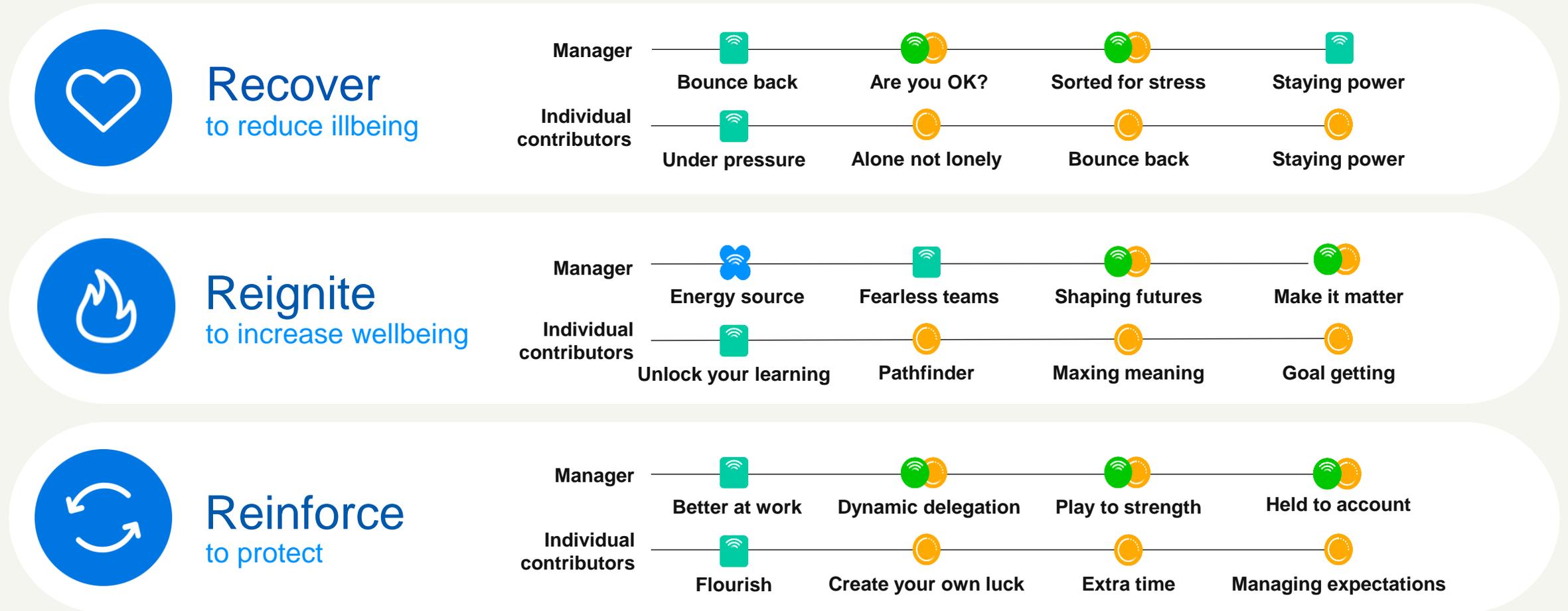


Reinforce

To protect



Three science-backed remedies



Name	Go Large	Workout	Workout pro	eWorkout
Format	Virtual/In person	Virtual/In person	Virtual/In person	Virtual
Duration	60 mins	90 mins	120 mins	9 mins
Audience	Up to 100	16-20	16-20	-



04

Outlook

Outlook – trading in line with recently revised expectations

Return to profitable growth in H2 and FY25



Market

- Opportunity within \$370bn Learning and Development market remains strong
- MindGym is uniquely positioned to benefit
- Whilst, macro-economic factors continue to drive short-term uncertainty, longer-term dynamics remain healthy



Positioned for growth

- Successful launch of energy framework impacting H2 and FY25
- Substantial growth in pipeline in both regions
- FY24 impact dependent on speed of client decisions & mobilisation
- Christoffer Ellehuus appointment to drive commercial focus



Product

- Digital focus on revenue generating assets
- Launched Habitlabs with Citi, winning 3 Association of Business Psychologists Awards
- Significant Wellness opportunity: Wellbeing POV launched with foreword by Amy Edmondson (Harvard)



Cash focused

- £8m of annualised savings delivered
- Expected return to strong profitability in H2
- Targeting 15%-20% EBITDA margin over the medium term

A photograph of two hands, one light-skinned and one dark-skinned, reaching towards each other in a gesture of connection or support. A black circle with the text 'Q&A' is overlaid on the image. The background is a dark blue gradient with a white horizontal band.

Q&A