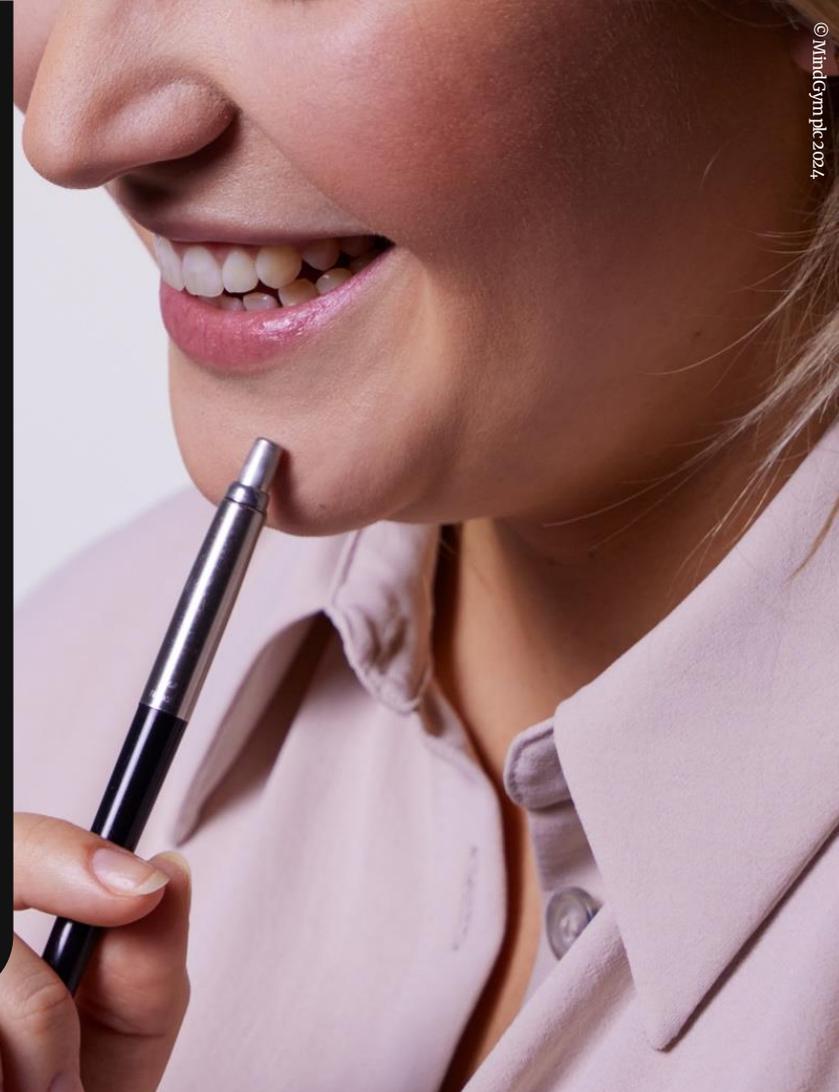


MindGym plc

H1 FY25 Results
Presentation
December 2024



Presentation team



Christoffer Ellehuus
Chief Executive Officer

- Appointed Chief Executive Officer Designate January 2024 and Chief Executive Officer April 2024
- Previous experience includes
 - President, Korn Ferry Digital
 - CEO ESI
 - 16 years at CEB (later acquired by Gartner) including Global Sales Director, Global Head of Product Development, Managing Director EMEA



Emily Fyffe
Chief Financial Officer

- Appointed as Chief Financial Officer Designate August 2024 and Chief Financial Officer October 2024
 - Joined MindGym in 2016 and has held increasingly senior finance roles in the Company, including Group Financial Controller and most recently Group Finance Director
- Previous experience includes:
 - Over 13 years' finance experience and qualified as a Chartered Accountant at Grant Thornton, Australia in 2013

Agenda – a year of recalibration and strategic execution



H1 FY25 performance and financials

- 1 Return to **EBITDA profit** driven by significant cost reduction exercise in FY24.
- 2 First half revenues broadly flat despite challenging HR market conditions



Progress on strategic execution

- 3 Launched **new packaged subscription solutions**, which will simplify our go-to-market strategy and introduce more recurring, sustainable revenues
- 4 Secured new **platform partnerships** to drive operational efficiencies, market differentiation, and scale solution delivery
- 5 Launched **new AI coaching product and new diagnostic and analytics** offer



Opportunity for growth

- 6 Outlook for the full year remains unchanged
- 7 Underlying revenue growth is expected in FY26 with headline revenue growth in FY27 and beyond
- 8 The company continues to target medium-term revenue CAGR >10% with 15% to 20% EBITDA margins



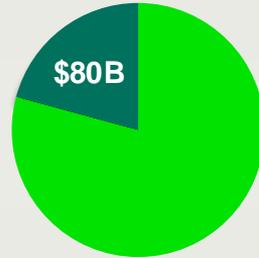
01

HY25 performance
and financials

Significant L&D market opportunity with technology disruption and current market headwinds

\$320B Corporate L&D Market

Leadership and interpersonal skills training



- \$80B market in leadership and interpersonal skills – MindGym’s core areas of expertise
- Highly fragmented market

Market trends impacting MindGym



Increased competition from heavily funded HR tech



Smaller and prolonged deals due to client budget constraints and uncertainty



Lack of learner engagement and HR Tech adoption



Continued return to in-person training

Return to EBITDA profit - HY1 FY25

£0.8m

adj. EBITDA

+£4.9m vs. PY

£20.2m

Revenues

-3% vs. PY

£0.7m

Cash

-£1.4m vs. PY

£4.4m

Impairment

Non-adjusting post
balance date event



Return to EBITDA profit

- £0.8m EBITDA, 4% margin vs £4.1m adjusted loss in prior year
- Significant reduction in costs largely due to headcount changes in FY24.



Economic headwinds impacting revenue

Revenues of £20.2m, down 3% on H1 FY24 (2% in constant currency):

- EMEA: strong performance £12.1m up 24% on prior year including the energy framework agreement
- US: weak performance down 27% on prior year to £8.1m



Company retains sufficient liquidity

- Cash at bank £0.7m (FY24: £1.4m)
- New £4m overdraft facility approved, reducing ongoing finance costs and providing improved liquidity



From platform build to partner

- In early H2, several platform partnerships were agreed which will drive operational efficiencies and deliver scalable programmes.
- A one-off non-cash **impairment of £4.4m** will be reflected in H2 and disclosed as a non-adjusting post balance date event in the Interims.

A man with a beard and mustache, wearing a blue blazer over a white t-shirt, is shown in a thoughtful pose with his hand to his chin. A bright green circle containing the number '02' is overlaid on the right side of the image. The background is a light gray gradient.

02

**Delivering Market-
Leading Solutions**

MindGym delivers world class leadership development programme

NPS significantly exceeds world class benchmark

Global energy framework

Programme objectives:

- Accelerating to full value in role
- Attaining mastery, once established in role
- Preparing for next role

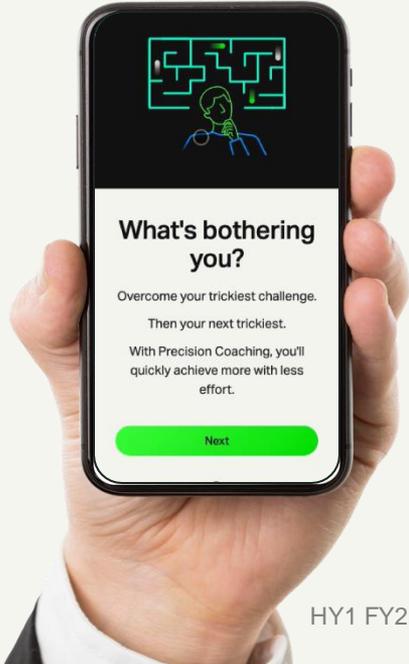


>13,000 participants

26 countries

MindGym's Precision Coaching solution impresses clients

New products are winning awards and customer acclaim



FINASTRA +  **MindGym**



'I've worked with plenty of other coaching providers before my time at Finastra, but MindGym's coaching service, immediately stood out from the rest.'

Helen Cook
Chief People Officer



03

Strategy for
growth

Our three-year vision for growth



H1 FY25 – Progress with packaging, platforms, and products

**Easy to buy,
easy to sell, easy to renew**



**New packaged
solutions to expand
go-to-market strategy**

Tap into new buyer needs

Establish new subscription
packages

Easier to buy, sell and
renew

New Technology
Platform
Partnerships

From “build” to “partner”
platform strategy

New platform to enhance
operational efficiency

New platforms to
enhance user
experience

New
Product
Launches

New WellWorking
diagnostic to establish
diagnostic & data offering

New AI-based coaching
platform

New packaged solutions to expand go-to-market strategy



Behavioural Change Project

MindGym proven content and advisory support tailored to client

Example: Project to change leadership behaviours in support of a new strategy



Recurring challenge

MindGym packaged solutions addressing specific recurring client issues

Example: Performance management programme for new managers



Content Access

MindGym subscription access to proven content and tools

Example: Client in-house facilitators using MindGym content to train workforce

New go-to-market packages

H1 FY25 – Progress with packaging, platforms, and products

**Easy to buy,
easy to sell, easy to renew**

New packages
to expand go-to-
market strategy

Tap into new buyer needs

Establish new subscription
packages

Easier to buy and sell

**New Technology
Platform
Partnerships**



From “build” to “partner”
platform strategy

New platform to enhance
operational efficiency

New platforms to
enhance user
experience

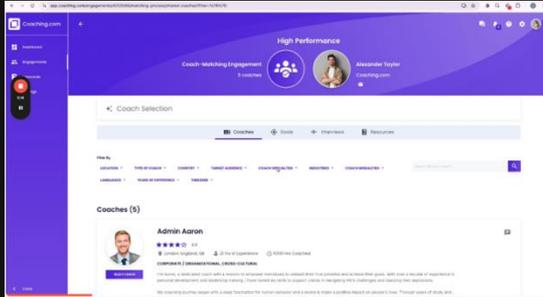
New
Product
Launches

New WellWorking
diagnostic to establish
diagnostic & data offering

New AI-based coaching
platform

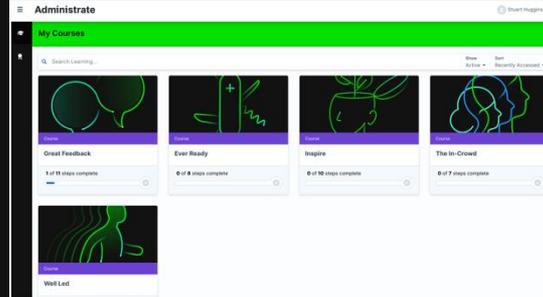
New platform partnerships

New Coaching Platform



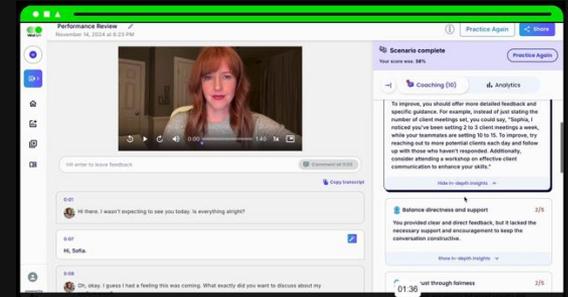
A new Coaching Platform to enhance our coaching offer and user experience

New TMS / LMS Platform



A new Training Management System to deliver operational efficiency and host client solutions

AI Coaching Platform



AI tools to personalise the end-user experience

H1 FY25 – Progress with packaging, platforms, and products

**Easy to buy,
easy to sell, easy to renew**

New packages
to expand go-to-
market strategy

- Tap into new buyer needs
- Establish new subscription packages
- Easier to buy and sell

New Technology
Platform
Partnerships

From “build” to “partner”
platform strategy

New platform to enhance
operational efficiency

New platforms to
enhance user
experience



**New
Product
Launches**

New WellWorking
diagnostic to establish
diagnostic & data offering

New AI-based coaching
platform

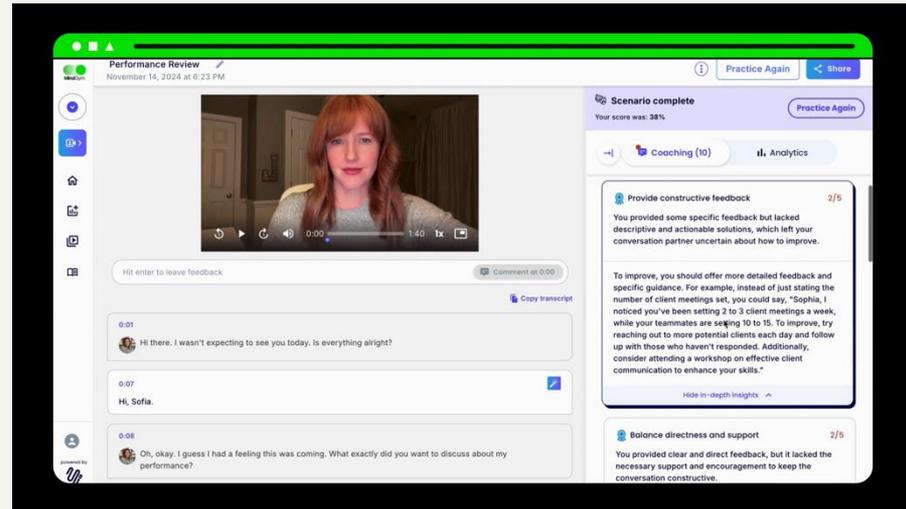
AI Coaching platform powered by MindGym content

- Trained on MindGym's award winning IP
- Personalised coaching experience
- Packaged and licensed with core MindGym solutions
- Branded as a MindGym product

AI Coaching platform



Behaviour change content



Watch video here

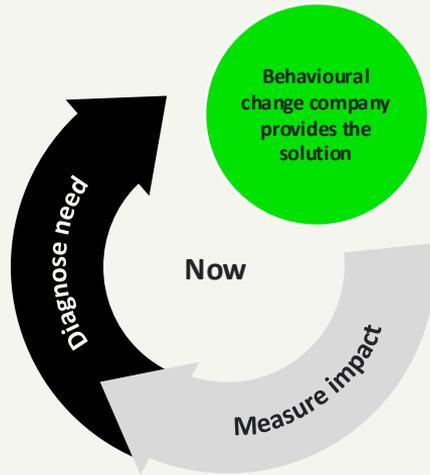
New diagnostics and analytics products will differentiate MindGym's proposition in the talent management market



MindGym diagnostic launch is creating a unique position in the market

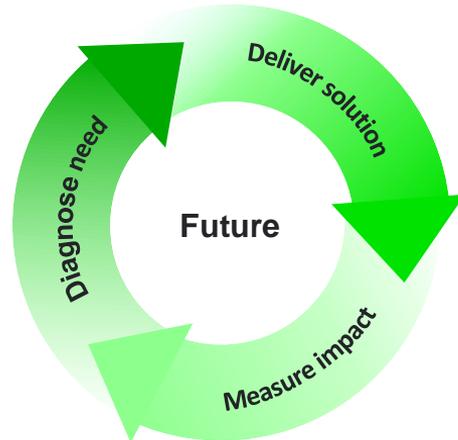
Now

Disconnect between diagnosis, solution & measurement



Future

MindGym diagnoses, prescribes, delivers and measures impact

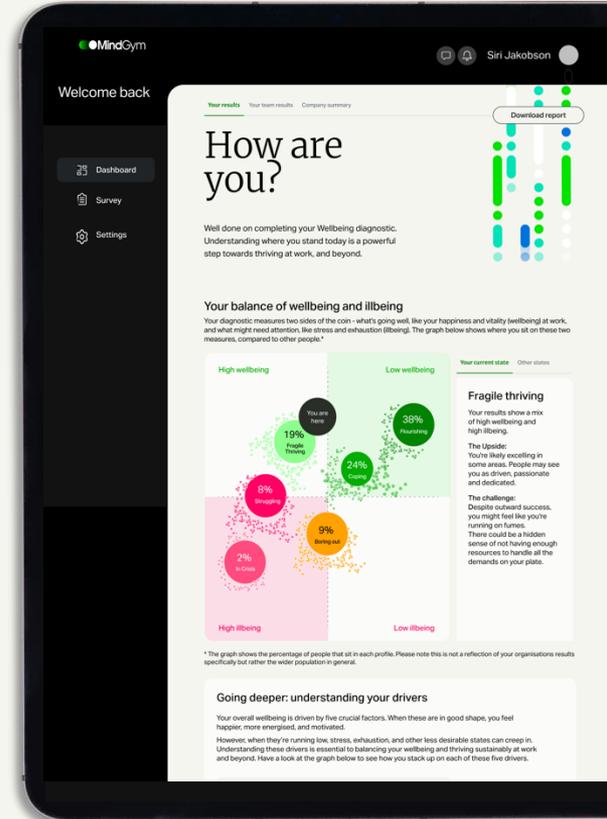
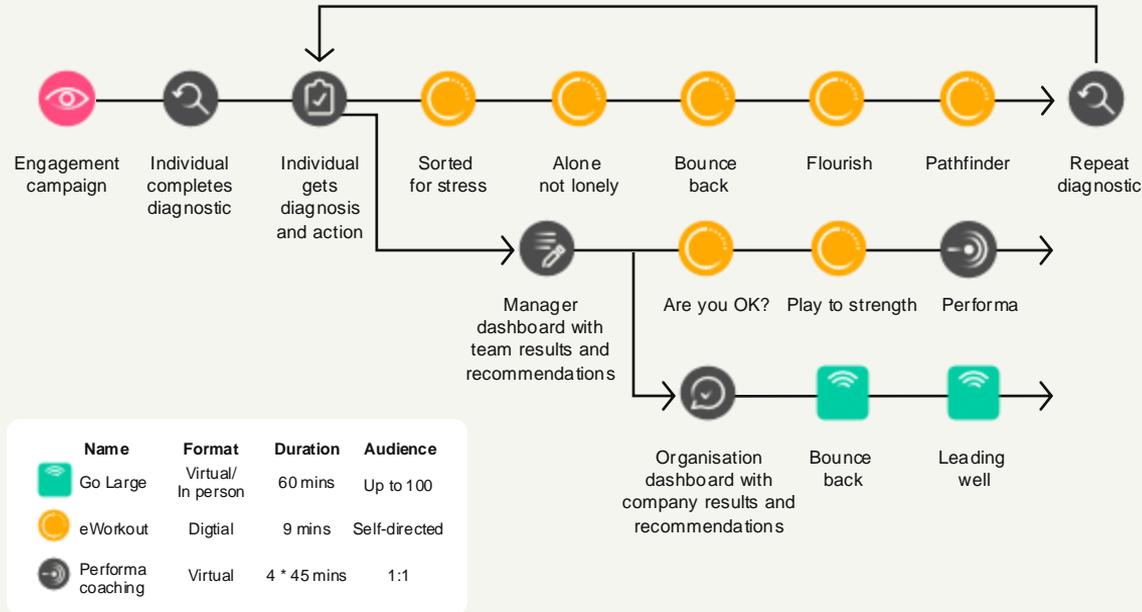


New products

- **Culture diagnostics:**
 - Innovation & Change
 - DEI
 - WellWorking – with Individual reports to support employees
- **Launching soon:**
 - 360 Feedback tool
 - MindGym personality assessment (10X): aggregate dashboards and individual reports

New integrated *WellWorking* diagnostic and digital learning journeys to address workforce productivity challenges

MindGym's remedy gives individuals, managers, and leaders an immediate, personalised plan of action.



Outlook: strong foundations for medium term growth

FY25: a year of recalibration

- A return to **EBITDA profit** in H1 whilst positioning the company for growth
- **Globalised organisation** structure delivering operational efficiencies

Significant opportunity

- Despite the HR industry challenges this year, there is huge potential in this £80bn market
- Market dynamics favour MindGym and its award winning IP and people

Progress executing strategy

- Launched new **packaged subscription solutions**, simplifying our go-to-market strategy and introducing more recurring, sustainable revenues
- Driving operational efficiency and innovation through **platform partnerships**
- Launched **new AI coaching product and new diagnostic and analytics** offer

Outlook

- **Underlying revenue growth** (excluding the energy framework agreement) in excess of 10% CAGR in FY26 and beyond.
- Medium term EBITDA margins 15% to 20%



04

Q&A



04

Appendix

HY25 Financials

		HY 25 £m	HY 24 £m	Change
Revenue	①	20.2	20.9	(0.7)
Gross profit		17.2	17.9	(0.7)
Gross profit margin		84.9%	85.4%	(0.5%)
Staff costs (incl. share-based pay)		13.7	18.1	(4.4)
Other admin costs		4.3	5.2	(0.9)
Administration costs	②	18.0	31.0	(12.9)
Net finance costs		0.1	0.0	0.1
Adjusting Items	③	-	(7.7)	7.7
Other Income		0.1	-	0.1
Profit before tax		(0.9)	(13.2)	12.3
PBT margin		(4.2%)	(26.3%)	22.0%
Adj. EBITDA	④	0.80	(4.09)	4.9
Adj. EBITDA margin		4.0%	(19.6%)	23.6%
Tax		0.1	1.8	(1.7)
Profit after tax		(0.8)	(11.4)	10.6
EPS-basic (pence)		(0.78)	(11.34)	10.56
Diluted EPS (pence)		(0.78)	(11.34)	10.56

① Revenue broadly flat -3% or -2% in constant currency

Strong performance in the EMEA region +24% offset by weaker performance in the US -27%

② Reduction in overheads

Cost savings exercise in the prior year reduced average headcount from 358 to 264

③ Adjusting items

Reflects prior year adjusting items for digital impairment, office lease impairment and restructuring costs. Note that a £4.4m non-cash impairment is anticipated in H2 due to the platform strategy pivoting from build to partner

④ Return to EBITDA profit

Reflecting savings from the prior year cost reduction exercise and operational efficiencies gained in line with the globalised strategy

HY25 Financials

		HY 25 £m	HY 24 £m	FY 24 £m	HY25 v HY 24 £m
Intangible assets	①	8.1	7.9	8.3	0.2
Property, plant and equipment	②	1.6	2.7	2.1	(1.1)
Deferred tax assets		2.4	2.8	2.3	(0.4)
Other receivables		-	0.2	-	(0.2)
Non-current assets		12.1	13.6	12.6	(1.5)
Inventories		0.0	0.0	0.0	(0.0)
Net trade receivables		5.0	5.2	6.0	(0.7)
Accrued income		0.8	1.3	0.8	(0.5)
Other receivables and prepayments		0.9	0.8	0.9	0.1
Current tax receivable	③	0.1	1.2	0.6	(1.1)
Cash and cash equivalents	④	0.7	2.1	1.4	(1.3)
Current assets		7.5	10.6	9.7	(3.1)
Total assets		19.6	24.2	22.4	(4.6)
Trade and other payables	⑤	(7.3)	(10.0)	(8.5)	2.7
Current and non-current lease liabilities		(1.5)	(2.7)	(2.0)	1.2
Total liabilities		(8.8)	(12.7)	(10.5)	3.9
Net assets		10.8	11.5	11.8	(0.7)

① Intangible assets

£0.9m investment in diagnostics and digital assets offset by £1.0 amortisation

② PPE

Reflecting the reduced asset held for the US office expiring in February 2025

③ Current tax receivable

The prior year comparative reflects a corporate tax refund received for advanced payments made in FY23 and an R&D tax refund

④ Cash and cash equivalents

Down on £0.7m on FY24 as we manage a return to profit whilst positioning the company for growth

⑤ Trade and other payables

Trade and other payables reduced by £2.7m, driven by a lower deferred revenue balance

HY25 Financials

	HY 25 £m
FY24 Cash	1.4
Profit for Period	(0.8)
Depreciation & Amortisation	1.5
Working Capital	① 0.0
CAPEX	② (0.9)
Lease Repayment	(0.6)
FX	③ (0.2)
Interest	(0.1)
Tax	0.5
HY25 Cash	0.7

① Working Capital

Trade receivable and trade payable movements compensating one another

② Capex

Investment in diagnostics and digital assets

③ FX

Adverse impact of USD/GBP over period