

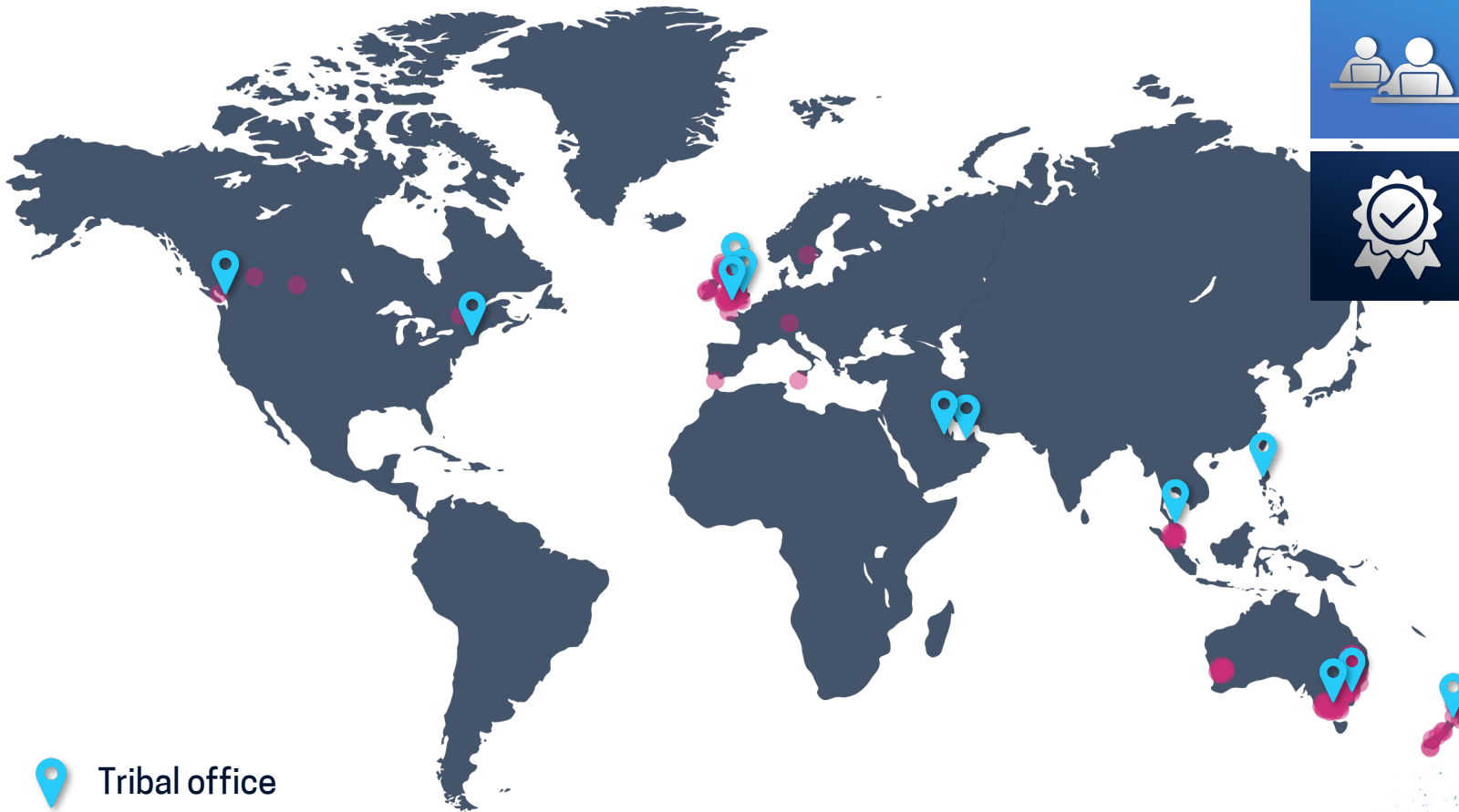
TRIBAL

# Tribal Group Final Results 2020

Mark Pickett, CEO  
Paul Simpson, Acting CFO  
March 2021



# Tribal Overview



Tribal office



Tribal SIS customer



Market-leading provider of Student Information Solutions to both Higher & Further Education in UK, Australia, New Zealand, Singapore and Malaysia.



Over **500** institutions empowered by Tribal's Student Information Solutions

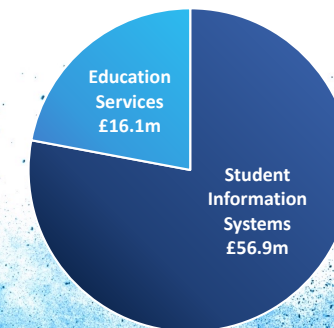


Global provider of Quality Assurance and Benchmarking services for Education

**>65%** market share  
UK Universities

**>30%** market share  
Australia & NZ HE

**>35%** market share UK  
Further Education



ARR £47.5m  
up 12%

## Our vision:

### **To empower the world of education.**

We strive to research, develop and deliver the products, services and cloud solutions needed by educational institutions across the world to support their primary goals of educating students, providing optimum learning experiences and ultimately delivering successful outcomes.

## Our goal:

### **To be a pure-play Education Technology (EdTech) SaaS business, expanding to a global reach**

# Delivered against our 2020 Objectives



Protected the business from impact of coronavirus

Protected the business from impact of coronavirus

- Resilient financial performance
- Swift action on cost savings
- Successfully moved to remote delivery



Won new customers and increased share of wallet in existing customers

Won new customers and increased share of wallet in existing customers

- Key new wins
- Major cloud migrations
- ARR increased 12% to £47.5m



Delivering on Tribal Edge strategy

Delivering on Tribal Edge strategy

- First Tribal Edge module, Submissions, released and sold
- Next module, Admissions, released to early adopters



# High level of new wins

## Higher Education



CHARTERED ACCOUNTANTS  
AUSTRALIA + NEW ZEALAND



NANYANG  
TECHNOLOGICAL  
UNIVERSITY  
SINGAPORE



THE UNIVERSITY OF  
SYDNEY

## Edge Solutions



University  
of Worcester



1495  
UNIVERSITY OF  
ABERDEEN



A merger between Uxbridge College and Harrow College



PRIFYSGOL  
ABERYSTWYTH  
UNIVERSITY

UNIVERSITY of  
STIRLING



## Further Education



Highlands  
College



Literacy Aotearoa  
Choice Change Freedom



Carey  
Baptist  
College



Cambridge  
Education Group



UNIVERSITY OF  
GIBRALTAR

## Apprenticeships



DE MONTFORT  
UNIVERSITY  
LEICESTER

## Education Services



Tertiary Education  
Commission  
Te Amorangi Mātauranga Matua



MASSACHUSETTS DEPARTMENT OF  
ELEMENTARY AND SECONDARY  
EDUCATION



Department  
for Education

# Financial Performance 2020

For period 1 January to  
31 December 2020



# Summary

12 months ended 31 December 2020

## Revenue

**£73.0m**

2020 £73.0m

2019 £77.6m

**Down 5.9%**

## Adjusted Operating Profit (EBITDA)

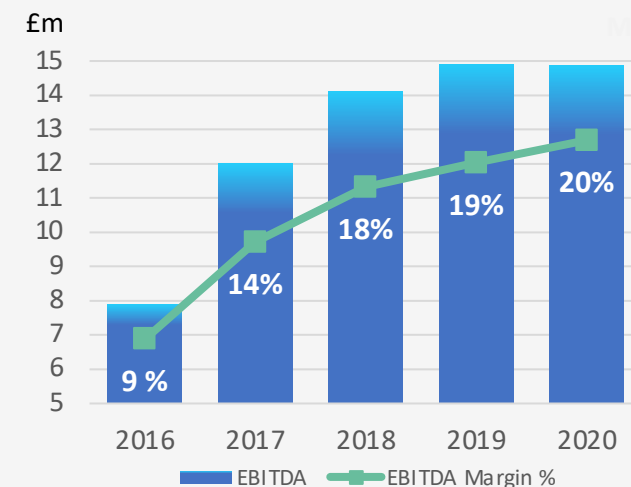
**£14.9m**

2020 £14.9m

2019 £14.9m

**Increased operating profit margin to 20%**

## EBITDA / Margin %



- Revenue impacted by Covid-19, mostly in Education Services
- Adjusted Operating Profit (EBITDA) maintained
- 5<sup>th</sup> consecutive year of Margin % improvement

Adjusted Operating Profit (EBITDA) excludes "Other Items" including Share-based Payments, Amortisation of IFRS3 Intangibles, and Restructuring and associated costs  
2019 reported on a constant currency basis



# Key Performance Indicators

12 months ended 31 December 2020

## Statutory Profit After Tax

**£6.4m**

2020 £6.4m  
2019 £3.0m loss

 Up 313%

## Annual Recurring Revenue (ARR)

**£47.5m**

2020 £47.5m  
2019 £42.3m

 Up 12%

## Committed Income

**£144m**

2020 £144.4m  
2019 £133.6m

 Up 8%

## Cash

**£9.5m\***

2020 £9.5m  
2019 £16.5m

 Down 42%

## Cash conversion

**122%**

2020 122%  
2019 105%

 Up 1700bps

## Dividend

**1.2p** per share

2020 1.2p  
2019 1.1p (paid as interim 2020)

 Up 9%

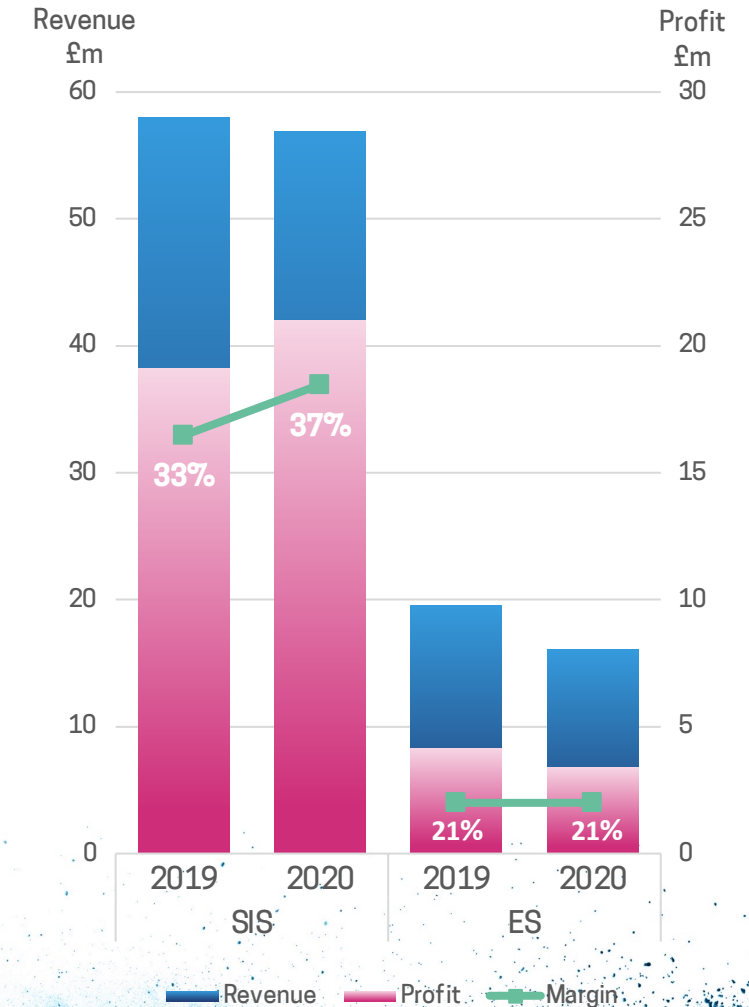
\* Includes one-off payment of £8.1m in final settlement of platform dispute



# Segment Results

|              | Revenue           |          | Profit            |          | Margin %          |          |
|--------------|-------------------|----------|-------------------|----------|-------------------|----------|
|              | 2020              | vs. 2019 | 2020              | vs. 2019 | 2020              | vs. 2019 |
|              | Constant Currency |          | Constant Currency |          | Constant Currency |          |
| <b>SIS</b>   | £56.9m            | (2)%     | £21.0m            | 10%      | 37%               | ↑ 400bps |
| <b>ES</b>    | £16.1m            | (18)%    | £3.4m             | (18%)    | 21%               | ↔ -      |
| <b>Total</b> | £73.0m            | (6)%     | £24.4m            | 5%       | 34%               | ↑ 350bps |

- SIS profit increased 10%
- SIS ARR as % of in-year reported revenue increased to 74% (2019: 69%)
- ES Margin % maintained despite significant reduction in revenue

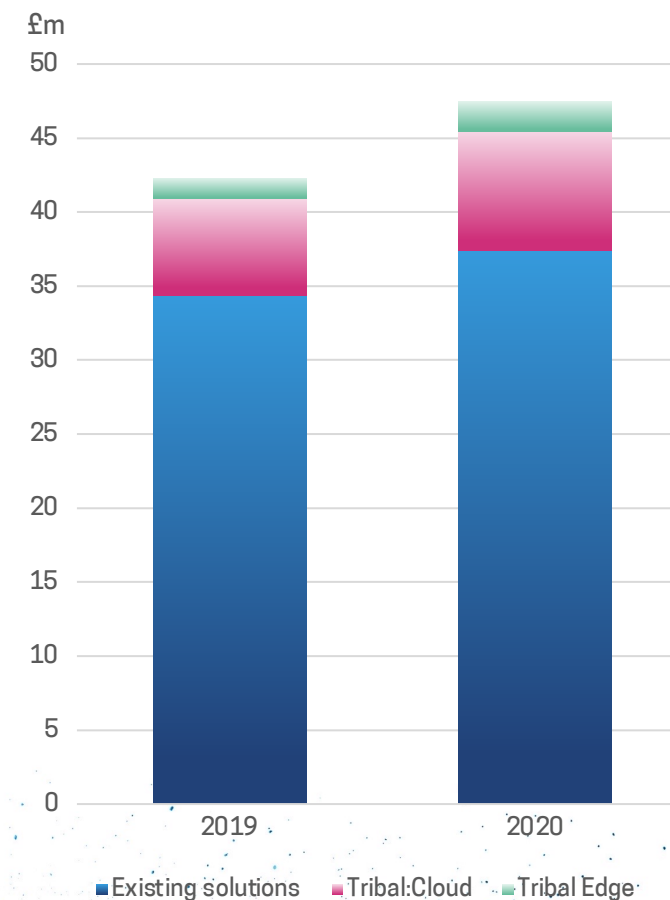


# Annual Recurring Revenue (ARR)

|                                      | 2020          |   | vs. 2019     |            |
|--------------------------------------|---------------|---|--------------|------------|
| Existing solutions                   | £37.4m        | ↑ | £3.1m        | 9%         |
| Tribal:Cloud<br>(incl cloud hosting) | £8.1m         | ↑ | £1.6m        | 25%        |
| Tribal Edge                          | £2.1m         | ↑ | £0.6m        | 40%        |
| <b>Total</b>                         | <b>£47.5m</b> | ↑ | <b>£5.2m</b> | <b>12%</b> |

ARR represents committed annual recurring revenue as at 31 December

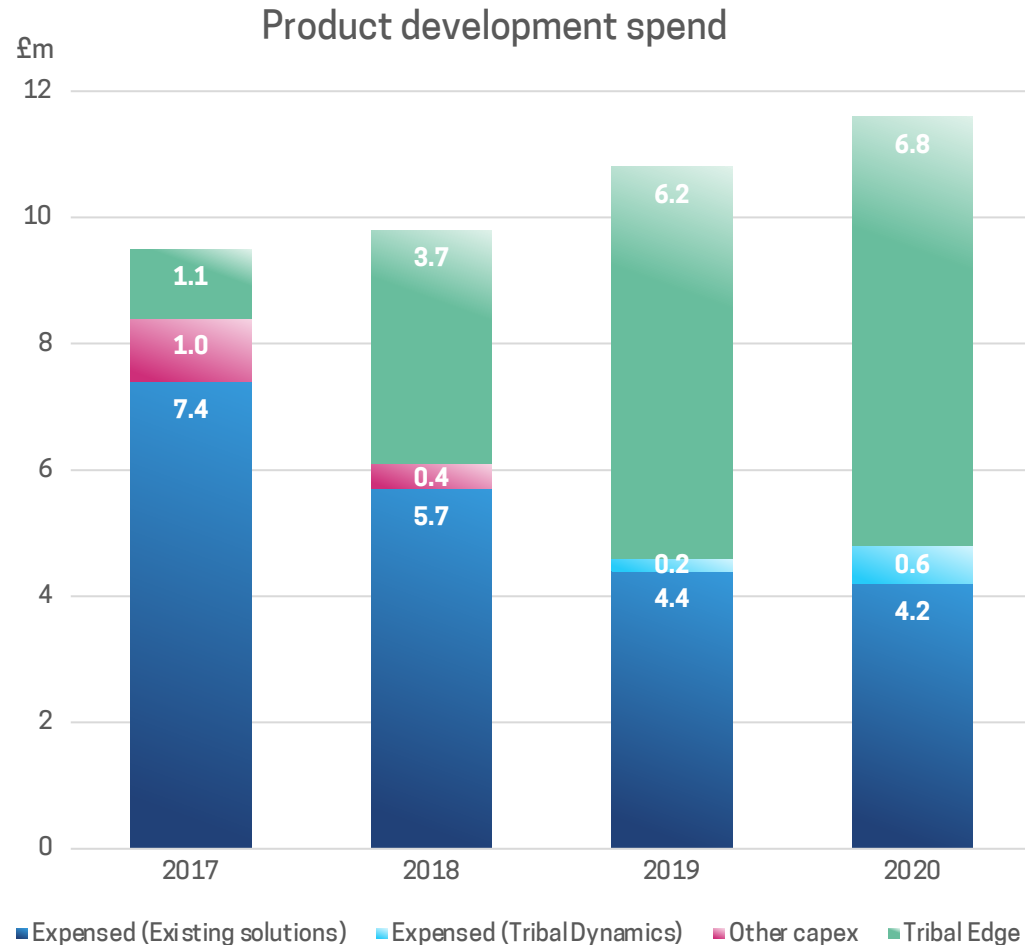
- 12% increase in ARR to £47.5m
- Tribal:Cloud significant sales in Q4 2020
- Tribal Edge delivering ARR – all 12 HE customers on Submissions



# Cashflow



# Product Development



Excludes depreciation and amortisation

## Tribal Edge investment

- £17.3m invested to date
- Admissions v1 released, Submissions sold
- Investment increase to £10m in 2021 & continue at similar levels to 2023

## Tribal Edge sales

- 13 customers taken Submissions - ARR £0.5m
- Investment cost £1.1m

## Existing solutions

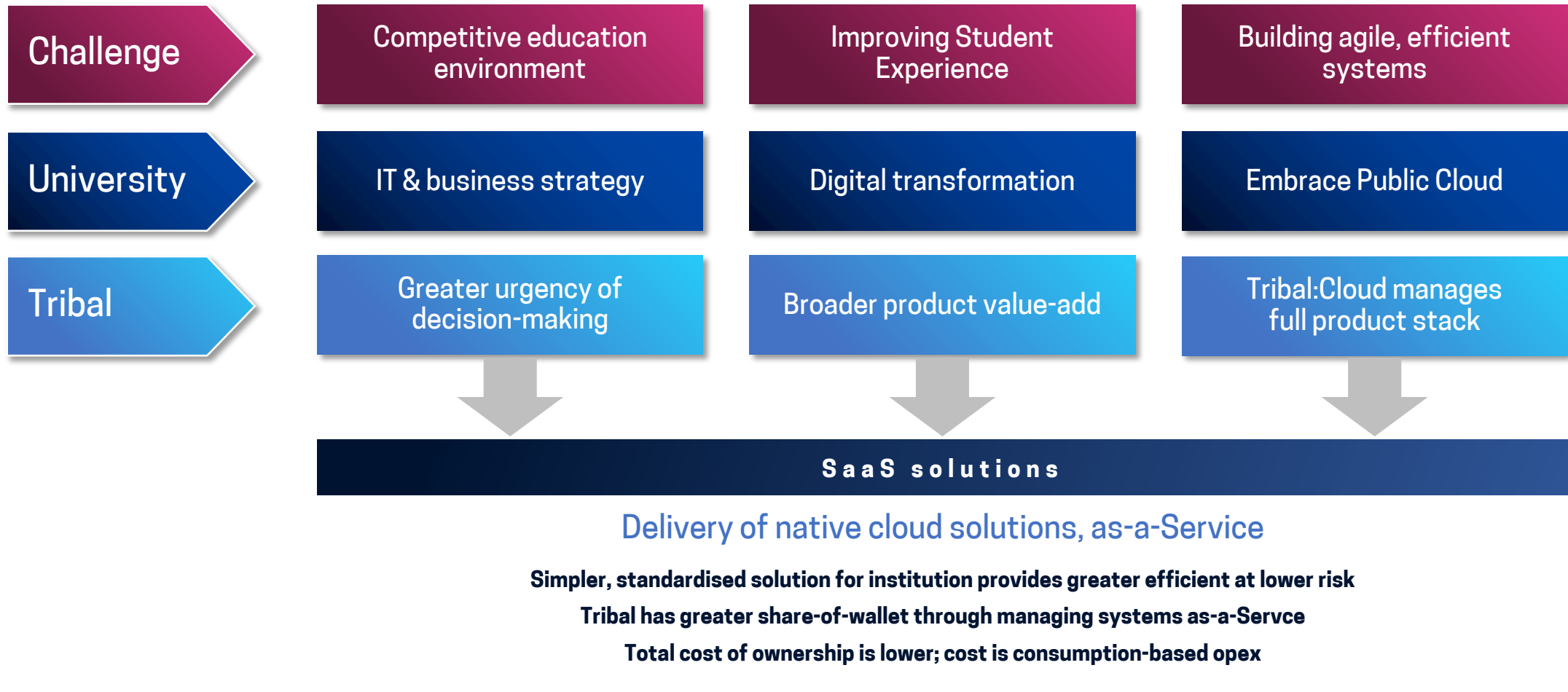
- Continue to support existing solutions efficiently
- £2.6m reduction in spend since 2017, will reduced further as Edge modules adopted



# Tribal's Strategy



# Education landscape: Challenges & Opportunities



# Strategy in action: Key wins in 2020



## Transition to Tribal Cloud

- King's College, London
  - UK Russell Group member
  - c.35,000 students
- Existing SIS customer (SITS)
- Transitioning to a completely managed solution in the Tribal:Cloud
- Major transformation project
- Incremental ARR £300k

SITS

Cloud



NANYANG  
TECHNOLOGICAL  
UNIVERSITY  
SINGAPORE

## Major new SaaS customer

- Nanyang Technological University, Singapore
  - No. 11 in the QS world rankings; no. 1 for young universities
  - c.32,000 students
- Full new SIS, delivered as SaaS, won against worldwide competition
- Complete product suite provided as SaaS
- Includes all current Tribal Edge solutions
- ARR £1.2m

SITS

Engage  
mobile

Marketing &  
Recruitment

Cloud

Reporting &  
Analytics

Support &  
Wellbeing

Careers  
(partner)

# Product Expansion



## Existing solutions

- Maintain market-leading position in Higher and Further Education

### ARR Contribution

**£37.4m**

(2019: £34.3m)



## Tribal Cloud

*Existing customers, managed in the cloud*

- Larger share of wallet
- Pathway to Tribal Edge

### ARR Contribution

**£8.1m**

(2019: £6.5m)



## Tribal Edge

*Ecosystem of modular SIS solutions*

- Increase up-sale into existing customers
- Increase addressable market through geographic expansion

### ARR Contribution

**£2.1m**

(2019: £nil)



## Mergers & Acquisitions

- Expand SaaS offerings
- Gain market share
- Extend geographic reach
- Add ARR

### ARR Contribution

**£nil**

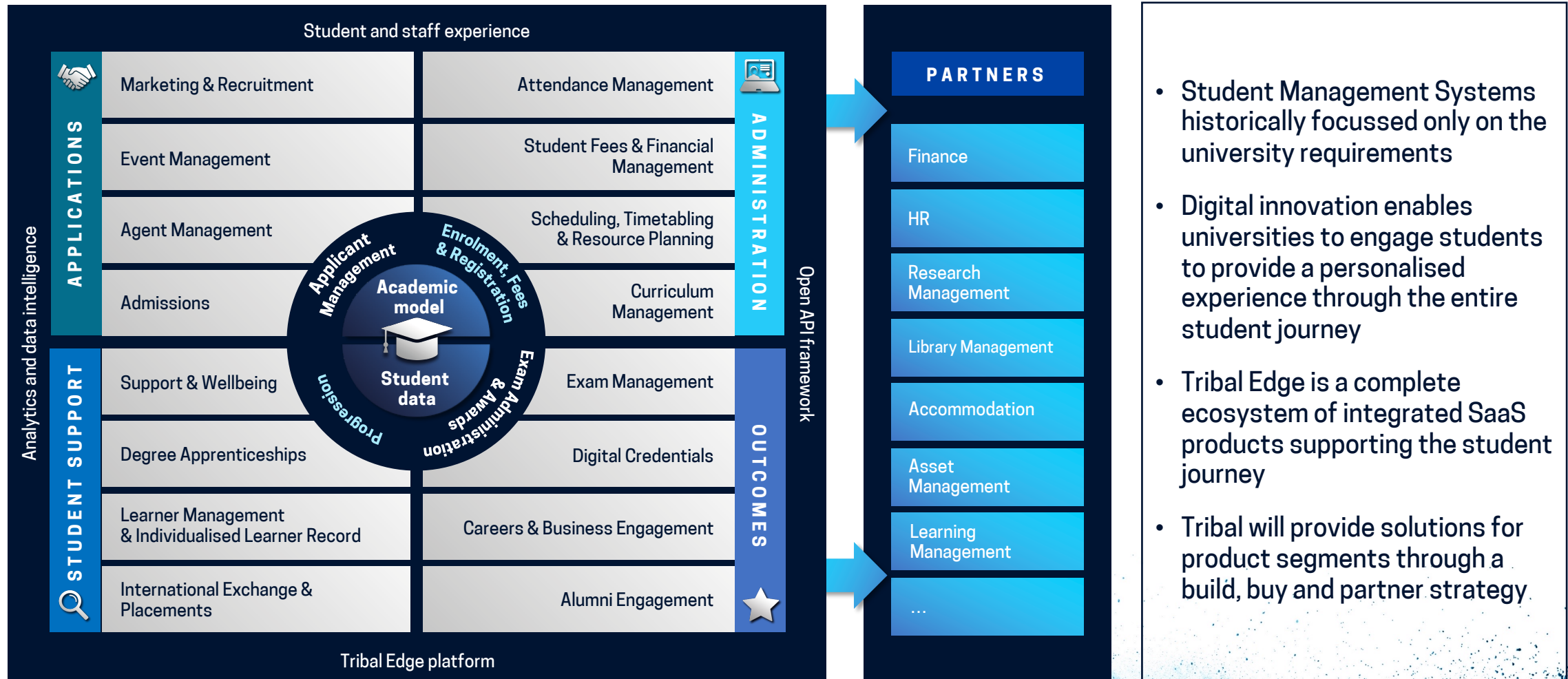
(2019: £1.5m)

An expanded “as-a-service” modular product offering will:

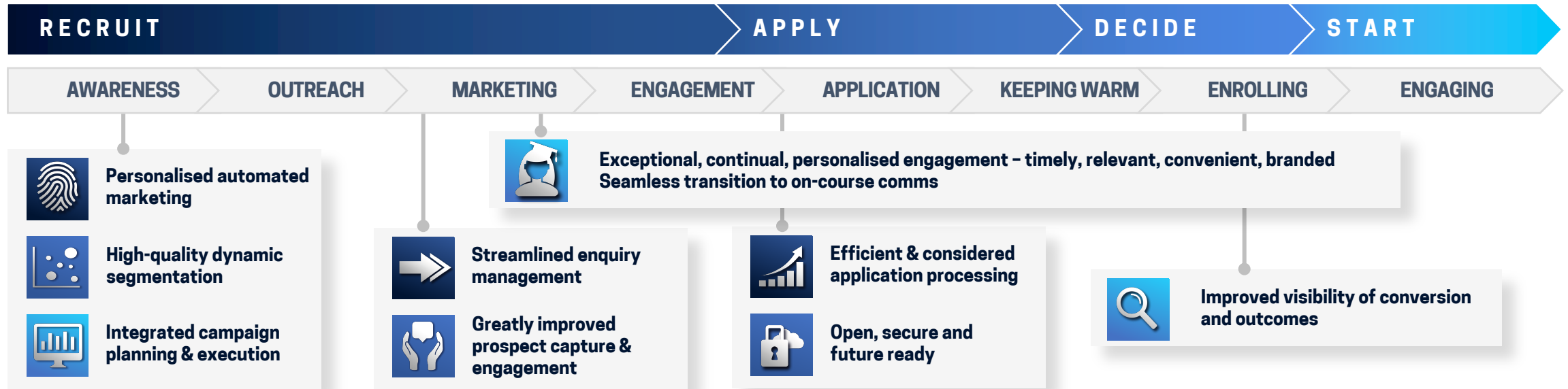
- **increase our addressable market** across a greater number of geographies
- **drive revenue and margin expansion,**
- while enabling universities to deliver an **enhanced, personalised service** to their students



# The Tribal Edge eco-system



# The Student Journey to Yes



**Visibility of outcomes**

**Personalised experience**

**Efficiency and accuracy**

## STUDENT MARKETING & RECRUITMENT

Attract, track and recruit students with engaging personalised experiences

**Increase prospects and maximise ROI**  
**Attract and convert more students**  
**Deliver compelling student experiences**

## TRIBAL ADMISSIONS

Fully integrated, agile and future ready admissions system

**Unrivalled user experience**  
**Powerful speed and efficiency**  
**Open, secure and future ready**

# Environmental Social Governance (ESG)



- Focus on a wide range of matters which affect our stakeholders
- Formalised six priority areas
- Aligned priorities with the UN’s Sustainable Development Goals (SDGs)
- Committed to creating a formal ESG Committee in 2021, which will be chaired by Nigel Halkes

# Summary and Outlook

## Growing ARR

- Strong sales performance resulting in increased ARR of 12% to £47.5m providing basis for future growth

## Expanding Market Opportunity

- Strengthened position in the significant South East Asia market
- Product launches provide upsell and geographic expansion opportunity

## Supportive Market Dynamics

- Covid-19 accelerating move to SaaS
- Growing pressure on universities to provide a personalised student experience

## Growing Customer Endorsement

- Growing number of reference cases across the product offering
- Strong pipeline of opportunities across both existing and new customers

## Strong Financial Platform

- Strongly cash generative, with net cash of £9.5m
- Positive start to trading in FY21





## Contact Details

Mark Pickett, CEO  
[mark.pickett@tribalgroup.com](mailto:mark.pickett@tribalgroup.com)

Paul Simpson, Acting CFO  
[paul.simpson@tribalgroup.com](mailto:paul.simpson@tribalgroup.com)



[tribalgroup.com](http://tribalgroup.com) | [@tribalgroup](https://www.instagram.com/tribalgroup)

**T R I B A L**

**0330 016 4000**

**hello@tribalgroup.com**

**www.tribalgroup.com**