TRIBAL

OUR VISION: TO EMPOWER THE WORLD OF EDUCATION

Tribal Group – Half Year Results 2022

AGENDA

- ABOUT TRIBAL
- OVERVIEW & HIGHLIGHTS
- FINANCIAL PERFORMANCE
- Q&A
- APPENDIX

T R I B A L

OUR GOAL:

To be a pure-play education technology (EdTech) SaaS business, expanding to a global reach

Tribal at a glance

WHO WE ARE

We strive to research, develop and deliver the products, services and solutions needed by Education institutes across the world

WHAT WE DO

Student Information Solutions to both Higher & Further Education across the world

Global provider of Quality Assurance and Benchmarking services for Education

WHO WE HELP

Over 500 institutions empowered by Tribal's Student Information Solutions

>65%
MARKET SHARE UK UNIVERSITIES

>30%
MARKET SHARE AUSTRALIA & NZ

>35%
MARKET SHARE FURTHER EDUCATION

£6.9m
EDUCATION SERVICES (2022 H1 Revenue)

£35.5m
STUDENT INFORMATION SERVICES (2022 H1 Revenue)

STUDENT MANAGEMENT SYSTEMS

SITS:Vision
ebs
Maytas
Callista
SchoolEdge

EDGE

Recruitment
Support & Wellbeing
Admissions
Submissions
Engage
Data Engine
Scheduling & Timetabling

OVERVIEW & HIGHLIGHTS

MARK PICKETT, CHIEF EXECUTIVE OFFICER

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Highlights: Building a global software company

ARR GROWTH: INCREASED ARR BY 5% TO A RECORD HIGH OF £53.7M

EXPANDED CUSTOMER SHARE OF WALLET

EXPANDED ADDRESSABLE MARKET

EXPANDED GEOGRAPHICAL REACH

ORGANIC GROWTH

- Strong sales performance across our offerings
- 4 live customer Tribal:Cloud migrations since H1 2021
- Three ES contracts renewed for quality assurance services

NEW PRODUCT SALES

- Cross-sell of products into existing customers (eg, Semestry / Eveoh)
- Successful launch of new products, eg Tribal Data Engine, bringing analytics capability to existing customers

NEW GEOGRAPHIES

- Five-year SITS:Vision contract with the British University of Vietnam
- Growth opportunities in S E Asia, building on existing successes in Singapore and Malaysia

Nanyang Technological University project update: we continue to be excited by the opportunity at NTU, although there has been significant cost impact in H1 due to the extension of project timelines

Strategy in action: High level of new wins

STUDENT INFORMATION SYSTEMS

Edge

- City University London
- University of Dundee
- Oxford Business College
- King's College London

Tribal Cloud
(SITS cloud migrations)

- * UEA University of East Anglia
- Birmingham City University
- University of Sunderland
- University for the Creative Arts

SITS:Vision
(in the cloud)

- British University Vietnam BUV

Other Tribal SIS
(ebs & Maytas)

- Barnsley Metropolitan Borough Council
- Training 2000

EDUCATION SERVICES

- National Professional Qualifications
- British Embassy Bahrain
- NCETM National Centre for Excellence in the Teaching of Mathematics
- * National Tutoring Programme
- * Advanced Mathematics Support Programme

* Contracts signed July/August 2022

FINANCIAL PERFORMANCE

DIANE MCINTYRE, CHIEF FINANCIAL OFFICER

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Financial Summary: Continued positive sales momentum

£42.4M
Revenue up 8% from £39.4m

£53.7M
ARR up 5% in 6 months from £51.3m

£186.5M
Committed income up 6% from £176.5m

£7.1M
Adjusted EBITDA down 22% from £9.0m

£3.1M
Statutory profit before tax down 47% from £5.9m

0.7p
Statutory basic earning per share down from 2.1p

- ARR CAGR of 10% and revenue growth of 8%
- Committed Income rise with successful renewals of two major contracts with the Department for Education
- Adjusted EBITDA margin impacted by timeline extension on a major contract partly as a result of earlier Covid-19 related travel restrictions. Adjusted EBITDA margin decrease from 22.9% to 16.7%
- Full year EBITDA expected to be in line with Board expectations

Note: Numbers shown in constant currency. Adjusted EBITDA excludes "Other Items" see annual report for details.

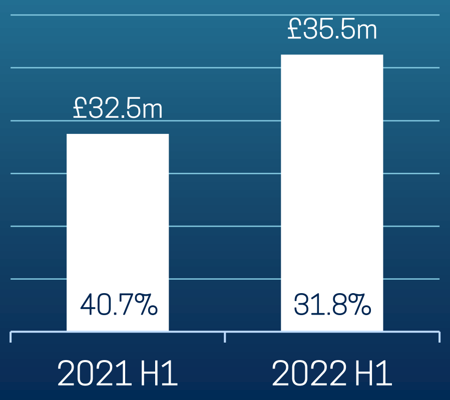
Segments: Cloud and Edge sales driving increase in revenue

SIS

Revenues and Operating Margin %

+9%

- Cloud and Edge driving increase offset by the decline in Other Software & Services revenue
- Operating Margin % decline as we scale new products and implement NTU contract

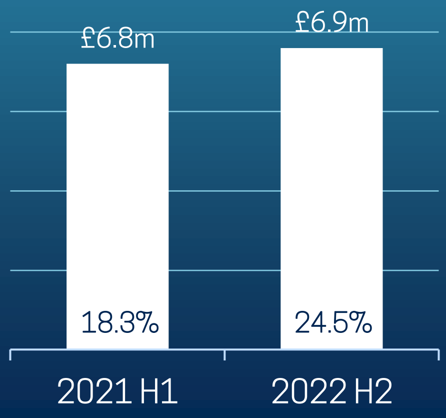


ES

Revenues and Operating Margin %

+2%

- School Inspections revenue contracts continued to track well
- Operating margin increase due to mix of higher margin contracts and remote delivery

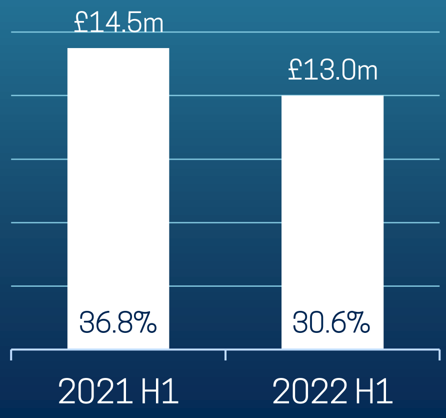


TOTAL SEGMENT

Operating Margin and Operating Margin %

-10%

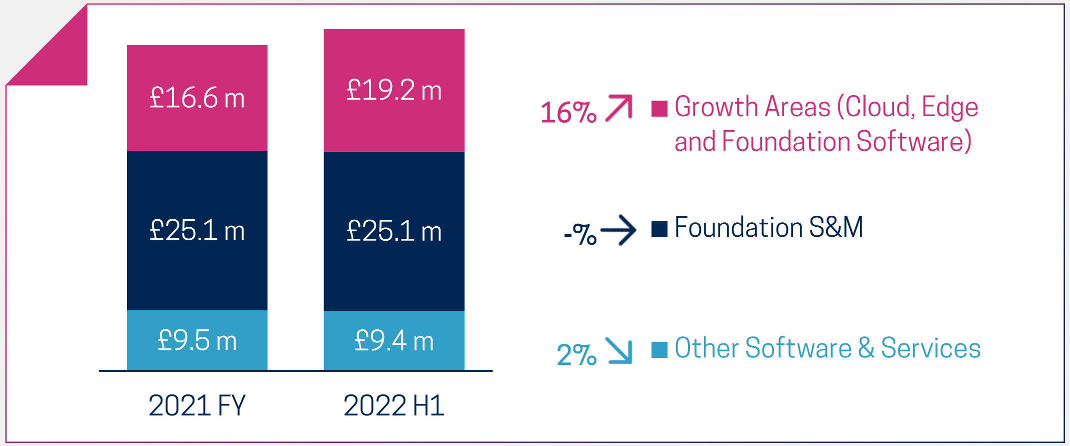
- SIS operating margin decreased 15% from £13.2m to £11.3m
- ES operating margin increased 35% from £1.3m to £1.7m



Note: Numbers shown in constant currency. Segment operating margin is before central overheads and 'Other items". Three smaller products have been moved from ES to SIS, numbers are consistent year on year – reconciliation in appendix

SIS ARR: High growth in Cloud and Edge

	2022 H1	2021 FY	CHANGE	GROWTH
Foundation Support and Maintenance	25.1	25.1	-	0.2%
Foundation Software	4.7	3.8	0.9	24.8%
Cloud Services	9.4	8.3	1.1	13.7%
Edge	5.0	4.6	0.5	10.5%
Core products	**44.3**	**41.7**	**2.6**	**6.2%**
Other Software and Services	9.4	9.5	(0.2)	(1.7%)
TOTAL SIS	**53.7**	**51.3**	**2.4**	**4.8%**



CORE PRODUCT ARR HAS INCREASED 6.2%

- **Foundational support and maintenance** remained flat due to inflationary increases being offset by movements to subscription-based software and customer churn
- **Foundation software** growth due to new wins, including British University Vietnam (SITS) and others in ebs and Maytas
- **Cloud** growth due to existing customer migrations Sunderland University, University for the Creative Arts, and Birmingham City University, and our new customer British University Vietnam
- **Edge** growth across multiple product lines such as Engage with KCL and Student Support and Wellbeing to University of Sussex Semestry has grown organically by 50% since acquisition, total ARR £1.7m.

OTHER SOFTWARE AND SERVICES ARR HAS DROPPED BY 2%

- SchoolEdge customer churn
- Exit of Australian government contract, with c£3m annualised recurring revenue expected in second half of 2023. This will impact ARR in the second half of 2022 (as a forward looking metric for the next 12 months).

Note: Numbers shown in constant currency.

SIS : Transition to a high quality revenue base

	2022 H1	2021 H1	CHANGE	GROWTH
Foundation Support and Maintenance	12.7	12.9	(0.2)	(1.3) %
Foundation Software	3.4	2.6	0.8	29.5 %
Cloud Services	4.1	3.1	1.0	32.2%
Edge	2.3	1.4	0.9	62.6 %
Professional Services	7.7	6.5	1.2	17.8%
Core Revenue	**30.2**	**26.5**	**3.7**	**13.8%**
Other Software and Services	5.3	6.0	(0.7)	(12.2)%
Total Revenue	**35.5**	**32.5**	**2.9**	**9.0%**
Adjusted Operating Profit	**11.3**	**13.2**	**(1.9)**	**(14.7) %**
Adjusted Operating Margin	**31.8%**	**40.7%**		**(8.8)pp**

GRR: 95%
Remained flat to H1 2021

NRR: 100%
from 101% H1 2021

CORE REVENUE INCREASING BY 13.8%

- **Cloud** – University of Sydney, Kings College London, Universiti Tecknologi Petronas and University of Sunderland migrations fully delivered with good progress on University College London, University of Warwick and Birmingham City University
- **Edge** - £0.6m added from Semestry revenues with strong performance across all other products
- **Professional Services** growing with Edge and Cloud sales. Continued delivery on NTU into 2023, with low margins during implementation

OTHER SOFTWARE AND SERVICES DECLINED 12.2%

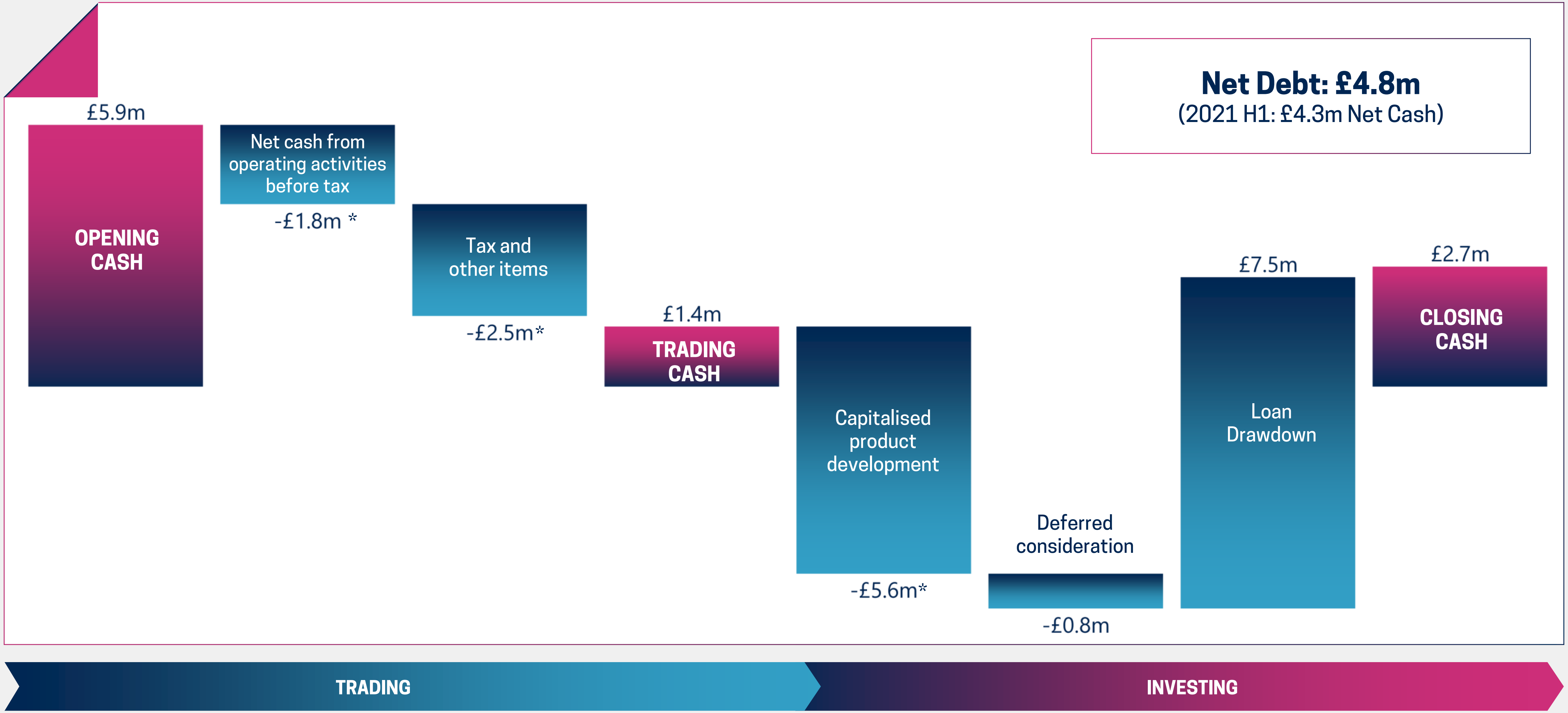
- Higher churn on 'maintenance' products

OPERATING MARGIN PERCENTAGE 8.8PP LOWER

- Lower professional services margins from the NTU contract. Delivery impacted by an extension of timelines, partly as a result of earlier Covid-19 related travel restrictions
- Declining revenues in 'Other software and services' with higher margin products, and lower margins while we scale Cloud and Edge products

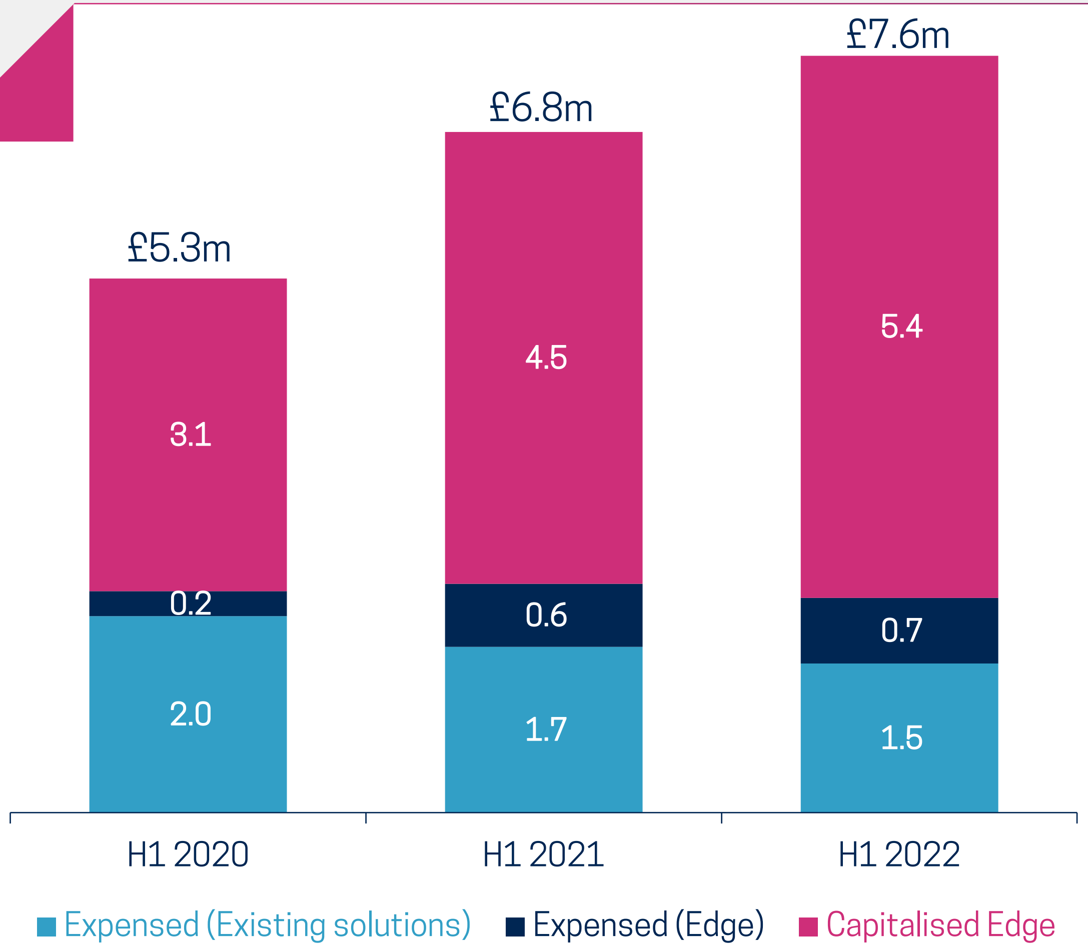
Note: Numbers shown in constant currency.

Cashflow: Working Capital impacted by major contract implementation



* Free cash flow equals Net Cash from operating activities before tax, Tax and other items, and Capitalised product development. This incudes proceeds from share sales and the effect of foreign exchange .

SIS: Increased investment in product development



Excludes depreciation and amortisation

EDGE SALES

- Edge ARR £5.0m increasing 11% from the prior year
- Strong expansion following Semestry acquisition

EDGE INVESTMENT

- £33.4m capitalised to date
- 20% increase in Edge investment from the prior year
- Focus on maximising return from existing product development
- First Admissions customer go-live expected H2 2022

EXPENSED PRODUCT DEVELOPMENT

- Stable levels of expensed product development

STRATEGY UPDATE

MARK PICKETT, CHIEF EXECUTIVE OFFICER

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Market and Drivers for long term growth

UNIVERSITY CHALLENGE	UNIVERSITY SOLUTION	TRIBAL OPPORTUNITY
Legacy internal SMS unfit-for purpose – complexity, lack of agility, security concerns	Public tender for cloud-based commercial SMS, leveraging the public cloud and managed services	New SITS opportunities; Tribal:Cloud, providing SIS products “as-a-Service” through the public cloud
Improve Student Experience Improve System Efficiency	Digital transformation to deliver a compelling student experience; adopt composable, SaaS strategy	Edge: cloud-native ecosystem solutions adding value across a wider solution set

TRIBAL SAAS SOLUTIONS

Removes the complexity of existing, non-standard SIS

Simpler, standardised solution for institutions provides greater efficiency at lower risk and lower cost of ownership (opex)

Tribal increases share-of-wallet through managing systems as-a-Service

Extending Geographic Reach – South East Asia

NANYANG TECHNOLOGICAL UNIVERSITY

- Ambitious, aspirational university
- Transformation SIS project, creating Tribal products localised for the Singapore market
- Broad project scope, building on central government requirements around life-long learning
- Strong partnership relationship with customer at executive level

SOUTH EAST ASIA OPPORTUNITIES

- Significant number of large opportunities expected to come to market over coming 3-4 years
- Tribal in strong position to secure more contracts due to experience & knowledge of local market requirements and localised product set
- Tribal will invest significantly in region, with team based in Singapore, supported by Global Delivery Centre, already well established in Kuala Lumpur

Tribal Product Investment Strategy update

STUDENT MANAGEMENT SYSTEMS

- Strong SITS opportunities
- Tribal:Cloud >25 customers; strong pipeline
- Develop further offering, such as Advanced Customer Services

EDGE SAAS PRODUCTS

- Engage mobile: > 50 customers
- Semestry ~40 customers / 50% ARR growth from when acquired
- ~50 Dynamics customer (Marketing & Recruitment / Student Support)

CORE ADMISSIONS MODULE

- Improves Student Experience and drives efficiency
- 4 Early Adopter customers; Edith Cowan University go live in 2022
- Investing in world-class Admissions module; strong customer interest

FUTURE EDGE INVESTMENT

- Focus on driving sales of existing Edge products
- Tribal Data Engine (newest product) selling well
- Are reviewing timing of market requirements and priorities
- Continue to pursue appropriate M&A opportunities

Leadership and ESG Update

EXECUTIVE TEAM CHANGES

TAWFIQ SLEETT
CUSTOMER SERVICES DIRECTOR

MATT DAVIS
MD EDUCATION SERVICES

PAUL DAVIES
GLOBAL PROFESSIONAL SERVICES DIRECTOR

NEW TARGET OPERATING MODEL

- Our evolving operational model is built upon our increasing focus on customer success and alignment to Tribal's 'as-a-service' transition
- Paul Davies has been appointed as Professional Services director and Tawfiq Sleett as a Customer Services director. Both bring a wealth of experience from global SaaS providers and are focused on improving customer success
- Education Services team reinvigorated with the appointment of Matt Davis in March 2022. Matt brings over 20 years' experience in the education sector

WORKFORCE SHIFTS

- 986 Total Workforce (982 as at 31 Dec 21)
- Continued expansion of Global Delivery Centre
- Inflationary wage pressures

DIVERSITY & WELLBEING

- Improved year end position which had a 3% increase in ethnicity representation, with a further +1% rise in H1 2022
- We have seen a slight reduction in our gender split, but remain firmly focused on strategies to recruit and retain female employees, especially in technical roles

ENVIRONMENTAL GOALS

- Commitment to planting 25 trees for every new starter who joins Tribal

COMPLIANCE & DATA

- Gained ISO27001 & ISO9001 accreditation across our Semestry business

Outlook

SUMMARY & OUTLOOK FOR FY2022

GROWING ARR

- Continuing progress towards our 2025 goal of increasing ARR on average by 15% per annum
- ARR growth dampened in earlier years by decline in non core areas
- H2 ARR impacted by £3m from expected future exit of Australian government contract in H2 2023

EXPANDING MARKET OPPORTUNITY

- Significant opportunity for geographic expansion in South East Asia
- Opportunities increasing in size, due to broader portfolio of products (SITS + Edge) and extensive managed services

STRONG GROWTH RATE AND MATURITY OF EDGE PRODUCTS

- Strong adoption of Tribal's cloud and SaaS products
- Good pipeline of opportunities continues to drive strong growth

STRONG BUSINESS MODEL

- Rebalancing of revenue towards high-quality standardised SaaS business
- New target operating model will underpin the structures and capabilities required of a SaaS business

UNCHANGED FULL YEAR OUTLOOK

- Overall outlook remains positive
- Temporary margin impact in H1 due to major project; recovery expected in H2, dependent on project delivery milestones

Q&A

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APPENDIX

Tribal Leadership Team

TRIBAL BOARD

RICHARD LAST
CHAIR

ROGER MCDOWELL
SENIOR INDEPENDENT DIRECTOR

NIGEL HALKES
NON-EXECUTIVE DIRECTOR

TRIBAL EXECUTIVE TEAM

MARK PICKETT
CHIEF EXECUTIVE OFFICER (CEO)

MARK WILSON
CHIEF OPERATING OFFICER (COO)

MIKE COPE
CHIEF TECHNOLOGY OFFICER (CTO)

CHLOE PAYNE
HR DIRECTOR

DIANE MCINTYRE
CHIEF FINANCIAL OFFICER (CFO)

TAWFIQ SLEETT
CUSTOMER SERVICES DIRECTOR

MATT DAVIS
MD EDUCATION SERVICES

PAUL DAVIES
GLOBAL PROFESSIONAL SERVICES DIRECTOR

Financial Definitions

TERM	DEFINITION
Constant Currency	2021 reported results restated to "constant currency" using 2022 rates to exclude foreign currency impact.
Adjusted Operating Profit (EBITDA)	Operating profit of continuing operations which excludes "Other Items" charges (refer to note in the Annual Report) and before Interest, Tax, Depreciation and Amortisation.
Free Cash Flow	Net cash generated, before dividends, interest and finance charges, deferred consideration, and investments in subsidiaries
Annual Recurring Revenue (ARR)	ARR at period end is a forward looking metric. Includes exit rate annualised recurring revenue, plus future contracted recurring revenue yet be delivered, and known losses within the next 12 months where customers have given notice
Committed Income (Order Book)	Total value of orders (SIS and ES) which have been signed on or before, but not delivered by 30 June 2022. Representing the best estimate of business expected to be delivered and recognised in future periods and includes 2 years of Support & Maintenance revenue.
Cash Conversion	Cash from operating activities before tax, less any significant one off items, over adjusted operating profit.
Gross Revenue Retention (GRR)	Percentage of recurring revenue retained from existing customers at 1 January including contract expiry, cancellations or downgrades in the year
Net Revenue Retention (NRR)	Percentage of recurring revenue retained from existing customers at 1 January including upsells as well as contract expiry, cancellations or downgrades in the year

Prior Year Segment Reallocation

Amounts relating to Asset Management, Software Solutions and Information Managed Services, which were previously in Education Services, have been reallocated as offerings more closely align to the Software segment.

The impact on Revenue and Adjusted EBITDA have been shown below:

	REVENUE	ADJUSTED EBITDA
£'m	**2021 H1**	**2021 H1**
SIS before reallocation	31.1	11.9
Amounts reallocated	1.4	1.3
SIS after reallocation	32.5	13.2
Education services before reallocation	8.2	2.6
Amounts reallocated	(1.4)	(1.3)
Education services after reallocation	6.8	1.3

Note: Numbers are shown in constant currency.

Mapping of Revenue Streams

The table below highlights how previously reported revenue streams have been updated to show more detail and moved to provide clarity. Foundation products include SITS, Callista, ebs, Maytas and SID. Edge products include Admissions, Submissions, Engage, Dynamics and Semestry. Bespoke Software relates to historic Australian government contracts.

SEGMENT	PREVIOUS REPORTED REVENUE STREAMS	SUB SECTIONS	CHANGES
Student Information Systems (SIS)	License & Development Fees	Foundation Software	Shown as new separate line
		Edge	Shown as new separate line
		Bespoke Software and SchoolEdge	Moved to Other Software & Services
	Support & Maintenance	Foundation Support and Maintenance	Shown as new separate line
		Bespoke Software and SchoolEdge Support and Maintenance	Moved to Other Software & Services
	Implementation Services, renamed Professional Services		
	Cloud Services	Cloud Services	Shown as new separate line
		Bespoke Software and Data Managed Services	Moved to Other Software & Services
	Other Services, renamed Other Software and Services		Includes new products as noted above/below
Education Services	School Inspections & Related Services		
	Surveys & Data Analytics, renamed I-graduate – Surveys & Data Analytics		
	Information Management Services		Moved to 'Other Software & Services'
	Asset Management		Split across 'Foundation Software', 'Foundation Support & Maintenance', 'Implementation Services' and 'Cloud Services'
	Software Solutions		Moved to 'Other Software & Services'

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