



TRIBAL

OUR VISION: TO EMPOWER THE WORLD OF EDUCATION

Tribal Group – Results 2022



AGENDA

ABOUT TRIBAL

**OVERVIEW &
HIGHLIGHTS**

**FINANCIAL
PERFORMANCE**

Q&A

APPENDIX

TRIBAL

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



£15.4m

EDUCATION
SERVICES
(Revenue)



£68.2m

STUDENT
INFORMATION SERVICES
(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

T R I B A L

Strong performance in underlying business

UNDERLYING BUSINESS

EXECUTED AGAINST STRATEGIC GOALS

- Strong SIS sales performance, expanding with existing customers and winning new ones
- Post year end, three further Cloud expansion contracts
- Secured three multi-million, multi-year Educational Service renewals and additional new contracts

AS A RESULT:

- Core ARR increased by 10%
- Significant growth in Education Services revenue (+9% to £15.4m)

NTU

SEEKING RESOLUTION

- Significant change to scope and complexity
- Cessation of contract
- Progressing to mediation as a next step
- Unknown timelines to resolution

CONFIDENT IN PROFITABLE GROWTH IN 2023

Growing a global SAAS business

OVERALL ARR STABLE: INCREASED CORE ARR BY 10%

EXPANDED CUSTOMER SHARE OF WALLET



ORGANIC GROWTH

- Strong sales performance across our offerings
- Continued high levels of customer retention
- Five Tribal:Cloud Migrations won in 2022

EXPANDED ADDRESSABLE MARKET



NEW PRODUCT SALES

- Cross-sell of products into existing customers (e.g. Semestry/Eveoh)
- Successful launch of new products, e.g. Tribal Data Engine, bringing analytics capabilities to existing customers

EXPANDED GEOGRAPHICAL REACH



NEW GEOGRAPHIES

- Opportunities for further expansion in SE Asia
- Increasing confidence that Edge development will allow us to expand into new geographies

Strategy in action: High level of new wins

STUDENT INFORMATION SYSTEMS

TRIBAL: Cloud (Migrations)

**SUCCESSFULLY GROWING ARR
FROM EXISTING CUSTOMERS**



**University of
Sunderland**



SITS:Vision (in the cloud)

**WINNING NEW CUSTOMERS IN
THE CLOUD, POTENTIAL FOR
EXPANSION**



Edge

(Student Support & Wellbeing,
Semestry, Engage)

**WINNING NEW CUSTOMERS IN
THE CLOUD, UPSELL TO
EXISTING CUSTOMERS**



EDUCATION SERVICES

**HIGH PROFILE RENEWALS AND
NEW WINS PROVIDE STRONG BASIS
FOR 2023**

(New)



**National
Tutoring
Programme**

GOVERNMENT OF SHARJAH
هيئة الشارقة للتعليم الخاص
SHARJAH PRIVATE EDUCATION AUTHORITY

(Renewal)



Advanced Mathematics
Support Programme®

Strategy in Action: Key Projects in 2022

INCREASED SPEED OF IMPLEMENTATIONS

SITS: SOLENT, UWL

- Introduction of “blueprint” standard process to reduce implementation costs
- Both Solent and University of West London had successful Phase I GoLive within 12 months

CLOUD

- Track record of successful SITS Cloud migrations continued to grow in 2022
- The University of Sunderland went live in just 5 months.
- Birmingham City University and UCL also went live in 2022

FIRST ENGAGE WIN AND GO LIVE SUCCESSFUL

KING’S COLLEGE LONDON ENGAGE PRODUCT

- Engage product successful in Further Education (~45 sites)
- First large Higher Education customer: went live in 2022
- Different type of implementation, as focussed on students and focus is on adoption
- The university has only actively promoted the app to new entrants – very strong take-up, with positive feedback
- KCL continuing roll-out across whole student community



FINANCIAL PERFORMANCE

DIANE MCINTYRE, CHIEF FINANCIAL OFFICER

T R I B A L

Strong underlying performance overall results impacted by NTU contract

£83.6M

Revenue up 2%
£82.2m (FY21)



£51.2M

ARR remains flat



£172.9M

Committed income down 2%
£176.6m (FY21)



£7.4M

Adjusted EBITDA down 56%
£16.8m (FY21)



£4.1M

Adjusted profit before tax
decreased, £14.0m (FY21)



0.6p

Basic Adjusted Earning
per share decreased
5.6p per share (FY21)



89%

Cash conversion down 15ppt
104% (FY21)



£10.3M

Capitalised Product
Development increased
£10.2m (FY21)



0.65p

Dividends decreased
1.3p per share (FY21)



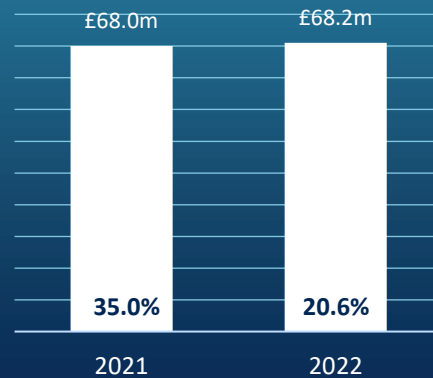
Segments: SIS impacted by NTU contract, ES performance strong

SIS

Revenues and Operating Margin %

-%

- Revenue growth across core products, Cloud, Edge and SITS
- Offset by decline in Other Software & Services
- Operating Margin % decrease due to NTU implementation challenges

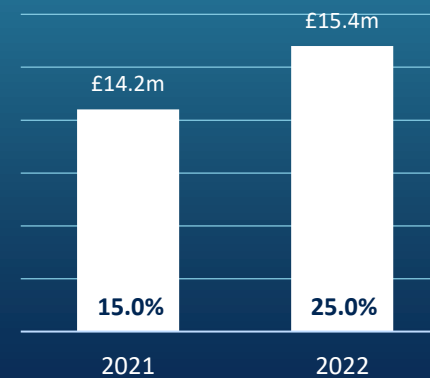


ES

Revenues and Operating Margin %

+9%

- New Sharjah contract in Middle East and NTP in UK
- Three major successful contract renewals
- Higher margin contracts in the Middle East

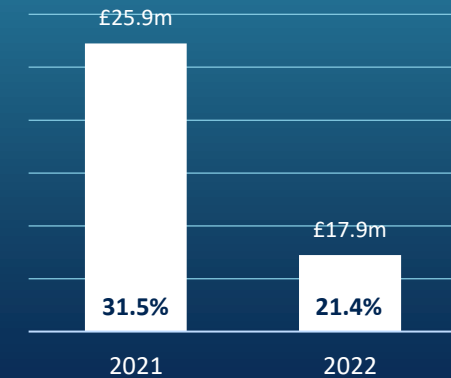


TOTAL SEGMENT

Operating Margin and Operating Margin %

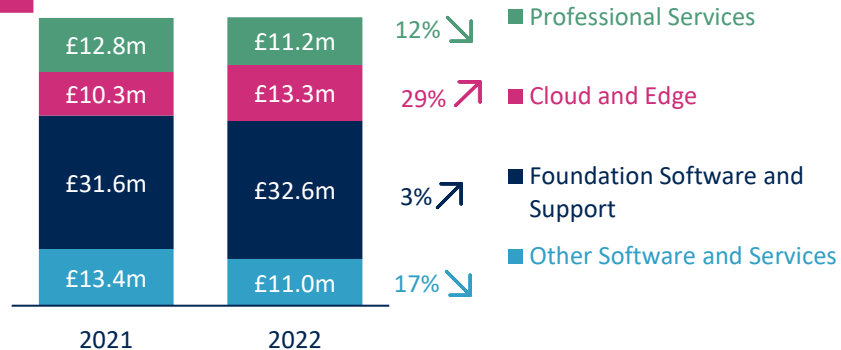
-31%

- SIS operating margin decreased 40% from £23.8m to £14.0m
- ES operating margin increased 81% from £2.1m to £3.9m



SIS : Core revenue growth 4.5%

	2022	2021	CHANGE	GROWTH
Foundation Support and Maintenance	25.4	26.2	(0.8)	(2.9)%
Foundation Software	7.2	5.4	1.8	33.3%
Cloud Services	8.5	6.9	1.6	24.0%
Edge	4.8	3.4	1.4	39.6%
Professional Services	11.2	12.8	(1.6)	(12.5)%
Core Revenue	57.1	54.7	2.4	4.5%
Other Software and Services	11.0	13.4	(2.3)	(17.3)%
Total Revenue	68.2	68.0	0.1	0.2%
Adjusted Operating Profit	14.0	23.8	(9.8)	(41.0)%
Adjusted Operating Margin	20.6%	35.0%		(14.4)pp



GRR: 91%
2021: 93%

NRR: 104%
2021: 106%

CORE REVENUE INCREASING BY 4.5%

- Foundation support and maintenance decline driven by previously announced exit of Victoria University and Western Sydney (Callista)
- Foundation software growth due to new wins including British University Vietnam (SITS), University of Plymouth (SITS) and Leeds Conservatoire (SITS) together with upsells to the base
- Cloud growth due to progress on existing migrations, together with new migrations sold in year.
- Edge continues strong performance across all product sets, including our first sale of Engage to the HE Market.
- Professional Services decline due to the impact of NTU

OTHER SOFTWARE AND SERVICES DECLINED 17.3%

- £1.0m decline in revenue due to loss of bespoke software contract with Iron Mountain
- Continuing decline on School Edge and reduced work with TAFE NSW ahead of their expected exit

OPERATING MARGIN PERCENTAGE 14.4PP LOWER

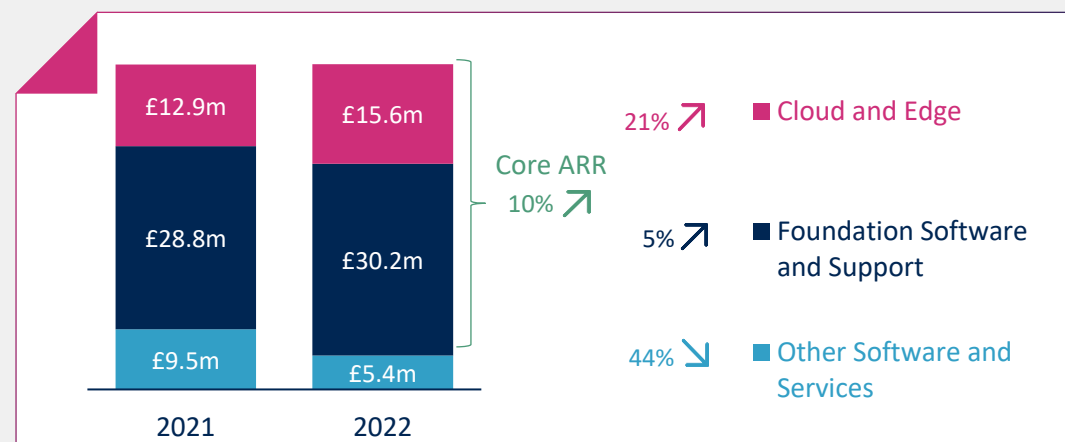
- Operating margin significantly impacted by NTU increased costs, lower recognisable revenue and £4.5m onerous contract provision. Without NTU impact, margins would be in line with historic levels.

DECLINE IN GRR AND NRR

- Both metrics impacted by the NTU contract termination, Western Sydney University (Callista) and Victoria University (Callista) exits as well as continued churn in School Edge.

SIS ARR: Continued high growth in Cloud and Edge

	2022	2021	CHANGE	GROWTH
Foundation Support and Maintenance	24.8	25.0	(0.2)	(1.0)%
Foundation Software	5.4	3.8	1.6	42.6%
Cloud Services	10.2	8.3	1.9	23.4%
Edge	5.4	4.6	0.8	18.0%
Core products	45.8	41.7	4.1	9.9%
Other Software and Services	5.4	9.5	(4.1)	(43.5)%
TOTAL SIS	51.2	51.2	-	-



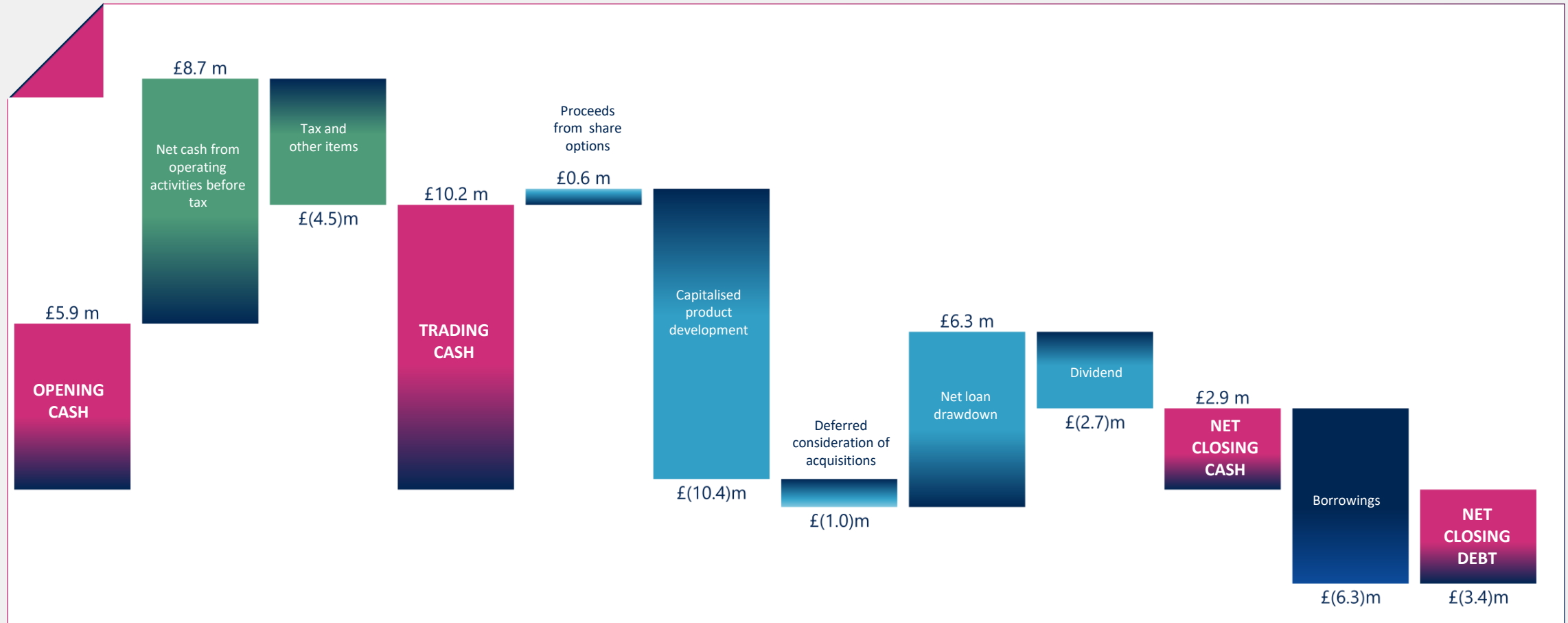
CORE PRODUCT ARR HAS INCREASED 10%

- Foundation support and maintenance saw a small increase as inflationary and student number uplifts offset by churn
- Foundation software growth due to new wins including British University Vietnam (SITS), University of Plymouth (SITS) and Leeds Conservatoire (SITS) together with upsells to the base
- Cloud growth due to 5 existing SITS customer migrations to Tribal Cloud for Sunderland University, Birmingham City University, University for the Creative Arts, University of East Anglia and Reading University and new customers British University Vietnam and Plymouth University
- Edge growth includes £0.3m of ARR growth from Semestry and £0.4m growth in Dynamics. Growth across our Tribal Edge products includes 4 Tribal Data Engine sales, as well as continued growth in Engage, including our first HE customer Kings College London.

OTHER SOFTWARE AND SERVICES ARR HAS DROPPED BY 44%

- £3.1m drop for TAFE NSW as we expect the customer to exit Q3 2023
- £0.6m drop in Department of Education recurring revenues expected within 2023 (now reflected in ARR), and the remaining £1.5m of recurring revenues to leave by June 2024, subject to customer migration onto an alternative solution.
- SchoolEdge customer churn and product churn on our long-term Australian contracts

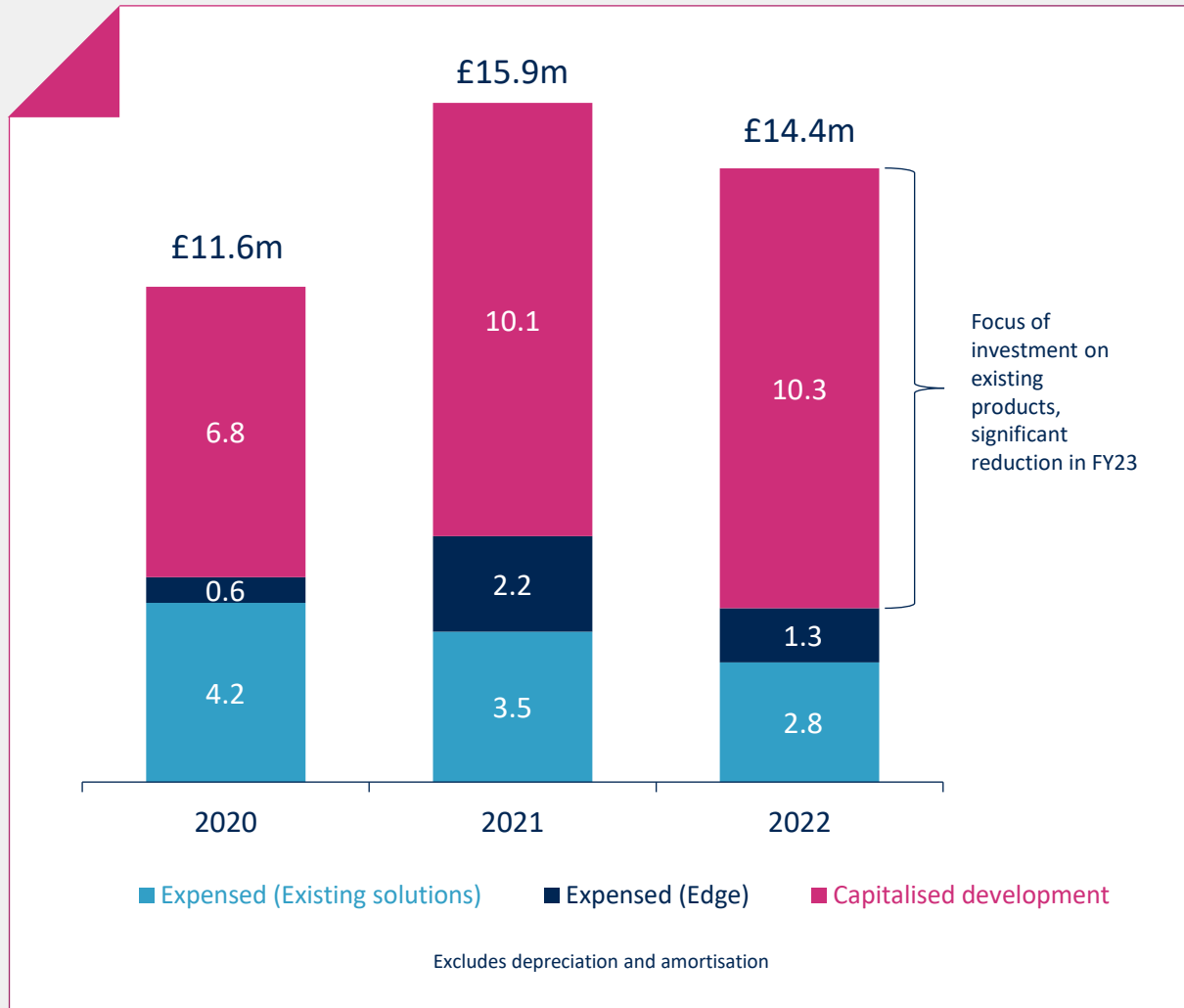
Cashflow:



TRADING

INVESTING

SIS: Edge product development peaked in 2022



EDGE SALES

- Edge ARR £5.4m, increasing 18% from the prior year
- Sales across a range of products such as Semestry, Support & Wellbeing and Engage

PRODUCT INVESTMENT

- £38.6m capitalised to date across the Edge portfolio
- Admissions will be available for general release in 2024
- Capitalised product development will be significantly reduced in 2023

EXPENSED PRODUCT DEVELOPMENT

- FY21 includes £0.9m of Edge capitalised costs expensed due to increased clarity on our Edge roadmap



STRATEGY UPDATE

MARK PICKETT, CHIEF EXECUTIVE OFFICER

T R I B A L

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

Tribal:Cloud, providing existing SIS products “as-a-Service” through the public cloud

Improve Student Experience
Improve internal efficiency

Digital transformation to deliver a compelling student experience

Edge: cloud-native solutions adding value across a wider solution set

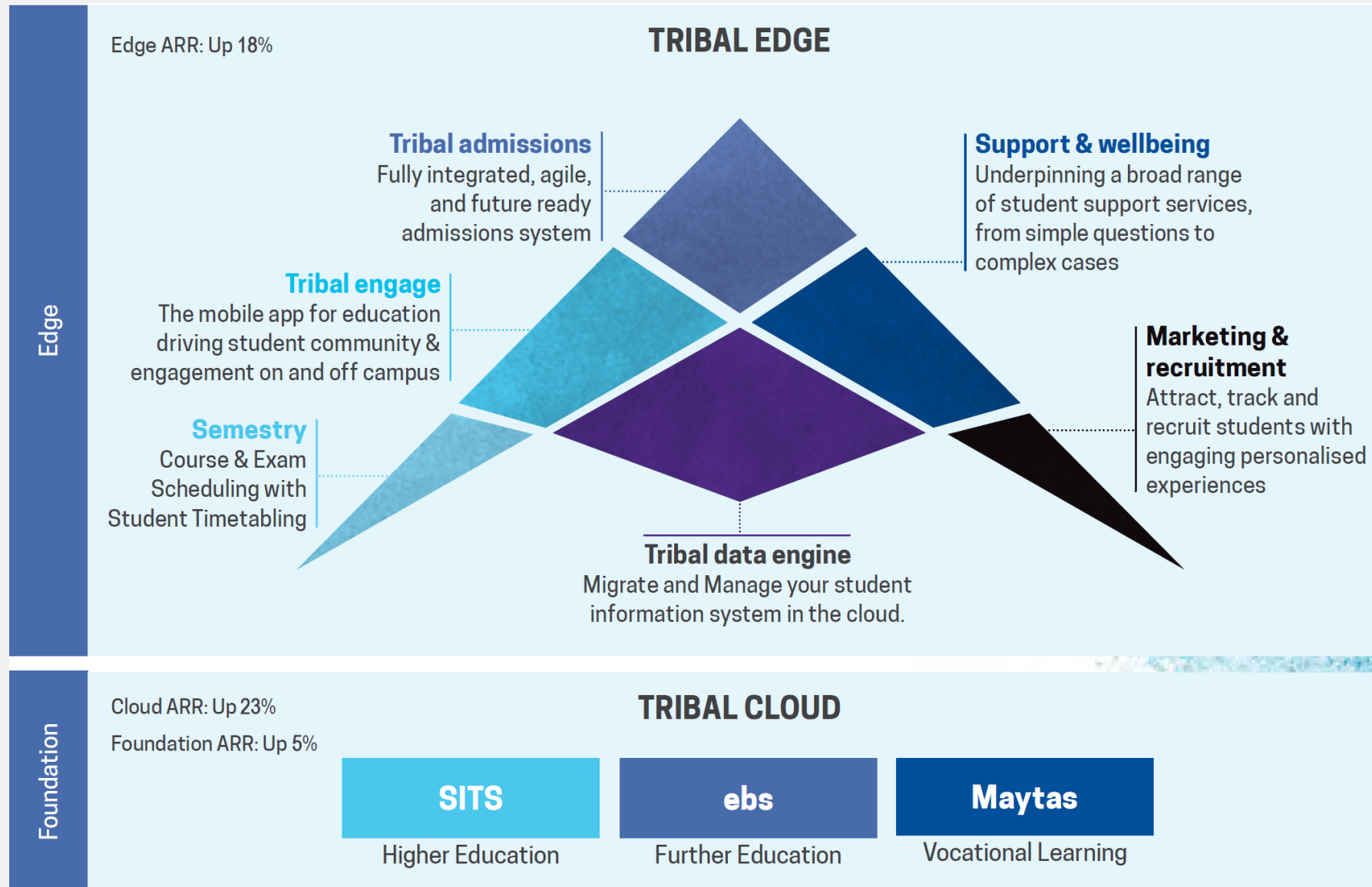
TRIBAL SAAS SOLUTIONS

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

Our Offerings- A modern student information solution



TRIBAL'S PRODUCT STRATEGY

Tribal's growth strategy will increase margins as we grow scale by focusing on the three areas below:

- Expand customer share of wallet by upselling products to our existing customer base.
- Expand addressable market by capitalising on our wider Edge product range.
- Expand geographical reach by localising our existing products and utilising the capabilities of our Edge software.

Building world class cloud sales, delivery & support

EXPANDING OUR CUSTOMER-FACING TEAMS

- 🍃 Sales – continued investment in sales / presales; focus on Edge products
- 🍃 Product Marketing – developing specific SaaS product capability
- 🍃 Executive team – creating business heads based on value chain

GLOBALISING DELIVERY & SUPPORT SERVICES

- 🍃 Global Delivery Centre – Kuala Lumpur team already grown to 30 heads
- 🍃 Global Business Services – building team in Manila
- 🍃 Customer Success – building team to support product adoption and increase customer satisfaction

WORKFORCE SHIFT TO CLOUD

- 🍃 952 Total Workforce down from 982 2021YE
- 🍃 11% growth in Cloud talent, due to increased demand in service delivery
- 🍃 54% growth in our Global Delivery Centre

TALENT AND RETENTION

- 🍃 52 early careers talent on formal progression schemes
- 🍃 In line with industry standard at 19% attrition
- 🍃 Inflationary wage pressures being managed within budgets
- 🍃 Above average engagement capital score

IMPROVING GENDER AND ETHNICITY REPRESENTATION

- 🍃 Female hiring rate at 42%
- 🍃 +1% YoY increase in representation of ethnic minorities within the UK

DIVERSITY & INCLUSION

- 🍃 26% of females in Technical roles as we progress towards our long-term target of outperforming the sector average of 35%
- 🍃 Conducted a Diversity & Inclusion survey in Q4 2022

Outlook: Confident in return to profitable growth



SUMMARY & OUTLOOK FOR FY2023

EXPANDING CUSTOMER SHARE OF WALLET

- Continuing progress towards our goal of increasing ARR
- Good pipeline of Tribal Cloud opportunities and Edge products

EXPANDING ADDRESSABLE MARKET REACH

- Edge products provide new customer opportunity in existing and new markets
- Student enrolments continue to increase, resulting in higher demand for our solutions

FOCUS ON CORE PRODUCT SET

- Continued investment, focusing on selling existing product set, both mature products and new Edge products
- Focus on organic growth with pause in M&A activity

RESOLUTION OF NTU

- Key focus on resolution of NTU contract

OUTLOOK REMAINS POSITIVE

- Positive start to trading in FY23
- Cognisant of inflationary cost pressures
- Good pipeline of opportunities for our products from existing and new customers

Q&A

TRIBAL

The background of the slide is a grayscale photograph of a server rack. It shows several rows of network ports, each with a small white label above it containing a number. The labels visible include 056, 057, 058, 059, 072, 073, 088, and 089. A horizontal teal-colored band is superimposed across the middle of the image, serving as a backdrop for the main title.

APPENDIX

T R I B A L

Tribal Leadership Team

TRIBAL BOARD



RICHARD LAST
CHAIR



MARK PICKETT
CHIEF EXECUTIVE OFFICER



PAUL DAVIES
GLOBAL PROFESSIONAL SERVICES
DIRECTOR



MIKE COPE
CHIEF TECHNOLOGY OFFICER



CHLOE PAYNE
HR DIRECTOR



ROGER MCDOWELL
SENIOR INDEPENDENT DIRECTOR



NIGEL HALKES
NON-EXECUTIVE DIRECTOR



DIANE MCINTYRE
CHIEF FINANCIAL OFFICER



MATT DAVIS
MD EDUCATION SERVICES



TAWFIQ SLEETT
CUSTOMER SERVICES DIRECTOR



CHERYL WATSON
SALES DIRECTOR

TRIBAL EXECUTIVE TEAM

Environmental Social Governance (ESG)

	ENVIRONMENTAL	SOCIAL	GOVERNANCE
	REDUCED CARBON EMISSIONS	DIVERSITY & WELLBEING	COMPLIANCE & DATA
INITIATIVE	Reduced travel with carbon offset Ongoing	Diversity within Tribal Ongoing	Internal systems improvements Ongoing
COMMITMENT	Cloud optimisation Ongoing	Supporting student wellbeing Ongoing	Global ISO certification Ongoing
	Enhancing sustainability in Supply Chain New		
UN SDGs	 	  	

TRIBAL'S KEY ACHIEVEMENTS

ENVIRONMENTAL

- Awarded a Bronze award from EcoVardis for Sustainability achievements
- Funded the planting of 3,600
- Octopus EV car scheme launched in the UK

SOCIAL

- Continued YoY increase in gender and ethnicity representation
- Global diversity and inclusion survey was completed identifying key actions for FY23
- Student Council set up in the year with 6 HE and 2 FE Educations providing representation

GOVERNANCE

- Secured ISO certification for Semestry UK and Semestry Netherlands
- Cyber Essentials+ certification secured for ebs, Maytas, SITS and Edge
- Compliance training completion rate of over 95% globally

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 to 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 31 December 2021. 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

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TRIBAL

