Informa
Half Year Results 2024

Video Webcast

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Transcript

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Stephen A. Carter: Good morning. Good morning, everybody, and for those of you who are in the room, thank you very much for coming. For those of you who are watching live on the livestream, thank you very much for tuning in, as they say, and welcome to the presentation. Today, it'll be myself and Gareth who have a few slides to take people through, and then we'll throw it open to questions both in the room and also questions on the livestream. I'd also like to say a particular welcome to Phil Thomas, the CEO of Ascential, who's sitting in the front row. Phil and I, as you can imagine, have got to know each other a bit better over the last few weeks. It's a real privilege to have him here. He has a busy day today, so it's kind of him to give up time.

He actually has a tight schedule, so he has to leave. If he gets up in the middle of either mine or Gareth's presentation and leaves, it's not because he disagrees, or that's what he tells me anyway. But anyway, let's get into it. This is the disclaimer and into the meat. Today, obviously, there are two pieces of news, if you like, a half-year results, which we're going to spend a bit of time on, and obviously, the offer that we have made to Ascential shareholders, which actually we'll spend some time on but not much, because as you will all know, we're operating within some guardrails and guidelines. It's a takeover process and therefore we will be slightly restrained. Not constrained, but restrained. I'm working out how many lawyers there are in the audience as to what we can and can't say both in open session and in answer to questions.

But to step out of us and to step out of the offer for Ascential, just a little bit of backdrop that is relevant to us. On the left-hand side of this chart, where's the world in which we operate? The Informa Company operates in about 30 countries around the world now at reasonable scale, and so what happens in the world matters to us and for us. Actually, global growth overall is steady. It's not spectacular, but it's steady depending upon where you are in the world. Certainly, in my traveling life, there is optimism, and ambition, and aspiration, and in some places, there are concerns and some caution. But in the blend, there is steady global growth. In the markets that we serve, the markets of advanced education and specialist B2B services, actually, I would say slightly more than steady growth for a variety of reasons we'll get into.

Inflation seems to be slowing and that is beneficial both for us as a business on input prices. It's also beneficial for our customers because it allows them to be a bit less focused on the cost line and a bit more focused on the growth line, the marketing line, the expansion line. Some rate cuts, not yet evidently from the Fed or yet from the Bank of England, but some rate cuts and some indication that there are more to come, and elections. Elections, elections, and elections, and indeed one recently completed here and just across the channel in France. The right-hand side, as it relates more directly to us, what are we seeing? I was having a conversation with one shareholder earlier who reminded me that he hadn't seen me in person since July 2020, so it was easy for me to say, "Well, in July 2024, I'm generally cheerier than I was in July 2020," because if you're in the live experience business, July '20 was probably a nadir, quite relevant actually to how we've ended up in a position to be able to make an offer for the Ascential company.

Because some of you may remember, that in the end of 2021, we made the slightly counterintuitive decision to sell three of our data businesses and to recycle that capital into building our position in B2B markets and expanding internationally and at more scale, a decision that looks sensible in July 2024, but was maybe not quite so obvious back then. What have we seen? We've seen that whilst there's been a significant increase in digitization, and a rapid acceleration in AI capability, and perhaps an even more rapid acceleration in AI promise, the value of live experiences, if you have the right live experience, has gone up, both in demand and in value, and therefore an ability to price. As a backdrop, we've seen a significant increase in R&D investment, particularly weighted towards AI. We'll come back to both of those things.

As you know, we see ourselves as a knowledge and information business. We operate now very clearly in two markets. We service advanced education, the desire of people, both for themselves and for the next generation, to be educated not just at a school level or at a first degree level, but at a specialist subject level. We've seen significant expansion in the number of subject areas that are available for study or for specialization. We operate in the B2B market, not B2C, B2B, whereby we've seen a significant increase in the number of specialist professional markets that have their own supply chain, their own market, their own distribution, their own ambition. Our mission statement as a company, "to champion the specialist", applies equally to both of those markets.

Over the last decade or so, we have seen significant expansion in the available market. We've seen significant expansion in our own portfolio in both areas, by subject, by category, by market, and you are seeing that in our performance. I think today is our 7th consecutive upgrade in performance, on revenue, on margin, on earnings, on cash, on dividends. The underlying truth of the knowledge and information economy that we have been seeing for some time is there is real value in specialism if you choose the right markets and you go deep rather than wide. You see this in our half-year results. Strong growth. It's the first time, certainly, that I've had the privilege in this company of reporting double-digit growth at the reported level, at the underlying level for sales, at the operating profit level, and significant growth at the free cashflow level.

Our margins are ticking back up. We're rebuilding our margins from the low point back to our ambition, which is to get them back to circa 30%. We're growing our earnings per share. As a consequence of all that, we've increased our full year guidance from above the top-end of the range, which at the profit level was 950, I think, to 970, and we're now targeting to get to nearly a billion. In the individual businesses, at the group level, we are now today along, as a consequence of the offer for the Ascential company, we're essentially completing the capital recycling program that we started back in 2021. I'll come back and unpack that a little more in a second.

In Informa markets, which is our single largest business, we're seeing really strong growth, increasing demand for high quality large-scale B2B transaction-led experiences. In Informa Connect, which is a business that's growing at scale, which is where we house most of our more experience and content-rich brands, similarly, we are seeing significant growth and margin improvement. In Taylor and Francis, it's a business that, for some time, has been seen as a lower growth business. We're slowly rebuilding the core of that business back to 3, 3.5, 4% growth. At the same time, we found partners as a consequence of the AI technology development who are interested in using, in the first instance, some of our data feeds in order to train some of these large language models in a way that allows them to be more specialists than generalists, and, as a consequence, allowing us to deepen our partnership so that we can improve our own deployment and indeed increase our own deployment of AI and machine learning capability inside that business.

Our partnership with TechTarget, which will lead to a new company at the end of this year once their shareholders have voted on it, continues at pace. We are trying here to create a B2B growth accelerator solely focused on the technology industry. The component parts of that we believed we had, and TechTarget had the combination of those two, the whole is greater than the sum of the parts. In process terms, we are in the middle of that process. We've made our first filing for the new entity to the SEC. You can see our growth plans for that business, which seek to establish a business, which, in three to five years, will double in size through a combination of organic and targeted inorganic growth. We think the underlying fundamentals of that business speak to an increasing demand for both specialist information to allow enterprise vendors to be able to identify their customers more accurately and more effectively.

The timeline on that has not changed. We're targeting the end of the year to enable us to move into 2025, with that independent company standing on its own with a U.S. listing, but with Informa as the largest and the majority controlling shareholder. To step back a little to go forward, I thought, if you don't mind, I might use this to talk a little bit about how did we get here. For those of you who have the misfortune to listen to me a bit, you'll know that I like a bit of amateur history. Here's a bit of exhibition history. Given that the Olympics opens this week, expositional or exhibitions were really invented by the French, and the first large scale exhibition happened in Paris in 1844, a fabulous event which showcased the finest in French design, and manufacturing, and technology capability.

At the time, there was a bit of competition between the French and the English. It's good to see that some things don't change. The English, at the time, looked over the channel and thought, "Well, if they can do that, we can do that better." In 1851, we ended up with the great exhibition here in Hyde Park sponsored, interestingly, by Prince Albert. It was a combination of the monarchs of the time's spouse and a very senior civil servant, a gentleman called Henry Cole, who was a remarkable individual, for those of you who are interested in English history, and responsible for many things including inventing the gift of sending Christmas cards. Anyway, the combination of sovereign sponsorship, a little bit of competitive tension across the channel, and a farsighted policy, commercially-orientated public servant, created the idea of the great exhibition. Funded by a combination of a levy on industry, and government support, and sovereign support, commissioned a fabulous architect to build the Crystal Palace, Caxton, and then showcased actually not just British things but international things. It was an international exhibition, it was a trade show.

Actually, if you look at the performance of that trade show, in real terms, it made a profit of 33 million pounds, which on the basis of our offer for Ascential today would make it very valuable if it existed today. From that genesis of the power of exhibitions, if you fast-forward to 1998 was born a little company called Informa. Now, in those days, Informa was a mixture of two things, conferences and business publishing and scholarly publishing, the T&F business. In fact, originally, when the company was born, it was called T&F Informa. The T&F dropped down because T&F was separately-listed company. I joined this company as a non-executive director in about 2008, 2009. At the time, we were primarily an academic business and a conference business. Through acquisition, we owned about 10 or 13 trade shows, 10 or 13 trade shows. Today, we operate over 600. So, between 2013 and now, we spotted a market and thought, "How do we become a major player in this market and where's the value?" That takes us back to the point around specialism and specialist markets. To do that, we actually navigated ourselves out of the volume conference market and in at scale to the trade show market. To do that, we've been creating, building, and buying. We actually started in the buying stages by buying a business that some of you may remember called Hanley Wood. It was the first business we bought of scale. Over the period of time after Hanley Wood, we added Penton, then we added YPI, then we added UBM, and then we added Tarsus. Today, we made an offer to the Ascential shareholders. These numbers are the price we paid in multiple terms after synergies for each of those businesses.

Back then, we were growing at 0.5%. Today, we're publishing 11% growth. Alongside that, we've also created brands. We've geo-cloned brands, we've moved brands internationally, we've opened geographies, we've moved into other markets. We've created, we've built, we've bought, and we've put together, I think, a business that has a sense of itself, but it's a business that's been created through that process over that period of time, but with an underlying belief that there is a power in serving specialist markets with distinctive creative B2B product around which you can provide other services and have other benefits. The market's gone from great state-sponsored exhibitions to experiences, experience-led products, and no one actually showcases experience-led products better than the Ascential company. Cannes Lion and Money2020 are marquee examples of world-class brands servicing their end markets in a way that is distinctive.

I actually started in short trousers. The first trade show I ever went to was Cannes Lion in the mid-1980s. You go to Cannes Lion in the mid-1980s and you turn up in 2024, it's unrecognizably different. Phil and the team at Ascential are singularly responsible for that transformation. You can take these franchises, you can expand them, you can develop them, and you can innovate them. From that, you can create real growth. Our ambition, if the shareholders of Ascential say yes to this deal, is to continue that over the next five to 10 years. Experiences, to go back to my point about the power of digitization, is it's put a double premium on the power of face-to-face. You might do it less, but when you do it, it has to have more value.

It has to have more richness. It has to be more unique. It has to be more immersive. It has to have higher value content. It has to allow you to create connections that you couldn't otherwise do more efficiently digitally, or virtually. We know that. We know that because we do that. We have brands that do that already inside our portfolio. Super return for the private capital market does that. The Monaco Yacht Show for the luxury market does that. Arab Health for the healthcare market does that. Our Fan Expo portfolio for the fan market does that. Game developer for the gaming market does that. Black Hat for the cybersecurity market does that. It's undoubtedly true, the Money2020 for the FinTech market and Cannes Lion for the marketing and marketing technology market does that. These are world-class brands with a power and a market position that is unique. They're not an event. They're the events, and the events have long-term value. That is what led us to recommending the offer to Ascential today.

Someone asked me, "When did your conversations with Ascential start?" I said, "Well, I actually can't answer that question because I have a chaperone in the room from Morgan Stanley, a very nice young man called Josh, and we're very constrained by what we can say when these specific conversations start. But I can tell you when my first conversation started, 11 years ago." We have spent a long time getting to the point whereby we think we've earned the right to be able to own and operate these brands, and grow them, and develop them to the next stage of growth and performance. I think the rationale is very clear. These are brands that need nurturing and growing. They're in markets that we know. We're in the FinTech market. We have a FinTech portfolio. We're in the marketing market. We have a marketing portfolio. We're in the technology market. We have a technology portfolio. We have a global operating platform, and we have a unique set of first party data and an ability to deploy it and to use it.

It'll take some time. There's information that needs to be published. Shareholders have to make a decision, a vote has to be held, a process has to be conducted. Even amongst that, Phil and his colleagues at Ascential need to run the business on a day-to-day basis. That's hard to do when there's the winds of change. But at the other side of it, in Q4 2024, if the Ascential shareholders approve this deal, if there's anyone on the livestream from Ascential who's watching, please rest assured that we are buying this business or seeking to buy this business for growth, and ambition, and expansion, and development, not for cost and synergies. Will there be some synergies? There will, but they are relatively nominal. They help the deal financially, but it is not the driving purpose behind the acquisition.

The capital recycling program that I alluded to earlier, when we made that decision in December 2021, we then sold our three businesses, 200 million of revenue plus or minus. We sold those businesses at 28 times on average. We realized two-and-a-half billion of proceeds, and then we said to the market, "We're going to recycle that capital," which we've done. Today's announcement on our offer to Ascential completes that program. We've essentially reinvested those proceeds. We've acquired just north of 600 million of revenue at very comparable margins at around 11 times on average, including the price paid for Ascential. At the same time, the growth rate in these B2B markets is allowing us to generate cash that's enabled us over that period to redistribute nearly 1.85 billion of money to shareholders in buybacks and dividends. Building, buying, creating, and growing a world leading business in B2B markets is what the program was designed to underpin.

If we get there and if the shareholders of Ascential say yes, what will the group look like? As we go into 2025, this will be the shape of the Informa group. Informa markets, which everybody knows, are large-scale industrial trade shows uniquely positioned to service transaction-orientated buyers and sellers in 30 geographical markets around the world in about 17 sectors. Informa Connect, an experience-led portfolio rich in content, professional accreditation, networking knowledge, immersive experiences, a business that next year will be over a billion in revenue, unique brands operating in six subsectors and similarly spanning about 15 to 20 geographies. If the Ascential process completes, we believe there is a subset of brands that exist in Informa markets, in Informa Connect, and inside Ascential, which we would call in Informa Festivals. Unique, immersive, distinctive, high-value brands, which, at an operating level, we will probably run as a distinct operating unit inside our two operating divisions. The plumbing of that is to be determined. The wiring of that is to be determined, but the value of that, I think, is clear for everybody to see.

TechTarget will be a standalone business at that point. The Tech Events franchise returns back to Informa Connect. We will develop a world-leading business in lead gen, in demand generation, in B2B content, and in servicing the enterprise technology market. Our scholarly publishing business goes from strength to strength in open, in open research and open science. We are partnering in AI to further enhance the service offering to authors and institutions, and underpinning that is our IRS first-party database.

That business combined going into 2025 will be north of a 4 billion pounds in revenue a business with an ambition to target circa 30% margins. As a consequence of that, it's time for us to tidy up our remaining stub investments that are, if you like, a by-product of our capital recycling program. We've announced that today in our half-year results, that we're going to review what's the most sensible way to hold, or retain, or extract value from those investments. That's where we are today. That's the half-year results. That's the thinking behind the offer to Ascential shareholders. A little bit of history just to give you context about why did we end up as the company that we are today. On that note, I will hand over to Gareth to take you through the specifics of the financial performance. Gareth.

Gareth Wright: Cheers. Thank you, Stephen. Good morning, everyone. Welcome to those in the room and those on the live feed. Thank you for joining us today for these half-year results. These are, undoubtedly, a very strong set of results for the first half of 2024. Growth in revenues, profits and earnings, growth in cash flows and dividends, which together, with our forward visibility into the second half of the year, gives us the confidence to upgrade the guidance and the way that Stephen has outlined in the first half of this presentation. I think that first half performance and the upgrade in the full year guidance both point to momentum and growth in the Informa story. I'm going to unpick some of the detail on the first half results to start with. As I say, this is really a story of accelerating growth for the business. Reported revenue growth is approaching 12% to deliver revenue of almost 1.7 billion in the first half of the year. Underlying revenue growth at 11% reflects the strong growth in the B2B markets business underpinned by acceleration in the Taylor & Francis revenue story. Adjusted OP increases 13% to 467 million, approaching 500 million pounds of OP and that drives an improvement in the operating profit margin for the business up to 27.5%. Earnings are up 6% driven by that trading, driven by the 13% increase in OP, but assisted by the share buyback program that has run through the first half of the year.

We delivered a strong cash performance, good cash conversion and around 80% of our OP into operating cashflow in the first half of the year in which is our seasonally weaker half of the year due to the subscription income that we receive the cash for in the second half of the year. So 80% in the first half of this year compares to about 65% in the first half of last year. We've delivered on our progressive dividend commitment increasing the dividend for the first half of the year by about 10% year-on-year. By any measure, I think these are a strong set of results. I'm now going to unpick them and talk you through some more of the detail behind them. If you look at the income statement and turn to the reported results there, we've delivered a 13% increase in OP to deliver about 467 million pounds worth of OP in the first half of the year. That's on a margin of 27.5%, which is a 30 basis points expansion on the first half of last year. I'll talk about that increasing the margin in a bit more detail on a following slide.

In terms of the financing cost, the half year 23 finance cost was effectively zero because we started the year with zero leverage. Then, during the first half of the year, the larger cash balances we had earned a higher interest rate than the interest rate we were paying on our borrowings and therefore we ended up with a small financing income in the first half of last year. This year, we've returned to more normal levels of leverage and borrowings and with the lower levels of cash in the business, we therefore have an interest charge of about 26 million pounds, which is pretty consistent with what you'd expect from our business and our balance sheet without the cash balances.

This time last year, I flagged that the ETR would be 21% for FY24. We're actually now forecasting 50 basis points lower than that because of some of the actions that we've taken in the business. The year-on-year increase from 19 to 20 and a half is for the reasons that we've spoken about previously. It's the increasing profits which have more of an effect against the fixed tax planning structures that we have in place. It's the impact of the full year of the UK corporation tax rate at 25%, and it's an impact from the OECD minimum tax rules, which took effect on the 1st of January 2024. I expect the 2025 effective tax rate to be the region of 21 to 22%. Again, a little bit of a tick up from where we are this year.

The non-controlling interests increase year-on-year, which is simply the growth in the profitability of various businesses in our group, principally the joint ventures that we operate in trade shows in China, the trade show partnership in Saudi Arabia, Tahaluf and the Curinos financial services business in the United States. Not withstanding the increases in interest tax and non-controlling interests, our EPS increased 6% year-on-year in the first half of 2024.

Taking that P&L performance and then looking at it on a division by division basis, in Informa Markets, our transaction led B2B live events continue to deliver a very strong performance globally and the outlook for the remainder of 2024 and into 2025 looks really positive. Our underlying revenue growth of 13% is driven by a strong performance in Asia and North America, but coming below that level, actually, all the markets and pretty much all the businesses are showing strong growth year-on-year.

We're also delivering consistent volume growth both at existing events and through the launch of new ones and our international network here is a key advantage. We talked about the Tahaluf business, the partnership in Saudi Arabia earlier in the year and today. That's grown from nothing three years ago to a scale business operating 10 events in 2024. That combination of volume and value growth is what is delivering 13% growth at the half year and is expected to deliver double-digit underlying revenue growth in 2024 as a whole.

As Stephen touched on earlier, we've got more than 100 brands in the business which are major brands, these scale brands on track to grow by more than 15% this year.

Informa Connect, we benefit there from the increasing value being placed on face-to-face experiences that convene industries and professional communities and high value content and connections in that business. Within the dynamic, we're also seeing an increasing trend towards festivalization, as Stephen talked about earlier, with a premium paid for unique experiences that you can only get through attending events face-to-face, live and in person. Underlying revenue growth for Informa Connect was 6.5% in the first half of the year driven by strong performance, particularly in fan expo, food services, and in the finance events in that portfolio. The addition of Tarsus and Winsight has also created scale in that business, so reported revenue growth of 18% year-on-year is being assisted by those acquisitions.

In Informa Tech, trading in the first half of the year is really strong with underlying revenue growth of 15.5%. This is driven largely by the events portfolio. Within that, particularly the LEAP franchise in Saudi Arabia, but it's also underpinned by our subscription-led specialist tech businesses such as Omdia and Canalys, which show good growth in the first half of the year.

Taylor & Francis delivered accelerating growth with underlying revenue growth of 7.5% in the year with continuing growth in our open research and robust performance in the pay to read business. Obviously, boosted by the AI partnerships that we've announced partially in our trading update earlier in the first half and with a second announcement today of further growth. The OP margin is up year-on-year, driven by that higher margin revenue mix from the LLM deals, but supported by the underlying business trading at a consistent 35% margin with where you'd expect it to be on a full year basis.

Looking at our financial delivery, we delivered strong underlying revenue growth of 11% in revenue terms and almost 19% in profit terms in the first half. Turning to our reported growth, if you bridge across, there's a phasing headwind in the business because 2024 is a biennial down year, 2023 being a biennial up here and our biennial's are larger higher margin OP events than the average of the rest of the portfolio. When you take out those biennials, the reported results suffer a little bit of a headwind and a bit more in profits than in revenue terms because of those high margins. Our portfolio expansion has benefited the reported results to the tune of 6.7% in revenue and a bit less in profit. The reality is that M&A benefit is a reflection of the full year value of 2023 deals, more so than value from deals we've completed in 2024.

Then, finally, currency is a bit weaker in the reported results because of the year-on-year strengthening of sterling in the first half of the year, which has strengthened versus all our major currencies, the dollar, the Euro and the renminbi. Therefore, that acts as a bit of a headwind on the reported results compared to the underlying results, but it adds up to strong growth in reported revenue of 11.5% and almost 13% in terms of reported OP.

We've delivered a small increase in the margin to 27.5% in the first half of 2024. In terms of the bridge, performance, it's the global trading benefits really delivered by Informa Markets and Taylor & Francis in principle, where their strong revenue growth has delivered operating leverage. The currency impact is from the weaker dollar-Euro combination as I touched on and phasing is the biennial effect that I mentioned on the previous page with the biennial up years being a higher margin benefit for the group. We're targeting a further improvement in the OP margin from the 27.5 in terms of the full year growth, which you'll see from the guides today, we're expecting to be somewhere around about 28% for the full year.

Looking at our capital allocation policy, this is a reprise of the slide that we presented at the year-end. The policy is unchanged, but I thought it would be worth just talking across the slide and showing how we've implemented and adopted that policy in the first half of the year. Organic investment, we talked about consistent CapEx of three to 4% over the medium term. In the first half of the year, it's a bit less than that, around 2.5%. As Stephen said in his presentation, we're really looking at upping the R&D research particularly around our platforms and processes in the second half of the year and reinvesting some of the Taylor & Francis LLM profits in that business to drive further incremental growth in the future.

We've got a progressive dividend policy. The half year dividend for 2024 is up 10% year-on-year, and our cash flows from dividends to shareholders in 2024 as a whole will be around 250 million pounds.

Inorganic investment continues. Stephen touched on the reinvestment of the GAP2 proceeds into new assets. Around about 2.5 billion pounds worth of disposal proceeds have now been redeployed. In today's announcement, the combination with Ascential is the latest step in that inorganic investment.

Then, finally, share buybacks, which are flexed with the inorganic investment or the level of capacity we have. We've completed around about 400, 420 million pounds worth of share buybacks in the year to date. That means we've now redeployed over 1.45 billion pounds worth of share buybacks since the GAP2 strategy started. Overall, what we think is a balanced and disciplined approach to capital allocation designed to balance growth and deliver returns, but also flexible for opportunities for shareholder value creation. In the mix on the capital allocation policy, the rating agencies have looked at that and all three agencies have upgraded us over the course of the last couple of months.

We're now two notches above investment grade status at either BBB or Baa2, depending on which agency you're talking at. They have all upgraded us to an Outlook stable position. These three upgrades, I think are delivered by the core financial strength of the business, but they also reflect, I think our relationships that we've built with the rating agencies through the pandemic where times were obviously a bit more tough and as we've recovered from that through consistent communication, execution and delivery of our financial strategy. Now, we have with those three ratings, the strongest set of credit ratings we've had since we first took a public rating in 2018.

Continuing on the cash flow theme, as I said, we've delivered strong cash delivery in the first half of 2024 with free cash flow up 27% year-on-year to 286 million pounds. We've delivered good cash conversion. Operating cash conversion of OP into operating cash flow has been 79% compared to 65% in the first half of last year. There's always a working capital outflow in the first half of the year for us, so you would expect that to structurally reverse in the second half of the year where we'd be more like 100% cash conversion. Our full year guidance has ticked up to 740 million pounds plus, consistent with the increase that you've seen in the OP guidance today. In terms of the bridge, there was no dividend outflow in the first half of the year as the final dividend for 23 goes out in July. As I say, buybacks of almost 340 million were completed in the first half of '24.

Then, finally, M&A increases the bridge by about 0.1 of a turn, clearly immaterial in the overall scheme of the business, resulting in closing leverage at the half year of 1.6 times. This leaves us with good balance sheet flexibility, liquidity of 1.2 billion at the half year ahead of the Ascential combination, with no borrowing maturities until October 2025. No group level financial covenants and borrowings almost entirely at a fixed interest rate at the moment, which in the current interest rate environment, has served us well. Then, finally, on an IAS 19 basis, we're running a pension surplus of almost or just over 50 million pound at the half year.

Turning to the market guidance, as I said on the first slide, the half year results today underpin a strong year to date performance with strong underlying revenue growth of 11% and OP growth of 19% and a year-on-year expansion in the margin. If you take that year-to-date performance together with our full year visibilities through the second half of the year, that gives us or it's giving us the confidence to upgrade the guidance. Now, we're reflecting a full year double-digit underlying revenue growth, delivering revenue of over three and a half billion pounds and adjusted OP of up to a billion pounds. Another further increase in the margin and uptick in the free cash flow to 740 million pounds for the year. Two points to note, this guidance has swallowed a small change in the average FX rate from 1.25 to 1.26 with the dollar principally weakening.

This, at the moment, excludes the TechTarget and Ascential combinations, which would be further upside to these numbers, but increasing market guidance, I think reflects to say the strong underlying performance in the business and our increasing confidence looking through the second half of the year. In summary, that's what I think is a good set of half year results with strong underlying growth across all the divisions and a strengthened outlook driving the increase in the guidance. I pass you back to Stephen who will talk you through the balance of the presentation.

Stephen A. Carter: Thanks, Gareth. Right. A couple of quick things and then we'll get to questions. I just thought it might be useful to highlight. The first, just if you look behind Gareth's revenue numbers there, what's the nature of the revenue? I think two of the things that we are most pleased with is to see the consistent increase in improvement in what we would call recurring and repeatable revenues, absolute amount and the sectors and the category areas in which we are deriving those revenues. As we said in relation to the Ascential offer, FinTech and marketing and MarTech or technology are sectors that we're already in or adjacent to or next to. The markets in which we are pursuing further depth as well as increasing predictability.

Talking on predictability this gives you a bit of a sense of what we can see. To the year-end, we can see a lot both in subscription and in our live and on-demand bookings, but actually, even into 2025. This is a cut of our Marquee Brands, I think. It gives you a real sense of our visibility into the following year for 2025. It's one of the increasing values of Premier Brands that you have forward visibility and commitments 12 months in advance, which allows you to plan and develop the business accordingly. The other interesting way to look at the business is through the revenue lens. We are clearly a British company. We're headquartered here. We're listed here. I don't actually know off the top of my head, I'm going to look at Sally. What is the UK headcount? It's just under 4,000. The company as a whole is 13,000 and change in full time. Then, we have actually a significant relationship with many thousands of contractors who often you can't tell the difference between the contractors and the colleagues. Nevertheless, the UK is a very important market for us, but actually, it's not really an important market for us in revenue terms. Internationally, if you're looking at it on a flag basis, we're an American company or an America's company, Canada, North America, Brazil and Mexico.

We are increasingly an IMEA business, India, the Middle East and Africa. We have built a powerhouse business in those markets, which is growing at significant pace rates. Gareth referred to the development of our business in the kingdom of Saudi Arabia, but the same is true in Dubai, in Egypt, in Turkey and in India. Europe, we have a good and growing position and in large brands, in scale brands, CPHI, Vitafoods, the Monaco Yacht Show, SuperReturn, IMPower, but we're also adding with ambition through the offer brands that also operate in Europe. ASEAN is another gem inside the portfolio geographically. We're seeing really strong and significant growth, in many of those economies and are not only coming back as economies, Thailand, Vietnam, Indonesia. They're also, as it relates to our B2B business, making the necessary investments in infrastructure, both airports and convention centers, building capacity and therefore ambition for future volume.

Hong Kong is returning to international trade, and that's very important to us because we host our international trade brands in that market for reasons that are obvious. Then, Mainland China, which is not growing at the same rate as the rest of the business. It's below the group average. Group average, as you can see, is around 10 to 12, but China is still in four to 5% growth. I'm not so old, but I do remember when four to 5% growth was regarded as strong growth. That's the way in which the revenues shape up if you're looking at it through a geographical lens.

Then, I just wanted to talk about brands. It's the kind of peculiarity of working in the B2B market. Because you're a specialist business, you don't do that one to millions or one to many millions, and therefore you don't have the same level of profile. In the markets in which we serve, for the markets that we serve at a professional level, the B2B brand is a material event. It's a material circumstance. It's a material commercial circumstance, and in many ways, is a calendar date point around which other activities in the industry pivot. We now have a range of significant, what we call Marquee Brands or Power Brands, and the growth rates in those larger brands are again running above the average. That definitely is a trend that we've seen, that the market is moving to major brands in major markets. One of the things that's allowed us to do is to become a little bit more sophisticated about how do you extract value from the intellectual property that you've created or you've built or you've bought? I've just chosen five here, CPHI, which I believe some of you in the room and maybe some of you on the livestream have attended, targeted at the pharma market, but all ends of the pharma supply chain.

Cityscape, which is focused at commercial real estate, high value commercial real estate, Black Hat cyber security, SuperReturn private capital, and the healthcare market. We're actually in the process of rebirthing the brands in that market. Because there, we own about six or seven different brands, and actually we're going to go to a single brand. We've taken those brands and we've syndicated them to over 40 geographic markets. Those five brands alone are doing nearly half a billion of revenue. The ability to use your intellectual property, both geographically and the data and the customer relationships, and the market access is one of the values of having a portfolio business, and we think that's another underpinning of our confidence in the ambition to add the essential brands to our portfolio.

There isn't a business today, there isn't a person today, there isn't a community today that's not alive to climate change and ESG as it's inaccurately called, captures the activity in and around our environmental responsibilities. We've put a lot of time and effort and work into this over many years now, eight or nine years we've been focused on this, both on the rankings and perhaps more materially on what we're doing inside the company. How do we deal with carbon neutrality? How do we deal with sustainability, particularly in our event business where there is construction work and destruction work before, during, and after an event? How do we deal with the impending science-based target obligations? How do we use our events and our research to actually pursue sustainability knowledge and how do we have a multiplier effect in the markets in which we operate?

I'm pleased to say that we are seeing significant progress in our rankings, our ratings, our performance, and our delivery of our targets in this area. It's part of our senior team top 100 executive compensation plan. We're very focused on it. We take it seriously. It's a commercial activity, it's not a nice-to-have and we're seeing a similar level of progress in this area as we're seeing in our commercial and financial performance.

There is no Chief Executive who gives a presentation in 2024 who doesn't use the words AI. So it would be remiss of me not to refer to this for no other reason than we use a lot of what might broadly be badged AI technology inside our business today. Whether it be on content assimilation or validation or authentication, whether it is the simple level of vendor management, chatbots, or invoicing, or whether it be in service applications, in some of our event products and in our scholarly publishing business.

The quantum of R&D investment in this area is significant and it's concentrating. We have partnered with two players, one of whom we've named, one of whom we haven't, who are investing significant amounts of money.

From that, they are hoping to be able to improve the quality and speed and veracity of what they are producing. And we are hoping to be able to learn on the sidelines in partnership about what more we could do in our business.

We've said today that we're going to reinvest up to a third of the profits from those partnerships into accelerating our own product development in machine learning and AI capability. It's a sensible investment for future service distinction.

Allow us to embed AI capability more into our workflows in areas where it's sensible and it will also, at a practical level, particularly in our scholarly publishing business, allow us to accelerate the speed of discovery and the pace of research disclosure and open access. And all of those things are both good things and good for our business.

So that's where we are. This is the group that we will be. If what we are saying is going to happen between now and December or we're hoping is going to happen between now and December comes to pass, we will go into 2025 in a strong position with very good forward visibility, with a real sense of customer demand, with geographic reach, with diversity of the group in scholarly publishing business information and a leadership position in B2B events.

We'll have a strong balance sheet. If we complete the acquisition of Ascential, it'll take us up to the top end of our capital allocation policy, two and a half times, two and a half and change, but the business will deliver very quickly through 2025.

We're very disciplined on our cash flow and we're seeing our margins increasing and we remain committed to our progressive dividend policy. The company is in good shape and I'd be very happy to take questions either in the room or on the live stream.

So should we go to the room first if... We have I think two people with Mike, Sophia, and Helena. So why don't we start on this side of the room and I'll leave Helena to choose who she gives the mic to so I'm not displaying any favoritism. Name, rank, and serial number if possible.

Adam Berlin: Good morning, it's Adam Berlin from UBS. I've got three questions if I can. Can you just talk through the guidance upgrade around EBIT? It's about 35 million since the beginning of the year and you've got an upgrade to B2B events growth. You've got these revenues coming in for AI in Taylor and Francis, some of that's being reinvested. You've got some currency movements. If you could just help us with the maths just to understand. I mean, 35 million is good. It's just could it be bigger, I suppose is the question.

The second thing I wanted to ask about was China. I noticed it wasn't really talked about in your release this morning and obviously it's an area of macro concern. You said you did 5% growth in the first half. Is that sustainable or are you worried at all about deteriorating macro then?

And my final question is about pricing. You've already talked about having a lot of booked revenue into the first half of 2025. Can you give us some ideas about how you're thinking about price rises for like-for-like events into next year? Thanks very much.

Stephen A. Carter: Great questions, actually. I'll take them in reverse order because it will give Gareth time to build an EBIT algorithm to explain why 35 million isn't 45 million.

So pricing, we've put a lot of work. I mean, we've talked about this before. We've put a lot of work into pricing. I mean, as you know, we've always been very cautious on pricing in early days. If you go back to my little exhibition history of time.

When we came into this market, we wanted to build a position so we were very cautious on pricing. And as we've developed, I think, the ability and the capability to, A, deliver better customer experience and better products and other services, we've started to put much more methodology into: how do you price? Is it a simple booth sale? Is it a package sale? Is there an opportunity for upgrade or additional services?

And we started off by putting the top 100 brands. This is about two and a half years ago, just as we were coming out of Covid through what we affectionately called Pricing Boot Camp. And by and large, that proved to be a very productive exercise and that has really become an operating discipline inside the business.

And we feel confident that both the nature of our portfolio and our ability to offer a range of other services alongside improving the core product gives us the ability to have a sensible value-based conversation with our customers in '24 into '25 and hopefully '25 into '26.

China, I hope we weren't silent on China, we just had no new news on China. And you're right, the growth rate in mainland China is a little bit lower than the group average. That's why we laid it out. Hong Kong actually getting there may well be a bit better. So net in total, I think we remain confident in China for this year into next. As you know the Chinese, there's capacity in that market and demand.

We only, I think, have two brands that are particularly exposed to what you might call the end consumer market in our Chinese portfolio at scale. So we're not quite so buffeted by it as maybe some others might be. And we're not really particularly exposed to the commercial real estate market in China, which is as you will know at a macro level as having a tough time.

So we're not... I would say, we're neither bearish nor bullish. We are where we are and we remit... we feel confident that we can hold that position for now and there might be a little bit of upside in Hong Kong as the international continues to return. On guidance, it's 11:24. It's four hours since we last upgraded. Gareth, is there any more?

Gareth Wright: Just holding for this morning but we'll reconsider this afternoon. No, in terms of the guidance, I think we talked about the strong trading in the first half of the year and that's an element of it. We've also talked about doing a second LLM deal in Taylor & Francis and that's an element of it.

For the LLM deals we talked about doing about $75 million for the full year and that I think if you look at what we've announced previously and what we've said was in the first half scales, the second half of the year number for you, and we talked about a drop through, relatively high drop through circa 70, 75% in terms of those numbers.

But we're also talking about investing a third of the profits in the business both in this space directly and potentially more generally in Taylor & Francis to underpin further growth.

In the mix, there's a bit of an upgrade from the rest of the business, but some of the trading year-to-date in areas like LEAP is what's enabled the other upgrades on that slide that I presented earlier.

So there's a bit of upgrade for that, but that's a bit less in the mix overall compared to the LLM deals. And that's what gets us from at the top end of OP 970 up to a billion pounds worth of OP overall as a piece of maths.

Adam Berlin: Thanks guys.

Stephen A. Carter: Are you happy with that?

Adam Berlin: Yeah, thank you.

Nick Dempsey: Yeah, it's Nick Dempsey from Barclays. I've got three questions all related to the Ascential deal. So first of all, when you're talking about gearing being by the end of 2025 for a former group somewhere in the midpoint of one-and-a-half to two-and-a-half, I mean if we look roughly at where consensus net debt is in '24, then add the cost of buying Ascential and then look at consensus EBITDA for 2025, I think that's somewhere around two times.

So what happens to 2025's cash flow? Are you factoring in a further buyback in 2025 into your thinking there or is the around two times, a bit less than two times?

Second question, if we look at the two Ascential events franchises, they've grown over time but they've also been somewhat volatile. I've watched that year after year. In your due diligence, how confident can you be that Ascential won't be a downward volatile dip in 2025 because, I guess, that will be the year when rightly or wrongly we will judge this acquisition?

And then just the third one, a bit related. In 2018 Publicis pulled out of Cannes Lions, which was a big deal at the time. The revenues dipped for that year. Have you had in your due diligence conversations with the big agency holding groups about their commitment year after year to come to the show so we won't experience that again?

Stephen A. Carter: Okay, thanks Nick. I'm going to be looking at you, Josh, whilst trying to answer Nick because Josh is going to raise his hand if I go off-piste. First of all, on the easier one, the leverage, I mean, look, we're ambitious as a company. I mean, you know that well, and so we would hope to deliver at a click.

And we've used buybacks certainly post the capital recycling program, I think, very effectively. And then you get into a debate about the return on capital depending upon, A, what are the other options for your capital, and B, where is your share price and what's the return associated with buying back your shares at price X versus price Y?

And we'll take that view in 2025, but I think as demonstrated by what's happened over the last two or three years, if it makes sense, we're not averse to using buybacks as part of our shareholder return algorithm.

On Ascential, I mean, there really are... All joking aside, there are limits to what I can say. I mean, I think I can say this, I know you well enough and hopefully I know our shareholders well enough that they won't judge it solely on a one-year moment.

I personally think, and I think I'm allowed to express this view, that one of the advantages of us being the owner of these businesses is that they're in a wider portfolio and therefore it makes it easier to ride the ups and downs of a market. I think that's beneficial.

We have a high degree of confidence in the Fintech end market. We know that market. There's a significant portion of the world where Fintech solutions are going to be the root to banking and banking services for growing middle and commercial classes. And we have a very significant position in the Middle East and North Africa. There is nobody better able to expand and extend that franchise into that market than us.

And so when we look at the Ascential business and we admire it in total, and we certainly admire those two brands, we have real excitement about the growth potential in the Fintech franchise.

The marketing and MarTech franchise clearly is a mix. You refer to one individual holding company that is an important customer, but it's a much broader community than it was back in the day. And that breadth and diversification I think gives that franchise its underlying strength. And really that's why it's such a unique example of extension.

I think the only thing we've done similar to it in our own portfolio interestingly, is in our healthcare portfolio, where similarly we had a business that really was healthcare and hospital supplies and then expanded into healthcare technology.

And actually, what we did was we took the healthcare technology community and stood it up as a separate event. So we took our healthcare event and then spun out another event called it Medlab and ran it contiguously rather than keeping it as an integrated event. But the diversification of the franchise I think gives it its underlying strength.

So on due diligence, well, we've been... it's a public to public transaction, so you will understand well what the limits are on due diligence there. And we are confident based on what we know and we wouldn't have made the bid that we've bid without that confidence. Question here.

Carl Murdock-Smith: Thank you. Carl Murdock-Smith from Berenberg. You've talked previously about how growth is one third price, one third volume, one third newness. In terms of today's upgrade, I was wondering if you could talk about it along those lines. And I suppose my interpretation would be that the upgrade today is relating to newness.

And then secondly and thirdly, in terms of the visibility of those newness revenues. Secondly, in terms of the AI revenues, talking about $75 million plus this year, I've learned to become very questioning whenever I see a plus next to your guidance and how big is the plus. And I suppose thinking in terms of your visibility for those revenues, how long have those conversations around these deals been in place and how much visibility do we have today in terms of what that number might be for 2025, I suppose, going forwards.

And then thirdly, similarly around newness, Tahaluf, you talk about 10 shows for 2024, approximately how much revenue is that? And then looking forwards, again into 2025, how many new shows for 2025 and the growth there? Thank you.

Stephen A. Carter: Okay, very good questions. Do you want to have a think about price, volume, and newness, the mix? If it's a very big plus, we normally had another plus, don't we Richard? Yeah. In the old days we used to have a debate about, is it solid or is it outstanding? Now, we have a debate about, is it plus or is it plus plus? So it's a plus, which means it's more than 75 million, but it's probably not huge amounts, more than 75 million based on what we know today.

To answer your questions, we've been in conversation for some time both with the two partners who we've concluded with and with some whom we have not. And as I laid out on some of the slides, I mean, obviously the revenue is the number that we're discussing, but behind the revenue is a partnership. Behind the partnership is a set of engagement agreements, rules. And that's important to us too.

I mean, we're a publisher. We have responsibilities to our authors, to our researchers, to the content, to ability to access, to copyright, to citation. And so we've spent time putting in place a partnership that both respects those and enables them and us to be able to learn new things in new markets and do new things in new ways.

So I think we feel we've got the kind of balance pretty much right. Do we think there's more to come in '25? Yes, we do. Whilst the AI market in R&D terms is concentrating, there are many players who are trying to do development work either on specific features and no one yet has come up with a killer feature set. So it's an interesting set of conversations to be part of.

On Tahaluf specifically, I think I can say unless Gareth is going to overrule me, that we don't break out specific brands and certainly not that because it's a joint venture. I mean, we are the majority owner, but we have shareholders in that business, important minority shareholders.

But if this year it's eight to 12, I think it will certainly grow by 50% in volume of events in '25. That market, like a number of other markets that I was alluding to in ASEAN and indeed in mainland China and others is bringing on new capacity into the market they're building. They're making access to the market easier on visas and entry and relocation.

I look at it in our own business, four years ago we had one person in Riyadh. By December of this year, I think we'll be at 198 or something. So the market is developing at pace. So there's growth there for sure, for sure. On the revenue mix, price, volume, newness.

Gareth Wright: Yeah. Obviously, it varies year to year, show to show, et cetera. But overall in terms of the mix, that's kind of broadly how I'd be thinking about it. There are different dynamics in each of them. If you take sort price or yield as we talk to in quite a lot, we've been much more granular about our price increase management over the last couple of years.

We talked a bit about, I think, previously about the central team that we set up that's going around all the events. And it started off with the big events, marquee brands, then through power brands over time and challenging the local teams.

And therefore what you end up with is a much more specific pricing decision show by show and then revenue line by line through those shows, which I think helps maximize the yield in that space.

Volumes, we talked about geographies. Stephen just touched on the Kingdom of Saudi Arabia, Tahaluf there, but also organic volumes. We talked on... There's a slide earlier with the power brands and marquee brands and sort of growth that they're getting. That is volume and price growth effectively. It's not geo-cloning in there.

So that really talks to the sort of revenue growth you can get out of those scale market-leading brands and then continuing to look to add new services through GAP II, through IIRIS, and new products there. And that's behind a bit of the innovation, a bit of the R&D that we talked about earlier in terms of the CapEx. So all key elements and all important drivers, would say.

Stephen A. Carter: We got... One more in the room and then we're going to take a couple on the live stream.

Tom: Really appreciate the presentation. I mean, one slightly following up from Carl's question on AI. I mean, it's really nice to see a company actually making money in the here and now. I'm just wondering how bubbly you think it is.

And I suppose the second linked question is by essentially sub-licensing your content, I mean, are you really confident that you're not missing out on an opportunity to develop something yourself that you could monetize further down the route? That was the first question.

Second question was on the smaller stakes. I mean, obviously you've got a really nice little portfolio there and you've indicated you might be considering monetizing some of those. I just wanted to know whether anything is officially kicked off or that at this stage it's just a plan.

And then finally, sort of management bandwidth. I'm not saying you can't walk and chew gum at the same time, Stephen, but you've got two big-ish deals happening at the same time. Is there any risk around execution in your mind and how can we get comfort on that? Thank you.

Stephen A. Carter: Good questions. Actually this morning when the alarm went off, I was struggling to either walk or chew gum actually. But look on bandwidth, it's a fair point, we're busy. As the Informa colleagues in the room will all testify, I think generally we're better when we're busy. I think the timing is about right. The TechTarget deal, the filing work is done. That is one sentence that describes many hours work. And so I think we're heading towards the end of that process and we have got a very focused management team on the setup of new TechTarget. And I'm not saying that's the work of a moment, but there was a lot of work done in the last few months. The Ascential offer on current schedule will complete in Q4, almost just as we pass the baton to New TechTarget, if we get the timing about right. It's not entirely coincidental that either, Tom. So I think the timing kind of works, keeps us on our toes, but I think we'll be good.

On windfall, is it a bubble? Are we giving something up? Very good questions I think. A bit would be my answer on is it frothy? I've seen such eye-popping numbers on AI R&D. In the hundreds of billions. Six, $700 billion of R&D investment in AI. Is that going to repeat year-on-year for the next 10 years? I know no more than you, but I would have some skepticism about that. So I think we definitely are in a... We're at the sort of top end of an R&D investment cycle.

The view we've taken, and time will tell, is you're always better to be a participant. I generally find in life and certainly in business, that you're better off talking to somebody, partnering with somebody and engaging with someone, and two plus two almost always makes five, rather than pulling up the drawbridge and saying, we'll do it all ourselves. And it slightly goes back to Carl's question. That's why we've taken time to frame the deals that we have with the people that we have, because we think there's an environment of partnership where we can both take some revenue today. To your point, why would we not choose to do that? Shareholders have in a way paid for those assets, and at the same time give ourselves capability and learning to develop new products and services. So I think it's possible to get both. Your second question, please remind me, Tom, I'm failing to chew gum at this point.

Tom: Smaller stakes.

Stephen A. Carter: Oh, smaller stakes. Well, part of the reason why we put it in the release was because we have had some inbound on two of them, and rather than just have spot conversations, we thought we'd just make it clear publicly. Look, it's time. We've come to the end of our capital recycling program, that's evident in the maths of the offer for Ascential. It's time for us to tidy house. We'll do that and we'll do that in an open way. So now everybody knows who we are and those people are interested can come talk to us and we'll do it in a professional way. Questions on the live stream?

Operator: We will now begin the audio question and answer session. To ask a question, you may press star then one on your telephone keypad. If you are using a speakerphone, please pick up your handset before pressing the key. To withdraw your question, please press star then two. At this time we'll pause momentarily to assemble our roster. The first question comes from the line of George Webb with Morgan Stanley. Please go ahead.

George Webb: Hi there. Morning Stephen and Gareth. Congratulations announcing the deal in the strong first half. A few questions left on my side. Firstly on Ascential. Can you talk about your intended integration path for this business? If it concludes, is this a similar playbook to what you've used with Tarsus or prior acquisitions? Is there anything specific you'll need to be doing with Ascential? Then back for the Taylor & Francis AI deals. Can we just go into a bit more detail on what has been included in the first two of these agreements? So the types of content. Is it books, journals, and how much of the kind of content back list has been covered by those?

And then a couple of sub-questions on this. In terms of the 75 million plus of revenue now expected, how much of that jump higher is the second partnership versus other partnerships you're expecting to close out in the second half of the year? And then secondly, when we think about the more recurring revenue streams on these deals from 2025 onwards, how should be thinking about the size of those now? Thank you.

Stephen A. Carter: Thanks George. Let me have a go at the first and the second and maybe Gareth come in frankly on the second, but maybe both if you want to. Yep.

On the first we've laid out in the offer document, I think a reasonable clear path to integration. And again, slightly to go back, I think it was to, I can't remember, sorry, either Nick or Carl's question, there's not a complete accident in our timing. So if the timing works out as planned, then the offer will complete In the fourth quarter, we have made a proposal that we will run a period which we've called the discovery period, which essentially we can get to know each other as two businesses. We've offered effectively full employment security to the entirety of the Ascential company through to the end of that period, which runs through to the end of March of next year.

A; that minimizes business disturbance. Partly to Nick's point, we're very alive to the fact that it's never a good idea to buy a business and for it to fall over in the first year of operation. So we want some stability. It also allows them to get to know us, us to get to know them, and that should allow us to then move to more effective operational integration after the end of the first quarter of 2025. So that's quite a methodological process. For those people on the live stream who are watching from Ascential, please take from that, not that end of that period is a cliff edge, actually quite the opposite. It'll be a continuum, but hopefully it'll be a more knowledgeable continuum. There's clearly overlap at the PLC in corporate level and that's clearly alluded to in the offer document and that's an obvious saving. You don't need two PLCs, you don't need two listings, you don't need two sets of governance, you don't need two audits.

And so there will be simplification in those areas where there is duplication. But as I said in my opening remarks, we're seeking to acquire this business for growth and expansion. We've actually spoken to where we see growth in FinTech in particular. So I would say this, wouldn't I? But if I was a colleague sitting inside the Ascential business, the thing that is going to change is that you will become, if your shareholders say yes, you'll become part of a business that is single-mindedly committed to building a world leading platform of brands providing unique services to B2B customers. And if you do that for a living and you're good at it, there's nothing not to like about being an Informa colleague. So that's the way we'll approach the integration. We'll take time, we'll take consideration. We're very respectful of what they do. They do it well. We're here to grow the business.

On AI, the deals, I'm not going to go into too much detail, George, I hope you forgive me because A; they're private contracts, but they cover both the back-list and the front list. They're different deals with different swathes of content, different areas of content and in different time periods, but the fundamental underlying truth is the same. Is its specialist content in specified areas to enable the training and development and the coding to be done off specialty content and expert accurate information rather than generic web scraping or generalist freely available content. Will either of those contracts continue into '25? Yes. Will there be a lower rate than in '24? Yes. Are they de minimis? No. Will we lay all of that out when we get to '25? Yes. Are there more deals to be done? Yes. Are we talking to some other people? Yes. Am I going to give you a number? No. Is that helpful, George?

George Webb: Very clear. Thank you Stephen.

Stephen A. Carter: Thanks a lot.

George Webb: Maybe just one follow up in a different area. We've talked a little bit about being at the upper end of the leverage range if these deals close. In terms of your M&A pipeline, are not necessarily asking for more deals, but is there capacity to still do more? Is that something you'd entertain or is the focus really on de-leveraging and tidying up as you mentioned?

Stephen A. Carter: Look, short term, we've got our hands full. We've got a year to deliver and we've laid out an ambition but we haven't done it. We've got six months or five months work to do and we need to do that well. And our business trades strongly in the fourth quarter, so things can happen. We need to complete the creation of TechTarget, that is not the work of a moment, and we need to set that business up for success in its first year of operation in 2025. We need to let the Ascential shareholders make their decision and then at a click, hopefully at some point in the fourth quarter, we need to get to know each other and understand what they do and how they do it. And we are particularly keen to get the FinTech franchises working in parallel at speed.

And then we need to plan for 2025. We need to look at our growth, our investment stubs, and see whether or not there are other people who might be better owners. We need to do all of that and we need to do it all well, and we need to de-lever a bit. I think that'll keep us busy until sometime in 2025. Meanwhile, are we open to ideas? Do we continue to scan the market? Of course we do, and you would expect us to and so would our shareholders.

Next question on the livestream.

George Webb: Thank you. Good luck in the rest of the year.

Stephen A. Carter: Thanks George.

Operator: The next question comes from the line of Steve Liechti with Deutsche Bank. Please go ahead.

Steve Liechti: Yeah, morning everybody. I'll have two if I can? Thanks. One is on forward bookings in events into fiscal 2025. Any colour or detail you can give us there in terms of, I don't know, organic growth. Whether it be high single digit, double-digit at this stage. That's the first question. And the second question on the AI deals, I know you've talked about it a bit in the last few minutes anyway, but just more fundamentally in terms of a deal that you do, and you've done the two, once you give away your back-list, isn't it out there forever and doesn't it mean that your back-list is then less valuable in the longer term? I'm just trying to get that through my head at just a very high level. Thanks.

Stephen A. Carter: Morning, Steve. Let's take them in reverse order, and Gareth, can you come in on the first one on forward bookings? We haven't given anything away. Let's just be clear. We've negotiated partnership contracts which come with very clear rules and frameworks around what can be done and what can't be done in terms of usage. There are very clear rules around display rights. There are very clear rules around repurposing. There are very clear rules around contiguous word count. And so I have pretty close to 100% confidence that if there is something that exists in our back-list or indeed in our front-list, in the way in which we bring that to market, that exists from us and from us alone legally. And that no one who we have done an AI contract with can replicate what we own.

They can use elements, compound parts of what we own to do training and development, but not for resale and not for republishing and not at any full form or full content or in a coherent form, Steve. So we have given nothing away in my view, which slightly goes back to Tom's question. We are partnering in order to allow the capability to improve for us to learn alongside that and not unreasonably to earn an economic rent on assets that we have built. On forward bookings and revenue growth for next year, Gareth, anything you want to add to what we said?

Gareth Wright: Yeah, we don't tend to give a lot of guidance on '25 forecasts at this stage of the year. And what we would say is if you look at the B2B markets businesses, the one where you have the most forward visibility is Informa Markets. And there we are seeing good booking trends which are ahead at this stage of the year where we were at this stage of last year. So that would point to another good year of strong growth in the Informa Markets businesses. Informa Connect and Informa Tech, definitely a bit more near term in terms of the booking, so a bit too early to say at this stage. But in terms of H2, at least we'd expect I think the Connect performance to tick up a little bit from the six and a half that it's done at the half year, but a bit too early to say on 2025.

Stephen A. Carter: I've got a question in the room. Can I take one more question on the live stream and then come to the gentleman at the end? So if someone could hover purposefully with a microphone, one more question on the live stream if I may?

Operator: The next question comes from the line of Sami Kassab with BNP Paribas. Please go ahead.

Sami Kassab: Thank you and good morning everyone. May I currently ask you whether you could disclose the underlying revenue growth rate at Taylor & Francis, excluding the AI licensing deal, please. Secondly, in the guidance of two times net debt to EBITDA target by the end of '25, do you assume any benefit from potential disposals of your minority investments, or would that come on top of a faster de-leveraging? And lastly, within Informa Markets, could you please go into more details discussing the drivers of yield growth, ideally splitting the contribution of same scope price increases versus the benefits of rolling out adjacent products such as income discovery for instance. Thank you.

Stephen A. Carter: Thanks Sami. The answer to the last question is pretty much 50/50 down the line, isn't it in Informa Markets? It's about 50% price and price as a function of new services as well as pricing and 50% is volume on like-for-like sales. There's not really any material additions as a couple, but they're relatively de minimis. On T&F, Gareth an underlying minus the AI partnerships?

Gareth Wright: Yeah, we've talked about targeting T&F as a circa 4%, 4% plus underlying growth business in the medium term and that's still certainly the aspiration and where we're trying to get to. It's roundabout there - three and a half, four in terms of 2024 as an outlook. So I think we're kind of where we want to be. And then the LLM deals are on top of that providing extra growth, which is why we're doing sort of 7.5% for the first half of the year, and we will find a way to report that in next year. That gives you a sense of what it's doing like-for-like in terms of underlying basis if you like, as we go through the year. A bit too early to say exactly how we're going to do that, but we will give you a sense of that next year.

Stephen A. Carter: Thanks Garth. Sami, is that okay?

Sami Kassab: Yes, thank you. But I didn't fully understand the answer to the first one, when you said 50% pricing, 50% volume. Is that just on the yield component or is that on the 13% organic revenue growth at markets? And you said half came from new growth, half came from volume. Can you come back on the 50% split pricing volume please?

Stephen A. Carter: If I'm understanding your question correctly, which I think is focused on Informa Markets, I'm looking at Richard to tell me I'm hearing this correctly. Oh, I see, the difference on price per square meter plus other yield. I don't have that data point off the top of my head, but we can get that to you Sami. Yeah, gentlemen at the back of the room.

Rahul: Good morning. Rahul from HSBC, I have two questions. You talked about investing the reinvestments from AI initiatives into some of those investments. So could you talk about, what is the operational drop through without those investments would be and kind of investments we are looking at and probably the drop through margins with those investments, how that drop through of $75 million should go through? In terms of second question is around the past deals. Could you give us clarity about revenue synergies from the past deals? And you specifically called about 10 million of revenue synergies from Money 2020. So how should we think about drop through of in terms of margins specifically and where those synergies are at this stage?

Stephen A. Carter: I think on the last question, I can't go there. I'd love to but I can't. I won't even try because getting a very clear look that says don't even go there. But I think you can probably determine an answer to that. On the AI question, I think we're saying around 30%, aren't we? Once you take off royalties costs and the profit recycling into development, what's the drop through of the AI revenue?

Gareth Wright: Well, I think yeah, probably about that because yeah, you've got royalties and then we're talking about a third, so it depends exactly how that pans out. But yeah.

Stephen A. Carter: So thereabouts, 30, 40%. Any other questions in the room? No. Is that a question? No. Any questions, more questions on the live stream? No?

Great. Okay. For colleagues who are on the live stream, thank you very much for watching. I hope you got something out of it. For those people who made it in person, many thanks. I'll just finish by, if I may, just recording, thanks to colleagues at Informa for an outstanding first six months. You don't punch these numbers out without a lot of very, very effective work, both from colleagues and indeed from advisors. So thanks all round.

And if I may, to the number of Ascential colleagues who I know are watching. These announcements, particularly if you haven't been in the inner team aware of it, they sort of feel like unwanted moments of change. It hopefully will be a moment of change and that's for your shareholders to decide. But I suspect in the network of the B2B events world, many people who work in and around Informa, and I would hope that if you spoke to anyone who works here or has worked here, you should look to that change with some degree of optimism and energy. And we very much look forward to getting to that point where we can engage, combine, and then grow the two businesses together. Thank you very much for being here.