



# Q4 2024 Results

27<sup>th</sup> March 2025



# Disclaimer

## **IMPORTANT: You must read the following before continuing.**

Forward looking statements. PeopleCert (“the Company”) does not in general publish forecasts regarding its future financial results. The financial forecasts contained in this document are based on a series of assumptions, which are subject to the occurrence of events that can neither be reasonably foreseen by the Company, nor are within the Company’s control. The said forecasts represent management's estimates and should be treated as mere estimates. There is no certainty that the actual financial results of the Company will be in line with the forecasted ones. In particular, the actual results may differ (even materially) from the forecasted ones due to, among other reasons, changes in the economic environment and fluctuations in foreign currencies rates. Consequently, it should be stressed that the Company does not and could not reasonably be expected to, provide any representation or guarantee, with respect to the creditworthiness of the forecasts.

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# >Agenda

Overview |

Financials |

Q&A |

# >Presenters



**Byron Nicolaides**  
Founder & CEO



**George Giannetsos**  
CFO

# X Overview



# Highlights

## Revenue

- › **Q4 24: £35mn** (3% vs Q4 23)
- › **LTM Dec24: £121mn** (+1% vs LTM Sep24 ; +1% vs FY23)
- › FX rate impact of **-£3.2mn Dec. YTD** ; Membership accounting impact of **-£0.8mn Dec. YTD**
- › Revenue net of FX & Accounting adjustments: **£125mn (+4% vs FY23)**

## EBITDA

- › **Q4 24: £20mn** (+9% vs Q4 23)
- › **Adj. EBITDA LTM Dec24: £70mn** (+5% vs. LTM Sep24; +5% vs FY23)
- › **Adj. EBITDA Margin: 58%** vs 55% in LTM Sep24
- › Adj. EBITDA net of FX & Accounting adjustments: **£74mn (+10% vs FY23)**

## Net Debt

- › **31 December 2024: £143mn** (Cash position: £106mn vs £90mn as of 30 September 2024)
- › **Net Debt/EBITDA LTM Dec24 vs LTM Sep24 2.04x vs 2.40x** (LTM Mar21: 4.1x)

## Other 2024 Highlights

- › **PeopleCert maintains resilient financial profile, growing both its Revenue and Profitability amid global certification market challenges**
- › **Transformation continues across the organization**
- › **Continuous Product Investment: new products, updates, translations; rebranding**
- › **Launch of PeopleCert Plus | Membership growing by 40% YoY in 2024**
- › **Signed a €60mn (€20+€40) revolving credit facility (RCF)**
- › **Acquisitions:**
  - ✓ Enhanced LanguageCert's presence in Asia, through the **acquisition of DP Cube**
  - ✓ Enhanced the LanguageCert portfolio through the **acquisition of CATs**



# Business Snapshot

## Business Highlights

- › PeopleCert is a global leader in the **Learning and Technology** area
- › **IP Powerhouse:** Owns and develops frameworks and certifications that improve organizational efficiency and enhance peoples' skills
- › Operates in the **IT, Digital Transformation, Project, Programme & Portfolio Management** and **Language** areas
- › Owns two of the most globally recognised and IP-protected frameworks, developed by the UK Government over a 30-year period: **ITIL®** in IT and Digital Transformation and **PRINCE2®** in Project, Programme & Portfolio Management
- › Controlled by Founder and CEO Byron Nicolaides (c.80%), supported by FTV Capital as minority shareholder (c.20%)

## LTM Dec24 KPI's<sup>1</sup>

Revenue: £121mn

EBITDA: £70mn

EBITDA Margin: 58%

Cash Flow Conversion<sup>(2)</sup> : 87%

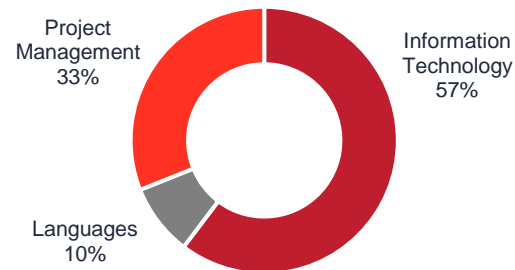
Net Debt / Adjusted EBITDA: 2.0x

## Revenue Breakdown (LTM Dec24)

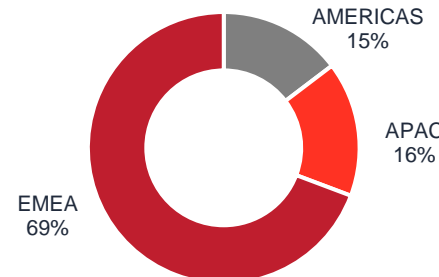
By Product <sup>(3)</sup>



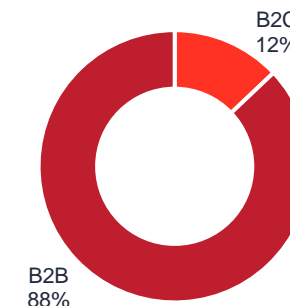
Exams Revenue by Business Line <sup>(3)</sup>



By Geography <sup>(3)</sup>



By Channel <sup>(4)</sup>

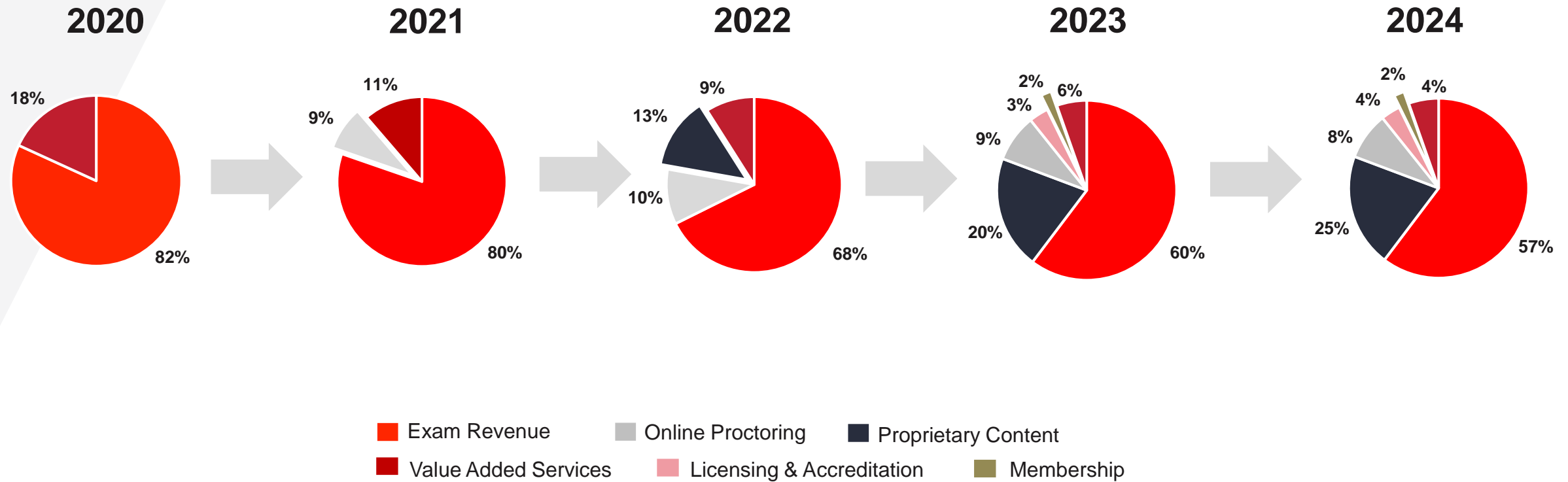


### Notes

1. Refers to LTM Dec24, Revenue, Adj. EBITDA, and Adj. EBITDA margin as of 31<sup>st</sup> December 2024.
2. Cash-flow conversion defined as Operating FCF as % of Adj. EBITDA
3. Refers to LTM Dec24.
4. Reported LTM Dec24 revenue B2C revenue includes B2C Exam Revenue, MyAXELOS (PeopleCert+) and Training Revenue
5. Other include: OLP, Books, Training Materials, Subscription and Other Revenue

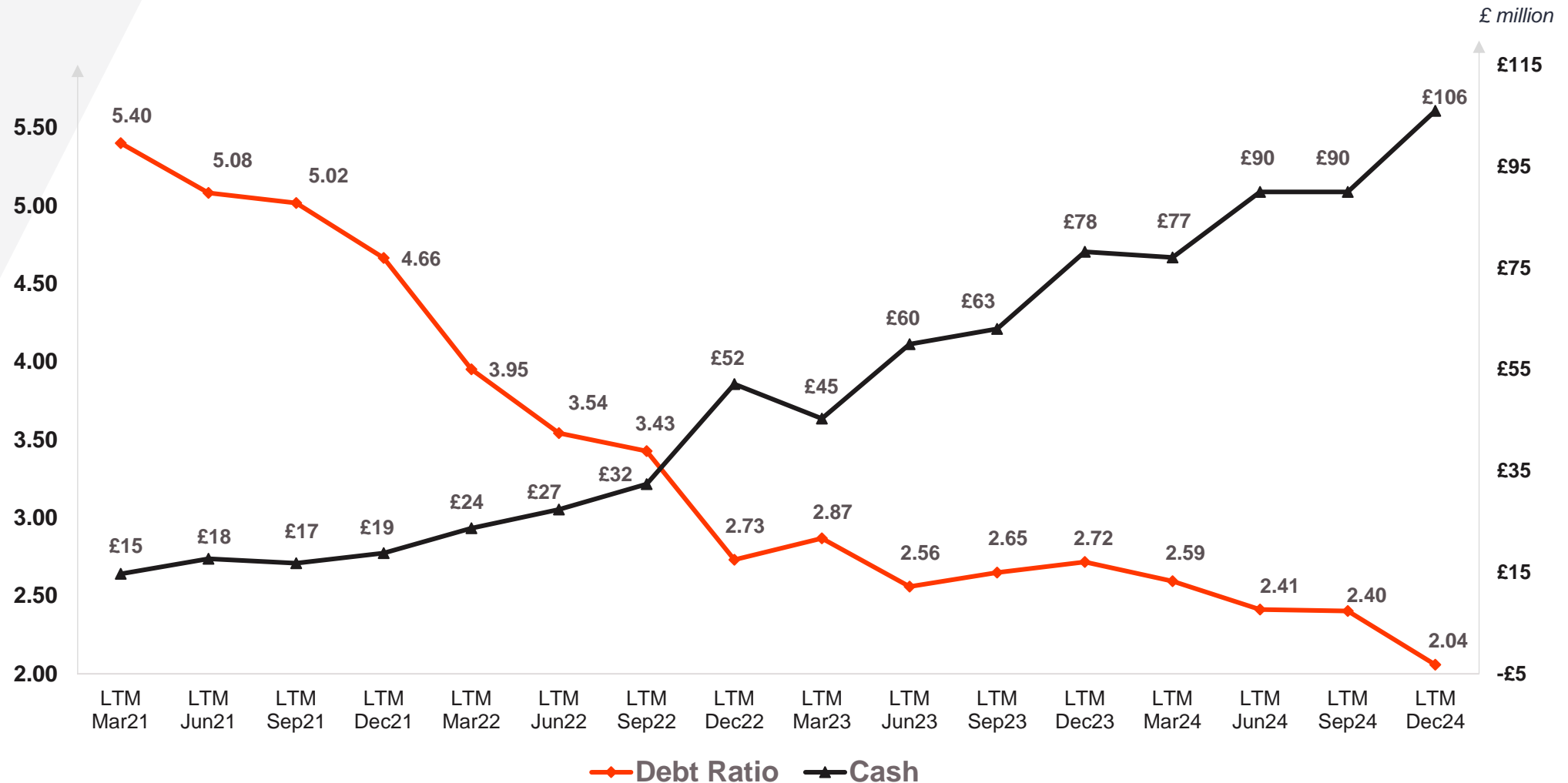
# Expansion in Product Footprint

and improvement in Revenue Diversification



# Rapid Deleveraging & Strong Cash Generation

## Net Debt / Adjusted EBITDA vs Cash



Note: Debt Ratio is calculated as Net Debt / Adjusted EBITDA. Adjusted EBITDA for the periods LTM Mar21 to LTM Dec21 is non synergized. Adjusted EBITDA for 2022 includes FY22 actual synergies impact



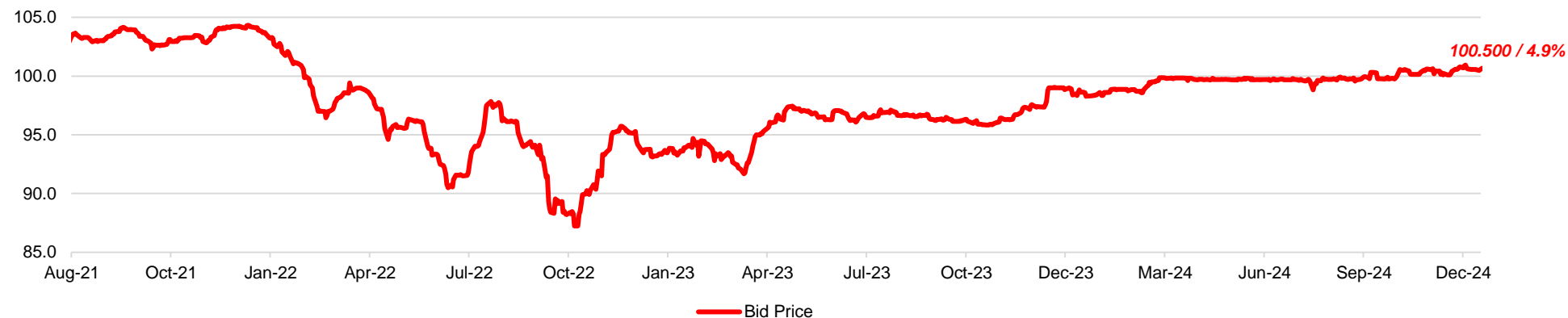
# PeopleCert's 2026 Notes

## Bid Price Evolution Since Issuance

- **PeopleCert Senior Secured Notes** traded steadily at or above par throughout 2024
- The Notes continued to trade up in Q4 2024 in line with broader market conditions, closing the year at a **Bid Price of 100.500, Yield of 4.9% and Spread of 249bps**

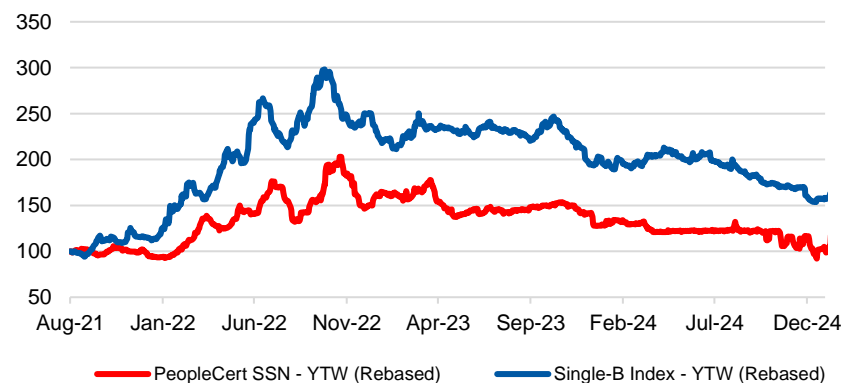
PeopleCert's 5.75% SSNs due 2026

Bid Price (bps)



PeopleCert's 5.75% SSNs due 2026 and Single-B Euro High Yield Index

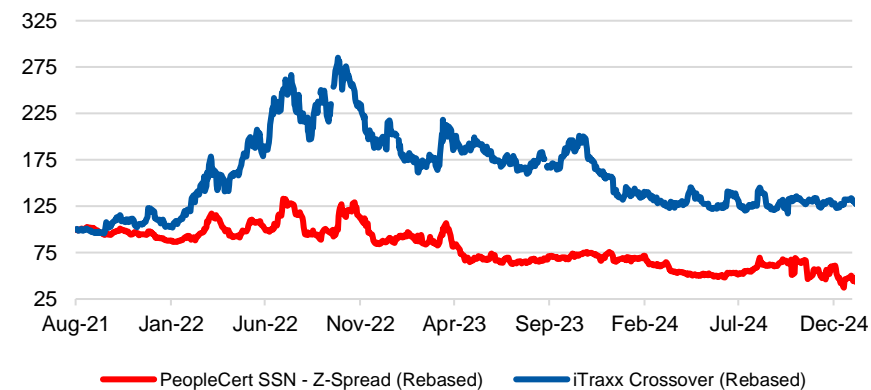
02-Aug-2021 = 100



The **ICE BofA Single-B Euro High Yield Index** tracks the performance of EUR denominated corporate debt rated B1 through B3 issued in the euro domestic or Eurobond markets

PeopleCert's 5.75% SSNs due 2026 and iTraxx Europe Crossover Index

02-Aug-2021 = 100



The **Markit iTraxx Europe Crossover Index** comprises 75 equally weighted credit default swaps on the most liquid sub-investment grade European corporate entities

Source: Bloomberg



# Financials

# Financial Evolution<sup>1</sup>

£mn		2018	2019	2020	2021	LTM Mar21 (Pro-Forma Bond Issuance)	2022	2023	LTM Dec24
<b>Revenue</b>	1	70	72	68	81	72	118	120	121
Growth (y.o.y.)		-	4%	(6%)	19%	5%	46%	2%	1%
<b>EBITDA</b>	2	42	43	43	50	44	78	67	70
% Revenue		60%	59%	62%	62%	62%	66%	56%	58%
<b>Capex</b>	3	5	4	6	6	6	9	10	9
% Revenue		8%	6%	9%	7%	9%	8%	8%	7%
<b>FCF<sup>2</sup></b>		36	39	37	44	38	69	57	61
% of EBITDA		87%	88%	84%	88%	86%	88%	85%	87%
<b>Working Capital</b>		(5)	(6)	(4)	(2)	(4)	(1)	(1)	1
% Revenue		(8%)	(8%)	(6%)	(2%)	(5%)	(1%)	(1%)	1%

## Commentary

1

- **Revenue LTM Dec24:** £121mn (+68% vs. LTM Mar21)
- Revenue growth (vs LTM Mar21) driven by +62% increase in B&IT, +140% increase in Languages and the positive impact of new revenue streams

2

- **EBITDA LTM Dec24:** £70mn (+59% vs. LTM Mar21)
- EBITDA growth driven by Revenue Growth

3

- **CAPEX for LTM Dec24 up by 43%** at c. £8.6mn vs LTM Mar21.
- **CAPEX Q4 24: £2.4mn;** Breakdown: **Tangibles:** £0.5mn (22%), **RoU Asset Acquisition:** £0.1mn (4%), **Intangibles:** £1.8mn (74%).

1. Figures have been calculated as the sum of the two standalone companies' figures, excluding royalties paid from PeopleCert to AXELOS. Figures for the year ended December 31, 2020 and 2021, have been calculated in connection with the pro-forma adjustments for the Axelos acquisition and financing.

2. FCF= EBITDA minus CAPEX

# Capital Structure

	LTM Mar21			LTM Sep24		LTM Dec24	
£mn	£mn	Debt Ratio (Adjusted EBITDA)	Debt Ratio (Pro-Forma EBITDA)	£mn	Debt Ratio (Adjusted EBITDA)	£mn	Debt Ratio (Adjusted EBITDA)
Cash & Cash Equivalent	(17)			(90)		(106)	
<b>Senior Secured Notes</b> ( <i>issued in Euro as €300mn</i> )	<b>255</b>			<b>250</b>		<b>250</b>	
<b>Gross Debt</b>	<b>255</b>	<b>5.8x</b>	<b>4.4x</b>	<b>250</b>	<b>3.7x</b>	<b>250</b>	<b>3.6x</b>
<b>Net Debt</b>	<b>238</b>	<b>5.4x</b>	<b>4.1x</b>	<b>161</b>	<b>2.4x</b>	<b>143</b>	<b>2.0x</b>
Adjusted EBITDA		44			67		70
Pro-Forma Synergised Adjusted EBITDA <sup>1</sup>			58				

1. Pro-Forma Synergised Adjusted EBITDA is only applicable for LTM Mar21. By Dec22 all Axelos relates synergies were completed thus Adjusted EBITDA was equal to Pro-Forma Synergised Adjusted EBITDA

# Profit & Loss | PeopleCert Wisdom Limited

Consolidated

<i>amounts in £</i>	<b>12M 2024</b>	<b>12M 2023</b>
Revenue	120,927,652	120,229,064
Cost of sales	(25,325,511)	(23,017,442)
<b>Gross profit</b>	<b>95,602,141</b>	<b>97,211,623</b>
Other income	102,742	87,921
Administrative expenses	(21,549,523)	(29,343,438)
Selling and distribution expenses	(19,781,100)	(15,593,527)
Other expenses	(3,221,364)	(142,172)
<b>Operating profit</b>	<b>51,152,897</b>	<b>52,220,406</b>
Finance income	23,400,698	7,365,964
Finance expense	(16,093,934)	(16,668,253)
<b>Profit before tax</b>	<b>58,459,661</b>	<b>42,918,118</b>
Taxation	(1,745,184)	742,892
<b>Profit for the year</b>	<b>56,714,477</b>	<b>43,661,009</b>

# Balance Sheet | PeopleCert Wisdom Limited

## Consolidated

amounts in £	31/12/2024	21/12/2023
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	6,978,128	5,623,042
Right-of-use assets	3,483,133	4,275,030
Intangible assets	59,765,538	67,959,938
Goodwill	320,981,238	320,855,473
Other investments	457,101	257,981
Other assets	459,795	374,818
Deferred tax assets	196,576	337,962
	<b>392,321,508</b>	<b>399,684,244</b>
<b>Current assets</b>		
Trade and other receivables	17,319,643	14,497,631
Inventory	228,947	260,288
Financial assets at fair value through profit and loss	3,110,130	-
Current tax assets	90,795	221,126
Cash and cash equivalents	106,148,664	78,284,655
	<b>126,898,180</b>	<b>93,263,700</b>
<b>Total assets</b>	<b>519,219,688</b>	<b>492,947,945</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	4	4
Share premium	140,058,339	140,058,339
Other reserves	(2,761,105)	6,183,980
Retained earnings	101,308,531	51,294,055
<b>Total Equity</b>	<b>238,605,769</b>	<b>197,536,378</b>
<b>Non-current liabilities</b>		
Borrowings	248,756,219	260,710,872
Lease liabilities	2,904,364	3,476,008
Deferred tax liabilities	7,396,670	9,666,431
Other non-current Liabilities	5,788	505,894
Employee benefits	149,949	113,635
	<b>259,212,990</b>	<b>274,472,840</b>
<b>Current liabilities</b>		
Trade and other payables	10,576,772	10,715,217
Deferred income	3,479,326	2,970,367
Borrowings	4,244,170	4,423,880
Lease liabilities	836,204	1,000,788
Current tax liabilities	2,264,457	1,828,475
	<b>21,400,929</b>	<b>20,938,727</b>
<b>Total equity and liabilities</b>	<b>519,219,688</b>	<b>492,947,945</b>



# Cash Flow | PeopleCert Wisdom Limited

## Consolidated

amounts in £	31/12/2024	31/12/2023
<b>Cash flows from operating activities</b>		
Profit before tax	58,459,661	42,918,118
Adjustments:		
Depreciation, amortisation and impairment	15,525,776	14,818,194
Net foreign exchange (gains)/ losses	(20,216,668)	(6,704,200)
Provision for defined benefits obligation	60,187	109,937
Change in fair value of financial assets at FVTPL	(209,283)	-
Net finance expense	14,696,383	16,006,489
	<b>68,316,056</b>	<b>67,148,539</b>
<b>Changes in:</b>		
Inventories	19,403	(63,977)
Trade and other receivables	(12,042,444)	454,296
Trade and other payables	8,728,765	2,111,918
Deferred income	628,474	(451,369)
Defined benefits obligations paid	(23,119)	(89,777)
Other assets	(101,302)	34,116
Income taxes paid	(3,307,246)	(5,459,893)
<b>Net cash from operating activities</b>	<b>62,218,588</b>	<b>63,683,851</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(2,645,212)	(2,690,562)
Acquisition of intangible assets	(5,679,002)	(5,029,046)
Acquisition of subsidiary, net of cash acquired	(264,733)	(3,763,581)
Acquisition of other investments	(215,547)	(257,981)
<b>Net cash used in investing activities</b>	<b>(8,804,494)</b>	<b>(11,741,170)</b>
<b>Cash flows from financing activities</b>		
Payment of lease liabilities	(1,105,121)	(1,088,053)
Interest paid	(14,647,788)	(15,785,083)
Dividends paid	(6,700,000)	(7,350,000)
<b>Net cash used in financing activities</b>	<b>(22,452,909)</b>	<b>(24,223,137)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>30,961,185</b>	<b>27,719,544</b>
<b>Cash and cash equivalents:</b>		
Cash and cash equivalents at the beginning of the period	78,284,655	51,433,660
Effect of movements in exchange rates on cash held	(3,097,176)	(868,550)
<b>Cash and cash equivalents at the end of the period</b>	<b>106,148,664</b>	<b>78,284,655</b>

# X Q&A





Dream it, do it.