

Informa PLC Press Release

7 December 2021

2021-2024 Growth Acceleration Plan II

New Informa: Accelerated growth and portfolio focus

Informa (LSE: INF.L), the international B2B Markets, Knowledge Services and Business Intelligence Group will today outline its *2021-2024 Growth Acceleration Plan ("GAP II")* at a Capital Markets Day in London.

Stephen A. Carter, Group Chief Executive, Informa PLC, said:

"Today we are announcing Informa's growth and acceleration plan for the next three years, which commits the Group to faster growth and increased investment in the two markets where we have leading brands and leadership positions of scale: **Academic Markets** and **B2B Markets**."

He added: "As part of this investment and growth strategy we are starting a process to divest our portfolio of high quality, high performing brands in **Informa Intelligence**, thereby unlocking value and providing the funds to further strengthen our position in our two growth markets."

He concluded: "By concentrating on these growth markets, we will expand our Academic and Events businesses at pace through focused investment, accelerated digital growth and targeted acquisitions."

2021-2024 GAP II

Informa is announcing a three-year programme with the ambition to create a more focused, higher growth business. Our ambition is to return Group revenues above 2019 levels (rebased for divestments) by the end of *GAP II* in 2024, whilst returning significant capital to shareholders in 2022.

The *GAP II* programme will prioritise the following six areas:

1. **Portfolio Focus:** Informa will focus and accelerate its investment and efforts on the two markets where it has leadership positions of scale and which offer attractive opportunities for further growth and expansion: **Academic Markets & Knowledge Services** (Taylor & Francis) and **B2B Markets & Digital Services** (Informa Markets, Informa Connect, Informa Tech). The Group plans to divest **Informa Intelligence** which, although smaller in the context of the Group, has been transformed into a high-quality, high-performing and high-value portfolio of brands through targeted *GAP I* investment. Divestment will unlock the full extent of this value, providing funds to accelerate investment and expansion in our two businesses with scale leadership positions.
2. **Digital and Data:** Our strategy of Market Specialisation continues to build depth in our chosen specialist markets and subject categories.

In **Academic Markets**, we will further expand our position in Open Research, strengthening our service offering and extending our customer reach to double underlying growth to 4%+ by 2024.

In **B2B Markets**, we will accelerate growth through the continued return of B2B Events and further expansion in B2B Market Access, including accelerating the rollout of **Smart Events** services, expanding in **Audience Development** (content-led lead generation programs, increasingly differentiated by data segmentation) and building a position in **B2B Digital Demand Generation** (data analytics that provide intent-based, qualified B2B buyers and sales prospects). This range of Digital Services expands our addressable market, providing access to broader customer budgets and additional opportunities for growth. Data lies at the heart of all these *GAP II* growth plans and is underpinned through our continued investment in our proprietary B2B customer data and analytics engine, **IIRIS**.

3. **Leadership & Talent:** To Champion the Specialist remains our driving purpose and nowhere is that clearer than in the depth of Specialist talent in the Group. The *GAP II* programme will see continued investment in deepening our talent, with a particular focus on further strengthening our digital and data capability in key areas such as Digital Product Management, Data Science, Audience Engagement and Digital Marketing.
4. **Investment:** The Group will invest up to £150m in incremental capital and net operating expenditure through the *2021-2024 GAP II* period, funding programmes to expand our range of digital services and accelerate the pace of underlying growth. By 2024, this investment is expected to generate £150m-£200m of incremental revenue and a growing contribution to operating profit. Further growth acceleration will be driven by focused M&A that strengthens our existing market positions and accelerates our expansion in new areas. Today, we have announced the addition of the **Premiere** portfolio of B2B Events serving the growing US Professional Beauty & Personal Care market, as well as an investment in the *Totem Smart Events* platform and the addition of US-based *NetLine*, which brings established capabilities in **Audience Development** and **B2B Digital Demand Generation**.
5. **Shareholder Returns:** Subject to full sale, completion and receipt of proceeds from the divestment of **Informa Intelligence**, the Group intends to return £1bn of embedded value to shareholders through the combination of a share buyback programme and a special dividend. This proposed return of capital is in line with the current balance sheet carrying value of these businesses and will, when completed, leave the remaining proceeds – which reflect the value created through *GAP I* in **Informa Intelligence** – to fund the next phase of accelerated growth at Informa through *GAP II*.
In addition, improving visibility and continued strong growth in free cash flow will see the Group resume ordinary dividends with the 2022 Interim Dividend, at an initial annual pay-out ratio of one third of annual adjusted earnings.
6. **FasterForward:** Informa was an early adopter of sustainable business practises that are embedded within *GAP II*. Through the *2021-2024 GAP II* period, as part of our wider *FasterForward* programme, all products within **Academic Markets & Knowledge Services** will be certified **Carbon Neutral Products** and, within **B2B Markets & Digital Services**, in North America and EMEA we will deliver:
 - **Energy** – all B2B Events will be powered by renewable electricity;
 - **Waste** – all B2B Events will be part of the *Better Stands* programme, eradicating single use exhibition stands;
 - **Content** – all B2B Events will incorporate Sustainability Inside, providing on-site content that accelerates sustainable development in our customer markets.
 - **Carbon** – all B2B Events will save our customers more carbon than we emit, underlining our role as a carbon consolidator;

Capital Markets Day

Informa will today host a Capital Markets Day for analysts and investors from 1pm GMT / 8am EST at 240 Blackfriars in London, providing further details on our *GAP II* plans and ambitions. The event will provide the opportunity to meet with a wide range of Senior Management, a number of whom will be presenting alongside the Group Chief Executive.

A live stream of the event will also be available at www.informa.com.

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