Informa PLC Press Release
26 April 2021

Market update on Financial Intelligence

Following the announcement within Informa’s 2020 Full Year Results that it was pursuing an opportunity in the Financial Intelligence market, the Group is today confirming the agreement has been signed.

The agreement sees Informa combining its existing FBX business with Novantas. FBX is part of the Financial Intelligence portfolio within Informa Intelligence and provides quantitative and qualitative competitive intelligence solutions for US retail banks, with particular strength in the mortgage market. Novantas provides quantitative and qualitative competitive intelligence solutions for US retail banks, with particular strength in the deposits market. This combination seeks to create a leading competitive intelligence and specialist data business serving the retail banking markets.

The agreement is structured as an acquisition of Novantas on a cash and debt free basis by Informa and mid-market private equity firm, Inflexion, with Informa contributing its FBX business as consideration, whose assets have a fair value of $243m. At the date of acquisition, Informa will own 57% of the combined business and it will therefore be fully consolidated for reporting purposes. The transaction involves no cash contribution from Informa, nor any deferred or contingent consideration.

Completion is expected by the end of June 2021, subject to customary regulatory approvals.

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Notes to Editors
The Agreement

The assets and profits of FBX and Novantas will be combined in a partnership agreement, subject to finalisation of terms and documentation. For the year ended 31 December 2020, the FBX business reported $8.5m of profit before tax, and at 31 December 2020, the gross assets of FBX were $50m. For the year ended 31 December 2020, Novantas is expected to report $9.6m of profit before tax and at 31 December 2020, the gross assets of Novantas, excluding cash were $37m.

The relative scale of the transaction means it is not expected to have any material impact on the Group’s earnings per share in 2021.

Equity in the combined business is in the form of preference shares and common stock shares. Beyond Informa’s majority shareholding of common stock, at the point of acquisition Inflexion and Novantas shareholders will also hold significant minority stakes in the combined business.

Informa’s interest in the partnership is expected to be retained, subject to customary exit rights of the other shareholders on agreed terms and conditions. There are exit rights for all parties, applicable from the sixth year, that will be based on the prevailing market value. As this is neither pre-determined nor subject to a cap, the agreement is deemed to be a Class 2 transaction under UK Listing Rules.

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