



DSG

Dillistone Group Plc

2022 Interim Results

TO 30 JUNE 2022

Jason Starr – CEO

Ian Mackin – Finance Director

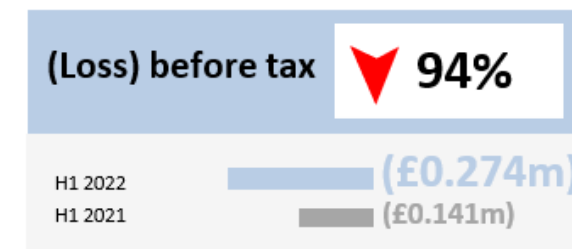
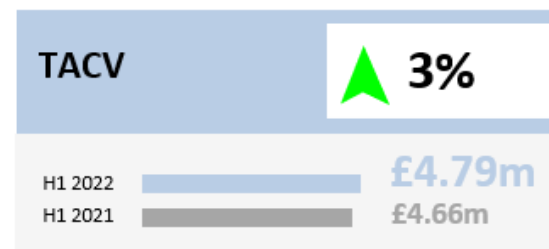
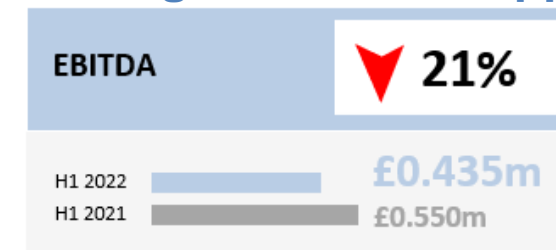
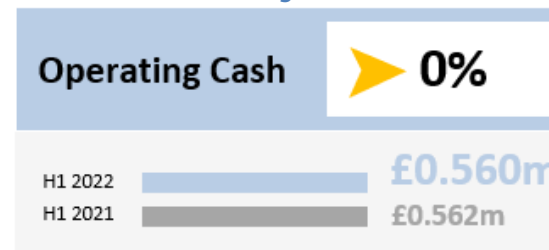


Dillistone Group – Accelerating Progress

What we will cover:

- Dillistone Group – Demonstrating recovery with significant upside potential
- Who we are and what we do
- Financial Review
- The Future and the Talentis opportunity – Live demo
- Q&A

Interim Accounts Highlights – Before Adjustments for Furlough and Govt Support

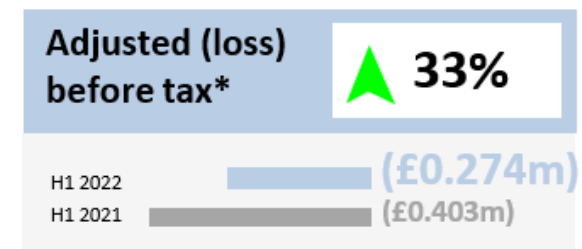
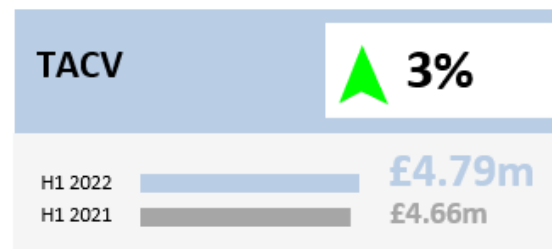
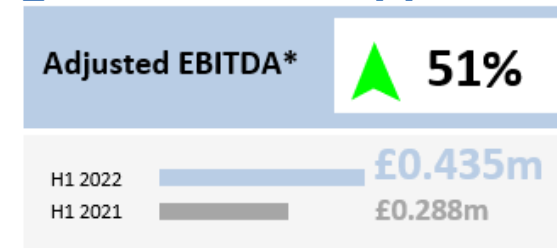
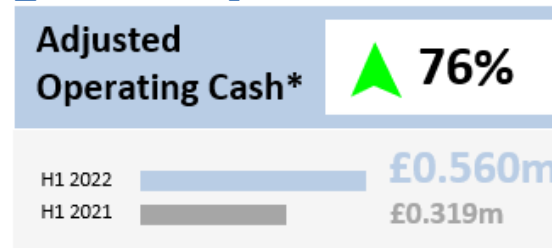


Dillistone Group – Accelerating Progress

What we will cover:

- Dillistone Group – Demonstrating recovery with significant upside potential
- Who we are and what we do
- Financial Review
- The Future and the Talentis opportunity – Live demo
- Q&A

Interim Accounts Highlights – Adjusted for Furlough and Govt Support



Dillistone Group plc: We are a Recruitment Technology Business

What we do

- A house of brands trading under the banner of Ikiru People
- Provide solutions to Contingency Recruitment firms with a product suite encompassing CRM, Pay & Bill and skills testing.
- Provide solutions to the Executive Search sector with a product suite encompassing CRM, Integrated candidate sourcing, GDPR compliancy and career services.

Our Brands








Trustpilot – Highly Rated



Ikiru People

Reviews 653 • Excellent

★★★★★ 4.7 ⓘ

✓ VERIFIED COMPANY

Over 1,200 Customers







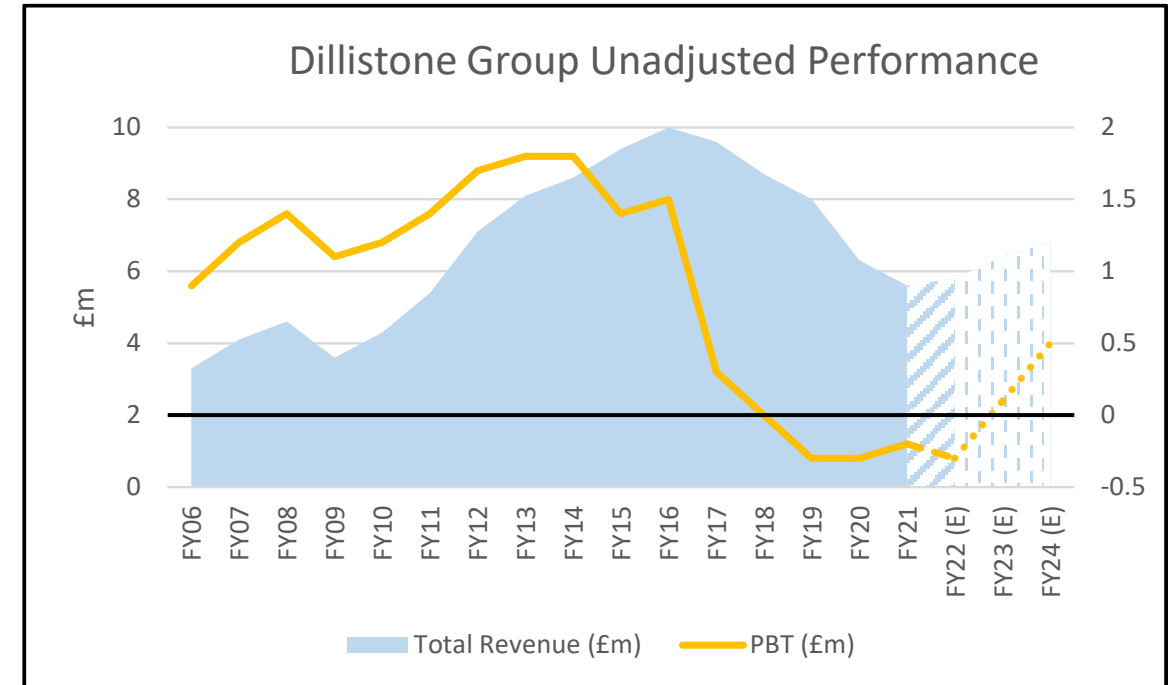




Success, reset, recovery and then.....

Dillistone Group PLC journey on AIM

- **FY06 - FY10**
Organic Growth only interrupted by the fallout from the 2008 financial crisis
- **FY11 – FY16**
Acquisitive Growth
- **FY17 – FY18**
Large client loss and initial under-performance of new product.
- **FY19**
Recognition of issues and reorganisation
- **FY20 – FY21**
Covid
- **FY22 – Future***
Recovery and sustainable growth



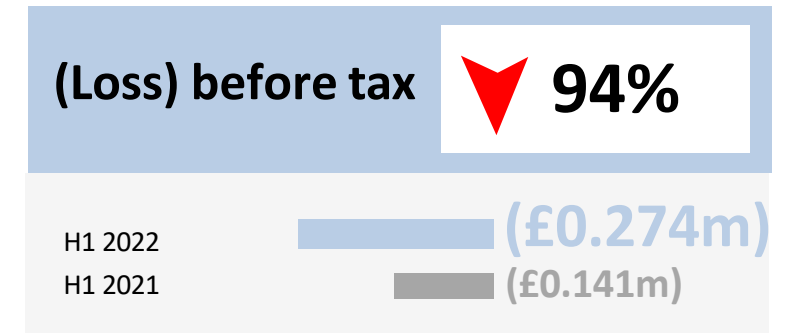
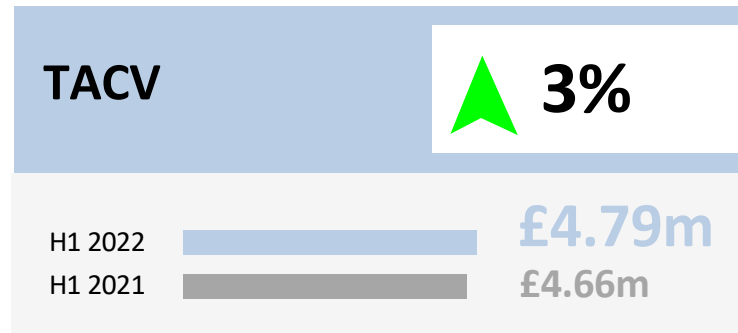
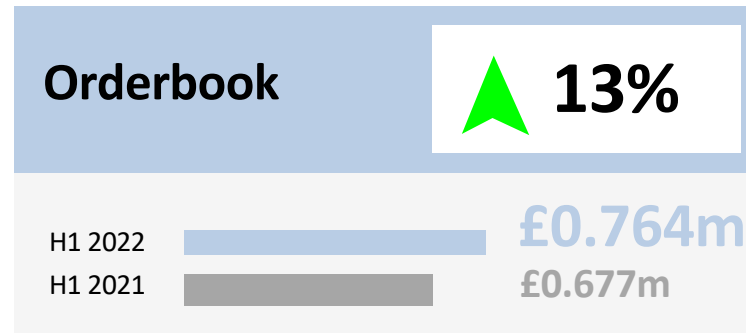
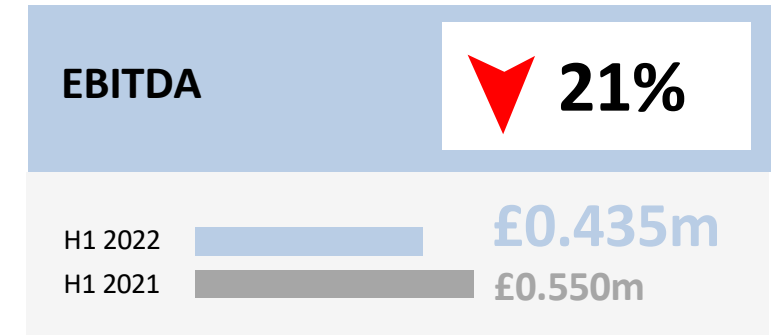
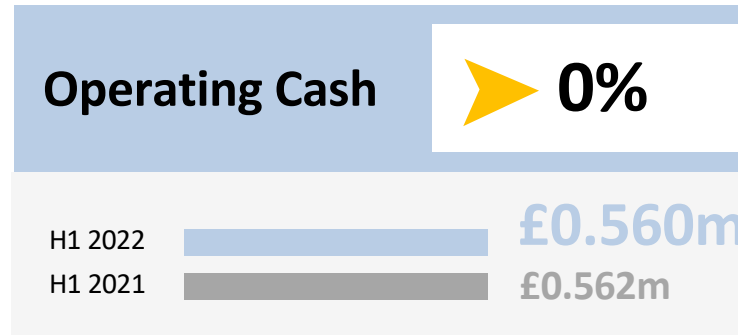
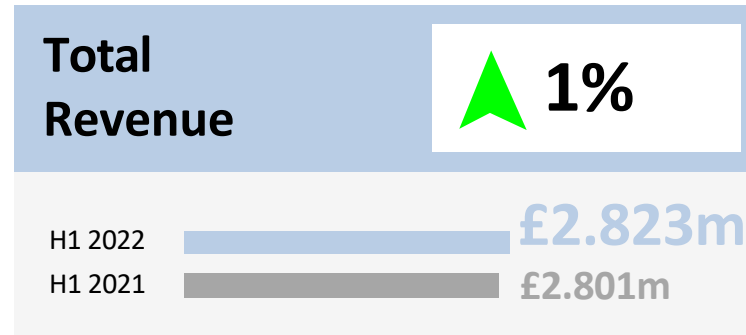
* Future years performance based on WH Ireland estimates.

FINANCIAL REVIEW

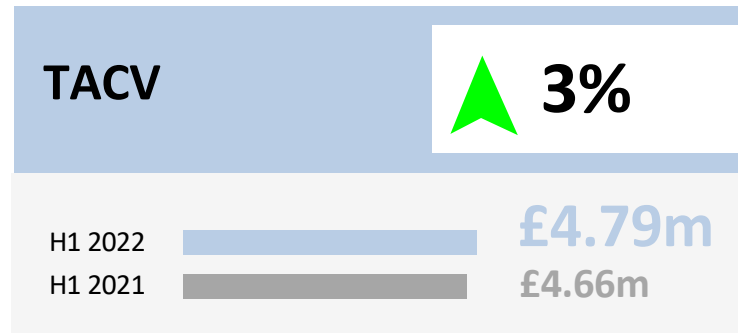
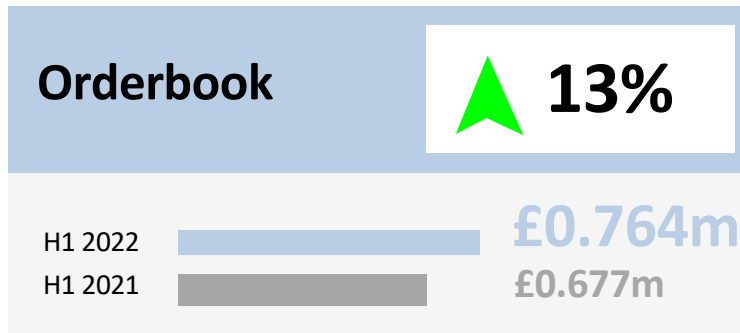
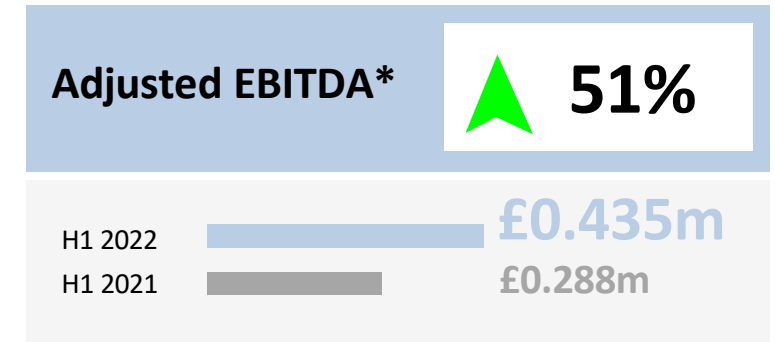
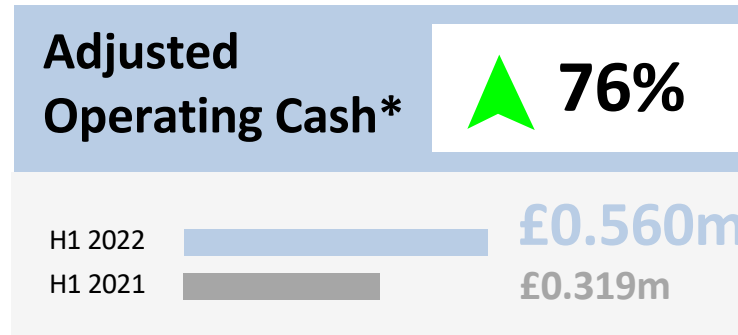
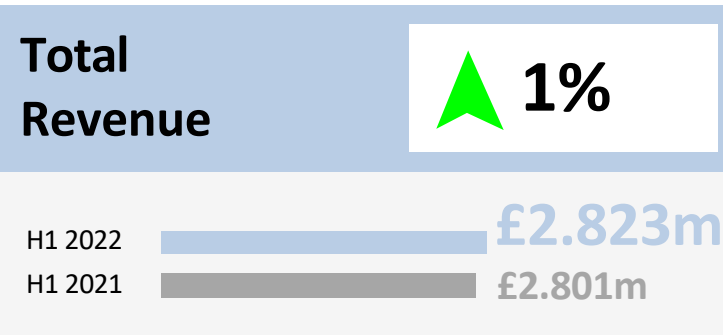
INTERIMS FY22



Interim FY22 Financial Highlights – Before Adjustments for Furlough and Govt Support*



Interim FY22 Financial Highlights – Adjusted for Furlough and Govt Support*



Summary profit and loss account/margin

Improving financial performance

- **First reported revenue increase since 2017**
- **Gross margin steady at 88%**
- **Adjusted EBITDA* up 51% at 435 (FY21: 288)**
- **Adjusted EBITDA* margin increasing to 15.4% (FY21: 14.8%)**

SUMMARISED P&L	H1 2022	H1 2021
	£000	£000
Revenue	2,823	2,801
Gross Profit	2,472	2,465
Adjusted EBITDA	435	288
Less: depreciation and amortisation	(646)	(655)
Less: interest paid	(63)	(36)
add: exceptional, furlough and govt support items	-	262
Operating Profit/(loss)	(274)	(141)

* Adjusted EBITDA is a company-specific measure which is calculated as operating profit/(loss) before depreciation (including right of use asset depreciation), amortization and impairment of intangible assets, interest and strategic, integration, and govt support items.

Cash Flow

Cash adjusted for the effects of furlough and govt support shows cash from operating activities increasing

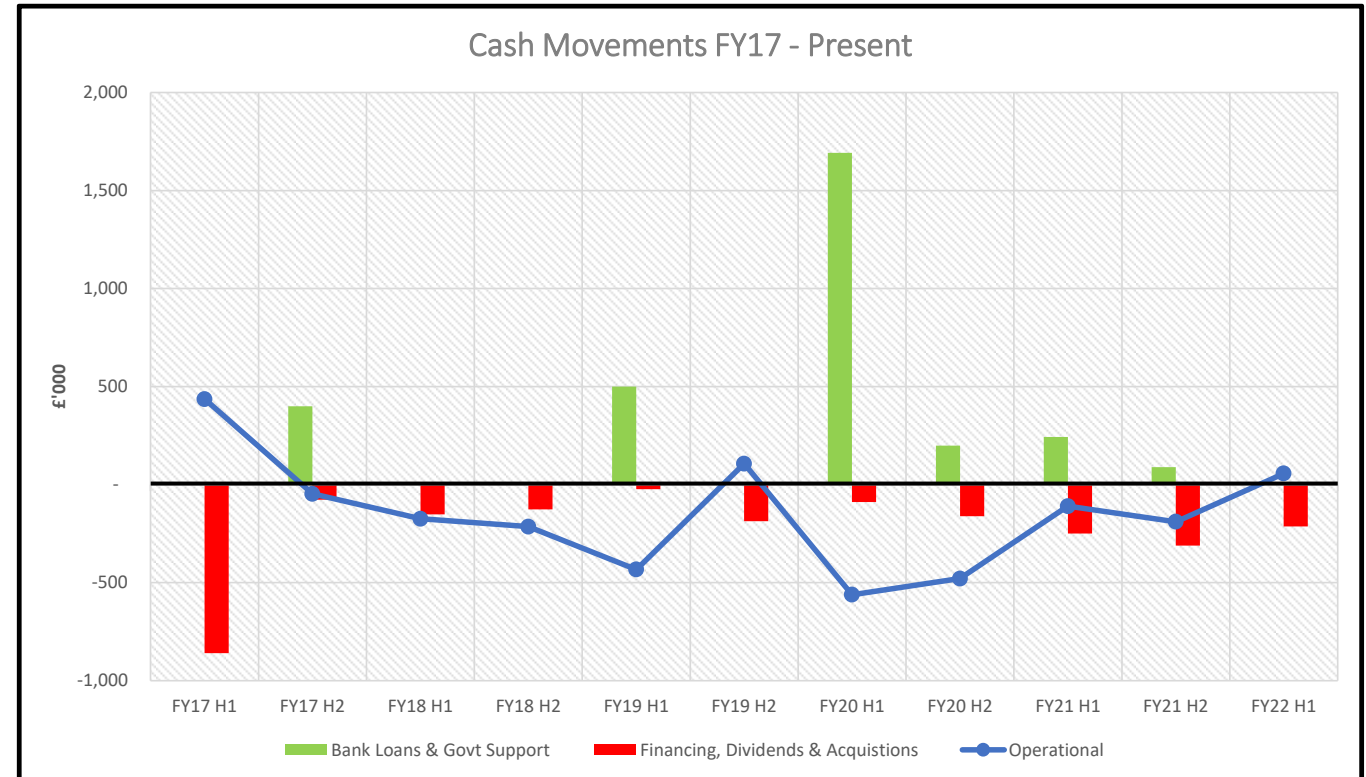
- **Projections indicate no need for further fundraising to reach profitability**
- **Adjusted operating cash generated up 76% at £0.560m (FY21: £0.319m)**
- **Adjusted net change in cash and cash equivalents 47% better at (£0.186m) (FY21:(£0.353m))**
- **Continued investment in software development of £0.477m (FY21:£0.504m)**
- **Net Cash at 30th June of £0.608m (FY21 H1: £1.039m)**

SUMMARISED CASH FLOW	H1 2022	H1 2021
	£000	£000
Adjusted net cash from normalised operating activities	560	319
Investing Activities – net	(482)	(508)
Financial Activities - net	(264)	(164)
Adjusted Net change in cash and cash equivalents	(186)	(353)
Adjustment for Govt Support	-	243
Net change in cash and cash equivalents	(186)	(110)
Cash and cash equivalents at beginning of year	764	1,291
Effect of foreign exchange rate changes	30	(6)
Cash and cash equivalents as at 30 th June	608	1,175

Cash Movements

Cash split of underlying operational performance

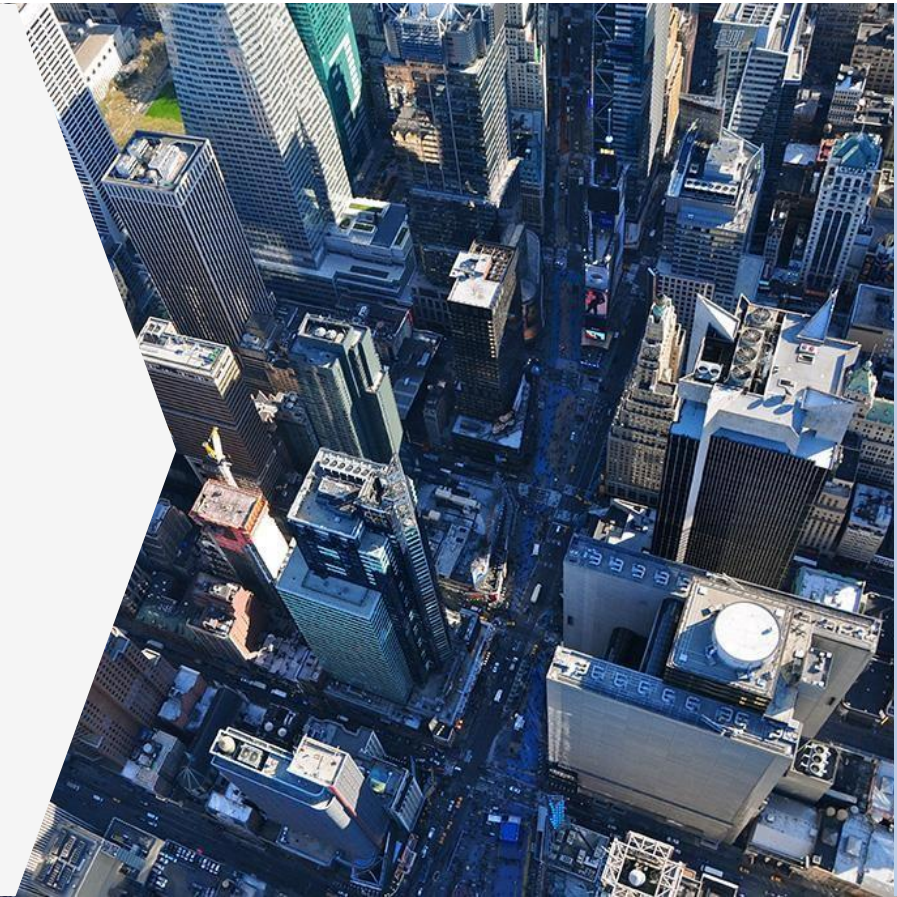
- **First positive operational H1 since 2017**
- **First positive operational half year since FY19 H2**
- **No expectations of future funding requirement to reach profitability**



Positive financial performance

Focus on laying the foundations to drive future revenue growth


- **Progress** on financial turnaround
- **51%** increase in **Adjusted EBITDA** achieved while continuing to invest in software development
- **76%** increase in **Adjusted net cash from operating activities**
- **First quarterly recurring revenue** growth since 2018, first growth in total revenue since 2017.



The Future



Growth Opportunity for Dillistone Group

	Contingency Products	Executive Search Products
What we did in H1	<ul style="list-style-type: none"> • Y-o-Y Revenue up 9% • Successful implementation of largest ever Infinity CRM contract 	<ul style="list-style-type: none"> • FileFinder hosting costs reduced by 21% • Talentis ARR grew by over 300% from Dec21 to Jun22 to £62k • 50+ clients added (best H1 performance since 2017)
The Future	<ul style="list-style-type: none"> • Additional large contract win since period end • Strong delivery pipeline into 2023 	



An opportunity in two markets

- **Executive Search CRM – Total Addressable Market**
£250m per annum (based on potential 300k users @ £70 pu pm)

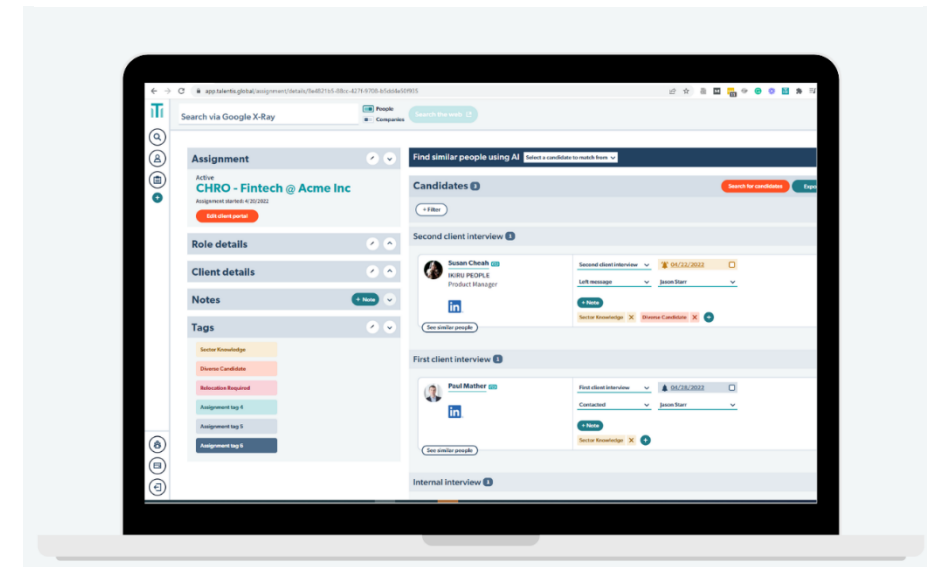
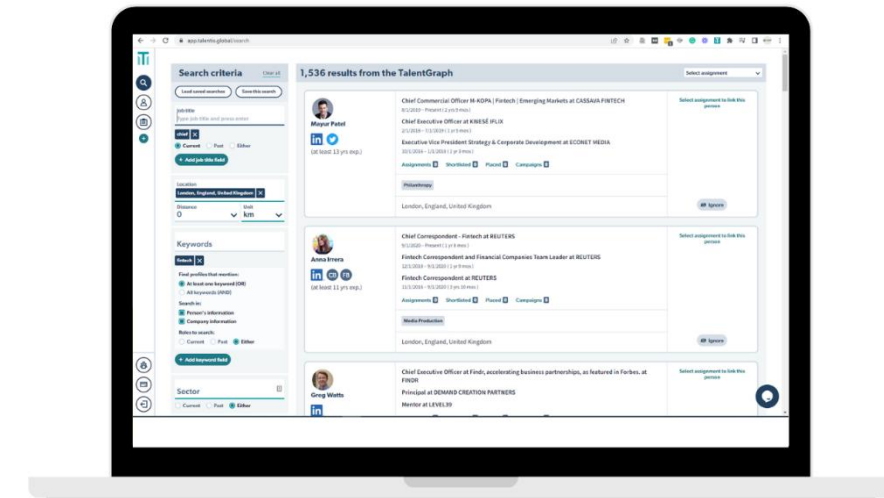
- **Candidate sourcing tool usable by wider market**
£1.25bn per annum (based on potential 2.7m users employed globally as recruiters @ £70 pu pm)
LinkedIn Revenue; \$10Bn

TALENTIS is an all in one, integrated but *different* solution



Introducing Talentis...

A unique combination of candidate searching and CRM – all in one.



Don't just take our word for it...

“It was great to hear more about the future developments of the platform and we have been enjoying the solution in the last few months. The speed at which it is able to pinpoint a highly accurate long list is reassuring, whether that be as part of our pitch process or once we have won an assignment.

This week we started a new search assignment for a very demanding client and within just a few hours we were able to pull together an impressive longlist (precontact) of 38 candidates; in what is quite a niche market, that will no doubt give us a solid foundation to build on.”



James Boot
Managing Director
Marble Hill Partners



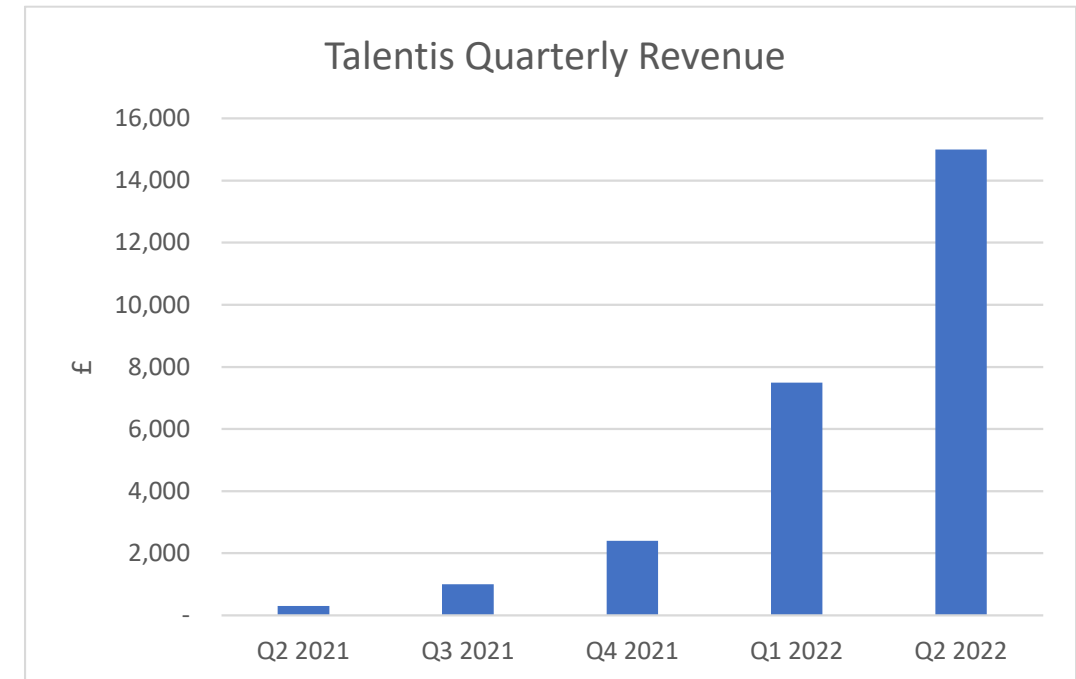
Marble Hill
Partners

Kestria

Talentis Today

Foundations Laid

- Existing Group clients currently receive Talentis as part of a package or on a discounted basis
- New (paying) clients include firms on 6 continents
 - Include both sourcing only and CRM clients
 - Include former clients who have returned
- 50 New Sign ups in H1
 - Best performance since 2017 in terms of executive search CRM new business logos
 - Most firms are small – Virtually no implementation cost to us



Talentis Today

Foundations Laid

- Existing Group clients currently receive Talentis as part of a package or on a discounted basis
- New (paying) clients include firms on 6 continents
 - Include both sourcing only and CRM clients
 - Include former clients who have returned
- 50 New Sign ups in H1
 - Best performance since 2017 in terms of executive search CRM new business logos
 - Most firms are small – Virtually no implementation cost to us

Talentis Immediate Future

Major Growth Opportunities

- Q3 on track to show fastest monetary growth in ARR to date
- Delivery of further functionality on ongoing basis
- First order received for data migration – October delivery
- Opportunity for clients to move from other recruitment CRMs
- Aim:
 - More contract wins
 - More users
 - Higher seat value
 - Addition of NRR from Q4



The Investment Opportunity

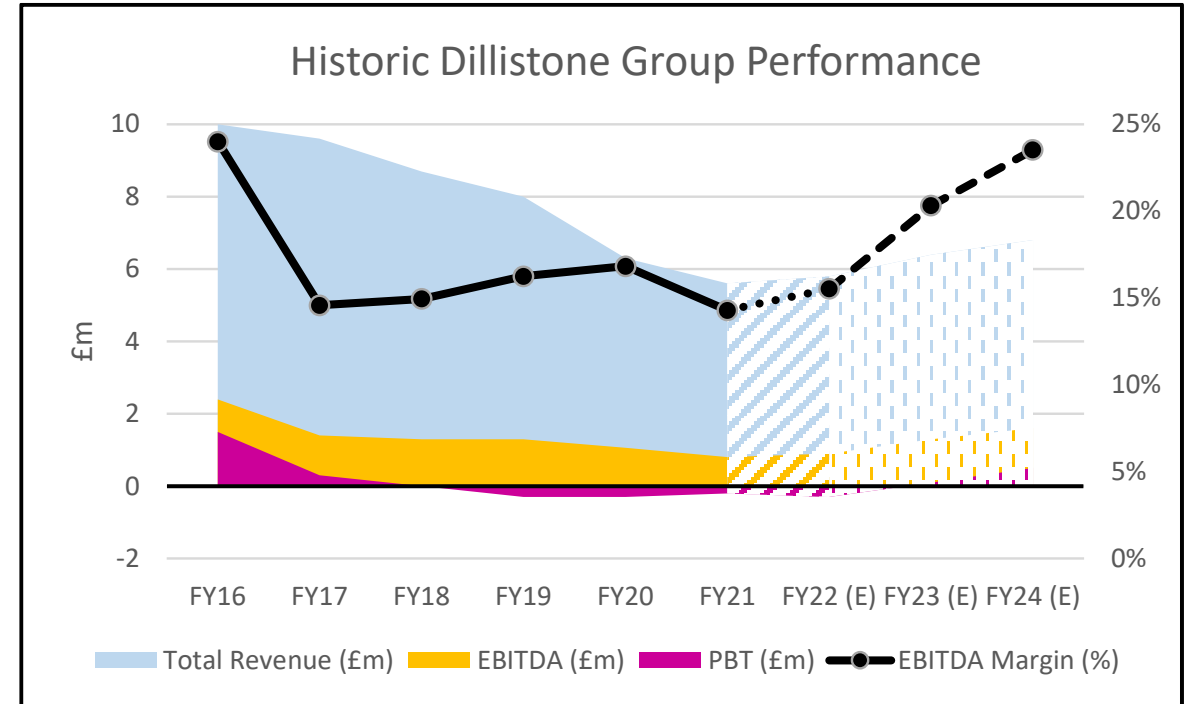
Dillistone Group is now a highly operationally geared business, poised for recovery

90% of revenue growth flows to future EBITDA

Contingency products grew by 9% Y-o-Y in H1. Strong pipeline for delivery in H2 and beyond

Significant long term growth opportunity in executive search

Group is generating cash at operational level. No expectation to raise further funds to reach profitability.



* Future years performance based on WH Ireland estimates.

Q&A



DSG

Dillistone Group Plc

APPENDIX



Board of Directors - Executive

Jason Starr – Group CEO

Jason Starr joined the Group in 1994 in a junior marketing role. He became Marketing Manager in 1996 before becoming Managing Director of the UK business in 1998. Following the MBO, Jason became Chief Executive of the Group. Jason was appointed a Non-Executive Director of AIM listed PCIPAL PLC from January 1st, 2015. Jason has a BA (Honours) business studies degree from the London Guildhall University.

Ian Mackin – Finance Director

Ian graduated with an honours degree in Accountancy Studies from the University of Huddersfield. Following CIMA qualification in 2004, Ian spent 11 years as Financial Controller of a Childcare chain before a stint as Director of Finance in a Care Home chain.

Ian joined the Group in 2018 and since 2019 has been Group Financial Controller, playing a key role in the restructuring of the Group. He joined the Group Board in June 2022.

Paul Mather – Chief Operating Officer

Paul has been employed in the group since 1999 after graduating with an honours degree in Physics from the Surrey of University. Paul joined in a 2nd line support role with Voyager Software Ltd before taking over the support function in 2000. In 2001 he became Customer Services Director before taking over as Operations Director in 2003. After selling Voyager to Dillistone Group in 2011 Paul was part of the due diligence teams for the subsequent Group acquisitions and is now responsible for Group operations globally.

Simon Warburton – Chief Technology Officer

Simon graduated with an honours degree in Computer Science from the University of Leeds and following a brief stint with an IT recruitment business, joined Voyager Software's technical team in 1997. In the following years, Simon held various roles in the business in both the technical and sales arenas before becoming Managing Director in 2002, where he remained until Voyager Software's acquisition by Dillistone Group in 2011.

Post-acquisition, Simon continued in the role of Managing Director for the contingent recruitment division of the Group, which included the acquisition of two further businesses in 2013 and 2014. Simon's responsibilities also included the Group's IT infrastructure before being formally appointed as CTO in January 2020. Simon continues to be responsible for the Group's IT infrastructure alongside his other responsibilities in the sales, marketing and account management operations.

Steven Hammond – Group Engineering Officer

Steven Hammond has a multifaceted IT background spanning more than 20 years with a blend of technical, software development and business roles throughout that time. He joined the Group after the acquisition of ISV Software Ltd in 2014. Post-acquisition, Steve continued his role of Director of IT for ISV, and in 2019 became responsible for the R&D and software engineering strategy of the Group's software products.

Board of Directors – Non-Executive

Giles Fearnley – Non Executive Chairman

A career in the passenger transport industry saw Giles lead an MBO in 1991 forming Blazefield Holdings Limited, a business operating bus networks principally across Yorkshire and Lancashire. This company was sold to Transdev in 2006.

In 1997 he was appointed Chief Executive of Prism Rail PLC, having been one of that company's founders, and held that position until its sale to National Express in 2000. Prism Rail operated four of the UK's passenger rail franchises with a turnover of £500million per annum.

Giles retired in November 2020 from the role of Managing Director - Bus, UK and Ireland for First Group Plc. Giles served as chairman of the Association of Train Operating Companies in 1999/2000 and as chairman of The Confederation of Passenger Transport UK.

Julie Pomeroy – Non Executive Director

Julie was Dillistone's Finance Director from April 2010 until 30 September 2021 when she retired from executive responsibilities and became a non executive director. Julie is an experienced finance director of quoted and private companies. She graduated with an honours degree in Physics from Birmingham University and is a Chartered Accountant and Chartered Director. She also holds tax and treasury qualifications. Julie was group finance director of Carter & Carter Group plc until October 2005 having joined in 2002 to help grow and float the business.

She had previously been chief financial officer of Weston Medical Group plc and prior to this, Julie worked at East Midlands Electricity plc as director of corporate finance. She was finance director of AIM quoted Biofutures International plc until July 2010. Julie also spent over 12 years as a non-executive director of Nottingham University Hospitals NHS Trust and Nottinghamshire Healthcare NHS Trust. She was appointed as a non-executive director of Oxford Cannabinoid Technologies Holdings Plc in May 2021.



Disclaimer

The information contained in this document (the “Presentation”) has been prepared by Dillistone Group plc (the “Company”) solely for informational purposes.

All statements of opinion and/or belief contained in this Presentation and all views expressed represent the directors’ own current assessment and interpretation of information available to them as at the date of this Presentation. In addition, this Presentation contains certain "forward-looking statements", including but not limited to, the statements regarding the Company’s overall objectives and strategic plans. Forward-looking statements express, as at the date of this Presentation, the Company’s plans, estimates, forecasts, projections, opinions, expectations or beliefs as to future events, results or performance. Forward-looking statements involve a number of risks and uncertainties, many of which are beyond the Company’s control, and there can be no assurance that such statements will prove to be accurate. No representation is made or assurance given that such statements or views are correct or that the objectives of the Company will be achieved. Existing and prospective investors are cautioned not to place reliance on these statements or views and no responsibility is accepted by the Company or any of its directors, officers, employees or agents in respect thereof. The Company does not undertake to update any forward-looking statement or other information that is contained in this Presentation. Neither the Company nor any of its shareholders, directors, officers, agents, employees or advisers take any responsibility for, or will accept any liability whether direct or indirect, express or implied, contractual, tortious, statutory or otherwise, in respect of, the accuracy or completeness of the information contained in this Presentation or for any of the opinions contained herein or for any errors, omissions or misstatements or for any loss, howsoever arising, from the use of this Presentation.

This Presentation should not be considered a recommendation by the Company or any of its affiliates in relation to any prospective acquisition of shares in the Company. No undertaking, representation, warranty or other assurance, express or implied, is made or given by or on behalf of the Company or any of its affiliates, any of its directors, officers or employees or any other person as to the accuracy, completeness or fairness of the information or opinions contained in this Presentation and no responsibility or liability is accepted for any such information or opinions or for any errors or omissions.

