

Maintaining Momentum

FY25 Interim Results

December 2024



H1 Highlights

- ★ Platform revenue up 53% on H1 last year, total revenue up 38%
- ★ US total revenue +79%
- ★ 161 new platform clients in H1 providing £3.3m revenue
- ★ Platform NRR over 120%
- ★ Gross profit margin 87.3%, in line with FY24
- ★ £2m additional investment over next 18 months in revitalising innovation and winning in America
- ★ Statutory profit before tax £2.6m; adjusted profit before tax £2.5m
- ★ Diluted earnings per share +182% (13.8p)
- ★ £8.9m Cash as at 30 September 2024



James Gregory
Chief Executive Officer

System1





Chris Willford

Chief Financial Officer

System1





**We help the world's largest advertisers make
confident creative decisions
that lead to transformational business results**

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51%

of advertising has no
long-term impact on
market share growth

95%

of new product
launches fail

System1

predicts and **improves** marketing effectiveness...



WHO

We are a marketing
decision-making platform

WHAT

We predict and improve
marketing effectiveness

... through our **‘predict your’** and **‘improve your’** offering ...

Data



(Predict Your)

**Data-Led
Consultancy**

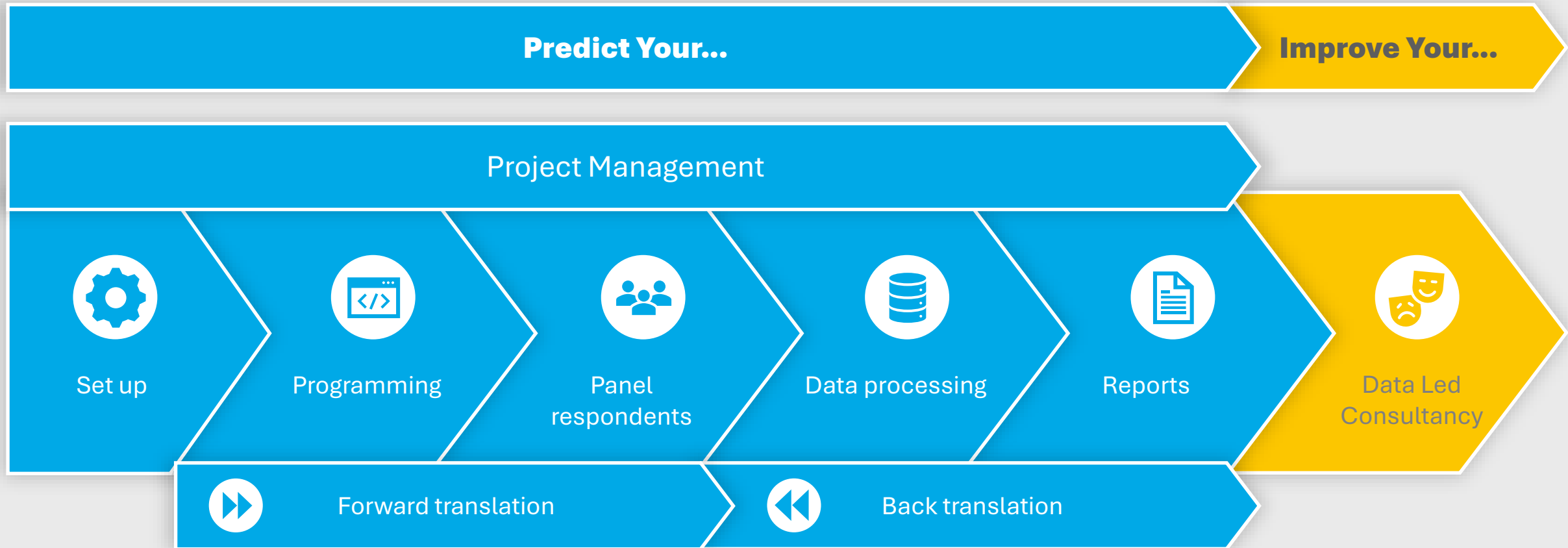


(Improve Your)

**Bespoke
Consultancy**

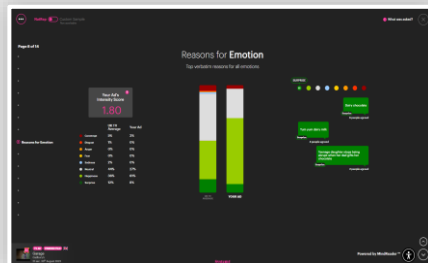
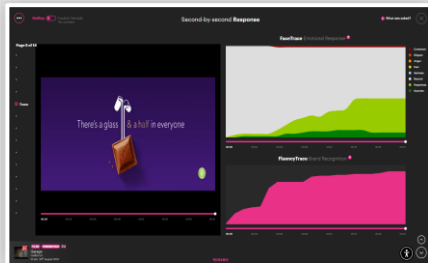
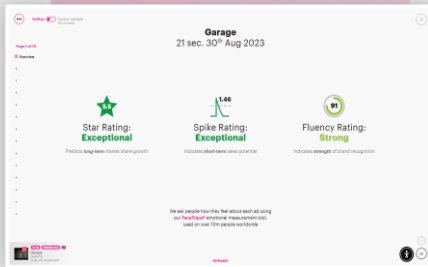
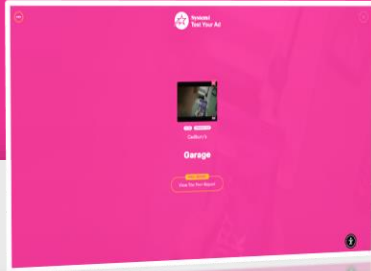


... our predictions (and some improvements) are delivered through an **automated platform** ...

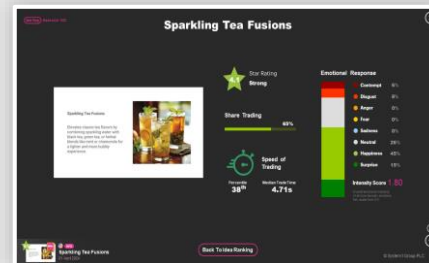


... with results provided to customers on a self-serve platform ...

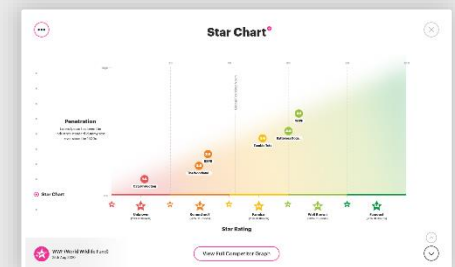
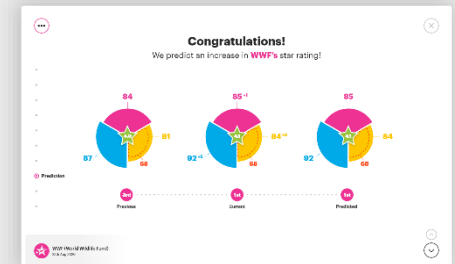
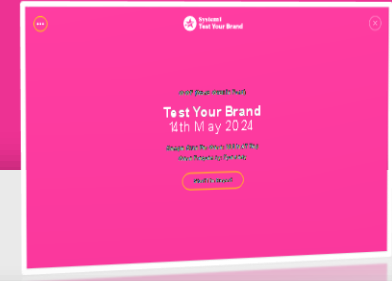
Test Your Ad



Test Your Innovation



Test Your Brand



Platform and Products based on world leading IP, methodologies and technologies



Ads | Brands
Ideas tested

190K+



Survey
Responses

15M+



Emotions measured
through FaceTrace™

36M



Markets

50+

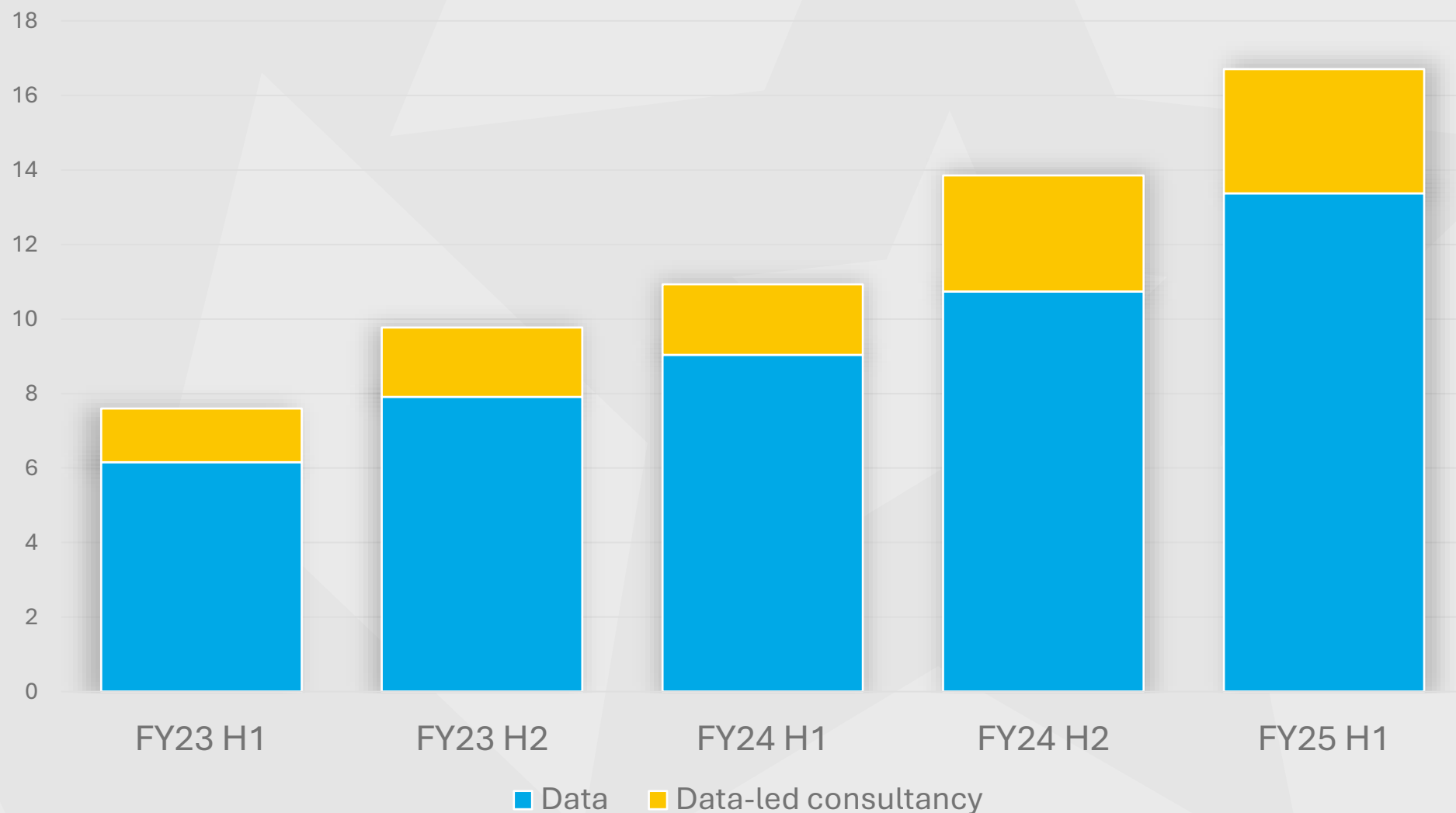
Fourth consecutive half year of Revenue growth

Total Revenue £m



Driven by Platform Revenue

Platform Revenue £m



Data-Led
Consultancy

+75%

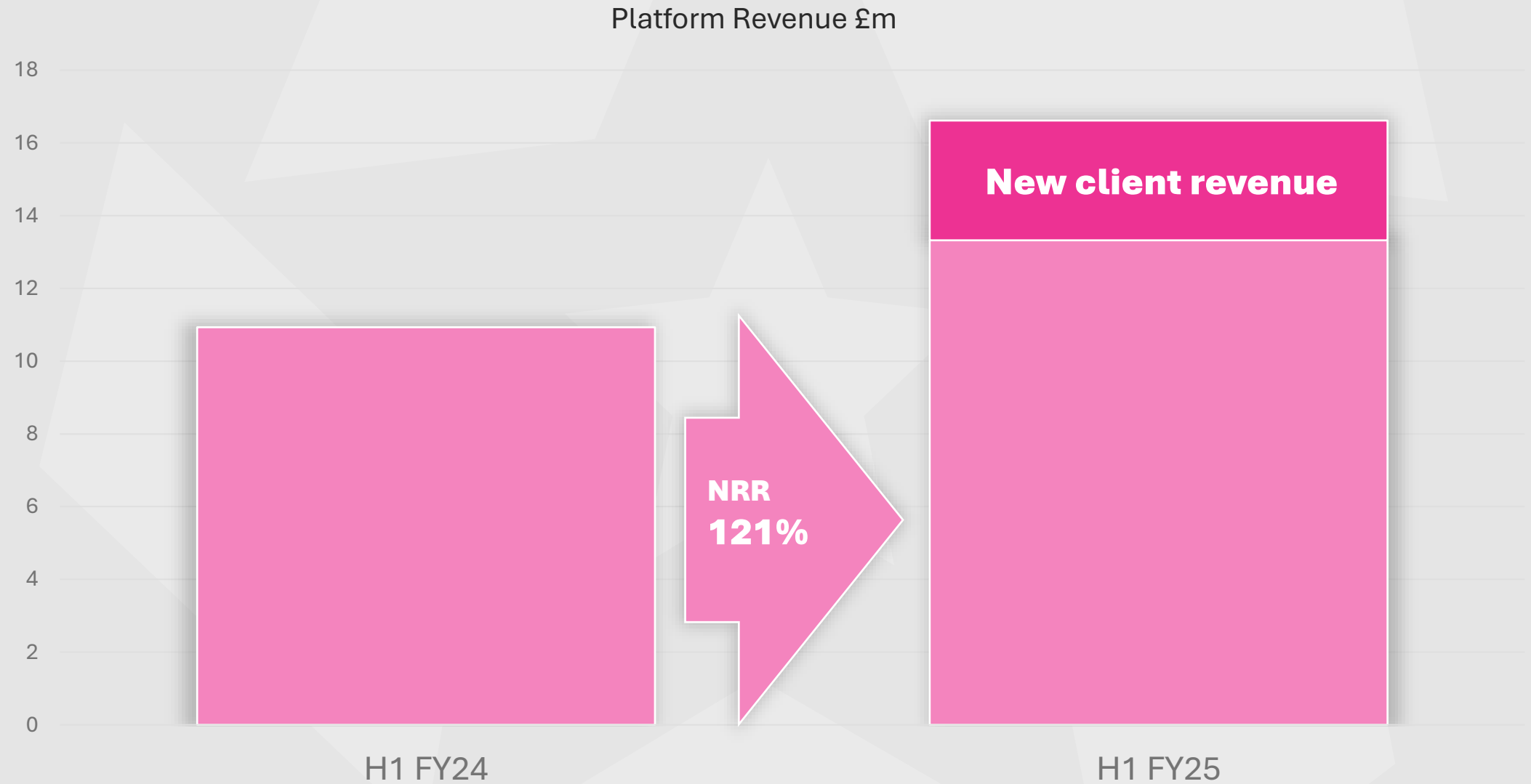
H1FY25 YoY

Data

+48%

H1FY25 YoY

We delivered over **120% Platform Net Revenue Retention** in H1 FY25



H1 FY25 continues to show **benefit of our scalable business model**

	H1 FY25	H1 FY24	Change %
Platform Revenue	16.7	10.9	+53%
Total Revenue	18.3	13.3	+38%
Cost of Sales	(2.3)	(1.6)	+43%
Gross Profit	16.0	11.7	+37%
Statutory Profit Before Tax	2.6	0.9	+176%
Profit after Taxation	1.8	0.6	+180%
Diluted earnings per share (p)	13.8	4.9	+182%

Opportunities Ahead



We remain focussed on our **3 reasons to believe**



**Innovation
(Idea Testing)**



USA



**World's Largest
Advertisers**

Innovation

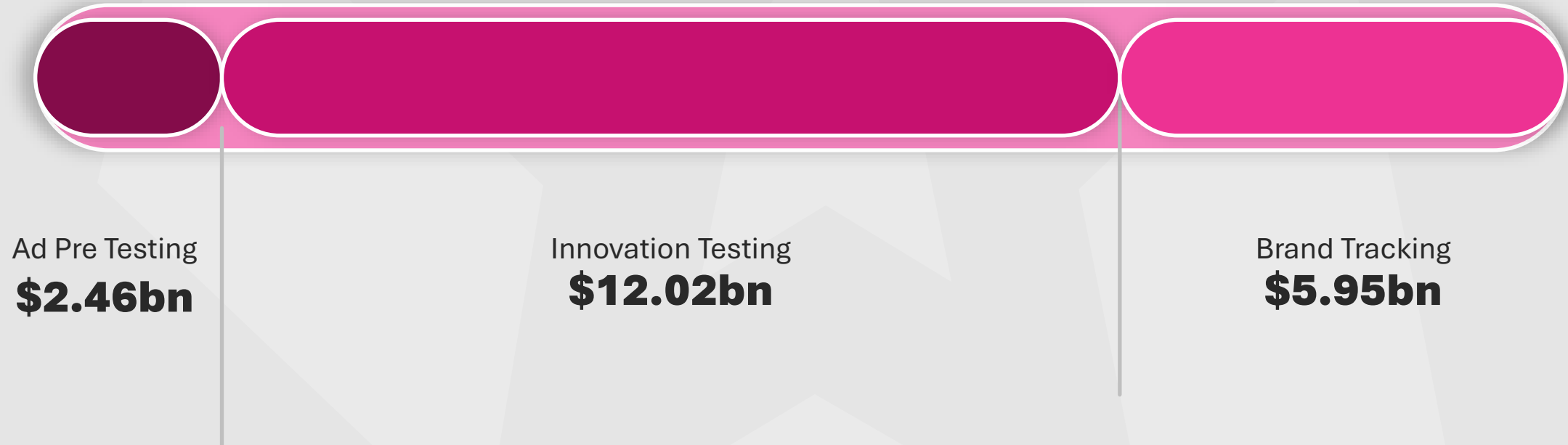
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There is **massive headroom in the pre-testing market**
and we are playing in growth areas



Total Addressable Market
\$20.43bn



We relaunched our **updated Test Your Innovation** proposition



Five Steps to 5-Star Innovation

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offer a solution to help you

Create with Confidence

at each stage of the
innovation development process



We are investing to revitalise our Innovation Proposition



**Innovation
MD**

**Innovation
Team**

**Go To
Market**

Winning in America



We have a **significant opportunity in the US as the biggest market**



\$71bn



55%

29%

\$129bn



Global Insights Industry

Key



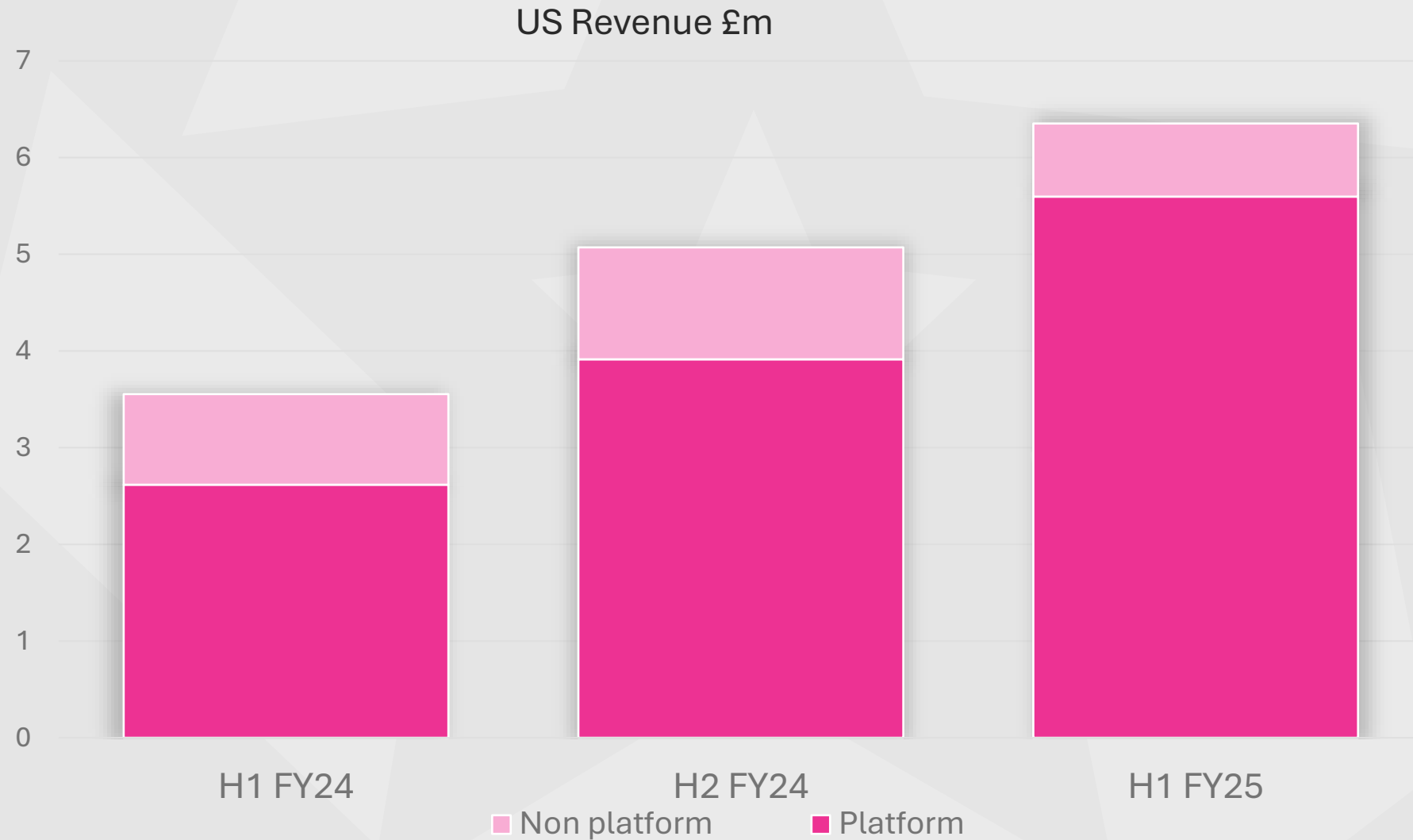
Industry % of revenue



FY24 % of revenue



US Revenue up 79% with platform more than double H1 FY24



We continue to **invest in fame, partnerships and go-to-market in the US**



Fame

Partnerships

**Go To
Market**

World's Largest Advertisers

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Big Wins | £3.3m new business in H1



+£1.3m

- ★ A California-based multi-billion enterprise software company;
- ★ A challenger brand family that focuses on improving the health and lifestyles of people and pets;
- ★ A US\$20 billion global investment management firm



+£1.6m

- ★ A global social media platform;
- ★ A travel technology platform; and
- ★ An online food delivery company



+£0.4m

- ★ Australia's leading Out-of-Home advertising company;
- ★ A world leader in premium spirits
- ★ A multisite food retail chain in Australia

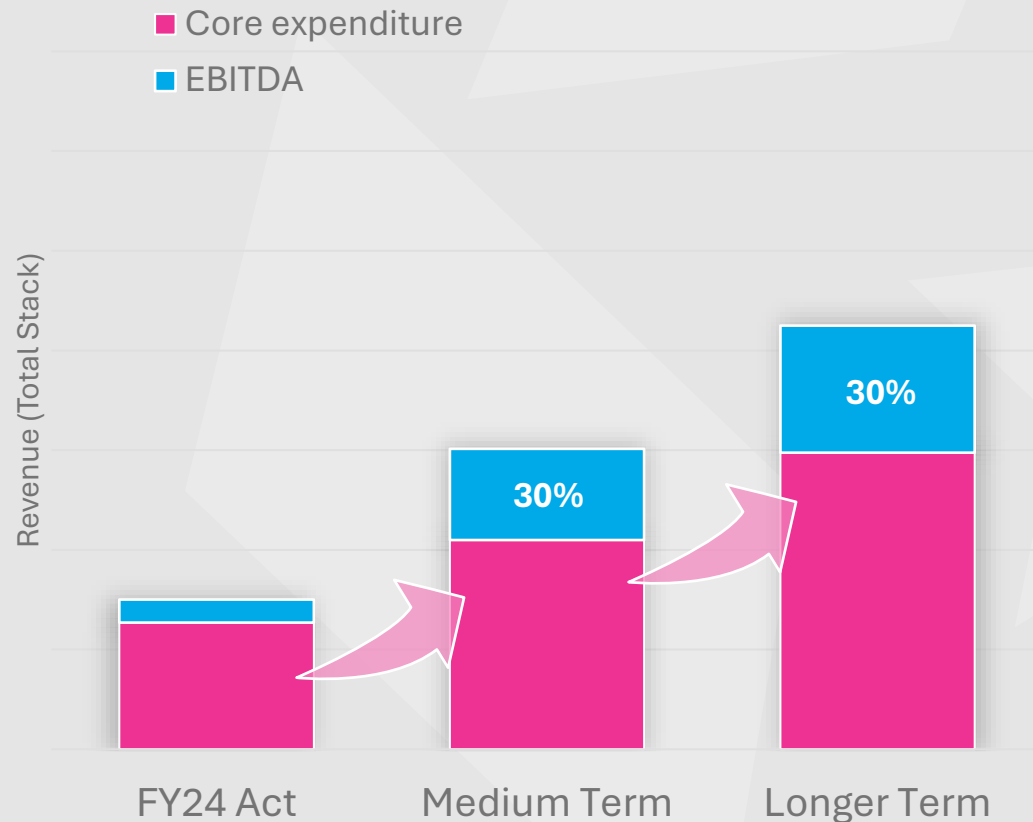
Future Growth

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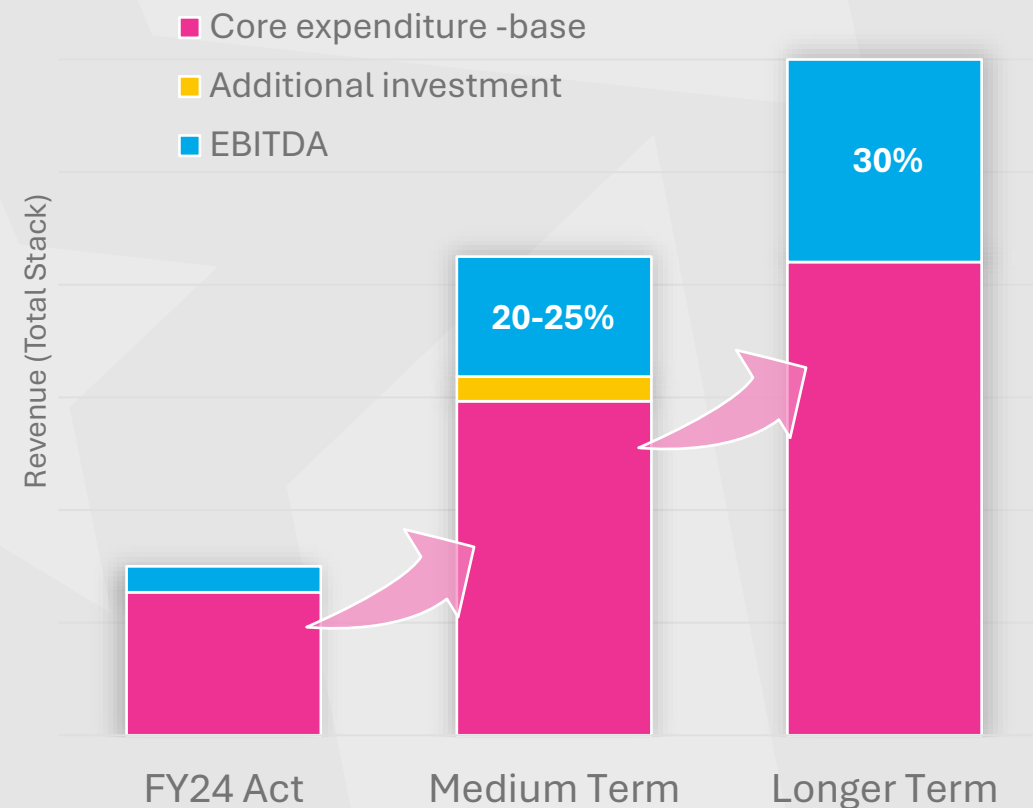


We believe the **value opportunity is greater with accelerated investment**

Without Accelerated Investment



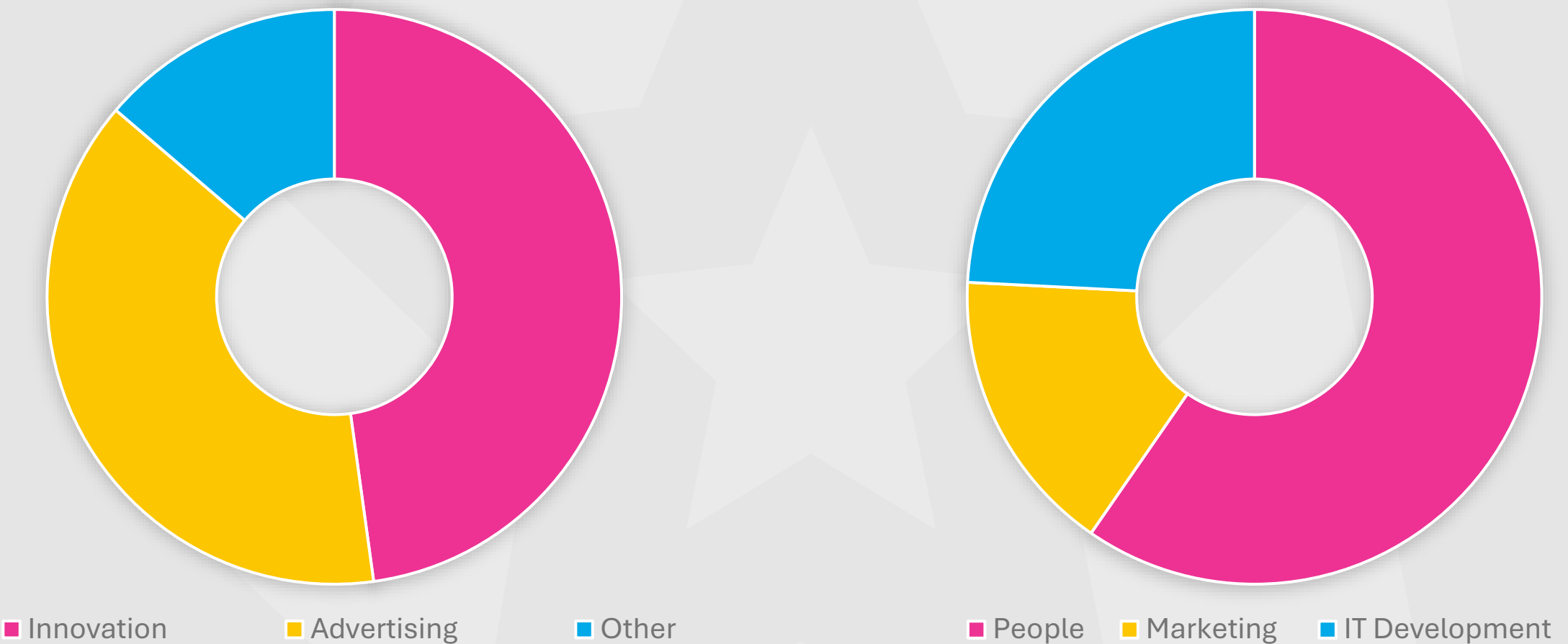
With Accelerated Investment



ILLUSTRATIVE Growth Scenarios

This is not intended to be construed as a profit forecast

We are planning **c.£2m additional discretionary investment** in FY26 to accelerate **top line growth**



INDICATIVE deployment of accelerated investment

...and we believe we need to **invest in growth now to maximise shareholder value**

KPIs	H1 FY24	H1 FY25	3-Year Range	Goal at Scale
Platform Revenue % total Revenue	82	91	90-95%	95%
Platform Revenue growth %	44	53	20-30%	10-20%
Gross Profit % Revenue	88	87	85-87%	>85%
Adjusted EBITDA % Revenue	12	16	15-20%	>30%
“Rule of 40”	56	69	35-50%	>40%



Questions?

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