28 February 2022

GlobalData Plc
Final Results For The Year Ended 31 December 2021
"Strong 2021 trading and well positioned for accelerated growth"

Key performance metrics	2021	2020	Change	Organic Underlying Constant Currency[4] %
Revenue	£189.3m	£178.4m	+6%	+8%
Adj. EBITDA[1]	£64.4m	£56.7m	+14%	+14%
Adj. EBITDA margin[1]	34%	32%	+2p.p.	+2p.p.
Statutory PBT	£32.6m	£28.6m	+14%	-
Deferred revenue[2]	£81.4m	£74.7m	+9%	+9%
Invoiced forward revenue[3]	£107.7m	£92.7m	+16%	+10%

Financial Highlights

- Organic underlying constant currency[4] revenue growth of 8%, offset with currency headwinds for reported growth of 6%
- Adjusted EBITDA[1] up 14% to £64.4m (2020: £56.7m) and Adjusted EBITDA margin[1] improvement of 2 percentage points to 34%
- Statutory PBT grew by £4.0m to £32.6m (2020: £28.6m)
- Deferred revenue[2] up 9% to £81.4m (2020: £74.7m) and Invoiced forward revenue[3] up 16% to £107.7m (2020: £92.7m), with organic underlying constant currency growth of 10%
- Final dividend of 13.2p, up 14% (2020: 11.6p); total dividend of 19.3p, up 14% (2020: 17.0p)

Operational Highlights

- Continued investment in Growth Optimisation Plan and progress across strategic priorities, with Customer Obsession our number-one priority.
- Set strong foundations for accelerated growth through One Platform enhancements and investment in B2B industry websites
- Completion of two strategic acquisitions
- Customer focused initiatives have driven growth and further deepening of our relationships

Mike Danson, CEO of GlobalData Plc, commented:
"In 2021 we continued to invest across our Growth Optimisation Plan, including increased focus on our customers. Key customer focused initiatives, together with investment in our product capabilities, have further strengthened customer relationships. Our underlying revenue performance was strong and importantly, we exit the year with improved forward revenue visibility. The greater visibility, driven by our organic growth performance and the two completed acquisitions, together with our disciplined approach to costs gives the Group a strong foundation for accelerated growth and further margin expansion."

Note 1: Adjusted EBITDA: Earnings before interest, tax, depreciation and amortisation, adjusted to exclude costs associated with acquisitions, restructuring of the Group, share-based payments, impairment, unrealised operating exchange rate movements and the impact of foreign exchange contracts. Adjusted EBITDA margin is defined as: Adjusted EBITDA as a percentage of revenue. This is reconciled to the statutory operating profit on page 7.
Note 2: Deferred revenue: Deferred revenue relates to amounts that are invoiced to clients at the statement of financial position date, which relate to future revenue to be recognised. This is adjusted for amounts that are not yet due for payment and the service has not yet commenced. This is reconciled to invoiced forward revenue on page 10.
Note 3: Invoiced forward revenue: Invoiced forward revenue relates to amounts that are invoiced to clients at the statement of financial position date, which relate to future revenue to be recognised. This is reconciled to deferred revenue on page 10.
Note 4: Organic underlying constant currency: Defined as growth in business (excluding acquisitions) excluding impact of movement in exchange rates. This is reconciled to the reported change on page 10.

ENQUIRIES

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Notes to Editors

GlobalData Plc
GlobalData Plc (AIM: DATA) is a leading data, insights, and analytics platform for the world's largest industries. Our mission is to help our clients decode the future, make better decisions, and reach more customers.

One Platform Model
GlobalData's One Platform model is the foundation of our business and is the result of years of continuous capital investment, targeted acquisitions, and organic development. This model governs everything we do, from how we develop and manage our products, to our approach to sales and customer success, and supporting business operations. At its core, this approach integrates our unique data, expert analysis, and innovative solutions into an integrated suite of client solutions and digital community platforms, designed to serve a broad range of industry markets and customer needs on a global basis. The operational leverage this provides means we can respond rapidly to changing customer needs and market opportunities, and continuously manage and develop products quickly, at scale, with limited capital investment as well as providing unique integration opportunities for M&A.

Strategic Priorities
GlobalData's four strategic priorities are: Customer Obsession, World-Class Products, Sales Excellence, and Operational Agility.

Growth Optimisation Plan
GlobalData's Growth Optimisation Plan is a set of initiatives designed to drive revenue growth and profitability. The Plan's initiatives operate across GlobalData's operations and are organised around the strategic priorities noted above.

CHIEF EXECUTIVE'S REVIEW

We have continued to expand our position as a leading intelligence platform within the growing Information Services market, both through our organic progress and the two M&A transactions completed near the end of the year.

In 2021 we continued to invest across our Growth Optimisation Plan, with increasing focus on Customer Obsession, our number one strategic priority. Our organic underlying constant currency revenue performance was strong, and, importantly, we exit the year with improved forward revenue visibility. The greater visibility, driven by our organic growth performance and the two completed acquisitions, together with our disciplined approach to costs gives the Group a strong foundation for accelerated growth and further margin expansion.

The Group has delivered a strong set of results and has continued to deliver and execute against its strategy. Our 8% organic underlying constant currency revenue growth (6% reported revenue growth) and margin expansion, together with our strengthening visibility on deferred revenues, demonstrate clear progress against our two financial targets of achieving at least 10% annual organic growth and an Adjusted EBITDA margin of between 35%-40%.

Our business model and the sector we are in, give us a great platform for growth and significant resilience against wider macro-economic factors. As a trusted intelligence provider, our products and services, historically benefit from increased usage and demand, as our customers look to successfully navigate periods of uncertainty. As a result, our subscription renewal rates have been consistently strong over the past two years and the heritage assets that we have consolidated in our One Platform, have a long-standing history of growth during economic cycles. We are confident that our deep customer relationships, diverse market coverage and continued investment in must-have intelligence will maintain this position of strength and resilience.

Growth Optimisation Plan

We launched our Growth Optimisation Plan in 2020, and our clear focus is on sustainable growth delivered through four key pillars: Customer Obsession, World-Class Product, Sales Excellence and Operational Agility. The key word in this plan is "optimisation", and what we mean by this is that we are not reliant on a single area of growth to be successful. We have multiple levers for growth, both in our organic business and through M&A opportunities.

- **Organic growth:** We have a clear strategy for organic growth and our multiple levers mean we are not reliant on a single area of growth. Our key levers for growth are:

    - Increase volume renewal rates;
    - Price increases;
    - Selling more licences within the organisations we already serve;
    - Product cross-sell opportunities within our existing client base; and
    - Selling to new clients. We have +4,600 clients in an overall immediate addressable market of 125,000 companies.

  We have made progress against our ambition of reaching annual 10% organic growth, achieving organic underlying constant currency revenue growth of 8% and growth in organic underlying constant currency invoiced forward revenues of 10%. The latter provides a strong foundation for growth in the current year.

- **M&A:** During the fourth quarter we completed two acquisitions: the Life Sciences business, which adds drug pricing data, as well as other critical Life Sciences data and analysis to our existing world-class pharmaceuticals intelligence; and the LMC Automotive and Agribusiness information businesses (together "LMC"). The integration processes are ongoing and on track.

  Both acquisitions represent strategic bolt-ons of data assets, which are reflective of our M&A strategy and our capability to integrate assets into our One Platform model efficiently.

  We assess potential acquisitions based upon our investment criteria of:

    - Quality product/service that meets the definition of "gold standard" (demonstrated by strong renewal rates);
    - Adds depth to an existing vertical or gives us access to a new vertical/horizontal data sets that complements our current coverage;
    - Recurring revenue and operating gearing;
    - Synergy opportunities; and
    - Global and scalable product.

  We continue to have a strong pipeline of potential M&A targets, which we are actively progressing.

The four pillars of our Growth Optimisation Plan:

Customer Obsession
Customer Obsession is central to our strategy. It runs through everything we do and we continue to focus on client needs and on providing unique and innovative solutions.

We have several ongoing initiatives aimed at giving our clients world-class solutions delivered with exceptional levels of service.

- **Focused on our top tier clients:** We have initiated an ongoing project to deepen our relationships and further embed our products within our top tier clients. This initiative is based on the enhanced collaboration of our sales teams, analysts, custom research consultants and relationship/client services to truly put our clients first. Aided by our in-house proprietary technology platform Customer360, which pulls together external intelligence with internal metrics on usage, the team has been tasked to increase our understanding of our clients and demonstrate how our varied solutions can help our clients with the challenges they are facing and help them better succeed in their markets.

- **Use of client focused technology:** We have also developed a proprietary technology tool, 'Intelligraph', which gathers data on all our clients and delivers key insights into their business needs and product requirements. This allows us to better serve all our clients and provide timely solutions to the matters of highest priority to our clients.

- **Increased investment in customer service:** Over the past 18 months we have significantly increased the size of our customer success and relationship management teams. Since June 2020, we have nearly doubled the size of this team to 111, demonstrating our commitment to service excellence.

World-Class Products
The core value to our clients is the unique and proprietary "gold standard" data. We continue to develop our capabilities within each individual vertical, to maintain quality and enhance existing data sets.

We continued to enhance our cross-vertical use of business fundamentals (e.g. Companies, Deals, News, Macroeconomics), proprietary thematic and ESG intelligence, and expand our innovative horizontal "Alternative" data and analytics. As part of the integration of the Life Sciences and LMC businesses, these valuable insight tools will be integrated into their core offering as part of our One Platform to enrich the existing gold standard data consumed by their client base. These integrated capabilities help to differentiate our products in the marketplace by providing our clients with a richer and more complete intelligence offering.

We have also increased our focus on our free-to-access B2B industry websites and are using our platform and data to enhance our network of sites at speed and scale. Our proprietary data and insights give us the unique platform to create differentiated editorial content and data journalism. As a result of this, we have developed a global audience of engaged professionals, with many of our sites now in the Top-3 within their segment for traffic, which is key for increasing our overall brand awareness.

We have increased our focus on our custom solutions offering to drive additional engagement and deliver additional, high-value solutions for our clients which complement the subscription service. We can now see some early demonstrable success within this team, with revenue growth of 16% compared to 2020. We see custom solutions as a key driver towards greater penetration within our existing clients, which will help us increase value of existing clients creating larger accounts.

Sales Excellence
Our sales teams have performed well during 2021 with good growth momentum demonstrated in the closing invoiced forward revenue and deferred revenue numbers (10% and 9% in organic underlying constant currency growth, respectively).

The key focuses for the sales team in 2021 have been to deepen the relationships with our top clients and execute upsell and cross-sell opportunities, increase the number of Multi-year Deals and penetrate new client opportunities.

As a business, we are continually focusing on making our sales efforts as efficient as possible. During 2021, we started to embed automation into our sales processes, and while this is only in its infancy for the business, it presents a real opportunity for growth going forward. This includes automated and client-friendly renewal processes as well as developing a sustained inbound lead pipeline.

Operational Agility

We have delivered strong organic growth and executed well on M&A during 2021 within our existing cost structure. Our ability to maintain a relatively fixed cost base, while having the agility to allocate resources for growth and product development is a core asset of our business model. This is demonstrated by the margin progression from 32% to 34%.

In addition to our existing solutions, our One Platform approach to our product offering places us in a relatively unique position for potential M&A. Our proprietary platform allows us to review M&A opportunities with the confidence that we can 'plug-in' and integrate new data sets effectively and execute at speed. Regardless of whether the acquisition is an enhancement to an existing vertical sector or represents an expansion into an adjacent market, the platform software, data taxonomy and architecture will add significant value to any acquired business.

Dividend

Having regard to the financial performance in 2021, cash generation and future prospects, the Board is pleased to propose a final dividend of 13.2 pence per share (2020: 11.6 pence). The proposed final dividend will be paid on 29 April 2022 to shareholders on the register at the close of business on 1 April 2022. The ex-dividend date will be on 31 March 2022. The proposed final dividend increases the total dividend for the year to 19.3 pence per share (2020: 17.0 pence), an increase of 14%.

Trading Performance

Revenue – Renewal rates remained strong throughout 2021 and have been consistent across the past three years, which give us confidence in the defensibility of our product and its resilience in a tough macro-economic environment.

On an organic underlying constant currency basis, revenue grew by 8%, which was driven in large part by underlying constant currency growth in subscriptions of 8% augmented with strong growth in bespoke solutions as we strengthened our client relationships.

We had strong sales order momentum in the last quarter of 2021, resulting in invoiced forward revenue growth of 10% on an organic underlying constant currency basis (16% reported), meaning that we start 2022 with significantly enhanced visibility on our revenues.

Cost base – We have an established cost base, which has a significant amount of growth and product development investment embedded. This means that we do not need to incrementally increase our cost base significantly, in monetary terms, to invest in new initiatives and growth opportunities. Therefore, our operating costs grew only 3% to £124.9m (2020: £121.7m) and resulted in drop through Adjusted EBITDA margin of 71%.

Net Debt – During the year we have extended our banking facilities by exercising the £75m accordion facility and extending by a further £20m. We have been well supported by our banks in executing our M&A strategy, in which we have invested £97.7m during 2021. We have also invested £46.5m supporting our Employee Benefit Trust to buy shares for our employee LTIP, in order to satisfy the upcoming share awards that are due to vest.

Our current financing facility has further headroom of £18m as at 28 February 2022, in addition to the Group cash reserves of ~£40m as of the same date. Although the facility expires in the second quarter of 2023, we are in advanced discussions to refinance and obtain a new facility which supports the Group's M&A strategy over the longer term.

Financial Key Performance Indicators

The financial KPI's below are used, in addition to statutory reporting measures, by the Executive Directors to monitor the Group's performance and progress.

	Revenue	Invoiced forward revenue	Adjusted EBITDA	Adjusted EBITDA margin	Net Debt[1]
2021	**£189.3m**	**£107.7m**	**£64.4m**	**34%**	**£177.6m**
2020	£178.4m	£92.7m	£56.7m	32%	£58.1m
% reported growth	6%	16%	14%	2p.p.	206%
% organic growth	5%	9%	13%	2p.p.	206%

Note 1: Net Debt: Short- and long-term borrowings (excluding lease liabilities) less cash and cash equivalents.

We have continued to make strong progress against these KPIs.

Revenue growth on an organic underlying constant currency basis was 8%, with immaterial growth from M&A completed in the latter part of the year. Our revenues were impacted by currency fluctuations in the year, mainly due to volatility between GBP and US Dollar.

Overall our revenue visibility has grown, with invoiced forward revenue growth of 16%. On an organic underlying constant currency basis, invoiced forward revenue growth was 10%, demonstrating the strong growth in sales orders towards the end of the financial year.

Our business model is scalable and benefits from significant incremental margin benefits. Last year we stated our ambition was to achieve Adjusted EBITDA margin of between 35% and 40% and we have made further progress towards this by increasing our margin by two percentage points to 34% and expect to continue the current trajectory of margin expansion. The incremental margin on the revenue growth in 2021 was 71%.

Our disciplined approach to costs and the benefits of our subscription model gives us confidence that we will be in our target range over the course of the next 12 months.

Our Net Debt has increased during 2021 as a result of investment in M&A and the purchase of shares for our Employee Benefit Trust. As at 31 December 2021 the Net Leverage was 2.76 being Net Debt divided by Adjusted EBITDA (2020: 1.02). The Group targets a Net Leverage operating range of between 2-3 times, but will also consider the proforma (pre-acquisition) performance of acquisition targets and going beyond this target, subject to a strong de-levering profile thereafter.

Outlook for 2022

We are well positioned as a business to make further progress in 2022. Underpinned by our strong invoiced forward revenue position of £107.7m at the start of the new financial year and largely fixed cost base driving margin expansion, together with tailwinds which continue to drive information services sector growth and further M&A opportunity, we look forward to strong organic revenue growth and continued margin improvement in 2022.

We acknowledge the continuing economic impact of COVID-19, but we are confident in our business model and the sector we are in provides us with both the resilience and the opportunity to excel in otherwise tough market conditions. We are confident that our deep customer relationships, diverse market coverage and continued investment in must-have intelligence will maintain this position of strength and resilience.

People

The strong set of results that we have delivered are underpinned by the talent and dedication of the GlobalData team. I want to thank all my GlobalData colleagues for their efforts during 2021, and I also would like to welcome the new colleagues who have joined the Group with the Life Sciences and LMC acquisitions. I look forward to sharing further successes together during 2022 and beyond.

I am also delighted that many of our colleagues will be able to exercise their share options, now that the business has achieved the final vesting target of £52m Adjusted EBITDA (pre-IFRS16), in our Scheme 1 LTIP. These awards will be settled from existing shares held in the Group's EBT schemes. J.P. Morgan, Panmure Gordon and Singer Capital Markets have been appointed to handle any resulting share sales by the EBT schemes in due course.

Board

As previously noted, Murray Legg was appointed as Non-Executive Chairman at the Annual General Meeting in April 2021 and we have also welcomed two new Non-Executives to the Board in 2021. Catherine Birkett joined the Board on 20 April 2021 and succeeded Murray as the Audit Committee Chair, and Julien Decot joined the Board on 30 April 2021. As a Board, I think we have significant strength and capabilities within our Non-Executive team and I thank them all for their insight, advice and challenge over the past year and I look forward to their continued support in 2022.

Financial Review

£m	Year Ended 31 December 2021	Year Ended 31 December 2020
Revenue	**189.3**	**178.4**
Operating profit	**38.2**	**33.0**
Adjusting items		
Depreciation	6.8	7.0
Amortisation of acquired intangible assets	5.6	10.7
Amortisation of software	0.9	1.1
Share-based payments charge	9.2	4.2
Restructuring and refinancing costs	1.4	0.6
Revaluation loss/(gain) on short- and long-term derivatives	0.9	(0.3)
Unrealised operating foreign exchange gains	(1.0)	(0.3)
M&A costs	2.4	0.7
Adjusted EBITDA	**64.4**	**56.7**
Adjusted EBITDA margin[1]	34%	32%

Statutory Profit Before Tax	**32.6**	**28.6**
Amortisation of acquired intangible assets	5.6	10.7
Share-based payments charge	9.2	4.2
Restructuring and refinancing costs	1.4	0.6
Revaluation loss/(gain) on short- and long-term derivatives	0.9	(0.3)
Unrealised operating foreign exchange gains	(1.0)	(0.3)
M&A costs	2.4	0.7
Adjusted Profit Before Tax	**51.1**	**44.2**
Adjusted income tax expense[2]	(9.4)	(8.4)
Adjusted Profit After Tax	**41.7**	**35.8**

Cash Flow Analysis

Cash flow generated from operations	**60.5**	**59.8**
Cash flow conversion %[3]	94%	105%

Earnings Performance

Profit After Tax	**24.9**	**22.6**
Adjusted Profit After Tax	**41.7**	**35.8**
Basic shares (millions)	113.5	116.2
Diluted shares (millions)	123.0	124.8
Attributable to equity holders:		
Basic earnings per share (pence)	21.9	19.4
Diluted earnings per share (pence)	20.2	18.1
Adjusted basic earnings per share (pence)	36.7	30.8
Adjusted diluted earnings per share (pence)	33.9	28.7

[1] Adjusted EBITDA margin is defined as: Adjusted EBITDA as a percentage of revenue. Note 2 discloses the rationale for the adjusting items in detail.
[2] Adjusted income tax expense represents the statutory income tax expense adjusted for the tax effect on adjusting items. In addition, the adjusted income tax expense includes the effect of any tax rate changes.
[3] Cash flow conversion is defined as: Cash flow generated from operations divided by Adjusted EBITDA.

The financial position and performance of the business are reflective of the core financial elements of our business model: visible and recurring revenues, high incremental margins, scalable opportunity and strong cash flows. The Directors use statutory profit measures to assess business performance but also believe that Adjusted EBITDA, Adjusted profit after tax and Adjusted earnings per share provide additional useful information on the core operational performance of the Group to shareholders, and we review the results of the Group using these measures internally.

The Group's Performance This Year

1. **Revenue**
   Overall revenue grew by 6% to £189.3m (2020: £178.4m). Organic underlying constant currency growth was 8%, which was driven by strong performance in subscriptions, which grew by 8% on an organic underlying constant currency basis and was augmented by strong growth in bespoke research solutions. Acquisitions contributed ~1% to the overall growth rate.

   Currency volatility reduced underlying constant currency performance with a 3% headwind, driven in the main by volatility between GBP and US Dollar, with the pound strengthening on average by 8% (2021: 1.38; 2020: 1.28).

2. **Profit before tax**
   Profit before tax for the year grew by £4.0m to £32.6m (2020: £28.6m), which partly reflects the operating leverage which has driven Adjusted EBITDA to grow by £7.7m to £64.4m (2020: £56.7m), offset with increases in other operating costs.

£m	**Year Ended 31 December 2021**	**Year Ended 31 December 2020**	**Change %**
Revenue	**189.3**	**178.4**	6%
Operating costs	(124.9)	(121.7)	3%
Adjusted EBITDA	**64.4**	**56.7**	14%
Depreciation	(6.8)	(7.0)	(3%)
Amortisation of acquired intangible assets	(5.6)	(10.7)	(48%)
Amortisation of software	(0.9)	(1.1)	(18%)
Share-based payments charge	(9.2)	(4.2)	119%
Restructuring and refinancing costs	(1.4)	(0.6)	133%
Revaluation (loss)/gain on short- and long-term derivatives	(0.9)	0.3	(400%)
Unrealised operating foreign exchange gains	1.0	0.3	233%
M&A costs	(2.4)	(0.7)	243%
Finance costs	(5.6)	(4.4)	27%
Profit Before Tax	**32.6**	**28.6**	**14%**

Adjusted EBITDA
Adjusted EBITDA increased by 14% to £64.4m (2020: £56.7m). The growth in Adjusted EBITDA was driven by our strong revenue growth and our ability to control what is a relatively fixed cost base.

We have an established cost base, which has a significant amount of growth and product development investment embedded. This means that we do not need to incrementally increase our cost base, in monetary terms, significantly to invest in new initiatives and growth opportunities. Therefore, our operating costs grew only 3% to £124.9m (2020: £121.7m) and resulted in drop through Adjusted EBITDA margin of 71%. Our overall margin increased by 2 percentage points to 34% (2020: 32%).

Other operating costs
Other operating costs grew by 13% in total, but there are some significant individual movements of note:

- The amortisation charge for acquired intangibles has declined by £5.1m to £5.6m (2020: £10.7m). This is reflective of assets becoming fully amortised, along with recent M&A activity being phased towards the end of the year. The acquisitions made in the latter part of 2021 had an immaterial effect on 2021's charge but will increase the charge for 2022 and future years.
- The share-based payment charge has increased from £4.2m to £9.2m in 2021 (an increase of £5.0m). This was the result of vesting forecast changes in 2020, which impacted the spread of charge and therefore the cost in 2020 was particularly low.
- M&A costs were minimal in 2020, and 2021 included costs associated with the acquisitions completed.
- Financing costs increased by 27%, reflecting the increase in drawn facility in the year. The drawn facilities were mainly in relation to the M&A which happened in the latter part of the year and therefore we expect a full year effect of the increase in Net Debt to be reflected in the financing cost line in 2022.

Leases
Within our operating costs, depreciation in relation to right-of-use assets was £5.0m (2020: £5.6m). Other income, in relation to sub-let income on right-of-use assets was £0.4m (2020: £1.3m). Our net finance costs include interest of £1.5m in relation to lease liabilities (2020: £1.7m).

3. **Cash generation**
Cash generated from operations grew by 1.0% to £60.5m (2020: £59.8m), representing 94% of Adjusted EBITDA (2020: 105%). We would normally expect operating cash flow to be in excess of 100% of Adjusted EBITDA and if we add back exceptional cash costs in the year (restructuring, refinancing and M&A), cash flow conversion is ~100%.

Capital expenditure was £1.3m in 2021 (2020: £5.0m), including £0.5m on software (2020: £1.5m). There was an uplift in capital expenditure in 2020, reflecting significant investment into the Group's computer hardware and cyber security systems. The 2021 levels (0.7% of revenue) reflect a return to a normalised state.

Total cash flows from operating activities was £52.0m (growth of £1.0m from 2020), which represented 136% of operating profit (2020: 155%). During the year, the Group paid out £20.4m in dividends (2020: £18.0m).

Short- and long-term borrowings increased by £124.4m (inclusive of a £5.0m repayment) to £200.2m as at 31 December 2021 (2020: £75.8m). The debt drawn was focused on two main areas of expenditure:

- **M&A –** The Group purchased the Life Sciences business and the LMC Automotive and Agribusiness assets for combined cash consideration of £96.7m. In addition, £1.0m was paid in relation to two deferred consideration amounts from prior acquisitions. The cash costs of acquisitions are set out on page 37.

- **Purchase of shares through Employee Benefit Trust** – The Group purchased 2.9m shares for its employee LTIP for net consideration of £46.5m.

4. **Net Debt:**
Net Debt increased to £177.6m as at 31 December 2021 (2020: £58.1m). This increase principally reflects strong operating cash flows, offset by M&A activity of £97.7m, contributions to the Employee Benefit Trust to buy-back shares of £46.5m, dividends of £20.4m and capital expenditure of £1.3m.

The Group defines Net Debt as short- and long-term borrowings (note 8) less cash and cash equivalents. The amount excludes items related to leases.

£m	2021	2020
Short- and long-term borrowings (note 8)	200.2	75.8
Cash	(22.6)	(17.7)
Net Debt	**177.6**	**58.1**

5. **Invoiced forward revenue**
Invoiced forward revenues grew by 16% from the 31 December 2020 balance of £92.7m to £107.7m, reflecting good momentum on sales orders in the final quarter of 2021 (organic underlying constant currency growth of 10%) and the impact of acquisitions. Invoiced forward revenue is a major component of our significant revenue visibility for the forthcoming year

£m	2021	2020
Deferred revenue	81.4	74.7
Amounts not due/subscription not started at 31 December	26.3	18.0
Invoiced forward revenue	**107.7**	**92.7**

6. **Intangible assets**
Intangible assets have increased by £105.7m during the year, from £242.0m as at 31 December 2020, to £347.7m as at 31 December 2021. The majority of the increase relates to two acquisitions made during the year of Life Sciences and LMC in which the Group recognised goodwill and intangibles assets on acquisition of £37.8m and £73.8m respectively. Offsetting against these increases was an amortisation charge for the year of £6.5m (2020: £11.8m).

7. **Trade receivables**
Net trade receivables as at 31 December 2021 were £42.3m, representing a 17% growth compared with the 31 December 2020 balance of £36.2m. Of the 2021 balance, £1.4m related to LMC and £1.2m related to Life Sciences, therefore organic trade receivables totalled £39.7m, representing organic growth of 10%.

8. **Foreign exchange impact on results**
The Group derives around 60% of revenues in currencies other than Sterling, compared with around 40% of its cost base. The impact of currency movements in the year reduced revenue by £5.7m (2020: positive £0.3m), which represented a headwind of around 3% on growth. The full impact on Adjusted EBITDA was offset by £4.8m of currency benefits on costs, resulting in overall £0.9m of adverse impact on earnings at an Adjusted EBITDA level.

£m	Revenue	Costs	Adjusted EBITDA	Margin
As reported	**189.3**	**(124.9)**	**64.4**	**34%**
Less impact of acquisitions	(1.5)	1.1	(0.4)	
Add back currency movements				
US Dollar	5.1	(3.5)	1.6	
Euro	0.2	-	0.2	
Other	0.4	(1.3)	(0.9)	
Organic underlying constant currency	**193.5**	**(128.6)**	**64.9**	**34%**
2020	178.4	(121.7)	56.7	32%
Organic underlying constant currency growth	*8%*	*6%*	*14%*	*2% p.p.*

The main driver for the movement was the fluctuation throughout the year of pound sterling in comparison to US dollar. In 2021 the average rate throughout the year was 1.38 compared to an average rate of 1.28 in 2020.

9. **Earnings per share**
Basic EPS was 21.9 pence per share (2020: 19.4 pence per share). Fully diluted profit per share was 20.2 pence per share (2020: 18.1 pence per share).

   Adjusted earnings per share grew from 30.8 pence per share to 36.7 pence, representing 19% growth.

10. **Dividends**
We are pleased to propose a final dividend of 13.2 pence per share (2020: 11.6 pence). The proposed final dividend will be paid on 29 April 2022 to shareholders on the register at the close of business on 1 April 2022. The ex-dividend date will be on 31 March 2022. The proposed final dividend increases the total dividend for the year to 19.3 pence per share (2020: 17.0 pence), an increase of 14%.

11. **Taxation**
The Group's effective tax rate for the reporting period is 23.6%. This exceeds the current UK corporation tax rate of 19.0%, which is broadly due to: the impact of higher tax rates in certain overseas jurisdictions where the Group operates, specifically the United States and India; incurring expenses that are non-deductible for tax purposes; and remeasuring certain deferred tax assets and liabilities at 25.0% reflecting the change in UK tax rate to be effective from 1 April 2023.

    Key factors that may impact the Group's future tax charge as a percentage of underlying profits are: the mix of profits and losses between the jurisdictions in which the Group operates and the corresponding tax rates in those territories; the impact of non-deductible expenditure and non-taxable income; and the utilisation (with a corresponding reduction in cash tax payments) of previously unrecognised deferred tax assets.

Financial Risk Management
The Group's primary objective in managing foreign currency risk is to protect against the risk that the eventual Sterling net cash flows will be affected by changes in foreign currency exchange rates. To do this, the Group enters into foreign exchange contracts that limit the risk from movements in US Dollar and Euro exchange rates with Sterling. Due to the Group's operations in India, the Group also enters into foreign exchange contracts that limit the risk from movements in US Dollars with the Indian Rupee exchange rate. While commercially and from a cash flow perspective this hedges the Group's currency exposures, the Group elects not to apply hedge accounting and accordingly any movements in the fair value of the foreign exchange contracts are recognised in the income statement.

As a data and analytics company, we are not currently impacted by cross-border tariffs and we do not currently expect the renegotiation of tariffs to materially impact our business. Furthermore, the company is continuing to monitor the Inclusive Framework Project established by the OECD, including Pillar One (determining where tax should be paid and on what basis) and Pillar Two (the design of a system that ensures multinational enterprises pay a minimum level of tax), which is expected to be in effect from mid-2023 onwards. However, the application thresholds will be aimed at the very largest companies, and therefore the rules are unlikely to impact the Group.

Interest Rate Risk
Interest rate risk is the impact that fluctuations in market interest rates can have on the value of the Group's interest-bearing assets and liabilities and on the interest charge recognised in the income statement. The Group does not manage this risk with the use of derivatives.

IBOR reform refers to the global reform of interest rate benchmarks, which includes the replacement of some interbank offered rates (IBOR) with alternative benchmark rates. The Group has performed an impact review to assess which balances have been impacted as a result of IBOR reform, concluding that external borrowings is the only area affected by the change. During the year, the Group has agreed with the syndicated loan providers to rebase the risk-free rate from LIBOR to SONIA. This change has occurred purely as a result of IBOR reform and has occurred on an economically equivalent basis, i.e. neither the Group nor the bank have gained or lost from the amendment to the loan facility agreement. Due to these circumstances, a practical expedient as permitted under IFRS 9 "Financial Instruments" has been applied whereby the change is not classified as a modification, it is instead accounted for by amending the effective interest rate of the loan. There have been no changes to the Group's risk management strategy as a result of this change.

Liquidity Risk and Going Concern

The Group's approach to managing liquidity risk is to ensure, as far as possible, that it has sufficient liquidity to meet its liabilities as they fall due, with surplus facilities to cope with any unexpected variances in timing of cash flows. The Group meets its day-to-day working capital requirements through free cash flow, being operations generated cash (with no external financing required). Although the statement of financial position shows net current liabilities (current assets less current liabilities), included in current liabilities is £81.4m of deferred revenue that represents future income earnings. Excluding deferred revenue, the Group has net current assets of £27.8m (2020: £28.9m).

Based on cash flow projections, the Group considers the existing financing facilities to be adequate to meet short-term commitments. The Directors have a reasonable expectation that there are no material uncertainties that cast significant doubt about the Group's ability to continue in operation and meet its liabilities as they fall due for the foreseeable future, being a period of at least 12 months from the date of approval of the financial statements. Accordingly, the Group has prepared the Annual Report and Accounts on a going concern basis. The Directors have prepared a Going Concern and Long-Term Viability statement on page 32 within the Group's Annual Report and Accounts for the year ended 31 December 2021.

Mike Danson
Chief Executive Officer
28 February 2022

Consolidated Income Statement

	Notes	Year ended 31 December 2021	Year ended 31 December 2020
Continuing operations		**£m**	**£m**
Revenue	3	189.3	178.4
Operating expenses	4	(150.8)	(145.4)
Losses on trade receivables		(1.2)	(1.3)
Other income		0.9	1.3
Operating profit		**38.2**	**33.0**
Net finance costs		(5.6)	(4.4)
Profit before tax		**32.6**	**28.6**
Income tax expense		(7.7)	(6.0)
Profit for the year		**24.9**	**22.6**
Attributable to:			
Equity holders of the parent		24.9	22.6
Earnings per share attributable to equity holders:			
Basic earnings per share (pence)	6	21.9	19.4
Diluted earnings per share (pence)	6	20.2	18.1

Reconciliation to Adjusted EBITDA[1]:			
Operating profit		**38.2**	**33.0**
Depreciation		6.8	7.0
Amortisation of software		0.9	1.1
Adjusting items	5	18.5	15.6
Adjusted EBITDA[1]		**64.4**	**56.7**

[1] We define Adjusted EBITDA as EBITDA adjusted to exclude costs associated with acquisitions, restructuring of the Group, share-based payments, impairment, unrealised operating exchange rate movements and the impact of foreign exchange contracts. We present Adjusted EBITDA as additional information because it is used internally as a key indicator to assess financial performance. However, other companies may present Adjusted EBITDA differently. EBITDA and Adjusted EBITDA are not measures of financial performance under IFRS and should not be considered as an alternative to operating profit or as a measure of liquidity or an alternative to net income as indicators of our operating performance or any other measure of performance derived in accordance with IFRS. Adjusted EBITDA margin is defined as: Adjusted EBITDA as a percentage of revenue.

Consolidated Statement of Comprehensive Income

	Year ended 31 December 2021	Year ended 31 December 2020
	£m	**£m**
Profit for the year	24.9	22.6
Other comprehensive income		
Items that will be classified subsequently to profit or loss when specific conditions are met:		
Net exchange losses on translation of foreign entities	(0.5)	(0.6)
Other comprehensive loss, net of tax	(0.5)	(0.6)
Total comprehensive income for the year	**24.4**	**22.0**
Attributable to:		
Equity holders of the parent	24.4	22.0

Consolidated Statement of Financial Position

	Notes	31 December 2021 £m	31 December 2020 £m
Non-current assets			
Property, plant and equipment		35.3	43.5
Intangible assets	7	347.7	242.0
Net investment in sub lease		0.1	-
Trade and other receivables		-	0.9
Deferred tax assets		2.1	5.4
		385.2	**291.8**
Current assets			
Trade and other receivables		51.2	44.9
Current tax receivable		-	1.6
Short-term derivative assets		0.6	1.2
Cash and cash equivalents		22.6	17.7
		74.4	**65.4**
Total assets		**459.6**	**357.2**
Current liabilities			
Trade and other payables		(114.3)	(100.2)
Short-term borrowings	8	(5.0)	(5.0)
Short-term lease liabilities	8	(4.1)	(4.1)
Current tax payable		(4.2)	(1.6)
Short-term derivative liabilities		(0.3)	(0.1)
Short-term provisions		(0.1)	(0.2)
		(128.0)	**(111.2)**
Net current liabilities		**(53.6)**	**(45.8)**
Non-current liabilities			
Long-term provisions		(0.7)	(0.5)
Deferred tax liabilities		-	(1.2)
Long-term derivative liabilities		(0.1)	-
Long-term lease liabilities	8	(29.3)	(35.8)
Long-term borrowings	8	(195.2)	(70.8)
		(225.3)	**(108.3)**
Total liabilities		**(353.3)**	**(219.5)**
Net assets		**106.3**	**137.7**
Equity			
Share capital	9	0.2	0.2
Share premium account	9	-	0.7
Treasury reserve	9	(66.6)	(21.4)
Other reserve	9	(44.3)	(37.1)
Merger reserve	9	-	163.8
Foreign currency translation reserve	9	(0.3)	0.2
Retained profit		217.3	31.3
Equity attributable to equity holders of the parent		**106.3**	**137.7**

Consolidated Statement of Changes in Equity

	Notes	Share capital £m	Share premium account £m	Treasury reserve £m	Other reserve £m	Merger reserve £m	Foreign currency translation reserve £m	Retained profit £m	Equity attributable to equity holders of the parent £m
Balance at 1 January 2020		**0.2**	**0.7**	**(11.0)**	**(37.1)**	**163.8**	**0.8**	**34.2**	**151.6**
Profit for the year		-	-	-	-	-	-	22.6	**22.6**
Other comprehensive income:									
Net exchange loss on translation of foreign entities		-	-	-	-	-	(0.6)	-	**(0.6)**
Total comprehensive income for the year		-	-	-	-	-	(0.6)	22.6	**22.0**
Transactions with owners:									
Share buy-back	10	-	-	(23.7)	-	-	-	-	**(23.7)**
Dividends	9	-	-	-	-	-	-	(18.0)	**(18.0)**
Vesting of share options	10	-	-	13.3	-	-	-	(13.3)	**-**
Share-based payments charge	10	-	-	-	-	-	-	4.2	**4.2**
Tax on share-based payments		-	-	-	-	-	-	1.6	**1.6**
Balance at 31 December 2020		**0.2**	**0.7**	**(21.4)**	**(37.1)**	**163.8**	**0.2**	**31.3**	**137.7**
Profit for the year		-	-	-	-	-	-	24.9	**24.9**
Other comprehensive income:									
Net exchange loss on translation of foreign entities		-	-	-	-	-	(0.5)	-	**(0.5)**
Total comprehensive income for the year		-	-	-	-	-	(0.5)	24.9	**24.4**
Transactions with owners:									
Share buy-back	10	-	-	(46.5)	-	-	-	-	**(46.5)**
Dividends	9	-	-	-	-	-	-	(20.4)	**(20.4)**
Vesting of share options	10	-	-	1.3	-	-	-	(1.3)	**-**
Bonus issue of shares	9	171.0	-	-	(7.2)	(163.8)	-	-	**-**
Capital reduction	9	(171.0)	(0.7)	-	-	-	-	171.7	**-**
Share-based payments charge	10	-	-	-	-	-	-	9.2	**9.2**
Tax on share-based payments		-	-	-	-	-	-	1.9	**1.9**
Balance at 31 December 2021		**0.2**	**-**	**(66.6)**	**(44.3)**	**-**	**(0.3)**	**217.3**	**106.3**

Consolidated Statement of Cash Flows

	Year ended 31 December 2021	Year ended 31 December 2020
Continuing operations		
Cash flows from operating activities	**£m**	**£m**
Profit for the year	24.9	22.6
Adjustments for:		
Depreciation	6.8	7.0
Amortisation	6.5	11.8
Gain on disposal of property, plant and equipment	(0.2)	-
Impairment	0.4	-
Net finance costs	5.6	4.4
Taxation recognised in profit or loss	7.7	6.0
Share-based payments charge	9.2	4.2
(Increase)/decrease in trade and other receivables	(3.2)	1.5
Increase in trade and other payables	2.2	2.5
Revaluation of short- and long-term derivatives	0.9	(0.3)
Movement in provisions	(0.3)	0.1
Cash generated from operations	**60.5**	**59.8**
Interest paid	(3.4)	(2.4)
Income taxes paid	(5.1)	(6.4)
Total cash flows from operating activities	**52.0**	**51.0**
Cash flows from investing activities		
Acquisitions	(97.7)	(1.0)
Cash received from repayment of loans	0.9	0.9
Proceeds from disposal of property, plant and equipment	0.6	-
Purchase of property, plant and equipment	(0.8)	(3.5)
Purchase of intangible assets	(0.5)	(1.5)
Total cash flows used in investing activities	**(97.5)**	**(5.1)**
Cash flows from financing activities		
Repayment of borrowings	(5.0)	(5.3)
Proceeds from borrowings	129.0	15.0
Loan refinancing fee	(0.4)	(0.7)
Acquisition of own shares	(46.5)	(23.7)
Principal elements of lease payments	(5.8)	(6.1)
Dividends paid	(20.4)	(18.0)
Total cash flows from financing activities	**50.9**	**(38.8)**
Net increase in cash and cash equivalents	**5.4**	**7.1**
Cash and cash equivalents at beginning of year	17.7	11.2
Effects of currency translation on cash and cash equivalents	(0.5)	(0.6)
Cash and cash equivalents at end of year	**22.6**	**17.7**

Notes to the Preliminary Results

1. General information

Nature of operations
The principal activity of GlobalData Plc and its subsidiaries (together 'the Group') is to provide business information in the form of high quality proprietary data, analytics and insights to clients in multiple sectors.

GlobalData Plc ('the Company') is a company incorporated in the United Kingdom (England & Wales) and listed on the Alternative Investment Market (AIM), therefore is publicly owned and limited by shares. The registered office of the Company is John Carpenter House, John Carpenter Street, London, EC4Y 0AN. The registered number of the Company is 03925319.

Basis of preparation
The condensed financial statements have been prepared on the historical cost basis, except for derivative financial instruments, which are measured at fair value. While the information included in the condensed financial statements has been prepared in accordance with United Kingdom adopted international accounting standards and in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards as issued by the IASB, this announcement does not itself contain sufficient information to comply with United Kingdom adopted International Accounting Standards. The condensed financial statements for the year ended 31 December 2021 have been prepared on a consistent basis with the financial accounting policies set out in the Accounting Policies section of GlobalData Plc's Annual Report and Accounts for the year ended 31 December 2021. These condensed financial statements are presented in Pounds Sterling (£).

The financial information for the year ended 31 December 2021 does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. A copy of the statutory accounts for the year ended 31 December 2021 will be delivered to the Registrar of Companies in due course. The independent auditors' report on the full financial statements for the year ended 31 December 2021 was unqualified and did not contain an emphasis of matter paragraph or any statement under section 498 of the Companies Act 2006.

Critical accounting estimates and judgements
The Group makes estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the future, actual experience may deviate from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in detail below.

<u>Key sources of estimation uncertainty</u>
Valuation of acquired intangibles
Management identified and valued acquired intangible assets on acquisitions that were made during the year. Management has applied judgements in identifying and valuing intangible assets separate from goodwill that consist of assessing the value of IP rights and databases, customer relationships and brands. The Board have a policy of engaging professional advisers on acquisitions with a purchase price greater than £10 million to advise and assist in calculating intangible asset values. The Group consistently applies the following methodologies for each class of identified intangible:

- IP rights and database – Cost to recreate the asset;
- Customer relationships – Net present value of future cash flows; and
- Brands – Royalty relief method.

Assumptions are made on the useful life of an intangible and if shortened, would increase the amortisation charge recognised in the income statement. The identified intangibles are set out in note 7.

There are a number of assumptions in estimating the present value of future cash flows including management's expectation of future revenue, renewal rates for subscription customers, costs, timing and quantum of future capital expenditure, long-term growth rates and discount rates. For both acquisitions made during 2021, the Group has engaged professional advisers to calculate the identified intangibles.

Carrying value of goodwill and other intangibles
The carrying value of goodwill and other intangibles is assessed annually to ensure that there is no need for impairment. Performing this assessment requires management to estimate future cash flows to be generated by the related cash-generating unit, which entails making judgements including the expected rate of growth of sales, margins expected to be achieved, the level of future capital expenditure required to support these outcomes and the appropriate discount rate to apply when valuing future cash flows. Intangible assets are set out in note 7.

Management have undertaken sensitivity analysis taking into consideration the impact on key impairment test assumptions arising from a range of possible future trading and economic scenarios on each CGU. The following individual scenarios would need to occur before impairment is triggered within the Group:

	Revenue Growth Falls By*	**Discount Rate Rises To**
Data, Analytics & Insights	(13.8%)	42.2%
MEED	(2.1%)	11.7%

*Percentage points

No indication of impairment was noted from management's review; there is headroom in each CGU. Management acknowledge the sensitivity of the assumptions applied to the MEED CGU; however, management are comfortable with these assumptions and will continue to monitor performance regularly for any indicators of future impairment loss.

<u>Critical accounting judgements</u>
Segmental reporting
IFRS8 "Operating Segments" requires the segment information presented in the financial statements to be that which is used internally by the chief operating decision maker to evaluate the performance of the business and to decide how to allocate resources. The Group has identified the Chief Executive Officer (CEO) as its chief operating decision maker.

The Group maintains a centralised operating model and single product platform (One Platform), which is underpinned by a common taxonomy, shared development resource, and new data science technologies. The fundamental principle of the GlobalData business model is to provide our clients subscription access to our proprietary data, analytics, and insights platform, with the offering of ancillary services such as consulting, single copy reports and events. The vast majority of data sold by the Group is produced by a central research team which produces data for the Group as a whole. The team reports to one central individual, the Managing Director of the India operation, who reports to the Group CEO. Management have therefore made the judgement that 'Data, Analytics and Insights' is the single operating segment of the Group. Segmental reporting disclosures are provided in note 3.

The Group profit or loss is reported to the CEO on a monthly basis and consists of earnings before interest, tax, depreciation, amortisation, central overheads and other adjusting items (as detailed in note 5). The CEO also monitors revenue within the operating segment.

The Group considers the use of a single operating segment to be appropriate due to:
- The CEO reviewing profit or loss at the Group level;
- Utilising a centralised operating model; and
- Being an integrated solutions based business, rather than a portfolio business.

Identification of Cash-Generating-Units
IAS36 'Impairment of Assets' requires that assets be carried on the statement of financial position at no more than their recoverable amount. An asset or cash-generating unit (CGU) is the smallest identifiable group of assets that generates cash inflows and is impaired when its carrying amount exceeds its recoverable amount. As at the date of the impairment review (30 September 2021), Management made the judgement that the Group had two CGUs, being Data, Analytics & Insights and MEED (a subsidiary based in the United Arab Emirates). During December 2021, the Group acquired LMC which has been assessed to be its own CGU. Management intends to fully integrate the LMC companies into the Data, Analytics & Insights CGU during 2022.

Going concern
The Group has closing cash of £22.6m as at 31 December 2021 and net debt of £177.6m (31 December 2020: net debt of £58.1m), being cash and cash equivalents less short- and long-term borrowings, excluding lease liabilities. The Group has outstanding loans of £200.7m which are syndicated with NatWest Group, HSBC, Bank of Ireland and Silicon Valley Bank. As at 31 December 2021, the Group had undrawn RCF of £31m and as at 28 February 2022 this stood at £18m. The

Group's banking facilities are in place until April 2023, at which point the Group will be required to renew or extend its financing arrangements as discussed in the long-term viability section below. The Group has generated £60.5m in cash from operations during 2021.

The Group meets its day-to-day working capital requirements through free cash flow. Based on cash flow projections the Group considers the existing financing facilities to be adequate to meet short-term commitments.

The finance facilities were issued with debt covenants which are measured on a quarterly basis. There have been no breaches of covenants in the year ended 31 December 2021. Management have reviewed forecast cash flows and there is no indication that there will be any breach in the next 12 months.

The Directors have modelled a number of worst-case scenarios to consider their potential impact on the Group's results, cash flow and loan covenant forecast. Key assumptions built into the scenarios focus on cost savings and consulting revenue growth. In addition to performing scenario planning, the Directors have also conducted stress testing of the Business's forecasts and, taking into account reasonable downside sensitivities (acknowledging that such risks and uncertainties exist), the Directors are satisfied that the business is expected to operate within its facilities. There remains headroom on the covenants under each scenario.

Through our normal business practices, we are in regular communication with our lenders and are satisfied they will be in a position to continue supporting us for the foreseeable future.

The Directors have a reasonable expectation that there are no material uncertainties that cast significant doubt over the Group's ability to continue in operation and meet its liabilities as they fall due for the foreseeable future, being a period of at least 12 months from the date of approval of the financial statements. Accordingly, the Group has prepared the financial statements on a going concern basis.

2. Accounting policies

These condensed financial statements have been prepared based on the accounting policies detailed in the Group's financial statements for the year ended 31 December 2021 and is consistent with the policies applied in the previous year, except for the following new standards. The new standards which are effective during the year (and have had a minimal impact on the financial statements) are:

- Amendments to IFRS16: COVID-19 related Rent Concessions (effective for periods on or after 1 June 2020); and
- Amendments to IFRS9, IAS39, IFRS7, IFRS4 and IFRS16: Interest Rate Benchmark Reform – Phase 2 (effective for periods on or after 1 January 2021).

Presentation of non-statutory alternative performance measures

The Directors believe that Adjusted EBITDA, Adjusted EBITDA margin, Adjusted profit before tax, Adjusted profit after tax and Adjusted earnings per share provide additional useful information on the core operational performance of the Group to shareholders, and we review the results of the Group using these measures internally. The term ‘adjusted’ is not a defined term under IFRS and may not therefore be comparable with similarly titled profit measures reported by other companies. It is not intended to be a substitute for, or superior to, IFRS measures of profit.

Adjustments are made in respect of:

<table>
<tr><td>Share-based payments</td><td>Share-based payment expenses are excluded from Adjusted EBITDA as they are a non-cash charge, the awards are equity-settled and the Directors believe they result in a level of charge that would distort the user’s view of the core trading performance of the Group.</td></tr>
<tr><td>Restructuring, M&A and refinancing costs</td><td>The Group considers these items of expense as exceptional and excludes them from Adjusted EBITDA where the nature of the item, or its size, is not related to the core underlying trading of the Group. This is to assist the user of the financial statements to better understand the results of the core operations of the Group and allow comparability of underlying results.</td></tr>
<tr><td>Amortisation and impairment of acquired intangible assets</td><td>The amortisation charge for those intangible assets recognised on business combinations is excluded from Adjusted EBITDA since they are non-cash charges arising from historical investment activities. Any impairment charges recognised in relation to these intangible assets are also excluded from Adjusted EBITDA. This is a common adjustment made by acquisitive information service businesses and therefore consistent with peers.</td></tr>
<tr><td>Revaluation of short- and long-term derivatives</td><td rowspan="2">Gains and losses are recognised within Adjusted EBITDA when they are realised in cash terms and therefore we exclude non-cash movements arising from fluctuations in exchange rate as these may not reflect the underlying performance of the Group, which better aligns Adjusted EBITDA with the cash performance of the business.</td></tr>
<tr><td>Unrealised operating foreign exchange gain/loss</td></tr>
</table>

3. Segmental analysis

The principal activity of GlobalData Plc and its subsidiaries (together ‘the Group’) is to provide business information in the form of high quality proprietary data, analytics and insights to clients in multiple sectors.

IFRS8 “Operating Segments” requires the segment information presented in the financial statements to be that which is used internally by the chief operating decision maker to evaluate the performance of the business and to decide how to allocate resources. The Group has identified the Chief Executive Officer (CEO) as its chief operating decision maker.

The Group maintains a centralised operating model and single product platform (One Platform), which is underpinned by a common taxonomy, shared development resource, and new data science technologies. The fundamental principle of the GlobalData business model is to provide our clients subscription access to our proprietary data, analytics, and insights platform, with the offering of ancillary services such as consulting, single copy reports and events. The vast majority of data sold by the Group is produced by a central research team which produces data for the Group as a whole. The team reports to one central individual, the Managing Director of the India operation, who reports to the Group CEO. ‘Data, Analytics and Insights’ is therefore considered to be the operating segment of the Group.

The Group profit or loss is reported to the Chief Executive Officer on a monthly basis and consists of earnings before interest, tax, depreciation, amortisation, central overheads and other adjusting items. The Chief Executive Officer also monitors revenue within the operating segment.

The Group considers the use of a single operating segment to be appropriate due to:

- The CEO reviewing profit or loss at the Group level;
- Utilising a centralised operating model; and
- Being an integrated solutions based business, rather than a portfolio business.

A reconciliation of Adjusted EBITDA to profit before tax from continuing operations is set out below:

	Year ended 31 December 2021	Year ended 31 December 2020
	£m	£m
Adjusted EBITDA	**64.4**	**56.7**
Restructuring costs	(1.2)	(0.4)
M&A costs	(2.4)	(0.7)
Refinancing costs	(0.2)	(0.2)
Share-based payment charge	(9.2)	(4.2)
Revaluation loss/(gain) on short- and long-term derivatives	(0.9)	0.3
Unrealised operating foreign exchange gains	1.0	0.3
Amortisation of acquired intangibles	(5.6)	(10.7)
Depreciation	(6.8)	(7.0)
Amortisation (excluding amortisation of acquired intangible assets)	(0.9)	(1.1)
Finance costs	(5.6)	(4.4)
Profit before tax	**32.6**	**28.6**

The Group generates revenue from services provided over a period of time such as recurring subscriptions and other services which are deliverable at a point in time such as reports, events and custom research.

Subscription income for online services, data and analytics (typically 12 months) is normally received at the beginning of the services and is therefore recognised as a contract liability, "deferred revenue", in the statement of financial position. Revenue is recognised evenly over the period of the contractual term as the performance obligations are satisfied evenly over the term of subscription.

The revenue on services delivered at a point in time is recognised when our contractual obligation is satisfied, such as delivery of a static report or delivery of an event. The obligation on these types of contracts is a discrete obligation, which once met satisfies the Group performance obligation under the terms of the contract.

Any invoiced contracted amounts which are still subject to performance obligations and where the payment has been received or is contractually due are recognised within deferred revenue at the statement of financial position date. Typically, the Group receives settlement of cash at the start of each contract and standard terms are zero days. Similarly, if the Group satisfies a performance obligation before it receives the consideration or is contractually due the Group recognises a contract asset within accrued income in the statement of financial position.

	Revenue recognised in the Consolidated Income Statement		Deferred Revenue recognised within the Consolidated Statement of Financial Position	
	Year ended 31 December 2021	Year ended 31 December 2020	As at 31 December 2021	As at 31 December 2020
	£m	£m	£m	£m
Services transferred:				
Over a period of time	156.9	149.1	73.1	64.2
Immediately on delivery	32.4	29.3	8.3	10.5
Total	**189.3**	**178.4**	**81.4**	**74.7**

As subscriptions are typically for periods of 12 months the majority of deferred revenue held at 31 December will be recognised in the income statement in the following year. As at 31 December 2021 £0.4m (2020: £0.6m) of the deferred revenue balance will be recognised beyond the next 12 months. In the year ended 31 December 2021 the Group recognised revenue of £74.1m (2020: £67.5m) that was included in the deferred revenue balance at the beginning of the period.

In instances where the Group enters into transactions involving a range of the Group's services, for example a subscription and custom research, the total transaction price for a contract is allocated amongst the various performance obligations based on their relative stand-alone selling prices.

Geographical analysis

Our primary geographical markets are serviced by our global sales teams which are organised as Europe, US and Asia Pacific by virtue of the team location. The below disaggregated revenue is derived from the geographical location of our customers rather than the team structure the Group is organised by.

From continuing operations

Year ended 31 December 2021	**UK**	**Europe**	**Americas[1]**	**Asia Pacific**	**MENA[2]**	**Rest of World**	**Total**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Revenue from external customers	27.8	51.8	67.8	21.0	13.9	7.0	**189.3**

Year ended 31 December 2020	**UK**	**Europe**	**Americas[1]**	**Asia Pacific**	**MENA[2]**	**Rest of World**	**Total**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Revenue from external customers	26.3	49.7	62.8	19.2	13.1	7.3	**178.4**

1. Americas includes revenue from the United States of America of £65.7m (2020: £59.7m)
2. Middle East & North Africa

Intangible assets held in the US and Canada were £34.3m (2020: £21.1m), of which £29.1m related to goodwill (2020: £19.7m). Intangible assets held in the UAE were £13.6m (2020: £14.3m) of which £11.4m related to goodwill (2020: £11.4m). All other non-current assets are held in the UK. The largest customer represented less than 3% of the Group's consolidated revenue.

4. Operating profit

Operating profit is stated after the following expenses relating to continuing operations:

	Year ended 31 December 2021	**Year ended 31 December 2020**
	£m	**£m**
Cost of sales	101.8	101.0
Administrative costs	49.0	44.4
	150.8	**145.4**
Losses on trade receivables	**1.2**	1.3
Total operating expenses	**152.0**	**146.7**

5. Adjusting items

	Year ended 31 December 2021	Year ended 31 December 2020
	£m	**£m**
Restructuring costs	1.2	0.4
M&A costs	2.4	0.7
Refinancing costs	0.2	0.2
Share-based payment charge	9.2	4.2
Revaluation loss/(gain) on short- and long-term derivatives	0.9	(0.3)
Unrealised operating foreign exchange gains	(1.0)	(0.3)
Amortisation of acquired intangibles	5.6	10.7
Total adjusting items	**18.5**	**15.6**

The adjustments made are as follows:

- Restructuring relates to redundancy payments, professional fees and impairment charges incurred in relation to group reorganisation projects.
- The M&A costs consist of professional fees incurred in both performing due diligence relating to potential acquisition targets and performing completion activities in relation to acquisitions made during the year.
- The share-based payments charge is in relation to the share-based compensation plans (detailed in note 10) under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options and awards is recognised as an expense in the income statement. The total amount to be expensed is determined by reference to the fair value of the options granted (fair value at the date of grant determined using the Black-Scholes model for scheme 1 and the Monte Carlo method for scheme 2), excluding the impact of any non-market service and performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period).
- The revaluation of short and long-term derivatives relates to movement in the fair value of the short- and long-term derivatives.
- Unrealised operating foreign exchange gains relate to non-cash exchange gains made on operating items.
- Refinancing costs consist of legal fees incurred in relation to amendments made to the facilities agreement during the year.

6. Earnings per share

The calculation of the basic earnings per share is based on the earnings attributable to ordinary shareholders of the parent company divided by the weighted average number of shares in issue during the period. The Group also has a share options scheme in place and therefore the Group has calculated the dilutive effect of these options.

	Year ended 31 December 2021	**Year ended 31 December 2020**
Earnings per share attributable to equity holders from continuing operations:		
Basic		
Profit for the period attributable to ordinary shareholders of the parent company (£m)	24.9	22.6
Weighted average number of shares (no' m)	113.5	116.2
Basic earnings per share (pence)	21.9	19.4
Diluted		
Profit for the period attributable to ordinary shareholders of the parent company (£m)	24.9	22.6
Weighted average number of shares (no' m)	123.0	124.8
Diluted earnings per share (pence)	20.2	18.1

Reconciliation of basic weighted average number of shares to the diluted weighted average number of shares:

	Year ended 31 December 2021 No' m	**Year ended 31 December 2020 No' m**
Basic weighted average number of shares, net of shares held in Treasury reserve	113.5	116.2
Share options in issue at end of period, net of shares not paid up	9.5	8.6
Diluted weighted average number of shares	**123.0**	**124.8**

7. Intangible assets

	Software	Customer relationships	Brands	IP rights and Database	Goodwill	Total
	£m	£m	£m	£m	£m	£m
Cost						
As at 1 January 2020	10.7	43.6	16.0	48.9	227.3	346.5
Additions: Business combinations	-	0.4	-	1.3	0.4	2.1
Additions: Separately acquired	1.5	-	-	-	-	1.5
Foreign currency retranslation	-	-	0.1	-	-	0.1
As at 31 December 2020	12.2	44.0	16.1	50.2	227.7	350.2
Additions: Business combinations	0.7	11.8	0.1	25.2	75.4	113.2
Additions: Separately acquired	0.4	-	-	0.1	-	0.5
Reclassification to PPE	(0.5)	-	-	-	-	(0.5)
Fair value adjustment	-	-	-	-	(0.4)	(0.4)
As at 31 December 2021	**12.8**	**55.8**	**16.2**	**75.5**	**302.7**	**463.0**
Amortisation						
As at 1 January 2020	(8.8)	(25.1)	(9.6)	(42.4)	(10.5)	(96.4)
Charge for the year	(1.1)	(3.7)	(1.1)	(5.9)	-	(11.8)
As at 31 December 2020	(9.9)	(28.8)	(10.7)	(48.3)	(10.5)	(108.2)
Additions: Business combinations	(0.5)	-	-	-	-	(0.5)
Impairment	-	-	-	-	(0.4)	(0.4)
Charge for the year	(0.9)	(3.8)	(0.6)	(1.2)	-	(6.5)
Reclassification to PPE	0.3	-	-	-	-	0.3
As at 31 December 2021	**(11.0)**	**(32.6)**	**(11.3)**	**(49.5)**	**(10.9)**	**(115.3)**
Net book value						
As at 31 December 2021	**1.8**	**23.2**	**4.9**	**26.0**	**291.8**	**347.7**
As at 31 December 2020	2.3	15.2	5.4	1.9	217.2	242.0

Additions as a result of business combinations in the year have been disclosed in further detail in note 11.

8. Borrowings

	31 December 2021 £m	31 December 2020 £m
Short-term lease liabilities	4.1	4.1
Short-term borrowings	5.0	5.0
Current liabilities	**9.1**	**9.1**
Long-term lease liabilities	29.3	35.8
Long-term borrowings	195.2	70.8
Non-current liabilities	**224.5**	**106.6**

The changes in the Group's borrowings can be classified as follows:

	Short-term borrowings £m	Long-term borrowings £m	Short-term lease liabilities[1] £m	Long-term lease liabilities[1] £m	Total £m
1 January 2020	**6.0**	**60.5**	**3.9**	**40.7**	**111.1**
Cash flows:					
- Repayment	(5.3)	-	(6.1)	-	**(11.4)**
- Proceeds	-	15.0	-	-	**15.0**
- Loan fees paid	-	(0.7)	-	-	**(0.7)**
Non-cash:					
- Loan fee amortisation until modification date	-	0.1	-	-	**0.1**
- Fair value adjustments since modification	-	0.2	-	-	**0.2**
- Lease additions	-	-	0.3	-	**0.3**
- Lease liabilities[2]	-	-	1.6	(0.5)	**1.1**
- Reclassification	4.3	(4.3)	4.4	(4.4)	**-**
31 December 2020	**5.0**	**70.8**	**4.1**	**35.8**	**115.7**
Cash flows:					
- Repayment	(5.0)	-	(5.8)	-	**(10.8)**
- Proceeds	-	129.0	-	-	**129.0**
- Loan fees paid	-	(0.4)	-	-	**(0.4)**
Non-cash:					
- Fair value adjustments since modification	-	0.8	-	-	**0.8**
- Lease additions	-	-	2.4	-	**2.4**
- Lease liabilities[2]	-	-	0.6	(3.7)	**(3.1)**
- Reclassification	5.0	(5.0)	2.8	(2.8)	**-**
As at 31 December 2021	**5.0**	**195.2**	**4.1**	**29.3**	**233.6**

[1] Amounts are net of rental prepayments and accruals

[2] Represents lease interest, dilapidations and movement on lease liability accruals and prepayments

Term loan and RCF

In May 2020, the Group announced that it had agreed to increase its current banking facilities with NatWest Group, HSBC and Bank of Ireland, extending the current maturity to April 2023 (previously April 2022). The arrangements increased the total committed facility to £145.5m (previously £100m), plus a further uncommitted accordion facility of £75m. The committed facility comprised a term loan of £50m and a revolving credit facility (RCF) of £95.5m.

In September 2021, the Group amended and restated its facilities agreement in order to convert its uncommitted accordion facility of £75m into a committed incremental RCF. Silicon Valley Bank became an additional lender as part of the syndicate. No other changes to the repayment terms agreed in May 2020 were made.

In December 2021, the Group made a further amendment and restatement to its facilities agreement, increasing the RCF to £115.5m (previously £95.5m) to support future M&A activities. No other changes to the repayment terms agreed in May 2020 were made.

The term loan is repayable in quarterly instalments, with total repayments due in the next 12 months of £5.0m. The outstanding term loan balance as at 31 December 2021 is £41.3m, with a fair value in accordance with IFRS9 of £40.9m. As at 31 December 2021, the Group had drawn down £84.5m of the RCF and £75.0m of the incremental RCF (former accordion facility), with a total fair value in accordance with IFRS9 of £159.3m. Interest is currently charged on the term loan, drawn down RCF and incremental RCF (former accordion facility) at a rate of 3.25% over the Sterling Overnight Interbank Average Rate (SONIA).

In accordance with IFRS9, Management has performed a comparison of the fair value of the new debt with the old debt to determine whether there has been a substantial modification requiring de-recognition. The assessment concluded that there has not been a substantial modification, the difference between the fair value of the new debt with the old debt was £0.0m.

9. Equity

Share capital

Authorised, allotted, called up and fully paid:

	31 December 2021		31 December 2020	
	No'000	**£000s**	**No'000**	**£000s**
Ordinary shares (1/14th pence)	118,303	**84**	118,303	**84**
Deferred shares of £1.00 each	100	**100**	100	**100**
Total authorised, allotted, called up and fully paid	**118,403**	**184**	118,403	**184**

Share Purchases

As detailed in note 10, during the year the Group's Employee Benefit Trust purchased an aggregate amount of 2,860,648 shares (representing 2% of the total share capital), each with a nominal value of 1/14th pence, at a total market value of £46.5m. The purchased shares will be held for the purpose of satisfying the exercise of share options under the Company's Employee Share Option Plan.

During the year, a total of 125,000 shares (representing 0.11% of the total share capital), each with a nominal value of 1/14th pence, which were held by the Group's Employee Benefit Trust were utilised as a result of the vesting of Bernard Cragg's share options (at a total market value of £1.9m), as disclosed in note 10.

The maximum number of shares (each with a nominal value of 1/14th pence) held by the Employee Benefit Trust (at any time during the year ended 31 December 2021) was 4,801,890 (representing 4% of the total share capital).

Capital management

The Group's capital management objectives are:

- To ensure the Group's ability to continue as a going concern; and
- To fund future growth and provide an adequate return to shareholders and, when appropriate, distribute dividends.

The capital structure of the Group consists of net debt, which includes borrowings (note 8) and cash and cash equivalents, and equity.

The Company has two classes of shares. The ordinary shares carry no right to fixed income and each share carries the right to one vote at general meetings of the Company.

The deferred shares do not confer upon the holders the right to receive any dividend, distribution or other participation in the profits of the Company. The deferred shares do not entitle the holders to receive notice of or to attend and speak or vote at any general meeting of the Company. On distribution of assets on liquidation or otherwise, the surplus assets of the Company remaining after payments of its liabilities shall be applied first in repaying to holders of the deferred shares the nominal amounts and any premiums paid up or credited as paid up on such shares, and second the balance of such assets shall belong to and be distributed among the holders of the ordinary shares in proportion to the nominal amounts paid up on the ordinary shares held by them respectively.

There are no specific restrictions on the size of a holding nor on the transfer of shares, which are both governed by the general provisions of the Articles of Association and prevailing legislation. The Directors are not aware of any agreements between holders of the Company's shares that may result in restrictions on the transfer of securities or on voting rights.

No person has any special rights of control over the Company's share capital and all its issued shares are fully paid.

With regard to the appointment and replacement of Directors, the Company is governed by its Articles of Association, the Companies Act and related legislation. The Articles themselves may be amended by special resolution of the shareholders. The powers of Directors are described in the Board Terms of Reference, copies of which are available on request.

Capital Reduction

On 19 May 2021, following the passing of Special Resolutions at the Group's Annual General Meeting, GlobalData Plc ("the Company") reduced its merger reserve and other reserve by a total of £171.0m, by way of a bonus issue of shares which were shortly thereafter cancelled and further resolved to cancel the Company's share premium account. The share premium account totalled £0.7m, meaning that as a result of these actions, distributable reserves increased by a total of £171.7m. The Directors are permitted to allot shares and convert the merger reserve and other reserve into shares under section 551 of the Companies Act 2006.

Merger reserve and other reserve

The merger reserve contained the premium on the shares issued in consideration for the purchase of GlobalData Holding Limited in 2016 and the premium on the shares issued in consideration for the purchase of Research Views Limited and its subsidiaries in 2018. Other reserves consisted of a reserve created upon the reverse acquisition of TMN Group Plc in 2009. The parent company's reserve differs from this due to the restatement of consolidated reserves at the time of the reverse acquisition. The parent company other reserve was generated in 2008 upon the issue of shares to fund acquisitions.

In order to utilise the merger reserve and other reserve to create additional distributable reserves, it was necessary to capitalise those reserves, totalling £171.0m, by way of a bonus issue of new shares (named the Capital Reduction Shares) and thereafter cancel the Capital Reduction Shares. At the Annual General Meeting held on 20 April 2021, the Company's shareholders approved by way of Special Resolution to carry out the Capital Reduction Bonus Issue. The Capital Reduction Shares were allotted and issued on 17 May 2021. The Court confirmed the cancellation of the Capital Reduction Shares at a Court Hearing held on 19 May 2021.

The Capital Reduction Shares were not admitted to trading on any regulated market. No share certificates were issued in respect of the Capital Reduction Shares. The Capital Reduction Shares had extremely limited rights. In particular, the Capital Reduction Shares carried no rights to vote, no rights to participate in the profits of the Company and no rights to participate in the Company's assets, save on a winding-up in extremely limited circumstances, such that they have no effective market value.

Share premium account
The share premium account had arisen as a result of the vesting of share options, held by employees of the Company's group. Under the Companies Act, the amount credited to the share premium account constitutes a non-distributable reserve. At the Annual General Meeting held on 20 April 2021, the Company's shareholders approved by way of Special Resolution the cancellation of its whole share premium account. The cancellation was subsequently confirmed by the Court on 19 May 2021.

Impact of capital reduction
There has been no impact on the nominal value of the ordinary shares, and there has been no dilution to holders of ordinary shares. There was also no impact on the Company's cash position or on its net assets, and the capital reduction did not itself involve any distribution or repayment of capital or share premium and will not result in any changes to the Group's existing dividend policy.

Dividends
The final dividend for 2020 was 11.6 pence per share and was paid in April 2021. The total dividend for the current year is 19.3 pence per share, with an interim dividend of 6.1 pence per share paid on 1 October 2021 to shareholders on the register at the close of business on 3 September 2021, and a final dividend of 13.2 pence per share will be paid on 29 April 2022 to shareholders on the register at the close of business on 1 April 2022. The ex-dividend date will be on 31 March 2022.

Following the 2020 year end, the Directors became aware that the Company had made unlawful distributions in 2018, 2019 and 2020 on account of the fact that it had incorrectly included reserves arising from share-based payments, relating to employees of subsidiaries, as distributable and had not filed interim accounts in accordance with section 838 of the Companies Act 2006 to demonstrate sufficient reserves were available for distribution. Therefore, during the period from May 2018 through to January 2021, contributions made to the Employee Benefit Trust, in order to buy-back shares to satisfy the employee share options plan, and distributions by way of dividends were unlawful distributions in accordance with section 838 of the Companies Act 2006.

In order to correct the position, the Company filed interim (unaudited) accounts with Companies House on 23 March 2021 (in advance of the Annual General Meeting) to demonstrate it had sufficient reserves. At the Company's Annual General Meeting, the Company proposed a resolution to remove any right the Company may have had to claim from Directors and Shareholders in respect of the relevant contributions and distributions. The payments deemed to be unlawful during this period were £7.1m in 2018, £18.3m in 2019, £34.8m in 2020 and £0.3m in January 2021. Upstream dividends were paid in advance of the interim accounts to create additional distributable reserves in the Company and the resolutions regularised the matter. In addition, as disclosed above, the Company undertook a Capital Reduction and cancelled the Share Premium account which created additional distributable reserves of £171.7m. Interim (unaudited) accounts were filed on 31 May 2021 to demonstrate sufficient distributable reserves in advance of the interim dividend being paid.

Treasury reserve
The treasury reserve represents the cost of shares held in the Group's Employee Benefit Trust for the purpose of satisfying the exercise of share options under the Company's Employee Share Option Plan.

Foreign currency translation reserve
The foreign currency translation reserve contains the translation differences that arise upon translating the results of subsidiaries with a functional currency other than Sterling. Such exchange differences are recognised in the income statement in the period in which a foreign operation is disposed of.

10. Share based payments

Scheme 1

The Group created a share option scheme during the year ended 31 December 2010 and granted the first options under the scheme on 1 January 2011 to certain senior employees. Each option granted converts to one ordinary share on exercise. A participant may exercise their options subject to employment conditions and Adjusted EBITDA targets being met. For these options to be exercised the Group's earnings before interest, taxation, depreciation and amortisation, as adjusted by the Remuneration Committee for significant or one-off occurrences, must exceed certain targets. The fair values of options granted were determined using the Black-Scholes model. The inputs used in the model were:

- share price at date of grant;
- exercise price;
- time to maturity;
- annual risk-free interest rate; and
- annualised volatility.

The following assumptions were used in the valuation:

Award Tranche	Grant Date	Fair Value of Share Price at Grant Date	Exercise Price (Pence)	Estimated Forfeiture rate p.a.	Weighted Average of Remaining Contractual Life (Years)
Award 1	1 January 2011	£1.089	0.0714p	0%	0.0
Award 3	1 May 2012	£1.866	0.0714p	0%	0.0
Award 4	7 March 2014	£2.550	0.0714p	0%	0.0
Award 6	22 September 2014	£2.525	0.0714p	0%	0.0
Award 7	9 December 2014	£2.075	0.0714p	0%	0.0
Award 8	31 December 2014	£2.025	0.0714p	0%	0.0
Award 9	21 April 2015	£1.980	0.0714p	0%	0.0
Award 10	28 September 2015	£2.420	0.0714p	0%	0.0
Award 11	17 March 2016	£2.380	0.0714p	0%	0.0
Award 12	17 March 2016	£2.380	0.0714p	0%	0.0
Award 13	21 October 2016	£4.300	0.0714p	0%	0.0
Award 14	21 March 2017	£5.240	0.0714p	0%	0.0
Award 15	21 March 2017	£5.240	0.0714p	0%	0.0
Award 16	21 March 2017	£5.240	0.0714p	0%	0.0
Award 17	21 September 2017	£5.540	0.0714p	0%	0.0
Award 18	20 March 2018	£5.910	0.0714p	0%	0.0
Award 19	20 March 2018	£5.910	0.0714p	0%	0.0
Award 20	23 October 2018	£5.270	0.0714p	0%	0.0
Award 21	23 October 2018	£5.270	0.0714p	0%	0.0
Award 22	23 October 2018	£5.270	0.0714p	0%	0.0
Award 23	19 March 2019	£5.860	0.0714p	0%	0.0
Award 24	22 October 2019	£8.189	0.0714p	0%	0.0
Award 25	14 February 2020	£12.500	0.0714p	0%	0.0
Award 26	23 March 2020	£9.080	0.0714p	0%	0.0
Award 27	23 June 2020	£13.910	0.0714p	0%	0.0
Award 28	22 September 2020	£14.260	0.0714p	0%	0.0
Award 29	23 March 2021	£13.480	0.0714p	0%	0.0

Awards 2 and 5 have been fully forfeited.

The estimated forfeiture rate assumption is based upon management's expectation of the number of options that will lapse over the vesting period. The assumptions were determined when the scheme was set up in 2011 and are reviewed annually. Management believes the current assumptions to be reasonable based upon the rate of lapsed options and proximity to the vesting targets.

Each of the awards are subject to the vesting criteria set by the Remuneration Committee. In order for the remaining options to be exercised, the Group's earnings before interest, taxation, depreciation and amortisation, as adjusted by the Remuneration Committee for significant or one-off occurrences, must exceed the remaining target of £52m in any one year before the end of the period in which the options are exercisable, which is generally 10 years from the date of the grant (£52m target excludes the impact of IFRS16).

As noted in the Remuneration Report within the Group's Annual Report and Accounts for the year ended 31 December 2021, the Remuneration Committee has received notification from the Audit Committee that the quality of Adjusted EBITDA in 2021 of £58.6m was in excess of the £52m performance target and is, therefore, sufficient to satisfy the final tranche of the Scheme 1 options. Employees within this scheme will have the opportunity to vest their options following the publication of our 2021 results (total of 6.5 million shares). Scheme 1 will then be closed.

	Group Achieves £10m Adjusted EBITDA	**Group Achieves £32m Adjusted EBITDA**	**Group Achieves £41m Adjusted EBITDA[1]**	**Group Achieves £52m Adjusted EBITDA[1]**
Awards 1-4	20% Vest	20% Vest	20% Vest	40% Vest
Award 6	N/a	25% Vest	25% Vest	50% Vest
Award 7	N/a	20% Vest	20% Vest	60% Vest
Award 8	N/a	25% Vest	25% Vest	50% Vest
Award 9	N/a	20% Vest	20% Vest	60% Vest
Award 10	N/a	N/a	N/a	100% Vest
Award 12	N/a	17.5% Vest	17.5% Vest	65% Vest
Award 13	N/a	17.5% Vest	17.5% Vest	65% Vest
Award 14	N/a	17.5% Vest	17.5% Vest	65% Vest
Award 15	N/a	12.5% Vest	12.5% Vest	75% Vest
Award 16	N/a	25% Vest	25% Vest	50% Vest
Award 17	N/a	10% Vest	10% Vest	80% Vest
Award 18	N/a	10% Vest	10% Vest	80% Vest
Award 19	N/a	N/a	N/a	100% Vest
Award 20	N/a	N/a	N/a	100% Vest
Award 21	N/a	N/a	14% Vest	86% Vest
Award 22	N/a	N/a	33% Vest	67% Vest
Award 23	N/a	N/a	10% Vest	90% Vest
Award 24	N/a	N/a	N/a	100% Vest
Award 25	N/a	N/a	N/a	100% Vest
Award 26	N/a	N/a	N/a	100% Vest
Award 27	N/a	N/a	N/a	100% Vest
Award 28	N/a	N/a	N/a	100% Vest
Award 29	N/a	N/a	N/a	100% Vest

Note 1: Excluding the impact of IFRS16

Award 11 relates to options awarded to the Group's previous Chairman, Bernard Cragg, during 2016. These did not carry any performance obligations and vested at a point in time. 125,000 options vested on 31 January 2019 and the remaining 125,000 vested on 31 January 2021 and were exercised on 26 April 2021.

The total charge recognised for the scheme during the 12 months to 31 December 2021 was £6.3m (2020: £2.8m). The awards of the scheme are settled with ordinary shares of the Company.

During the year, the Group purchased an aggregate amount of 2,860,648 shares at a total market value of £46.5m. The purchased shares will be held in treasury and in the Group's Employee Benefit Trust for the purpose of satisfying the exercise of share options under the Company's Employee Share Option Plan.

Reconciliation of movement in the number of options is provided below.

	Option price (pence)	Number of options
31 December 2020	1/14th	6,940,837
Granted	1/14th	70,000
Exercised	1/14th	(125,000)
Forfeited	1/14th	(338,280)
31 December 2021	1/14th	**6,547,557**

The following table summarises the Group's share options outstanding at each year end:

Reporting date	Options outstanding	Option price (pence)	Remaining life (years)
31 December 2011	5,004,300	1/14th	3.7
31 December 2012	4,931,150	1/14th	4.3
31 December 2013	4,775,050	1/14th	3.3
31 December 2014	8,358,880	1/14th	2.5
31 December 2015	7,557,840	1/14th	2.5
31 December 2016	9,450,183	1/14th	3.2
31 December 2017	10,621,857	1/14th	2.2
31 December 2018	10,808,861	1/14th	1.4
31 December 2019	8,853,882	1/14th	1.0
31 December 2020	6,940,837	1/14th	1.0
31 December 2021	**6,547,557**	**1/14th**	**0.0**

Scheme 2 - 2019 scheme

In October 2019 the Group created and announced a new share option scheme and granted the first options under the scheme on 31 October 2019 to certain senior employees. Each option granted converts to one ordinary share on exercise. A participant may exercise their options subject to employment conditions and performance targets being met. For these options to be exercised, the Group's share price must reach certain targets. The fair values of options granted were determined using the Monte Carlo method. The inputs used in the model were:

- grant date;
- vesting date;
- performance start and end date;
- expected term;
- risk-free rate;
- dividend yield;
- volatility; and
- share price at date of grant.

The awards shall vest based upon the following performance conditions being satisfied:

- 100% of the shares subject to the award will vest provided the compounded annual growth in the Group's Total Shareholder Return (TSR) performance over the 5-year performance period is equal to or exceeds 16% per annum compounded (the "5-Year TSR Target").
- The 5-Year TSR Target will be measured by taking a baseline price per share of 830p and comparing it to the sum of the average closing price of a share derived from the 'official list' over the period 20 trading days commencing on the business day on which the Group announces its annual results for the period ending 31 December 2024 and all dividends paid during the performance period.

To the extent that the 5-Year TSR Target has not been met, the awards will not vest. If any of the events pursuant to the rules covering 'takeovers and other corporate events' occur during the performance period or prior to the vesting date, awards shall vest as follows:

- Where the 5-Year TSR Target has been met at the date of the relevant event, 100% of the awards shall vest.
- Where the 5-Year TSR Target has not been achieved, but a 16% compound annual TSR has been met over the period from the commencement of the performance period, awards shall vest on a pro-rata basis to reflect the proportion of the performance period which has elapsed, although the Company shall have discretion to waive such time pro-rating if they consider it appropriate.

The following assumptions were used in the valuation:

Award Tranche	Grant Date	Fair Value of Share Price at Grant Date	Exercise Price (Pence)	Estimated Forfeiture rate p.a.	Weighted Average of Remaining Contractual Life (Years)
Award 1	31 October 2019	£2.02	0.0714p	0%	3.0
Award 2	7 May 2020	£4.62	0.0714p	0%	3.0
Award 3	25 May 2020	£5.50	0.0714p	0%	3.0
Award 4	23 June 2020	£6.12	0.0714p	0%	3.0
Award 5	22 September 2020	£6.35	0.0714p	0%	3.0
Award 6	17 November 2020	£7.12	0.0714p	0%	3.0
Award 7	23 March 2021	£5.15	0.0714p	0%	3.0

The estimated forfeiture rate assumption is based upon management's expectation of the number of options that will lapse over the vesting period and are reviewed annually. Management believes the current assumptions to be reasonable.

The total charge recognised for the scheme during the 12 months to 31 December 2021 was £2.9m (2020: £1.4m). The awards of the scheme are settled with ordinary shares of the Company.

Reconciliation of movement in the number of options is provided below.

	Option price (pence)	Number of options
31 December 2020	1/14th	3,025,000
Granted	1/14th	1,040,000
Forfeited	1/14th	(405,000)
31 December 2021	1/14th	**3,660,000**

The following table summarises the Group's share options outstanding at each year end:

Reporting date	Options outstanding	Option price (pence)	Remaining life (years)
31 December 2019	1,400,000	1/14th	5.00
31 December 2020	3,025,000	1/14th	4.00
31 December 2021	**3,660,000**	**1/14th**	**3.00**

11. Acquisitions

Life Sciences

On 1 November 2021, the Group acquired the trade and assets of the Life Sciences business from IHS Markit for consideration of US$50.0m. Life Sciences offers comprehensive and independent coverage of drug pricing, reimbursement and market access trends, as well as healthcare forecasts and healthcare economic data microsimulation modelling. These capabilities represent a strategic bolt-on addition to our existing pharmaceuticals vertical and will result in a true end-to-end offering with industry-leading breadth and depth for our clients.

The amounts recognised for each class of assets and liabilities at the acquisition date were as follows:

	Carrying Value £m	**Fair Value Adjustments £m**	**Fair Value £m**
Intangible assets consisting of:			
Customer relationships	-	4.3	**4.3**
IP rights and Database	-	10.1	**10.1**
Net assets acquired consisting of:			
Trade and other receivables	1.1	-	**1.1**
Trade and other payables	(2.5)	0.4	**(2.1)**
Deferred tax	-	(0.4)	**(0.4)**
Fair value of net (liabilities)/assets acquired	**(1.4)**	**14.4**	**13.0**

The goodwill recognised in relation to the acquisition is as follows:

	Fair Value £m
Consideration	36.4
Less net assets acquired	(13.0)
Goodwill	**23.4**

In line with the provision of IFRS3, fair value adjustments may be required within the 12-month period from the date of acquisition. Any fair value adjustments will result in an adjustment to the goodwill balance reported above. The goodwill that arose on the combination can be attributed to the assembled workforce, know-how and research methodology. The fair values of the identified intangible assets were calculated in line with the policies detailed on page 78 of the Group's Annual Report and Accounts for the year ended 31 December 2021.

The Group incurred legal and professional expenses of £1.4m in relation to the acquisition. In the period from the date of acquisition to 31 December 2021, the trade of Life Sciences generated revenues of £1.0m and contribution of £0.3m.

The amount of goodwill which is expected to be deductible for tax purposes is £9.5m.

LMC

On 15 December 2021, the Group acquired 100% of the share capital of two groups of companies, named LMCA Holdings Limited and LMCI Holdings Limited, for consideration of £72.7m. The companies within these groups provide data, analytics, and insights of the Automotive and Agribusiness markets respectively. The acquisitions add further scale and capabilities to the Group's existing Automotive intelligence proposition and bring new and unique gold standard Agribusiness data to broaden and complement the existing sector coverage.

The amounts recognised for each class of assets and liabilities at the acquisition date were as follows:

	Carrying Value £m	Fair Value Adjustments £m	Fair Value £m
Intangible assets consisting of:			
Customer relationships	-	7.5	**7.5**
IP rights and Database	-	15.2	**15.2**
Brand	-	0.1	**0.1**
Net assets acquired consisting of:			
Property, plant and equipment	0.1	-	**0.1**
Intangible assets	0.7	-	**0.7**
Cash and cash equivalents	7.4	-	**7.4**
Trade and other receivables	2.5	(0.1)	**2.4**
Trade and other payables	(6.2)	0.6	**(5.6)**
Provisions	(0.1)	-	**(0.1)**
Corporation tax payable	(0.4)	-	**(0.4)**
Deferred tax	-	(5.6)	**(5.6)**
Fair value of net assets acquired	**4.0**	**17.7**	**21.7**

The goodwill recognised in relation to the acquisition is as follows:

	Fair Value £m
Consideration	72.7
Less net assets acquired	(21.7)
Goodwill	**51.0**

In line with the provision of IFRS3, fair value adjustments may be required within the 12-month period from the date of acquisition. Any fair value adjustments will result in an adjustment to the goodwill balance reported above. The goodwill that arose on the combination can be attributed to the assembled workforce, know-how and research methodology. The fair values of the identified intangible assets were calculated in line with the policies detailed on page 78 of the Group's Annual Report and Accounts for the year ended 31 December 2021.

The Group incurred legal and professional expenses of £0.8m in relation to the acquisition. In the period from the date of acquisition to 31 December 2021, the trade of LMC generated revenues of £0.5m and profit before tax of £0.0m.

The amount of goodwill which is expected to be deductible for tax purposes is £nil.

Cash Cost of Acquisitions

The cash cost of acquisitions comprises:

	31 December 2021 £m
Acquisition of Life Sciences	35.3
Acquisition of LMC:	
Cash consideration	68.8
Cash acquired	(7.4)
Deferred consideration payment CHM Research Limited	0.6
Deferred consideration payment Competenet	0.4
	97.7

Cash consideration for both Life Sciences and LMC are net of bonuses which have been borne by the acquiree however will be settled by the Group post-acquisition.

12. Related party transactions

Mike Danson, GlobalData's Chief Executive Officer, owned 64.1% of the Company's ordinary shares as at 31 December 2021 and 63.1% as at 28 February 2022, therefore is the ultimate controlling party. Mike Danson owns a number of businesses that interact with GlobalData Plc, largely in part as a result of past M&A transactions (GlobalData Holdings in 2016 and Research Views Limited in 2018).

It is the intention of the Board and management to reduce and eventually eliminate the number of related party transactions and wind down the service agreements that are currently in place. The Related Party Transactions Committee, consisting of 4 Non-Executive directors, oversees related party transactions and reviews to ensure that the transactions are in the best interest of GlobalData and its stakeholders, and that the transactions are recorded and disclosed on an arms-length basis.

Accommodation

During 2021, we have made significant progress towards this goal. In particular, as at 31 December 2021, the Group now has no related party landlords, following the sale of the John Carpenter and Essex Street properties by the Estel Properties Group to third party landlords, and secondly, the surrender of the Hatton Garden lease by GlobalData. The surrender of the lease is beneficial to the Group and removes the liability, which was due to run to 2028, and a non-cash gain of £129,000 has been recognised on disposal of the lease. This represents the difference between the value of the lease asset and lease liability under IFRS16 at the date of surrender.

Prior to the removal of the related party relationship with the landlord, the Group incurred accommodation charges of £0.8m (2020: £2.9m).

In addition, GlobalData Plc sub-leases office space to other companies owned by Mike Danson. The total sub-lease income for the year ended 31 December 2021 was £0.4m (2020: £1.3m).

Corporate Support Services

Corporate support charges of £0.2m (2020: £0.4m), which principally consist of shared IT as well as payroll, facilities and HR support which has now ceased. These have been recharged on a consistent basis to the previous year and are determined by specific drivers of cost such as proportional occupancy of building for facilities and headcount for IT, HR and payroll services.

Loan to Progressive Trade Media Limited

Interest income on the outstanding loan of £0.05m was credited to the income statement (2020: £0.1m), based upon a rate of 2.25% above LIBOR. The initial £4.5m loan issued has one further instalment of £0.9m remaining and was repaid in full after the balance sheet date on 31 January 2022.

Revenue contract containing IP sharing clause

The ongoing data services agreement with NS Media Group Limited ("NSMGL"), a related party by virtue of common ownership, continued into its second year of the 5-year service contract signed in June 2020. The agreed suite of data services provided to NSMGL have been contracted on terms equivalent to those that prevail in arm's length transactions. During the first half of 2021, the content delivery was modified based upon the client's revised requirements. Therefore, the revenue arising in the year has reduced compared to the original contractual terms. In the year ended 31 December 2021, the total revenue generated from this contract was £1.4m and the net contribution generated was £0.8m. Each year's fixed fees are invoiced quarterly in advance.

In addition to the IP and content, there are other shared costs such as software development, webinar production, lead generation and content creation platforms with NSMGL, for which GlobalData received a net charge of £0.01m.

Other
In March 2021, the Group hired 51 employees who at the time were working for NSMGL. The Related Party Transactions Committee oversaw the hiring process and all negotiations and contracting was done directly with the employees themselves. No fees or compensation were given to NSMGL.

Separately, GlobalData purchased two start-up websites from NSMGL for £55,000. These websites, energymonitor.ai and investmentmonitor.ai, were new websites with no revenues or sales contracts attached and low audience figures. The valuation was conducted on an arms-length basis and benchmarked audience figures and comparable valuations, as well as using a discounted cash flow valuation. The Related Party Transactions Committee reviewed the calculations to ensure a fair and reasonable arms-length basis was used.

Because of the proximity of the hire of the team from NSMGL and the purchase of the websites, management reviewed the provisions of IFRS3: Business Combinations to assess whether the fact pattern met the requirements of a business combination. Management concluded that the assets and the team being brought into GlobalData did not constitute the definition of a business under IFRS3, because the majority of the inputs that the team will be applying process to are pre-existing GlobalData assets and there were no outputs brought into the Group (no revenues, contracts or customer relationships). Therefore, management concluded that this did not meet the definition of a business combination under IFRS3.

Balances Outstanding
As at 31 December 2021, the total balance receivable from NSMGL was £nil. There is no specific credit loss provision in place in relation to this receivable and the total expense recognised during the period in respect of bad or doubtful debts was £nil.

The Group has taken advantage of the exemptions contained within IAS24: Related Party Disclosures from the requirement to disclose transactions between Group companies as these have been eliminated on consolidation. The amounts outstanding for other related parties were £0.9m due within one year owed from Progressive Trade Media Limited for the outstanding loan (2020: £1.9m). There were no other balances owing to or from related parties.

Directors and Key Management Personnel
The remuneration of Directors is disclosed within the Directors' Remuneration Report within the Annual Report and Accounts for the year ended 31 December 2021.