

FY25 RESULTS

July 2025



System1
AT 25



System1

Create with Confidence



brainjuicer

Ad Of The Week

THE EXTRAORDINARY
COST OF DULL

LATAM
Ad Of The Month

The Compound
Creativity

The Nation's
Favourite Ads

THROUGH

The 12
Gifts of Christmas

JON EVANS
UNCENSORED CMO

How to win the
Super Bowl

Ad Of The Week

Wise Up!

PROF 6 ON WHY
BRAND IS DEAD

Ad Of The Week

FY25 Performance Highlights

- ★ Momentum maintained. Platform revenue up 39% on last year; total revenue up 25%
- ★ US Revenue up by 49% YoY; UK up by 28% YoY
- ★ Over 300 new client wins; Total client base up 31%
- ★ Net Revenue Retention Rate of 106% on platform revenue
- ★ Ad testing Revenue up by 38% YoY
- ★ Gross profit margin increased to 88%
- ★ Adjusted EBITDA Margin 18% versus 15% in FY24
- ★ Statutory profit before tax £5.3m up 71% vs FY24
- ★ Profit after tax and EPS up 120% vs FY24
- ★ £12.9m Net Cash at 31 March 2024, +£4.2m Free Cash Flow
- ★ Proposed dividend 5.5p per share & additional special dividend 5.5p per share





James Gregory

Chief Executive Officer

System1





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

System1



We focus on the twin engines of marketing growth – Advertising and Innovation – to grow our customers' long-term brand and short-term sales



Advertising

How can I be confident that my advertising will drive growth?



Test Your Ad

The world's most predictive ad effectiveness platform and competitiveness database



Impact on Brand

How can I measure the impact of my marketing activity on my brand health & predict further growth?



Test Your Brand

The World's most agile & predictive brand health framework



Innovation

How can I be confident that my idea will be a commercial success?



Test Your Innovation

Predict the commercial potential of your innovation

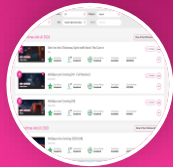
What makes System1 unique?



We uniquely measure **EMOTION** and **SYSTEM1 RESPONSE** because it **PREDICTS REAL WORLD OUTCOMES**



We have the **WORLD'S LARGEST DATABASES OF EMOTIONAL NORMS** to **SPOT TRENDS, COMPARE** with competitors, **INSPIRE** with the industry best



We have **THOUGHT LEADERSHIP**, with the best **INDUSTRY PARTNERS** and **VALIDATIONS** from Industry Bodies



We understand **WHY** advertising and innovation great and **HOW** to make it better through insight and consultancy



We have **FAST** turnaround with **SIMPLE, CLEAR, ACTIONABLE** results



———— All underpinned by a **BRAND** and **MEDIA CHANNEL** that means we are top of mind for our customers ————





51%

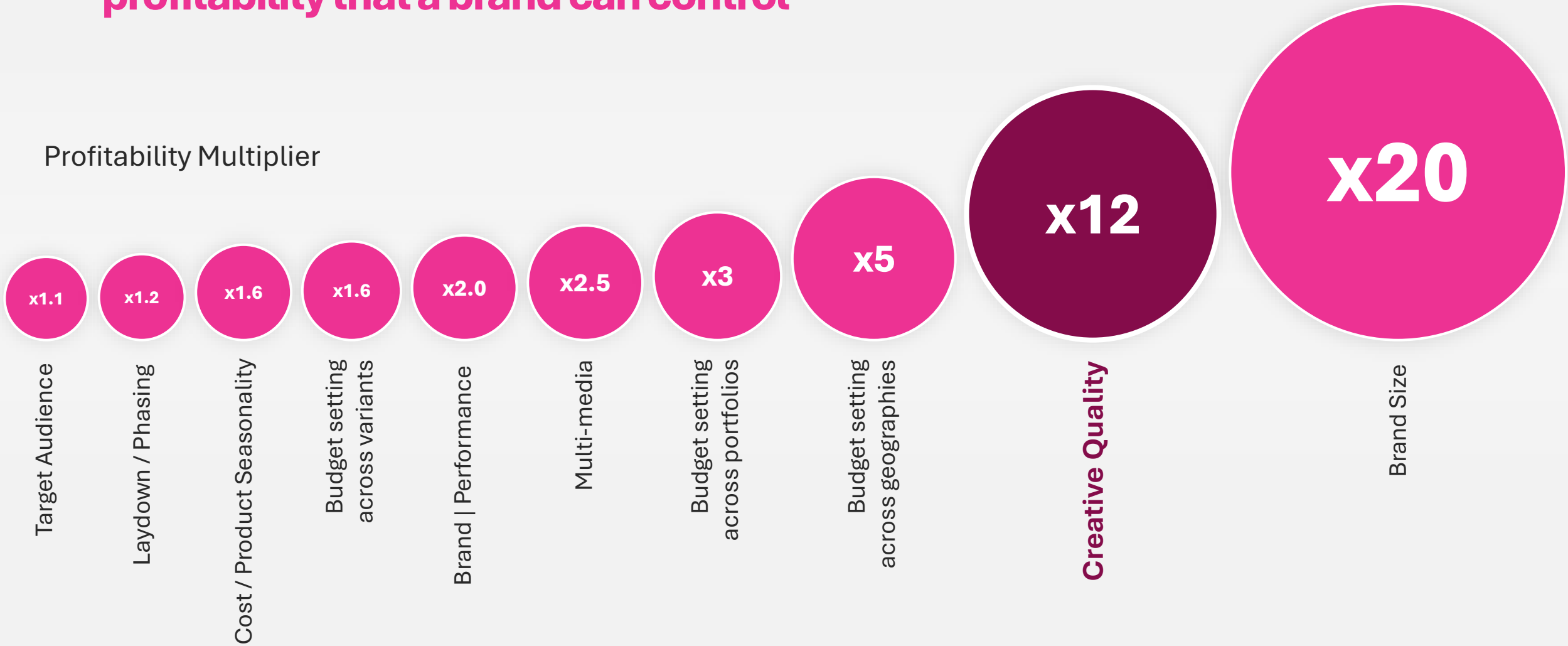
of advertising has no
long-term impact on
market share growth

95%

of new product
launches fail

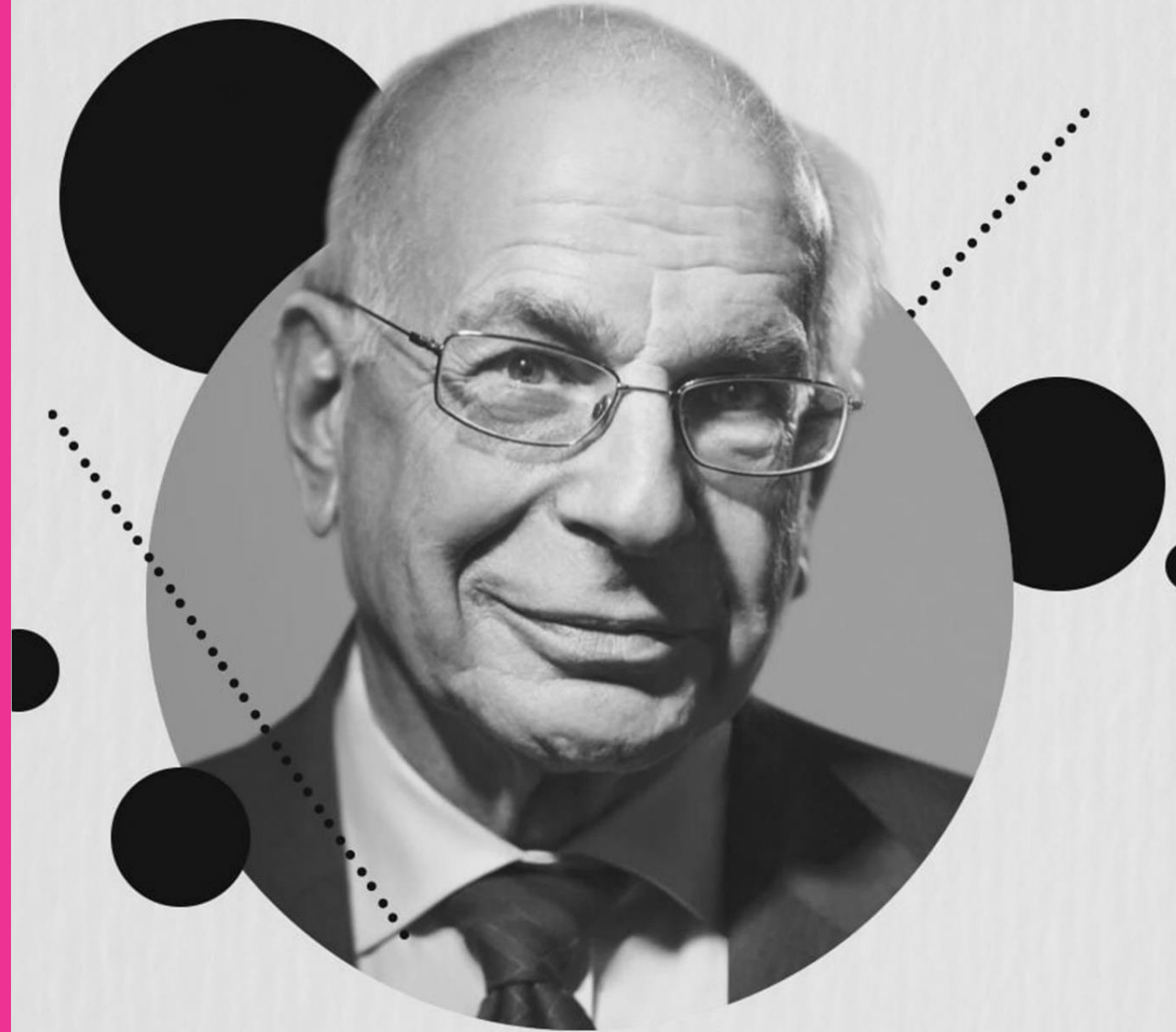
“ Creativity is still ‘by some way’* the biggest driver of advertising profitability that a brand can control”

Profitability Multiplier



“An easy question
(How do I feel about
it?) serves as an
answer to a much
harder question (What
do I think about it?).”

Daniel Kahneman
Psychologist | Economist



What makes our metrics so accurate?

We believe in the power of emotion to drive growth.

Behavioural and marketing science agree – people aren't careful, logical decision makers.

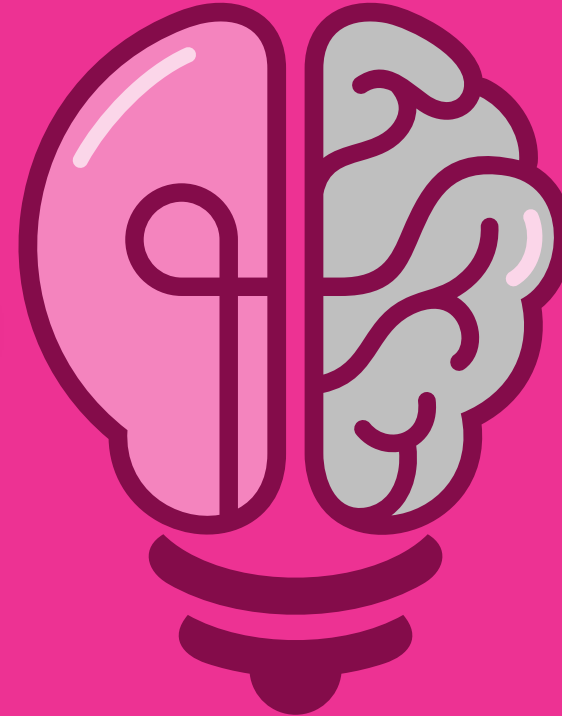
They rely on positive emotions and feelings to make decisions.

And nothing influences positive feeling like creativity.

System 1 Intuition & Instinct

95%

Unconscious
Fast
Associative
Auto Pilot



System 2 Rational Thinking

5%

Takes Effort
Logical
Lazy, Slow
Indecisive

We have 25 years of
behavioural science history

2000 - 2021



... with 5 years of
platform acceleration

2021 Onwards

System1
Create with Confidence

System1

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



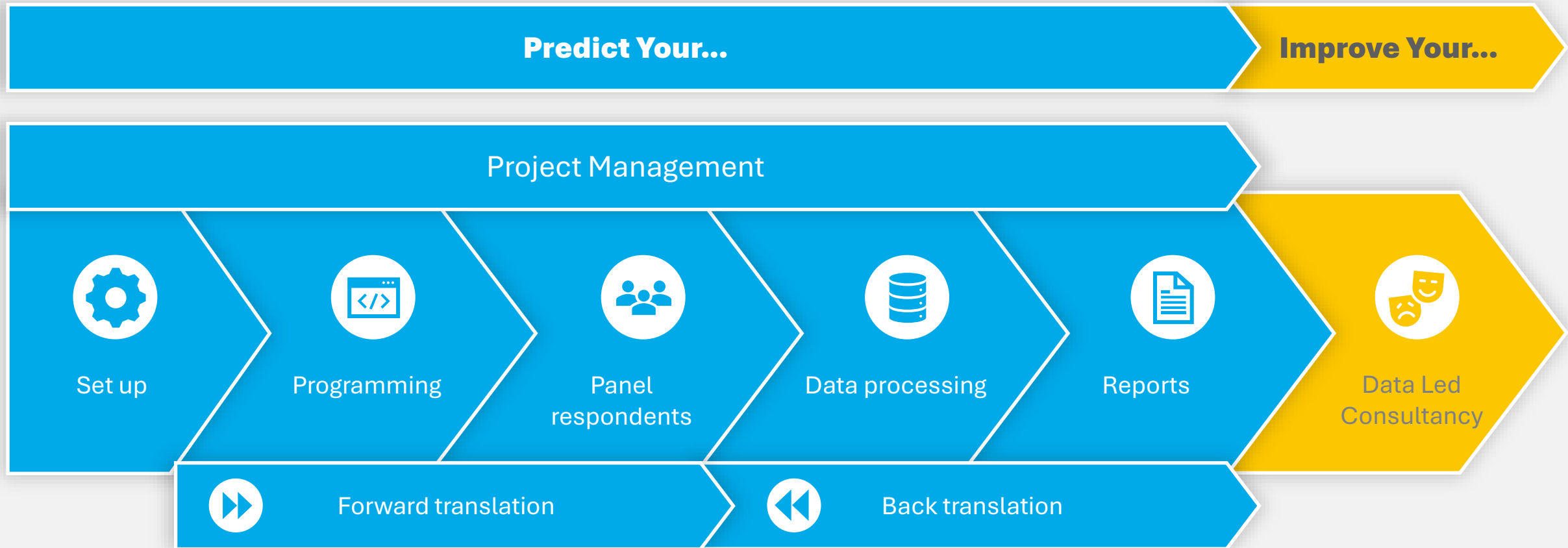
WHO

We are a marketing
decision-making platform

WHAT

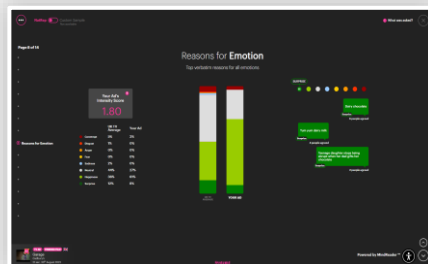
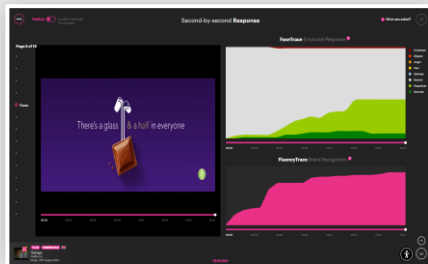
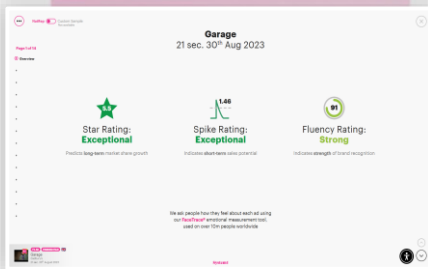
We predict and improve
marketing effectiveness

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

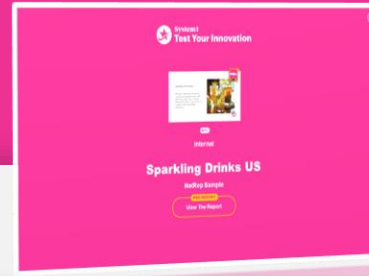


... with results provided to customers on a self-serve platform

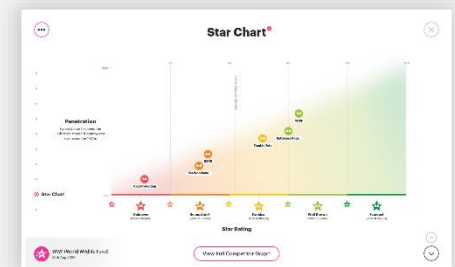
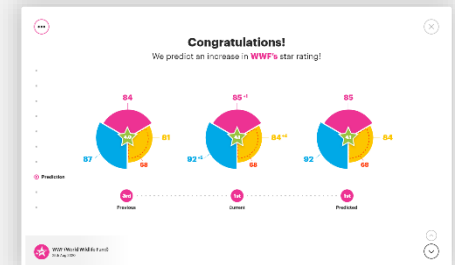
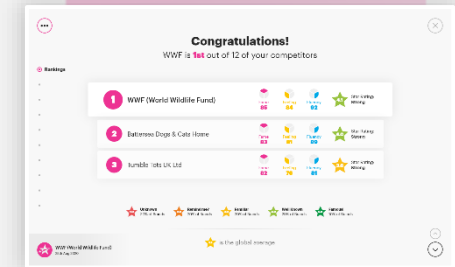
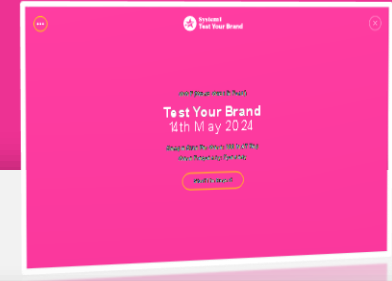
Test Your Ad



Test Your Innovation



Test Your Brand



Our platform and Products based on world leading IP, methodologies and technologies



Ads | Brands
Ideas tested

210K+



Survey
Responses

17M+



Emotions measured
through FaceTrace™

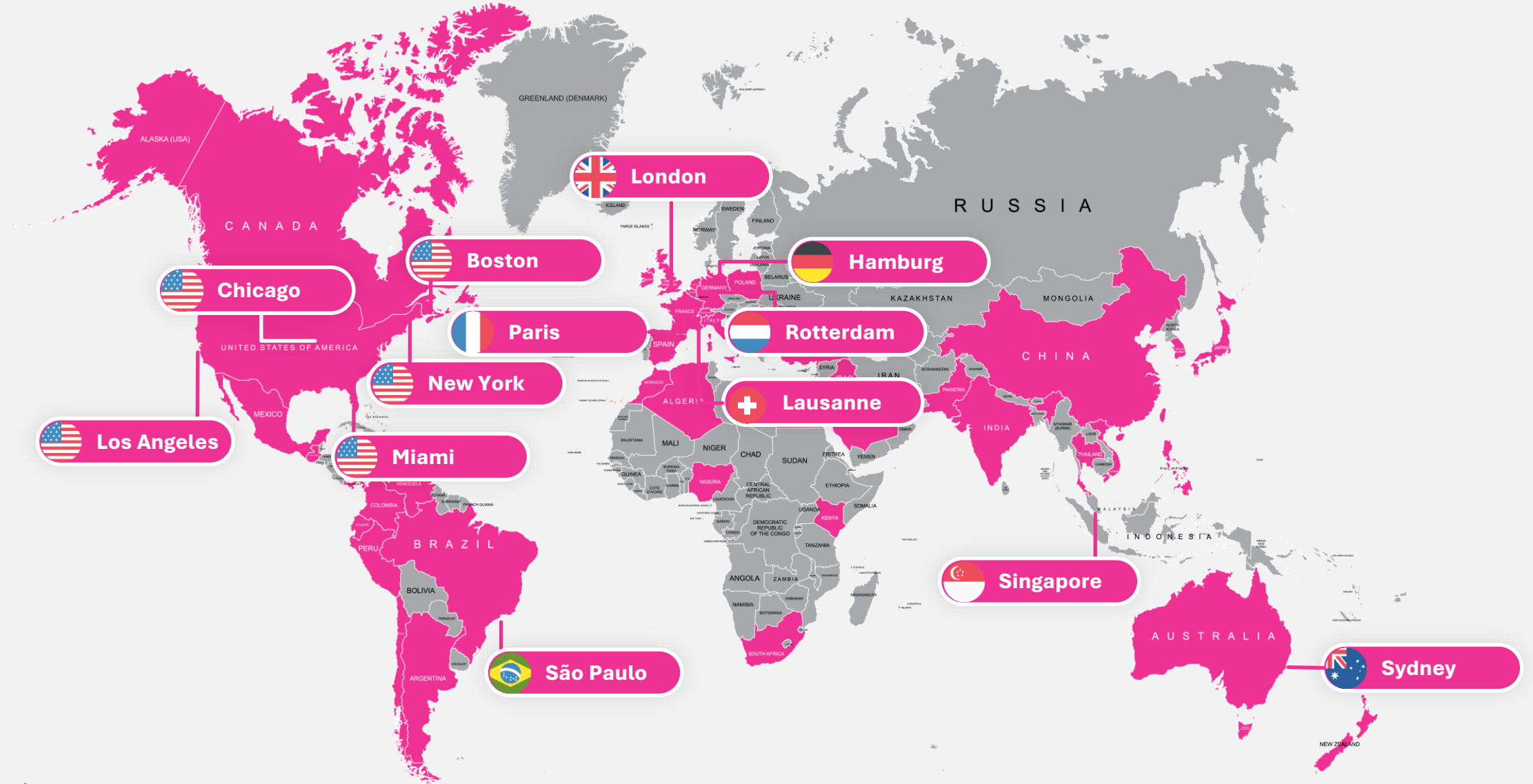
40M+



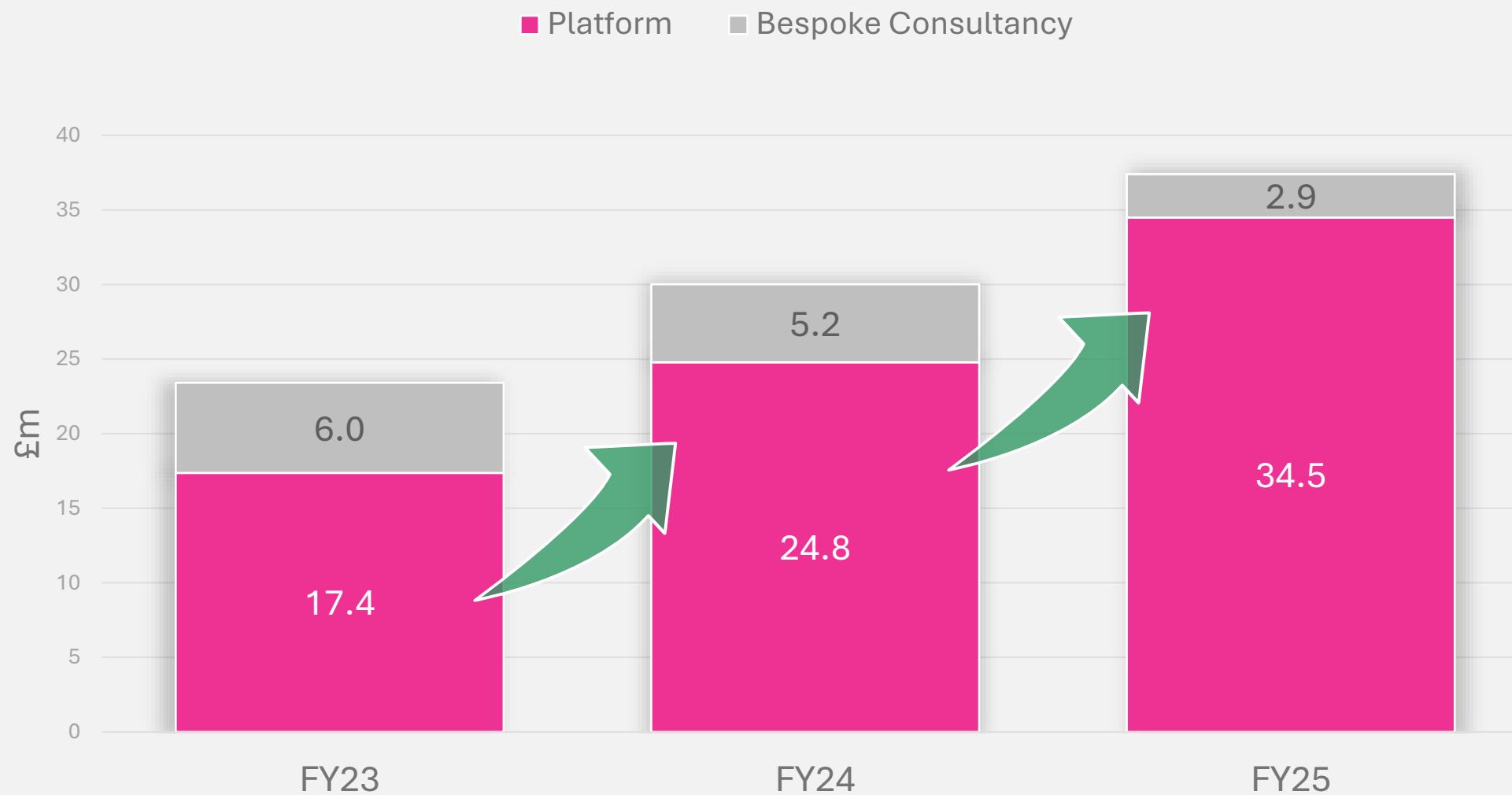
Markets

70+

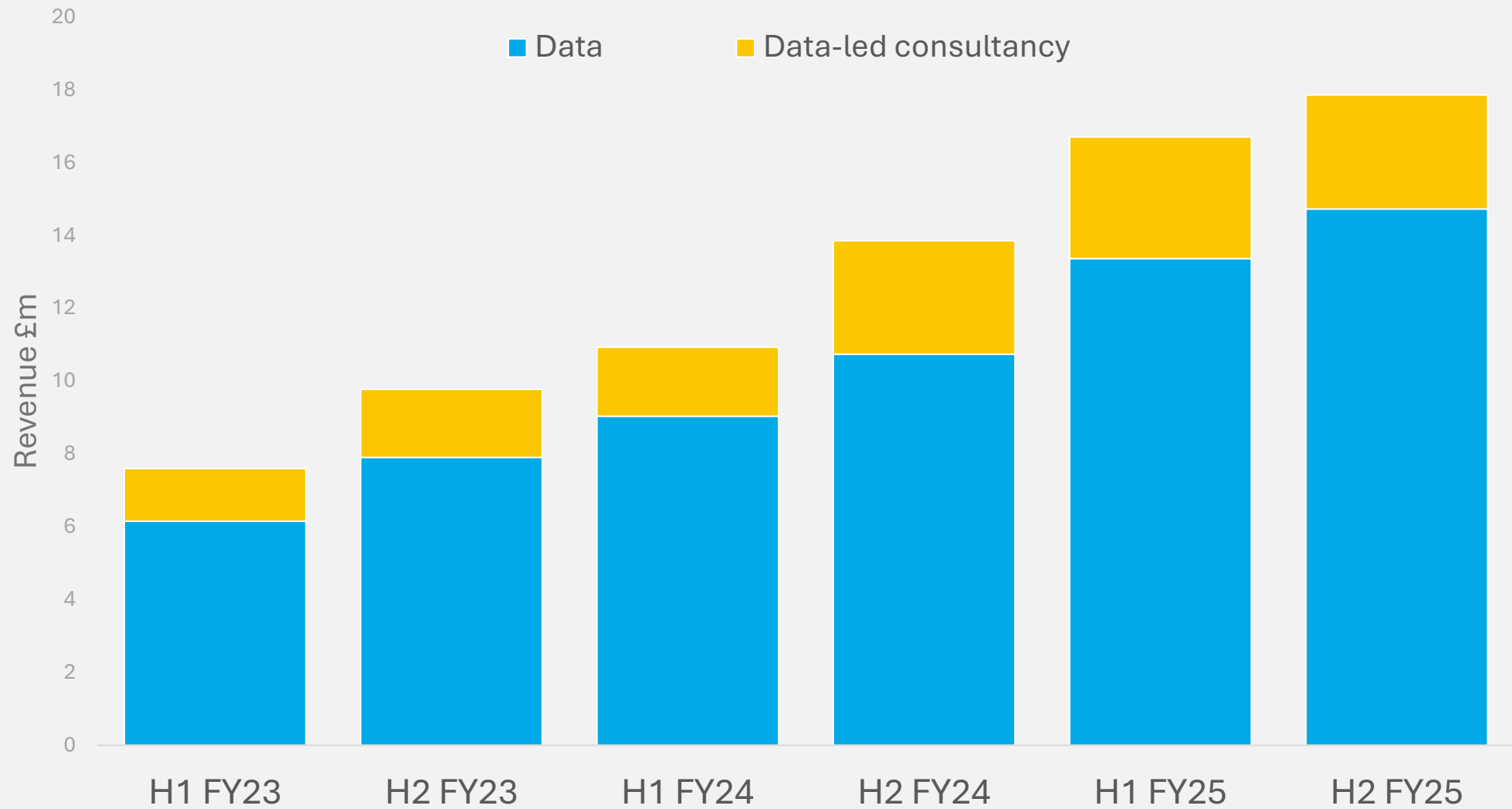
We have global reach with centralised hubs and local insight and sales
13 offices around the globe and servicing 81 markets



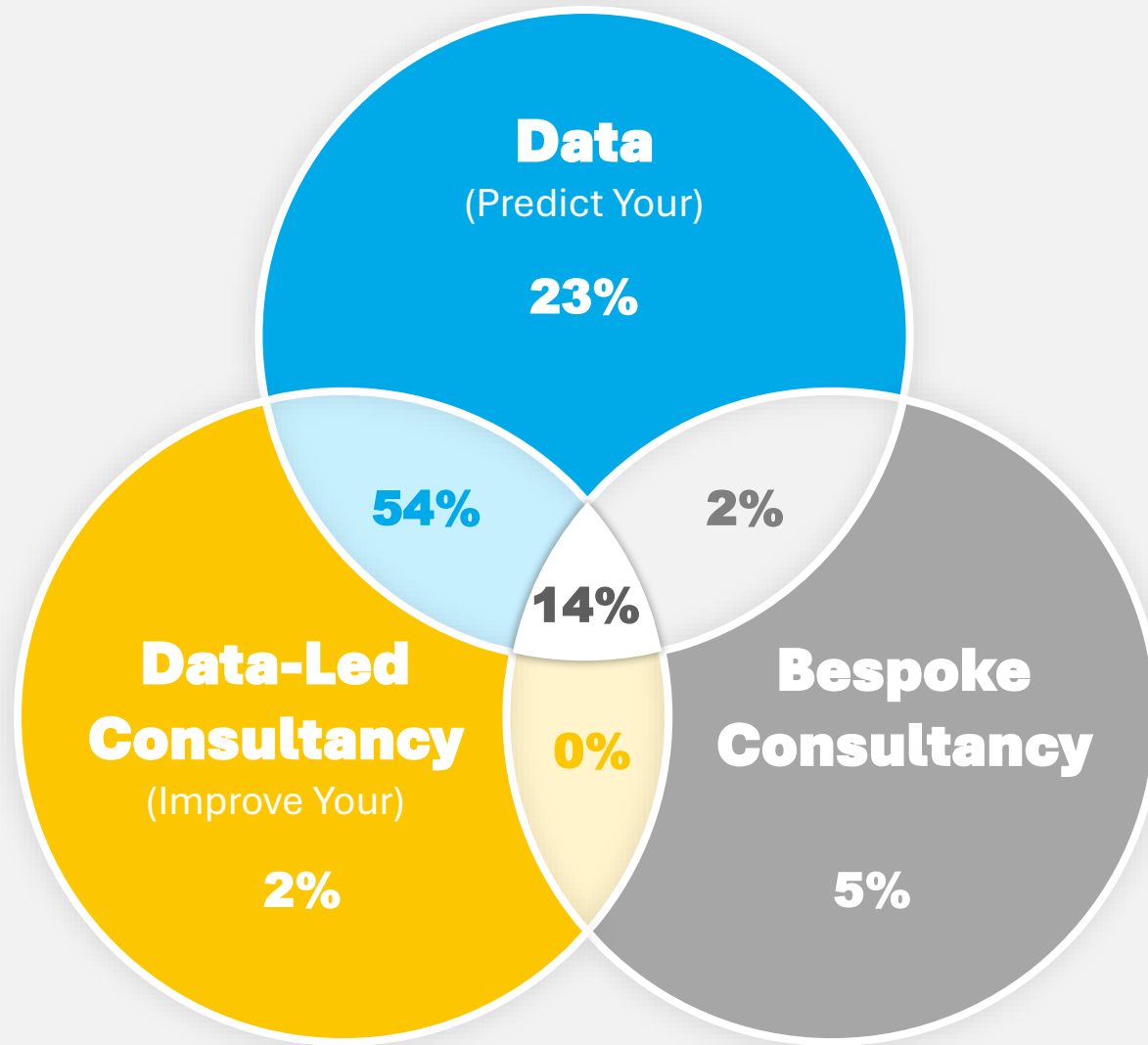
Platform revenue grew year on year driving top line growth



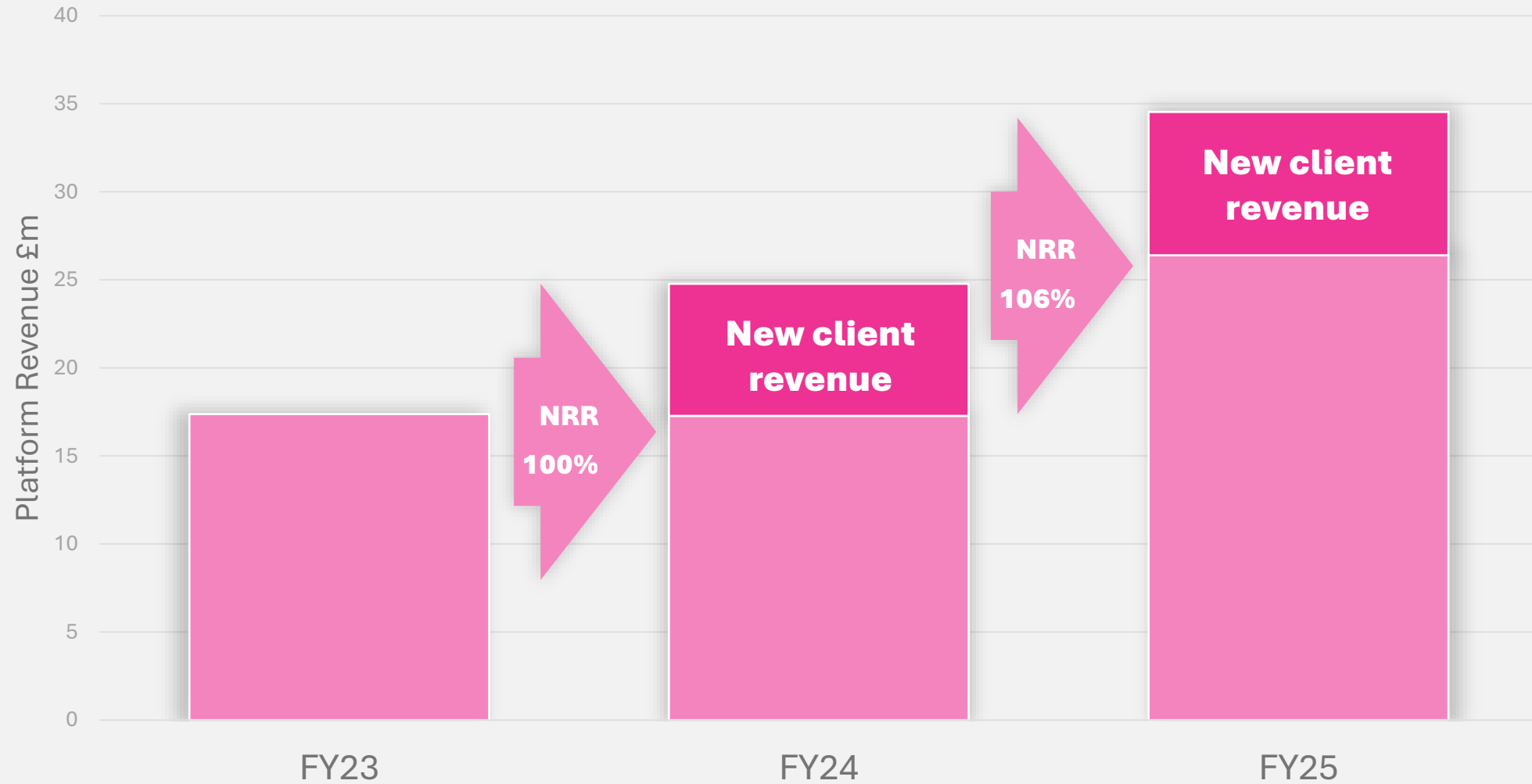
Underpinned by half on half platform revenue growth in FY25



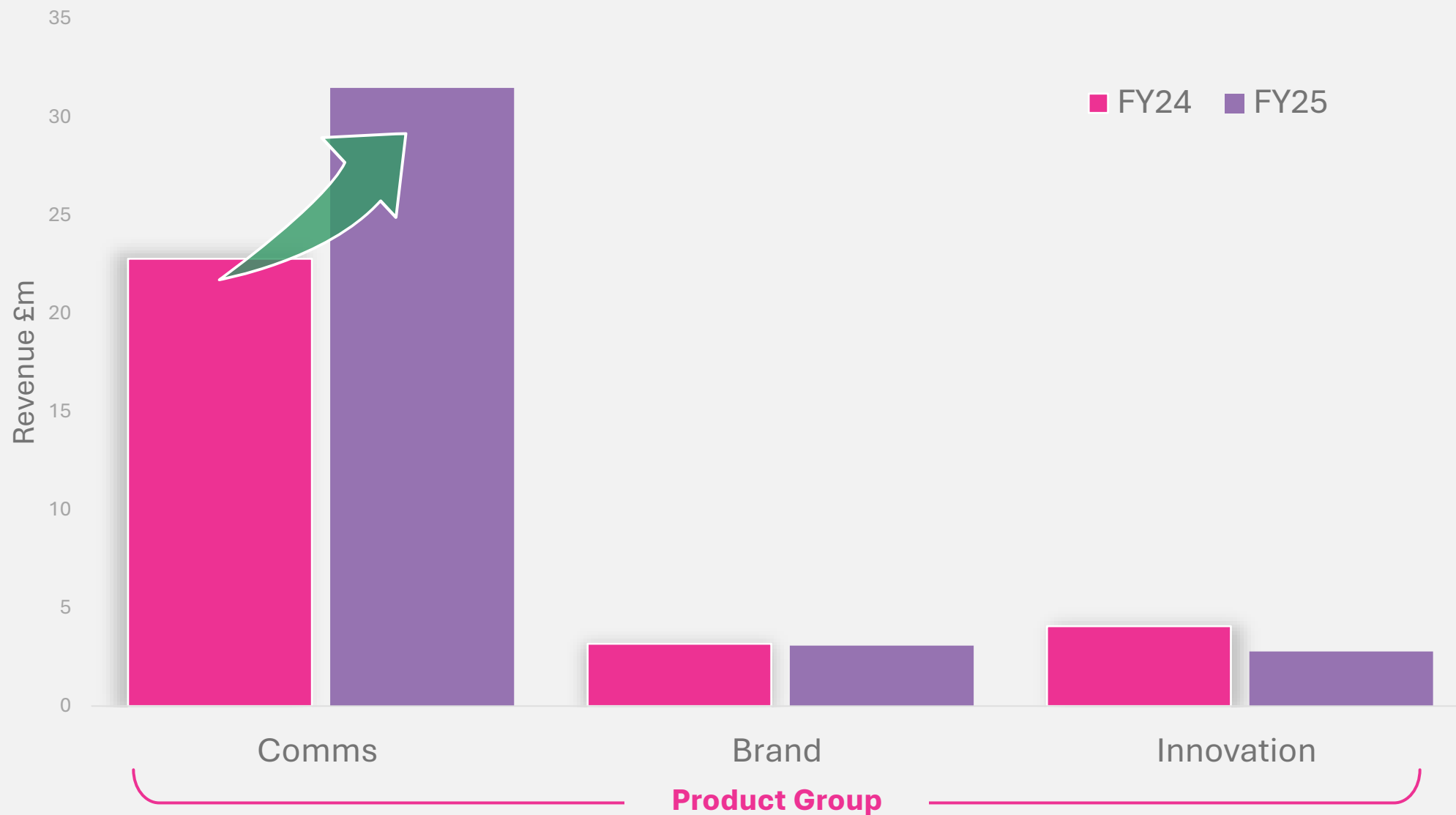
The combination of our **‘predict your’** and **‘improve your’** offering is driving revenues



We delivered **106% Platform Net Revenue Retention** in FY25 and **£8.1M Platform New Client Revenue**



Ad testing as the growth engine while foundations laid in Innovation



Resulting in us working with 5 of the top 10 USA advertisers ...

Rank	Parent Company	Industry	Ad Spend June '23 (\$m)
1	Procter & Gamble	Consumer Packaged Goods	109.3
2	Abbvie	Pharmaceuticals	81.4
3	GSK	Pharmaceuticals	52.8
4	Walt Disney	Media Entertainment	47.0
5	Novo Nordisk	Pharmaceuticals	44.4
6	Progressive	Insurance	38.5
7	Alphabet	Technology	38.0
8	Warner Bros. Discovery	Media Entertainment	34.1
9	Pepsico	Consumer Packaged Goods	33.7
10	Amazon	Technology Retail Media	31.9

... And with 8 of the top 10 UK advertisers

Rank	Company	Commercial Impacts (billion)
1	Procter & Gamble	23.4
2	Sky	19.9
3	Unilever	15.4
4	Crown Commercial Service	10.7
5	L'Oréal	9.9
6	Reckitt Benckiser	7.7
7	Tesco	7.3
8	McDonald's	7.2
9	Amazon	7.1
10	EE Limited	6.9



Chris Willford

Chief Financial Officer

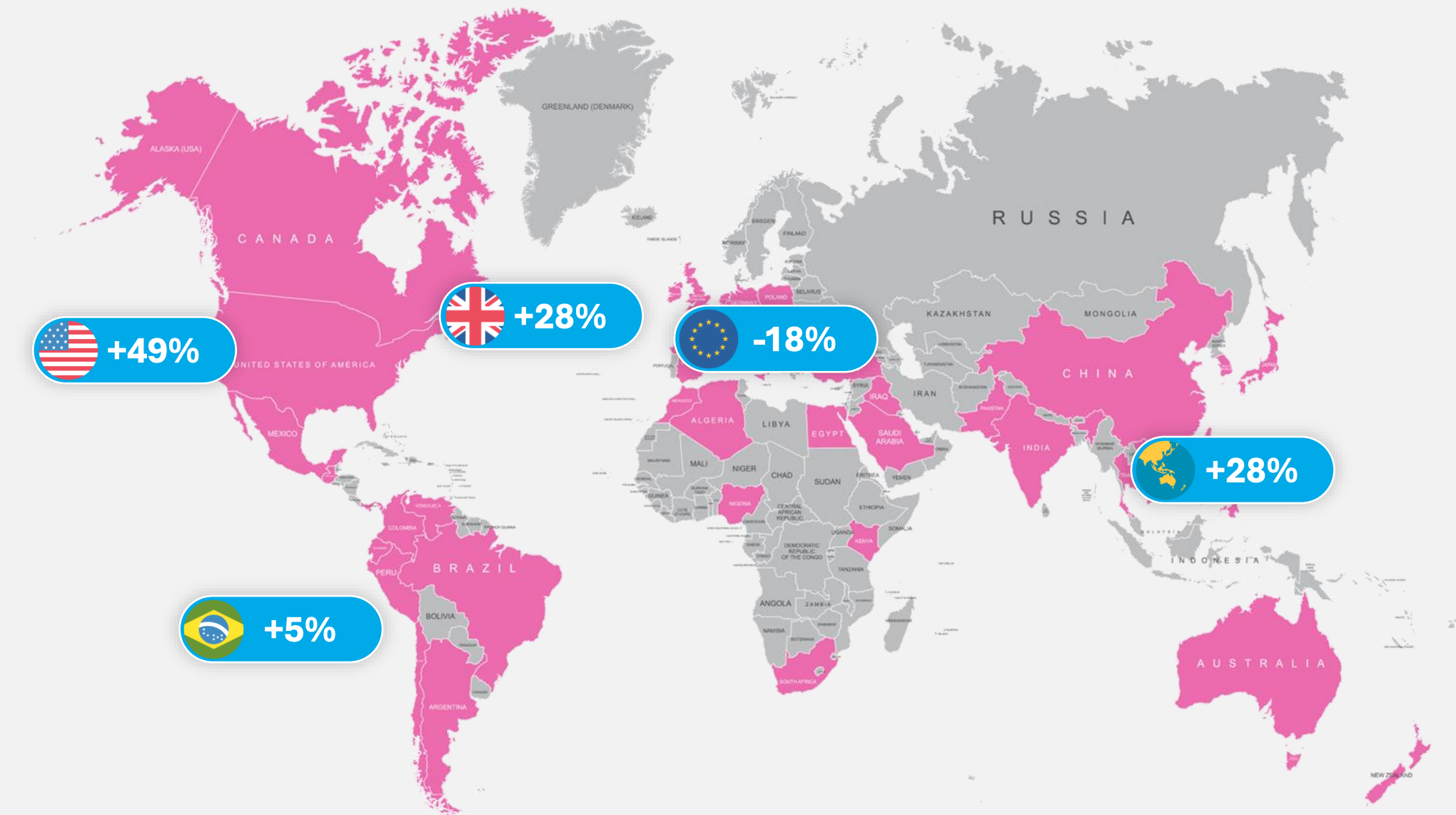
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Growth in Profitability **shows benefit of our scalable business model**

	FY25	FY24	Change £m	Change %
Platform Revenue	34.5	24.8	+9.7	+39%
Total Revenue	37.4	30.0	+7.4	+25%
Cost of Sales	(4.6)	(3.9)	+0.6	+17%
Gross Profit	32.9	26.1	+6.8	+26%
Statutory Profit Before Tax	5.3	3.1	+2.2	+71%
Adjusted Profit Before Tax	5.2	3.1	+2.1	+68%
Profit after Taxation	4.5	2.0	+2.5	+120%
Earnings per share (p)	35.2	16.0	+19.2p	+120%

Strong revenue growth in UK, US and APAC in FY25



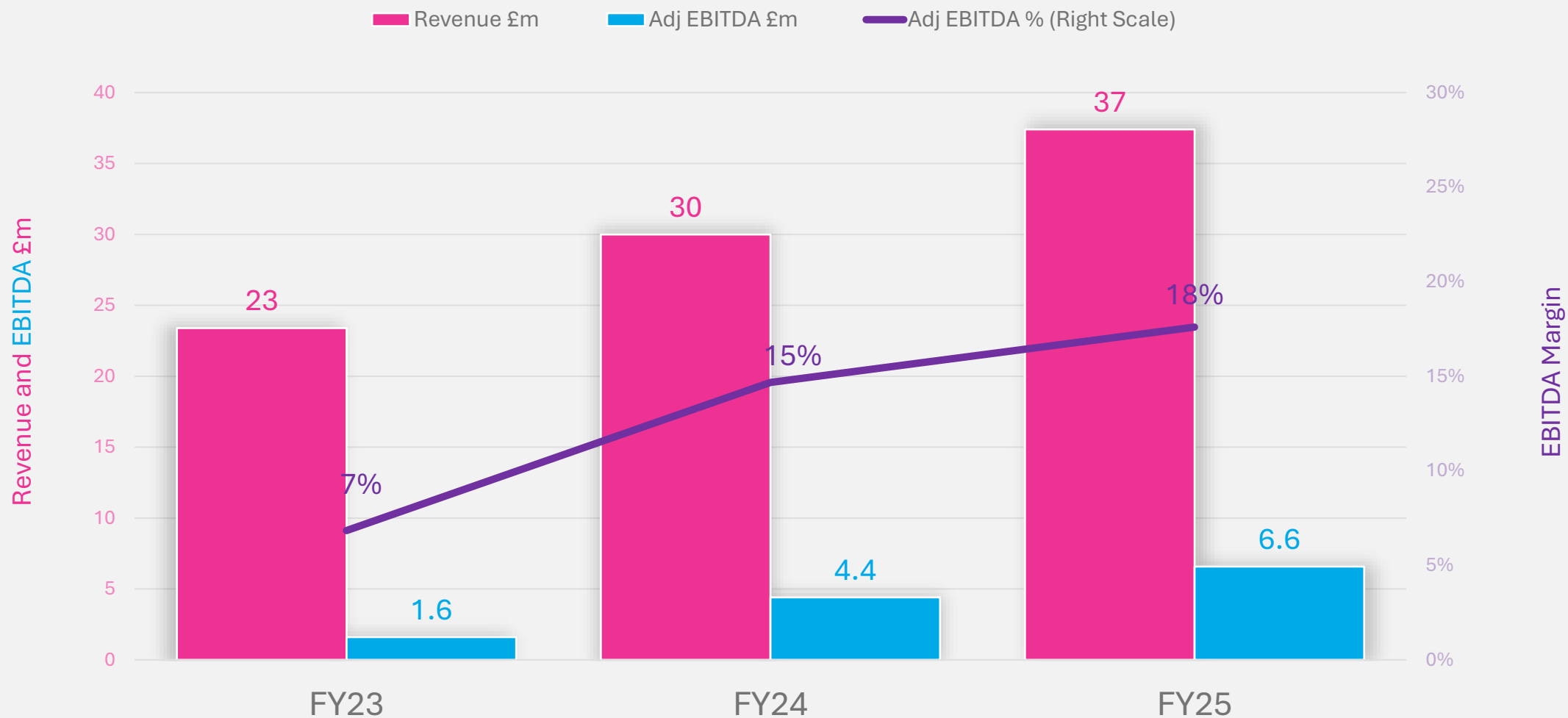
Our Key Performance Indicators **are moving in the right direction**

KPIs	FY25	FY24
Platform Revenue % total Revenue	92	82
Platform Revenue growth %	+39	+43
Gross Profit % Revenue	88	87
Adjusted EBITDA % Revenue	18	15
“Rule of 40” ¹	57	57
Net cash £m	12.9	9.6

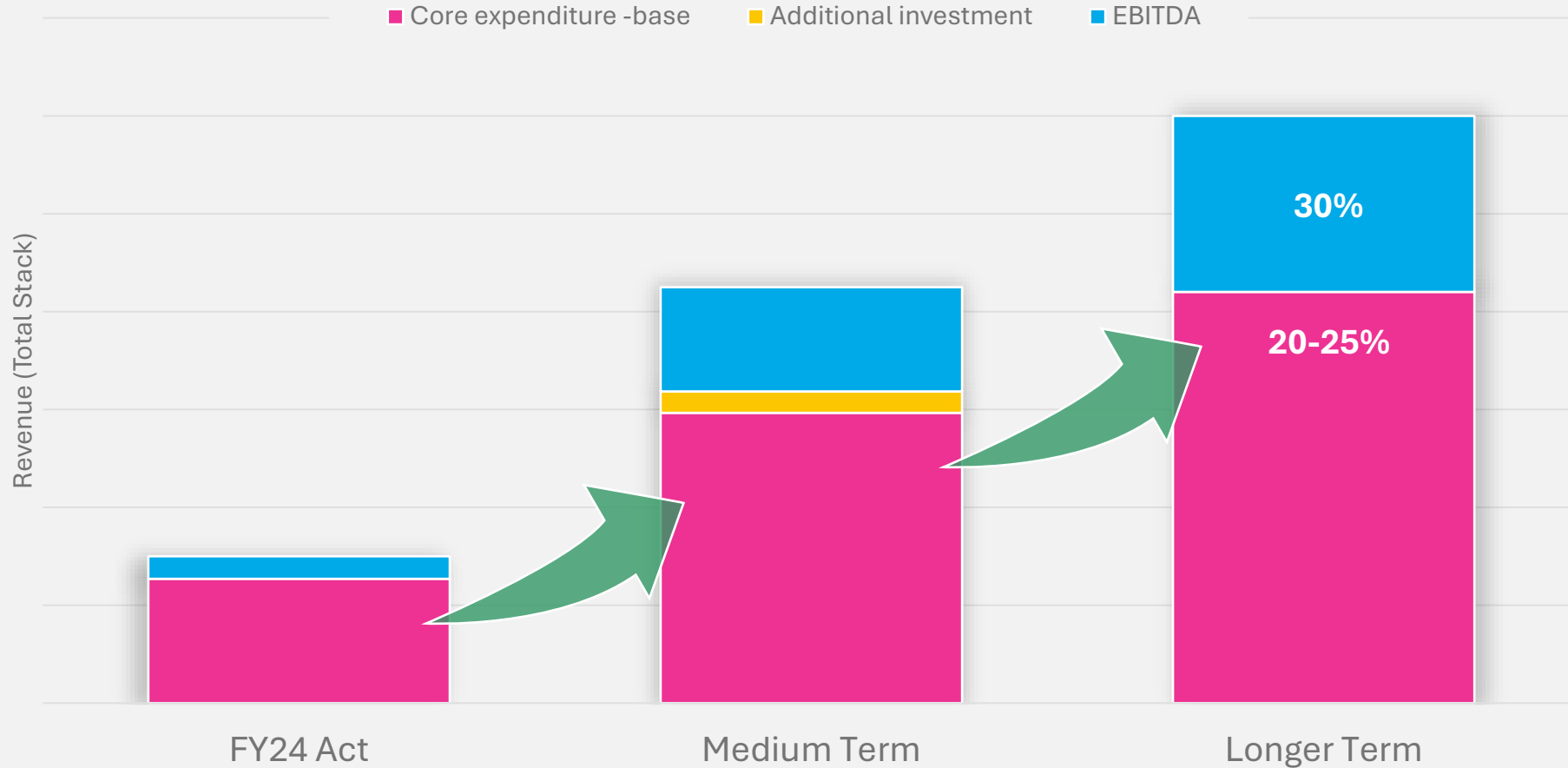
...and we believe **we are on track to meet our medium-term goals**

KPIs	FY25	3-Year Range	Goal at Scale
Platform Revenue % total Revenue	92	90-95%	95%
Platform Revenue growth %	39	20-30%	10-20%
Gross Profit % Revenue	88	85-87%	>85%
Adjusted EBITDA % Revenue	18	15-20%	>30%
“Rule of 40”	57	35-50%	>40%

Scaling effect continues



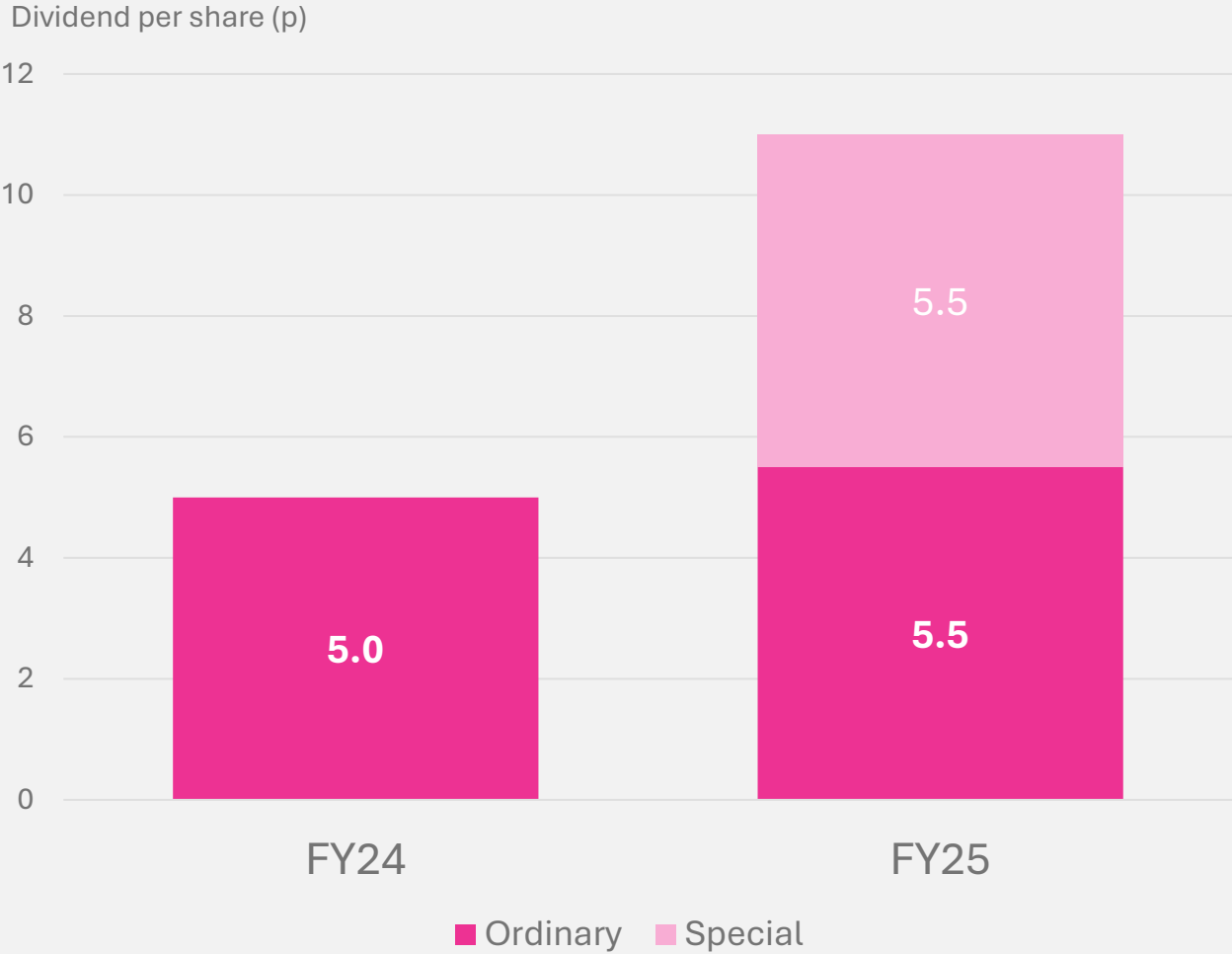
We are **delivering long term value** while making medium term investments



ILLUSTRATIVE Growth Scenarios

This is not intended to be construed as a profit forecast

Proposed FY25 ordinary and special dividends



5.5p Ordinary dividend

+

5.5p Special Dividend

Special dividend reflects exceptionally low
FY25 tax charge

Distributes surplus cash

AGM 24 September

Ex date 25 September

Record date 26 September

Payment 17 October

Strategic Goals

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We are making **significant progress** on our 3 strategic goals



**Innovation
(Idea Testing)**



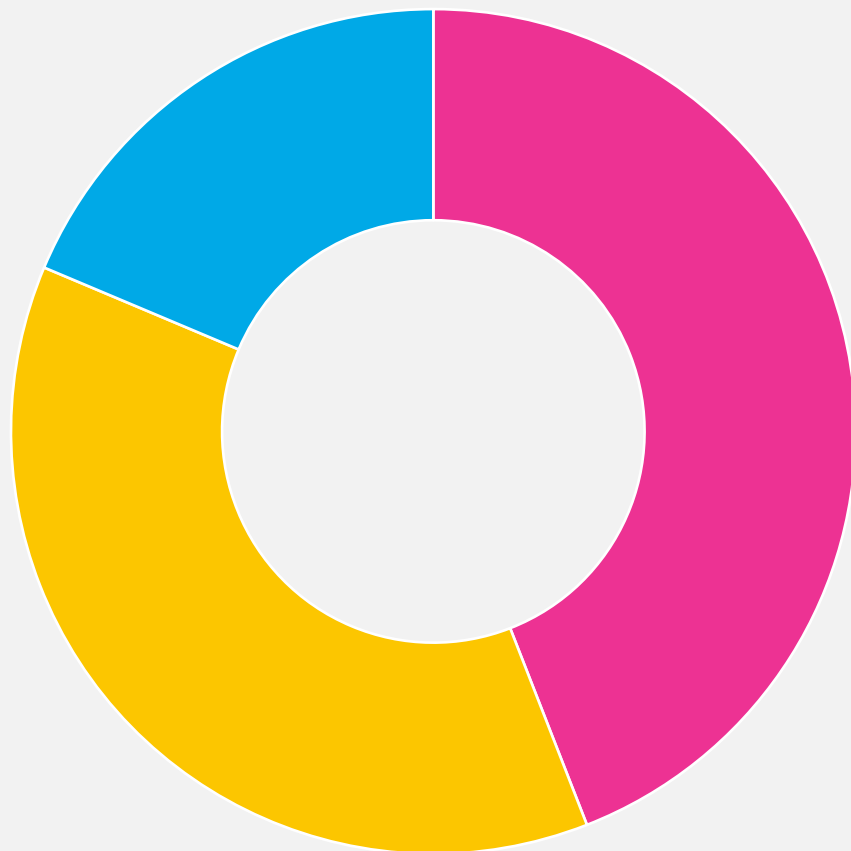
USA



**World's Largest
Brands**

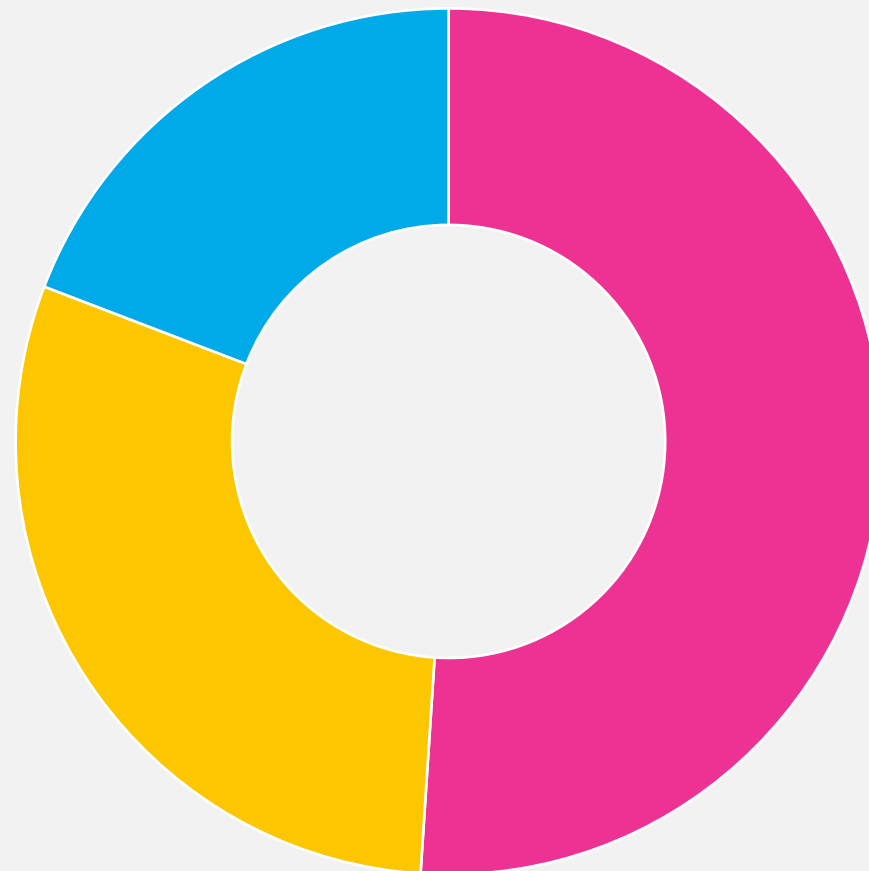
Investment analysis

Additional Investment
FY26 Forecast



■ Innovation ■ Advertising ■ Other

Additional Investment
FY26 Forecast



■ People ■ Go To Market ■ IT Development

System1 Innovation



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



Total Addressable Market
\$20.43bn

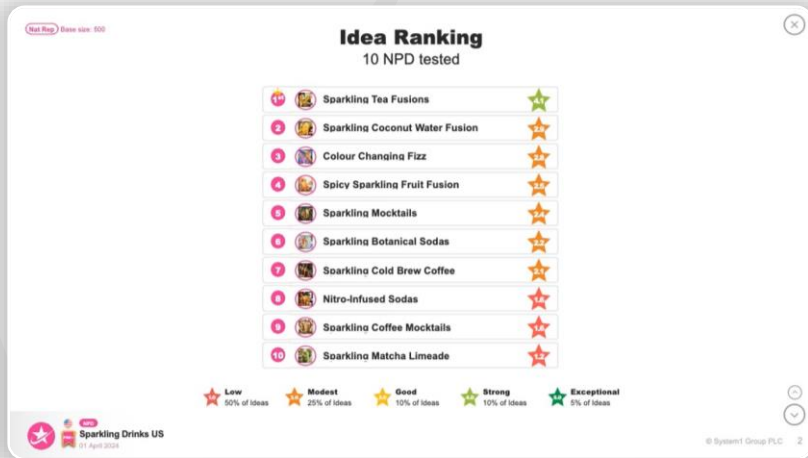


Ad Pre Testing
\$2.46bn

Innovation Testing
\$12.02bn

Brand Tracking
\$5.95bn

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



Five Steps to 5-Star Innovation System1

offer a solution to help you

Create with Confidence

at each stage of the
innovation development process



We have invested in our Innovation Proposition

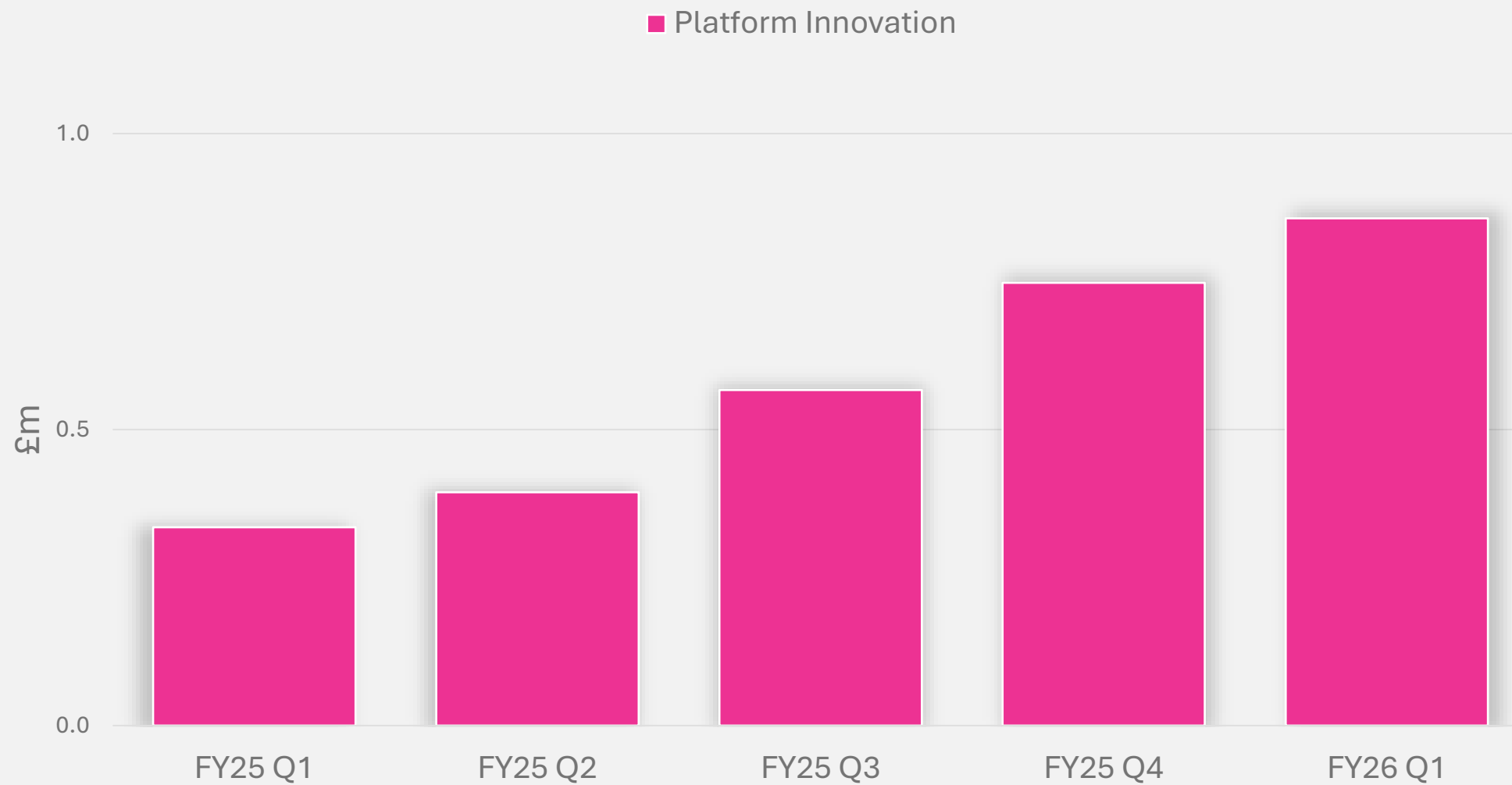


**Innovation
MD**

**Innovation
Team**

**Go To
Market**

Platform Innovation sales growing QoQ





Winning in America

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We are **growing share in the biggest market – the US**

\$11bn



8%

42%

38%

\$77bn



54%


29%

34%

\$142bn



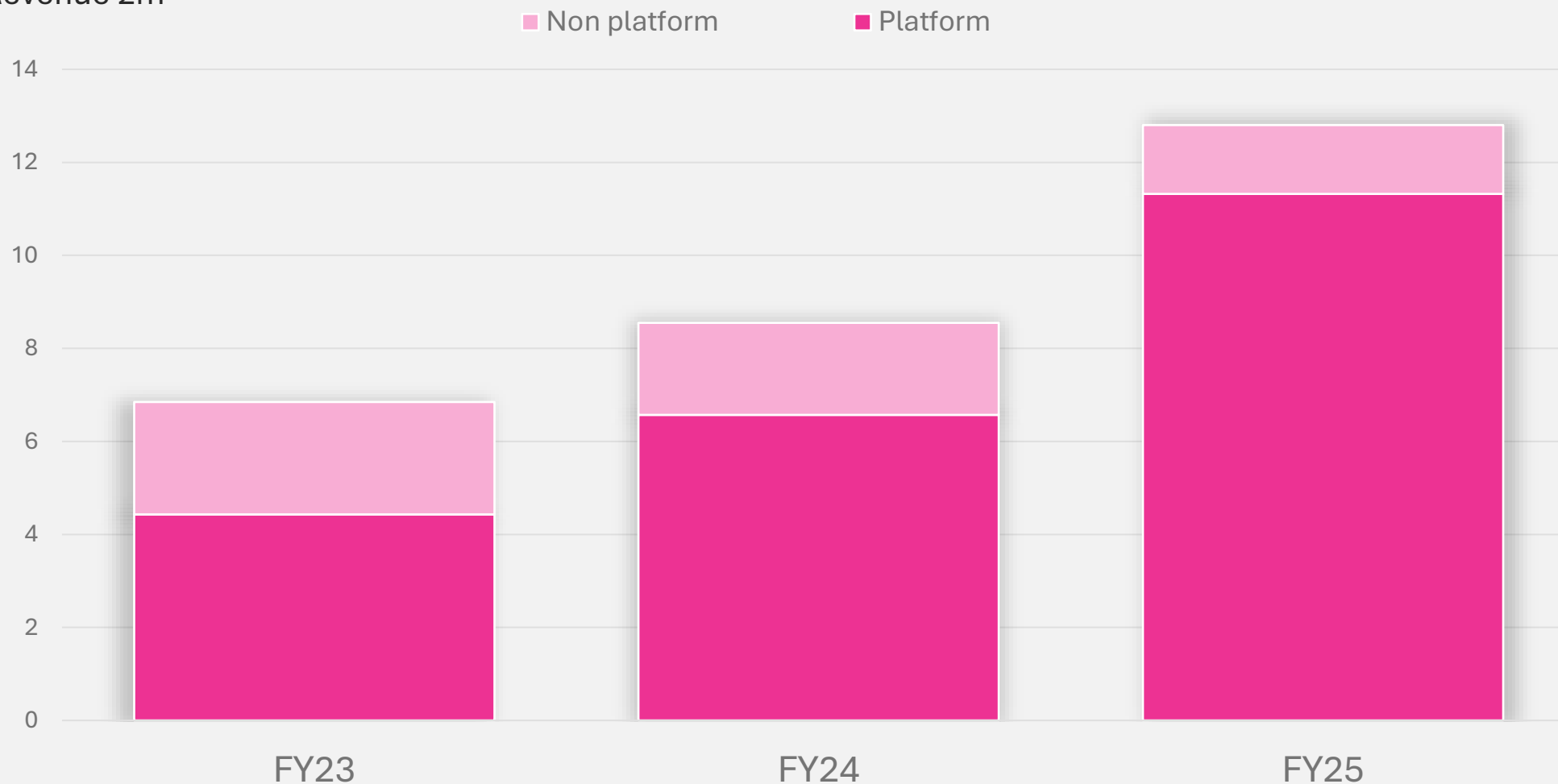
Global Insights Industry

-  Global Industry % Revenue
-  FY24 % of S1 Revenue
-  FY25 % of S1 Revenue

US Revenue accelerating following focused investment



US Revenue £m



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



Fame

Partnerships

**Go To
Market**



World's Largest Brands

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Big Wins | £8.2m new business in FY25



+£2.8m

- ★ A global SAAS platform;
- ★ A global streaming entertainment platform
- ★ A global insurer



+£4.6m

- ★ A global social media platform;
- ★ A global tobacco company;
- ★ A global spirits company



+£0.8m

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

FY26 Q1

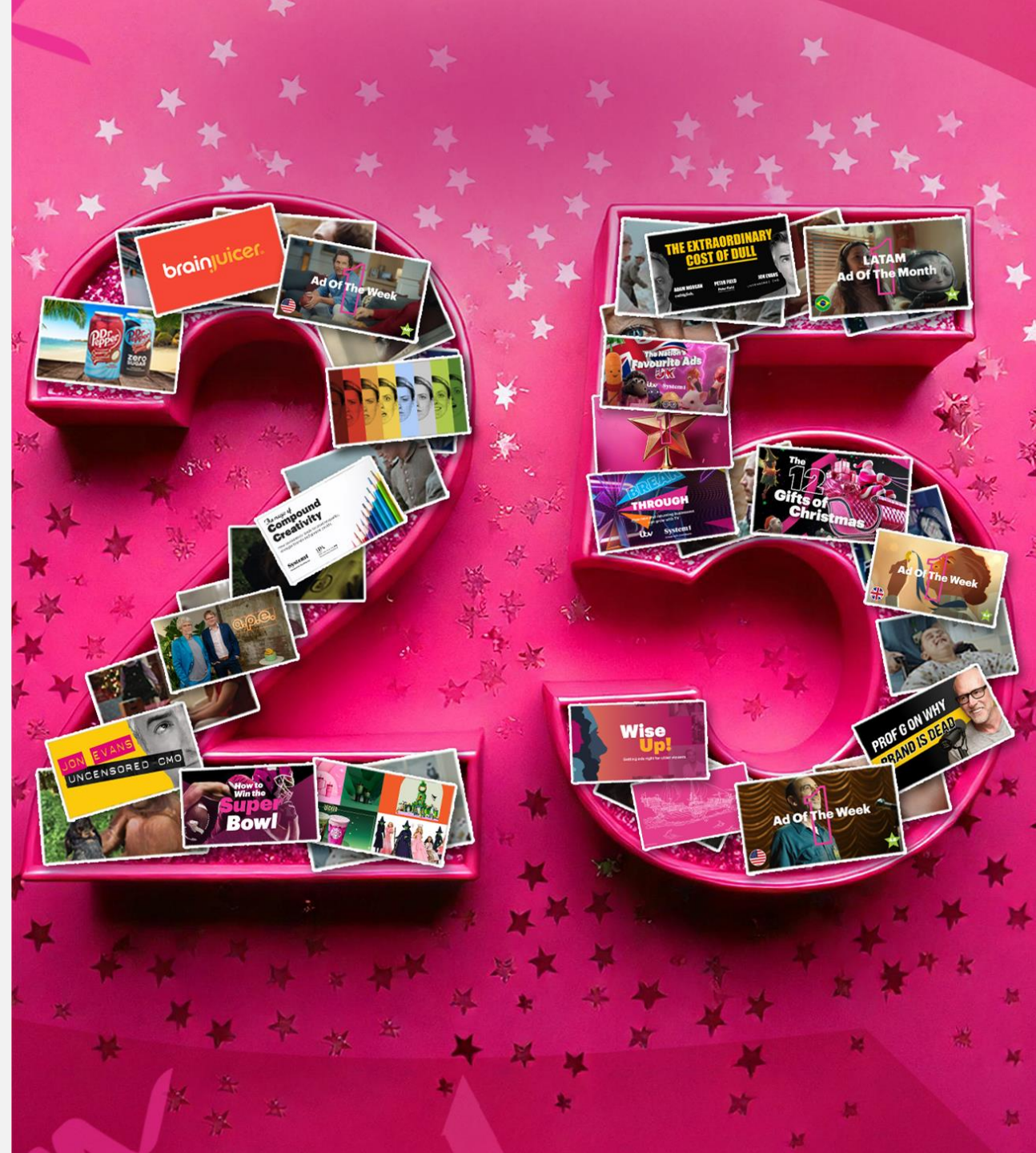
Update & Outlook

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FY26 Q1 Performance Highlights

- ★ Total Revenue down 7% YoY; Platform revenue down 3% YoY (Data flat YoY at £6.8M)
- ★ Temporary slow down driven by US Trade Tariffs:
 - ★ Caution on spend in Europe with automotive and premium drinks brands
 - ★ Currency impact at -4% due mainly to change of USD vs GBP
- ★ Platform revenue as a proportion of total revenue increased to 95% Q1 FY26 (vs 90% Q1 FY25)
- ★ Total Innovation revenue increased by 19% yoy
- ★ US Revenue up by 16% YoY (despite a 7% weaker US dollar vs Q1 FY25)
- ★ Over 80 new client wins
- ★ Published ground-breaking thought leadership with TikTok and Effies
- ★ New Test Your Ad – Social product launched
- ★ Continuing strategic investment across Innovation and US



FY26 Outlook

- ★ Based on strength in our US and UK businesses together with a slower recovery in Europe the Board expects the following for FY26:
- ★ Overall revenue to grow at approximately 15% YoY
- ★ H2 revenue expected to seasonally stronger than H1 in line with historic trends
- ★ Profits expected to be in line with Board expectations based on prudent cost controls and continued investments as previously noted in US growth, innovation and go to market

Questions?

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