

24 January 2023

Saga plc

Capital Markets Event

**Saga pivoting to growth: Leveraging Media, Insight and Data
to create the leading Superbrand for older people**

Launch of Saga Exceptional - a dedicated global website for the over 50s

Saga plc (**Saga** or the **Group**), the UK's specialist in products and services for people over 50 is, today, holding a Capital Markets Event to outline the details behind its strategy to build the largest and fastest-growing business for older people and position Saga as the leading Superbrand for the 'Experience Generation'.

The event will be hosted by Euan Sutherland, Group CEO, with presentations from Aaron Asadi, CEO of Media, Michael O'Donohue, Chief Data Officer and Lisa Edgar, CEO of Insight.

In March 2022, Saga outlined an evolution of its strategic approach, to convert the foundations laid over the previous two years into sustainable long-term growth. Under this plan, Saga is clearly focused on maximising its existing businesses and reducing its debt, while step-changing its ability to scale the business and positioning Saga as the leading Superbrand for older people. The presentations today will focus on the significant opportunities Saga sees in creating and growing a new media business, leveraging its proprietary insights and commercialising and growing its, already strong, database.

At the heart of this, the Group has today launched Saga Exceptional, a brand-new website which will proudly represent the real needs and interests of people over 50 - a group which remains significantly under-served online. Saga Exceptional has been created specifically for older consumers, providing a place for them to find best-in-class advice along with inspirational stories, written by people who understand their passions and their needs. Saga Exceptional will be a place for the over 50s to be seen and heard, while enabling Saga to interact with its customer base on a daily basis. The website is one part of a wider Media strategy, designed to serve existing customers, win new customers, forge new commercial relationships and drive customers to existing Saga businesses.

The highlights of the presentations today are:

- **Media:** Saga Media will provide revenue diversification, with capital light, predictable, digital revenue streams; the business will be profit-generative in its own right within five years, as well as a growth driver for existing businesses. The Saga Exceptional content platform will provide millions of global customers with engaging daily content and will drive revenue through advertising, sponsorship, endorsements and affiliate deals. The wider Media strategy will include newsletters, greater leverage of Saga Magazine content and an expanded social media presence. All this will hugely increase Saga's volume of interaction with customers, driving the wider business that converts loyalty and trust into lower acquisition and higher retention.
- **Insight:** Saga plans to accelerate its strategy to turn insight into exceptional customer experiences, driving commercial strategies based on how customers think and behave. By fully understanding customers, their more active lifestyles and how they want to be perceived, the Group expects to be able to continue to create new products and services to fit them perfectly - encouraging them to return again and again.
- **Data:** Saga has a significant opportunity to mine and commercialise its database of 10 million people over 50, creating a lifetime value model, benefitting and rewarding customers. By knowing older people better than anyone else, Saga is able to personalise customers' experience from their first interaction, deepening the Group's connection with them and reducing the cost of acquiring new customers.

Measuring success - the key priorities:

- Diversification of Saga, with more balanced revenue and profit split across Cruise, Travel, Insurance, Money and Media and developing capital light new businesses
- Creating a lifetime value model for customers of up to 30 years
- Development of Saga Media to increase the frequency of interaction with Saga customers - from once or twice a year to

- Development of Saga Media to increase the frequency of interaction with Saga customers from once or twice a year, to twice a day. Saga Media plan sees growth to 10m global customers within five years, with £50m of new revenue across five years to 2027/28 and £7m of annual PBT by 2027/28, growing to £40m by 2033/34
- Leveraging the Saga database to increase customers' holdings of products and services from the current average of one, to at least three
 - Development of new products and services, supported by market leading insights

Euan Sutherland, Saga Group Chief Executive Officer, said:

"Today we are laying out our plans as we pivot Saga for growth and sharpen our focus on building the largest and fastest-growing business for older people in the UK. This is all part of the wider plan to make Saga the leading Superbrand for, what we call, the 'Experience Generation'.

"As a business, we understand this generation better than anyone else - and as they change and adapt, we will build on this knowledge and continue to serve older people better than anyone can. This is a group which has, too often, been overlooked or misrepresented. By fully leveraging Insight and Data and building a bespoke Media business, we are focused on providing the services and products that matter to our customers, while, at the same time, moving Saga to a business with high customer engagement and a higher purchase frequency.

"This is a plan that is already well underway and is accelerated today with the launch of Saga Exceptional. Through this exciting new website and the wider media strategy, we will be engaging daily with our customers, providing them with reviews, stories and content which matter and is tailored for them.

"I am confident that this approach will enable us to build on the progress made across our existing businesses and will position us for a step-change, ensuring we are positioned to deliver sustainable long-term growth and value for all our stakeholders."

The Capital Markets Event is for institutional investors and analysts and is being held at 3.00pm today in London. If you would like to attend, please email saga@headlandconsultancy.com. There will also be a live webcast, with registration available at www.investis-live.com/saga-group/63b6c964d426f40c0004b5ff/scme. A recording, alongside the presentation slides, will be available shortly after the event at <https://corporate.saga.co.uk/investors/results-reports-presentations/>.

Separately, today, Saga has issued a Trading Update covering the period from 1 August 2022 to 23 January 2023. This shows the Group is on track to report an Underlying Profit Before Tax of between £20m to £30m, in line with previous guidance and analyst expectations.

For further information, please contact:

Saga plc

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