



6 August 2024

YouGov plc

("YouGov" or "the Group" or "the Company")

Full-Year Trading Update

*FY24 results expected to be slightly ahead of revised guidance
Streamlining operations for efficient capital allocation while investing for growth
Yabble acquisition and CPO appointment to strengthen our Data Products strategy*

YouGov, the international research and data analytics group, today issues a trading update for the full year ending 31 July 2024.

Current Trading

YouGov now expects Group reported revenues for FY24 to be approximately £327-330 million and Group adjusted operating profit to be £43-46 million, slightly ahead of our revised guidance communicated on 20 June 2024.

Our Research division saw strong growth in Custom Research, offset in part by declines in Data Services as expected, resulting in the division recording mid-single-digit growth on an underlying basis¹ for the full year. The CPS business is continuing to perform well, in line with expectations and the integration is progressing well. Revenue in our Data Products division was in line with the prior year on an underlying basis¹, given stable renewal rates and the addition of several new client wins, and we expect to return to growth through a focussed sales approach in FY25.

As of 31 July 2024, the Group remains well capitalised, with approximately £70 million in cash and cash equivalents on the balance sheet and €16 million of the revolving credit facility remains undrawn. Excluding the impact of IFRS 16, the Group's leverage ratio² as of the end of the financial year was approximately 1.8-2.0x and the Company remains well within the loan covenants.

Cost optimisation plan

Following the trading update in June 2024, the Company accelerated a strategic review of the core YouGov business and commenced a cost optimisation plan to ensure efficient capital allocation going forward. As a result of the strategic review, the Company identified several initiatives including a reduction in support functions, discontinuing under-performing products, scaling back in certain non-core regions and curtailing third-party supplier costs. We expect these streamlining measures to lead to annualised cost savings of £20 million, of which the Company has taken initial action on approximately £15 million. It is anticipated that about 70% of the annualised cost savings will be realised in FY25, weighted towards the second half of the year.

The Board is confident these measures will allow the Group to focus on its long-term strategic plan, continue to invest in key growth areas and we expect to meet current market expectations for FY25. Moving into FY25, enhancing our core Data Products and further development of AI capabilities will be our key investment areas as we continue to strengthen our high-quality global panel and proprietary dataset.

Recent Developments

In support of this plan, YouGov announces the acquisition of Yabble, a New Zealand based company pioneering the use of generative AI to deliver audience insights. YouGov has been working closely with the Yabble team over the past year on the development and launch of the Group's first client-facing AI product.

Yabble has been developing cutting edge generative AI-powered tools specifically for the research industry since 2019. Its products are trusted by a range of Fortune 500 customers and major international brands, including some of YouGov's largest clients. Further details on the transaction are outlined in the accompanying announcement.

Additionally, YouGov has appointed Marc Ryan as its Chief Product Officer (CPO) to lead YouGov's industry-leading suite of audience intelligence, brand tracking and behavioural products. He joins in September 2024 from SCUBA Analytics where he was Chief Product Officer and previously served at Kantar as both its Chief Data Officer and Chief Product and Technology Officer.

¹ Defined as growth in business excluding impact of current and prior period acquisitions and movement in exchange rates.

² Defined as net debt calculated as a multiple of the last 12 months Adjusted EBITDA including acquisitions.

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About YouGov

YouGov is an international online research data and analytics technology group.

Our mission is to offer unparalleled insight into what the world thinks.

Our innovative solutions help the world's most recognised brands, media owners and agencies to plan, activate and track their marketing activities better.

With operations in the UK, the Americas, Europe, the Middle East, India and Asia Pacific, we have one of the world's largest research networks.

At the core of our platform is an ever-growing source of consumer data that has been amassed over our twenty years of operation. We call it Living Data. All of our products and services draw upon this detailed understanding of our 27+ million registered panel members to deliver accurate, actionable consumer insights.

As innovators and pioneers of online market research, we have a strong reputation as a trusted source of accurate data and insights. Testament to this, YouGov data is regularly referenced by the global press, and we are the most quoted market research source in the world.

YouGov. Living Consumer Intelligence.

For further information, visit business.yougov.com

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