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Pulsar Group Plc
("Pulsar", the "Group" or the "Company")

Trading Update

Pulsar Group Plc (AIM: PULS), the technology innovator delivering Software-as-a-Service (SaaS) solutions for the global marketing and communications industries, is pleased to announce an update on trading for the year ended 30 November 2024.

Year to 30 November 2024

Despite a challenging environment where marketing spend in particular has been restricted, Pulsar has successfully delivered another year of encouraging constant currency ARR growth to £61.7m. The Group's Annual Recurring Revenue ("ARR") increased by £2.0m¹ in the period, highlighting sustained growth and resilience. The ARR growth was driven by a four-percentage point increase in renewal rates compared to the prior year, demonstrating the positive impact of the Group's investments in products and services which have clearly resonated with customers.

ARR	FY22	FY23 Change	FY23	FY24 Change	FY24
EMEA & North America (Constant Currency)	£28.3m	+£1.1m	£29.4m	+£1.7m	£31.1m
EMEA & North America (Reported*)	£28.6m	+£1.1m	£29.7m	+£1.4m	£31.1m
APAC (Constant Currency)	£28.7m	+£1.6m	£30.3m	+£0.3m	£30.6m
APAC (Reported*)	£31.4m	+0.2m	£31.6m	-£1.0m	£30.6m
Group (Constant Currency)	£57.0m	+£2.7m	£59.7m	+£2.0m	£61.7m
Group (Reported)	£60.0m	+£1.3m	£61.3m	+£0.4m	£61.7m

* Adjusted to reflect reclassification of £0.8m of ARR between regions

Each region within the Group contributed to the ARR growth, with EMEA & North America showing an acceleration in growth compared to the prior year. In the APAC region, the Group saw a strong first half with several encouraging winbacks from competitors but an increase in competitive pressure in the second half, particularly in the public sector. Notwithstanding the challenging environment, the Group continues to see an encouraging pipeline for further new business and winback opportunities in FY25.

The Board expects total revenue for the financial year to be £62.0m, demonstrating modest constant currency growth (2023: £62.4m reported, £61.2m¹) with 96% of revenue being recurring (2023: 95%).

The Group's focus on operating model optimisation during the year has helped it to deliver year on year Adjusted EBITDA growth of 27%, and an improvement in Adjusted EBITDA margin from 11.9%¹ in 2023 to 14.5% in 2024. It is expected that Adjusted EBITDA will be approximately £9.0m (2023: £7.3m reported, £7.1m¹), in line with consensus expectations².

Net debt at 30 November 2024 was approximately £4.9m, reflecting significant additional non-recurring restructuring costs incurred as part of the Group's effort to accelerate its cost base optimisation programme, along with the continued unwinding of working capital improvement experienced during FY23. Since the period end, a number of significant payments from customers have been received. In addition, the Group has historically seen an improved cash flow profile in the first half of the year driven by a peak invoicing period linked to the renewal of customer contracts and the predominantly annual in advance invoicing terms.

Outlook

In 2025, the Board is committed to further enhancement of the Group's operating model to drive sustainable profitability across the Group and material cash generation. A key focus will be on the continued execution of strategic initiatives aimed at optimising operations, including the expanded use of generative AI to automate processes and improve overall productivity. Additionally, the finalisation of global systems integrations will

be a critical step in further enhancing operational efficiency and decision-making capabilities.

Collectively, these measures are designed to support a broader goal of creating more efficient and scalable operations, improving margins and strengthening the Group's competitive position, thereby contributing to the long-term growth of the business. The Board is confident that these actions will create a solid foundation for sustained value creation for shareholders.

Joanna Arnold, CEO of the Company, said:

"As the communication landscape becomes increasingly complex, there is a clear and growing demand for audience intelligence. Pulsar Group's cutting-edge platform continues to lead innovation in communications, providing organisations with the critical insights and engagement strategies they need to navigate these challenges. This need has been amplified by the growing influence of Artificial Intelligence across media and social channels, and our technology is uniquely positioned to help clients stay ahead of reputation risk, information overload and misinformation in this evolving environment.

The Board is pleased with the progress achieved in 2024, including enhancements to the Group's product offerings and continued year on year growth in Annual Recurring Revenue (ARR) and Adjusted EBITDA margins despite the ongoing headwinds from the challenging macroeconomic environment.

The Group is committed to enhancing profitability and cash generation, having already achieved substantial cost reductions and with additional cost optimisation initiatives set for execution in 2025."

1 On a constant currency basis.

2 The Board understands that consensus expectations for the Company's Adjusted EBITDA for 2024 is £9.2m adjusted for FX.

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