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6th May 2021

Dear Shareholder,

After 12 months of managing through the global pandemic, and as the world prepares to return to more understood “norms”, I thought you would value a clear explanation about the key considerations for our Company’s future success. We look forward from today knowing that:-

- Our strategic transformation has positioned us to focus on growth markets with value-add business propositions;
- Consumer adoption of digital retail has accelerated and is enduring;
- Our customers and their partners must incorporate change into their go-to-market approach to satisfy consumer demand and compete successfully; and
- Next-generation digital commerce platforms, automation tool sets, algorithms, information, services and know-how will be significant differentiators for our customers long term success.

It is nearly a quarter of a century since Jeff Bezos outlined his strategy and vision for Amazon in his 1997 shareholder letter. Over this period, the internet and companies like Amazon have rapidly evolved causing significant disruption to traditional retail business models. Consumer product digital marketplaces have had a material impact on established retail as we knew it. The high street, big box out of town stores and shopping malls are rapidly becoming legacy sales channels. The digital marketplace business model is now mainstream, accelerating the need for rapid and systemic change by our customers, who create the products that the digital marketplaces sell.

We believe this trend will accelerate as the prominence of digital marketplaces is further amplified with the advent of aggressive advertising privacy initiatives. These changes, driven primarily by Apple and now Google, will materially impact the current open internet digital marketing landscape. The unintended consequence of regulatory change and media platform responses is an increasing importance for digital marketplaces in the global retail landscape and a compelling opportunity for those that master the digital retail craft.

Consumers are already judiciously selecting marketplaces they engage with and trust to complete their purchases. The digital marketplaces’ network effect is gathering greater momentum, as seen by the recent Q1 results in the United States. In our view, they are poised to become the dominant online platforms over the coming decades.

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How is this changing our Customers' Business Models?

Our customers are consumer product manufacturing companies and the organisations that support them. Digital acceleration presents them with growth opportunities with success dependent on the quality of their execution and the capabilities they establish:-

1. The trend towards digital marketplaces devalues many advantages global brands have enjoyed based on the physical retail model. The characteristics that make digital marketplaces winners are that they:-
 - a. Offer a wide variety and choice of products.
 - b. Serve results knowing what the individual consumer prefers rather than who pays the most for search term advertising.
 - c. Make purchasing painless.
 - d. Provide subscriptions to products as an efficient repeat order machine.
 - e. Deliver constant product availability.
 - f. Make returning unwanted purchases simple.

In contrast, over several decades, global consumer product manufacturers have been advantaged through a physical retail model which:-

- a. Offers less variety and product choice.
- b. Leverages scaled brand merchandising and promotion enabling more sales.
- c. Requires physical purchasing and a significant effort by the consumer.
- d. Drives transactional buying rather than repeat subscription-oriented buying.
- e. Concentrates on product availability for easier and more efficient fulfilment and management.
- f. Discourages product returns.

To be winners in this new environment our customers need access to highly capable and integrated tooling to enable them to automate, optimise, trade and measure their digital commerce business across multiple vendors in real-time. Our more progressive brand customers have proven their ability to win and thrive when leveraging our state of the art capabilities in the new retail environment.

2. "Super-App" style models are already a reality in China, the most advanced digital purchasing economy globally, and are starting to become just as prevalent in the West. Awareness of consumer engagement information that is available to digital marketplaces in real-time is a prized asset. These digital marketplaces have information at a level of detail that was simply not previously possible and they can now enable brands to execute against this intelligence in real-time at the point of actual

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purchase. This information doesn't just cover what a consumer buys, but the entertainment they watch, how they pay, where they live, where they travel to and when, plus who they work for - but it also extends to everyone in their family group. It requires the consumer product companies to have the capabilities to trade their products in real-time. Our solutions provide market-leading capabilities to our consumer product manufacturing customers in terms of real-time trading, automation and measurement capabilities.

3. Our customers' business models are principally designed for physical retail distribution with insights limited to those within the closed loop of loyal customer information. They are not digital-first companies today and must manage with data limitations. Consumer product manufacturers have significantly lower market shares in digital commerce than in physical commerce. Over the coming years, our industry-leading products will be critical for them to build a winning capability, particularly where they operate across multiple markets and territories.
4. Digital commerce product purchasing is expected to exceed 35% of total sales within three years based on current trends and it is very plausible that in time it will become the predominant channel.
5. For the first time, we have seen digital marketplace skills moving from niche teams to mainstream within our customers.
6. Consumers, when given a real choice, will choose different platforms for different reasons. A strong example is the trade-off between delivery convenience and price. Price sensitive shoppers are more willing to collect products themselves if it is made convenient and reflected in the price they pay. Walmart has led the way with their US store-based drive-through collection model in 2020.

How do Digital Consumer Product Marketplaces engage with Manufacturers and why is it so important for those Manufacturers to have access to our products?

What is the definition of a Digital Consumer Product Marketplace? This is a digital, open platform accessed through an app or website that enables products to be traded directly to consumers, where the marketplace does not restrict product access and manufacturers are provided with real-time interfaces to manage their sales directly. The top digital consumer product marketplaces in the world today by revenue are Alibaba, Amazon, Pinduoduo, JD.com and Walmart. Collectively they sold \$2.2 trillion of products in 2020.

There are two principal models of engagement available to consumer product companies - First Party Seller and Third Party Seller. (These are not to be confused with the terms of First Party Data or Third Party Cookies for digital marketing targeting in the open internet).

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First vs Third Party Seller

First Party Seller (predominantly major brand organisations): is where a marketplace buys products from the manufacturer and sells them to the consumer. For example, Amazon describes it as “by Amazon” in the buy box on their site. The consumer takes comfort that this is a product that Amazon itself is selling directly, not an unknown third party.

Third Party Seller (predominantly smaller single or less than 50 product organisations): sells the product directly to the consumer through the marketplace. The marketplace is simply enabling the transaction and charges a fee on the price.

First Party Sellers tend to achieve a faster revenue scale for their individual products depending on the quality of their execution. Third Party Sellers can achieve strong growth, but typically their sales are below \$250k per annum.

A Third Party Seller interfaces with the marketplace entirely through a computer interface without human consumer interaction. For a First Party Seller, the majority of interactions are computerised, but there is limited access to people, primarily for the agreement of annual sales plans.

Overall the mix of revenue between First and Third Party Sellers across major marketplaces is 45:55 in favour of Third Party. The aggregate sales leadership of Third Party Sellers is attributable to their vast scale, with Amazon, for instance, hosting over 2.4 million active Third Party Sellers on its platform.

First Party Sellers will receive bulk order PO's from the marketplace to drive their revenue. Third Party Sellers trade their products on the platform and are directly dependent on consumer sales to achieve their revenue.

Digital Marketplace Operating Model

Should a consumer product company decide to proceed with a marketplace relationship they will need to :

1. Make the decision on what products to sell.
2. Load all of the details of their products into the system and maintain them going forward. The scope of this activity includes loading all of the details of each product, the descriptions, the images to be seen, size, technical product data for example nutritional information if food based etc.
3. Drive marketing and promotion activities themselves for each product.

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4. Obtain access to trading information through self-service mechanisms which provide all of their performance, sales, advertising, stock and accounting data. This data is cumulative, making capturing and maintaining the data a challenge (or for First Party Sellers they can pay for premium reporting products which are charged at around 3% of revenue).
5. Through these same self-service systems access visibility on the purchase orders as well as product performance. Typical systems tend to maintain product information for a limited period and at a relatively basic level.

The retail experience, performance responsibility and accountability is the manufacturer's from day one.

Every single product trades on its own unique merits and has to be maintained on a standalone basis. The tooling and management capabilities offered by the marketplaces are limited.. This is very different to how physical retailing works for our customers. In the marketplaces, our customers are expected to do the majority of the work.

On the face of it, a digital marketplace model for a supplier is daunting..... both onerous and unattractive. Why would a supplier choose to adopt this model? Ultimately the answer to this question depends on three key elements:

1. Does the manufacturer have a relationship with a physical retailer which only accepts a fraction of its product catalogue for distribution? If "yes", then having direct open access is very appealing as most companies will have the conviction that their products will sell.
2. What is the scale of consumer purchasing taking place in the marketplace for the product category? Many generate very large sales volumes today because they are the preferred route for consumers and growing.
3. Can the manufacturer manage their distribution model where the consumer will have 100% transparency on the pricing, positioning and deals on their products in the market? Many brands have long-standing agreements with wholesale and retail channels that prevent success in digital marketplaces. Ideally, these encumbrances need to be addressed and resolved ahead of trading on the marketplaces.

Marketplaces are a significant opportunity for our customers if looked at through the right lens. They fully empower them for the first time in history, to directly manage on a 24/7 basis their consumer sales at a product level into large scale, direct-to-consumer, environments. The majority of the benefits of the direct-to-consumer website model can be achieved in a marketplace, but with no requirement to generate consumer scale or manage technology capabilities themselves. It does, of course, also move 100% of the

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performance accountability to them.

Manufacturers have aspired for many years to have direct line of sight to the consumer. Marketplaces uniquely offer this significant opportunity. However, they also offer everyone else the same opportunity. These are very competitive and difficult environments to navigate successfully, where the confluence of talent, skills, capabilities and tools must be artfully woven to produce a winning team and a winning outcome.

Our global, market-leading, capabilities for digital commerce address all of these key considerations. We have created a market-leading set of products and can demonstrate a clear track record of success supporting leading global consumer product companies. Our enterprise-wide solutions automate, optimise, provide market share details and report on our customers' performances and their competitor performances across multiple marketplaces. Put simply, we remove much of their extra work and provide them with the levers to pull for daily sales performance gains.

Each of our products enjoy differentiated competitive advantages today and have protective moats to deliver sustainable advantage to our customers. Our customers utilising our Digital Commerce toolsets have achieved notable, double digit, performance advantages compared to their peers not using our tools or other tools. We believe we have revenues several times greater than our nearest direct competitors. No sector competitor is able to offer the comprehensive coverage and capability of our products globally. We are unique in our range of capability today, and we continue to invest in innovation to ensure that we maintain and improve our advantage.

The more customers we add to our platform, the greater the precision of our insights and the greater efficacy of our platform algorithms. Growth and scale ensure optimised targeting and delivering of greater sales and market share for our customers. The network effect for both our customers, our platform partners and for Ascential is compelling.

Our Opportunity in Digital Commerce, Target Business Model and Why?

This sales channel shift will have a profound impact on the business models of our customers, and their demands on the information companies they work with.

Our Digital Commerce Business Unit has been created to provide industry-leading products that enable our customers to automate, optimise, trade and measure their digital commerce business across multiple venues in real-time. Our customers require all four of these elements working in concert to fully enable their go to market plans. Our objective is to build the best in class ecosystem platform for our customers. The core product lines that deliver the solutions, data and know-how in our leading platform are:-

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1. Flywheel, an eCommerce retail and media trading management platform that enables brands to manage and automate their individual product listings on the major digital marketplaces in the western world.

Flywheel drives growth through highly automated optimisation of manufacturer product listings, managing the profitability of the products across digital platforms, while also accelerating their sales growth through real time optimising the marketing spend for paid search and display advertising, catalogue optimisation and the provision of our team of experts to manage the trading daily. This is a real-time operating platform that utilises algorithms to optimise the trading of our clients and is heavily integrated into the customers' workflow.

Customers contract to use our digital platforms and access our expert teams. Around 20% of our revenues come from customers engaged via an annualised retainer model priced on the basis of products under management and marketplaces we trade in. Alternatively, we charge them a percentage of sales achieved or of marketing promotion media traded on the marketplaces. Around 80% of our revenue comes from this model and customers adopt this engagement model with us to get access to our advanced platform but also our group of digital commerce experts available to outsource their trading. By offering both models, we are able to support clients who wish to either "In-House" these capabilities and leverage our industry-leading platform or serve companies who simply wish to outsource this execution to our global experts.

We are a significant partner for the major marketplaces today and manage the most sophisticated and demanding businesses. The capability of our platform is marketing leading and we consistently win capability evaluations hands-down as our products distinguish themselves as the best in the market. Our NPS score for Flywheel consistently averages 60 - a score which very few companies in the world achieve consistently.

2. Edge offers a suite of subscription information measurement platforms. We provide three principal measurement systems :-
 - a. Digital Shelf monitors an unparalleled global range of consumer products. We provide customers with consistent global measurement metrics on the quality of their products listings on over 1,700 websites globally, and provide visibility to senior leaders and decision-makers via a global scorecard platform. Customers are well informed so they can interrogate, evaluate and manage the performance of their products across those retailers. The Digital Shelf deployments are heavily integrated into customers' business reporting and

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measurement systems.

- b. Our Market Share product allows customers to understand the percentage of sales they have won in their respective category and details on which competitors are achieving greater or lesser results. Knowing the how, why and what other competitors are doing to enable their performance is a critical input for our customers. We have developed very accurate predictive algorithms and corresponding systems that have benefited from a wealth of sales data from the major global companies we have supported for several years. The more clients we add, the more accurate our models and the more impactful our services are to customer sales.
- c. The Insight platform provides a global planning database that enables our customers to optimise their global distribution plans for digital marketplaces and retailers with whom they engage.

All of these products are subscribed to on an annualized basis by our customers. The subscriptions are priced on the basis of the number of products, retailers and countries that we monitor on their behalf. These services are then further enhanced through access to our advisory consulting teams. The recently re-architected back end system will ensure enterprise-wide product taxonomy and information integration across all of our systems.

3. Yimian provides three core information subscription services to its customers:-

- a. Digital Shelf and Online 2 Offline performance data for the specialist Chinese marketplaces of Alibaba, JD, Tencent and Pinduoduo. This information is provided to the customer in two ways. The aggregated data is provided into the global Edge Digital Shelf product to provide continuity of measurement for global organisations. The detailed information is provided to the local Chinese trading teams to enable them to optimise their performance on these advanced and specialist platforms. We have also expanded these detailed products to cover Lazada and Shopee for South East Asia.
- b. Detailed Customer Sentiment and Customer Segment Reporting so brands can understand their success and consumers desire for the products. In China, a popular product can receive anything up to 5,000 reviews an hour.
- c. Market Share reporting, in the same way the Edge Market Share supports Western platforms, covering the details for the Chinese and South East Asian platforms.

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The majority of Yimian's income is based on annualised subscriptions to provide the integrated data for the global Edge measurement services or for the localised detailed Chinese and South East Asian market tools. Again the price drivers of the business are products covered, the marketplaces covered and countries.

4. DZ is our China equivalent service to Flywheel. The China marketplaces work differently to the western equivalents and so we cannot perform all of the automation and optimisation services that Flywheel offers in the West. However we will soon be able to consolidate the real time trading data from the marketplaces covered by DZ into Flywheel's global platform. DZ is Alibaba's number one awarded Independent Service Vendor and provides advanced data analysis, targeting and optimisation support for a brand's spend on advertising media on the China platforms. Customers subscribe on an annual basis to these services for the products covered and the media being deployed.
5. Intellibrand provides detailed measurement for the top 120 retailers in Latin America. Providing a similar range of detailed products that Edge provides for Western platforms, it is able to provide deep-level insights into the specialist retailers in the Latam region while also now consolidating its data into the global Edge reporting systems. In addition, over the last 2 years, Intellibrand has developed a Digital Shelf measurement platform for Food Aggregation companies. Our Edge business will sell this tool set globally.
6. Perpetua is a specialist advertising optimization platform targeted at supporting customers operating as third party sellers on digital marketplaces. It has been developed to support smaller brands and organisations to profitably scale growth at pace across multiple marketplaces. Perpetua also markets its product set to Marketing Agency groups to facilitate automated self-management of digital commerce promotion spend.

Perpetua's product offering consists of a single SaaS platform that allows smaller third party players and agencies to optimise their marketing media spend in the western marketplaces for Third Party activities or less sophisticated First Party trading. This platform has set a very high standard for marketing campaign automation for their product based on a number of goals, strategies, and budgets they want to optimise.

Over the coming years, Flywheel and Perpetua algorithms will leverage the combined marketplace trading insights to ensure we maximise the optimisation for our customers across both elements of the marketplace trading.

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Each of our Digital Commerce Business Unit products is a global market leader or in the case of Perpetua has this opportunity as part of our stable. The unique way in which they capture data at vast scale for leading manufacturer customers and the sophistication of their algorithm-based systems has profound customer benefits. With increased global business unit connectivity and customer penetration, our customers' trading is further optimised and reporting accuracy is enhanced. This makes our platform more valuable to our clients over time.

By combining our global offerings while also providing detailed market automation capabilities, we are establishing the most sophisticated, integrated trading platforms for consumer product companies worldwide.

We are building a Platform to win in Digital Commerce but also to enable total Product Life Cycle Optimisation over time.

Our vision is not limited to building the winning capabilities for Digital Commerce alone. We see this as a very important first step and one which will prove to be a longstanding high growth element of our company. However, once achieved, our clients' demands will move beyond optimising this sales channel.

Over the coming years, our customers will need an even further integrated set of information products to serve their total product life cycle optimisation. The digital disruption we are seeing will create greater demand for change across their business operations and product lifecycle. As this next stage happens, Ascential's offering becomes even more unique, with real strength to support our customers through this change.

1. Our customers will need to compete against more and more products over time. They will need to refine the ranges they offer and the products they can win with. Knowing where to play, when and how is the critical information our Product Design products supply. We are unique in how we provide our trend forecasts and have been delighted with our successful expansion into new sectors as we fill a very clear gap for this new customer set. We are the global market leader by some considerable distance.
2. The opportunity for our customers to create a "build once, sell everywhere, sell many" model across the world will become more limited over time. Understanding individual product performance by category and geography, compared to competitors, combined with real-time tools to then execute will be critical. Our Digital Commerce business unit is uniquely positioned today to provide this insight into our Product Design and Marketing platforms for the wider functional groups in our customers.

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3. Establishing, maintaining and growing consumer product brand relevance and prominence is a significant annual investment for our customers. The industry spends over \$500 billion every year in this pursuit. The proliferation of marketing choices and distribution of these messages has exploded over recent years. Knowing which advertisement is really cutting through with consumers, who produced it, how they did it and where they optimised the execution to achieve media effectiveness is critical. Obtaining consistent, effective and quality information to make these investments is getting harder, not easier.

We are the information source of record through the Lions benchmark for Creativity and WARC for Effectiveness and MediaLink for media buying. We have not yet exploited the potential of these assets to date to provide Information Platforms for the industry. We have clear plans to ensure the industry is as engaged with our Industry wide benchmark results as they are today with our physical event in Cannes in June each year.

Our investment in Hudson MX carries an option for control in 2022. Hudson MX offers a potential opportunity to expand the range of fundamental and more sophisticated capabilities required by our brand and media customers by delivering digital media payment management and insights for media placement worldwide. In the next nine months, as and when we gain confidence in Hudson MX's ability to streamline digital media placement and reconciliation at scale, we will be able to exercise our option for ownership control of this business, thus expanding our total addressable market by a further \$250-\$300m.

4. Critical to our customers' long term goals will be managing their profit margins and here time is ultimately their friend. For example:
 - a. The greater the period of time they can forecast ahead what products they need to produce, the more they can maximise economies of scale and manufacturing flexibility and reduce production and shipping costs.
 - b. Knowing quickly which elements of a product a consumer does not enjoy, or the actions they can take to extend the life cycle of the product, can boost short term performance, extend longer-term profitability and reduce discounting and promotions.

Through the eventual combination of our Product Design and Digital Commerce information, we will aim to be able to both extend and improve the accuracy of our customers' planning, design and manufacturing process. This is a critical step for customers to maximise complete product cycle integration and benefit from economies of scale. With our rapid trading information and real-time execution platforms we aim to provide them with the details to adjust their products and thereby

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extend the lifecycle and relevance of the brand. Through this optimisation of their trading we aim to reduce discounting, minimise marketing investment and maximise sales value by optimising their distribution across marketplaces.

5. Our retailer and marketplace partners are globally accelerating how they optimise their performance and the uniqueness of their platforms. For many, they are for the first time developing their marketplace model. Optimising how they take payment, offering credit and making it simple for consumers to pay is a major differentiator. In parallel they are seeking to build media advertising revenues. Through our Retail and Financial Services teams we are providing them with unique analysis subscription services, price and promotion optimisation tool sets and live platforms to develop their business models and ensure they are ahead of the rest in adopting the next generation of payment options.

Winning the balance of product mix, brand recognition and daily performance will become the new battle ground for our customers. Our product set is unique in its ability to serve this. In each of our four business units of Product Design, Marketing, Digital Commerce and Retail & Financial Services we have market leading products that are well positioned to maximise their opportunity in this change.

Our ultimate opportunity is to create a platform for Consumer Product Manufacturing companies with similarities to Bloomberg's solution for investment managers.

By building a joined-up information platform that connects business decisions across Product Design, Brand Marketing, Digital Commerce optimisation, Marketplace Execution Models and Consumer Credit & Payment, we can further streamline and automate our customers' businesses to be able to operate at the pace that the marketplaces will drive.

We are well positioned to deliver this proposition over the next 5 years. Our combination of data sets provides the foundation to create this single platform for the industry. With our product identification platform built by Edge, we are able over time to open up our platforms for other data contributors to further build out the depth and richness of information for our customers. Over the coming years, we will be vigorously pursuing the success of our individual business units, while also in parallel connecting our information platforms and opening them up for wider industry contributors to be able to monetise their information assets with our global customers.

Our three year priorities

1. **Building out our global leadership position as the Digital Commerce optimisation platform of choice.**

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We will aim to cover the critical marketplaces globally and enable execution for our customers to the highest standards being the partner of choice for both customers and marketplaces. As we advance our market share of customers in each category, strengthen the depth and breadth of information we gather, build out across more marketplaces and get access to advanced features from marketplace partners, we will enhance further our automation algorithms and the knowledge base they are building and drive further the performance optimisation for our customers.

As a result, our unique benefits and moats grow deeper as we continue to extend our network effect we will continue to focus on addressing the needs of the world's most demanding and advanced First Party Seller companies, expand to cover the fastest growing Third Party Seller companies and open up the food aggregation/last mile opportunity.

2. Expand the categories our Product Design business covers.

This will enable us to provide a joined up information solution across all mainstream product categories and across each of our Business Units' service lines. Our journey with our customers starts with our ability to guide them on what categories and what countries they must win in and the products they need to create to achieve this. The Product Design business has now hit a sweet spot of being able to drive expansion and growth while also maintaining high profit margins. With the introduction of new quantitative analysis products like Trend Curve+ and the expansion into new sectors we aim to drive strong growth in both customer volumes and the value of customer subscriptions.

3. Underpin our Marketing Business Unit with an at-scale information platform.

This not only streamlines the process of marketplace media management but enables us to link effectiveness, creativity and performance. Hudson MX has the potential to unlock this goal for the industry. Ultimately, if we are able to provide product level marketing effectiveness information, we can join up our three critical decision pillars for our customers.

4. Continue to build on our quality partnerships with the global marketplaces.

By building on the strong partnerships we hold today with the marketplaces we can further optimise our customers' performance, and at the same time we are also enhancing the performance of the marketplaces for the benefit of all players. Getting early access to new capabilities the marketplaces are offering and continuing to be their trusted testing partner is a critical relationship differentiator.

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5. **Continue to streamline our business, so we drive shareholder returns while continuing to build out our platform vision.**

All of our products must contribute critical information into our information platform. Every product in our business over time needs to demonstrate that it fulfils this fundamental requirement. Our total focus on building out a platform business, will enable us to achieve our long term growth objectives and continued operating leverage. In the short term, we are choosing to prioritise growth to gain maximum market share.

The delivery of our strategy to date has taken a very disciplined and patient approach. Maintaining this discipline will be critical to building the vision we have and I personally cannot wait to ensure we achieve this ambitious vision.

There are of course no guarantees that we can effectively join all the information to a level that drives high automation across the entire lifecycle. However, what we already know is that our brands lead their markets, the information they create is highly valuable in its own right and the potential combination of these capabilities creates an asset with scarcity, strong competitive moats and which, most importantly, will enable our customers to win in the long term. We have the possibility to create a business that can maintain strong growth over the next ten years combined with enhanced operating leverage.

When we set off on this journey we knew it was ambitious. We also knew it wouldn't happen overnight. Our approach allows us to make progress, deliver value while continually advancing towards our longer term goal every day.

I'd like to thank all of our people, shareholders, customers, partners and stakeholders in being part of this exciting journey. Although we have already made great progress, I expect that our best is yet to come.

Yours sincerely,



Duncan Painter
Chief Executive