Overview

- The Three Year Plan

- 2017 H1 Highlights
  & Operational Challenges

- Financial Report

- CEO Summary

Three Year Plan

Three Year Plan (2016 Results Presentation)

2016	2017	2018
Create a solid foundation, and sound operational model	Improve profitability, deliver new product strategy with new licensable module	Build on operational performance and deliver top-line growth
Delivered	**WIP**	

2018

Move to recurring revenue

Continued margin improvement

Continued international expansion

2017 H1 Business Highlights

Ian Bowles
CEO

Financial Key Points

Revenue	Adjusted operating profit	Statutory profit
↓ down 2.2%	↑	↑
Annually recurring revenue	**Adjusted operating margin**	**Statutory profit per share**
↓ down 1.8%	↑	↑
Net cash from operating activities	**Net cash**	**Sales order backlog**
↓ down 83%	↓ down 3.0%	↑

H1 Highlights

- Positive progress across all lines of Business

- Key contracts secured in ME & Asia Pacific

- Return to Full Profitability

- Positive development of Pipeline

- Positive Customer engagement at conferences

British Council

Implementation progress - TCMS

- On August 25, Singapore became the 34th country to go live giving a total of 119 teaching locations

- This year alone, implemented in 69 centres across 14 countries in Europe, South America, Africa & Middle East

- Now delivered to 75% of BC teaching locations, representing 85% income

- First half 2017 ➔ processed 225,312 enrolments and registrations

The "Online Solution Check" (pilot results)

- Average customer journey time reduced from 75 to 39 minutes

- In-cost reduction of 40% per customer

- Conversions from enquiry to registration increased by 6%

Operational Challenges

- Enhanced competitor activity in all regions

- Retention of Key Talent

- Delivery of Product strategy in Cost Neutral manner

Key Wins 2017 to date

Higher Education

Callista group of Universities, Australia (extension)

University of Sheffield, UK

University of Malaya, Malaysia

University of South Wales, UK

Heriot-Watt University, UK

Further/Vocational Education

Nottingham College, UK

National Business College, UK

National College for High Speed Rail, UK

Bridgend College, UK

Met Film School, UK

Hampshire County Council, UK

Employers & Training Providers

Travis Perkins, UK

Solvo Vir, UK

Ioda, UK

Utilities Academy, UK

Boots Opticians, UK

LMJ Training, UK

Vista Training Solutions, UK

TRS Training Ltd, UK

Randstad, UK

British Council

Schools & Government Bodies

Abu Dhabi Education Council (ADEC), UAE

Ministry of Education (Dubai and Northern Emirates), UAE

European Schools (on behalf of the UK DoE)

New York State Education Dept., USA (extension)

Alabama State Education Dept., USA

NSW TAFE/Schools, Australia (expansion)

Wambiz IP Acquisition

IP Acquisition

- Wambiz solution: a private social media network that encourages comms between students and with staff

- Acquired software IP and rights to distribute.

- Also novated all Wambiz education customers

Activities

- Rebranded as **Student Engage** – a module within Tribal Edge

- Integrating into the Tribal Edge mobile app

- Previously launched to FE (as partner solution) and now launched to HE (July)
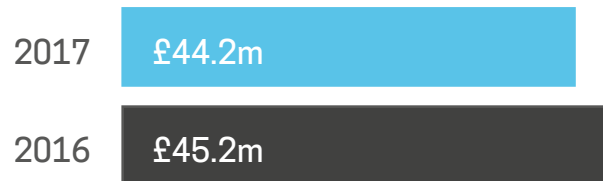
Financial Report

Mark Pickett
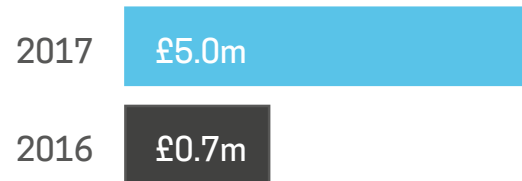## CFO

CFO Summary
six months ended 30 June 2017

Revenue

£44.2m

2017	£44.2m
2016	£45.2m

down 2.2%

Adjusted Operating Profit*
(before share based payments)

£5.0m

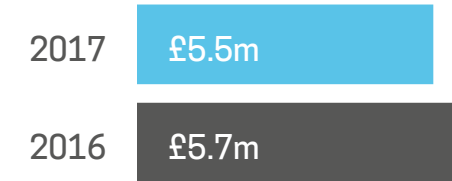|	
2017	£5.0m
2016	£0.7m

up £4.3m

Net Cash

£5.5m

2017	£5.5m
2016	£5.7m

down 3.0%

- Underlying revenue growth of 8%, excluding expired Ofsted Early Years contract and Synergy disposal in 2016
- Profit growth driven by cost reductions in 2016 and 2017, and strong performance in QAS and APAC SMS
- Cash impacted by acquisition of Wambiz and timing of QAS collections

- Adjusted operating profit is in respect of continuing operations and is stated excluding "Other Items" charges of £2.5m (2016: £2.6m). Other Items include Share-based Payments, Deferred Contingent Consideration, Amortisation of IFRS3 Intangibles, Profit on sale of Synergy, and Restructuring and associated costs

Financial Key Points

TRIBAL

Revenue	Adjusted operating profit	Statutory profit
£44.2m ↓	**£5.0m** ↑	**£1.6m** ↑
2016 £45.2m down 2.2%	2016 £0.7m up £4.3m	2016 Loss of £2.6m improved £4.2m

Annually recurring revenue	Adjusted operating margin	Statutory profit per share
£15.9m ↓	**11.2%** ↑	**0.8p** ↑
2016 £16.2m down 1.8%	2016 1.4 % up 9.8 pp	2016 Loss of 1.8p improved 2.6p

Net cash from operating activities	Net cash	Sales order backlog
£0.8m ↓	**£5.5m** ↓	**£122.2m** ↑
2016 £4.6m down 83%	2016 £5.7m down 3.0%	2016 £113.8m up 7.3%

Adjusted EBITDA Bridge from H1 2016 to H1 2017

£m
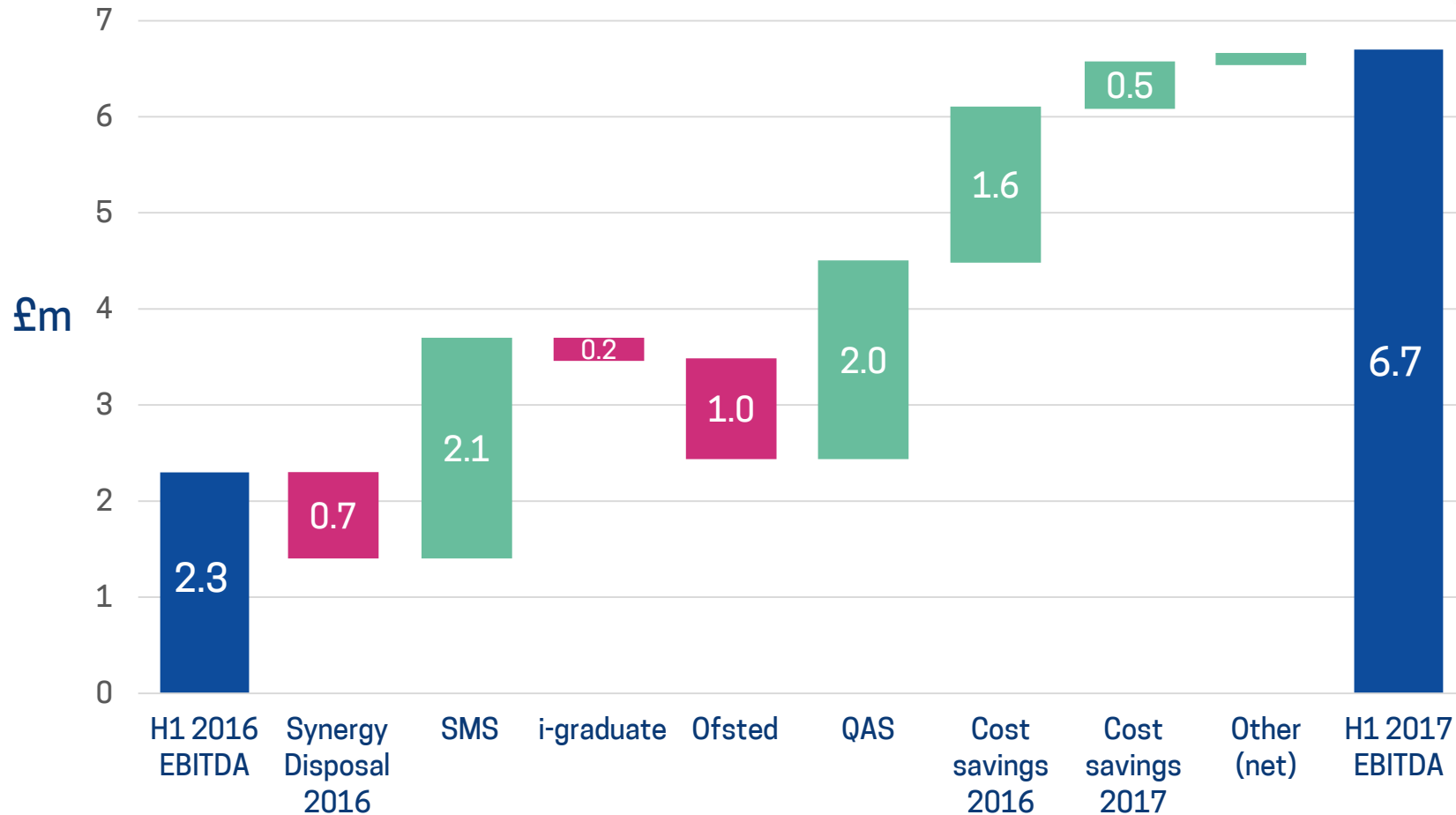
Cost Reduction	Annualised	2016	2017	2018
FY 2016 Savings	9.0	5.8	3.2	
H1 2017 Savings	2.8		1.9	0.9
Total Savings	**11.8**	**5.8**	**5.1**	**0.9**

KPIs			
6 months to 30 June	2016	2017	Variance
Headcount (FTE)	**1,149**	**842**	**307**
Revenue / Average FTE (£'000s: annualised)	**£77.3k**	**£96.5k**	**25%**

Segmentation: All Businesses

	Revenue £m		Adjusted operating profit £m	
	2017	**2016**	**2017**	**2016**
Student Management Systems	30.6	31.0	9.0	7.6
i-graduate	1.3	0.9	(0.1)	0.1
Other	1.2	2.1	0.4	0.4
Quality Assurance Solutions	11.1	11.2	3.5	2.5
Total Lines of Business	**44.2**	**45.2**	**12.8**	**10.6**
Central / Group costs	-	-	(7.8)	(9.9)
Total Group	**44.2**	**45.2**	**5.0**	**0.7**
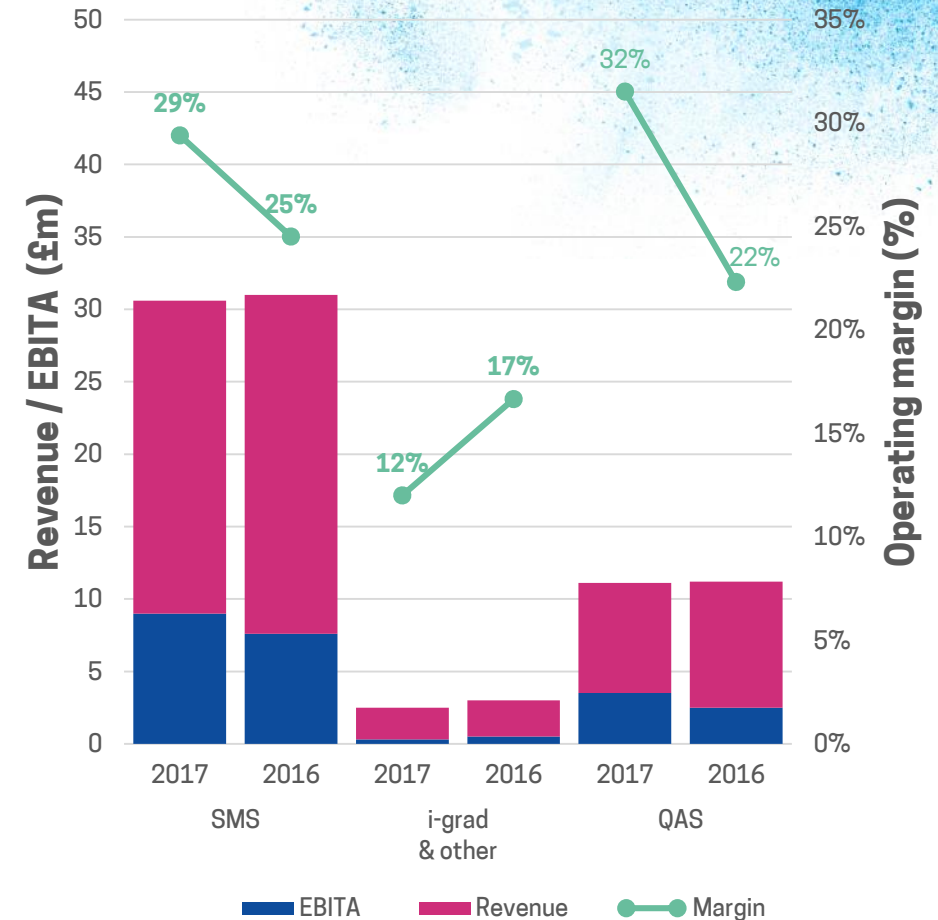
Student Management Systems

	Revenue £m	
	2017	**2016**
Licence and development	4.5	6.0
Implementation	8.2	7.1
Maintenance fees	15.9	16.2
Other	2.0	1.7
Total	**30.6**	**31.0**
Adjusted Operating Profit (£m)	5.0	0.7
Adjusted Operating Profit Margin	11.2%	1.4%
Capitalised Product Development Expenditure (£m)	1.0	0.5
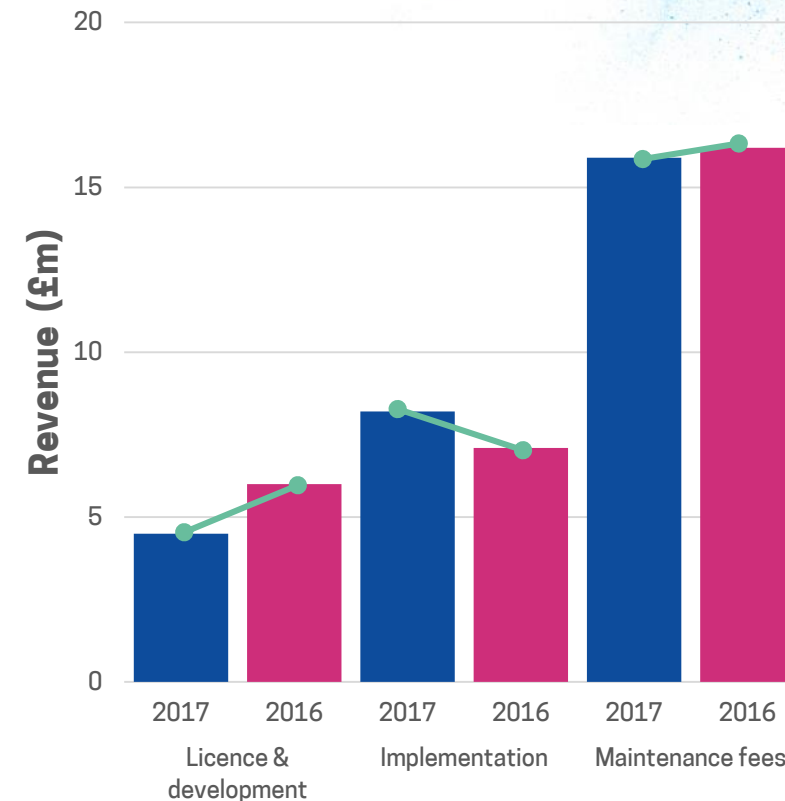
Committed Revenue

Total Committed Revenue £122.2m (FY16: £113.8m)

- £32.8m relates to H2 2017 (92% of FY17 consensus revenue)
- £89.4m relates to 2018 and beyond
- ~ 70% of 2018 consensus revenue committed

Increase due to:

- Callista signed 4 year extension
- QAS new contract wins in Middle East

Other 2017 deals

- University of Sheffield
- University of Malaya
- British Council

* Committed Revenue (Backlog) refers to the Total Contract Value of booked sales orders which have not yet been delivered (including 2 years Support & Maintenance, where it is contracted on an annually recurring basis).

Chart: Committed Income (£m)

- 2017: H2 2017 £32.8m 27%
- 2018: SMS £78.5m 64%; QAS/i-graduate £10.9m 9%
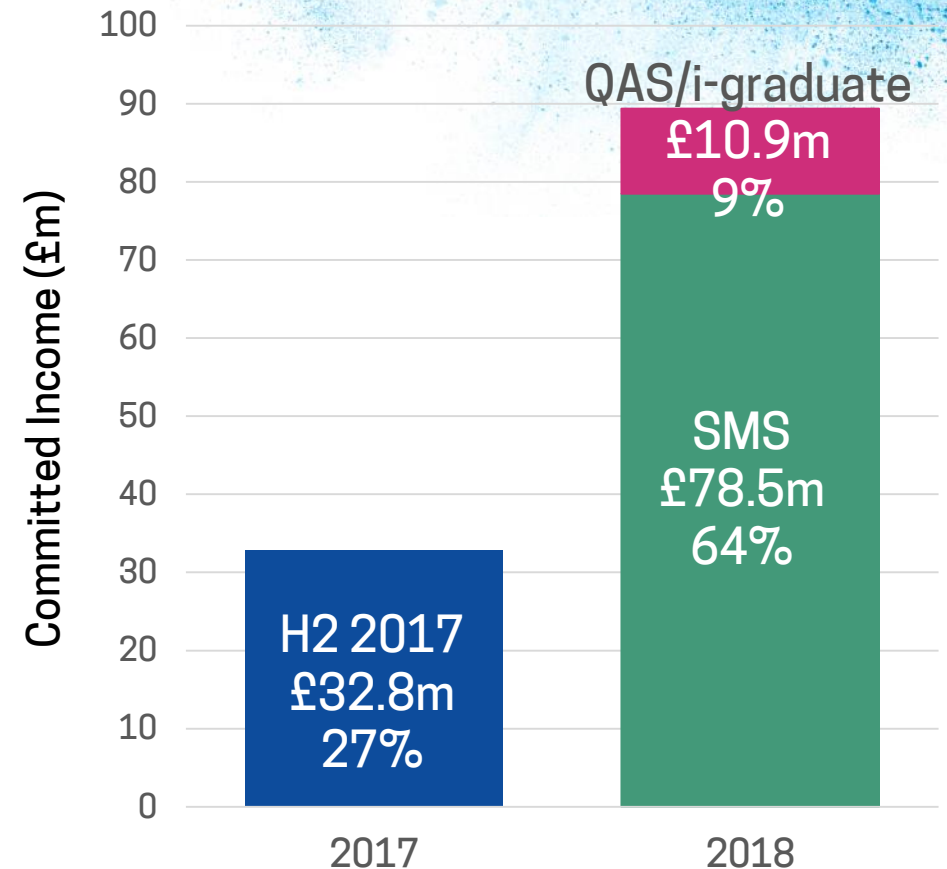
Cashflow

	Net cash
£5.5m	↓
2016 £5.7m	**down 3.5%**

	Operating cashflow
£0.8m	↓
2016 £4.6m	**down 83%**

	Operating cash conversion [1]
17%	↓
2016 711%	**down 694pp**

	Free cash flow [2]
£0.2m	↓
2016 £3.8m	**down 96%**

	H1 2017 £m	FY 2016 £m	H1 2016 £m
Operating cashflow	**0.8**	**8.3**	**4.6**
Proceeds of Synergy disposal	-	19.4	19.4
Acquisition/disposal related costs	(1.2)	(3.9)	(3.8)
Capital expenditure	(2.9)	(2.4)	(1.3)
Finance and other costs	-	(0.5)	(0.5)
Net proceeds of Rights issue	-	20.0	20.0
Loan (repayment)/draw down	-	(34.5)	(33.0)
Dividends	-	-	-
FX movements	-	0.7	-
Cash increase/(decrease)	**(3.3)**	**7.1**	**5.4**
Closing cash	**5.5**	**8.8**	**7.2**
Loan drawn down	-	-	(1.5)
Net cash/(debt)	**5.5**	**8.8**	**5.7**

1 Operating cash conversion calculated as net cash from operating activities before tax as a proportion of adjusted operating profit.
2 Free cash flow calculated as net cash from operating activities before tax less maintenance capital expenditure (excludes Wambiz and capitalised development costs)

Product Strategy & Branding

Ian Bowles
CEO

Our Goal

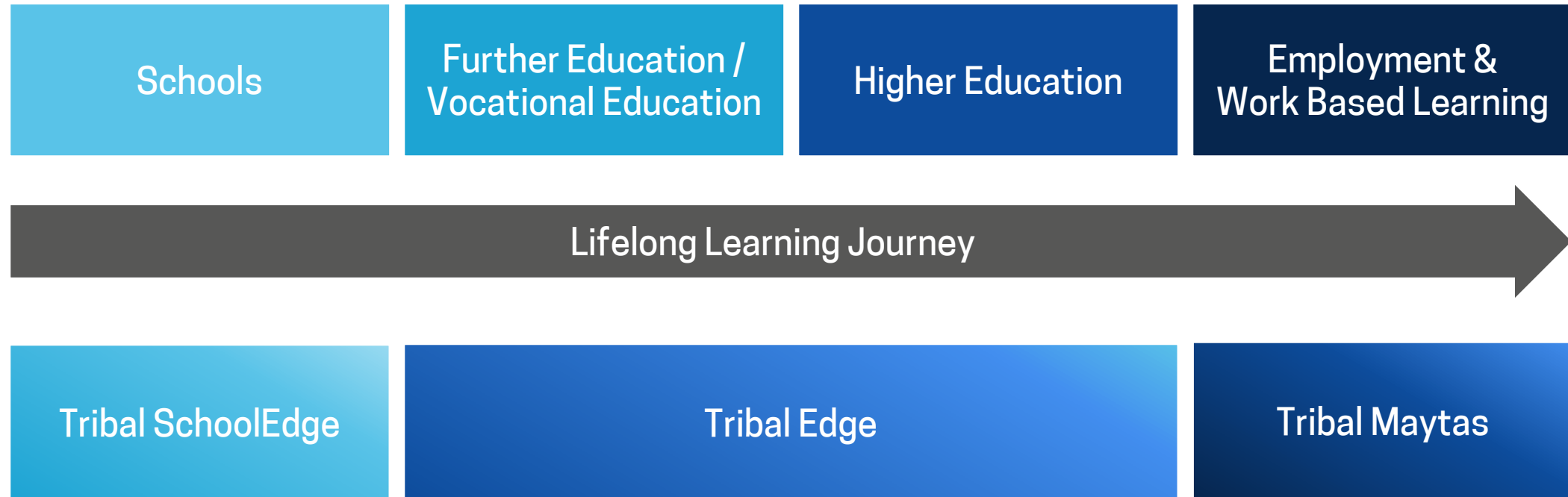**World-class software & services company**

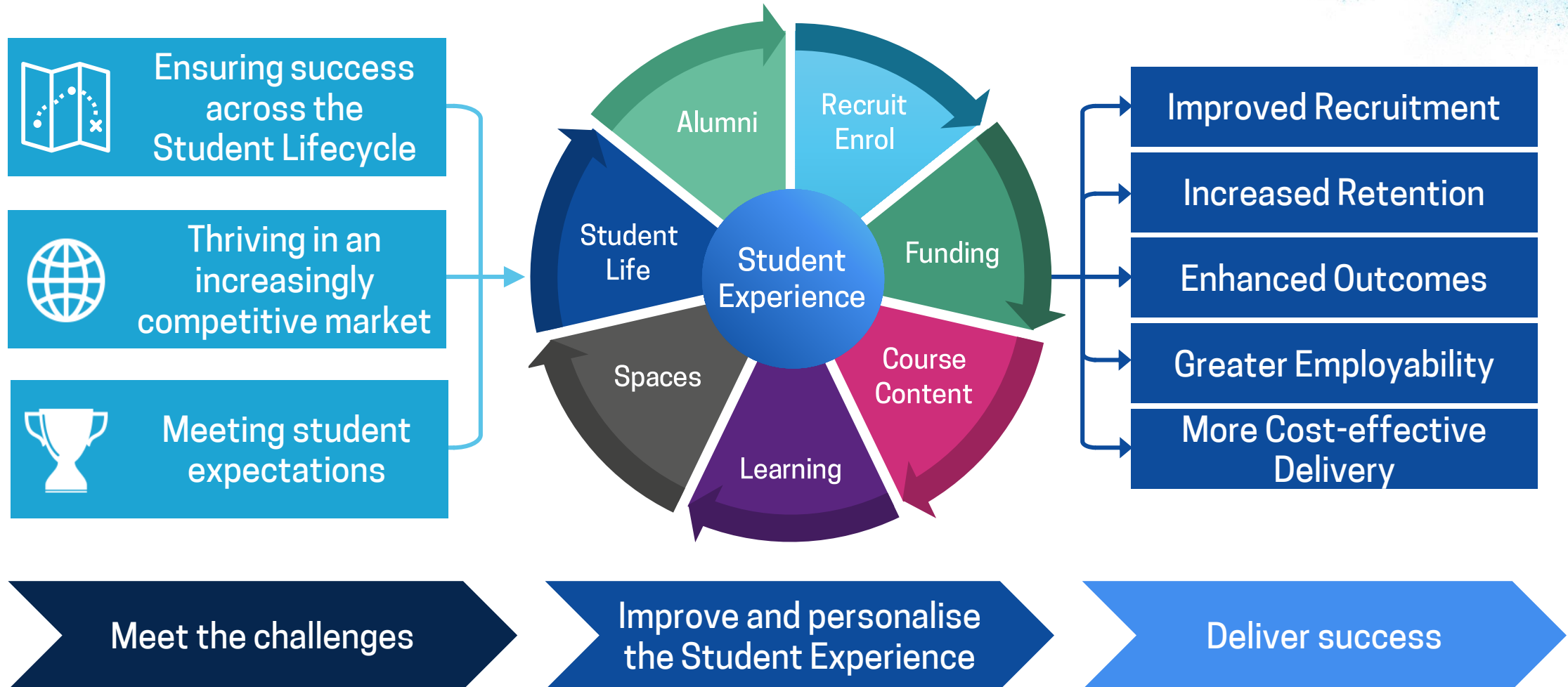**International market leading educational management solutions provider**

Valued by

- Customers
- Staff
- Shareholders

Student Information Systems Strategy

Schools	Further Education / Vocational Education	Higher Education	Employment & Work Based Learning

Lifelong Learning Journey →

Tribal SchoolEdge	Tribal Edge	Tribal Maytas

A student's lifelong learning journey underpinned by Tribal Student Information Systems

Meeting Educational Institutions' Challenges

Ensuring success across the Student Lifecycle

Thriving in an increasingly competitive market

Meeting student expectations

Alumni

Recruit Enrol

Student Life

Student Experience

Funding

Spaces

Course Content

Learning

Improved Recruitment

Increased Retention

Enhanced Outcomes

Greater Employability

More Cost-effective Delivery

Meet the challenges

Improve and personalise the Student Experience

Deliver success

Gartner's Recommendations to Education CIOs

Invest in new cloud-based modules, not legacy systems

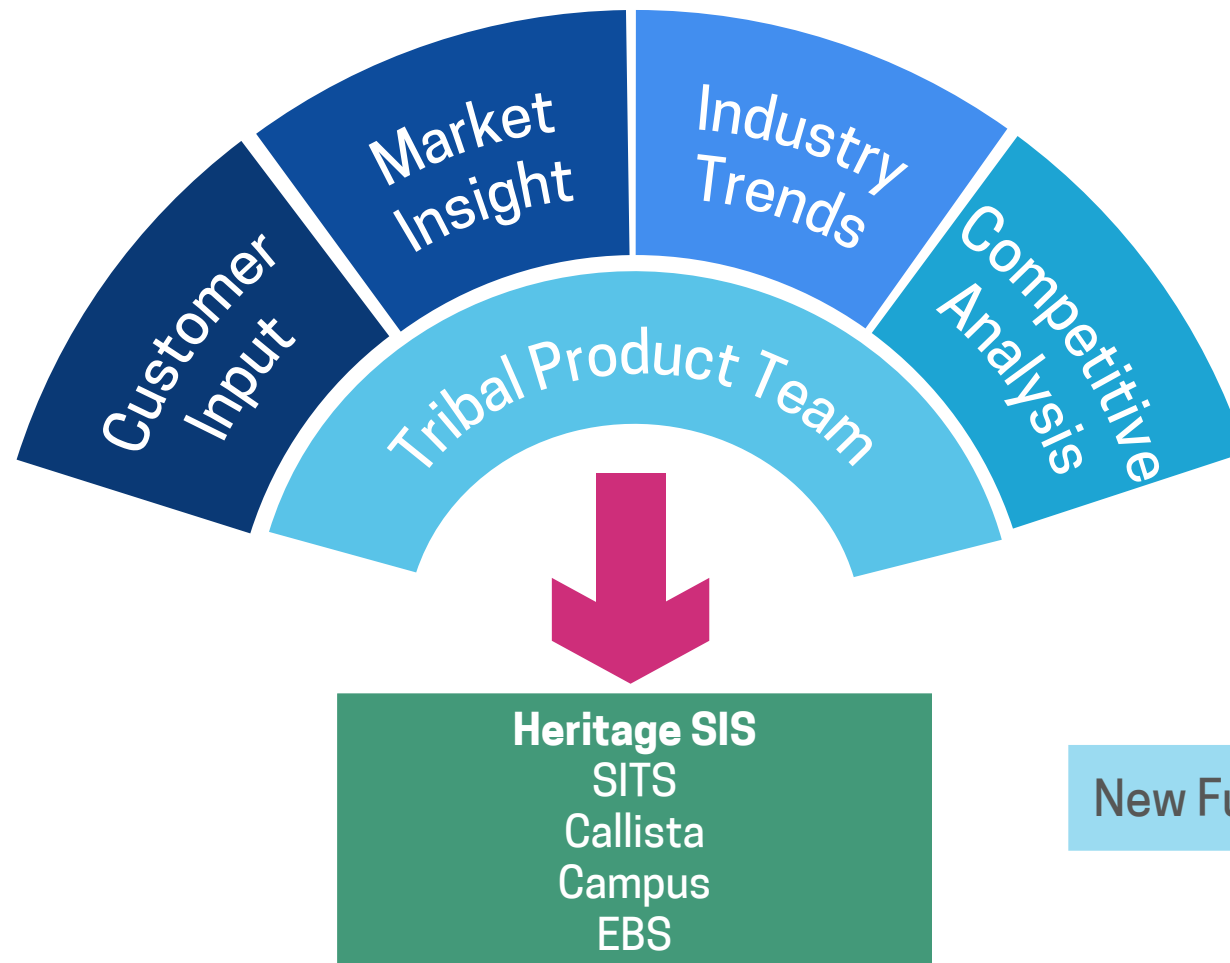Look for social, mobile and analytics functionality
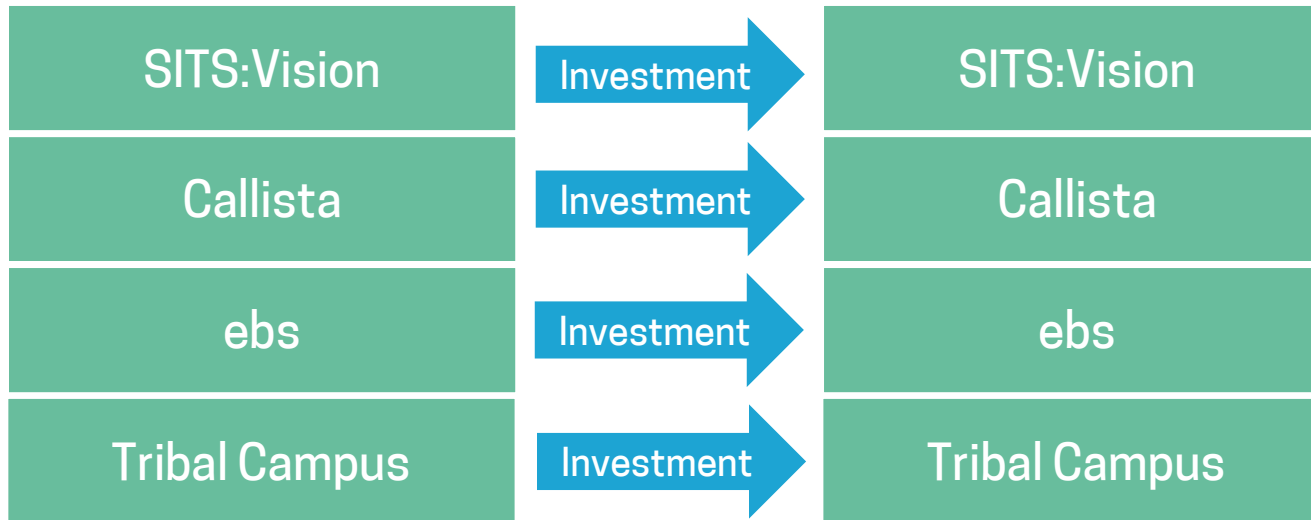
Plan for eventual migration to the cloud/SaaS

Gartner's "Market Guide for Higher Education Student Information Systems", April 2017, Terri-Lynn B. Thayer, ID: G00304088

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Market-led investment in Student Information Systems

Customer Input

Market Insight

Industry Trends

Competitive Analysis

Tribal Product Team

Heritage SIS
SITS
Callista
Campus
EBS

New Functionality

EXAMPLES

Web and self-service
→ e-VISION

But our customers' & our own investment is spread across many Tribal SIS

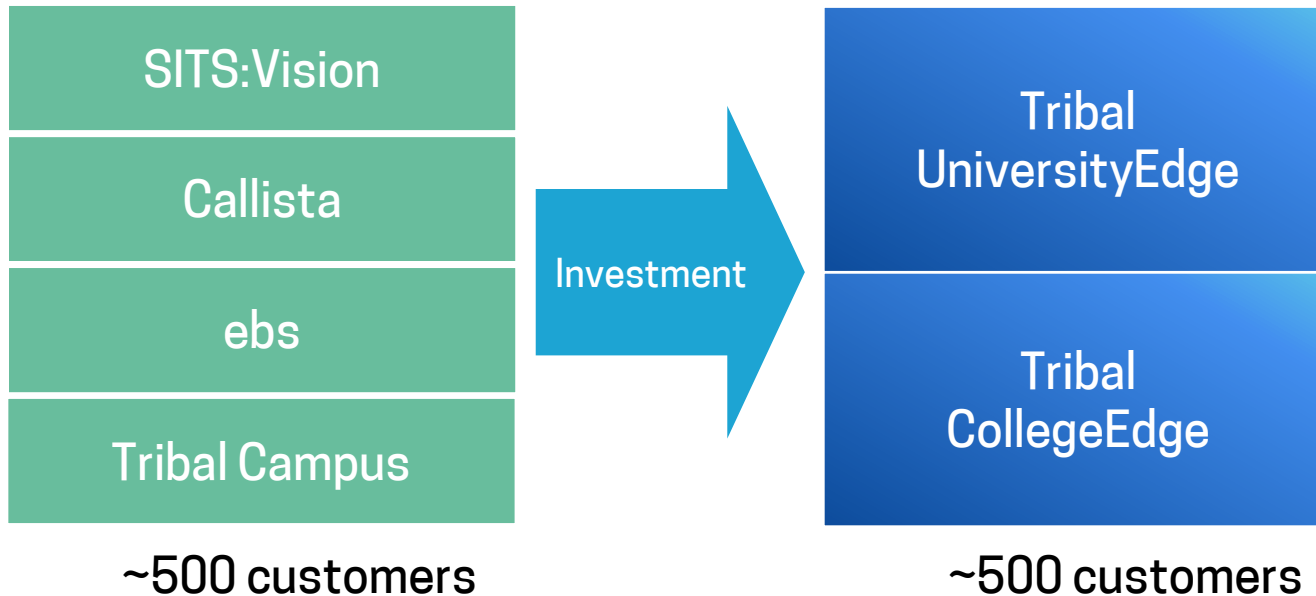|		
SITS:Vision	Investment →	SITS:Vision
Callista	Investment →	Callista
ebs	Investment →	ebs
Tribal Campus	Investment →	Tribal Campus

- Heritage systems maintained by own streams
- New functionality but not at the pace we would like
- Not making the most of your ongoing investment

Introducing Tribal Edge

Tribal Edge: A Focused Strategy

SITS:Vision

Callista

ebs

Tribal Campus

~500 customers

Investment →

Tribal UniversityEdge

Tribal CollegeEdge

~500 customers

- Larger investment to benefit all
- Tribal Edge - common platform, but market specific offerings
- Rollout strategy:
  - Initially, build new modules
  - Later, upgrade existing functionality
  - Continue to fully support heritage systems for at least 10 years
  - Amalgamated roadmap
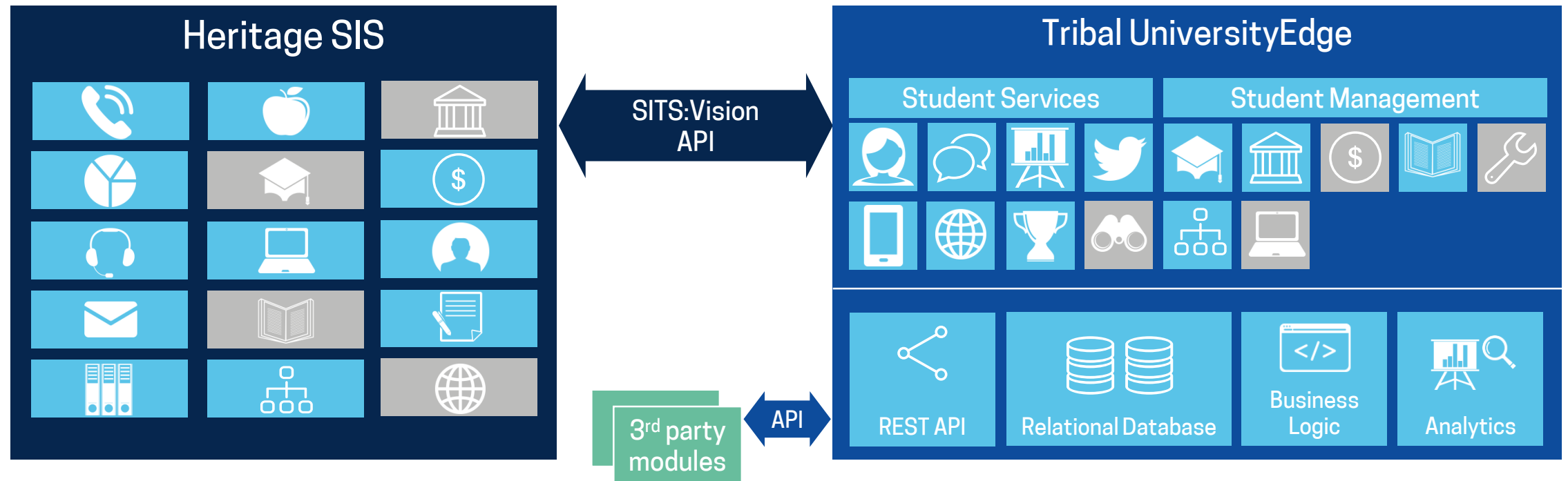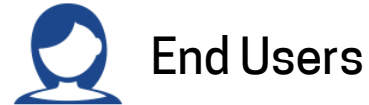 - Adopt new modules at your own pace and need
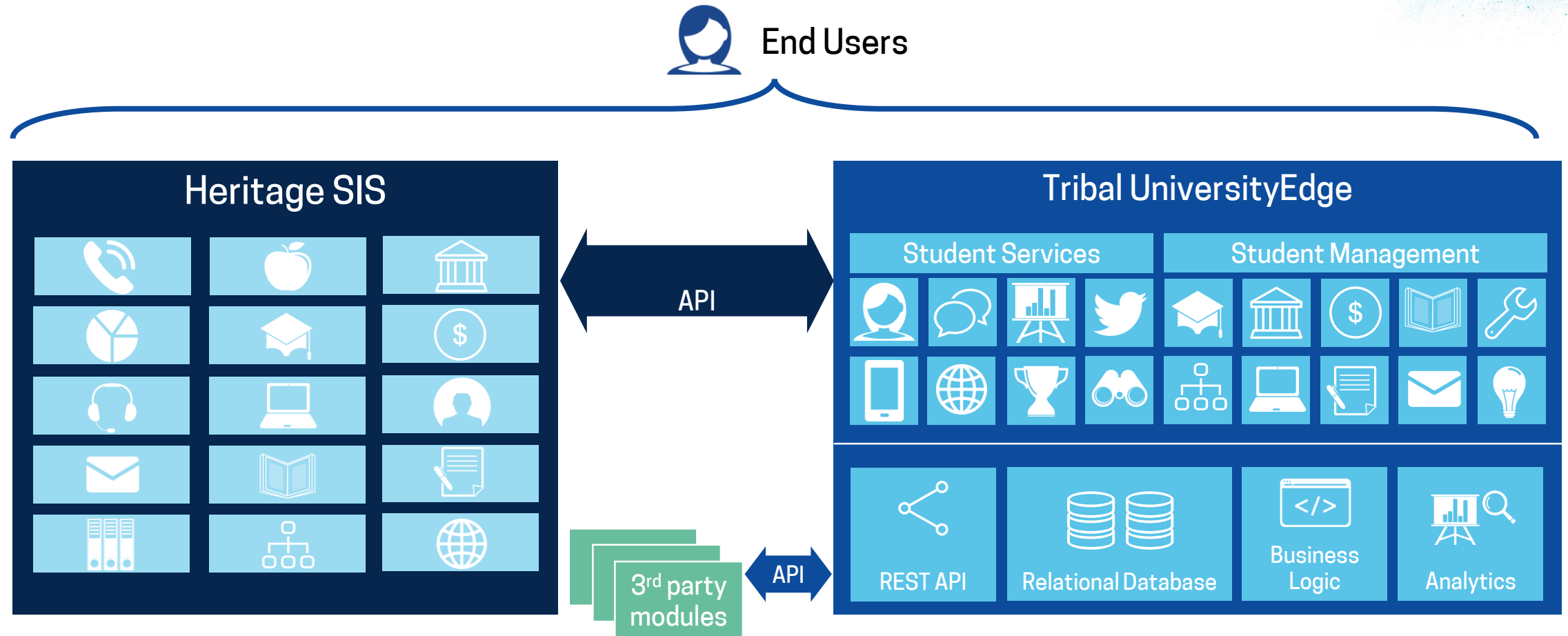
Building out from the Student Experience
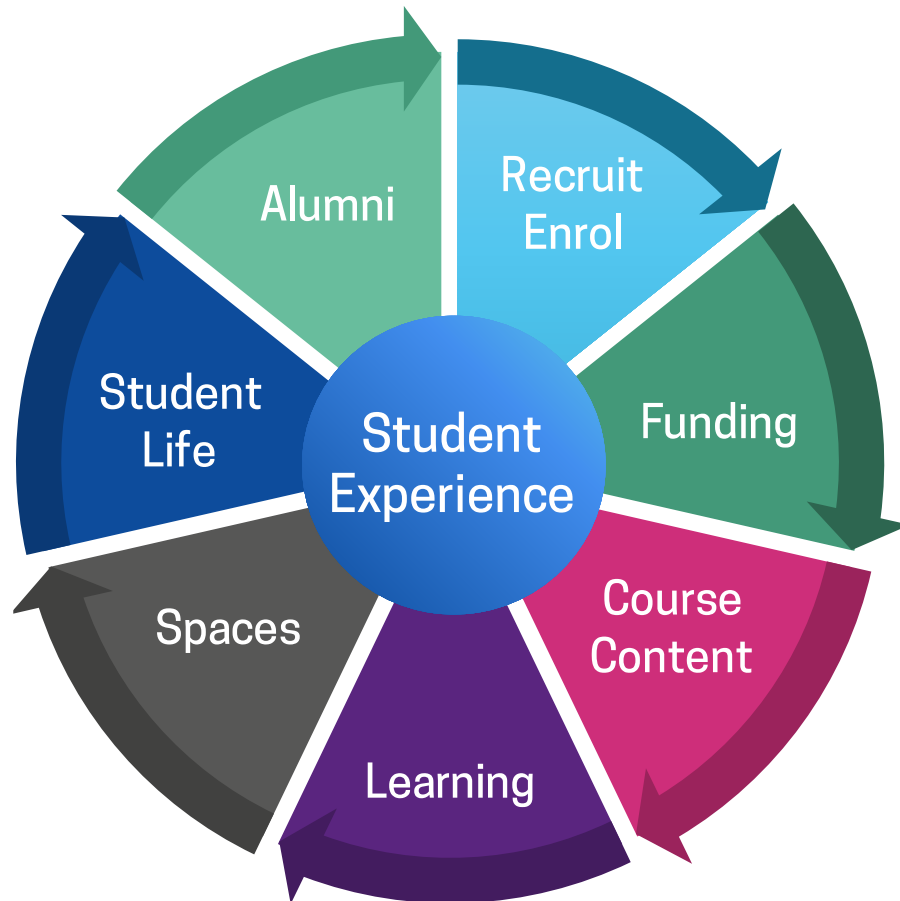
Tribal UniversityEdge

- Student centric applications
- Building from a world class student management system
- Providing timely insights across the student lifecycle
- Improving engagement
- Increasing retention
- Enhancing outcomes

Evolve to use more from Tribal UniversityEdge

End Users

Heritage SIS

Tribal UniversityEdge

SITS:Vision API

Student Services

Student Management

3rd party modules

API

REST API

Relational Database

Business Logic

Analytics

Tribal UniversityEdge: Modular, cloud-first

Tribal UniversityEdge: First Modules
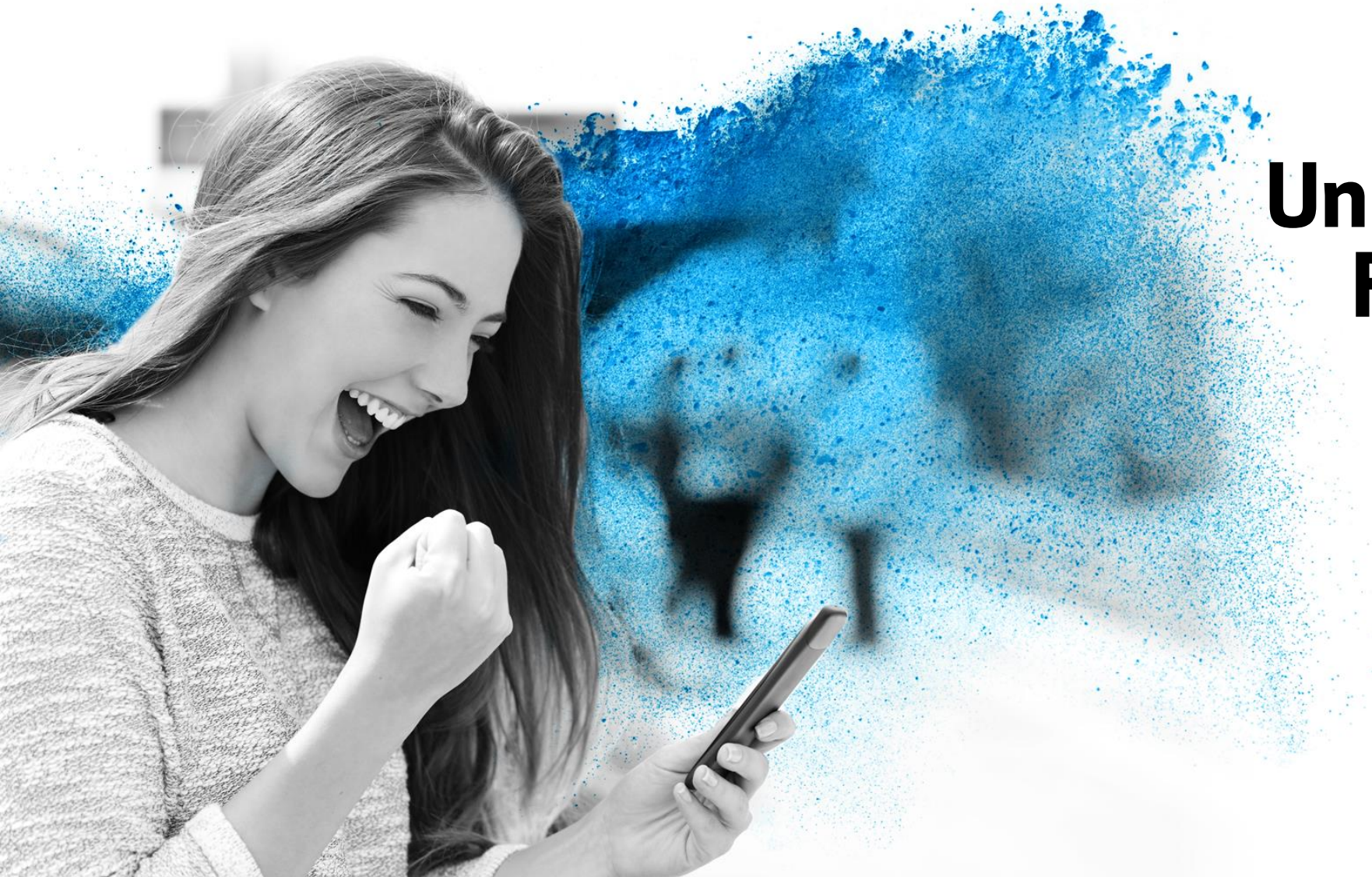
Phase 1: First New Modules

Mobile App

Student View

Student Engage

Student Support

Student Insight

Student Engage (Wambiz)

Key Features

- Private social media network that encourages communications between students and with staff

Benefits

- Engage with learners earlier in the recruitment cycle

- Build a sense of community

- Private social network, safe and secure

- Quick, effective two way communication

Student View

Key Features

- Single mobile app and web portal to allow access to all institution data

- Uses information pull

Benefits

- Personalised, tailored experience

- Enquiry to enrolment, and onwards

- Communication aligned with student lifestyle

- Convenient access anytime, anywhere

- Improved student engagement

Student Support

Key Features

- Student support solution to cover all departments.

- Self-help FAQs, full case management and integrated communications

- Real-time communication and collaboration

Benefits

- Seamless support experience

- Single view of all learner issues

- Personalised - relevant information, advice and guidance based on learners journey and context

Student Insight

Key Features

- Learning analytics solution that monitors and tracks student engagement

- Analyses student data from all sources

- Allows targeting of students needing support – actioned and tracked in *Student Support*

Benefits

- Flags students at potential risk

- Improve outcomes with timely interventions

- Improve retention by reducing dropout

- Know what works for learner success

CEO Summary

Thank you
Any further questions?

TRIBAL

Appendix

Market Position

- **No.1 provider of student management systems to universities in the UK, Australia & New Zealand**
  - Australia we work with 90% of Universities
  - New Zealand we work with 100% of Universities
  - Facilitates and asset management software provides the NZ Ministry of Education with an effective tool to manage more than 2,300 properties, valued at around NZ$25 billion
  - $17 billion of expenditure benchmarked to enable tertiary institutions in Australia and New Zealand to identify achievable cost savings and opportunities for re-investment and improvement
  - Implementing technology to support one of the world's largest educational change programs, covering over 2,000 schools and TAFEs and 1.4 million students.

- **No.1 Provider to schools in Australia** (2000+ by end of 2017)

- **Global benchmark for student experience**
  - 2.9 million detailed student survey responses
  - used by 600 universities worldwide
  - across 33 countries

- **Next generation cloud solution is being deployed by the British Council**
  - 100 Teaching Centres in 59 countries
  - 300,000 student records annually

Consolidated Income Statement

	2017 £m	2016 £m
Revenue	**44.2**	**45.2**
Gross profit margin	42%	41%
Adjusted operating profit	**5.0**	**0.7**
Adjusted operating profit margin	11.2%	1.4%
Other Items	(2.5)	(2.6)
Statutory operating profit/(loss)	**2.5**	**(1.9)**
Finance costs	(0.1)	(0.9)
Statutory profit/(loss) before tax	**2.3**	**(2.8)**
Income tax (charge)/credit	(0.7)	0.2
Statutory profit/(loss) after tax	**1.6**	**(2.6)**

Other Items

In H1 2016 and FY 2015 share based payments weren't included in Other Items and is therefore restated

	H1 2017 £m	FY 2016 £m	H1 2016 £m	FY 2015 £m
Share based payment charges	0.7	1.0	0.2	(0.4)
Profit on sale of Synergy	-	(0.3)	(0.3)	-
Restructuring	0.7	1.9	1.5	0.5
IFRS3 amortisation	1.0	1.9	0.9	1.7
Impairment charges	-	-	-	46.8
Acquisition related cost/(credits)	-	0.3	0.4	(1.2)
Other	0.1	(0.2)	(0.1)	0.4
Other Items (excluded from Adjusted Operating Profit)	**2.5**	**4.6**	**2.6**	**47.8**
Finance costs	0.1	0.4	0.4	1.0
Tax credit on other items	(0.6)	(0.6)	(0.5)	(2.5)
Total Other Items (excluded from Statutory Profit/(Loss))	**2.0**	**4.4**	**2.5**	**46.3**

TRIBAL

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