



**Creating opportunity,
ready for the future**

**2021 Final Results
March 2022**

2021 Final Results

Agenda

1. 2021 Summary
2. Financial Review
3. Business Updates
4. Summary and Outlook
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Presentation team



James Saralis – Group CEO

James is Chief Executive Officer of the Group, which he joined in January 2018. His responsibilities include implementing the strategy agreed by the Board and managing the day-to-day operations of the Group.



Chris Higham – Group CFO

Chris is acting Chief Financial Officer of the Group, having joined in 2006. His responsibilities include management of the finance function and liaising with the Group's investors and banks.

Building a sustainable business

We built a stronger business in 2021, despite COVID-19 headwinds

1. We advanced our strategy with carefully managed investment

- ✓ Reduced net debt
- ✓ Secured debt funding for future investment
- ✓ Remained profitable

2. We developed our fully integrated law firm

- ✓ Increased enquiry numbers placed into National Accident Law (NAL)
- ✓ Reduced enquiry placement into joint-venture partnerships
- ✓ Increased settlement income in NAL

3. We progressed our recovery in Critical Care

- ✓ Grew our revenues
- ✓ Increased the number of Expert Witness reports and Initial Needs Assessments (INA) reports issued
- ✓ Launched Bush Care Solutions and Hubs proposition

This should result in greater returns for shareholders in the medium term



Ongoing claims at year-end are expected to convert into £8.4m of future cash receipts



Strong pipeline of work originating from increased Expert Witness and INA report instructions



Financial Review

2021 Final Results

Financial highlights

Revenue

£38.9m

2020: £40.9m

Underlying operating profit¹

£4.2m

2020: £5.7m

Profit before tax

£0.2m

2020: loss of £0.2m

Underlying EPS¹

0.3p

2020: 1.9p

Free cash flow¹

£0.8m

2020: £6.1m

Net debt¹ at 31 Dec

£15.5m

31 Dec 2020: £16.3m

¹ Alternative performance measures are defined in note 1 to the Final Results. Underlying operating profit is after deducting amortisation of intangible assets, share-based payments and is presented before exceptional costs

Financial Performance

Recovery delayed by COVID-19 and investment to drive future growth

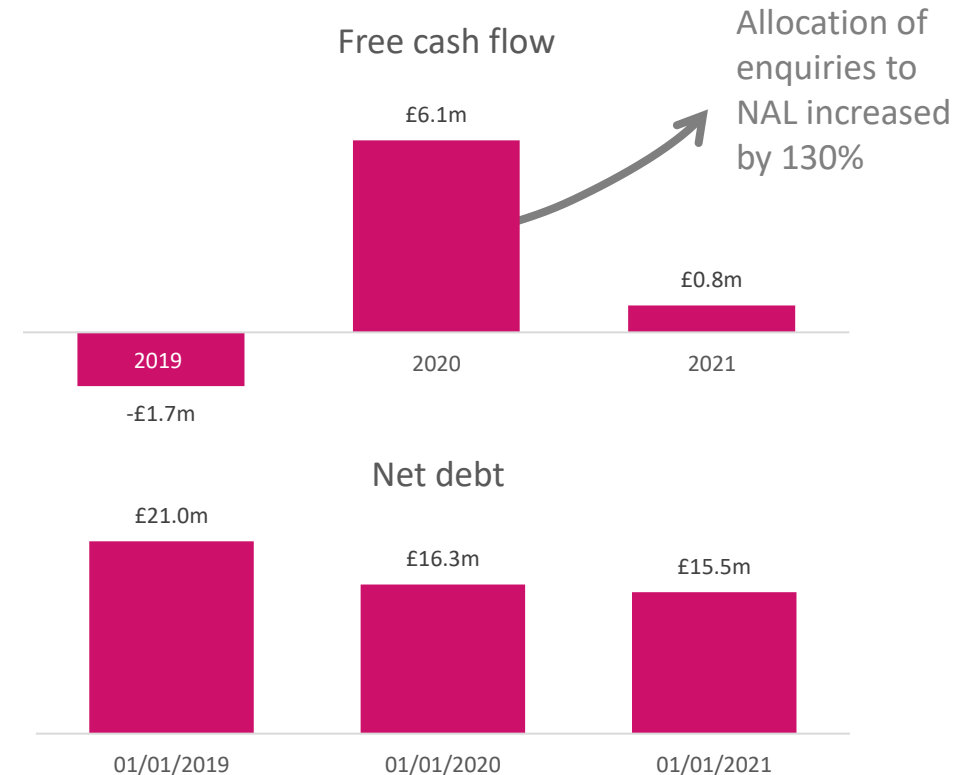
£m	2021	2020	+/-	%
Consumer Legal Services	26.6	29.6	(3.0)	-10.1%
Critical Care	12.3	11.3	1.0	8.8%
Revenue	38.9	40.9	(2.0)	-4.9%
Consumer Legal Services	3.7	5.4	(1.7)	-31.5%
Critical Care	3.3	3.6	(0.3)	-8.3%
Shared Services	(1.6)	(1.9)	0.3	-15.8%
	5.4	7.1	(1.7)	-23.9%
Other adjustments	(1.2)	(1.4)	0.2	-14.3%
Underlying operating profit	4.2	5.7	(1.5)	-26.3%
Exceptional items	-	(1.4)	1.4	
Non-controlling interests	(3.5)	(4.1)	0.6	
Net interest	(0.5)	(0.4)	(0.1)	
Profit before tax	0.2	(0.2)	0.4	
Taxation	(0.0)	(0.0)	-	
Profit for the year	0.2	(0.2)	0.4	
Underlying operating margin	10.7%	13.8%	-3.1 ppts	
Underlying EPS (pence)	0.3	1.9	(1.6)	

- Revenue of £38.9m (2020: £40.9m) constrained by reduction in personal injury accidents due to COVID-19 restrictions and the implementation of Civil Liability Act (CLA) reforms.
- **130% increase in enquiries placed into NAL**, which is expected to generate higher revenues, albeit recognised later in claim cycle.
- Strong performance from Critical Care, **growing revenues by 9%**.
- Underlying operating profit of £4.2m (2020: £5.7m) reflects continued investments in both divisions, in line with our strategy.
- No exceptional costs in the period. Personal Injury transformation is complete.
- Profits attributable to joint-venture law firm partners **down by 16%** to £3.5m (2020: £4.1m).
- Profit before tax of £0.2m (2020: loss of £0.2m).
- Basic EPS of 0.3p (2020: loss of 0.5p).

Cash Flow and Net Debt

Advancing strategy, increasing investment, managing debt

- In 2020, liquidity was prioritised in response to COVID-19.
- In 2021, the Group followed its strategy, and increased the allocation of new enquiries into NAL which required more working capital.
- £2.1m of cash was received relating to settled claims in NAL in 2021, up 62% from 2020 (2020: £1.3m).
- **Net debt reduced to £15.5m.**
- Revolving Credit Facility with Yorkshire bank extended to 31 December 2024. Maximum drawdown reduced to £20m, in line with medium term objective to reduce net debt.





Business Updates – Consumer Legal Services

Consumer Legal Services

Executing on our strategy

Our strategy is to create a higher margin, integrated law firm, underpinned by our agile and scalable placement model.

We will achieve this by:

1. Continuing to generate our own work, leveraging the strength of our National Accident Helpline brand; and
2. Processing an increasing number of those enquiries through our own consumer-focused law firm, NAL.

Strategic Progress

- ✓ National Accident Helpline continues to be the sector's Most Trusted Brand¹.
- ✓ Improvements in organic search performance, benefiting from previous investments in the National Accident Helpline website.
- ✓ NAL processed 26% of all enquiries generated in 2021, compared to 10% throughout 2020.

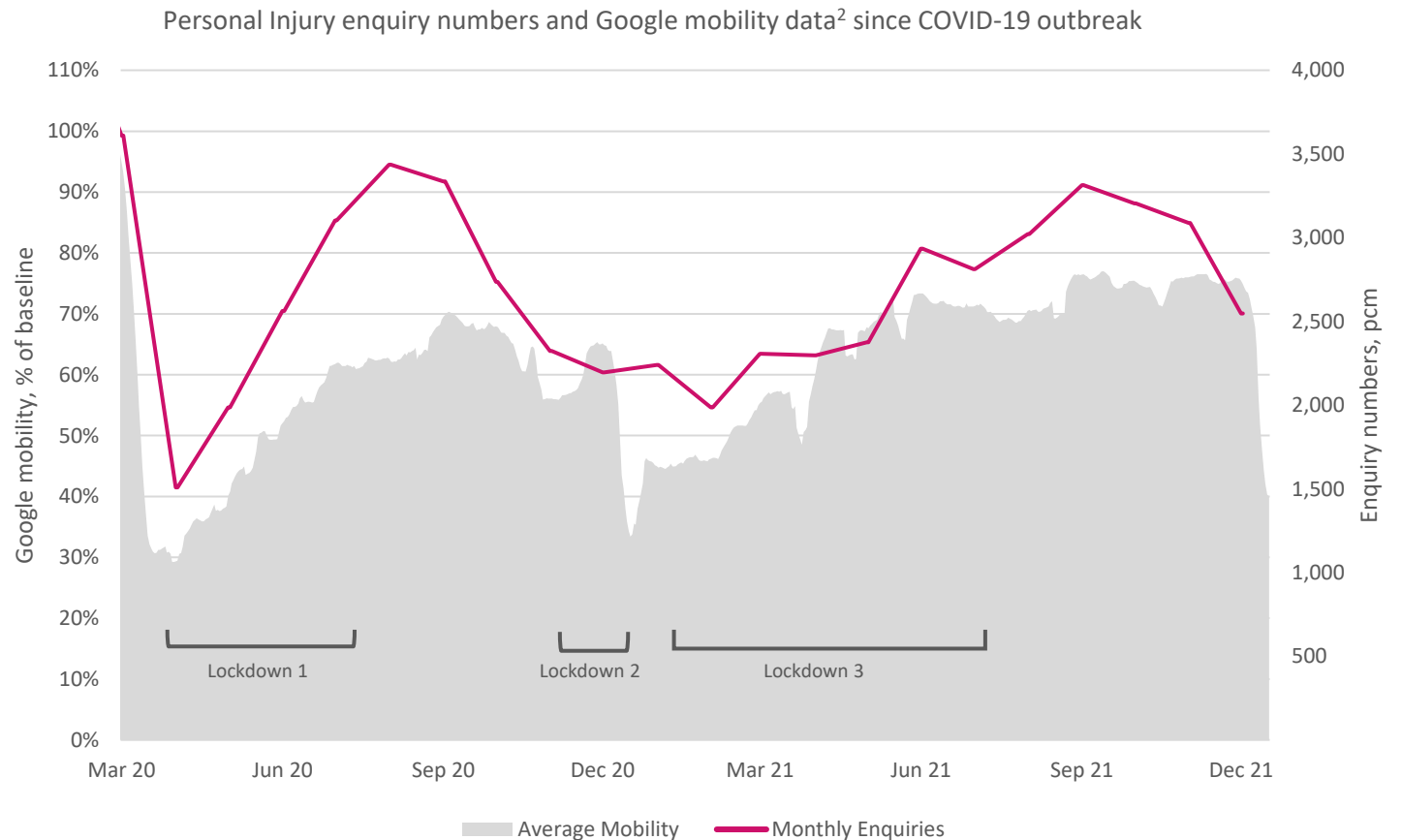
Potential Sale of Homeward Legal

Potential sale of Homeward Legal, part of the Residential property business, didn't complete due to external factors. However, following a strong year, we will look to explore a sale in 2022.

Personal Injury – Enquiry Generation

Growth in enquiry numbers suppressed by COVID-19

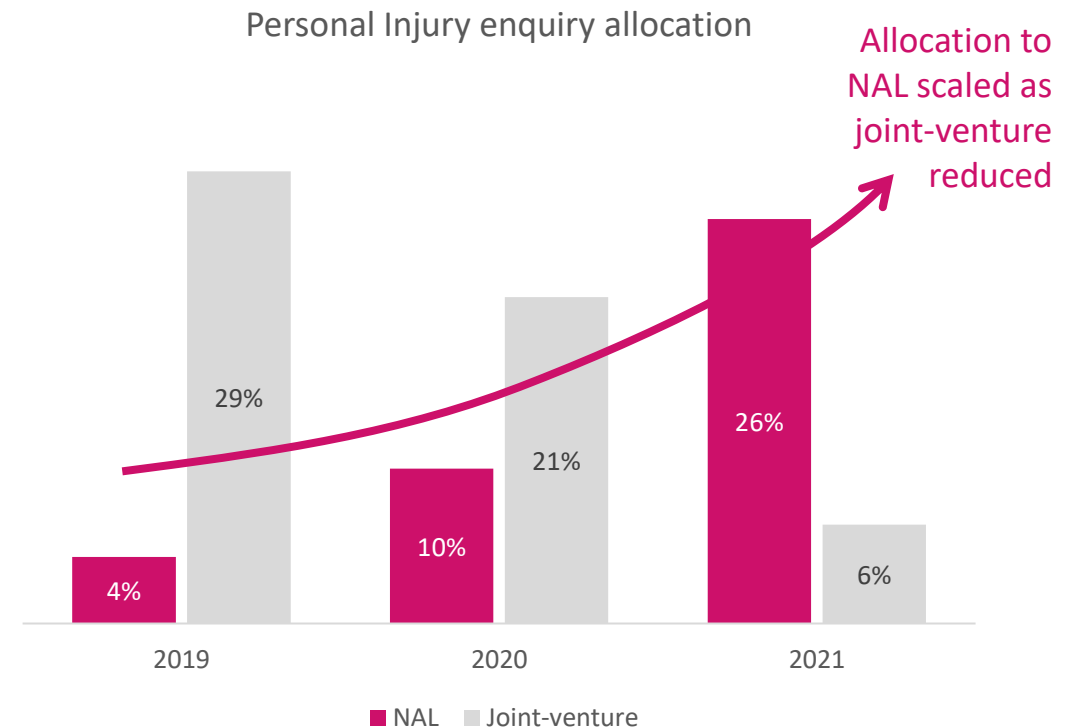
- Personal injury market remained depressed in 2021, due to impact of COVID-19 restrictions and CLA reforms.
- Official data suggested claims running at c. 60%¹ of 2019 levels through 2021.
- Marketing activity produced 32,132 new personal injury enquiries (2020: 36,214).
- Since the implementation of the CLA reforms, more RTA enquiries have been generated, including low value small claims.



Personal Injury - Placement

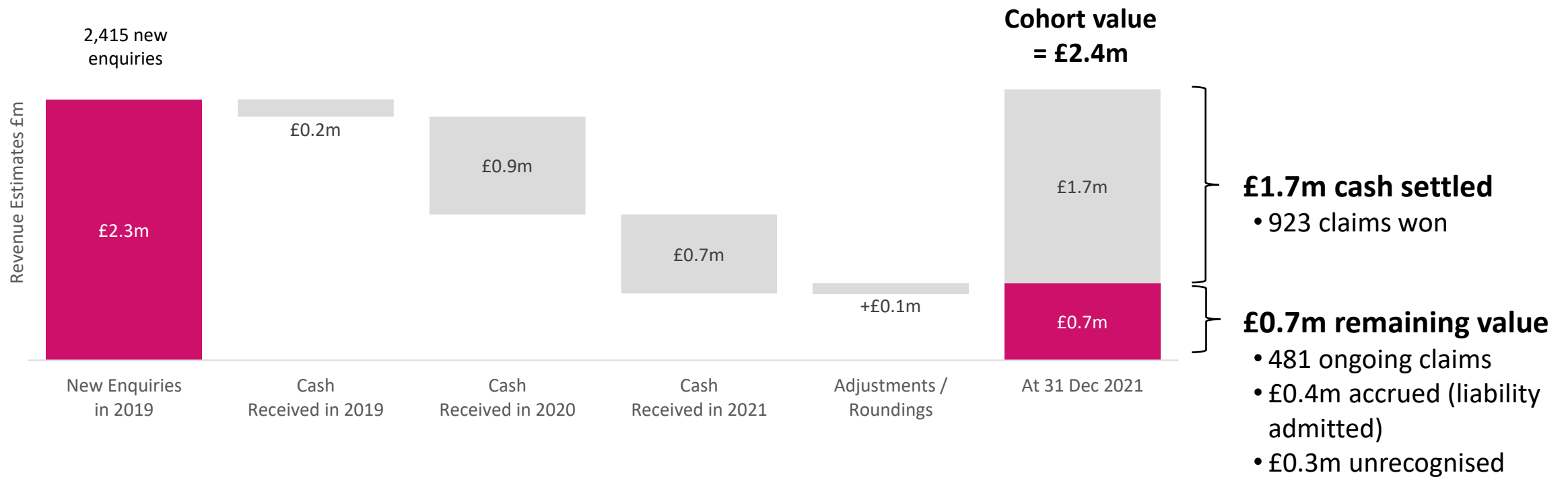
Enquiry placement model flexed for higher margin business

- In 2021, the Group allocated 130% more enquiries into NAL, 73% fewer to joint-venture firms and maintained the allocation to third party panel firms.
- Expected to generate higher profits, but requires increased levels of working capital.
- Since CLA reforms were implemented, all RTA enquiries and an increasing number of non-RTA enquiries have been allocated to NAL.
- Since year-end, NAL has been more selective in its RTA small claim triage criteria.



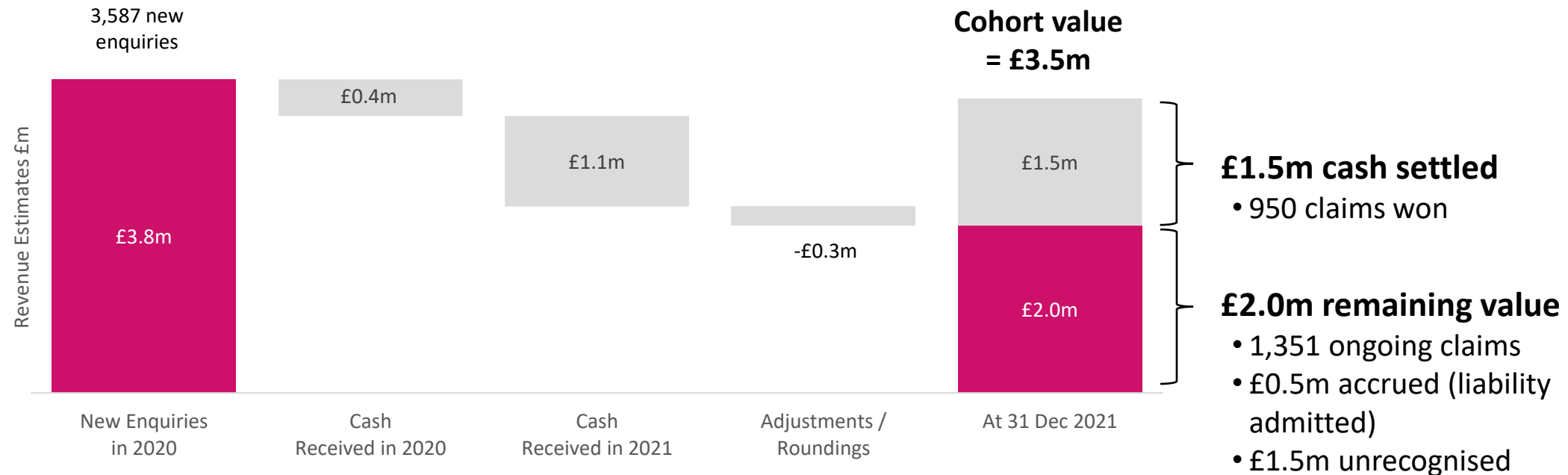
National Accident Law – Claim Processing

Reviewing the performance of the 2019 cohort of claims



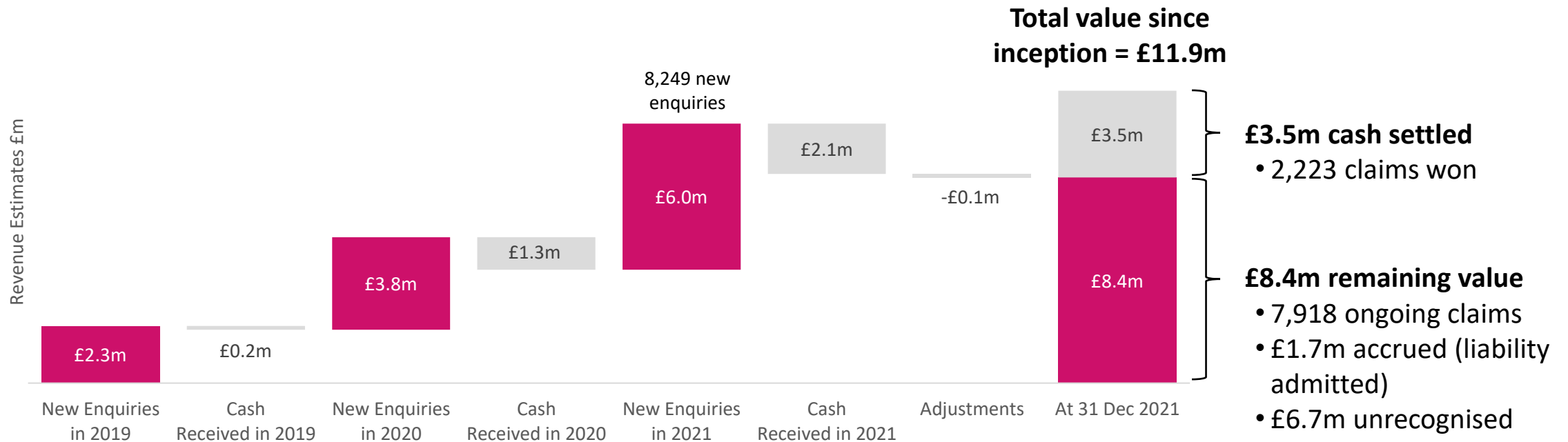
National Accident Law – Claim Processing

Reviewing the performance of the 2020 cohort of claims



National Accident Law – Claim Processing

Growing revenues and cash receipts since launch in 2019





Business Updates – Critical Care

Critical Care

A leading player in the catastrophic injury market

Our strategy in Bush & Co is to grow share in our market by appealing to a broader customer base, extending our competencies and specialisms and to be more efficient at what we do through the use of technology.

Good progress on strategic objectives in 2021

- ✓ Invested in marketing and business development, now comprising seven people, and won Marketing Campaign of the Year at the 2021 PI Awards.
- ✓ Recruited 34 new associates, and proudly work with 93 case managers and 96 expert witnesses across the UK, across a range of specialisms.
- ✓ Launched our proprietary report writing tool for Expert Witness in April 2021.
- ✓ Launched Bush Care Solutions and our differentiated case management proposition, Hubs, in Q3 2021.

Critical Care

Recovered volumes but average revenues still impacted by COVID-19

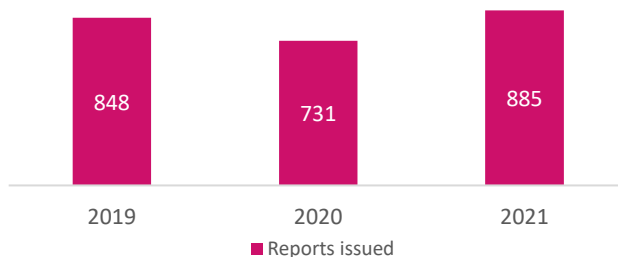
Revenue increased 9% to £12.3m (2020: £11.3m)

- Expert Witness revenues +17% on prior year.
- Case Management revenues flat on prior year due to reduced face-to-face work.
- Developed a strong pipeline of work in Expert Witness and Case Management.

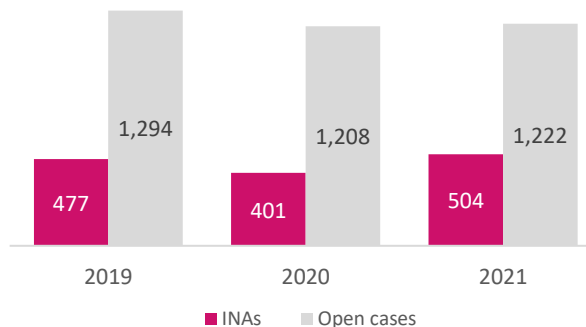
Underlying operating profit reduced 8% to £3.3m (2020: £3.6m)

- Increased investment in new business development initiatives, which are already paying off.
- Strengthened contractual terms with self-employed associates to further reduce IR35 risk.

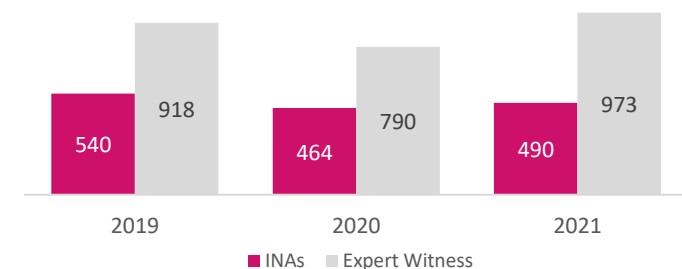
Expert Witness reports +21%



Case Management INAs +26%



Growth in instruction volumes, Expert Witness +23%, INAs +6%





Summary and Outlook

Summary

2021 - a year of strategic progress

- **The Group continued to manage net debt and remain profitable**, despite the continued difficulties presented by the COVID-19 pandemic
 - Developed our fully integrated law firm, increasing enquiries placed into NAL by 130%
 - Reduced reliance on joint venture partnerships
 - **We increased ongoing claims in NAL at year-end by 166%**
 - Cash received from settled claims in NAL increased by 62% to £2.1m
 - **In Critical Care, we increased revenues by 9%** and increased the number of INA and Expert Witness reports issued by 26% and 21% respectively
 - We invested in people, systems and marketing to support our recovery in Critical Care
- **These actions should result in strong cash generation and greater returns for shareholders in the medium and long term**
 - Ongoing claims in NAL expected to convert into £8.4m of future cash
 - A strong pipeline of future work for Bush & Co should see it complete its recovery and grow profitability

2022 Outlook

Progress has continued into 2022

- **Personal Injury enquiry numbers are growing**
 - Enquiry numbers in the first two months are 42% ahead of the same period last year
 - Average daily enquiry run rate improved each month since December 2021
 - We expect UK mobility levels to improve further, now that COVID-19 restrictions have ended
 - We are appraising a return to TV advertising, commencing Summer 2022
- **We anticipate increasing enquiry placement into NAL in 2022**
 - Enquiry placement into NAL at 31% in the first two months, compared to 23% for the same period in 2021
- **Critical Care has delivered a robust performance in the first two months of 2022**
 - Expert Witness reports issued ahead of last year by 8%; instructions ahead by 7%
 - INA reports issued ahead of last year by 7%; instructions ahead by 28%
- The Board intend to continue to manage investment levels in order to **reduce net debt over the medium term**



Appendices

Consumer Legal Services

A leader in personal injury legal services

A **flexible, self-funding business model**, purpose built to generate shareholder returns across the cycle

Highly productive marketing engine, powered by the sector's most trusted brand, National Accident Helpline

Placement decision allows for **optimisation of near-term cash flows and long-term returns**

Efficient processing engine to maximise profit from every enquiry

Strong historic growth is expected to continue, supported by **higher yielding placement decisions**

Our Businesses



Trustpilot Reviews

National Accident Helpline

Reviews 21,669 • Excellent



Homeward Legal

Reviews 1,436 • Excellent

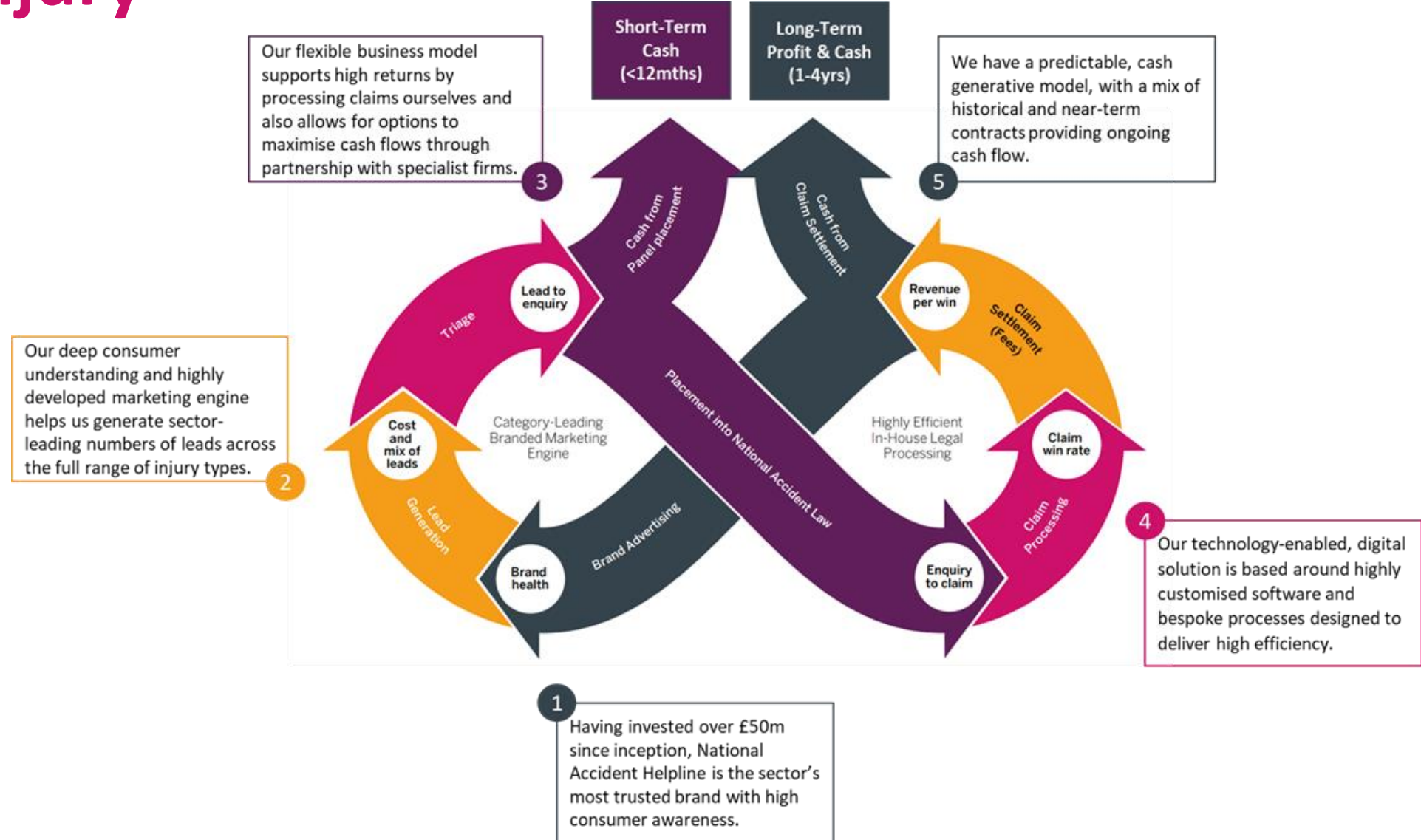


Our Awards



Personal Injury

A flexible,
self-funding
business
model,
purpose built
to generate
shareholder
returns across
the cycle



Bush & Co

A trusted brand underpinned by strong fundamentals and growth opportunities



A **valued and essential** service

- Bush, with a strong heritage and brand, supports individuals who have been seriously injured
- A market with intrinsic, underlying demand for services

The **standout brand** in a consolidating market

- Highly trusted brand which customers and consultants want to work with
- Broad, diverse customer relationships built on longevity and trust

Robust financial performance with **high visibility on cash flow**

- Balance of recurring revenue and one off reports
- High margins, cash conversion and returns; low capital intensity

Highly **experienced and trusted** leadership team that have built a dynamic culture

- Extensive public company and industry experience over a combined 75 years
- Vision to become the clear market leader through our key growth drivers



Operating in a market with **numerous opportunities for growth**

- Highly scalable business model and systems
- Highly fragmented market

Our Awards



Strong Customer Feedback

 Case Management	95% Would instruct us again 90% Overall satisfaction
 Expert Witness	100% Would instruct us again 100% Overall satisfaction