

Informa PLC Press Release

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Informa further strengthens leadership in B2B market through acquisition of Tarsus

Combination enhances Informa's presence in growing regions and markets

Informa (LSE: INF.L), the international Academic Markets, B2B Markets and Digital Services Group today announced the acquisition of B2B Events group, Tarsus for \$940M.

Stephen A. Carter, Group Chief Executive, Informa, said:

"We have long admired the Tarsus business which, like Informa, has been built around major brands in attractive, specialist B2B markets in the growing regions of Asia, China, the Middle East and the Americas."

Douglas Emslie, Chief Executive, Tarsus added:

"I am extremely proud of the Tarsus business, our people and our customers. I could not think of a better partner than Informa to lead our brands and colleagues through the next phase of growth and expansion."

Key Highlights

- **Addition of Tarsus...**The combination of Tarsus with Informa's Live and On-Demand Events portfolio brings together market-leading brands, exceptional talent and deep customer relationships in a range of attractive B2B markets;
- **Highly complementary portfolios...** Strong commercial, operational and cultural fit between the two businesses, creating reach and depth in Asia, China, the Middle East and the Americas;
- **Depth in growing B2B markets...** Strong portfolio alignment in **Healthcare** (*Health Connect Partners*), **Beauty & Aesthetics** (*A4M*, *LiVDerm*), **Packaging** (*Labelexpo*), **Infrastructure** (*Intertraffic Mexico*), **Aviation** (*Dubai Airshow*), **Fashion** (*SIUF*, *OFFPRICE*) and **Sustainability** (*Intersolar Mexico*, *Mexico WindPower*).
- **The Combination Programme...** Integration will minimize disruption and maximise delivery in 2023, a key year of growth and acceleration for Live B2B Events; Annualised combination benefits of c.\$20m through efficiencies in procurement, real estate, technology, event contracts and other areas;
- **Growth acceleration...** Combination expected to create incremental revenue opportunities through the cross-marketing of major brands, digital expansion and new event launches;
- **First Party Data...** Informa's first party data engine, IIRIS (15m+ KEMA) to directly benefit from Tarsus c.515k attendees, 8,350+ exhibitors and estimated Known Engaged, Marketable Audience (KEMA) of c.1.4m across its top ten exhibition brands;
- **Strong financial returns...** Initial enterprise value of \$940M implies post-synergy multiple of c.9.9x EV/EBITDA in 2023/24 and sub-9x in 2024/25 (averaging years to remove biennial effect), delivering significant earnings accretion and post-tax return on capital;
- **Efficient funding mix...** Consideration financed in cash and \$210m of Informa equity, based on 30-day average share price but forward valued by the Seller at 850p, and subject to a two-year lock-up. Additional earn-up of \$45m payable if and when Informa's share price reaches 850p within the two-year period;
- **Ongoing balance sheet strength...** Pro-forma leverage c.1x net debt / EBITDA at completion, providing flexibility for organic investment, shareholder returns and targeted expansion.

Acquisition of B2B Events Group Tarsus

Informa has reached agreement with Charterhouse Capital Partners and other shareholders ("the Sellers") to acquire Tarsus, the leading international B2B group, for an initial enterprise value of \$940m.

The Informa Board believes the combination is both commercially and financially compelling, with strong portfolio alignment that will deliver enhanced value for customers, additional opportunities for colleagues and attractive returns for shareholders.

Robert Leeming, Partner at Charterhouse, said:

"We are proud to have supported Tarsus' development since 2019 and are confident that Informa is exceptionally well placed to deliver the next stage of the company's growth strategy. We look forward to becoming a shareholder."

The Tarsus business: major brands in attractive specialist B2B markets

Tarsus owns and operates a portfolio of 160+ Live and On-Demand B2B Event brands, with a focus on growing, specialist B2B markets with fragmented supply chains and high levels of innovation.

The top 10 Tarsus Brands – attracting a total of c.515k attendees and 8,350+ exhibitors across c.385k net square metres of floor space – will further expand Informa's Tier 1 portfolio to more than 85 Brands demonstrating the following characteristics:

- Leading position within market/region
- Brand strength and visibility
- International customer base
- High levels of forward commitments
- Consistent, strong revenue growth
- Volume, price and ancillary revenues
- Revenue scale of \$5m+

Since 2019, when Tarsus plc was acquired by Charterhouse, the Tarsus portfolio has been expanded and enhanced through 24 new launches and 11 targeted acquisitions. Like Informa, Tarsus is seeing a similar strong return to the market for Live and On-Demand B2B Events in 2023.

The Tarsus business also significantly benefits from biennial events in odd numbered years.

The Informa and Tarsus portfolios are complementary, both geographically and by market category, strengthening Informa's position across a number of verticals including:

- **Beauty & Aesthetics:** *A4M, LiVDerm, South Beach Symposium*
- **Healthcare:** *Health Connect Partners, PAINWeek, Cardiometabolic Health Congress*
- **Packaging:** *LabelExpo* (US, Mexico, Europe, China, Thailand, India)
- **Infrastructure:** *Intertraffic Mexico, Rail+Metro, Infrastructure Connect, Cambuild*
- **Aviation:** *Dubai Airshow, MEBA Show, Space Tech Expo*
- **Sustainability:** *Intersolar Mexico, Mexico Wind Power, Aquatech Mexico*
- **Homewares:** *Home Furnishing Expo Shenzhen (Hometex), Zuchex*
- **Fashion:** *SIUF Show, OFFPRICE*

The Combination Programme

We will run a joint combination programme with three key objectives by January 2024:

1. **Deliver:** Maximise 2023 performance, minimizing disruption and distraction in what is a key year of return, growth and acceleration for Live B2B Events;
2. **Discover:** Make growth-focused people, brand and business combination decisions;

3. **Combine:** Ensure the portfolios enter 2024 successfully, operating as one company under the Informa brand.

Informa colleague, Mark Temple-Smith, will step in as Executive Chair of Tarsus from completion through to the end of the Combination Programme in January 2024. Mark is currently Informa Markets Chief Operating Officer and was formerly the CEO of Asia for Tarsus.

Douglas Emslie, the current Chief Executive of Tarsus, will become a Senior Advisor to the Informa Group through the Combination Programme, guiding on talent, brands and partnerships.

The combination of Tarsus with Informa is expected to generate c.\$20m annualised operating synergies by 2025 through efficiencies in procurement, real estate, technology, event contracts and other areas.

The combination is also expected to deliver incremental revenue benefits through cross marketing of Brands, digital expansion and new event launches, as well as harvesting first party data from Tarsus into IIRIS.

Financial details

- Tarsus initial enterprise value \$940m
- Funded with cash and \$210m of new Informa shares (c.26m shares based on 30-day volume weighted average share price), with equity forward valued by Seller at 850p
- Two-year equity lock-up period post completion
- Earn-up of \$45m payable in Informa shares (c.4m shares based on 850p share price) if and when Informa shares reach 850p within the two-year lock-up period
- c.\$20m+ annualised operating synergies
- In 2023, Tarsus full year revenues are estimated to be more than £175m

Acquisition multiple (including operating synergies):

- **2024/2025 Average: Sub-9x EBITDA**
- 2023/2024 Average: 9.9x EBITDA

Earnings accretion (including operating synergies):

- **2025: High single digit adjusted EPS accretion**
- 2024/2025 Average: Mid-single digit adjusted EPS accretion

Return on Invested Capital (including fees and integration costs):

- **2025: Double-digit post-tax ROIC**
- 2024/2025 Average: High single digit post-tax ROIC

Transaction timetable

- Class 2 transaction under UK Listing Rules
- Subject to standard regulatory clearances, including Hart Scott Rodino in the United States
- Completion expected by 1 July 2023.

Informa 2022 Full Year Results

Separately, Informa has today published its 2022 Full Year Results, reporting c.43% revenue growth (£2,262m), c.59% adjusted operating profit growth (£496m) from continuing businesses. The full release is available via Informa's website at www.informa.com.

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Notes to Editors

About Tarsus

Founded in 1998, Tarsus has grown to become one of the most well-known and respected names in the B2B events industry. Businesses around the world, from small businesses to fast-growing start-ups and well-known brands rely on its events and media to launch products, build supply chains and brand awareness.

Tarsus has been owned by Charterhouse Capital Partners since 2019. In 2021, it reported statutory revenue of \$106m, statutory loss before tax of \$92m and gross assets of \$1,037m.