

RESULTS PRESENTATION - H1 FY23

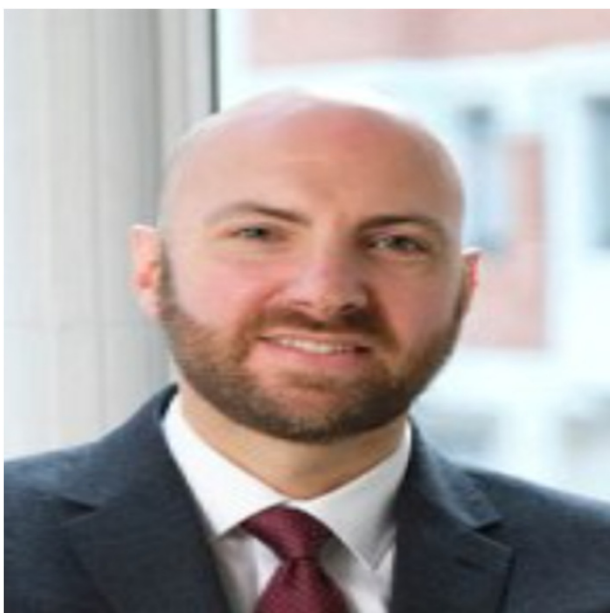
A leader in the provision of professional and financial services to the hospitality, leisure, healthcare, medical, childcare and education and retail sectors, operating in the UK and Europe. We aim to be the recognized knowledge leader and pre-eminent advisor in our sectors

Dan Prickett
Chief Executive Officer

Simon Hawkins
Group Finance Director



INTRODUCTIONS



Dan Prickett - Chief Executive Officer

Dan is the Chief Executive Officer of Christie Group plc which is the holding company for the Group's seven trading businesses. Dan joined Christie Group in December 2007 after previously having worked at Grant Thornton, MacIntyre Hudson and Inchcape Retail. Having been appointed to the Board in March 2010 as Chief Financial Officer, Dan was promoted to Chief Operating Officer in September 2017 and appointed Chief Executive in July 2023. Dan is a fellow of the Institute of Chartered Accountants in England and Wales and holds a Bachelor of Laws (LLB) degree.

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Simon Hawkins - Group Finance Director

Simon is responsible for financial and company accounting matters. Simon has over 23 years' experience in managing all financial aspects of companies both in the UK and internationally. In 2005, Simon joined Christie & Co as Finance Director, looking after the financial management of Christie & Co's UK and international businesses, Christie Finance and Christie Insurance, before being appointed as Group Finance Director in September 2017. Simon has a BSc Hons Degree in Accounting and Financial Management.

GROUP HEADLINES - H1 2023

- Revenues down by 1.6% to £33.1m (2022: £33.7m), principally due to a decline in transactional volumes in our agency business
- Operating loss of £1.4m (2022: £2.3m profit), as previously indicated
- Employee costs up 8.0% to £25.2m (2022: £23.3m) and other operating expenses up 15.8% to £9.4m (2022: £8.1m)
- Coronavirus Large Business Interruption Loan (“CLBILS”) has now been fully leaving Group with no term debt
- Both of the Group’s two defined benefit schemes remain in surplus
- Cash and cash equivalents balance of £2.9m (2022: £6.2m)
- Board has declared an interim dividend of 0.5p per share; (H1 2022: 1.25p)



ABOUT US

A leader in the provision of professional and financial services to the hospitality, leisure, healthcare, medical, childcare and education and retail sectors

- Christie Group offers an extensive portfolio of professional services for the hospitality, leisure, healthcare, medical, childcare and education and retail sectors
- These include surveying, valuation, agency, consultancy, finance, insurance, stock control and business software solutions.
- Our focus on a limited number of sectors gives us an unrivalled market awareness in each of these areas
- We do not adopt a principal position or co-invest
- We never compete with our clients
- We operate in the sectors in which our experience allows us to deliver intelligent solutions
- The results: a greater understanding of our clients' operations and a heightened ability to help them improve efficiency, enhance trading profits and increase the value of their businesses. In these ways, and through our innovative use of technology, we have built a reputation for making a significant contribution to our clients' success.

'We exist to help our clients buy, operate, develop and sell their businesses.'

OUR BUSINESSES

Complementary specialist services classified into two divisions

Professional & Financial Services



Christie & Co is the leading specialist firm providing business intelligence in the hospitality, leisure, healthcare, medical, childcare & education and retail sectors. A leader in its specialist markets, it employs the largest team of sector experts in the UK providing professional agency, consultancy and valuation services. Internationally, it operates from offices in the UK, Austria, Finland, France, Germany and Spain.



Christie Finance has over 40 years' experience in financing businesses in the hospitality, leisure, healthcare, medical, childcare & education and retail sectors. Christie Finance prides itself on its speed of response to client opportunities and its strong relationships with finance providers. Christie Finance is authorised and regulated by the Financial Conduct Authority.



Christie Insurance has over 40 years' experience arranging business insurance in the hospitality, leisure, healthcare, medical, childcare & education and retail sectors. It delivers and exceeds clients' expectations in terms of the cost of their insurance and the breadth of its cover.



Pinders is the UK's leading specialist business appraisal, valuation and consultancy company, providing professional services to the licensed, leisure, retail and care sectors, and also the commercial and corporate business sectors. Its Building Consultancy Division offers a full range of project management, building monitoring and building surveying services. Pinders staff use business analysis and surveying skills to look at the detail of businesses to arrive at accurate assessments of their trading potential and value.

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Stock & Inventory Systems & Services



Venners is the leading supplier of stocktaking, inventory, consultancy and compliance services and related stock management systems to the hospitality sector. Consultancy and compliance services include control audits and 'live' event stocktaking. Bespoke software and systems enable real-time management reporting to customers using the best available technologies. Venners is the largest and longest established stock audit company in the sector in the UK.



Orridge is Europe's longest established stocktaking business, specialising in a range of valued services to the Retail and Pharmacy sectors, and supply chain auditing services that elevate customers' operations where they are concentrated. Its specialised pharmacy business provides trusted valuation and stocktaking services throughout the healthcare sector. Orridge prides itself in its ability to produce dependable data and deliver high-quality management information to its clients, effectively and conveniently.



Vennersys operates in the UK and delivers online Cloud-based ticketing sales and admission Systems to visitor attractions such as historic houses and estates, museums, zoos, safari parks, aquaria and cinemas. It has over 25 years' experience delivering purpose-designed solutions for clients' ticketing, admissions, EPoS and food and beverage sales requirements.

OUR SERVICES & STRATEGY

We partner with our clients throughout their business life cycle to optimise and enhance value

We exist to help our clients buy, operate, develop and sell their businesses

We do this through supplying a range of demand services and joined-up solutions that they require, with a focus on quality of service

We enjoy the synergistic benefits of common markets and common client bases

We have committed management teams running our businesses. As a professional services conglomerate, we benefit from a diversity of sectors and services

We operate in the UK and Europe across both of our divisions, with the potential for further European expansion within our PFS division where we have traditionally been Hospitality focused



OUR AREAS OF EXPERTISE

We focus on a section of areas covering a wide range of property-based businesses in Hospitality, Leisure, Healthcare, Retail, Medical and Childcare & Education sectors

Hotels	Public Houses	Restaurants	Leisure	Healthcare	Retail	Medical	Childcare & Education
▪ Luxury hotels ▪ Mid-market hotels ▪ Upscale hotels ▪ Budget hotels ▪ Boutique hotels ▪ Aparthotels / serviced apartments ▪ Guest houses ▪ B&Bs ▪ Hostels	▪ Freehouses ▪ Tenanted pubs ▪ Managed houses ▪ High street bars ▪ Late night venues ▪ Nightclubs	• Casual dining • Fine dining • Independents • Sandwich bars • Coffee shops • Tea rooms • Takeaways	• Cinemas • Health & fitness • Sports clubs • Bingo halls • Holiday parks • Golf courses • Gaming sector • Historic houses • FECs • Farm Attractions • Visitor centres • Museums & Heritage sites • Theme parks • Zoos & aquariums	• Elderly care • Specialist care • Private hospitals • Nursing and residential • Supported living • Funeral directors	• Supermarkets • Convenience stores • PFS • Forecourts • CTNs • Off licences • Post offices • Garden centres • Fashion • Books & stationery • Supply Chain stock control	• Pharmacies • Dental practices • GP Surgeries • Vets • Opticians • Complimentary medical businesses	• Education • Childcare • Independent schools • Nurseries • Fostering

Estimated Market Sizes Europe:

- Over 147,000 hotels

Estimated Market Sizes UK:

- 15,300 hotels (estimated 45,000 including B&Bs and lettings)
- 47,000 pubs
- 26,000 table service restaurants
- 30,000 healthcare facilities
- 13,000 pharmacies
- 12,633 dental practices
- 2,400 independent schools
- 47,000 convenience stores
- 7,400 health clubs
- 8,900 GP's
- 18,000 day nurseries
- 8,400 filling stations
- 100,000 + retail

OUR OPPORTUNITIES & ASPIRATIONS

- Existing access to a UK market of 250,000 small business
- In Europe we have ambitions to develop beyond a single-sector hospitality focus
 - 140,000 hotels in Europe
 - Healthcare, Dental and Childcare all have international potential
 - H1 2023 saw appointment of Head of Healthcare in Germany
- Within Financial Services:
 - Finance brokerage business can increase its penetration of C&Co deals financed
 - Finance brokerage business is UK-only at present
 - Insurance business has been consolidated in recent years but we have taken steps in H1 2023 to provide a foundation for stronger growth in future
 - That insurance business currently has gaps in its sector coverage that our other group businesses have captive client bases in
 - Currently no wealth management offering to business owners
- Return SISS division to profit through growth in all brands
 - Hospitality stock audit business remains below pre-pandemic size
 - Compliance and Consultancy services within Venners remain immature
 - Potential for further growth in our European retail stocktaking operations
- Expansion of our Supply Chain services to our European markets
- Establish Vennersys as the market leading choice for visitor attractions in the UK seeking ticketing and EPOS systems & solutions
- Further development of sub-sectors where market opportunities emerge, such as Garden Centres, Caravan Parks, Vets and Private GPs

PFS DIVISION - H1 2023 REVIEW

- Within **Christie & Co**, UK transactional brokerage fee income was down by 15% on H1 2022 levels
 - Team have remained busy on a number of portfolio assignments which have now seen exchanges occurring in H2
 - Pipelines have recovered to levels similar to a year earlier and the number of deals in solicitors' hands is markedly up on the start of 2023
 - Distressed activity is increasing but remains at modest levels when compared historically
- At the same time, Christie & Co's UK salary costs were up 13% due to combination of pay inflation and 9.5% increase in headcount compared to end of H1 2022
- More positively, Appraisal, Valuation and Consultancy income grew strongly on H1 2022 levels in both Christie & Co and **Pinders**
- Christie & Co appointed its first Head of Healthcare in Germany as part of our wider strategy to move away from a single-sector Hospitality focus on the continent and is pushing ahead with plans to grow that team further
- Our finance brokerage business, **Christie Finance**, experienced a slower start to the year but momentum has grown as we moved through the year, continuing with a strong start to H2
 - Core commercial mortgage lending experienced a slower start to the year but activity has picked up; Strong year-on-year growth in our Unsecured lending division
 - Now have Corporate Debt Advisory teams in Hospitality and Care
 - Ended H1 2023 with total pipeline up 38% on PYR and 26% up on 31st December 2022
- Our insurance intermediary business, **Christie Insurance**, consolidated its H1 2022 performance but made good progress with plans that will enable us to expand our general insurance and life assurance team strength and market penetration in 2024 and beyond



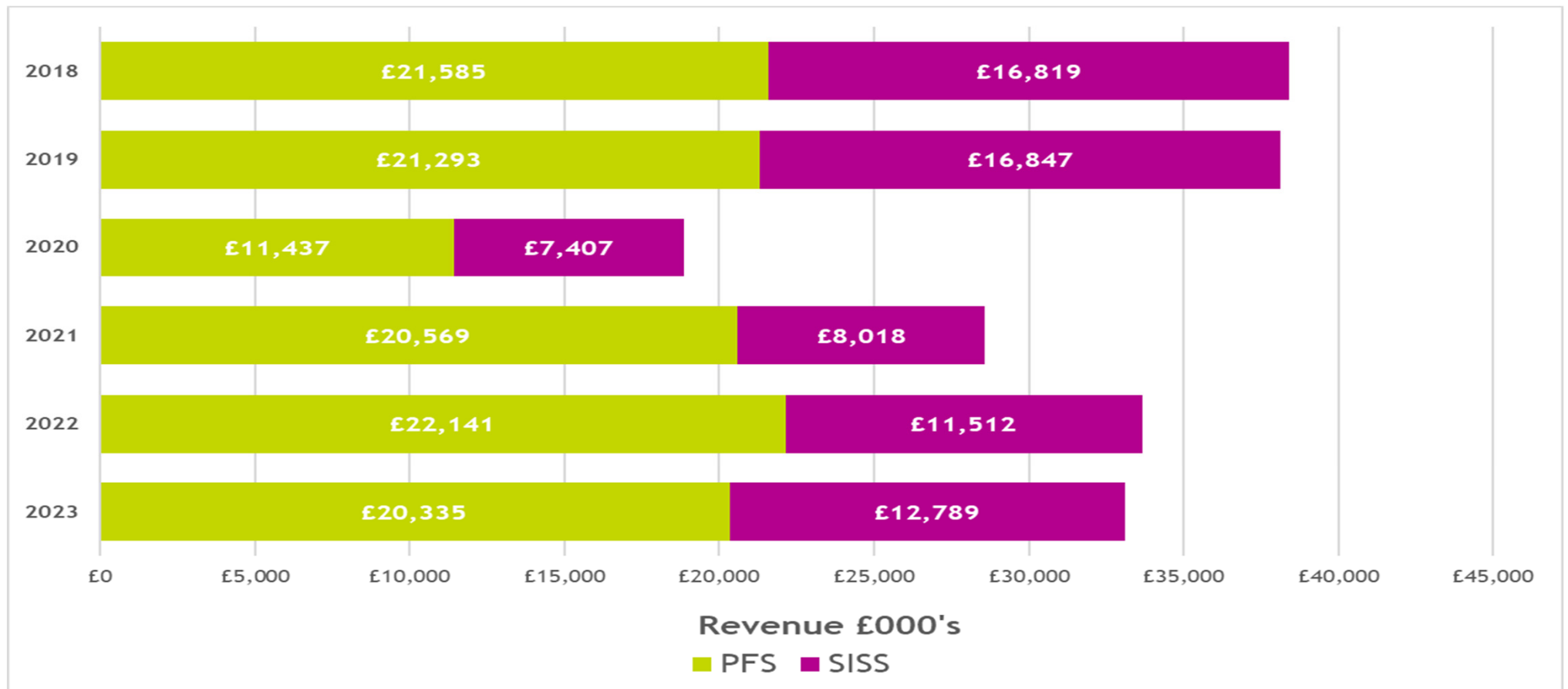
SISS DIVISION - H1 2023 REVIEW

- Hospitality stocktaking business, **Venners**, has continued its positive post-Covid recovery and remains the UK's largest hospitality stocktaker with nationwide coverage
 - Strong demand for its services with high levels of successful new business quotes
 - Improved recruitment performance, increasing stocktaker headcount and capacity
 - Compliance & Consultancy teams continue their own recovery with higher margin fee outcomes
- A mixed performance by **Orridge** in the period
 - Pharmacy and Supply Chain operations have performed ahead of management's expectations and represent growth opportunities
 - Positive H2 outlook for Germany retail stocktaking operation, while Benelux operation delivered profitable first-half despite some inflationary cost pressures
 - Challenges remain in UK retail stocktaking where one long-standing client entered administration and growth opportunities are second-half weighted
- Our Software-As-A-Service (SaaS) provider to the UK visitor attraction sector, **Vennersys**, has continued to invest in its functionally rich product
 - Much stronger volume of new client wins than the previous year
 - Lower average value per new client than anticipated as online purchasing levels by visitors have reduced from 2022, though remain far higher than pre-Covid levels
 - Some client attrition has also impacted



2018 - 2023 REVENUE BY DIVISION

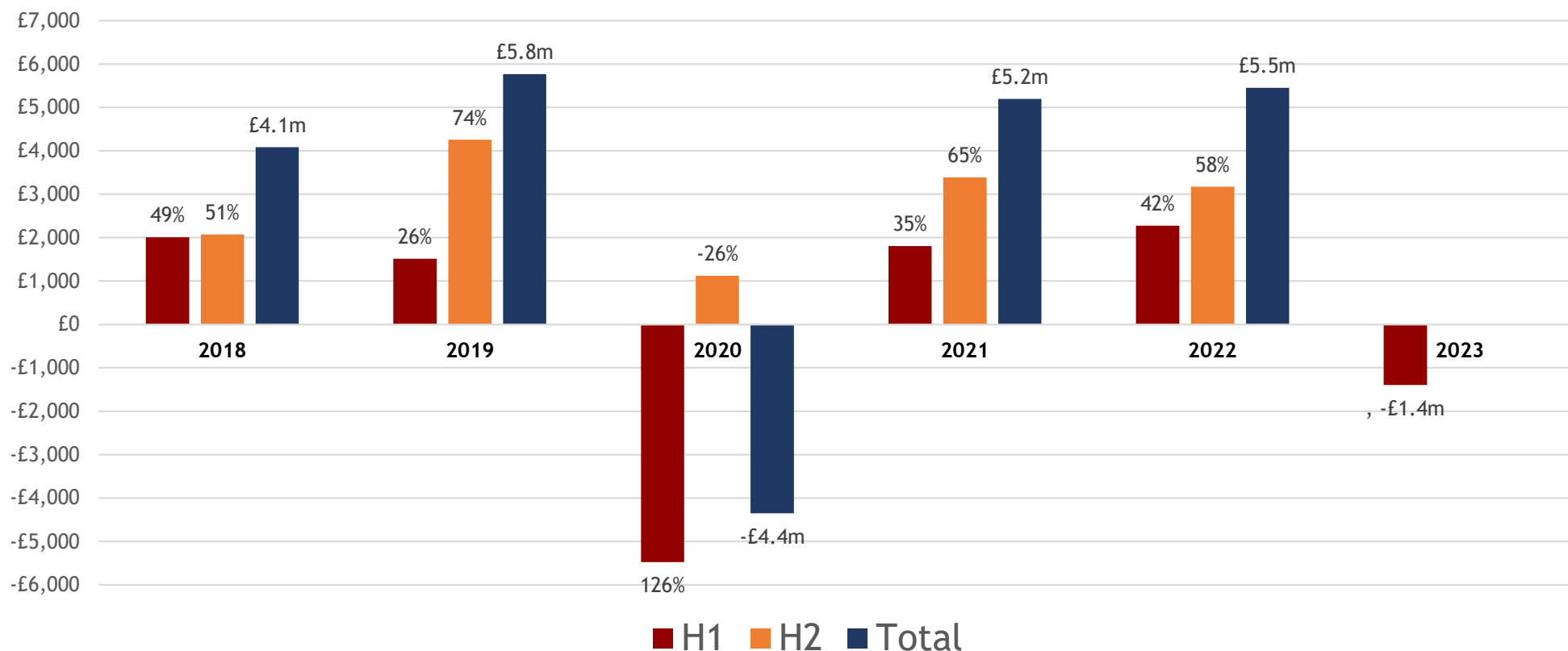
PFS revenues 8% lower. Strong growth in SISS division but still recovery & further opportunities to go in order to get back to pre-pandemic levels



OPERATING RESULT BY HALF YEAR

2023 impacted by the reduction & elongation in transactional volumes during H1 2023. Group anticipates an improved performance in H2 in line with traditional second-half weighting

Operating profit/(loss)



CASH & NET FUNDS

	30-Jun-23	30-Jun-22	Movement June 23 v June 22
	£'000	£'000	£'000
Cash & cash equivalent	3,646	8,565	(4,919)
Bank overdrafts	(768)	(2,387)	1,619
Total cash	2,878	6,178	(3,300)
CLBILS - term loan	-	(2,000)	2,000
Other borrowings	(939)	(1,022)	83
Net funds	1,939	3,156	(1,217)

- Cash position at 30 June of £2.9m with positive net funds of £1.9m
- Repaid £1.0m CLBILS term loan during period & this CLBILS loan taken out in June 2020 now fully repaid.
- All existing banking facilities maintained
- Working capital cash outflows are traditionally higher in first half, due to prior year bonuses, commissions and up-front marketing & events costs

CURRENT TRADING & FUTURE OUTLOOK

- We anticipate an improvement in transactional volumes by the end of Q3 and into Q4 based on current levels of activity and our pipelines of instructed work
- Potential for some scheduled 2023 transactions to move into 2024, but exchanges on a number of portfolio assignments are already occurring
- Early H2 performance in our valuation, business appraisal and finance brokerage businesses has been strong
- Within our SISS division our hospitality, pharmacy, supply chain and Benelux operations are trading positively
- UK retail stocktaking remains challenging
- The second half has begun positively for our visitor attraction software business, with a number of new business wins and increasing levels of upsells to existing clients
- Group has ended the first half with the CLBILS loan fully repaid and a surplus position on both defined benefit pension schemes
- Cash balance is positive and all banking facilities remain in place
- Board has declared a 0.5p interim dividend (2022: 1.25p), balancing H1 performance with more positive H2 expectations

APPENDICES



APPENDIX 1 - INTERIM DIVIDEND

	2023	2022	2021	2020	2019	2018
FYR Operating profit (£'000)		5,452	5,194	(5,027)	5,771	4,083
Earnings per share - Basic		12.32	13.71	(19.32)	15.30	11.23
Interim dividend per share (pence)	0.50	1.25	1.00	0.00	1.25	1.25
Final dividend per share (pence)		2.50	2.00	0.00	0.00	1.75
Total dividend per share (pence)		3.75	3.00	0.00	1.25	3.00
<i>As % of EPS</i>		<i>30.4%</i>	<i>21.9%</i>	<i>0.0%</i>	<i>8.2%</i>	<i>26.7%</i>

APPENDIX 2 - THE BOARD



Simon Herrick- Interim Independent Non-executive Chairman

Simon is Interim Independent Non-Executive Chairman. He chairs the Audit Committee and is also a member of the Nomination and Remuneration Committees. Simon has over 30 years' experience in senior finance roles in multinational FMCG, property, consultancy, food, software, manufacturing and retail sectors. His experience covers AIM and fully listed plc environments, refinancing, governance, strategy, international, capital markets, control, risk, audit and finance, pension, remuneration, business and digital transformation. Simon qualified as a Chartered Accountant with PwC and is a Fellow of the Institute of Chartered Accountants in England and Wales, holds an MBA and a B.Sc. (Hons) in Microbiology. He has held a variety of executive positions, and currently holds a number of non-executive directorships, including Biome Technologies plc and Ramsden Holdings plc.



Andrew Doyle - Non- executive Director

Andrew chairs the Nomination Committee and is also a member of the Audit Committee and Remuneration Committees. Andrew is an accomplished executive with international experience in fundraising, operations, P&L oversight, multi-channel sales and marketing, software development, involving start-up, growth stage and large organisations. He has a strong track record of delivering change and growing sales. Andrew currently holds a non-executive directorship with Kelly Hunter (UK) Ltd and is executive Chairman of NorthRow Limited and 6 Bit Education Limited.



Hwfa Gwyn - Non-executive Director

Hwfa chairs the Remuneration Committee and is a member of the Audit and Nomination Committees. Hwfa has been CFO of Hybrid Air Vehicles Ltd since February 2014, having previously been a Non-executive Director of the business. He qualified as an accountant with PwC in London, specialising in the audit of small and mid-cap growth businesses. He worked for KordaMentha, a top corporate recovery firm in Australia. He has a BA (Hons) in Economics and Politics from Bristol University and is a Chartered Accountant.



Paul Harding - Executive Director

Paul is Orridge Group Chairman and Managing Director of Vennersys. Paul has worked for Orridge for over 30 years. When Christie Group acquired Orridge in December 2002 Paul was Sales Director. He was appointed as Managing Director in 2004 and, since then, has been responsible for developing the Company into a pan-European retail stocktaking business. Paul was appointed Orridge Group Chairman in October 2018. Paul has also been the Managing Director of Vennersys since 2012.

APPENDIX 3 - MAJOR SHAREHOLDERS

Issued share capital

26,526,729 ordinary 2p shares

Major shareholders

Philip Gwyn 27.93%

Mrs T C Rugg 4.76%

Mr J P Rugg 6.00%

Lord Lee of Trafford 4.80%

Hwfa Gwyn 3.87%

Katie Gwyn 3.87%

Christina Bretten 3.82%

Anna Ross 3.87%

Andrew Muir 3.18%

Shares not in public hands

The percentage of shares not held in public hands is 63.54% (16,885,597) Christie Group ordinary 2p shares

APPENDIX 4 - CONSOLIDATED INTERIM INCOME STATEMENT

		Half year to 30 June 2023 £'000	Half year to 30 June 2022 £'000	Year ended 31 December 2022 £'000
	Note	(Unaudited)	(Unaudited)	(Audited)
Revenue	4	33,124	33,653	69,192
Other income - government grants		-	-	34
Employee benefit expenses		(25,159)	(23,289)	(47,390)
		7,965	10,364	21,836
Other operating expenses		(9,363)	(8,087)	(16,384)
Operating (loss)/profit		(1,398)	2,277	5,452
Finance costs		(527)	(548)	(1,077)
Finance income		62	-	49
Total finance costs		(465)	(548)	(1,028)
(Loss)/profit before tax		(1,863)	1,729	4,424
Taxation	5	470	(333)	(1,213)
(Loss)/profit for the period after tax		(1,393)	1,396	3,211
Earnings per share attributable to equity holders - pence				
Basic	6	(5.41)	5.36	12.32
Diluted	6	(5.41)	5.26	12.15

APPENDIX 5 - CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

		At 30 June 2023 £'000 (Unaudited)	At 30 June 2022 £'000 (Unaudited)	At 31 December 2022 £'000 (Audited)
	Note			
Assets				
Non-current assets				
Intangible assets - Goodwill		1,819	1,819	1,843
Intangible assets - Other		1,138	1,032	1,104
Property, plant and equipment		1,167	1,289	1,178
Right of use assets		6,049	4,962	6,397
Deferred tax assets		2,024	2,927	1,565
Other receivables		2,811	2,555	2,811
		15,008	14,584	14,898
Current assets				
Inventories		28	23	25
Trade and other receivables	8	12,818	13,455	12,437
Current tax assets		399	876	238
Cash and cash equivalents	13	3,646	8,565	8,839
		16,891	22,919	21,539
Total assets		31,899	37,503	36,437
Equity				
Capital and reserves attributable to the Company's equity holders				
Share capital	9	531	531	531
Other reserves		3,760	5,246	5,128
Cumulative translation reserve		556	761	567
Retained earnings		1,016	(3,414)	2,170
Total equity		5,863	3,124	8,396
Liabilities				
Non-current liabilities				
Trade and other payables		620	625	620
Retirement benefit obligations	10	915	7,989	953
Lease liabilities		8,295	7,401	8,731
Provisions		1,410	1,344	1,383
		11,240	17,359	11,687
Current liabilities				
Trade and other payables	11	10,271	9,227	11,463
Current tax liabilities		359	220	840
Borrowings		1,707	5,409	1,623
Lease liabilities		1,313	1,048	1,297
Provisions		1,146	1,116	1,131
		14,796	17,020	16,354
Total liabilities		26,036	34,379	28,041
Total equity and liabilities		31,899	37,503	36,437

APPENDIX 6 - CONSOLIDATED INTERIM STATEMENT OF CASHFLOWS

		Half year to 30 June 2023 £'000 (Unaudited)	Half year to 30 June 2022 £'000 (Unaudited)	Year ended 31 December 2022 £'000 (Audited)
	Note			
Cash flow from operating activities				
Cash (used in)/generated from operations	12	(2,769)	(58)	6,306
Interest paid		(528)	(496)	(975)
Tax paid		(664)	(9)	(200)
Net cash (used in)/generated from operating activities		(3,961)	(563)	5,131
Cash flow from investing activities				
Purchase of property, plant and equipment		(251)	(202)	(334)
Proceeds from sale of property, plant and equipment		-	-	1
Interest received		62	-	49
Intangible asset expenditure		(233)	(185)	(454)
Net cash used in investing activities		(422)	(387)	(738)
Cash flow from financing activities				
Repayment of bank borrowings		(1,000)	(1,000)	(2,000)
Proceeds from invoice discounting		316	454	55
Repayment of lease liabilities		(898)	(488)	(925)
Dividends paid		-	-	(844)
Net cash used in financing activities		(1,582)	(1,034)	(3,714)
Net (decrease)/increase in cash		(5,965)	(1,984)	679
Cash and cash equivalents at beginning of period		8,839	8,167	8,167
Exchange gains/(losses) on euro bank accounts		4	(5)	(7)
Cash and cash equivalents at end of period	13	2,878	6,178	8,839