



HY25 Results and Strategy Update

Investor and analyst briefing

17 JUNE 2025





Ben Faes
Chief Executive Officer



Candida Davies
Chief Financial Officer

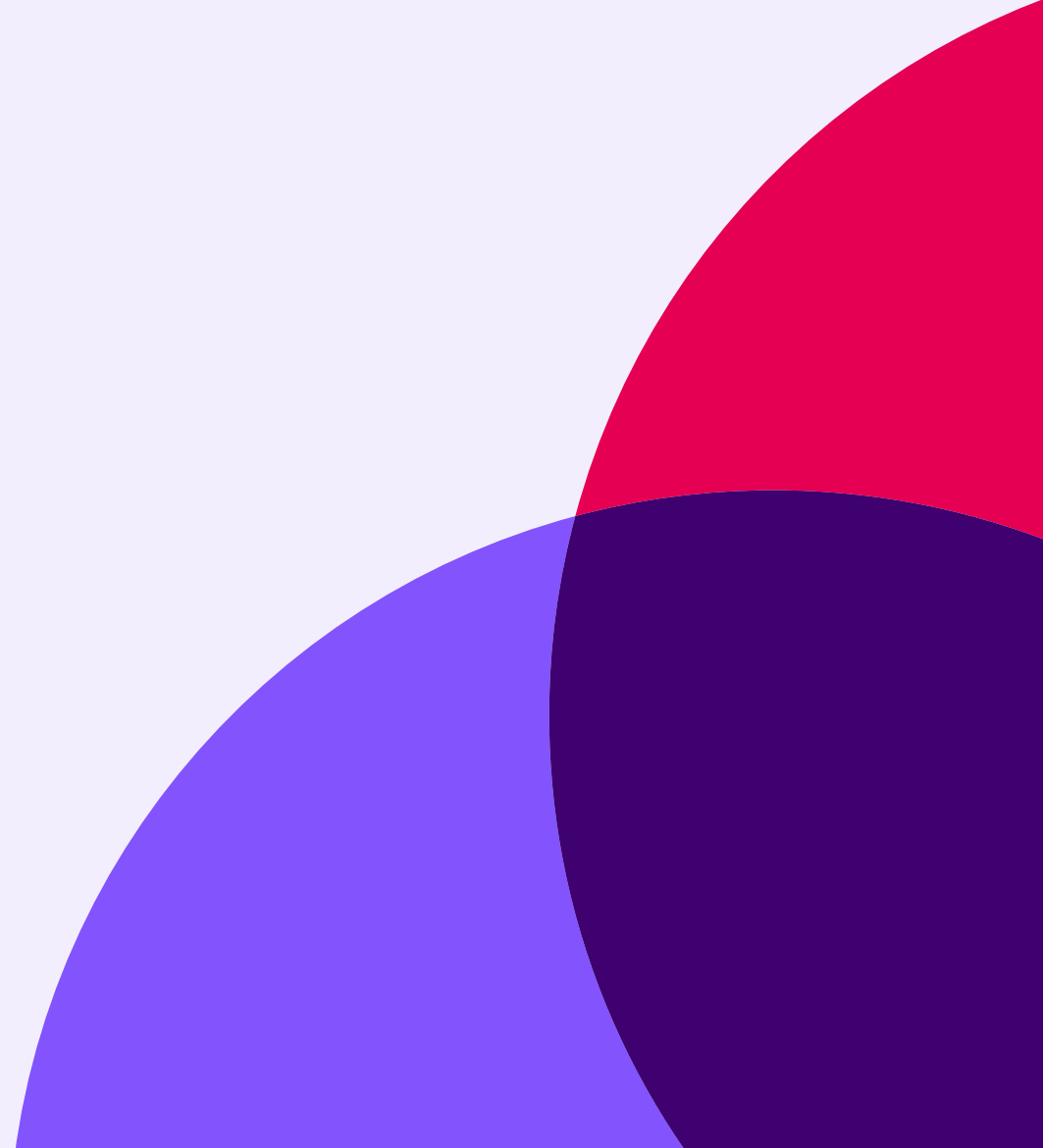
Agenda

01 Introduction

02 HY25 financial review Current trading & FY25 outlook

03 Growth strategy

04 Appendix Balance sheet, capital allocation, reporting changes



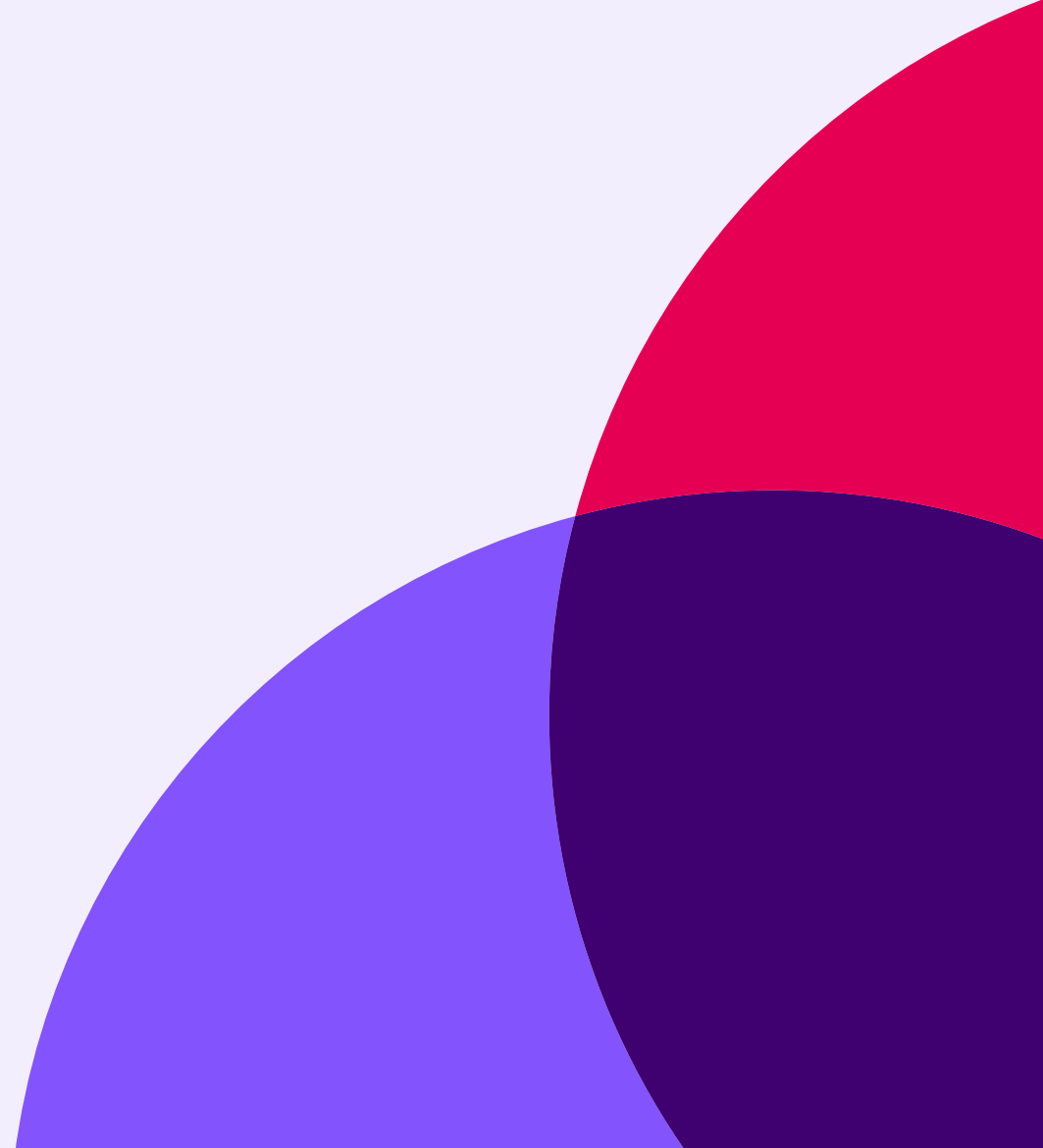
Agenda

01 Introduction

02 **HY25 financial review** Current trading & FY25 outlook

03 Growth strategy

04 **Appendix** Balance sheet, capital allocation, reporting changes



Further organic growth momentum; lower adjusted profit driven by non-trading impacts and gross margin contraction

<p>Revenue</p> <p>£344.3m</p> <p>+ 1.4% OCC¹ (- 1.7% reported)</p> <p>HY24: £350.3m</p>	<p>Gross Margin</p> <p>43.3%</p> <p>- 240 bps</p> <p>HY24: 45.7%</p>	<p>Adjusted EBITDA² & margin</p> <p>£38.1m -41%</p> <p>11% - 700bps</p> <p>HY24: £64.2m / 18%</p>	<p>Adjusted PBT³</p> <p>£18.0m -61%</p> <p>HY24: £45.6m</p>
<p>Capex</p> <p>3.4% of revenue</p> <p>- 350 bps</p> <p>HY24: 6.9%</p>	<p>Adjusted Basic EPS⁴</p> <p>3.6p</p> <p>- 60%</p> <p>HY24: 9.1p</p>	<p>Interim Dividend</p> <p>2.45p</p> <p>+ 0%</p> <p>HY24: 2.45p</p>	<p>Cash generated from operations</p> <p>£46.3m</p> <p>- 3.5%</p> <p>HY24: £48.0m</p>

¹Adjusted to reflect a like-for-like comparison between reporting periods and assumes constant currency across both reporting periods

²Calculated before exceptional items, share-based payment expenses, amortisation and depreciation

³Calculated before exceptional items, share-based payment expenses and amortisation of acquired intangibles

⁴Calculated before exceptional items, share-based payment expenses and amortisation of acquired intangibles, net of associated tax effects

⁵ROCE is adjusted operating profit (rolling 12 months), divided by total assets less current liabilities

Income statement

	6 months ended 31-Mar-25 (£m)	6 months ended 31-Mar-24 (£m)	H1'25 Actuals vs. H1'24 (£m)
Revenue	344	350	-6
Cost of sales	-195	-190	-5
Gross profit	149	160	-11
Gross margin %	43.3%	45.7%	-240bps
Administrative expenses (before adjusting items)	-128	-112	-16
Net finance costs	-3	-3	0
Adjusted profit before tax	18	46	-28
Adjusted PBT margin %	5.2%	13.0%	-780bps
Adjusting items ³	-31	-28	-2
Profit/(Loss) before tax	-13	17	-30
Tax expense	1	-6	8
Profit/(Loss)	-11	11	-22
Basic EPS (£p)	-3.1	3.0	-6.1
Adjusted Basic EPS (£p)	3.6	9.1	-5.5

Organic constant currency¹ growth +1.4%

- Reported revenue down -1.7%

Gross margin lower at 43.3%

- Weaker performance in Regulated Industries
- Continued pricing pressure in Language Services
- Train AI and APAC ramping up

Administrative expenses increase +£16m

- Overheads headcount reduction 5%
- Amortisation/reduced capitalisation +£8m
- FX loss +£9m

Adjusting items in line with expectations

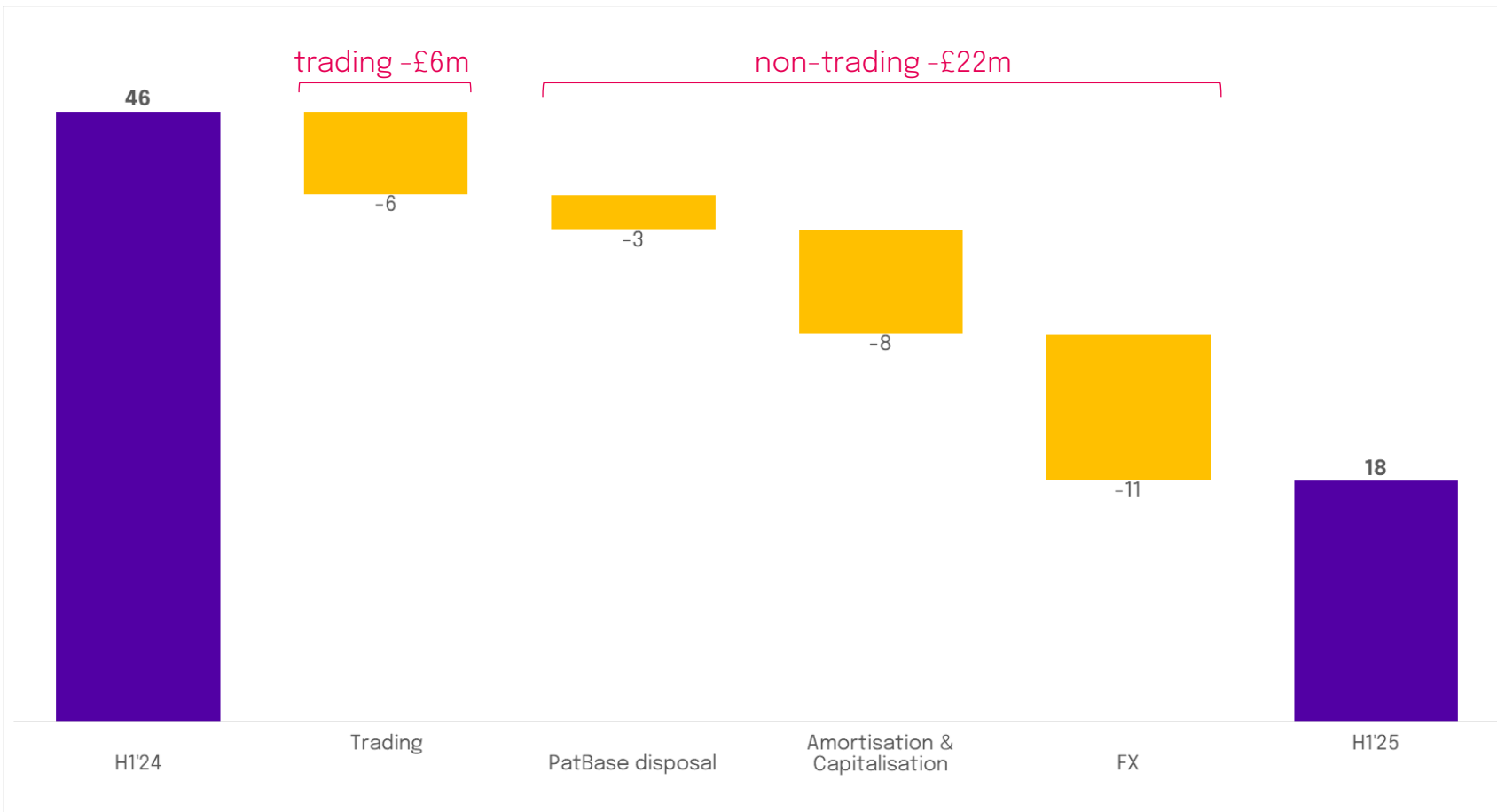
Adjusted effective tax rate of 25.6% (HY24: 25.1%)

¹Adjusted to reflect a like-for-like comparison between reporting periods and assumes constant currency across both reporting periods

²Adjusted to reflect a like-for-like comparison between actual and prior year

³Includes acquisition costs £2.8m (HY24: £4.3m), amortisation of acquired intangibles £21.6m (HY24: £21.5m), share-based payment expenses £1.7m (HY24: £1.7m) and exceptional items £4.7m (HY24: £0.7m)

H1 FY24 to H1 FY25 adjusted PBT bridge



FX impact of strengthening of the £ vs. \$/€

c. 67% of Revenue in USD vs. c. 25% of costs

50% of net surplus cash flows hedged in Oct-24 @ 1.31

Divisional performance

	Revenue OCC ¹ £m		
	HY25	HY24	%
Language Services	158.4	153.0	4%
Regulated Industries	65.6	70.7	-7%
Language & Content Technology	71.2	67.2	6%
IP Services	49.1	48.8	1%
Group	344.3	339.7	1.4%

Language Services

- Growing AI services and APAC
- Continued pricing pressure

Regulated Industries

- Weaker performance in Linguistic Validation and Finance & Legal

Language & Content Technology

- SaaS growth across the division
- Accelerated Propylon growth

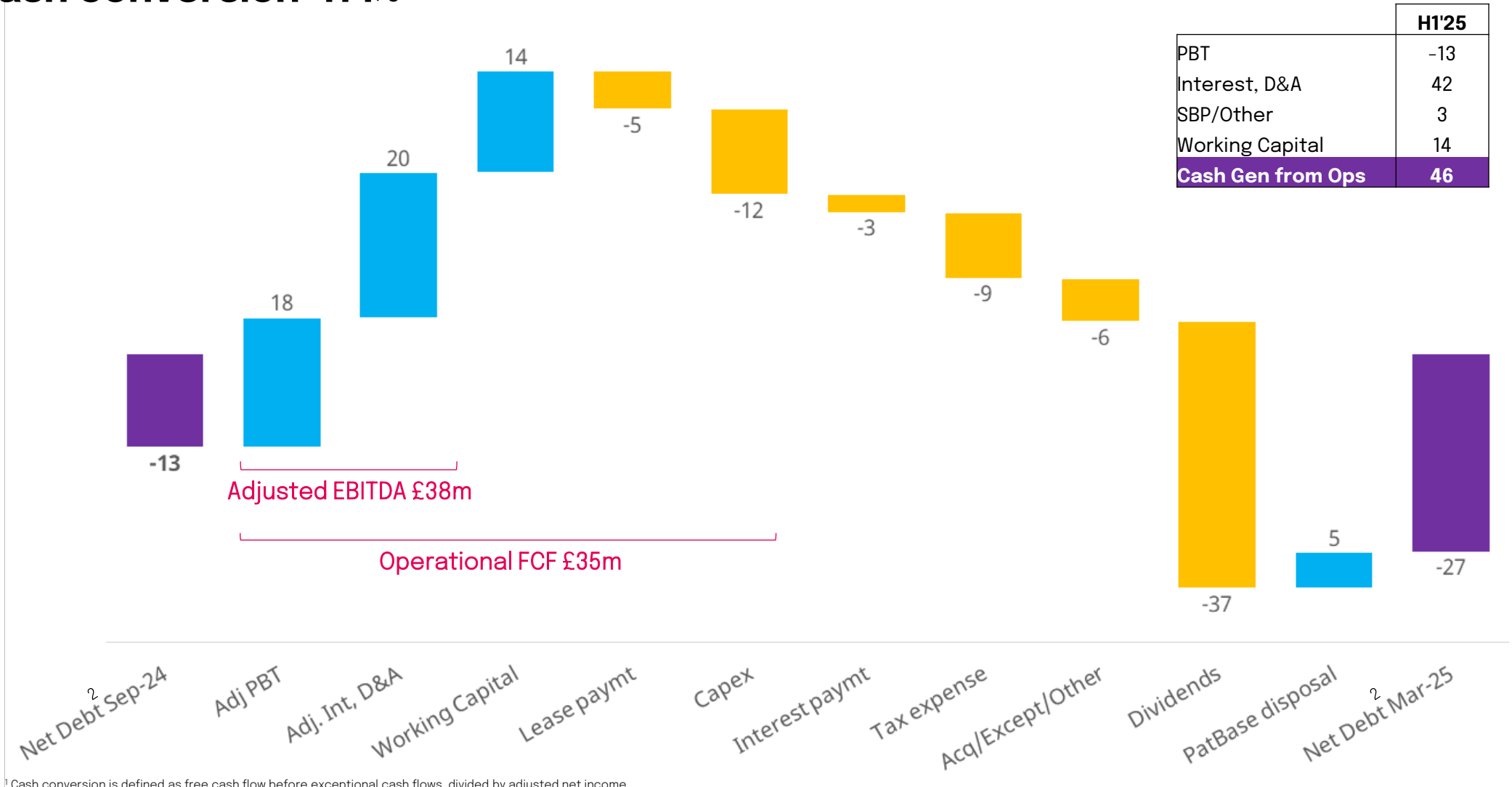
IP Services

- Revenue growth in Renewals and Research

¹ Adjusted to reflect a like-for-like comparison between actual and prior year and assumes constant currency

Cash generated from operations £46m

Cash conversion¹ 171%



¹ Cash conversion is defined as free cash flow before exceptional cash flows, divided by adjusted net income
² Net cash/(debt) comprises cash and cash equivalents less loans but before lease liabilities

FY25 – current trading and outlook

	HY	H2 FY25	FY25
Revenue YoY OCC%	1.4%	<p>Sustained modest OCC growth in H2'25</p> <ul style="list-style-type: none"> • Client appetite for AI solutions • SaaS licence growth <p>Ongoing unpredictable economic & political environment</p>	Low single digit
Gross margin %	43%	<p>Continued TrainAI growth</p> <p>Regulated Industries remains a drag</p> <p>Specific large client issues being addressed</p> <p>Cost efficiencies benefit ramp-up in H2</p>	c.44%
Adjusted PBT (£m)	£18m	<ul style="list-style-type: none"> • In line with guidance • Based on £/\$ 1.33 for H2 (tighter hedging in H2 to mitigate FX risk) 	£60-70m

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Balance sheet, capital allocation, reporting changes



RWS is an attractive business, with great foundations.

01

A timeless purpose

Unlock global understanding

Between humans

Between humans and machines

02

A leader, partner to the largest brands

Trusted by >80% world's top brands

Work with the best¹:

Asset mgmt - 10/10
Law firms - 18/20
Med device - 9/10
Pharma - 19/20
Patent filers - 19/20

03

A transformation and growth mission

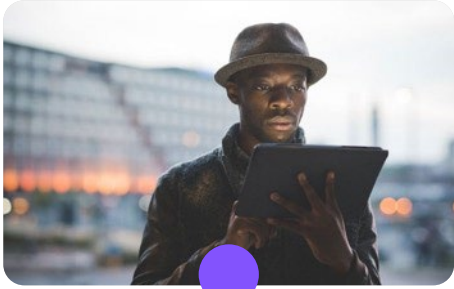
An industry in transformation

A vision to build

A go-to-market strategy to execute

Delivering critical value

to some of the largest companies in the world



Training and refining LLMs for West Coast technology companies



Supporting clinical trials for critical drug development



Managing the IP portfolio of some of the world's most innovative companies



Helping to create borderless insights for financial markets



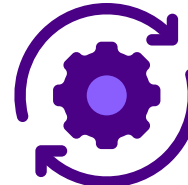
Enabling the publication of laws in 1/3 of US States

How we need to change



Accelerating growth & improving margin

Higher quality of earnings from increased recurring revenues
More sales intensity



Technology first

AI-first language platforms core – to our efficient delivery & ability to differentiate



Greater ownership

Leader accountability – treat P&L & investments as your own money



Accelerating pace of execution

In a world of faster innovation, must be far more agile

We are already making progress

Early progress

- Due diligence: 4,000 employees in 11 countries; clients; investors; analysts
- Revenue growth priority: +1.4% OCC¹ in H1
- Key hires – 1) CPTO & 2) EVP Strategy & M&A: re-organising product & technology teams
Papercup IP acquisition completed to boost Trados expansion
- Rebrand & repositioning: defined product portfolio around 3 pillars & launched new brand identity reflecting Group's technology DNA

Jan -
May

Today

New strategy announced

- Technology-first
- Revised go-to-market
- Simplified proposition
- Transformation programme under way – technology strategy, delivery system development, operating model design



RWS is a content solutions company, powered by technology & human expertise

We help our clients maximise the value of their content, ideas and data



Power intelligent content

content, data



Speak human, everywhere

content



Innovate with confidence

ideas



Established
presence



Growth
potential



Segments
with competitive
advantage



Smart, scalable
content

Products & Services



TrainAI



Tridion Docs



Fonto



Propylon





Tridion Sites



Contenta

Revenue share



 Generate  Transform  Protect

Pricing basis

c.65%

Licence & professional fees

c.35%

Hourly rate

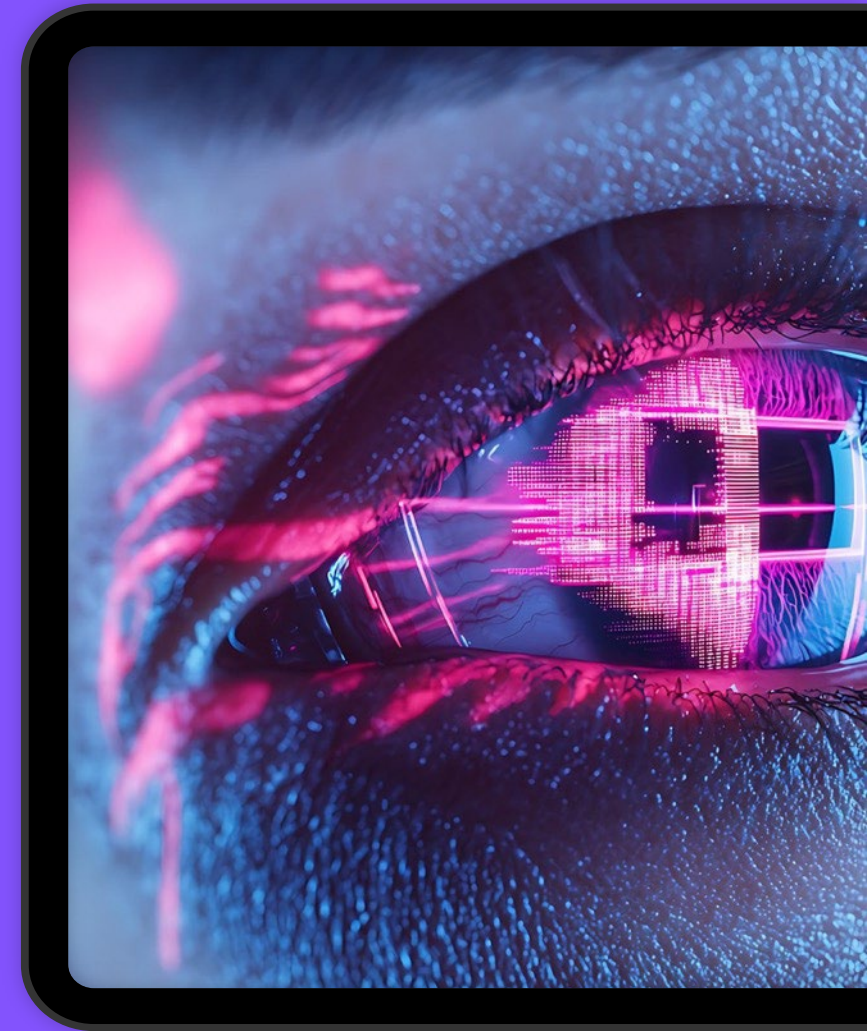
Clients

We work with many West Coast technology companies, including two of the largest LLM providers



AI triggers unprecedented
**scale, speed,
and complexity**
of content

As much content created in the last
18 months as in the previous 30 years

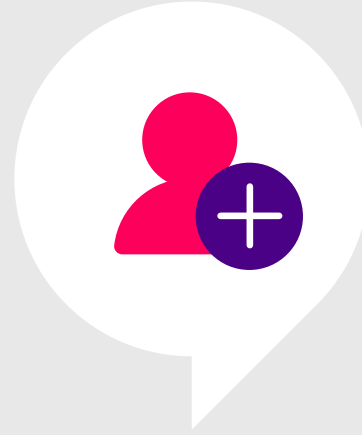


Architecting intelligent content



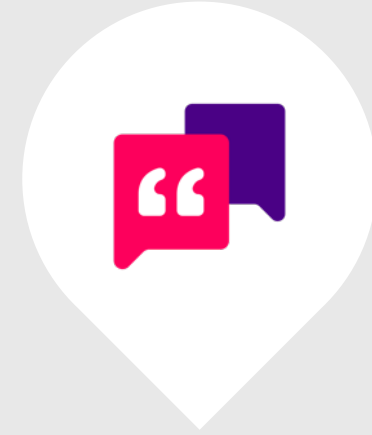
Strategic AI enablement

Multilingual data annotation
Reinforcement learning from human feedback (RLHF)
Bias testing



Human-in-the-loop assurance

Expertise for model accuracy



Structured content for control

"Generate & Verify" principles

Train AI services case study: client enhances GenAI chatbot with 5,000 TrainAI experts

Challenges

Global tech leader wanted competitive advantage by improving their generative AI (GenAI) chatbot's performance and precision.

Client needed help securing enough technical, data & linguistic resources to train their new model and fine-tune the chatbot for accuracy with enhanced prompt-response pairs.

That help came from RWS TrainAI services.

Solution

- Fast resourcing of data specialists, writers and linguists
- Prompt creation, editing and integration
- Response review and validation
- Fact extraction and verification
- Response rating (for creativity, factuality, persona and safety)
- Locale-specific language support
- localisation of chatbot's UI, help articles and marketing materials

Results

- Rapid scaling to 5,000 AI data specialists, writers and linguists
- 264,000+ hours of work completed in first eight months
- 30,000+ chatbot responses processed per week
- 50+ locales supported

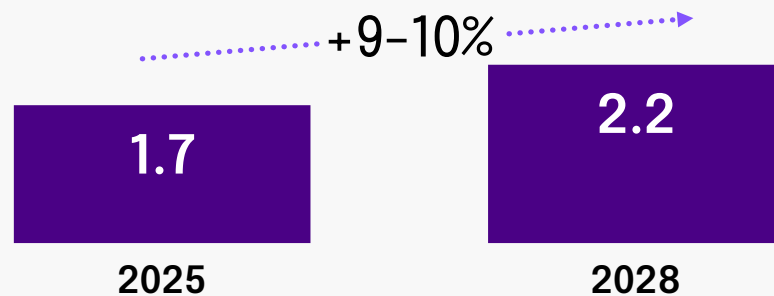


Market view

Generate addressable markets, 2025-2028 (total size £6.3Bn in 2025)

Component content management market

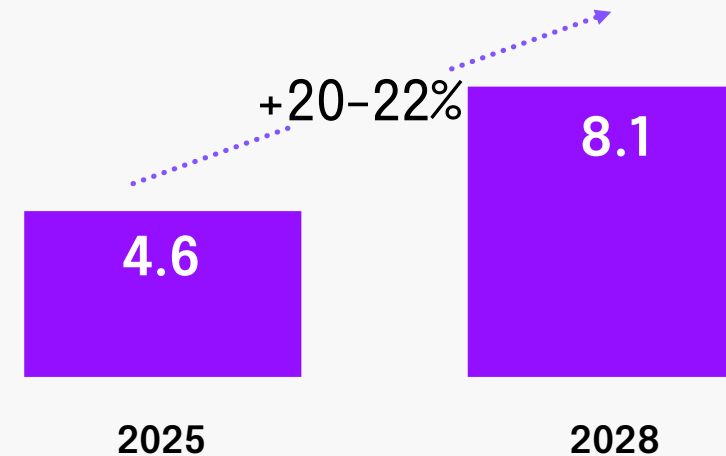
£Bn



The component content management market (CCMS) is growing at 9-10% CAGR, underpinned by AI content volume growth, regulatory complexity in verticals like pharma and aerospace, and replacement of homegrown tools

AI data services market

£Bn



The AI data services market is growing >20% CAGR with demand driven by both hyperscalers (e.g. Google, Meta) outsourcing specialized data prep and other large tech players scaling up multimodal annotation

Growth vision

Generate addressable markets, 2025-2028 (*total size £6.3Bn in 2025*)

Component content management market

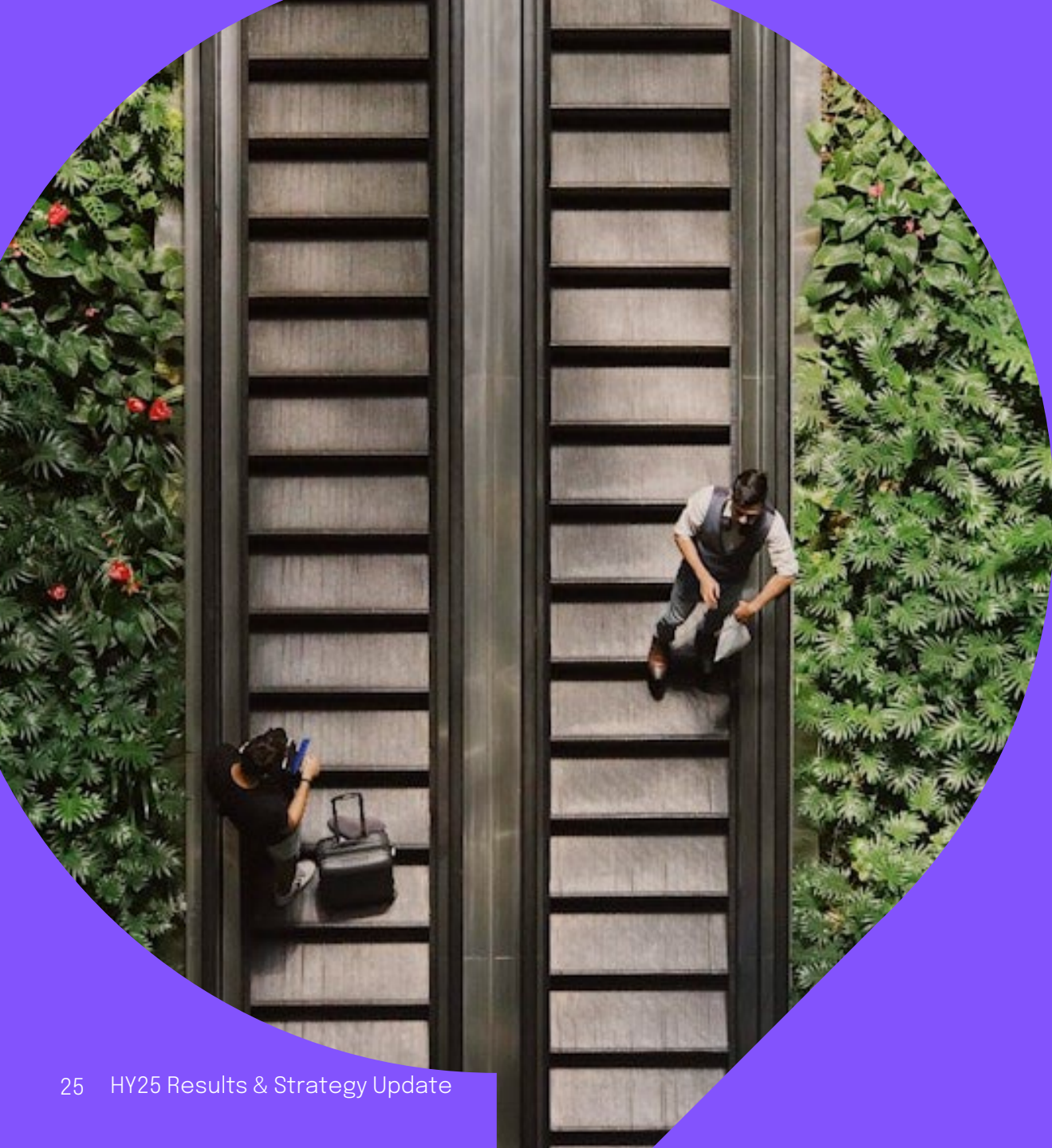
+9% CAGR

- Tridion, Fonto, Propylon, Contenta - unique suite of capabilities in this growing market
- RWS win rate very high, competing against more expensive bespoke solutions
- AI features enrich the value of our solutions
- High client retention
- Higher margins
- Strategic entry point into new clients

AI data services market

+20% CAGR

- TrainAI driving already explosive growth
- Market expanding into SLM and vertical LLMs
- Deploying bespoke delivery systems to increase productivity
- Tighter GM but leaner OH
- RWS winning contracts in each part of the world



 generate

 transform

 protect

transform

Real-people
adaptation

transform today

 generate

 transform

 protect

Products & Services






Localisation services
to all verticals

Including specialised
services, e.g. Linguistic
Validation

At scale, securely

Revenue share



 Generate  Transform  Protect

Pricing basis

Licence and
professional fees
(technology products)

Price/word
(services)

Price/hour
(services)

Clients

60% of Fortune 100 companies (global, US and Europe)





Bridging global divides – to unlock global understanding

Trados: software of choice for the language industry

Trados Studio (Individual language specialists)

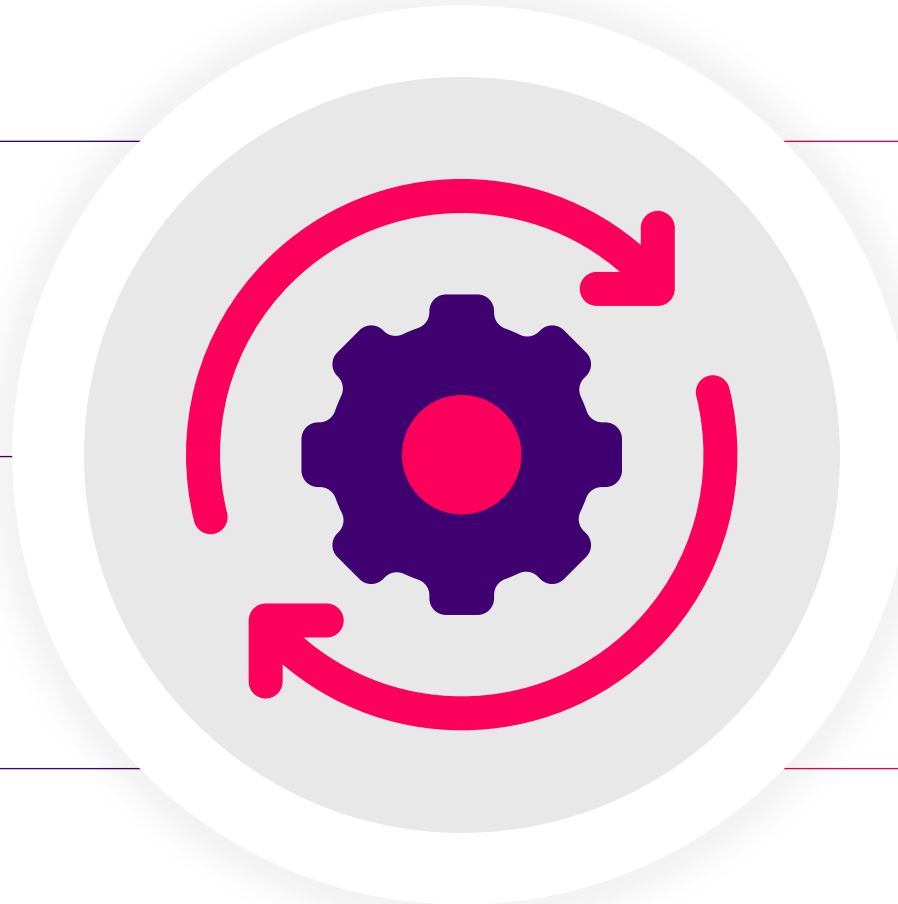
- Quarterly unique users - 300k
- Total word throughput - 413bn (FY2024)

Trados Cloud

- 20+k active users monthly
- Total word throughput - 3.1bn (CY2024)
- 54% Saas (FY24)

Embedding AI into everyday workflows

- Language Weaver native
- Co-pilot
- Smart Insights



Deeply integrated

- >50 connectors
- Available on AWS Marketplace
- Scalable architecture

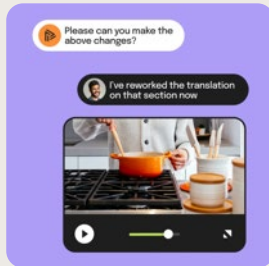
Enterprise solution

- Safety and security
- Advanced AI functionalities
- Certifications

Natively Multimodal

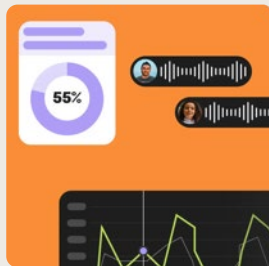
- Supports all content formats
- Launched audio, video subtitling
- Now integrating Papercup advanced AI dubbing

A leading AI dubbing solution



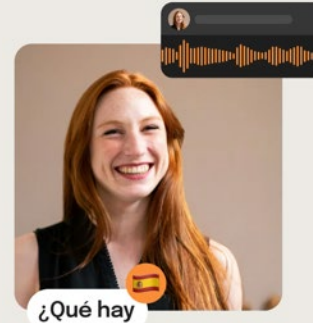
Full-service dubbing

An end-to-end AI dubbing service, vetted by top companies and distributed on the most popular streaming platforms.



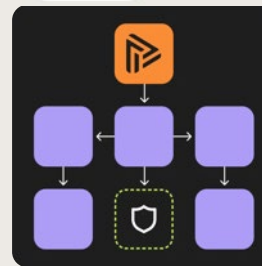
Built on data you can trust

Commissioned and licensed voice data with an ethical pledge for usage content and fair pay.



AI voices perfected by humans

Patented AI technology and 1000s of licensed AI, voices, project managed by dubbing experts and quality checked by professional translators.



Unmatched Scalability

Scalable and customizable dubbing workflows, enterprise-grade security and custom API integrations.

The AI dubbing partner of industry leaders

Bloomberg

Vox

INSIDER

sky news

Jamie Oliver GROUP

FUSEMEDIA

Fremantle

CINEVERSE

Go-to-market: product options for clients to manage their content needs



SaaS

Integrating into client tech stack

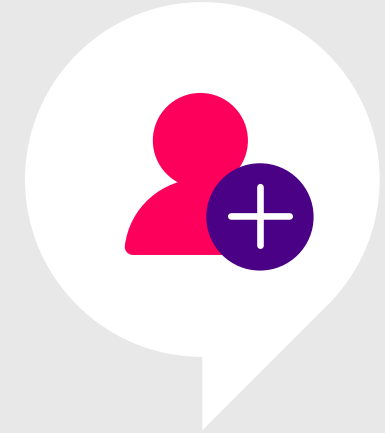
Ideal for most corporate content & internal communications



Managed Services

Enterprises outsource management of content workflow

Ideal for large brands publishing high content volumes in 40+ languages



Professional Services

Language specialists for specific needs – e.g. linguistic validation, post edit, UX testing

Ideal for life sciences, software testing, legal validation, etc.

Global by design

 generate

 transform

 protect



01 Native platform integration: seamless across enterprise systems

02 AI-powered localisation: Trados + Language Weaver capabilities

03 Multimedia capabilities: Papercup acquisition (dubbing, subtitling)

RWS helps Canva scale with culturally relevant localisation in 80+ languages

Challenges

Online design & publishing tool, with a mission to empower everyone to design anything and publish anywhere

Rapid rollout in 100 languages created gaps in cultural relevance

Some design assets were not applicable for all global audiences

Canva's in-country language managers needed help scaling

Desire to localize complex creative content such as motion graphics

Global campaign deadlines demanded speed, quality and consistency



Testimonial

“Working with RWS has been incredible. No matter what, they go above and beyond every time. They always deliver, and it's a pleasure to work with such a trusted partner.”

Melina Wang

Language Management Team Lead

Canva



Results

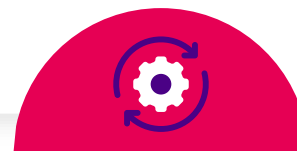
High-volume, scalable localisation in over 80 languages

Customized, culturally relevant content for 190 markets

Long-term, deep and dependable working relationships

Dedicated global teams across time zones

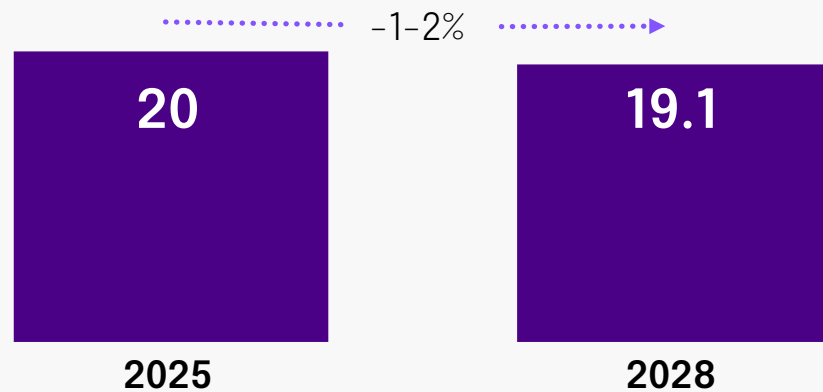
Up to 1.5 million words being translated per month



Market view

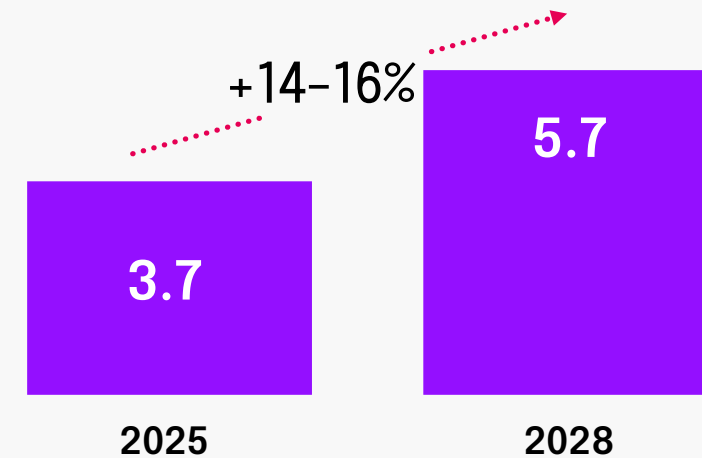
Language industry market, 2025-2028 (total size of £23.7Bn in 2025)

Language services (LSIs) £Bn



Language services including core translation, editing, and QA are declining at ~1-2% annually due to commoditization and GenAI disruption

Technology platforms (LTPs) £Bn



Language technology (including Machine Translation / LLM, Translation Mgmt Systems & GenAI tooling) growing at 14-16% CAGR as AI redefines the future of the language industry



Growth vision

Language industry market, 2025-2028 (total size of £23.7Bn in 2025)

Linguistic Services

flat CAGR

- RWS reorganisation will bring additional efficiency in delivery model
- Investment in process automation to expand operating margins
- High NPS leading to high client retention
- Margin in line with Group average
- Renewed investment in Life Science
- Refocused sales with strategic clients

Language Technology Platforms

+12% CAGR

- Trados and Language Weaver as market leaders
- Strategic importance of existing client relationships
- Very high client retention
- High GM
- Expanding into AI dubbing - \$800m market out of a total \$4bn dubbing market, growing >10%



 generate

 transform

 protect

protect

Secure &
compliant




Products & Services

End-to-end IP lifecycle management:

- Search
- Translation
- Filing
- Renewals
- Recordals

Revenue share



 Generate  Transform  Protect

Pricing basis

Service fee

(all other services)

Price/word

(translation)

Clients

We work with 17 of the Top 20 global patent filers







Explosion of IP

Safeguarding global innovation

US\$2.8tn

Global R&D Spend (2023)

18.6m

Patents in operation worldwide (2023)

3.55m

Patent applications (2023)

7.6%

Increase in patent applications vs. prior year (2023)

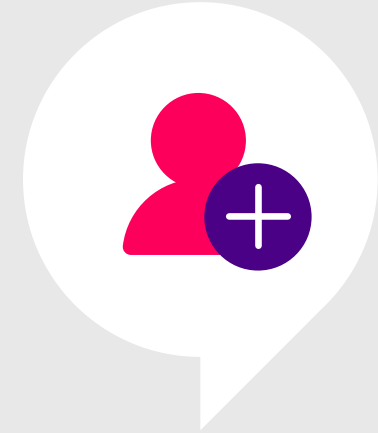
The digital IP platform of choice



Scale core IP portfolio offerings



Connect the IP lifecycle



IP digital marketplace

- Grow faster than the market, via new client acquisition and growing share of wallet, from our differentiated, across the lifecycle, proposition
- Generate higher quality of earnings driven by an increase in the proportion of recurring revenues

IP renewals are 10-15% more efficient with RWS

Challenges

Alibaba, a leading global technology company specializing in e-commerce & other internet services, needed a more efficient IP renewals process.

Response times often took a full business day because their supplier lacked local services in the same time zone.

Communication challenges & inflexible workflows impacted IP renewal team's efficiency & were especially concerning in urgent situations.

Alibaba turned to RWS for a better solution.



Testimonial

“For Chinese enterprises expanding globally, RWS’s global resources, combined with localized Chinese services, effectively enhance IP process management efficiency. They are an excellent global partner.”

Vincent Deng
IP Process Manager
Alibaba Group Holding Limited



Results

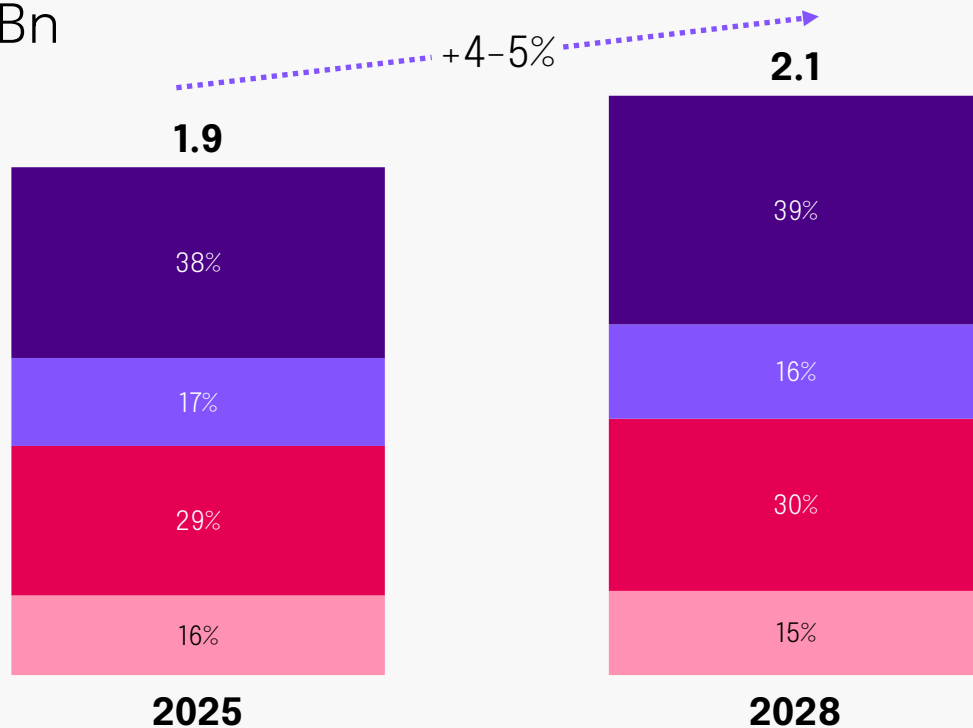
- Monthly IP renewals management tasks 10-15% more efficient
- More effective communication significantly reduces email & phone correspondence
- Eliminating time zone & language barriers enables better management of global patent annuities
- Local teams provide stable support for urgent & customized needs
- More cases are being awarded to RWS for management



Market view

Protect addressable market, 2025-2028

£Bn



Renewals (Patents)

CAGRs '25-28

+5-7%

Key drivers

Strong growth in renewals driven by an increase in patents in force

Translations

+1-3%

Stable growth; will see spend shifts from basic Machine Translation workflows to higher-margin value-add (post-editing, certified legal translation).

Filings

+4-6%

Stronger growth driven by increasingly globalised portfolios and regulatory complexity

Search

+1-3%

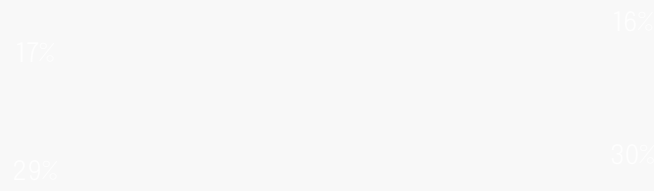
Stable growth, as AI-led analytics make broader and more frequent searches possible

Growth vision

Protect addressable market

4% CAGR

- Strong reputation and client base
- Very high cross selling opportunity in renewals and recordals
- Higher margin profile
- Fresh new sales team focusing on gaining market share
- Very high client retention



RWS values



Partner

We put clients first. Collaborate openly. Win together.



Pioneer

We innovate fearlessly. Lead with vision and courage.



Progress

We aim high. Learn fast. Grow through action.



Deliver

We own the outcome. Build Trust. Move with intent.

RWS's new strategy will...

Deepen our strategic relationships with large enterprises and see us become the critical content solution provider to a larger set of clients

- 01** Agility, accountability and speed
- 02** Faster AI deployments not compromising enterprise grade requirements
- 03** Clear business models geared towards better quality of earnings

Implementing the strategy - the next 6 months



**Three agile
businesses
delivering
strategic
content
solutions**



**Three agile
businesses
delivering
strategic
content
solutions**

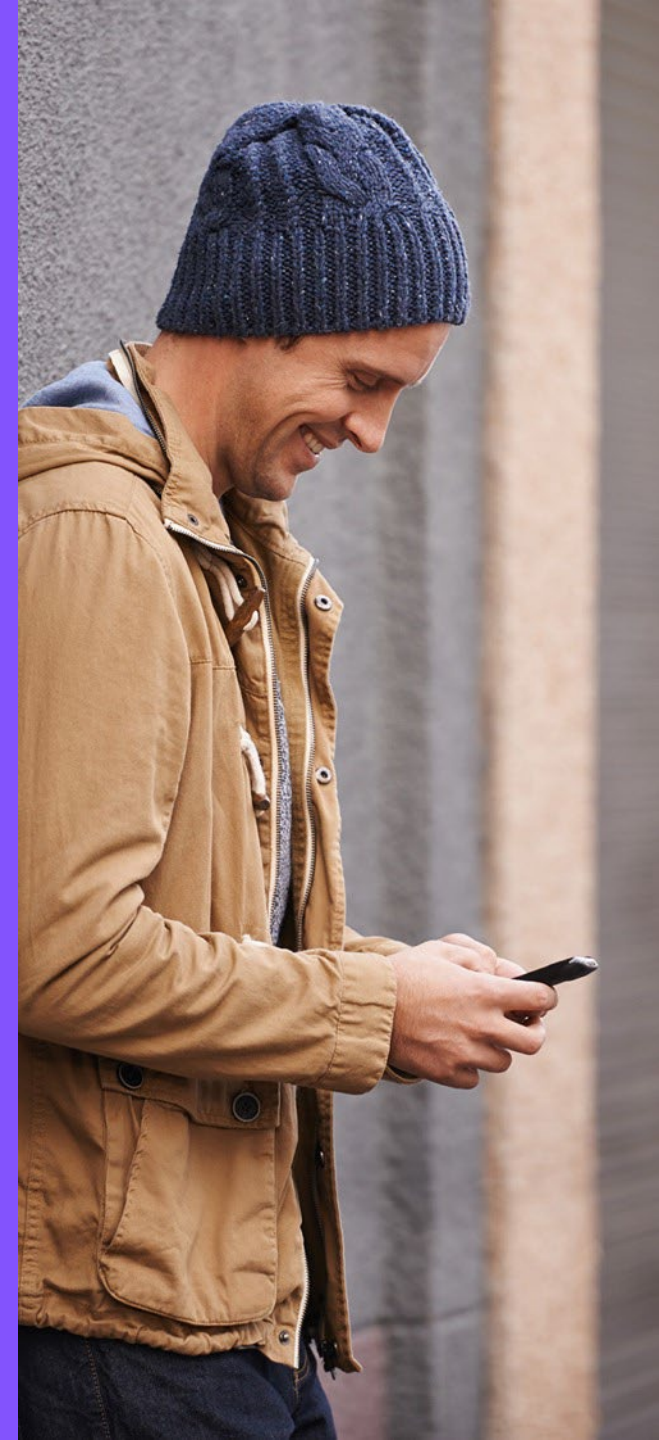
**Focused on
growth and
quality of
earnings**



**Three agile
businesses
delivering
strategic
content
solutions**

**Focused on
growth and
quality of
earnings**

**Unified by
state-of-the-
art technology**



**Three agile
businesses
delivering
strategic
content
solutions**

**Focused on
growth and
quality of
earnings**

**Unified by
state-of-the-
art technology**

**And a strong,
thriving
company
culture**



**Thank
you.**



Q&A



Agenda

01 Introduction

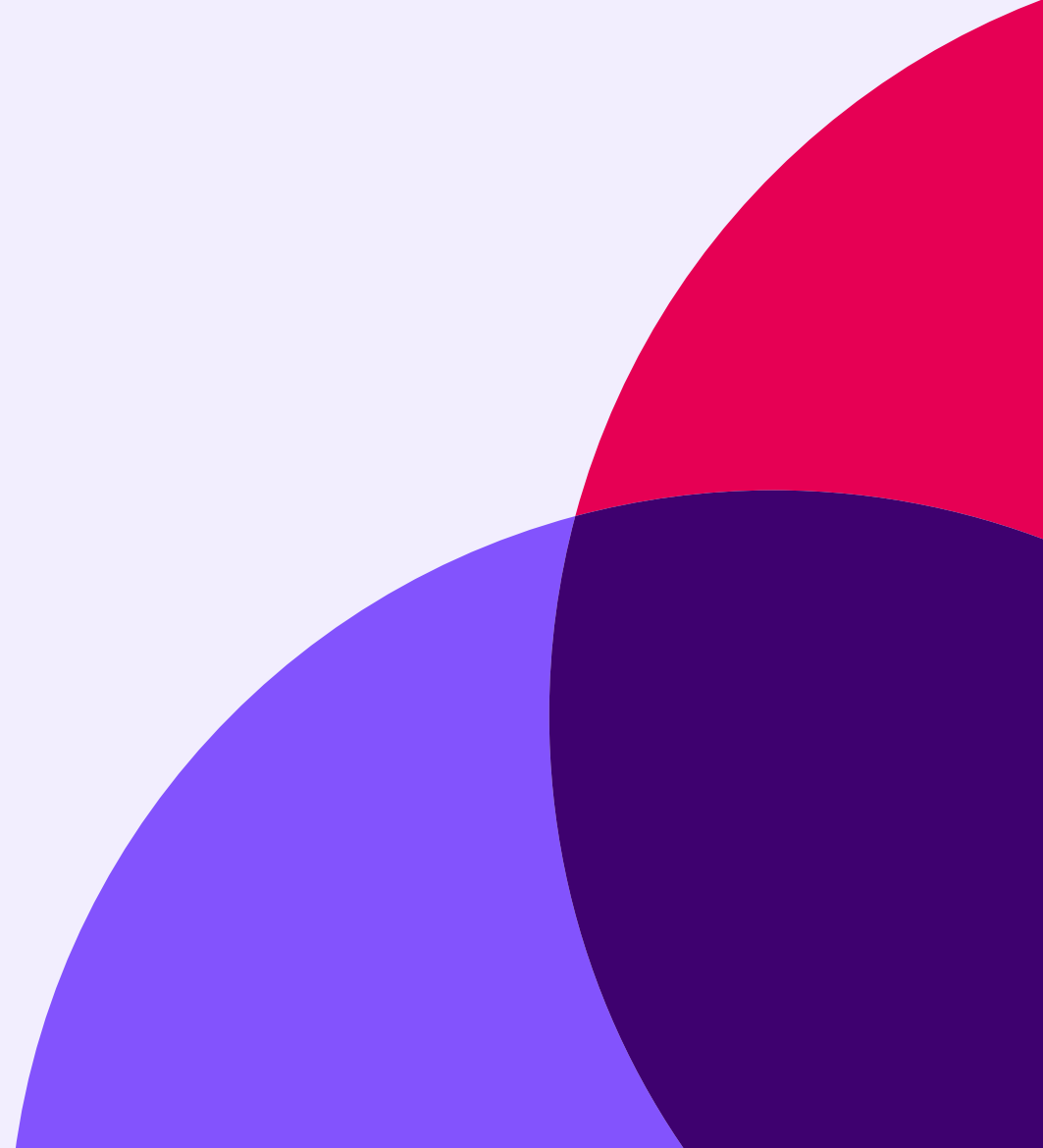
02 HY25 financial review

Current trading & FY25 outlook

03 Growth strategy

04 Appendix

Balance sheet, capital allocation, reporting changes



Balance sheet

	As at 31 Mar 2025 (£m)	As at 30 Sep 2024 (£m)
Non-current assets	919	928
Trade and other receivables	207	211
Other current assets	6	6
Cash and cash equivalents	70	62
Total assets	1,201	1,207
Trade and other payables	144	128
Loans	97	74
Lease liabilities	24	27
Income tax payable	10	14
Deferred tax liabilities	49	54
Other liabilities	9	9
Total liabilities	331	307
Net assets	870	900
Net (debt)/cash	(27)	(13)
Net (debt) - including lease liabilities	(51)	(40)



Non-current assets

Goodwill (£583m) increased by £12m due to FX impact

Other non-current assets (£336m) decreased by £22m due to amortisation /depreciation (£39m), partially offset by additions of £12m and the impact of FX (£5m)



Cash and net debt

\$220m RCF expires in August 2027 after one-year extension: \$127m drawn at 31 March 2025

Investments governed by capital allocation policy

Continued strong cash generation and disciplined capital allocation

Invest to accelerate organic growth & maintain BAU

01

Invest in go-to-market effectiveness:

- Sales organisation
- Product portfolio

Invest in innovation

Continue to support divisions to drive base case organic growth, further automation & efficiencies & sustain infrastructure

Appropriate capex and prudent leverage

02

Lower capex level

Greater focus on growth-oriented investment

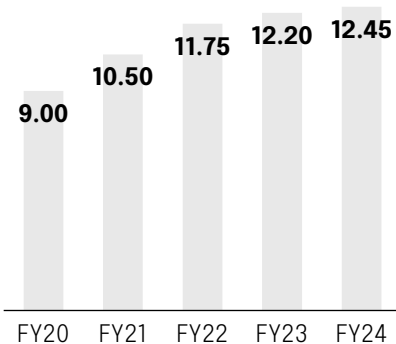
Net debt to adjusted EBITDA ratio of <0.5 allowing flexibility

Dividend

03

Progressive dividend policy

(Annual DPS - £p)



Acquire for further growth

04

Significant firepower (2x combined EBITDA) for acquisitions to further accelerate growth

Reporting segments effective 1 October 2025

Revised reporting segments

 generate

AI data services (TrainAI)

Content management technology

 transform

Localisation solutions for multiple verticals - all content types

Linguistic AI - neural MT

Language technology - translation management & productivity

 protect

Patent translation & filing

Search, renewals, records & monitoring

Highly specialised technical translations

Current reporting segments

Language Services

Localisation solutions for multiple verticals

Includes AI data services (TrainAI), eLearning, HAI & multimedia services

Regulated Industries

Life sciences

Financial services

Legal services

Language & Content Technology

Linguistic AI - neural MT

Language technology - translation management & productivity

Content management technology

IP Services

Patent translation & filing

Search, renewals, records & monitoring

Highly specialised technical translations



About us

RWS is a content solutions company, powered by technology and human expertise. We grow the value of ideas, data and content by making sure organizations are understood. Everywhere.

Our proprietary technology, 45+ AI patents and human experts help organizations bring ideas to market faster, build deeper relationships across borders and cultures, and enter new markets with confidence – growing their business and connecting them to a world of opportunities.

It's why over 80 of the world's top 100 brands trust RWS to drive innovation, inform decisions and shape brand experiences.

With 60+ global locations, across five continents, our teams work with businesses across almost all industries. Innovating since 1958, RWS is headquartered in the UK and publicly listed on AIM, the London Stock Exchange regulated market (RWS.L).

More information: [rws.com](https://www.rws.com)

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