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CORPORATE SPEAKERS:

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Charles Rennick

Informa TechTarget; General Counsel, Corporate Secretary

Gary Nugent

Informa TechTarget; Chief Executive Officer

Daniel Noreck

Informa TechTarget; Chief Financial Officer

PARTICIPANTS:

Joshua Reilly

Needham; Analyst

Jason Kreyer

Craig-Hallum; Analyst

Eric Martinuzzi

Lake Street; Analyst

PRESENTATION:

Operator^ Hello, everyone, and a warm welcome to the Informa TechTarget Second Quarter 2025 Financial Results Conference Call and Webcast. My name is Emily and I'll be coordinating your call today. After the presentation, you will have the opportunity to ask any questions, which you can do so by pressing star followed by the number 1 on your telephone key pad.

I would now like to turn the call over to our host, Charles Rennick, to begin.

Please go ahead, Charles.

Charles Rennick^ Thank you, Emily. And good morning, everyone.

The speakers joining us here today are Gary Nugent, our Chief Executive Officer; and Dan Noreck, our Chief Financial Officer.

Before turning the call over to Gary, we would like to remind everyone on the call of our earnings release process.

As previously announced, in order to provide you with an update on our business in advance of the call we have posted a press release to the Investor Relations section of our website and furnished it on an 8-K. You can also find these materials with the SEC free of charge at the SEC's website, www.sec.gov.

A corresponding webcast as well as a replay of this conference call will be made available on the Investor Relations section of our website.

Following Gary's remarks, the management team will be available to answer questions.

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Any statements made today by Informa TechTarget that are not factual including during the Q&A, may be considered forward-looking statements.

These forward-looking statements, which are subject to risks and uncertainties, are based on assumptions and are not guarantees of our future performance.

Actual results may differ materially from our forecast and from these forward-looking statements.

Forward-looking statements involve a number of risks and uncertainties including those discussed in the risk factors section of our most recent periodic reports filed with the SEC.

These statements speak only as of the date of this call.

And Informa TechTarget undertakes no obligation to revise or update any forward-looking statements in order to reflect events that may arise after this conference call, except as required by law.

Finally, we may also refer to certain financial measures not prepared in accordance with GAAP.

A reconciliation of certain of these non-GAAP financial measures to the most comparable GAAP measure, to the extent available without unreasonable efforts, accompanies our press release.

With that, I'll turn the call over to Gary.

Gary Nugent^ Thank you, Charlie. And welcome all. And, thank you for joining our call today.

As always, we appreciate you investing the time. We have, of course, already spoken to you in part about our Q2 results; however we will take the time today to reiterate what has already been said and to complete the Q2 picture.

I would like to remind all that through our communications, we use the term “combined company” to refer to the amalgamation of the results in 2024, as if the company was one, allowing us to give a slightly more meaningful year-on-year comparisons. And so I will use this term through this morning's discussion.

Really the key messages this morning are really as follows: first of all, our Q2 10-Q was filed this morning.

We are delighted to be filing ahead of schedule and confident in our ability to continue to do so going forward.

We would maybe describe it as “normal service” has been resumed.

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The second message really is one of momentum and momentum is building as we progress and unlock the benefits of combination in what is our foundation year, and as we seek to unlock the breadth, the scale and the diversity of our new company.

We are reaffirming our guidance for the full year, broadly flat revenues with improving adjusted EBITDA margins of \$85 million plus.

And then really we ask you to -- we're looking forward to and we ask to look out for some product innovation that we'll be announcing in the fall with the launch of what we will be calling the Informa TechTarget Portal. And last but not least, we are firmly of the opinion that AI is an opportunity for our business and that we are well-positioned to embrace and take advantage of an AI-enabled world.

If I turn to the Q2 results, revenues were posted at \$120 million as compared to a prior year of \$122 million on a combined company basis. That represents a decline of 1.6% year-on-year; however it also represents sequential growth of just over 15.5% on Q1. And for those of you who have been tracking the company will see that, that's about 5 percentage points ahead of prior year on a combined company basis.

So momentum's building.

The company posted a net loss of \$399 million, largely as a result of a \$382 million noncash impairment, and posted adjusted EBITDA of \$17 million versus \$19 million prior year on a combined company basis. From a balance sheet and liquidity perspective, at the close of Q2, we had a strong balance sheet of \$62 million in cash and cash equivalent.

We have utilized just about \$120 million of the \$250 million revolving credit facility that we have. And net debt at the end of the period was negative \$58 million, pretty much in line with prior year.

If I talk a little bit about some of the highlights from Q2, and first of all, if I talk about a market highlight, as we've mentioned before, as part of our market strategy, we are focusing on and investing in our relationships with the largest customers and the largest players in the market that we serve. And we believe that about the top 200 customers in the industry represent about 50% of the addressable market.

So that's about \$10 billion of the \$20 billion addressable market that we have.

And these are the customers who have broad scale requirements and, therefore, these are the customers where we believe that the breadth and the scale and the diversity of the combined Informa TechTarget play the loudest. And therefore, we have been investing in and focusing more of our resources, our marketing resources, our sales resources our customer success and, indeed, even our product management to better serve and address the needs of these customers.

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And through that, we have seen encouraging growth year-on-year through the first half and look forward to that continuing in the second half.

From a product perspective, we've mentioned before that in our Intelligence & Advisory portfolio, we have moved quickly in the combination to undertake brand consolidation and product portfolio consolidation.

At the brand level, consolidating the brands of Wards, Canalys, ESG and Omdia under the banner of Omdia as our go-forward brand, this allows us to maximize the return on our brand investment dollars behind that one brand.

It also eliminates an overlap within the product portfolio and enables our expert analysts and researchers to therefore spend more time with clients.

We're delighted with the progress that we've made there.

And then the second product highlight I would mention, of course, is the repositioning of the NetLine product to address the volume cost-conscious end of the demand market, really tapping into a new source of adjacent revenues for the company. And here, again, we've seen meaningful growth year-on-year in this regard and we're very encouraged by the results.

The final highlight that I wanted to mention with regards to Q2 was really with respect to our editorial activity and their audience development and, in particular, in recognition of the expertise that resides within our company, within the research community, the analyst community, the editorial community, the journalist community who are committed to unbiased, authoritative and trusted content.

We're delighted to advise that we have won 45 prestigious online B2B editorial awards in the first half of this year alone as a demonstration of our commitment to quality. And I'm going to talk a little bit about that more as we go through the call this morning and why that's so important.

If I look forward to the second half and beyond, we continue to progress at pace with our combination and our foundation year as we bring together the brands, the products and the talents in the organization as we look to eliminate the overlap and the duplication and unlock the promise of bringing these two companies together.

And as such, we announced in July the next step of our combination plan, the reorganization plan, streamlining certain areas of the business, streamlining markets, streamlining products, streamlining brands and functions whilst we reinvest in other areas, the areas that we believe to have high growth potential and improve upon the product and service delivery, enhance our go-to-market capabilities.

And this program is expected to lead to a net reduction of approximately 10% of the company's global colleague base. And therefore, we will be meaningfully ahead of the original year one cost

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savings and synergies that were the original part of the combination thesis. And we believe that we are well on track to deliver the promised synergies of \$45 million by year three in the original combination thesis.

I also said earlier on that I wanted you to look forward to some significant progress that we've made with our product roadmap, which we will announce in the fall. And for those of you listening in European, that's the autumn.

We are looking really to -- as part of our product roadmap and our product strategy, we've got three core priorities.

The first priority is to bring all of our products and services together into a single unified experience and interface for our customers. The second priority is to enhance on our ability for our customers to demonstrate the performance and the ROI of their investments with us through our analytics capabilities. And the third priority is integrating our products and data with the platforms of choice of our customers.

And we're delighted that with the launch of the Informa TechTarget Portal in September, we will have made some significant progress against all three of those priorities. And in particular, in the integration of our products and data with the platforms of choice of our customers, we'll be announcing three new integrations with key platforms, which will bring the total of integrations to 13 in total, which we believe covers all of the major ecosystem platforms that our customers like to do business with. And I'll happily talk a little bit more about that in Q&A.

The final point I wanted to make really was about AI, and we are firmly of the opinion that AI is an opportunity for our business and that we are well positioned to embrace and take advantage of an AI-enabled world.

We've mentioned before that AI in and of itself is a market, that we participate in.

I mean our business at its heart is about informing, educating buyers of technology and helping the vendors of technology reach and position their products and services in front of those buyers.

And AI as a market is no different from any other market, no different from cybersecurity, or cloud, or enterprise computing. And indeed, as a market, it is estimated by our own Omdia analysts to be north of \$250 billion as an end market by 2028. And we see that as an opportunity in and of itself, and we're actively participating in that as we speak.

Second, though, we've also mentioned that within our business, we see many ways for AI to improve the efficiency and the quality in our operations and the differentiation in our products and improve audience member experience. The primary AI use cases today lend themselves incredibly well to the heart of our business, which is largely in and around content curation and creation and data manipulation and analysis. And we will be leveraging that heavily within our business.

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And then finally, with respect to how we sustain and grow our permissioned audience, which is a core asset of the business, really, the breadth and the scale and the diversity of our portfolio of B2B digital properties that inform and educate and shape the industry is unrivaled. And the strategy and tactics that we use to attract, to engage and to retain audience members are manifold.

Search is a part of that armory, but search represents less than half of our audience development strategy. And we have many other strategies within that armory, branded destinations, a very extensive outbound newsletter strategy, our publisher partnerships, our customer partnerships and, of course, the vital event audience asset that we have access to through Informa's IIRIS and the relationship with Informa.

And there is no doubt that search is being disrupted with the advent of AI and LLMs, but there is also increasingly confidence that domain authority will remain an asset as search will continue to be a relevant way of finding audiences.

But also we are seeing that domain authority is influencing AI engine optimization, and we're seeing our AI engine referrals growing rapidly. And encouragingly, we're seeing the conversion rate to members to being higher than traditionally from search. And so all of that is reasons to feel that we are able to embrace and adapt to the changes in our marketplace.

Our business model is not built upon anonymous traffic.

But known and engaged members and decision makers and influencers of vital technology investments are always going to be looking for unbiased, authoritative trusted content, which is why I wanted to highlight those 45 prestigious online editorial awards in the first half alone. And in an AI world, the old computer science adage of garbage in, garbage out still holds. And our ambition is to be the indispensable partner to the technology industry, connecting buyers to sellers and accelerating their growth.

And at the heart of that strategy is our goal and our commitment to the quality of the information, the insight and the actionable data that we produce as a company, effectively being the quality in and the quality out in this world.

Finally, to close the call and we'll move to Q&A, we are reaffirming our guidance for 2025.

We see the sequential momentum that we've seen in Q2 over Q1 continuing into Q3 and then into Q4.

I would highlight that, that sequential improvement from Q3 over Q2 is also not a normal pattern. The normal pattern you would have seen in the business in prior years was that Q3 is slightly lower than Q2.

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We do not believe that will be -- we are not believing that to be the case this year--we're not forecasting that this year. And we are, therefore, reaffirming our guidance for the full year of broadly flat revenues and improving adjusted EBITDA margins of \$85 million and plus.

And as I mentioned, really, the core messages to close then. Momentum is building as we progress and unlock the benefits of combination, the breadth scale and the diversity of our new company.

We're delighted, as I say again, and delighted for Dan and the team to be filing ahead of schedule and confident in our ability to continue to do so going forward.

Look out for the product innovation in the fall. And as I say, we are firmly of the opinion that AI is an opportunity and that we are positioned to embrace and take advantage of an AI-enabled world.

And with that, I will pause and I will open up to questions and answers.

QUESTION & ANSWER:

Operator^ Thank you. We will now begin the Question and Answer Session. As a reminder, if you would like to ask a question today, you may do so now by pressing star followed by the number 1 on your telephone key pad. If you change your mind, or you feel like your question has already been answered, you can press star followed by 2 to withdraw yourself from the queue. Our first question today comes from Joshua Reilly with Needham. Joshua, please go ahead. Your line is now open.

Joshua Reilly^ Alright- thanks for taking my questions. Maybe just starting off in terms of brand consolidation.

Can you just discuss the trends you're seeing in Intelligence & Advisory as a large public competitor? Just put up guidance below expectations.

I'm curious what you're seeing there in terms of turning customer retention for Omdia.

Gary Nugent^ Hi, Josh. Yes, thanks for the question. Generally speaking, I would say the kind of momentum and the trend continues.

We're seeing our Intelligence & Advisory business perform to our expectations.

We're seeing, I think, strong and continuing -- I mean it's always a business that's had strong customer renewal rate both at a volume and a value level, and we're seeing that continue. There's really no change to that pattern.

I think it's certainly fair to say that new business is probably where the market is the most competitive and challenging.

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I think that has always been true of this market as well because the Intelligence & Advisory proposition is one which is relatively sticky with customers because you really get deep into their workflows and into their strategic planning cycles.

So I mean I would say our outlook for the year is as expected, no change.

Joshua Reilly^ Got it. That's helpful. And then, as we think about the implied second half guidance, how much of the sequential improvement in revenue in Q3 is from any type of market recovery that you're assuming relative to the operational improvements that you've already highlighted on the call here?

Gary Nugent^ Well we're certainly not making assumptions around market recovery in any way, shape or form in our guidance. Really, this is based upon the bookings momentum that we have, the revenue pacing momentum that we have.

I think as I mentioned earlier before, one of the things that we moved really quickly to do is to get our management information systems combined, such that we had a kind of transparent and real-time view of bookings from customers and revenue from customers. And so we see that on a daily basis.

So it really is all about those KPIs, not any assumptions around market recovery.

Joshua Reilly^ Excellent. And then last question for me is, can you just review what did you do exactly to the product for NetLine to drive growth in the lower end, more class conscious end of the market?

Gary Nugent^ Yes, certainly, Josh.

I mean actually the product itself, really, there wasn't a lot of change to the product itself, but there was a lot of change to the go-to-market strategy for the product. And we have built a dedicated go-to-market capability for the product and then positioned it in that sort of volume and cost conscious end of the demand market. And it is, therefore, really is about the emphasis of the go-to-market behind the product and the positioning of the product. The actual product itself, the engineering of the product itself hasn't materially changed.

Joshua Reilly^ Understood. Thank you.

Gary Nugent^ Thank you, Josh.

Operator^ Thank you. Our next question comes from Jason Kreyer with Craig-Hallum. Jason, please go ahead.

Jason Kreyer^ Great- thank you guys for taking my questions. Just wondering, as you look at the guide and the implied return to growth in the back half of the year, can you give any either

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qualitative or quantitative commentary on bookings or on the pipeline that give you confidence in that return to growth?

Gary Nugent^ I mean the best I would say is that our bookings momentum and our revenue pacing all support the guidance that we've given you and the confidence and its support of it.

As you know we are a business that are sort of really -- we've mentioned this in the past, actually, Jason, if think about the revenues in key categories, we have what we would describe as the subscription revenues. And the subscription revenues are rated over a year, and therefore -- and we have a high degree of visibility of those revenues because of that.

The second sort of category of revenues are kind of consulting and our advisory revenues. These are project-related revenues where we recognize revenue on a level of effort basis against the backlog of projects that we've kind of booked and on the books.

And then the third category of revenues are the kind of more transactional revenues, where we usually get about 60 – 60 to 90 days visibility through the pipeline in the business, through the sales forces' pipeline. And so when you take the mix of that, we have a relatively good picture of the business.

Jason Kreyer^ Appreciate that commentary. Just going back to the AI topic.

As you look across your business today, what segments or what products are seeing near-term fundamental benefits from the AI category?

Gary Nugent^ I think probably you'll see this showing up first is really in audience experience and how we actually -- how audiences discover and then consume content as they go through their buying journey.

So if you think about our audiences, they are decision makers and influencers of material technology decisions. They require to be well informed and well educated prior to making those decisions.

Indeed, we usually spend about 80% of the buying journey researching before they actually dialogue with potential vendors, shortlisted vendors.

And really through AI, we have the ability to change the dynamic of the audience experience.

So if you think about the audience experience today, we have over 220 B2B digital properties that inform, educate, and shape the market on a daily basis.

But the reality is that when you land -- when you discover one of those properties and you land on that property, no matter how you get there, you might get there through a search, you may get there through a direct link, you might get there through a brand that you recognize, largely you're consuming the content on that property.

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You may then be -- I mean we obviously encourage our audience members to move around to the network to learn more, to become more immersed in the subject.

But actually, that is something which is not -- is easier said than done if the truth be told.

If you think about the use of AI and in particular LLMs, what that really allows us to do is to take all of the content across that estate of 220 sites and put it into a large language model and then allow our audiences to consume content by asking questions and receiving answers from our proprietary LLM, which we built within the organization. And indeed, we're in the process of consolidating all of the content from all 220 estates and, indeed, we will also add our research content to that as well.

So you're fundamentally changing the audiences' experience in terms of how they discover and then how they consume and how they become educated in a topic. And I think that's certainly kind of probably, first and foremost, where we will see the influence.

I also mentioned that a lot of what we do in our products is really data manipulation and analysis.

So the whole notion of how do you derive intent signals from audience data and their consumption patterns is something that we'll be enhancing both in terms of quality and fidelity through the use of AI models as we move forward in time.

So hopefully, those are just two examples of where we can see leveraging AI: first and foremost, from an audience experience perspective; and second of all, from a client value proposition perspective.

Jason Kreyer^ That's really helpful, Gary. Just one more for me.

So as we get into the second half of the year, we're forecasting an uptick in profitability and cash flow. Just wondering what your balance sheet priorities are across like deleveraging, buybacks, M&A. Any key objectives from you?

Gary Nugent^ Dan, do you want to --

Daniel Noreck^ Sure.

I mean as we think about the second half of the year, it's really going to be about identifying opportunities for the business with a focus on delevering and then also just building up cash.

Jason Kreyer^ Thanks, guys.

Daniel Noreck^ Yup!

Gary Nugent^ Thank you very much, Jason.

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Operator^ Thank you. Our next question comes from Eric Martinuzzi with Lake Street.

Eric Martinuzzi^ I saw you called out the Canalys business as part of the uptick in the back half.

I'm not familiar with that. Are we talking about on the order of \$1 million or \$2 million or \$3 million to \$5 million? What does that conference business kind of kick in when it does show up in Q4?

Gary Nugent^ Hi Eric, yes, good question.

So there is a series at the tail end of the year of what's called the Canalys Forums. The Canalys Forums are a prestigious news of conferences. There's one in Europe, one in Asia and one in North America, in the United States.

It's really the kind of gathering of the decision makers and the influencers within the channel community of the technology sector.

It's really where the distribution titans like TD SYNEX and Arrow and where the giant resellers like SHI and Computacenter and others come together with the vendors to meet and discuss business.

That all happens in really October, November. The quantum of it is -- I will never be able to give you a quantum.

It's between \$5 million and \$10 million.

I'm not going to kind of put too round a number on that, but it's in that range. And as I say, it tends to be -- it's what kind of give the Q4 revenues a bit of that slight skew.

Eric Martinuzzi^ Okay. That's helpful.

As far as macro demand, it looks like the brand and intent business, you characterized it as the most volatile. Are you seeing that across your markets? Or is there a difference between, say, North America and rest of the world?

Gary Nugent^ No. I don't think there's any kind of material geographical differences there.

I think the pattern is relatively consistent across Europe and APAC.

I would say -- I think I've mentioned it, certainly within the business, kind of APAC revenues and the APAC bookings are where -- one of the areas where we've been seeing decline year-on-year.

I mentioned earlier on that we've got growth year-on-year in some of our strategic bets.

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But by implication, other areas must be declining.

And I think we found the APAC market challenging this year, but it's not localized to the proposition of brand and intent.

I think that's more of a market than a product factor or issue.

Eric Martinuzzi^ Okay. And then lastly, you had talked about wanting to be the -- work with your customers' platforms of choice.

I'm familiar with marketing automation platforms that would be users of Informa TechTarget data, things -- you know-- HubSpot, for instance.

Can you give me other examples of platforms that you're talking about integrating with?

Gary Nugent^ Yes.

I mean typically, the industry sort of calls them CRMs, MAPs, SEPs (SEPs being sales enablement platforms).

So you've mentioned, the CRMs of this world are Salesforce and Microsoft Dynamics, et cetera. The marketing automation platforms are the Eloqua and the HubSpots and the Marketos of this world. The sales enablement platforms are things like 6sense and Demandbase and others.

Does that help?

Eric Martinuzzi^ Yup.

So your sense is you're pretty well there and you'll have it by the end of the year as far as being able to plug in with all of these?

Gary Nugent^ I think—I think certainly by -- at the time of the fall launch, where we're adding three new integrations to the portfolio, I think I said that would be 13 in total.

I think that gives us really good coverage of all the major platforms that our customers choose and therefore is good.

I mean obviously it's a dynamic world.

I mean I sort of remember sales enablement platforms didn't exist 5, 6, seven years ago. The world were CRMs and MAPs at the time or customer relationship management and marketing automation platforms.

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So we're keeping an eye out on that. There are also a couple of what we would call lead management consolidators or lead management consolidation platforms, so the Converters of this world and Integrate. And they are also -- they're on our list. And so we -- this is really, I think, a clear commitment from the company to integrating into the ecosystems that our customers build and being easy to do business with and facilitates and being seamless to do business with.

Eric Martinuzzi^ Got it.

Well congrats on getting back on a normal reporting cadence.

Gary Nugent^ Thank you, Eric.

Operator^ Thank you. Those are all the questions we have for today, and so this concludes our call. Thank you all for your participation. And you may now disconnect your lines.