Covid has not changed but accelerated key market trends.

1. Digital Transformation
2. Open Access
3. Market Concentration
Disclaimer

• This presentation contains forward-looking statements regarding the financial position and results of BRILL’s activities. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements.

• Many of these risks and uncertainties relate to factors that are beyond BRILL’s ability to control or estimate precisely, such as future market and economic conditions, the behavior of other market participants, changes in customer preferences, the ability to successfully integrate acquired businesses and achieve anticipated synergies, costs of services purchased, interest rate and foreign exchange fluctuations, change in tax rates, changes in law and the actions of government regulators.

• These and other risk factors are detailed in BRILL’s publicly filed annual reports. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. BRILL does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of these materials.
Results 2020
# Key Figures

## Key Figures

<table>
<thead>
<tr>
<th>in thousands of euros</th>
<th>2020</th>
<th>2019</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>37,859</td>
<td>37,128</td>
<td>2.0%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>6,600</td>
<td>5,183</td>
<td>27.3%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>4,502</td>
<td>3,291</td>
<td>36.8%</td>
</tr>
<tr>
<td>Free cashflow</td>
<td>4,515</td>
<td>2,164</td>
<td>108.6%</td>
</tr>
<tr>
<td>Profit, attributable to shareholders of Koninklijke Brill NV</td>
<td>2,896</td>
<td>2,162</td>
<td>34.0%</td>
</tr>
<tr>
<td>Profit per share in EUR</td>
<td>1.54</td>
<td>1.15</td>
<td>34.0%</td>
</tr>
<tr>
<td>Dividend (proposed 2020) in EUR</td>
<td>1.25</td>
<td>—</td>
<td></td>
</tr>
</tbody>
</table>

## Key Financial Performance Indicators

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organic growth</td>
<td>2.2%</td>
<td>2.5%</td>
<td></td>
</tr>
<tr>
<td>ROIC</td>
<td>13.8%</td>
<td>10.1%</td>
<td></td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>17.4%</td>
<td>14.0%</td>
<td></td>
</tr>
</tbody>
</table>
Revenue

Revenue by Media Format

A 2020: Digital 21.2, Offline 16.6
A 2019: Digital 21.0, Offline 16.2

Revenue by publication type

A 2020: Print books 13.5, eBooks 12.2, Journals 11.1, Primary sources 1.1
A 2019: Print books 14.1, eBooks 10.6, Journals 11.1, Primary sources 1.2

(In thousands of euro)

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
<th>Organic growth</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Print books</td>
<td>13,511</td>
<td>14,145</td>
<td>-3.0%</td>
<td>-4.5%</td>
</tr>
<tr>
<td>E-books</td>
<td>12,196</td>
<td>11,139</td>
<td>9.2%</td>
<td>9.5%</td>
</tr>
<tr>
<td>Journals</td>
<td>11,075</td>
<td>10,611</td>
<td>3.4%</td>
<td>4.4%</td>
</tr>
<tr>
<td>Primary sources</td>
<td>1,078</td>
<td>1,234</td>
<td>-11.9%</td>
<td>-12.7%</td>
</tr>
<tr>
<td>Total</td>
<td>37,859</td>
<td>37,128</td>
<td>2.2%</td>
<td>2.0%</td>
</tr>
</tbody>
</table>
Normalized 2020 EBITDA

<table>
<thead>
<tr>
<th>Component</th>
<th>Normalized 2020 EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020 EBITDA</td>
<td>6.6</td>
</tr>
<tr>
<td>Less travel &amp; conferences</td>
<td>-1.0</td>
</tr>
<tr>
<td>Turpin claim</td>
<td>0.5</td>
</tr>
<tr>
<td>US COVID-19 subsidy</td>
<td>0.3</td>
</tr>
<tr>
<td>PECO due to FTE freeze</td>
<td>0.3</td>
</tr>
<tr>
<td>Write off MONK</td>
<td>0.2</td>
</tr>
<tr>
<td>Increase operational costs</td>
<td>0.4</td>
</tr>
<tr>
<td>Acquisition costs</td>
<td>0.3</td>
</tr>
<tr>
<td>2020 Normalized EBITDA</td>
<td>5.3</td>
</tr>
</tbody>
</table>

- Decrease  
- Increase
Key Priorities Finance 2021

• Business
  • Integration Vandenhoeck & Ruprecht
  • Regular planning & reporting cycle
  • Business support

• Compliance
  • Work on audit findings
  • Prepare for ESEF reporting

• Financing
  • renew facilities with RABO
Strategic Plan 21-23
Vision

A digitally-driven academic publishing house, offering researchers a top service and user experience, generating an annual revenue of 60 million+ and an EBITDA margin of 17%+ in a socially responsible way.
Expand market position
- Build on leading positions
- Expand to adjacencies
- From products to (author) services

Develop market presence
- Consortia & transformative deals
- Digital content marketing
- Expand regional marketing

Invest in finance & operations
- Digital transformation
- M&A support
- Content processing
- Management information

Profit Improvement

Publishing Excellence
## Focal Points SP 21-23

### Investments in digital transition

1. FTE quality and quantity (mainly in operations)
2. Digital infrastructure
3. Digital mindset

### Investments in Growth and M&A

1. Open Access
2. Sales: Transformative deals, DACH markets
3. Acquisitions
4. M&A infrastructure and support (internal & external)
Publishing
Published

1435 books vs 1428 in 2019
905 journal issues vs 868 in 2019

Signed

20 new book series
24 new journals
18 new reference works
General Direction

• Foster Brill’s *Publishing Excellence* by enhancing quality control and publishing experience
  • Strengthen quality control
  • Researcher as our North Star
  • Make significant investments in relationship and community building
  • Continue to invest in open access support

• Continue process improvements to increase efficiency in acquisitions and project management

• Introduce data-driven publishing to improve acquisition strategy & tactics
Portfolio Development

• Return to a 3% growth of book program to feed ebook collections
• Acquire OA books (and book series)
• Digitize book archive
• Preserve 6% growth of journal program
• Acquire diamond journals, take-over journals and start-up journals in selected fields
• Slow transition to article-based journal publishing
• Focus on acquiring articles for transformative deals
The Brill Book Archive
Three centuries of excellent scholarship
Operations & IT
Focus on two core aspects of the Digital Health Check:

1. customer-facing processes around content, products, data;
2. underlying technological infrastructures.
## Just a few examples

1. **Content processing**  
   Automate conversion from word to XML

2. **Data management**  
   Standardization of metadata capture

3. **Fulfilment**  
   One global distributor

4. **Platforms**  
   Improve brill.com & special platforms

5. **IT & Applications**  
   Integrate key applications with KT
Marketing & Sales
How to stand out

• We reach out to academic communities digitally and connect with them on why humanities matter.
• We focus on story telling techniques and audio-visual content.
• Traditional product marketing is complemented with marketing the brand, Brill’s services, and relevance of research we publish.
Virtual Conference Panels

How can the academic publishing community ensure that a wider range of Arabic voices and topics are better represented in their catalogues and in scholarly discourse?

Abdurraouf Oueslati

Watch on YouTube
Social Media Marketing

The Ehsan Yarshater Center for Iranian Studies at Brill is delighted to announce that the Encyclopædia Iranica Online is now freely accessible at Brill. It is the most comprehensive academic reference work for the study of Iranian civilization ow.ly/gWLq50DAytT

@iranicaonline

Encyclopædia Iranica Online

48 Retweets  4 Quote Tweets  100 Likes

*Podcast*

Buket Kitapçı Bayrı, author of Warriors, Martyrs, and Dervishes - Moving Frontiers, Shifting Identities in the Land of Rome (13th-15th Centuries) has done an interview (in Turkish) with @OttomanHistory ow.ly/7dio50Dr69Y

Brill History

@Brill_History

Social Media Marketing

OA leads to more clicks, shares, likes

Visuals create more clicks, shares, likes
Technology Can Help Us Be Better Prepared For Pandemics

Viruses are not very different from machines that process information, and thus, how the virus functions can be simulated on a computer. This ability to “imitate” the way viruses behave is particularly useful today, as we battle the impact of the coronavirus pandemic and struggle to prepare for similar events.

Dr. Klaus Mainzer, Co-founder and Senior Professor at the Carl Friedrich von Weizsäcker Center of the University of Tübingen and President of European Academy of Sciences and Arts in
Sales Focus

• E(vidence) B(ased) A(cquisision)
• Grow E, defend P
• Consortia deals
• Transformative Agreements
• Make it easy for (soon to be digital native) library and individual customers to buy
• Focus on North America, not Latin/South America; focus on Europe, not Africa; in APAC focus on mature (China, Japan, Australia) and developing markets (Indonesia, Malaysia).
V&R Integration
M&A Strategy

- Germany is a very important and large Humanities and Social Sciences market.
- Brill wants to create a second home market, also to decrease strong dependencies from UK/US market.
- Germany has many family-owned companies without the vision or financial means to digitalize and internationalize; succession problems; acquisitions can be done at favorable valuations.
- Goal: Create a platform on which Brill can add other German acquisitions and reach revenue of 10m within 5 to 10 years.
V&R Company Profile

- Founded in 1735 in Göttingen
- Original focus on Theology and Philology, now covering a broad spectrum of fields in the humanities and social sciences
- Program includes academic books and journals, trade books, textbooks and schoolbooks
- In 2017 the humanities publisher Böhlau (founded in 1853) was acquired
- C. €10 Mio revenue and c. 80 staff / 70 FTE in FY20
- Office locations in Göttingen, Cologne and Vienna
Acquisition Rationale & Plan

- V&R has a very strong strategic fit with Brill. The acquisition allows Brill to become a key player in the German humanities market.
- V&R has gone through a period of substantial restructuring.
- Given Brill’s mission and focus V&R will get back to qualitative and quantitative growth in the publishing program.
- Brill’s will leverage its commercial organization and expertise, leading to revenue growth as well as gross margin improvement by:
  - Integrate processes and systems in Paderborn (Brill’s German office), Göttingen and Cologne, increase POD, reduce platform and ERP costs, integrate/improve supplier contracts, leading to both better service to stakeholders and to lower costs.
  - Leverage newly-achieved Brill scale to improve margins

<table>
<thead>
<tr>
<th>Increasing adoption eBook packages</th>
<th>Selling directly to university libraries and consortia</th>
<th>Using the Brill Open Access channels</th>
<th>Leveraging presence with German Brill authors</th>
</tr>
</thead>
</table>
Integration Program

Management Board

Integration management office

Integration Management Team (IMT)

Team lead
Team lead
Team lead
Team lead
Team lead
Team lead
Team lead
Team lead
Team lead
Team lead

CEO

Value drivers

Programme improvement
Business models and pricing
Sales and marketing channels
Fulfilment integration
Platform integration
Production integration
Location and purchasing review
Finance integration
ERP integration
Office system integration