

23 October 2017

**Catalyst Media Group plc  
("CMG" or the "Company")**

**Dividend approved by SIS**

**Change of auditor**

The Board of CMG is pleased to announce that Sports Information Services (Holdings) Limited ("SIS"), in which CMG is a 20.54% shareholder, has today made the following statement to its shareholders regarding the approval of a dividend to shareholders of £15.0 million:

*"Following the continued progress made with regard to future media rights and customer contracts the Board of Sports Information Services (Holdings) Limited ("SIS") has approved a dividend to shareholders of £15.0 million to be paid today.*

*The historic success of SIS in monetising media rights deals has generated significant cash reserves currently standing at approximately £75million. This will enable a dividend payment to be made whilst retaining a level of funding in the business to cover its ongoing commitments and sufficient funds to enable management to develop the long-term strategy for the business. Depending on the level of cash required to implement the new strategies it will be possible to consider further dividend payments in due course despite lower future cash generation as referred to below.*

*The delayed DCMS Triennial Review is causing uncertainty in the Independent market which accounts for approximately 15% of the sector and is resulting in a reluctance to sign long term contracts with us. When added to the increased competition for media rights acquisition generally in the UK and Irish market these factors are likely to impact future revenues. At the same time, the Group is experiencing increased litigation costs relating to a number of issues, although legal advice indicates a successful outcome is expected for SIS. As a result, profits are likely to be lower than previously guided, and budgeted for, for the year ended 31 March 2018.*

*As previously reported SIS has entered into new media rights contracts which run to 2023, and has contracted long term to sell the content to 85% of the UK and Irish retail market. Significantly some of the media rights contracts shift the market risk related to a declining UK betting shop market from SIS to suppliers however this in return delivers lower margin levels. Accordingly, as previously reported, the Board of SIS expects significantly lower cash generation in the future."*

The dividend payment due to CMG is approximately £3.1 million and the Board of CMG intends to consider the most appropriate way to distribute the majority of the funds received from this dividend payment and will make a further announcement to shareholders in due course.

**Change of auditor**

UHY Hacker Young ("UHY") has recently informed the Board that due to internal compliance requirements they are unable to continue as the Company's auditors given they have also provided company secretarial services to the Company. UHY has confirmed to the Company that their decision does not in any way reflect any concern with regard to the financial state of CMG or its financial procedures. The Board has accepted their resignation with regret and is pleased to report that haysmacintyre has accepted the appointment as auditors to the Company.

**Enquiries:**

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*The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR").*