

31 March 2025

Catalyst Media Group Plc
("CMG", "Catalyst" or the "Company")

Interim Results for the Six Months Ended 31 December 2024

The Board of CMG (AIM: CMX) is pleased to announce the Company's unaudited interim results for the six months ended 31 December 2024.

CMG is a 20.54% shareholder in Sports Information Services (Holdings) Limited ("SIS") and the results include its share in the profits/(losses) of SIS as an equity accounted associate.

Financial Highlights for the six months to 31 December 2024

- CMG loss after taxation of £0.41 million (2023: profit of £0.77 million)
- Loss per share of 1.94p (2023: earnings per share 3.64p)
- Net asset value per share of 147.3p (2023: 151.6p) at the end of the reporting period
- For the six months to 30 September 2024, SIS achieved
 - Revenues of £100.0 million (2023: £133.5 million)
 - Operating loss of £2.2 million (2023: profit of £4.6 million)
 - Loss after tax on ordinary activities of £1.8 million (2023: profit of £4.0 million)
- On 31 October 2024, the Company received its £0.63 million share of a dividend paid by SIS and in the post balance sheet period on 31 January 2025 paid a final dividend of approximately £0.84 million, equating to 4 pence per CMG ordinary share.

SIS's Current Trading and Outlook

SIS's racing business, both for retail and online, remains robust in the period although market conditions for racing continue to be tough. The non-racing business (eSports and Numbers) has seen significant growth in the year from both an increase in customers, and revenue growth from existing customers. However, the onboarding of new customers has been achieved later in the year than expected, impacting profitability in the financial year ending 31 March 2025.

In October 2024, FanDuel, a major US Sportsbook and part of the Flutter Group, launched the eBasketball Competitive Gaming product, with the early performance encouraging and above initial expectations.

SIS has previously advised CMG that, following changes to its Greyhound rights and, in particular, with the cessation of Sport Stuff TV (formerly Greyhound Television) in April 2024, together with its ongoing investment in the scaling of its non-racing content creation business, its financial year ending 31 March 2025 will see a decline in profitability year on year. The overall strategy for non-racing content is in place and is positive for the future of the business, but initial delays with customers, now resolved, will mean profit for the year is at a lower level than originally expected.

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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 as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended by virtue of the Market Abuse (Amendment) (EU Exit) Regulations 2019.

Chairman's Statement

For the six-month period ended 31 December 2024, the Company recorded a net loss after taxation of £0.41 million (2023: profit of £0.77 million).

Net assets as at 31 December 2024 were £31.0 million (30 June 2024: £31.4 million). Net cash as at 31 December 2024 was approximately £1.1 million (30 June 2024: £0.5 million).

CMG's main asset remains its 20.54% stake in SIS and, in October 2024, the Company received its £0.63 million share of a dividend from SIS. The value of CMG's investment in SIS has reduced from approximately £30.8 million as at 30 June 2024 to approximately £29.8 million as at 31 December 2024, reflecting the impact of such dividend receipt and CMG's share of the losses recorded by SIS in the six months to 30 September 2024. As a result, CMG's net assets per share as at 31 December 2024 were 147.3p (2023: 151.6p). The carrying value of our investment in SIS will be reviewed again at our financial year end.

CMG equity accounts for its share in the loss of SIS which was £1.8 million after tax for its six-month period to 30 September 2024 (2024: profit of £4.0 million). SIS's revenues for such period were £100.0 million (2023: £133.5 million) which were derived from its business of providing integrated television and data services to Licensed Betting Offices in the UK, Ireland and overseas. SIS generated an operating loss for this period of £2.2 million, compared to an operating profit of £4.6 million in the comparable period for 2023.

CMG currently has sufficient working capital for its current needs as overheads are expected to continue at a consistently low level.

Set out below is an overview of the activities of SIS's key divisions for the period under review.

SIS - UK and Ireland Retail

SIS continues to provide a core service including Racecourse Media Group horseracing, Irish Horseracing, Chelmsford City Horseracing, the SIS British Greyhound Service, 49's and International Horseracing to almost the entire UK and Irish retail market, including all of the major UK bookmaking groups and the majority of the independent market.

As announced earlier in March, SIS has secured a new contract with Racecourse Media Group for the supply of its horseracing to retail bookmakers in the UK and Ireland through to 2028 and is in the process of extending its relevant major Bookmaker agreements.

SIS - International & Online

SIS has continued to progress its international reach of customers, and has secured renewal of racing rights content from rightsowners in Australia, Chile and the Middle East.

SIS has over 150 live feeds to customers designed to maximise betting opportunities for international retail and online operators, and has signed numerous such operators to multi-year agreements. SIS continues to progress its strategy to increase distribution in both new, and existing, international and online markets, using proprietary production technology as well as ultra-low latency streaming and data pricing services.

SIS - Non-racing content

The SIS Competitive Gaming (eSports) service has seen significant customer growth in the year in its two sports related titles, e-football, and e-basketball. The events are supplied to customers in a number of territories worldwide, all of which have seen strong growth. The US has seen particular growth linked to both new customers and an increase in licensed States, with SIS now operating in 12 States, versus 3 at this point last year. SIS is currently producing circa 150,000 unique events per annum from these two sports, with plans underway to increase this number further. SIS expects to launch new sports titles in the next 12 months.

49's Ltd, the branded numbers business, continues to enhance its product offering with refreshes of its virtual racing products, and pending refresh of the 49's draw product. The full product range now includes the original 49's draw, Fast 15's and 39's, plus virtual racing product and a bespoke draw product for bet365, producing in aggregate over 500,000 draws per annum.

India

An arbitration award was made in July 2020 which the respondent has paid into court. These funds are now subject to appeals in the Delhi High Court by both parties: SIS continues to pursue claims disallowed by the arbitrators whilst the respondent attempts to nullify the award in its entirety. The overall outcome therefore remains uncertain.

The legal and associated costs relating to this claim have been significantly reduced but are still impacting SIS's profits.

SIS's Current Trading and Outlook

SIS's racing business both for retail and online remains robust in the period although market conditions for racing continue to be tough.

The non-racing business (eSports and Numbers) has seen significant growth in the year from both an increase in customers, and revenue growth from existing customers. However, the onboarding of new customers has been achieved later in the year than expected, impacting profitability in the financial year ending 31 March 2025.

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SIS's cash position as of 20 March 2025 was net debt of £0.6 million with an available working capital credit facility of £35m.

CMG Outlook

The Board of CMG notes the report from SIS that its profits are expected to decrease for its financial year ending 31 March 2025, compared to the previous year. However, the Board of CMG is encouraged by the growth and prospects of the SIS Competitive Gaming Service. Meanwhile overheads for CMG continue to remain at a very low level as in previous years.

Michael Rosenberg OBE

Chairman

31 March 2025

Consolidated interim statement of comprehensive income

	Notes	6 months to 31 December 2024	6 months to 31 December 2023	12 months to 30 June 2024
		£ Unaudited	£ Unaudited	£ Audited
Revenue		12,500	12,500	25,000
Cost of sales		-	-	-
Gross profit		12,500	12,500	25,000
Administrative expenses		(67,810)	(96,739)	(184,611)
Other operating income		-	-	14,669
Operating loss		(55,310)	(84,239)	(144,942)
Financial income		5,474	6,134	9,859
Financial costs		(262)	-	-
Net financial income		5,212	6,134	9,859
Share of (loss)/profit of equity-accounted associate	3	(370,131)	829,405	386,768
(Loss)/profit before taxation		(420,229)	751,300	251,685
Taxation		12,200	15,300	31,500
(Loss)/profit for the period		(408,029)	766,600	283,185
Share of other comprehensive loss of associate		-	-	(5,751)
Total comprehensive (loss)/income for the period		(408,029)	766,600	277,434
Attributable to equity holders of the Company		(408,029)	766,600	277,434
Earnings per share:	4			
Basic		(1.94p)	3.64p	1.35p
Diluted		(1.94p)	3.64p	1.35p

Consolidated interim statement of financial position

	Notes	31 December 2024	31 December 2023	30 June 2024
		£ Unaudited	£ Unaudited	£ Audited
Assets				
Non-current assets				
Investment in associate	3	29,828,893	31,279,687	30,831,299
		<u>29,828,893</u>	<u>31,279,687</u>	<u>30,831,299</u>
Current assets				
Trade and other receivables		84,405	100,834	95,203
Cash and cash equivalents		1,106,696	608,166	525,192
		<u>1,191,101</u>	<u>709,000</u>	<u>620,395</u>
Total assets		<u>31,019,994</u>	<u>31,988,687</u>	<u>31,451,694</u>
Equity and liabilities				
Capital and reserves attributable to equity holders of the parent				
Share capital		2,103,202	2,103,202	2,103,202
Capital redemption reserve		711,117	711,117	711,117
Merger reserve		2,402,674	2,402,674	2,402,674
Retained profits		25,769,966	26,667,161	26,177,995
		<u>30,986,959</u>	<u>31,884,154</u>	<u>31,394,988</u>
Current liabilities				
Trade and other payables		33,035	104,533	56,706
		<u>33,035</u>	<u>104,533</u>	<u>56,706</u>
Total equity and liabilities		<u>31,019,994</u>	<u>31,988,687</u>	<u>31,451,694</u>

Consolidated interim cash flow statement

	6 months to 31 December 2024	6 months to 31 December 2023	12 months to 30 June 2024
	£ Unaudited	£ Unaudited	£ Audited
Cash flow from operating activities			
Profit before taxation	(420,229)	751,300	251,685
Adjustments for:			
Share of loss/(profit) from associate	370,131	(829,405)	(386,768)
Reversal of impairment in associate	-	-	-
Finance income	(5,474)	(6,134)	(9,859)
Finance cost	262	-	-
Corporation taxes recovered	36,549	-	-
Net cash outflow from operating activities before changes in working capital	(18,761)	(84,239)	(144,942)
(Increase) / Decrease in trade and other receivables	(13,550)	(6,867)	14,965
Increase / (Decrease) in trade and other payables	(23,672)	36,171	(11,657)
Net cash outflow used in operating activities	(55,983)	(54,935)	(141,634)
Investing activities			
Dividend received	632,275	6,161,302	6,161,302
Interest received	5,474	6,134	9,859
Net cash inflow from investing activities	637,749	6,167,436	6,171,161
Financing activities			
Dividends paid	-	(5,678,699)	(5,678,699)
Interest paid	(262)	-	-
Net cash outflow used in financing activities	(262)	(5,678,699)	(5,678,699)
Net movement in cash and cash equivalents in the period	581,504	433,802	350,828
Cash and cash equivalents at the beginning of the period	525,192	174,364	174,364
Cash and cash equivalents at the end of the period	1,106,696	608,166	525,192

Consolidated interim statement of changes in equity

	Share capital £ Unaudited	Capital redemption reserve £ Unaudited	Merger reserve £ Unaudited	Retained surplus/ (deficit) £ Unaudited	Total shareholders equity £ Unaudited
At 1 July 2023	2,103,202	711,117	2,402,674	31,579,260	36,796,253
Profit for the 6 month period to 31 December 2023	-	-	-	766,600	766,600
Total comprehensive profit for the period	-	-	-	766,600	766,600
Dividend paid to the Company's shareholders	-	-	-	(5,678,699)	(5,678,699)
At 31 December 2023	2,103,202	711,117	2,402,674	26,667,161	31,884,154
Loss for the 6 month period to 30 June 2024	-	-	-	(483,415)	(483,415)
Share of other comprehensive loss of associate	-	-	-	(5,751)	(5,751)
Total comprehensive loss for the period	-	-	-	(489,166)	(489,166)
At 30 June 2024	2,103,202	711,117	2,402,674	26,177,995	31,394,988
	Share capital £ Unaudited	Capital redemption reserve £ Unaudited	Merger reserve £ Unaudited	Retained surplus/ (deficit) £ Unaudited	Total shareholders equity £ Unaudited
At 1 July 2024	2,103,202	711,117	2,402,674	26,177,995	31,394,988
Loss for the 6 month period to 31 December 2024	-	-	-	(408,029)	(408,029)
Total comprehensive loss for the period	-	-	-	(408,029)	(408,029)
At 31 December 2024	2,103,202	711,117	2,402,674	25,769,966	30,986,959

Notes to the interim financial statements

1. Corporate information

CMG is a company incorporated in England and Wales and is quoted on the AIM market operated by London Stock Exchange plc.

2. Basis of preparation

These unaudited consolidated interim financial statements cover the six month period from 1 July 2024 to 31 December 2024 including the financial results of Sports Information Services (Holdings) Limited ("SIS") for its six month period to 30 September 2024.

These consolidated interim financial statements of the Company and its subsidiaries (the "Group") for the six months ended 31 December 2024 have been prepared in accordance with UK-adopted international accounting standards and in accordance with the provisions of the Companies Act 2006.

The accounting policies adopted for the preparation of these unaudited interim financial statements are consistent with the accounting policies adopted in the Group's financial statements for the year ended 30 June 2024 and will remain so for the year ending 30 June 2025.

The financial information set out above does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. Statutory accounts for the year ended 30 June 2024, on which the report of the auditors was unqualified and did not contain a statement under section 498 of the Companies Act 2006, have been filed with the Registrar of Companies.

New financial reporting requirements

The Group, including SIS, has applied the following new financial reporting standards for the first time in preparing its financial statements for the six month period ended 31 December 2024. All were effective as of 1 January 2024:

- General Requirements for Disclosure of Sustainability-related Financial Information and Climate-related Disclosures (Amendments to IFRS S1 and S2)
- Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
- Lease Liability in a Sale and Leaseback (Amendments to IAS 16)
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)

Standards, interpretations and amendments to published standards not yet effective

At the date of authorisation of these consolidated interim financial statements, the IASB and IFRIC have issued the following standard and interpretations which are effective for annual accounting periods beginning on or after the stated effective date. These standards are not effective for, and have not been applied in, the preparation of these consolidated interim financial statements:

- Lack of Exchangeability (Amendments to IAS 21) (effective as of 1 January 2025)
- Classification and Measurement of Financial Instruments (Amendment to IFRS 9 and IFRS 7) (effective as of 1 January 2026)
- Presentation and Disclosure in Financial Statements (IFRS 18) (effective as of 1 January 2027)
- Subsidiaries without Public Accountability (IFRS 19) (effective as of 1 January 2027)

The Directors anticipate that the adoption of these standards will not have a material impact on the Group's financial statements in the period of initial adoption.

3. Investment in associate

	Total Group £
Cost	
At 1 July 2024	30,831,299
Additions - share of loss	(370,131)
Dividends received	(632,275)
At 31 December 2024	<u>29,828,893</u>

The Group's interest in its associate, SIS, a company incorporated in England and Wales, is held by Alternatport Limited ("Alternatport"). Alternatport holds an investment of 20.54% in the equity share capital of SIS and is entitled to appoint one director to the SIS board. The Group currently has no representative on the board of SIS. Alternatport is a wholly-owned subsidiary of Catalyst Media Holdings Limited, a wholly-owned subsidiary of the Company.

The Board has reviewed its valuation of the Company's investment in SIS as at 31 December 2024 and has, in line with the Group's accounting policies, decreased the value of its investment by the amount of its share of losses for the period, less the value of the dividend received. As a result, the investment is now carried at a value of approximately £29.8m.

Share of profit of associate*	30 September 2024 SIS Total £'000	31 December 2024 CMG share £'000	31 December 2023 CMG share £'000	30 June 2024 CMG share £'000
Revenue:				
SIS Betting Services	100,025	20,545	27,412	48,088
Total revenue	<u>100,025</u>	<u>20,545</u>	<u>27,412</u>	<u>48,088</u>
Operating profit/(loss) from ongoing operations	(2,193)	(450)	941	1,543
Group's share of loss in associate	-	-	-	-
Net interest receivable / (payable)	(108)	(22)	174	238
Individually significant items	-	-	-	(833)
Profit/(loss) before tax	(2,301)	(472)	1,115	948
Taxation	499	102	(286)	(561)
Share of income/(loss) after taxation	(1,802)	(370)	829	387
Net income from associate	(1,802)	(370)	829	387
IFRS 9 expected credit loss provision	-	-	-	-
Adjusted net income from associate	(1,802)	(370)	829	387
Other comprehensive income				
Actuarial gain/(loss)	-	-	-	(9)
Deferred tax	-	-	-	3
Acquisition of a subsidiary and revaluation loss	-	-	-	-
Total other comprehensive income	-	-	-	(6)
Share of gross assets and liabilities of associate				
Gross assets	71,254	14,636	25,386	17,161
Gross liabilities	(43,354)	(8,905)	(12,924)	(11,112)
Net equity	<u>27,900</u>	<u>5,731</u>	<u>12,462</u>	<u>6,049</u>

* - The period covered by the associate's accounts is for the six months to 30 September 2024. The revenues have been stated excluding internal revenues.

4. Earnings per share

The calculation of the basic earnings per ordinary share of 10p each in the capital of the Company ("Share") is based upon the following:

	6 months to 31 December 2024 £	6 months to 31 December 2023 £	12 months to 30 June 2024 £
Basic and Diluted			
Earnings per share - pence	(1.94p)	3.64p	1.35p
Profit attributable to equity shareholders	(408,029)	766,600	283,185
Weighted average number of Shares in issue	21,032,030	21,032,030	21,032,030

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