FINANCIAL RESULTS FOR THE YEAR ENDED 30 SEPTEMBER 2022
MEDIAZEST PLC

1 March 2023

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms partÂ of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the Company's obligations under Article 17 of MAR.

MediaZest PLC
(â€œMediaZestâ€, the â€œCompanyâ€ or the â€œGroupâ€; AIM: MDZ)

Final Results for the Year ended 30 September 2022

MediaZest, the creative audio-visual company, is pleased to provide shareholders with final results for the year ended 30 September 2022.

Highlights:

Â£ 000	FY22	FY21	Change
Revenue	2,820	2,246	+26%
Gross Profit	1,499	1,075	+39%
Gross Margin	53.2%	47.9%	+5.3%
EBITDA	220	78	+184%
Profit after tax	12	(140)	Â£152k
Earnings/(Loss) per ordinary 0.1p share (pence per share)	0.0009	(0.0101)	0.011

- Strong top line performance with a year-on-year revenue growth at +26%
- Gross margins up 39% to Â£1,499k, margin percentage strengthens to 53.2%
- EBITDA of Â£220k an increase of 184% year on year
- Recovering well post Covid-19 Pandemic
- Strengthening relations with long term clients, Pets at Home, Hyundai, Lululemon & HMV
- Multiple new business wins outside of the UK, with subsidiary established in the Netherlands post year end

Chairman's Statement
for the Year Ended 30 September 2022

Introduction

The Board presents the consolidated audited results for the year ended 30 September 2022 for MediaZest plc ("MDZ" or the 'Company') and its wholly owned subsidiary company MediaZest International Ltd ("MDZI"), which together constitute the "Group".

MDZ Group Results for the year and Key Performance Indicators ("KPIs")

- Revenue for the year grew 26% to Â£2,820,000 (2021: Â£2,246,000).

- Gross profit increased by 39% to Â£1,499,000 (2021: Â£1,075,000).

- Gross margins improved to 53% (2021: 48%).

- Administrative expenses excluding depreciation and amortisation were Â£1,279,000 (2021: Â£998,000). These expenses were particularly low in the prior year due to the impact of strong cost control in the wake of the Covid-19 Pandemic (the 'Pandemic').

- Depreciation and amortisation costs were Â£63,000 (2021: Â£74,000).

- EBITDA improved by 184% to a profit of Â£220,000 (2021: Â£78,000).

- Profit After Tax for the period was Â£12,000 (2021: loss of Â£140,000).
  - The basic and fully diluted earnings per share was a profit per share of 0.0009 pence (2021: loss per share 0.0101 pence).

- Net assets of the group are Â£1,241,000 (2021: Â£1,229,000).

- Cash in hand at 30 September 2022 was Â£45,000 (2021: Â£120,000).

MDZ Group Summary

The Group s financial results for the year ended 30 September 2022 showed a strong bounce back from the effects of the Pandemic in the previous year, with significant improvements in revenue, gross profit, gross margin, EBITDA and profit after tax. All of these metrics show considerable positive change from the previous 12 months and the 18 month period before that.

Continued growth in the operating subsidiary, MDZI, led to an increase in EBITDA to Â£497,000 (2021: Â£330,000) and profit after tax of Â£384,000 (2021: Â£206,000).

This enabled the Group to deliver a substantial positive swing in financial results as the difficulties of the Pandemic eased, with a best-ever EBITDA of Â£220,000 (2021: Â£78,000), and a profit after tax of Â£12,000 (2021: loss of Â£140,000).

Client demand in all three key sectors in which the Company operates - Retail, Automotive and Corporate Office spaces - continued to be encouraging with new project briefs and new client pitches seen consistently throughout the year. There has been a notable increase in incoming opportunities post the year end as a result of additional investment in marketing activity. The Company intends to continue its marketing push throughout 2023.

Long term clients including Pets at Home, Lululemon, Hyundai, Ted Baker and HMV all progressed roll out programmes or ongoing works during the financial year, which has continued into the new financial year ending 30 September 2023.

New business wins outside of the UK have also been notable, with projects delivered in Spain, the Netherlands, France and Germany. Further overseas projects in Slovakia and the USA have been won post the period end, with a number of other significant new opportunities already pitched to clients and awaiting a decision. To better deliver to EU based clients, the Group has set up a Dutch subsidiary which will enable it to be more efficient when working in the region. This EU presence is expected to facilitate an increased number of client opportunities and projects accordingly.

Recurring revenue streams remain strong and a key focus of management. Several customer contracts run in excess of twelve months and additional new contracts are written alongside the majority of permanent installation projects as the Group progresses and the digital signage market continues to mature.

The Group continues to operate in three core sectors:

Retail - Digital transformation continues as retailers deploy digital signage displays including window displays, self-service kiosks and large scale displays such as LED and videowalls. Â

Automotive - As this sector evolves rapidly, the role of technology in the showroom journey increases. As a result, many of the audio-visual solutions deployed in general Retail are being seen in these markets.

Corporate Offices - typical projects in this sector include hybrid meeting rooms, video conferencing technology and innovation centres - all of which are undergoing radical transformation that in many cases have been accelerated by the additional demands that the Pandemic and subsequent widespread Hybrid working needs have put upon office building technology.

As expected, demand in all three sectors continues to grow and enquiries are continuing to increase as audio- visual technology plays a greater role in day to day operations.

Group Strategy

The Board s strategy continues to be focussed on growing revenues and client numbers, with emphasis on those with long-term opportunities to deploy solutions across multiple sites at scale. The quality of revenue and duration of recurring revenue streams remain a key focus to enable the Group to generate long term value.

The Group s market positioning is to provide a high-quality Managed Service offering wrapped around hardware and software delivery that generates ongoing contractual revenues from the customer base over several years. Supply chain issues, felt across many industries, have enabled the Group to add further value in the consultation and specification areas of client work as businesses look to rebound from the Pandemic.

In the longer-term, the aim is to cover the Group's costs with recurring contractual revenues to achieve consistent profitability, supplemented by one or more 'game changing' large scale roll-out projects.

Due to the improved performance in the financial year, further fundraising efforts were not necessary.

The Board believes that in addition to organic growth, the current state of the digital signage market is well suited to a 'buy-and-build' acquisition strategy to take advantage of economies of scale and the maturing market. As one of very few listed vehicles in this space, the Company is in an advantageous position to take advantage of this opportunity and generate substantial shareholder value accordingly. As such the Board has held discussions with a number of suitable parties and continues to do so, with the intention of consummating at least one revenue enhancing, synergistic acquisition in 2023.

MDZ Group Operational Review

Long standing clients in the automotive sector such as Hyundai continued to work with the Group during the year, continuing the roll out of interactive touchscreen technology in showrooms to assist with Electric Vehicle ('EV') sales. During the year, a refresh of the ground-breaking dealership in the Bluewater shopping centre was completed to transform it into an EV based showroom. Post year end, a similar installation was completed in Glasgow as the market evolves focussing increasingly on these new technologies.

Pets at Home continued to roll out digital signage solutions to stores and the Company has now deployed these to over 70 of their stores with more in the pipeline.

Lululemon Athletica projects in the UK were also supplemented by new stores in European locations such as Barcelona and Madrid. Post year end the Company was pleased to help deliver innovative LED technology into their new Champs Elysees flagship store in Paris.

In addition to established digital signage technologies, the Group continued to deliver innovation for many clients including holographic displays for Mastercard and Vodafone. Lift and learn RFID tags, movement sensors and augmented reality solutions are a handful of other cutting-edge techniques deployed for clients in the last 12 months.

HMV, the Group s longest standing client, continued to open and refurbish new stores with audio solutions across the UK, provided by MediaZest.

New areas of expertise continued to flourish including work with digital artists which included the installation and design of an immersive art gallery in London, to be completed in January 2023.

Current trading and outlook into Financial Year Q2 23 (January to March 2023)

At present, the number of client projects and new business opportunities remain encouraging. Although macro- economic conditions are expected to remain challenging in 2023, this does not yet appear to be negatively affecting demand for the Group s services. However, the Board continues to monitor performance and its cost base very carefully.

In the meantime, the Group s target is to build on the recent progress and look to generate both organic growth and evaluate potential acquisition targets to supplement that growth where suitable.

Ongoing long term project roll outs with customers including Hyundai, Pets at Home, Lululemon and HMV have continued into Financial Year 2023 with further installations planned or underway.

The Group retains its facilities with an Invoice Financing facility and continued support from shareholders by extending shareholder loans.

The Group at 30 September 22 had net assets of Â£1,241,000 (2021: Â£1,229,000). The Board remains positive about the Group s future growth potential.

Lance O'Neill Chairman

28 February 2023

Consolidated Statement of Profit or Loss

for the Year Ended 30Â SeptemberÂ 2022

	2022	2021
	Â£'000	Â£'000
CONTINUING OPERATIONS		
Revenue	2,820	2,246
Cost of sales	(1,321)	(1,171)
GROSS PROFIT	1,499	1,075
Administrative expenses excluding depreciation & amortisation	(1,279)	(997)
EBITDA	220	78
Administrative expenses depreciation & amortisation	(63)	(74)
OPERATING PROFIT	157	4
Finance costs	(145)	(144)
PROFIT/(LOSS) BEFORE INCOME TAX	12	(140)
Income tax	-	-
PROFIT/(LOSS) FOR THE YEAR	12	(140)
Owners of the parent	12	(140)
Earnings per share expressed in pence per share:		
Basic	0.0009	(0.0101)
Diluted	0.0009	(0.0101)

Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the Year Ended 30Â SeptemberÂ 2022

	2022	2021
	Â£'000	Â£'000
PROFIT/(LOSS) FOR THE YEAR	12	(140)
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	-	-
TOTAL COMPREHENSIVE INCOME FOR	12	(140)

THE YEAR

Total comprehensive income attributable to:		
	12	(140)

Consolidated Statement of Financial Position

30Â SeptemberÂ 2022

	2022	2021
	Â£'000	Â£'000
ASSETS		
NON-CURRENT ASSETS		
Goodwill	2,772	2,772
Owned		
Intangible assets	-	-
Property, plant and equipment	34	18
Right-of-use		
Property, plant and equipment	83	127
Investments	-	-
	2,889	2,917
CURRENT ASSETS		
Inventories	121	150
Trade and other receivables	674	414
Cash and cash equivalents	45	120
	840	684
TOTAL ASSETS	3,729	3,601
EQUITY		
SHAREHOLDERS' EQUITY		
Called up share capital	3,656	3,656
Share premium	5,244	5,244
Share option reserve	146	146
Retained earnings	(7,805)	(7,817)
TOTAL EQUITY	1,241	1,229
LIABILITIES		
NON-CURRENT LIABILITIES		
Financial liabilities - borrowings		
Interest bearing loans and borrowings	83	272
CURRENT LIABILITIES		
Trade and other payables	1,101	1,114
Financial liabilities - borrowings		
Interest bearing loans and borrowings	1,304	986
	2,405	2,100
TOTAL LIABILITIES	2,488	2,372
TOTAL EQUITY AND LIABILITIES	3,729	3,601

Consolidated Statement of Changes in Equity

for the Year Ended 30Â SeptemberÂ 2022

	Called up share capital	Retained earnings	Share premium	Share option reserve	Total equity
	Â£'000	Â£'000	Â£'000	Â£Â£'000	Â£ 000
Balance at 1Â OctoberÂ 2020	3,656	(7,677)	5,244	146	1,369
Changes in equity					
Total comprehensive income	-	(140)	-	-	(140)
Balance at 30Â SeptemberÂ 2021	3,656	(7,817)	5,244	146	1,229
Changes in equity					
Total comprehensive income	-	12	-	-	12
Balance at 30Â SeptemberÂ 2022	3,656	(7,805)	5,244	146	1,241

Consolidated Statement of Cash Flows

for the Year Ended 30Â SeptemberÂ 2022

	2022	2021
	Â£'000	Â£'000
Cash flows from operating activities		
Cash generated from operations	(24)	246
Net cash from operating activities	(24)	246
Cash flows from investing activities		
Purchase of tangible fixed assets	(35)	(8)
Net cash from investing activities	(35)	(8)
Cash flows from financing activities		
Other loans repayments	1	(10)
Shareholder loan net receipt/(repayment)	15	(30)
Bounce back loan (repayment)/receipt	(10)	(3)
Payment of lease liabilities	(46)	(42)
Invoice financing (repayment)/receipt	98	(53)
Interest paid	(74)	(71)
Net cash from financing activities	(16)	(209)
(Decrease)/increase in cash and cash equivalents	(75)	29
Cash and cash equivalents at beginning of year	120	91
Cash and cash equivalents at end of year	45	120

NOTES TO THE FINANCIAL STATEMENTS

The financial information set out in this announcement does not constitute statutory accounts as defined in section 435 of the Companies Act 2006.

The financial information for the period ended 30 September 2021 is derived from the statutory accounts for that year which have been delivered to the Registrar of Companies. Â The auditors reported on those accounts; theirÂ Â report wasÂ (i) unqualified, and (ii) did not contain a statement under section 498(2) or 498(3) of the Companies Act 2006.

The statutory accounts for the year ended 30 September 2022 have not yet been delivered to the Registrar of Companies. The auditors reported on those accounts; their report was (i) unqualified, and (ii) did not contain a statement under section 498(2) or 498(3) of the Companies Act 2006.Â

The 2022 accounts will be delivered to the Registrar of Companies following the Company's Annual General Meeting, details of which will be announced shortly.

Going concern

The Group made a profit after tax of Â£12,000 (2021: loss of Â£140,000) and has net current liabilities of Â£1,565,000 (2021: Â£1,416,000). The financial statements are prepared on a going concern basis which the Directors believe to be appropriate for the following reasons:

The Directors have carefully considered the going concern assumption on the basis of financial projections and the factors outlined below.

The Directors have considered financial projections based upon known future invoicing, existing contracts, pipeline of new business and the increasing number of opportunities it is currently working on in 2023, across all main sectors the company specialises in. Several substantial new contracts have been won during the new financial year, ongoing roll out projects with existing clients continue apace, and recurring revenues remain robust. Future operating and capital costs have also been reviewed and included in the cash flow forecast prepared by the Directors.

These forecasts indicate that the Group will generate sufficient cash resources to meet its liabilities as they fall due over the 12-month period from the date of the approval of the accounts.

The Directors have obtained letters of support from two shareholders who have provided material loans to the Group, stating that they will not call for repayment of the loan within the 12 months from the date of approval of these financial statements or, if earlier, until the Group has sufficient funds to do so. The balance of these loans at 30 September 2022 totalled Â£705,000 (2021: Â£643,000).

As a result the Directors consider that it is appropriate to draw up the accounts on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

Whilst the financial information included in this announcement has been computed in accordance with International Financial Reporting Standards (IFRS), this announcement does not in itself contain sufficient information to comply with IFRS. The accounting policies used in preparation of this announcement are consistent with those in the full financial statements that have yet to be published.

The Report and Consolidated Financial Statements for the year ended 30 September 2022 will be posted to shareholders shortly and will also be available to download from the Company's website:Â www.mediazest.com

1. SEGMENTAL REPORTING

Revenue for the year can be analysed by customer location as follows:

	2022	20021
	Â£'000	Â£'000
UK and Channel Islands	2,718	2,178
Rest of Europe	102	66
North America	-	2
	2,820	2,246

An analysis of revenue by type is shown below:

	2022	2021
	Â£'000	Â£'000
Hardware and installation	2,191	1,714
Support and maintenance - recurring revenue	498	477
Other services (including software solutions)	131	55
	2,820	2,246

Segmental information and results

The Chief Operating Decision Maker ('CODM'), who is responsible for the allocation of resources and assessing performance of the operating segments, has been identified as the Board. IFRS 8 requires operating segments to be identified on the basis of internal reports that are regularly reviewed by the Board. The Board have reviewed segmental information and concluded that there is only one operating segment.

The Group does not rely on any individual client and there are seven clients who have contributed over 5% of total revenue each. The following revenues arose from sales to the Group's largest client:

	2022	2021
	Â£'000	Â£'000
Goods and services	589	228
Service and maintenance	117	131
Other services	40	-
	746	359

2. EARNINGS PER SHARE

	2022	2021
Profit/(Loss)	Â£'000	Â£'000
Profit/(Loss) for the purposes of basic and diluted earnings per share being net loss attributable to equity shareholders	12	(140)

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	2022	2021
Number of shares	Number	Number
Weighted average number of ordinary shares for the purposes of basic earnings per share	1,396,425,774	1,396,425,774

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Number of dilutive shares under option or warrant	-	

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	2022	2021
Weighted average number of ordinary shares for the purposes of dilutive loss per share	1,396,425,774	1,396,425,774

Basic earnings per share is calculated by dividing the profit after tax attributed to ordinary shareholders of Â£12,000 (2021 loss: Â£140,000) by the weighted average number of shares during the year of 1,396,425,774 (2021: 1,396,425,774).

The diluted loss per share is identical to that used for basic loss per share as the options are "out of the money" and therefore anti-dilutive.

3. RECONCILIATION OF PROFIT/(LOSS) BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	2022	2021
	Â£ 000	Â£ 000
Profit/(Loss) before income tax	12	(140)
Depreciation charges	63	74
Finance charges	-	(90)
Finance costs	145	144
	220	(12)
Decrease/(increase) in inventories	29	(57)
(Increase)/decrease in trade and other receivables	(260)	79
(decrease)/increase in trade and other payables	(13)	236
Cash (used in)/generated from operations	**(24)**	**246**

4. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statements of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 30 September 2022		
	30.9.22	1.10.2021
	Â£ 000	Â£ 000
Cash and cash equivalents	45	120

Enquiries

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About MediaZest

MediaZest is a creative audio-visual systems integrator that specialises in providing innovative marketing solutions to leading retailers, brand owners and corporations, but also works in the public sector in both the NHS and Education markets. The Group supplies an integrated service from content creation and system design to installation, technical support, and maintenance. MediaZest was admitted to the London Stock Exchange's AIM market in February 2005. For more information, please visitÂ www.mediazest.com