



12 July 2024

System1 Group PLC (AIM: SYS1)
("System1", or "the Company", or "the Group")

First Quarter Trading Update

Following last week's FY24 Final Results announcement, System1, the marketing decision-making platform www.system1group.com today issues an update on trading for the first quarter of the financial year ending 31 March 2025 (Q1 FY25).

Revenue £ million - unaudited	Q1 FY25	Q1 FY24	Q1 % YoY
Predict Your (data)	6.8	4.0	68%
Improve Your (data-led consultancy)	1.8	0.9	104%
Platform Revenue	8.6	4.9	74%
Other consultancy (non-platform)	0.9	1.3	-30%
Total Revenue	9.5	6.2	53%

Total Q1 FY25 Revenue of £9.5m was 53% higher than the equivalent quarter last year, with Platform Revenue growing by 74% to £8.6m and non-platform consultancy falling by 30%, in line with our expectations, to £0.9m. Growth in Revenue was driven mainly by the US where US Total Revenue rose by 94% to £3.3m and US Platform Revenue by 164% to £2.9m. Platform Revenue comprised 90% of Total Revenue in Q1 FY25 (FY24: 79%). New business performance was strong in the quarter with over 75 new client wins. All geographic regions were well up on Q1 FY24 except LatAm which was slightly down.

We achieved an 87% gross profit margin in Q1 FY25, in line with the same period last year and ahead of our 85% benchmark.

Planned tax and bonus payments resulted in a net £1.5m cash outflow in the quarter with net cash at end of June of £8.1m.

Commenting on the results, CEO James Gregory said:

"Customer demand was exceptionally strong in the first quarter, somewhat ahead of our own expectation. It's early in the year but this strong first quarter performance puts us firmly on track for sustainable growth and to achieve our full year expectations¹."

Further information on the Company can be found at www.system1group.com.

1. For the purpose of this announcement, the Group believes market consensus for FY25 to be revenue of £36.5m, and profit before tax of £4.4m.

2019/2019. With the publication of this announcement, this information is now considered to be in the public domain.

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