

Aeorema Communications plc / Index: AIM / Epic: AEO / Sector: Media

29 July 2024

Aeorema Communications plc
("Aeorema", the "Company" or the "Group")

Trading Update and Investor Presentation

Revenue & profit in line with expectations

Aeorema Communications plc (AIM: AEO), a leading strategic communications group, is pleased to announce an update on trading for the year ended 30 June 2024 ("FY2024") following a strong second half of the year.

Highlights

- FY2024 revenue and profit in line with expectations:
 - Revenue expected to be no less than £20 million* (2023 audited: £20.2 million).
 - Profit before tax expected to be no less than £400,000* (2023 audited: £1 million).
- Cash balance at year end of £3.1 million (2023: £2.4 million).
- Maintaining dividend policy, subject to audit.
- Programme to significantly reduce and rebalance costs progressing well and continuing through FY2025.
- Early indications that FY2025 will see profitability improve.

*Subject to audit

The Company continues to grow its exceptional reputation and has again been recognised by industry peers in North America and the UK as a leading agency, demonstrated by several international award wins during the year. Prior to the year-end, Aeorema had its biggest presence to date at the *Cannes Lions International Festival of Creativity 2024*. This included partnering with Stagwell (NASDAQ: STGW) and TEAM for the second year running to create 'Sport Beach', one of the largest brand activations at the event.

Aeorema expects to report, subject to audit, revenues of no less than £20 million for FY2024 (FY2023: £20.2 million), profit before tax subject to audit of no less than £400,000 (FY2023: £1 million) and a cash balance at year end of £3.1 million (FY2023: £2.4 million).

The Group is confident that the next financial year will be another successful year for revenues with early indications suggesting profits will improve. This is supported by an ongoing programme to significantly reduce and rebalance costs, which is progressing well.

Steve Quah, CEO, and Jamie Blackwell, Group Financial Controller, will be providing a live investor update on 1 August 2024 at 10.00am BST. Investors can register to join the event via the following link: <https://www.investormeetcompany.com/aeorema-communications-plc/register-investor>

The presentation is open to all existing and potential shareholders. Questions can be submitted pre-event via your Investor Meet Company dashboard up until 9.00am BST on 31 July 2024, or at any time during the live presentation.

Steve Quah, CEO of Aeorema Communications plc, commented:

"We are confident of delivering a full year profit before tax of not less than £400,000 following a near record second half to the financial year, which saw profits in the region of £650,000. This is based on us reporting revenue for the full year of no less than £20 million, subject to audit.

"During the first half of the financial year we focussed on investing in our team, both in the US and UK, which impacted our profit margin. We have subsequently begun to adjust our business model to better balance costs between the first and second halves of our financial year, whilst also implementing a programme of cost

reduction. These processes are progressing well.

"With a healthy pipeline of client projects from a resilient blue-chip client base, including approximately £2 million of contracted revenues relating to projects delayed in FY2024, we are encouraged by the underlying strength of our business. Our focus remains steadfast on delivering creative brilliance for our clients on a global scale and we believe we are well positioned to deliver sustained growth, profitability and value to our shareholders over the long term."

****ENDS****

For further information visit www.aeorema.com or contact:

Andrew Harvey	Aeorema Communications plc	Tel: +44 (0) 20 7291 0444
John Depasquale / Liz Kirchner / Lauren Wright (Corporate Finance) Kelly Gardiner / Joscelin Pinnington (Sales & Corporate Broking)	Allenby Capital Limited (Nominated Adviser & Broker)	Tel: +44 (0)20 3328 5656
Paul Dulieu / Isabel de Salis	St Brides Partners Ltd (Financial PR)	aeorema@stbridespartners.co.uk

Notes to Editors

Aeorema Communications plc, (AIM: AEO) is a leading strategic communications group with offices in London, New York and Amsterdam. The Group provides bespoke event services, comprising live, virtual, and hybrid experiences to an established international blue-chip client base spanning a broad range of sectors, including finance, professional services, advertising, IT, gaming, fashion, fintech, and beverages. The Group also provides high level consultancy services to help clients maximise and deliver on their long-term communication strategies over multiple event and film touchpoints.

Aeorema delivers these services via its fully owned companies Cheerful Twentyfirst and Cheerful Twentyfirst, Inc. (the North American arm of Cheerful Twentyfirst) (cheerfultwentyfirst.com), two live events agencies with film capabilities that specialise in devising and delivering corporate communication solutions. The Group also operates Eventful Limited (www.eventful.co.uk), which provides consultative, high-touch services including assisting clients with venue sourcing, event management and incentive travel. With almost 60 years of combined operating experience and extensive award wins, Aeorema is a recognised industry thought leader.

Central to all that the Group does is its Corporate Social Responsibility charter, which is focussed on ensuring sustainable, inclusive and ethical business operations. To this end, the Group is a pioneer in delivering innovative strategies and services, including a client carbon measurement programme to establish a formal structure and approach around reducing emissions and offsetting both its own and its clients' carbon footprint.

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