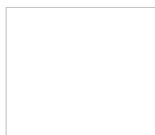


*This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014. Upon the publication of this announcement, this information is now considered to be in the public domain.*

30 July 2024



**XLMedia PLC**

("XLMedia" or the "Group" or the "Company" or the "Business")

### **Trading Update & Notice of Results**

*Remaining North America business continues to trade in line with management expectations*

XLMedia (AIM: XLM), a sports and gaming digital media company, today provides the following trading update for the six months ended 30 June 2024 ("H1 2024").

The Group completed the sale of its Europe and Canada assets to Gambling.com Group Limited ("GAMB") for a fixed consideration of \$37.5 million ("Fixed Consideration") and a potential earnout consideration of up to a further \$5.0 million based on revenue performance ("Transaction") on 1 April 2024.

Following the Transaction, the remaining business ("Continuing Business") consists of the North America business and a small residual income ("Other") from Europe, principally from the legacy network business that was not sold to GAMB. The Europe and Canada assets which have been disposed of ("Discontinued Business") and associated costs will be reported against the Discontinued Business line until the remaining costs are removed in Q4 2024.

### **Financial Summary**

For H1 2024 reporting, the Discontinued Business revenue reflects only the first three months of trading in 2024 prior to the Transaction, versus H1 2023 which includes revenue for the full six months in the period.

#### **Revenue H1 2024**

	<b>H1 2024 Revenue (\$m)</b>	<b>H1 2023 Revenue (\$m)</b>
Group Total Revenue	15.6	29.4
Discontinued Business <sup>1</sup>	(5.2)	(12.5)
<b>Continuing Business<sup>2</sup></b>	<b>10.4</b>	<b>16.9</b>
North America	9.8	16.2
Other	0.6	0.7
<b>Continuing Business Total</b>	<b>10.4</b>	<b>16.9</b>

<sup>1</sup> For 2024 reporting, the Group classifies the Europe and Canada assets sold to Gambling.com Group Limited as discontinued.

<sup>2</sup> The Group now classifies the remaining business which consists of the North America business and a small residual income from the legacy network business as continuing.

The Continuing Business contributed unaudited revenue of \$10.4 million in H1 2024, in line with management expectations. The Discontinued Business contributed unaudited revenue of \$5.2 million in Q1 2024, in line with management expectations.

The Group saw a solid start to the year in North America, supported by North Carolina launching online sports betting on 11 March 2024. Although this launch occurred after the end of the NFL season, the Company saw good growth in customer registrations while offering the prospect of a further revenue uplift when the new NFL season launches in September 2024. North America revenues in H1 2024 were below the same period in 2023, primarily due to the major launch of online sports betting in Ohio in January 2023 during the NFL season and subsequently Massachusetts' launch in March 2023, after the season had finished.

### **Cash**

The initial payment of \$20.0 million of the Fixed Consideration was received with the next payment of \$10.0 million due in October 2024. As previously announced, the Company anticipates an initial return of capital to shareholders from the net sale proceeds in Q4 2024, further details of which will be announced in due course.

Cash at the end of June was \$19.4 million after payment of \$3.5 million in respect of the final tranche of the CBWG acquisition. The Group will make its final deferred acquisition payment of \$4.0 million in respect of the acquisition of Saturday Down South in September 2024. Following this, there are no outstanding deferred acquisition payments due.

The Group continues to incur transition and restructuring costs including the costs of the Discontinued Business.

### **Outlook**

## Outlook

The North America business is seasonal, and the Company is seeing the normal seasonal dip in sports revenues during the NFL off-season. With no further state launches confirmed, the Group is focused on preparing for the new NFL season and optimising performance in existing legalised sport and gaming states. The Group continues to diversify revenue with daily fantasy sports, paid media, advertising and sponsorship, as well as building its Gaming presence for longer term growth.

Following Google actions in May 2024 which reduced visibility of some publishers' sports betting and gaming content, the Group is working closely with all its Media Partners, the majority of which, to date, have not been negatively affected by the actions, while successfully relaunching content with a small number of those that were temporarily impacted, while the Group's Owned and Operated sport affiliate websites are currently benefiting from improvements in their rankings.

Adjusted EBITDA<sup>3</sup> for the Continuing Business, excluding revenues and ongoing costs of the Discontinued Business, is estimated at some \$5.0 million for the full year, benefiting from four months of the NFL season and reductions in the central cost base serving the Continuing Business in H2 2024.

XLMedia's Board will continue to execute the Continuing Business strategy whilst also evaluating ways to maximise shareholder value.

<sup>3</sup> Adjusted EBITDA is defined as the operating profit after adding back depreciation, amortisation, impairment, share based payments, final exceptional minimum guarantee cost and group restructuring costs, and remaining costs associated with the discontinued business prior to their removal.

## Notice of H1 2024 Results

The Group's interim results will be announced in September, with full details to follow nearer the time.

For more information on the sale of the Europe and Canada assets, please visit:  
<https://www.xlmedia.com/investors/regulatory-news/>

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## About XLMedia

XLMedia (AIM: XLM) is a sports and gaming digital media company that creates compelling content for highly engaged audiences and connects them to relevant advertisers.

The Group manages a portfolio of premium brands in regulated markets which are designed to reach passionate people with the right content at the right time.

## Forward Looking Statements

This announcement contains forward-looking statements. Forward-looking statements are neither historical facts nor assurances of future performance. They are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements.

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