

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.



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

Results for the Year Ended 31 December 2024

XLMedia (AIM: XLM) announces audited results for the year ended 31 December 2024 ("FY 2024").

Sale of Group Assets in 2024

Following the sale of substantially all the Group's assets in 2024, the Group's results for FY 2024 are presented as discontinued operations. The Company remains solely focused on the orderly distribution to shareholders of the net proceeds from the Disposals after clearing the Group's liabilities.

As a result of the Disposals, the Company is a cash shell under AIM Rule 15 and the Board reconfirms that the Company has no plans to seek to make an acquisition or acquisitions which constitute a reverse takeover under AIM Rule 14. Whilst the Group no longer has any material trading activities, the Board believes that it is in shareholders' best interests for the Company to remain admitted to trading on AIM while it seeks to make returns from the consideration of both the Europe Disposal and North America Disposal. However, trading in the Company's shares is expected to be suspended on or around 12 May 2025.

Key Highlights

The Europe and Canada assets were sold to Gambling.com Group Limited on 1 April 2024 and the North American assets were sold to Sportradar Group AG on 13 November 2024.

- Total gross proceeds from the sale of the Europe and Canada assets: 41.2 million
- Total potential gross proceeds from the sale of North American assets: 21.0 million
- Cash received in 2024 from Europe and Canada disposal: 30.0 million
- Cash received in 2024 from North American disposal: 20.0 million
- Cash balances (including short term deposits) at 31 December 2024: 35.0 million*

* The cash balance includes cash collected on behalf of and payable to the acquirers of disposed assets of some 1.8 million.

The final payment of consideration of 11.2 million was paid by Gambling.com on 1 April 2025, including a variable component of 3.7 million based on the strong revenue performance of the assets disposed of in the remainder of 2024 following their sale. A further payment is due from Sportradar of 1.0 million in April 2025. Sportradar confirmed this in its Report and Accounts for FY2024 although contractually the final date for confirmation that the performance related element of consideration has been triggered is 15 April 2025.

Return of Cash to Shareholders

On 20 January 2025, the Group announced a tender offer to shareholders to purchase up to a maximum of 139,130,434 Ordinary Shares (being approximately 52.98 per cent. of the Company's existing issued share capital) at 11.5p per share. In total, 121,545,490 Ordinary Shares were validly tendered under the Tender Offer, representing approximately 46.3 per cent. of the Company's existing issued share capital and approximately 87.4 per cent. of the number of Ordinary Shares available to tender and, in February 2025, the Group returned approximately £14.0 million (17.4 million) to shareholders. The Board proposes to make a further capital return to shareholders prior to the suspension of trading in the Company's shares on or around 12 May 2025 and will make further announcements shortly.

Financial summary - discontinued operations

Following the sale of substantially all the assets of the Group, the FY 2024 results are reported as discontinued operations for the period prior to the effective dates of disposal, and full year 2023 has been presented on a comparable basis.

Discontinued operations	2024	2023
Revenue ('m)	17.7	51.0
Operating loss before impairment ('m)	(15.0)	(0.7)
Non-cash net impairment charge ('m)		(12.5)

non-cash net impairment charge ('m)	-	(42.0)
Statutory loss for the period ('m)	(12.5)	(47.0)
Basic loss per share ()	(0.048)	(0.179)

Operating summary and transition services

- Following the sale of European Assets to Gambling.com, the Group provided transition support for a period of six months in line with the sale agreement.
- Following the sale of the North American Assets to Sportradar, the Group provided transition support for the period to the end of January 2025 in line with the sale agreement.
- During the transition period of both transactions, the Group sought to reduce costs and terminate services no longer required to support the residual activities.
- The Group paid 7.5 million of deferred and earnout payments in FY 2024, being the final instalments due in respect of the 2020 CBWG and 2021 Saturday Down South acquisitions.
- The Group cleared all outstanding Media partner minimum guarantee payments of 3.1 million.
- At 31 December 2024, staff numbers had been reduced to 17.

Post Balance Sheet Events

- The final payment of 11.2 million due from Gambling.com on 1 April 2025 has been paid, including a variable component of 3.7 million based on the strong revenue performance of the assets disposed of in remainder of 2024 following their sale. A further payment is due from Sportradar of 1.0 million in April 2025, with a final date for confirmation that the performance related element of consideration has been triggered on 15 April 2025. Following receipt, no further payments will be due from the Disposals.
- In February 2025, the Group returned approximately £14.0 million (17.4 million) of cash to shareholders via a tender offer.
- The Board intends to make a further capital return to shareholders prior to the suspension of trading in the Company's Ordinary Shares which is expected to take place on or around 12 May 2025.
- A further 10 staff have left the business in Q1 2025.
- As previously announced, Marcus Rich, David King, Julie Markey and Ory Weihs will step down from the Board on 30 June 2025.
- Peter McCall, Group Company Secretary and Legal Counsel, was appointed to the Board on 31 January 2025 and, together with Cédric Boireau, will oversee the Group in H2 of 2025.
- Cash and short-term deposits at 31 March 2025 was 13.7 million, prior to receipt of 11.2 million on 1 April 2025 being the final payment due in respect of the sale the European and Canadian assets.

Outlook

Having received most of the cash due from the asset disposals, the Group continues to focus on minimising costs, clearing tax and other liabilities and returning cash to shareholders.

The Board expects to announce a second tender offer shortly and at that time will also provide further details of the estimated outstanding costs and cash retained pending subsequent liquidation of the Company and its subsidiaries.

David King, Chief Executive Officer of XLMedia, commented:

"We have made substantial progress in reducing costs having successfully completed the transition of both European and North American assets to new owners. The outstanding tax liabilities remain the most significant residual cost and we are working rapidly with our advisers with a view to early submission of final tax returns. However at this point we have no certainty over the timescales for final agreement from each tax authority."

Marcus Rich, Chair of XLMedia, commented:

"We are pleased to have realised value for shareholders from the sale of the Group's assets having made an initial return of capital in February. It is our intention to make a further return of capital prior the Company's shares being suspended which is expected to take place on or around 12 May 2025."

Financial Statements and Notes to the Accounts

For access to the Financial Statements and Notes to the Accounts for the year ended 31 December 2024, please see below.

For further information, please contact:

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About XLMedia

XLMedia (AIM: XLM) is now an AIM Rule 15 Cash Shell.

Chief Executive Review

Creating value for shareholders

The Board committed to exploring all options to create value for shareholders and, in 2023, explored the sale of the Group. While there was considerable interest in the assets, the Board judged that the sale of the Group as a whole would not maximise value for shareholders.

The management focused on maximising the performance of the Group's assets in the markets it operated in while also working with the Board to explore opportunities to sell the assets.

Following a good performance from the European and Canadian assets in Q1 2024, management achieved a sale of these assets to Gambling.com on 1 April 2024 and reset their focus to supporting the transfer of the assets and reducing costs.

The North American market saw buoyant betting activity in 2024. However, new customer acquisition slowed down in the early part of the year. The launch of North Carolina in March 2024, like the launch of Massachusetts in March 2023, saw much lower levels of initial customer acquisition relative to what an in NFL season launch might attract. The business performed in line with management expectation across the summer.

Once again, management focused on maximising the performance of the North American assets while also working with the Board to explore opportunities to sell the assets, and following the disposal, supported the transition to Sportradar, while entering a further phase of cost reduction.

The Group's consolidated financial statements reflect the sale of substantially all the Group's assets in FY 2024. The results are presented as discontinued operations, and as the directors intend to liquidate the Group it is not considered appropriate to adopt the going concern basis of accounting in preparing the consolidated financial statements.

The Group started 2024 with 146 staff reducing to 17 at 31 December 2024, following the transfer of some staff to the new owners of the assets a small number of resignations and a series of redundancies. A further 10 staff left the business in Q1 2025.

Next steps

The Board and remaining staff are focussed on further reducing costs, collecting outstanding acquisition payments, completing 2024 accounts and tax returns for all Group companies, and preparing for a further return of capital to shareholders prior to the suspension of the Company's Ordinary Shares which is expected to take place on or around 12 May 2025, and the subsequent delisting of the shares on in due course.

David King
Chief Executive Officer
3 April 2025

Consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2024

		2024	2023 ¹
		000	000
<i>Discontinued operations</i>	Notes		
Revenue	4	17,682	50,960
Expenses:			
Operating	5	(19,554)	(26,430)
Sales and marketing		(9,319)	(18,753)
Depreciation and amortisation	11, 12	(3,831)	(6,477)
Net impairment charge	11	-	(42,574)
Operating loss		(15,022)	(43,274)
Finance expenses	6	(429)	(233)
Finance income	6	571	20
Profit/ (loss) on disposal of assets to third parties	8	4,222	(212)
Other (expenses) / income	10	(5,937)	463
Loss before taxes on income		(16,595)	(43,236)
Tax (credit) / charge	7	4,114	(3,809)
Loss for the year from discontinued operations		(12,480)	(47,045)

Other comprehensive expenses that may be reclassified to

profit or loss in subsequent periods:

Exchange differences on translation of foreign operations	(41)	429
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Other comprehensive expenses that will not be reclassified to**profit or loss in subsequent periods:**

Impairment of equity investment	-	(242)
Total other comprehensive (expenses) / income	(41)	187

Total comprehensive loss for the year	(12,521)	(46,858)
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Loss per share attributable to the owners of the Company (in):

Basic and diluted loss per share	9	(0.048)	(0.179)
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¹ Following completion of the North America Disposal on 13 November 2024, the Group became an AIM Rule 15 Cash Shell. As a result, all comparative data for the year ended 31 December 2023 has been adjusted to reflect the reclassification of all business verticals to discontinued operations in line with IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations'.

Consolidated statement of financial position**as at 31 December 2024**

	Notes	2024 ¹ 000	2023 000
Assets			
Cash and cash equivalents		22,976	4,692
Short-term deposits	13	12,005	181
Trade receivables	14a	212	6,605
Other receivables	14b	3,811	1,315
Deferred consideration receivable	8a	7,500	-
Contingent consideration receivable	15	4,689	-
Property and equipment	12	-	1,761
Intangible assets and goodwill	11	-	63,345
Total assets		51,193	77,899
Equity and liabilities			
Equity			
Share capital ²	19	-	-
Share premium		122,071	122,071
Capital reserve		275	860
Accumulated deficit		(81,833)	(69,353)
Total equity		40,513	53,578
Liabilities			
Trade payables		1,551	4,613
Deferred consideration		-	3,954
Consideration payable on intangible assets	11	-	3,500
Other liabilities and accounts payables	16	5,945	3,974
Current tax provision		3,184	5,696
Deferred taxes	18	-	1,411
Lease liabilities	17	-	1,173
Total liabilities		10,680	24,321
Total equity and liabilities		51,193	77,899

¹ Following completion of the North America Disposal on 13 November 2024, the Group became an AIM Rule 15 Cash Shell. As a result, all assets and liabilities, including comparative data, are presented based on liquidity in the Consolidated statement of financial position above.

² Less than 1,000.

Consolidated statement of changes in equity**for the year ended 31 December 2024**

	Share capital ¹ 000	Share premium 000	Capital reserve from share-based transactions 000	Capital reserve from the translation of a foreign operation 000	Other Capital reserves ² 000	Accumulated deficit 000	Total equity 000
1 January 2024	200	122,071	275	-	860	(69,353)	53,578

As at 1 January 2024	-	122,071	3,687	41	(2,868)	(69,353)	53,578
Loss for the year	-	-	-	-	-	(12,480)	(12,480)
Other comprehensive income	-	-	-	(41)	-	-	(41)
Total comprehensive loss	-	-	-	(41)	-	(12,480)	(12,521)
Cost of share-based payments ³	-	-	(544)	-	-	-	(544)
As at 31 December 2024	-	122,071	3,143	-	(2,868)	(81,833)	40,513
As at 1 January 2023	-	122,071	3,514	(388)	(2,626)	(22,308)	100,263
Loss for the year	-	-	-	-	-	(47,045)	(47,045)
Other comprehensive loss	-	-	-	429	(242)	-	187
Total comprehensive loss	-	-	-	429	(242)	(47,045)	(46,858)
Cost of share-based payments ³	-	-	173	-	-	-	173
As at 31 December 2023	-	122,071	3,687	41	(2,868)	(69,353)	53,578

¹ Less than 1,000.

² Other Capital reserves relate to transactions with non-controlling interests and financial assets at fair value through other comprehensive income.

³ See Note 20 for further details.

Consolidated statement of cash flows for the year ended 31 December 2024

	Notes	2024 000	2023 000
Cash flows from operating activities			
Cash (used) / generated from operations	22	(12,410)	9,905
Interest paid		(157)	(203)
Interest received		571	2
Income tax paid		(744)	(5,134)
Net cash (outflow) / inflow from operating activities		(12,740)	4,570
Cash flows from investing activities			
Proceeds from the sale of operations	8	50,213	6,050
Purchase of property and equipment		-	(14)
Purchase of intangible assets		-	(3,500)
Acquisition of domains, websites and other intangible assets		-	(5,678)
Short-term deposits (net)		(11,322)	236
Net cash inflow / (outflow) from investing activities		38,891	(2,906)
Cash flows from financing activities			
Payment of principal portion of lease liabilities		(209)	(354)
Payment of deferred consideration		(4,000)	(4,004)
Payment of contingent consideration on intangible assets		(3,500)	(3,371)
Net cash outflow from financing activities		(7,709)	(7,729)
Net increase / (decrease) in cash and cash equivalents		18,442	(6,065)
Net foreign exchange difference		(158)	346
Cash and cash equivalents at 1 January		4,692	10,411
Cash and cash equivalents at 31 December		22,976	4,692

The accompanying notes are an integral part of the consolidated financial statements.

1. General

a. Corporate information

XLMedia PLC ("the Group") is a global performance publisher listed on the London Stock Exchange Alternative Investment Market ("AIM"). The Group was incorporated in Jersey and its registered office is 12 Castle Street, St. Helier Jersey, JE2 3RT (registration number 114467).

b. Discontinued operations

On 21 March 2024, the Group announced the sale of its Europe and Canada assets ("Europe Disposal"). See Note 8a for further details.

On 21 October 2024, the Group announced the proposed divestment of its North America Business ("North America

On 21 October 2024, the Group announced the proposed divestment of its North America business ("North America Disposal"). The North America disposal was approved at a general meeting of the Group's shareholders on 7 November 2024 and on 13 November 2024, the Group announced the completion of the North America Disposal. See Note 8c for further details.

On 21 October 2024, the Board expressed the intention to commence the procedures of the voluntary liquidation of the Group and its subsidiary entities, with a view to liquidating the Group after the reporting period end.

Following completion of the North America Disposal, the Group became an AIM Rule 15 Cash Shell and disclosed it did not propose to make an acquisition that constituted a reverse takeover under AIM Rule 14 or become an investing company. However, the Board did not seek cancellation of the Group's admission to trading on AIM at that point as it believed that it is in the best interests of shareholders that the Group remains admitted to trading until the final consideration payments for each of the Europe Disposal and the North America Disposal are received and a significant proportion of the consideration from the disposals has been distributed to shareholders (see Note 25). Those final consideration payments are due to be received in April 2025.

As the Group does not propose to make an acquisition that constitutes a reverse takeover under AIM Rule 14 or become an investing company, in accordance with AIM Rule 15, it is expected that trading in the Ordinary Shares (Shares) will be suspended on or around 12 May 2025. The Group will then have a further six months following the date of suspension before the Group's admission to trading on AIM is cancelled. The Directors' current expectation is that the Group will have taken steps to effect cancellation of its admission to trading on AIM by this time. Following completion of the return of capital to Shareholders, the Group expects to seek Shareholder approval to cancel admission to AIM and to commence a summary winding up of the Company pursuant to Chapter 2, Part 21 of the Jersey Companies Law.

Due to the fact that the Directors intend to liquidate the Group and its subsidiaries after the reporting date, and to cease trading, these consolidated financial statements have been prepared on other than going concern basis in line with IAS 1 '*Presentation of Financial Statements*' (see Note 2a).

c. Definitions

In these consolidated financial statements, the following terms will be used:

EUR	- Euro
GBP	- British Pound Sterling
IFRS	- International Financial Reporting Standards as adopted by the European Union
NIS	- New Israeli Shekel
Related parties	- As defined by IAS 24 ' <i>Related Party Disclosures</i> '
Subsidiaries	- Entities controlled (as defined in IFRS 10 ' <i>Consolidated Financial Statements</i> ') by the Group and whose financial statements are consolidated into the Group. For a list of the main subsidiaries, see Note 24
U.S.	- United States
U.K.	- United Kingdom
USD/	- U.S. dollar, all values are rounded to the nearest thousand (000), except when otherwise indicated

2. Accounting Policy Information

The following accounting policies have been applied consistently in dealing with items which are considered significant in relation to the Group's financial statements, unless otherwise stated.

a. Basis of presentation of the consolidated financial statements

i. Other than Going concern basis

On 21 October, 2024, and subsequent to the Europe and North America Disposals (see Note 1b), the Directors of the Company announced their intention to commence the procedures of the voluntary liquidation of the Company and its subsidiary entities with a view to liquidating the Group after the reporting period end. As described in Note 1b, it is expected that trading in the Ordinary Shares will be suspended on or around 12 May 2025, after which the Group will then have a further six months following the date of suspension before the Group's admission to trading on AIM is cancelled. Following completion of the return of capital to Shareholders, the Group expects to seek Shareholder approval to cancel admission to AIM and to commence a summary winding up of the Company.

In these circumstances it is not appropriate to prepare the consolidated financial statements on a going concern basis. As the Company plans to continue trading for a period of time and realise its remaining assets in an orderly fashion, the Directors have determined that the accounting policies applied to individual items should be consistent with those adopted in the prior year. However, the disposals and planned liquidation have led to write offs of existing intangible and tangible assets, as well as any expenses incurred in relation to redundancies and professional fees. In addition, all data in the consolidated statement of profit or loss, including comparative data, have been classified as discontinued operations, in accordance with IFRS 5, '*Non-current Assets Held for Sale and Discontinued Operations*'. Also, all assets and liabilities, including comparative data, in the Statement of Financial Position are presented based on liquidity, as the directors believe this provides information that is reliable and more relevant in accordance with IAS 1, '*Presentation of Financial Statements*'.

ii. Compliance with IFRS Accounting Standards

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") adopted by the European Union and issued by the International Accounting Standards Board ("IASB"), in accordance with the requirements of the Companies (Jersey) Law 1991. Due to the planned liquidation of the Group (see Note 1b), these consolidated financial statements are prepared on other than going concern basis.

iii. Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) - measured at fair value or revalued amount.

iv. New accounting standards, amendments and interpretations adopted by the Group

There are no new major standards applicable for the Group. Amendment to IAS 1 '*Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current and subsequent amendment: Non-Current Liabilities with Covenants*' did not have a material impact on the Group's financial statements.

b. Basis of consolidation

The consolidated financial statements comprise the financial statements of companies that are controlled by the parent company (subsidiaries). Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Potential voting rights are considered when assessing whether an entity has control. The consolidation of the financial statements commences on the date on which control is obtained and ends when such control ceases.

The financial statements of the Group and of the subsidiaries are prepared as of the same dates and periods. The consolidated financial statements of the Group are prepared using consistent accounting policies by all companies in

the Group. Significant intragroup balances and transactions and gains or losses resulting from intragroup transactions are eliminated in full in the consolidated financial statements.

2. Accounting Policy Information *continued*

c. Functional currency, presentation currency and foreign currency

Functional currency and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in USD, which is the Group's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in statement of profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- i. assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position,
- ii. income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- iii. all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to the statement of profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

d. Cash equivalents

Cash is cash on hand and demand deposits. Cash equivalents are highly liquid investments, including unrestricted short-term bank deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. Investments normally only qualify as cash equivalent if they have a short maturity of three months or less from the date of acquisition.

e. Short-term deposits

Short-term bank deposits are deposits with an original maturity of more than three months from the investment date and do not meet the definition of cash equivalents.

2. Accounting Policy Information *continued*

f. Revenue recognition

The Group generated revenues mainly from referred players who are driven by either the Group's premium branded websites or partners. The main revenue streams are: cost per acquisition ("CPA"), revenue-share fees or a combination of both, which is referred to as a hybrid.

CPA fees are fixed-rate fees owed for each player who registers and usually deposits a minimum balance on the operator's site, and they are recognised when earned upon acceptance of the referral by the operator.

Revenue-share fees represent a set percentage of net revenues generated over the lifetime of the referred player. The Group has no material obligations for discounts, incentives or refunds of commissions subsequent to completion of performance obligations.

After the completion of the North America Disposal, the only revenues recognised by the Group after 1 September 2024 were revenues relating to Reef.

g. Taxation

Current or deferred taxes are recognised in the statement of profit or loss, except to the extent that they relate to items that are recognised in other comprehensive income or equity.

Current taxes

The current tax liability is measured using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date, as well as adjustments required in connection with the tax liability in respect of previous years.

Deferred taxes

Deferred taxes are computed in respect of temporary differences between the carrying amounts in the financial statements and the amounts attributed for tax purposes. Deferred taxes are measured at the tax rate that is expected to apply when the asset is realised or the liability is settled based on tax laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is not probable that they will be utilised. Deductible temporary differences for which deferred tax assets had not been recognised are reviewed at each reporting date, and a respective deferred tax asset is recognised to the extent that their utilisation is probable.

Deferred taxes are offset if there is a legally enforceable right to offset a current tax asset against current tax liability, and the deferred taxes relate to the same taxpayer and the same taxation authority.

h. Leases

The Group accounts for a contract as a lease when the contract terms convey the right to control the use of an identified asset for a period of time in exchange for consideration.

Recognition of assets and liabilities

For leases in which the Group is the lessee, the Group recognises on the commencement date of the lease a right-of-use asset and a lease liability, excluding leases whose term is up to 12 months and leases for which the underlying asset is of low value. For these excluded leases, the Group has elected to recognise the lease payments as an expense in the statement of profit or loss on a straight-line basis over the lease term.

In measuring the lease liability, the Group has elected to apply the practical expedient and does not separate the lease components from the non-lease components (such as management and maintenance services, etc.) included in a single contract. On the commencement date, the lease liability includes all unpaid lease payments discounted at the interest rate implicit in the lease, if that rate can be readily determined, or otherwise using the Group's incremental borrowing rate.

2. Accounting Policy Information continued

h. Leases continued

After the commencement date, the Group measures the lease liability using the effective interest rate method. The right-of-use asset is recognised in an amount equal to the lease liability plus lease payments already made on or before the commencement date and initial direct costs incurred. The right-of-use asset is measured applying the cost model and depreciated over the shorter of its useful life or the lease term (see j below). The Group tests for impairment of the right-of-use asset whenever there are indications of impairment pursuant to the provisions of IAS 36 'Impairment of Assets'.

i. Property and equipment

Property and equipment are measured at cost, including directly attributable costs less accumulated depreciation. Depreciation is calculated on a straight-line basis over the useful life of the assets at annual rates as follows:

	%
Office furniture and equipment	10
Computers and peripheral equipment	33
Right of use leased assets and leasehold improvement (over the lease term)	10 - 50

Right of use leased assets, and leasehold improvements are depreciated on a straight-line basis over the shorter lease term (including any extension option held by the Group and intended to be exercised) and the asset's expected life. The useful life, depreciation method and residual value of an asset are reviewed at least each year-end and any changes are accounted for prospectively as a change in accounting estimate.

Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognised. An asset is derecognised on disposal or when no further economic benefits are expected from its use.

j. Intangible assets

Separately acquired intangible assets are measured on initial recognition at cost, including directly attributable costs. Intangible assets acquired in a business combination are measured at fair value at the acquisition date. Expenditures relating to internally generated intangible assets, excluding capitalised development costs, are recognised in the statement of profit or loss when incurred.

Intangible assets with a finite useful life are amortised over their useful life and reviewed for impairment whenever there is an indication that the asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at each year-end.

The Group's assets include computer systems comprising hardware and software. Software forming an integral part of the hardware to the extent that the hardware cannot function without the programs installed on it is classified as property and equipment. In contrast, software that adds functionality to the hardware is classified as an intangible asset.

Amortisation is calculated on a straight-line basis over the useful life of the assets at annual rates as follows:

	%
Systems and software (purchased and in-house development cost)	33
Non-competition and Agencies Relationships	33 - 50

2. Accounting Policy Information continued

j. Intangible assets continued

Intangible assets (domains and websites) with indefinite useful lives are not systematically amortised and are tested for impairment annually or whenever there is an indication that the intangible asset may be impaired. The useful life of these assets is reviewed annually to determine whether their indefinite life assessment continues to be supportable. If the events and circumstances do not continue to support the assessment, the change in the useful life assessment from indefinite to finite is accounted for prospectively as a change in accounting estimate and on that date, the asset is tested for impairment. Commencing from that date, the asset is amortised systematically over its

useful life.

Research expenditures are recognised in profit or loss when incurred. An intangible asset arising from a development project or from the development phase of an internal project is recognised if the Group can demonstrate: the technical feasibility of completing the intangible asset so that it will be available for use or sale; the Group's intention to complete the intangible asset and use or sell it; the Group's ability to use or sell the intangible asset; how the intangible asset will generate future economic benefits; the availability of adequate technical, financial and other resources to complete the intangible asset; and the Group's ability to measure reliably the expenditure attributable to the intangible asset during its development.

The asset is measured at cost less any accumulated amortisation and any accumulated impairment losses. Amortisation of the asset begins when development is completed and the asset is available for use. The asset is amortised over its useful life. Testing of impairment is performed annually over the period of the development project.

k. Impairment of non-financial assets

The Group evaluates the need to record an impairment of the carrying amount of non-financial assets whenever events or changes in circumstances indicate that the carrying amount is not recoverable.

If the carrying amount of the cash-generating unit of the non-financial assets exceeds their recoverable amount, the assets are reduced to their recoverable amount. The recoverable amount is the higher of fair value less costs of sale and value in use. In measuring value in use, the expected future cash flows are discounted using a pre-tax discount rate that reflects the risks specific to the asset.

The recoverable amount of an asset that does not generate independent cash flows is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognised in the statement of profit or loss.

An impairment loss of an asset, other than goodwill, is reversed only if there have been changes in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. Reversal of an impairment loss, as above, shall not be increased above the lower of the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior years and its recoverable amount. The reversal of impairment loss of an asset presented at cost is recognised in the statement of profit or loss.

Goodwill is tested for impairment by assessing the recoverable amount of the cash-generating unit (or Group of cash-generating units) to which the goodwill has been allocated. An impairment loss is recognised if the recoverable amount of the cash-generating unit (or Group of cash-generating units) to which goodwill has been allocated is less than the carrying amount of the cash-generating unit (or Group of cash-generating units). Any impairment loss is allocated first to goodwill. Impairment losses recognised for goodwill cannot be reversed in subsequent periods.

The Group reviews goodwill and intangible assets with indefinite useful life that are not systematically amortised (domains and websites) for impairment annually on 31 December, or more frequently if events or changes in circumstances indicate that there is a need for such review.

2. Accounting Policy Information *continued*

I. Financial instruments

i. Financial assets

Financial assets are measured upon initial recognition at fair value plus transaction costs directly attributable to the acquisition of the financial assets, except for financial assets measured at fair value through profit or loss in respect of which transaction costs are recorded in the statement of profit or loss.

The Group classifies and measures debt instruments in the financial statements based on the following criteria:

- the Group's business model for managing financial assets; and
- the contractual cash flow terms of the financial asset.

Debt instruments measured at amortised cost

The Group's business model is to hold the financial assets in order to collect their contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. After initial recognition, the instruments in this category are measured according to their terms at amortised cost using the effective interest rate method, less any provision for impairment.

Financial assets held for trading

Financial assets held for trading (derivatives) are measured through the statement of profit or loss unless they are designated as effective hedging instruments.

ii. Impairment of financial assets

The Group reviews at the end of each reporting period the provision for loss of financial debt instruments which are measured at amortised cost. The Group has short-term trade receivables in respect of which the Group applies a simplified approach and measures the loss allowance in an amount equal to the lifetime expected credit losses. An impairment loss on debt instruments measured at amortised cost is recognised in the statement of profit or loss with a corresponding loss allowance that is offset from the carrying amount of the financial asset.

iii. Derecognition of financial assets

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire.

iv. Financial liabilities

Financial liabilities are initially recognised at fair value less transaction costs that are directly attributable to the issue of the financial liability. After initial recognition, the Group measures all financial liabilities at amortised cost using the effective interest rate method, except for:

- financial liabilities at fair value through profit or loss such as derivatives; and
- contingent consideration recognised by the buyer in a business combination in the scope of IFRS 3.

At initial recognition, the Group measures financial liabilities that are not measured at amortised cost at fair value. Transaction costs are recognised in the statement of profit or loss. After initial recognition, changes in fair value are recognised in the statement of profit or loss.

v. Derecognition of financial liabilities

A financial liability is derecognised only when it is extinguished, that is when the obligation is discharged or cancelled or expires.

m. Fair value measurement

Fair value is the price to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurement is based on the assumption that the transaction will take place in the asset's or the liability's principal market, or in the absence of a principal market, in the most advantageous market.

2. Accounting Policy Information continued

m. Fair value measurement continued

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities measured at fair value or for which fair value is disclosed are categorised into levels within the fair value hierarchy based on the lowest level input that is significant to the entire fair value measurement:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - inputs other than quoted prices included within Level 1 that are observable either directly or indirectly.
- Level 3 - inputs that are not based on observable market data (valuation techniques that use inputs that are not based on observable market data).

n. Provisions

A provision in accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* is recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects part or all of the expense to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense is recognised in the statement of profit or loss net of the reimbursed amount.

o. Employee benefit liabilities

Short-term employee benefits include salaries, paid sick leave, recreation and social security contributions, and are recognised as expenses as the services are rendered. Liability in respect of a cash bonus or a profit-sharing plan is recognised when the Group has a legal or constructive obligation to make such payment as a result of past service rendered by an employee, and a reliable estimate of the amount can be made.

Post-employment benefits are financed by contributions to insurance companies or pension funds and are classified as defined contribution plans. The Israeli subsidiaries of the Group have defined contribution plans pursuant to Section 14 to the Severance Pay Law under which the subsidiary pays fixed contributions and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient amounts to pay all employee benefits relating to employee service in the current and prior periods.

Contributions to the defined contribution plan in respect of severance or retirement pay are recognised as an expense when contributed concurrently with the performance of the employee's services.

p. Share-based payment transactions

The Group's employees and officers are entitled to remuneration in the form of equity-settled share-based payment transactions. The cost of equity-settled transactions is measured at the fair value of the equity instruments granted at the grant date. The fair value is determined using an acceptable option pricing model (also see Note 20). In estimating fair value, the vesting conditions (consisting of service conditions and performance conditions other than market conditions) are not taken into account.

The cost of equity-settled transactions is recognised in the statement of profit or loss together with a corresponding increase in equity during the period which the performance is to be satisfied ending on the date on which the relevant employees or officers become entitled to the award ("the vesting period"). The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.

2. Accounting Policy Information continued

p. Share-based payment transactions continued

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether the market condition is satisfied, provided that all other vesting conditions (service and/or performance) are satisfied. For awards where employees have failed to meet the service condition, the awards are deemed to be forfeited by the employees. In these instances, the cumulative expense of non-vested awards are reversed in the statement of profit or loss together with a corresponding reversal in equity during the period.

q. Earnings (loss) per share

Earnings (loss) per share are calculated by dividing the net income attributable to equity holders of the Group by the weighted average number of ordinary shares outstanding during the period. The Group's share of earnings of investees is included based on the earnings per share of the investees multiplied by the number of shares held by the Group. If the number of ordinary shares outstanding increases as a result of a capitalisation, bonus issue, or share split, the calculation of earnings per share for all periods presented are adjusted retrospectively.

Potential ordinary shares are included in the computation of diluted earnings per share when their conversion decreases earnings per share from continuing operations. Potential ordinary shares that are converted during the period are included in diluted earnings per share only until the conversion date and from that date in basic earnings per share.

3. Accounting judgements, estimates and assumptions

Estimations and assumptions

The preparation of the consolidated financial statements requires management to make estimates and assumptions that have an effect on the application of the accounting policies and on the reported amounts of assets, liabilities,

revenues and expenses.

Current taxes

The Group is subject to income tax in various jurisdictions, and judgment is required in determining the provision for income taxes. During the ordinary course of business, there are transactions and calculations for which the ultimate tax determination may be uncertain. The Group recognises tax liabilities based on assumptions supported by, among others, transfer price studies. The Group believes that its accruals for tax liabilities are adequate for all open audit years based on its assessment of many factors, including past experience and interpretations of tax law (see Note 7).

4. Revenue and operating segments for the years ended 31 December 2024 and 2023

An operating segment is a part of the Group that conducts business activities from which it can generate revenue and incur costs, and for which discrete financial information is available. Identification of segments is based on internal reporting to the chief operating decision maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer ("CEO"). The Group does not divide its operations into different segments, and the CODM operates and manages the Group's entire operations as one segment, which is consistent with the Group's internal organisation and reporting system.

4. Revenue and operating segments for the years ended 31 December 2024 and 2023 continued

Revenues by vertical

	2024 000	2023 ¹ 000
Casino	3,087	13,106
Media Partnerships	7,220	18,566
Sports U.S.	4,272	8,992
Reef	993	1,174
Sports Europe	2,073	8,492
Personal Finance	37	631
Revenue from discontinued operations	17,682	50,960

¹ Revenues for the year ended 31 December 2023 represent a full year while revenues for the year ended 31 December 2024 reflects the sale of revenue-generating assets part way through the financial year as part of the Europe Disposal and the North America Disposal.

5. Operating expenses from discontinued operations for the years ended 31 December 2024 and 2023

	2024 000	2023 ¹ 000
Staff costs ²	10,970	16,536
Share-based payments	(544)	173
Technology expenses	2,374	3,535
Professional services	1,382	2,142
Administrative expenses	1,305	1,402
Transformation costs ³		
Consulting services	364	1,301
Hiring and settlements	1,882	1,340
Staff costs	964	-
Technology	857	-
	19,554	26,430

¹ Following completion of the North America Disposal on 13 November 2024, the Group became an AIM Rule 15 Cash Shell. As a result, all comparative data for the year ended 31 December 2023 has been adjusted to reflect the reclassification of all business verticals to discontinued operations in line with IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations'.

² Included within staff costs are expenses in respect of defined contribution plans of 729,000 (2023: 1,184,000).

³ Transformation costs total 4,067,000 (2023: 2,641,000).

6. Finance expenses and income for the years ended 31 December

	2024 000	2023 000
Finance cost	112	79
Foreign exchange loss	241	-
Lease finance cost	31	29
Other charges	45	125
Finance expenses	429	233

Finance income	-	2
Interest on cash on deposit	571	-
Foreign exchange gain	-	18
Finance income	571	20
Net finance costs	214	213

7. Tax for the years ended 31 December

Taxation included in the statement of profit or loss for the years ended 31 December:

	2024 000	2023 000
Current taxes	(2,703)	2,434
Deferred taxes (Note 18)	(1,411)	1,375
Tax (credit) / charge	(4,114)	3,809

Tax reconciliation

The reconciliation between the tax expense, assuming that all the income and expenses were taxed at the statutory tax rate for the U.K., and the taxes on income recorded in the consolidated statements of profit or loss for the years ended 31 December are as follows:

	2024 000	2023 000
Loss before taxes on income from discontinued operations	(16,595)	(43,236)
Taxes on income at 25% (2023: 23.5%)	(4,149)	(10,160)
Adjustment due to the difference between the Group's statutory tax rate and tax rates applicable to the subsidiaries	-	(270)
Non-deductible expenses for tax purposes	-	10,635
Taxes in respect of previous years - current tax	-	(3,207)
Unrecognised temporary differences and others	35	807
Tax (credit) / charge	(4,114)	3,809

The Group has a tax presence in different jurisdictions, including Jersey (where the parent company is incorporated), U.K., U.S., Cyprus, Canada and Israel. Tax law applicable to the Group's Israeli subsidiaries is the Israeli tax law - Income Tax Ordinance (New Version) 1961. The Israeli corporate income tax rate was 23% in 2024 (2023: 23%).

The applicable U.S. federal statutory income tax rate for the Group's U.S. subsidiaries for 2024 was 21% (2023: 21%). In addition, state and city taxes are applicable in certain states and cities.

8. Profit / (loss) on disposal of assets

a. European and Canadian assets disposal - April 2024

On 1 April 2024, the Group disposed of its Europe and Canada sports betting and gaming assets to Gambling.com Group Limited for a total consideration of up to 42,500,000, recognising a profit on disposal after tax of 3,500,000.

The purchase consideration includes a fixed sum of 37,500,000, plus a potential performance related consideration of up to 5,000,000 based on achieving certain contingent targets by April 2025. For the fixed element, 20,000,000 cash consideration was received on 2 April 2024, 10,000,000 was received in October 2024 and the remaining 7,500,000 is due in April 2025. The deferred consideration element totalling 7,500,000 is presented in the statement of financial position as a Deferred consideration receivable as at 31 December 2024. At year end, the Group recorded an amount of 3,689,000 representing the expected contingent consideration to be received in relation to this sale, measured at fair value. (see Note 25). As part of the asset disposal transaction, the Group recorded an amount of 2,646,000 of transaction related expenses.

b. 101Great Goals disposal - April 2024

On 12 April 2024, the Group disposed of a website, 101Great Goals, to Acroud Media Limited for consideration of 213,000, recognising a loss on disposal after tax of 387,000. No costs were incurred for this disposal.

c. North America assets disposal - November 2024

On 13 November 2024, the Group disposed of its North America sports betting and gaming assets to Sportradar Group AG for a total consideration of up to 30,000,000, recognizing a total profit on disposal after tax of 1,109,000.

The purchase consideration includes a fixed sum of 20,000,000, received on 13 November 2024 plus a potential performance related consideration of up to 10,000,000, payable in April 2025. This sale of assets is effective from 1 September 2024. At year end, the Group recorded an amount of 1,000,000 representing the expected contingent consideration to be received in relation to this sale, measured at fair value. As part of the asset disposal transaction, the Group recorded an amount of 1,623,000 of transaction related expenses.

The disposals detailed above are summarised below:

	Europe and Canada assets 000	101Great Goals 000	US assets 000	Total 000
Consideration received	30,000	213	20,000	50,213
Deferred consideration	7,500	-	-	7,500
Contingent consideration	3,689	-	1,000	4,689
Costs of disposal	(2,646)	-	(1,623)	(4,269)

Net consideration	38,543	213	19,377	58,133
Carrying value of net assets sold	(35,043)	(600)	(18,268)	(53,911)
Profit / (loss) on disposal after tax	3,500	(387)	1,109	4,222

The disposal of the assets incurred no tax payable.

9. Loss per share

Basic loss per share is calculated by dividing the loss attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the year excluding shares held in trust.

For diluted loss per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of potentially dilutive ordinary shares. Note that share options for the Group have not been reflected for the year ended 31 December 2024 nor 31 December 2023 as their effect would be anti-dilutive.

The following tables reflects the income and share data used in the basic and diluted loss per share calculations.

	2024		2023	
	Loss ¹ 000	Weighted average number of ordinary shares Thousands	Loss ¹ 000	Weighted average number of ordinary shares Thousands
Basic and diluted loss per share	<u>(12,480)</u>	<u>262,586</u>	<u>(47,045)</u>	<u>262,586</u>
		<u>(0.048)</u>		<u>(0.179)</u>

¹ Defined as Loss for the year from discontinued operations as per the statement of profit or loss.

10. Other expenses / (income)

	2024 000	2023 000
Write off of intangible assets	5,868	-
Write off of property and equipment	447	-
Lease termination credit	(30)	-
Other income	<u>(348)</u>	<u>(463)</u>
Other expenses / (income)	<u>5,937</u>	<u>(463)</u>

Following completion of the North America Disposal on 13 November 2024, the Group became an AIM Rule 15 Cash Shell and consequently wrote off all of its property and equipment and intangible assets.

11. Intangible assets and goodwill

	Goodwill 000	Domains and websites 000	Agencies Relationships 000	Systems, software and licences 000	Work in Progress ¹ 000	Total 000
Cost or valuation						
At 1 January 2023	31,870	164,920	668	54,118	-	251,576
Additions	-	3,500	-	-	-	3,500
Additions - internally developed	-	-	-	3,954	1,660	5,614
Disposals	-	(35,048)	-	(7,169)	-	(42,217)
Revaluations	105	-	25	-	-	130
Reclassifications	-	(32)	-	(5,083)	-	(5,115)
At 31 December 2023	31,975	133,340	693	45,820	1,660	213,488
Disposals to third parties	-	(133,340)	-	-	-	(133,340)
Write offs	-	-	-	(47,480)	-	(47,480)
Revaluations	-	-	-	-	-	-
Reclassifications	-	-	-	1,660	(1,660)	-
At 31 December 2024	<u>31,975</u>	<u>-</u>	<u>693</u>	<u>-</u>	<u>-</u>	<u>32,668</u>
Accumulated amortisation and impairment:						
At 1 January 2023	30,052	68,941	532	43,470	-	142,995

Amortisation	-	-	171	5,776	-	5,947
Impairment charge	1,923	40,651	-	-	-	42,574
Disposals	-	(30,163)	-	(6,085)	-	(36,248)
Revaluations	-	-	(10)	-	-	(10)
Reclassifications	-	-	-	(5,115)	-	(5,115)
At 31 December 2023	31,975	79,429	693	38,046	-	150,143
Amortisation	-	-	-	3,566	-	3,566
Disposals to third parties	-	(79,429)	-	-	-	(79,429)
Write offs	-	-	-	(41,612)	-	(41,612)
At 31 December 2024	31,975	-	693	-	-	32,668
Net book value						
At 31 December 2023	-	53,911	-	7,774	1,660	63,345
At 31 December 2024	-	-	-	-	-	-

¹ Work in Progress related to internally developed software which was written off to the statement of profit or loss in the year ended 31 December 2024.

a. Goodwill and Agency Relationships

In September 2021, the Group acquired Blueclaw Media Ltd, recognising a goodwill balance of 2,063,000 and agencies relationships of 484,000. As Blueclaw Media Ltd is a foreign operation, the goodwill balance is retranslated at the end of each reporting period. As at 31 December 2023, the goodwill balance of 1,923,000 was fully impaired as a result of the impairment review of non-financial assets.

Agency relationships are amortised in line with the Group's accounting policy.

b. Domains and websites

In the year ended 31 December 2023, due to targets being met for the acquisition of CB Sports and Warwick Gaming (CBWG), additions of 3,000,000 were recognised and paid, and a further 3,500,000 was recognised and paid in March 2024. In the year ended 31 December 2023, the Group disposed of three of the Europe Gaming domains and associated websites, Casino.se, Casino.gr and Casino.pt, and domains and websites relating to the Personal Finance business.

11. Intangible assets and goodwill *continued*

b. Domains and websites *continued*

Before the sales completed, the Group reversed the impairment charge relating to these domains and websites up to the sales proceeds as the recoverable amount of the assets was deemed to be the consideration agreed with the third-party buyers for those specific assets. The Group then disposed of those domains and websites for a combined total of 6,050,000, with 2,050,000 relating to the Personal Finance assets.

As detailed in Note 8, the Group disposed of all its European and US domains and websites in the year ended 31 December 2024.

12. Property and equipment

	Computers, furniture, office equipment and others 000	Leasehold improvements 000	Right of use leased assets - Offices (see note 17) 000	Total 000
Cost				
At 1 January 2023	851	371	2,374	3,596
Additions	14	-	-	14
Termination of leases	-	-	(326)	(326)
At 31 December 2023	865	371	2,048	3,284
Write offs	(865)	(371)	-	(1,236)
Termination of leases	-	-	(2,048)	(2,048)
At 31 December 2024	-	-	-	-
Accumulated depreciation				
At 1 January 2023	532	53	734	1,319
Depreciation during the year	94	40	396	530
Termination of leases	-	-	(326)	(326)
At 31 December 2023	626	93	804	1,523
Depreciation during the year	51	19	195	265
Write offs	(677)	(112)	-	(789)
Termination of leases	-	-	(999)	(999)
At 31 December 2024	-	-	-	-
Net book value				
At 31 December 2023	239	278	1,244	1,761
At 31 December 2024	-	-	-	-

13. Short-term deposits as at 31 December

	2024	2023
	000	000
Short-term deposits		
Held in USD	8,405	100

Held in USD	8,405	100
Held in GBP	3,600	-
Held in EUR	-	81
	<u>12,005</u>	<u>181</u>

Short-term deposits relate to cash consideration the Group has received in relation to the Europe Disposal and the North America Disposal in the year ended 31 December 2024.

14. Trade and other receivables as at 31 December

a. Trade receivables

	2024	2023
	000	000
Trade receivables from customers	220	6,869
Allowance for expected credit losses	(8)	(264)
	<u>212</u>	<u>6,605</u>

The remaining trade receivables for the Group relate to amounts due from customers linked to the Reef business. The Group's allowance for expected credit losses is included in administrative expenses reported in Note 5. See Note 20b(ii) on the credit risk of trade receivables.

b. Other receivables

	2024	2023
	000	000
Government authorities	408	755
Prepaid expenses	549	560
Other receivables on behalf of Sportradar Group AG	2,854	-
	<u>3,811</u>	<u>1,315</u>

The other receivables on behalf of Sportradar Group AG mainly relates to revenues generated during November and December 2024, billed by the Group but have yet to be collected.

15. Contingent consideration receivable as at 31 December

	2024	2023
	000	000
Europe Disposal	3,689	-
North America Disposal	1,000	-
	<u>4,689</u>	<u>-</u>

The contingent consideration balances relate to amounts owed to the Group by the purchasers of Europe Disposal and North America Disposal for the year ended 31 December 2024. For the Europe Disposal, the Group is due to receive an estimated amount of 3,689,000 in relation to the contingent consideration portion of the sales agreement. For the North America Disposal, the expected contingent consideration to be received is 1,000,000. See Note 25.

16. Other liabilities and accounts payables as at 31 December

	2024	2023
	000	000
Employees and payroll accruals	334	1,644
Accrued expenses	2,048	1,511
Net revenues and expenses collected on behalf of Sportradar Group AG	3,317	-
Revenues collected to be remitted to Gambling.com Group Limited	246	-
Deferred trading revenues	-	730
Government authorities	-	89
	<u>5,945</u>	<u>3,974</u>

16. Other liabilities and accounts payables as at 31 December *continued*

The amounts owed to Sportradar Group AG relates to revenues collected by the Group on behalf of the purchaser of the North America Disposal, net of expenses paid on behalf of the purchaser, from the effective date to 31 December 2024. Revenues to be remitted to Sportradar Group AG for the period from the effective date to 31 December 2024 amounted to 7,112,000, with expenses to be recharged of 3,795,000.

The revenues collected to be remitted to Gambling.com Group Limited relates to cash collected by the Group from customers who now have a business relationship with Gambling.com Group Limited after the Europe Disposal.

Further details on these sales can be found in Note 8 and in Note 25.

17. Lease liabilities as at 31 December

	2024 000	2023 000
Current	-	236
Non-current	-	937
Non-current lease liabilities	<u>-</u>	<u>1,173</u>

In the year ended 31 December 2024, the Group terminated all of its lease contracts, recognising a gain on termination of leases of 30,000.

18. Deferred taxes as at 31 December

	2024 000	2023 000
Deferred tax assets	-	(628)
Deferred tax liabilities	-	2,039
	<u>-</u>	<u>1,411</u>

Following completion of the North America Disposal on 13 November 2024, the Directors have deemed that all previous deferred tax assets and liabilities are no longer relevant following the disposals, and as such the balances have been written off to the statement of profit or loss for the year ended 31 December 2024.

The movements in deferred tax liabilities are shown below:

	Domains and websites 000	Other intangible assets 000	Property and equipment 000	Other short-term temporary differences 000	Total 000
Current period					
As at 1 January 2024	-	1,885	154	(628)	1,411
(Credited) / charged to loss from discontinued operations	<u>-</u>	<u>(1,885)</u>	<u>(154)</u>	<u>628</u>	<u>(1,411)</u>
As at 31 December 2024	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Prior period					
As at 1 January 2023	(1,226)	1,734	375	(847)	36
(Credited) / charged to loss from discontinued operations	<u>1,226</u>	<u>151</u>	<u>(221)</u>	<u>219</u>	<u>1,375</u>
As at 31 December 2023	<u>-</u>	<u>1,885</u>	<u>154</u>	<u>(628)</u>	<u>1,411</u>

19. Equity as at 31 December

	2024 Thousands	2023 Thousands
Authorised shares		
Ordinary shares with a nominal value of 0.000001 each	<u>100,000,000</u>	<u>100,000,000</u>
Ordinary shares issued and outstanding including share premium		
At 1 January 2023, 31 December 2023 and at 31 December 2024	<u>262,586</u>	<u>262,586</u>

Share capital in the table above is less than 1,000. Share premium is net of treasury shares.

As at 31 December 2024, 3,356,979 ordinary shares were held in trust for the Group's share-based payment plans (2023: 3,356,979).

20. Share-based payments

In 2013, 2017 and 2020, the Group adopted Share Option Plans ("the plans"). According to the plans, the Group's Board of Directors are entitled to grant certain employees, officers and other service providers (together herein "employees") of the Group remuneration in the form of equity-settled share-based payment transactions.

During the year ended 31 December 2024, the Group had three different share schemes - Employee Share Options, Restricted Stock Units ("RSUs"), and Performance Stock Units ("PSUs").

Following completion of the North America Disposal on 13 November 2024, the Group became an AIM Rule 15 Cash Shell. As a result, all unvested share awards were forfeited by employees as the employees would not meet their service condition due to the termination of employment. In line with IFRS 2 '*Share-based Payment*', the remaining expenses for share awards which had yet to vest were accounted for as forfeitures and the cumulative expenses recognised in the profit or loss were reversed. These awards were formally cancelled by the Remuneration Committee on 27 January 2025.

The (reversal of expense) / expense recognised in the statement of profit or loss for services received for those share schemes were:

	2024 000	2023 000
Total (reversal of expense) / expense arising from share-based payment transactions	<u>(544)</u>	<u>173</u>

The Group does not expect to recognise any further credits nor expenses for share-based payments in 2025 and beyond.

21. Financial instruments

a. Classification of financial assets and liabilities

	2024 000	2023 000
Financial assets		
Financial assets measured at amortised cost:		
Cash and cash equivalents	22,976	4,692
Short-term deposits	12,005	181
Trade receivables	212	6,605
Other receivables	3,811	1,315
Deferred consideration	7,500	
Contingent consideration at fair value through profit or loss	4,689	-
Total financial assets	<u>51,193</u>	<u>12,793</u>
Financial liabilities		
Financial liabilities measured at amortised cost:		
Trade payables	1,551	4,613
Deferred consideration	-	3,954
Consideration payable on intangible assets	-	3,500
Other liabilities and account payables	5,945	3,974
Lease liabilities	-	1,173
Total financial liabilities	<u>7,496</u>	<u>17,214</u>

b. Financial risks factors

The Group's activities expose it to various financial risks.

i. Market risk - Foreign exchange risk

A portion of the Group's revenues is received in EUR and in GBP. The Group has subsidiaries in Israel, the UK and in Cyprus where expenses are paid in NIS, in GBP and in EUR. Therefore, the Group is exposed to fluctuations in the foreign exchange rates in EUR, GBP and NIS against the USD.

The Group did not enter into any forward or options contracts to reduce the foreign exchange risk of forecasted cash flows in the year ended 31 December 2024. A foreign exchange rate loss of 241,000 was recognised in the year ended 31 December 2024 (2023: gain of 18,000).

c. Fair value

The carrying amounts of the Group's financial assets and liabilities approximate their fair value. The fair value of the contingent consideration is categorized within level 3 of the fair value hierarchy.

d. Sensitivity tests relating to changes in market factors

	2024 000	2023 000
<i>Sensitivity test to changes in EUR to USD exchange rate:</i>		
Gain (loss) from the change:		
Increase of 10% in the exchange rate	(270)	(183)
Decrease of 10% in the exchange rate	270	183
<i>Sensitivity test to changes in NIS to USD exchange rate:</i>		
Gain (loss) from the change:		
Increase of 10% in the exchange rate	15	30
Decrease of 10% in the exchange rate	(15)	(30)
<i>Sensitivity test to changes in GBP to USD exchange rate:</i>		
Gain (loss) from the change:		
Increase of 10% in the exchange rate	57	119
Decrease of 10% in the exchange rate	(57)	(119)

21. Financial instruments *continued*

d. Sensitivity tests relating to changes in market factors *continued*

The sensitivity tests reflect the effects of possible changes in exchange rates on the position of the Group for the above currencies as of the end of the year.

Sensitivity tests and principal assumptions

The selected changes in the relevant risk variables were determined based on management's estimate as to reasonable possible changes in these risk variables. The Group has performed sensitivity tests of principal market risk factors that are liable to affect its reported operating results or financial position. The sensitivity tests present the effects (before tax) on profit or loss and equity in respect of each financial instrument for the relevant risk variable chosen for that instrument as of each reporting date. The test of risk factors was determined based on the materiality of the exposure of the operating results or the financial condition of each risk with reference to the functional currency and assuming that all the other variables are constant. The Group does not have significant exposure to interest rate risk.

22. Cash (used) / generated from operations

	2024 000	2023 000
Loss for the year	(12,480)	(47,045)
<i>Adjustments to reconcile loss for the year to net cash flows:</i>		
Depreciation and amortisation	3,831	6,477
Net impairment charge for continuing operations	-	44,624
Impairment reversal for discontinued operations	-	(2,050)
Net finance (income)/expense	(884)	231
(Profit) / loss on disposal of assets to third parties	(4,222)	212
Other income	5,937	(463)
Cost of share-based payments	(544)	173
Tax (credit) / charge	(4,114)	3,809
Exchange differences on balances of cash and cash equivalents	241	(3)
<i>Working capital changes:</i>		
Decrease/(increase) in trade receivables	6,393	(906)
(Increase)/decrease in other receivables	(6,765)	2,139
(Decrease)/increase in trade payables	(3,062)	958
Increase in other liabilities and accounts payable	3,259	1,749
Cash (used) / generated from operations	(12,410)	9,905

23. Balances and transactions with related parties including Directors

The Group's related party transactions in the year include the compensation of the senior managers, the Directors' emoluments and retirement benefit entitlements, share awards and share options.

	2024 000	2023 000
Balances		
Current liabilities - management fees and other short-term payables	-	9
Compensation of key management personnel of the Group		
Short-term employee benefits	4,195	2,657

No other related party services were provided or received by the Group in the year ended 31 December 2024 (2023: None).

24. List of main subsidiaries

A full list of related undertakings including the country of incorporation, the principal activity and the effective percentage of equity owned as at 31 December 2024 is disclosed below:

Name of entity	Country of incorporation	Registered address
XLMedia Finance Ltd	Cyprus	232 Agias Fylaxeos, Limassol, 3082, Cyprus
XLMedia Publishing Ltd	Jersey	IFC 5, St. Helier, Jersey, JE1 1ST

Webpals Holdings Ltd	Israel	HaMada 7, 6th floor, Herzliya, 4673341, Israel
Webpals Systems S.C Ltd	Israel	As above
Marmar Media Ltd	Israel	As above
Webpals Inc.	U.S	U.S c/o Vcorps Services LLC 1013 Centre Road Suite 403-b Newcastle, Wilimington, DE 19805c
XLMedia US Inc.	U.S	As above
XLMedia Canada Marketing Ltd	Canada	c/o Farris LLP 700 West Georgia Street, 25th Floor, Vancouver, BC V7Y 1B3
Blueclaw Media Ltd	U.K.	167 - 169 Great Portland Street, London, W1W 5PF

All interest in the subsidiaries confer 100% voting rights and 100% rights to profits.

25. Subsequent events

Tender Offer

On 20 January 2025, the Group announced that it was seeking to return cash to qualifying shareholders (as that term is defined in the circular subsequently made available to shareholders) by way of a tender offer of 11.5 pence per share. On 7 February 2025, the Group offered to purchase up to a maximum of 139,130,434 Ordinary Shares (being approximately 52.98 per cent of the Company's existing issued share capital) under the Tender Offer. In total, 121,545,490 Ordinary Shares were validly tendered under the Tender Offer, representing approximately 46.3 per cent of the Company's existing issued share capital and approximately 87.4 per cent of the number of Ordinary Shares available to tender. The 121,545,490 Ordinary Shares tendered under the Tender Offer were repurchased by the Company under the Repurchase Agreement and cancelled. The amount paid out by the Group was 17,441,000.

The ordinary issued share capital of the Company following the purchase will be 141,040,915 (with no ordinary shares held in treasury). The total voting rights in the Company following the purchase and cancellation will be 141,040,915.

Director changes

It was announced on 31 January 2025 that Peter McCall, Company Secretary and General Counsel, would be formally appointed to the Board of Directors.

Collection of revenues owed to Sportradar Group AG

As part of the contractual agreement in the North America Disposal, the Group has continued to bill and collect from the relevant operator for those contracts which had not novated from the Group to the purchaser (Sportradar Group AG) by the financial year end of 31 December 2024. Once novation of the contract occurs, all responsibilities for the Group cease.

25. Subsequent events *continued*

In the period from 1 January 2025 to the date of signing these financial statements, the Group has collected 1,735,000 relating to the revenues for those contracts not novated for the financial months of November and December and presented as part of other receivables on the statement of financial position as at 31 December 2024 in Note 14b.

Settlement of amounts owed to the Purchasers

In the period from 1 January 2025 to the date of signing these financial statements, the Group has made payments to the Purchasers involved in the Europe Disposal and in the North America Disposal. The Group has paid 282,000 to Gambling.com Group Limited for the revenues the Group collected on its behalf. For the North America Disposal, the Group has paid 3,317,000 for the net revenues after deduction of relevant expenses. The amounts related to the period from the effective date to 31 December 2024.

Both of these settlements cleared the amounts which sat in Other liabilities and accounts payables as at 31 December 2024 in Note 16.

Amounts received from the Purchasers

As detailed in Note 8a, the Group received a further 7,500,000 on 1 April 2025 in cash consideration for the Europe Disposal. The represented the final receipt of the fixed element of the consideration.

In addition, the Group has also received the contingent consideration element of the Europe Disposal. An amount of 3,739,000 was received on 1 April 2025.

Disposal of Reef business

On 13 February 2025, the Group signed on an asset purchase agreement to dispose of its remaining revenue generating business, Reef, to GG Marketing Limited for consideration of 300,000. The effective date of the agreement is 1 January 2025.

The completion of the sale is dependent on the novation of a key customer contract by 30 April 2025.

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