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18 July 2019

Audioboom Group plc

(“Audioboom”, the “Group” or the “Company”)

Half-Year Report

Audioboom (AIM: BOOM), the leading global podcast company, announces its unaudited half-year results for the six months ended 30 June 2019.

Financial Highlights*

- Revenue increased 171% to US$9.8 million (H1 2018: US$3.6 million)
- Adjusted EBITDA** loss almost halved to US$1.4 million (H1 2018: US$2.8 million)
- Overall loss for the period materially reduced to US$2.8 million (H1 2018: US$5.2 million)
- Group cash as at 30 June 2019 of US$3.4 million (31 May 2018: US$0.4 million)
- Raised £4.3 million (before expenses) through a placing and subscriptions to secure leading podcasting content, and develop co-production and Audioboom Original Network (‘AON’) opportunities
- New content funding facility with SPV Investments Ltd, providing up to US$4 million of minimum guarantees to certain leading content partners of the Company

Operational Highlights and KPIs*

- Key performance indicators (‘KPIs’) all delivered significant growth
    - Revenue per 1,000 listens (eCPM)*** increased to US$26.38 in June 2019, up 51% from US$17.43 in May 2018
    - Brand advertiser count of 212 as at 30 June 2019, up 63% on 31 May 2018 (130)
    - Total H1 2019 available premium advertising impressions of 691 million, up 36% on H1 2018 (508 million)
- Audioboom continues to work with the most prominent podcasts through renewed advertising and distribution deals, including ‘Undisclosed’ and the official Formula 1 podcast ‘Beyond the Grid’
- New exclusive commercial partnerships agreed with podcasts including ‘A Cast of Kings’, ‘What Happened When’ and Studio 71, a leading digital video studio and network with seven billion monthly YouTube views. Audioboom has a roster of new commercial partnerships to announce in H2 2019
- AON development has continued with a slate of new AON podcasts expected to launch in H2 2019, complementing returning seasons of ‘Mafia’, ‘INBOX’ and ‘Covert’, as the Company targets the higher gross margins that AON podcasts deliver
- Since launching in August 2018, 22 brands have utilised the Sonic IM platform, which enables brands to secure advertising within any globally available podcast
- A new subscription service tier was launched alongside annual payment options for smaller podcast partners and/or those that don’t carry advertising
- Audioboom and its podcast partners won seven awards at the British Podcast Awards

* H1 2019 represents 1 January 2019 to 30 June 2019. H1 2018 represents 1 December 2017 to 31 May 2018, following the change to the Company’s accounting reference date and financial year end from 30 November to 31 December

** earnings before interest, tax, depreciation, amortisation, share based payments and material one-off items

*** Audioboom now reports a combined US and UK eCPM number, rather than solely a US eCPM number, due to improvements made to internal reporting. In order to provide like-for-like comparisons, both the 2019 and 2018 eCPM metrics are stated on a combined US and UK eCPM basis

Rob Proctor, CEO of Audioboom, commented:
"We are delighted with the Company's performance during this period, with strong progress in every area of the business. Revenue growth of 171% on H1 last year is over four times that forecast by the IAB for the US podcast advertising industry from 2018 to 2019. This in turn is driving significant improvements for the Company in its journey to profitability. With gross margin tracking to plan and overheads remaining under tight control, we are now starting to see the impact of our improved operational gearing.

With a record 135 million individuals listening to at least one Audioboom podcast in June 2019, the Company's global reach presents many possibilities within the digital marketplace. This platform will create new commercial opportunities as podcasting and audio continue to attract global investors.

Forward sales for H2 2019 are already at record levels and I anticipate continued strong performance for the second half of this year. Content creators and advertisers continue to join our global platform, and I look forward to updating shareholders with future developments during H2."

Enquiries

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About Audioboom

Audioboom is the leading global podcast company, consolidating the business of on-demand audio, making content accessible, wide-reaching and profitable for podcasters, advertisers and brands. Audioboom operates internationally, with operations and global partnerships across North America, Europe, Asia and Australia, and addresses the issue of disparate podcast services by putting all of the pieces of the puzzle together under one umbrella, creating a user-friendly, economical experience.

Audioboom hosts over 13,000 content channels, with key partners including A+E Networks (US), Associated Press (US), 'Astonishing Legends' (US), 'Casefile True Crime' (Aus), Edith Bowman (UK), 'Felon True Crime Podcast' (Aus), Jonathan Ross (UK), 'Moneycontrol Podcast' (India), 'No Such Thing As A Fish' (UK), Red FM (India), Starburns Audio (US), 'The Cycling Podcast' (UK), 'The Totally Football Show' (UK), 'The True Geordie Podcast' (UK) and 'Undisclosed' (US).

Original content produced by Audioboom includes 'Formula 1®: Beyond the Grid' (UK), 'And That's Why We Drink' (US), 'Dead Man Talking' (UK), 'Blank Check' (US), 'The 45th' (US), 'Covert' (US), 'Deliberations' (US), 'It's Happening with Snooki & Joey' (US), 'Mafia' (US) and 'Night Call' (US).

The platform receives over 90 million listens per month and allows partners to share their content via Apple Podcasts, BookMyShow, Deezer, Google Podcasts, iHeartRadio, RadioPublic, Saavn, Spotify, Stitcher, Facebook and Twitter as well as their own websites and mobile apps.

For more information, visit audioboom.com.

Chief Executive's Report

The Board and management are pleased to report that the Company has built on the improved performance achieved in 2018 and has experienced excellent growth in all key financial and operating KPIs. Our revenue growth continues to outperform the wider podcast market and we look forward to updating the market on our performance in the second half of 2019 in due course.

Operational Review

Key Performance Indicators

The Company's key performance indicators all delivered significant growth in the period. The KPIs relate to Audioboom's main revenue stream of "host endorsed" podcast advertising:

- **Revenue per 1,000 listens (eCPM)** increased to US$26.38 in June 2019, up 51% from US$17.43 in May 2018. As a result of improved internal reporting, Audioboom now reports a combined US and UK eCPM number, with the 2019 and 2018 eCPM now reflecting the combined eCPM number. eCPM measures revenue per 1,000 downloads of content, creating a standard rate card that can be used to compare different types of content, territories and business strands. It also allows Audioboom to compare itself against competitors and the industry as a whole. Standalone US eCPM, being the previously reported eCPM KPI, in June 2019 was US$29.97, up 58% from US$19.02 in May 2018.
- **Brand advertiser count** of 212 as at 30 June 2019, up 63% on 31 May 2018 (130). As more brands realise and understand the potential and engagement levels of podcast advertising, Audioboom expects to work with an increasing number.
- Total H1 2019 **available premium advertising impressions** of 691 million, up 36% on H1 2018 (508 million). Premium advertising impressions relate to the number of host endorsed advertising slots that are available on podcasts, typically three to four each episode. As Audioboom continues to partner with more third-party podcast content providers, and as new AON content is released, premium advertising impressions are expected to increase.

Content Partnership Renewals

During H1 2019, Audioboom renewed advertising sales and distribution contracts with some of its leading podcast partners, including 'True Crime Obsessed', the official Formula 1 podcast 'Beyond The Grid', 'Astonishing Legends', 'Undisclosed', 'The Totally Football Show', 'The Morning Toast' and 'Dish Nation', as well as SBI Audio and its slate of 50 established shows. These shows are currently downloaded more than 12 million times per month in aggregate.

Advertising sell through rates (the number of sold premium advertising slots in a podcast) for Audioboom's Top 10 podcasts averaged more than 84% in H1 2019. This strong performance has enabled the Company to lengthen the terms of its contracts with certain key partners, with these agreements being signed for terms of 18 or 24 months.

New Content Partnerships

Audioboom signed exclusive commercial partnerships with several major podcasts during the period, including 'A Cast Of Kings', 'What Happened When', 'Chatty Broads' and 'Small Town Dicks'. The partnership with Studio 71 was extended to include major new shows 'OHoney' and 'Waveform' with Marques Brownlee.

An agreement was also signed with Main Event Media for Audioboom to provide sales representation and technology platforming for Main Event Media's podcast division, which will include a new show from Jodie Sweetin and a podcast called 'TrumpMania'.

Audioboom Originals Network ('AON')

Audioboom continues to shift focus to the development of content for the Audioboom Originals Network, which is home to owned and operated podcasts that are fully developed through the Company's in-house production teams, and co-productions whereby Audioboom provides production, marketing and distribution support to its production partners. AON podcasts typically deliver higher gross margins, increased IP ownership and benefit from strategic marketing and promotional activities across the entire network to drive audience growth.

In H1 2019, Audioboom developed a new slate of AON podcasts to complement its existing roster of 11 shows. Audioboom's current AON podcast launch programme includes 'A Life Lived' (October), 'Truth Vs Hollywood' (September), 'Notorious Killers' (September), 'Truly' (October), and 'The Keto Guido Show'(August).

Established AON podcasts returning for new seasons in 2019 include 'Mafia', 'INBOX', and 'Covert'.

In July 2019, Audioboom completed construction of a new recording studio complex within its New York City offices. The new studios more than double the production capacity of the Audioboom Originals Network.

The AON production 'Dead Man Talking' won the Silver Award at the 2019 British Podcasting Awards in May 2019.

Sonic Influencer Marketing (Sonic IM)

The Sonic IM platform - which is part of the Audioboom Group, but a separate and distinct brand to Audioboom, enabling brands to secure advertising within any globally available podcast - materially contributed to the Group's revenue in H1 2019. Since launching in August 2018, more than 22 brands have utilised the platform including Article, Sony Music UK, Instacart and Outerknown.

Subscription Platform

In February 2019, the Company launched a new tier for its podcast subscription service and also added new annual payment options. The new 'Plus Plan' gives podcasters who do not have advertising agreements with the Company, and who are achieving more than 10,000 downloads per month, the ability to pay US$19.99 per month to utilise Audioboom's hosting, distribution and analytics platform. The 'Standard Plan' costs US$9.99 per month and limits podcasters to 10,000 downloads per month. Users can now pay for their subscription on an upfront, annual basis – where tiers are priced at US$99 per year for the Standard Plan and US$199 per year for the Plus Plan.

Market Overview

On 3 June 2019, the Interactive Advertising Bureau (IAB) released the *2018 Podcast Ad Revenue Study*, a detailed analysis of the US podcast advertising industry, for which Audioboom was a sponsor and contributor. The study reported that US podcast advertising industry revenue for 2018 was US$479 million, representing growth of 53% over 2017. The report also projected that US podcast advertising industry revenue would be US$679 million in 2019 – representing year on year growth of 42% - and that the US industry would generate revenues in excess of US$1 billion in 2021. Audioboom's year-on-year revenue growth for H1 2019 over H1 2018 was 171% - over four times the IAB growth rate forecast for revenues of the US podcasting industry from 2018 to 2019.

Financial Review

Group revenue increased by 171% to US$9.8 million (H1 2018: US$3.6 million). Adjusted EBITDA loss (earnings before interest, tax, depreciation, amortisation, share based payments and material one-off items) reduced by 49% to US$1.4 million (H1 2018: US$2.8 million). Total loss for the period materially reduced to US$2.8 million (H1 2018: US$5.2 million). The Company's financial performance during the period was underpinned by above market-wide revenue growth, particularly in our core US market, and the material new revenue contribution of Sonic IM.

In this emerging podcast industry, Audioboom has developed several revenue streams, all of which can take different forms, yield different gross margins, but importantly, have all grown in H1 2019. Adverts placed by Audioboom on third party content typically generate gross margins of circa 25%, whereas adverts placed on AON content generate gross margins of 40% and higher, hence the focus on AON content.

Sonic IM, a Group company, generates revenue from brands securing advertising within any global podcast and typically yields a 15% gross margin. As Sonic IM continues to grow, Audioboom's group gross margin is expected to be circa 25% due to the expected mix of revenue and associated margin. All revenue streams are contributing to the overall growth of the Company and, importantly, are expected to continue to grow.

The significant majority of Audioboom's revenue is generated through placing **Host Endorsed Advertising** on podcasts. Audioboom focuses on Host Endorsed Advertising due to the high value and high engagement factors associated with this form of advertising, which, as a result, yield higher eCPM rates than **Pre-Recorded Spot Advertising**. Due to the relatively low value, engagement and eCPM rates associated with Pre-Recorded Spot Advertising, this is expected to continue to be a relatively small part of Audioboom's revenue mix going forwards. A further small, but growing, part of Audioboom's revenue mix are headline **sponsorship** advertising deals for podcasts which allow for advertising placements for an entire content series. Finally, Audioboom has a number of **subscribers** paying monthly or annual fees in order to access Audioboom's hosting, distribution and analytics platform. Margins are attractive for this revenue stream due to the relatively small amount of content released and low hosting and distribution costs incurred.

Cost control continues to be of upmost importance and, in H1 2019, we continued to align our cost base to our operational demands. The savings made through the 2018 headcount reductions in Audioboom are now being recognised with these savings being offset following redeployment of resources into revenue generating sales and content departments. We have also deployed new staff into Sonic IM. We continue to see improving key financial metrics of reduced debtor collection days, despite increasing revenue volume, and creditor payments continue to be in line with our contractual payment obligations with trade payables and accrued costs (US$3.7 million) remaining comparable with December 2018 (US$3.9 million).

The £4.3 million of growth funding raised in H1 2019 allows Audioboom to fund its rapidly increasing portfolio of high revenue producing, established podcasts and talent, specifically in its core US operations. The Company is able to compete for and win established podcasts by offering highly competitive, fully recoupable advance payments and minimum monthly guarantees to the creators of popular podcasts, due to its accurate podcast revenue forecasting capability.

Operating cash outflow before working capital movements has significantly reduced from US$4.9 million (H1 2018) to US$1.8 million (H1 2019) as a result of the overall loss of the Company materially reducing. Adverse working capital movements have been incurred in H1 2019 due to the Company fulfilling a number of material recoupable advance payments to retain existing and attract new podcast partners. Furthermore, increased revenue volume in H1 2019 has led to a US$1.2 million increase in trade debtors since 31 December 2018. This has resulted in operating cash outflow of US$3.8 million in H1 2019 (H1 2018: US$2.5 million).

The new content funding facility agreement with SPV Investments Ltd announced on 17 June 2019 will, to an extent, decrease the pressure on the capital required to secure the aforementioned high revenue producing podcasts. The special purpose vehicle ('SPV'), which has been established and is owned equally by Michael Tobin, the Company's Chairman, and Candy Ventures sarl, the Company's largest shareholder, will provide minimum revenue guarantees to certain leading content partners of the Company. Audioboom will pay the SPV 8% of the net advertising revenue (after paying the content partner its share) received by Audioboom, in relation to those podcasts.

Share Consolidation

Following the passing of resolutions at the Annual General Meeting on 20 June 2019, the share consolidation was effected on 21 June 2019 such that every 100 existing ordinary shares of no par value were consolidated into one new ordinary share of no par value.

Outlook

The strong growth recognised in H2 2018 has continued into H1 2019 with impressive revenue performance and, importantly, a materially reduced EBITDA and total loss position. The internal improvements made on how we book inventory and associated advertising revenue gives us the visibility that this strong performance has continued into H2 2019, and as such, we expect to meet the current market expectations for the year.

I would like to take this opportunity to thank the management team and staff for their continued hard work and commitment during the first half of 2019 and look forward to the second half of the year with renewed and increased optimism.

Rob Proctor
Chief Executive Officer

Audioboom Group PLC
Consolidated Statement of Comprehensive Income

	Notes	Unaudited 6 months to 30 June 2019 US$'000	Unaudited 6 months to 31 May 2018 US$'000	Audited 13 months to 31 Dec 2018 US$'000
Continuing operations				
Revenue	2	**9,844**	3,639	11,656
Cost of sales		**(7,553)**	(2,759)	(8,505)
Gross profit		**2,291**	880	3,151
Administrative expenses		**(5,043)**	(6,104)	(11,381)
Adjusted operating loss		**(1,418)**	(2,807)	(4,678)
- Amortisation of intangible assets		**(205)**	(270)	(578)
- Share based payments		**(882)**	(110)	(385)
- Depreciation		**(30)**	(44)	(77)
- Corporate transaction costs		**-**	(1,647)	(1,708)
- Depreciation – leases / Rent - leases	1	**(166)**	(233)	(411)
- Restructuring costs		**(51)**	(113)	(393)
Operating loss		**(2,752)**	(5,224)	(8,230)
Finance costs		**(18)**	(59)	(130)
Loss before tax		**(2,770)**	(5,283)	(8,360)
Income tax credit		**1**	128	272
Loss for the financial period		**(2,769)**	(5,155)	(8,088)
Other comprehensive income				
Foreign currency translation difference		**(134)**	(22)	(450)
Total comprehensive loss for the period		**(2,903)**	(5,177)	(8,538)
Loss per share from continuing operations Basic and diluted	3	**(23) cents**	**(55) cents**	**(77) cents**

Audioboom Group PLC
Consolidated Statement of Financial Position

	Notes	**Unaudited as at 30 June 2019 US$'000**	Unaudited as at 31 May 2018 US$'000	Audited as at 31 Dec 2018 US$'000
ASSETS				
Non-current assets				
Intangible assets	5	**2,237**	2,870	2,420
Property, plant and equipment		**110**	148	152
Leases		**1,631**	-	-
		3,978	3,018	2,572
Current assets				
Trade and other receivables	6	**6,171**	3,613	4,169
Cash and cash equivalents		**3,351**	440	1,581
		9,522	4,053	5,750
TOTAL ASSETS		**13,500**	7,071	8,322
Current liabilities				
Trade and other payables	7	**(5,752)**	(5,354)	(4,087)
Borrowings and other financial liabilities		**-**	(2,006)	-
Deferred taxation		**(197)**	(252)	(203)
		(5,949)	(7,612)	(4,290)
Net current assets / (liabilities)		**3,573**	(3,559)	1,460
NET ASSETS / (LIABILITIES)		**7,551**	(541)	4,032
Equity				
Share capital		**-**	-	-
Share premium	4	**56,423**	43,224	50,883
Issue cost reserve		**(2,048)**	(2,048)	(2,048)
Foreign exchange translation reserve		**(664)**	(103)	(530)
Reverse acquisition reserve		**(3,380)**	(3,380)	(3,380)
Retained earnings		**(42,780)**	(38,234)	(40,893)
TOTAL EQUITY		**7,551**	(541)	4,032

Audioboom Group PLC
Consolidated Cash Flow Statement

	Unaudited six months to 30 June 2019 US$'000	Unaudited six months to 31 May 2018 US$'000	Audited 13 months to 31 Dec 2018 US$'000
Loss from continuing operations	(2,769)	(5,155)	(8,088)
Loss for the period	**(2,769)**	(5,155)	(8,088)
Adjustments for:			
Taxation	(1)	(128)	(272)
Interest	18	59	-
Depreciation of fixed assets	30	44	77
Effect of retranslation of fixed assets	13	2	25
Amortisation of intangible assets	205	270	578
Effect of retranslation of intangible assets	(22)	41	183
Share based payments	882	110	385
Taxation	-	-	214
Foreign exchange loss	(153)	(100)	(715)
Cash flows from operating activities before working capital movements	**(1,797)**	(4,857)	(7,613)
Increase in trade and other receivables	(2,003)	(302)	(856)
Increase in trade and other payables (excluding leases)	34	2,679	1,413
Net cash used in operating activities	**(3,766)**	(2,480)	(7,056)
Investing activities			
Purchase of property, plant and equipment	-	(71)	(82)
Net cash used in investing activities	**-**	(71)	(82)
Financing activities			
Proceeds from issue of convertible loan instrument	-	2,082	1,995
Convertible loan interest and fee	-	(59)	(130)
Proceeds from issue of ordinary share capital	5,540	-	5,794
Net cash generated from financing activities	**5,540**	2,023	7,659
Net increase/(decrease) in cash and cash equivalents	**1,774**	(528)	521
Cash and cash equivalents at beginning of period	**1,581**	968	968
Effect of foreign exchange rate changes	**(4)**	-	92
Cash and cash equivalents at end of period	**3,351**	440	1,581

Audioboom Group PLC
Consolidated Statement of Changes in Equity

	Share premium	Other reserves	Retained earnings	**Total equity**
	US$'000	US$'000	US$'000	**US$'000**
At 30 November 2017	43,224	(5,508)	(33,190)	**4,526**
Loss for the period	-	-	(5,155)	**(5,155)**
Issue of shares	-	-	-	**-**
Equity-settled share-based payments	-	-	110	**110**
Other comprehensive income	-	(22)	-	**(22)**
At 31 May 2018	43,224	(5,530)	(38,235)	**(541)**
Loss for the period	-	-	(2,933)	**(2,933)**
Issue of shares	7,659	-	-	**7,659**
Equity-settled share-based payments	-	-	275	**275**
Other comprehensive income	-	(428)	-	**(428)**
At 31 December 2018	50,883	(5,958)	(40,893)	**4,032**
Loss for the period	-	-	(2,769)	**(2,769)**
Issue of shares	5,540	-	-	**5,540**
Equity-settled share-based payments	-	-	882	**882**
Other comprehensive income	-	(134)	-	**(134)**
At 30 June 2019	56,423	(6,092)	(42,780)	**7,551**

Other reserves relate to the following reserves: Issue Cost Reserve, Foreign Exchange Translation Reserve and the Reverse Acquisition Reserve. Full details are disclosed in the 2018 Annual Report.

1. General information and basis of preparation

Audioboom Group plc is incorporated in Jersey under the Companies (Jersey) Law 1991. The Company's ordinary shares of no par value are traded on AIM, a market operated by the London Stock Exchange ("AIM").

These consolidated interim financial statements, which are unaudited, have been approved by the Board of Directors on 17 July 2019. They have been drawn up using the accounting policies and the basis of presentation expected to be adopted in the Group's full financial statements for the year ending 31 December 2019, which are not expected to be significantly different to those set out in note 1 to the Company's audited financial statements for the 13 month period ending 31 December 2018.

The consolidated interim financial statements have been prepared under the historical cost convention and in accordance with International Financial Reporting Standards ("IFRS") and with IAS 34 "Interim financial reporting", as adopted by the EU.

The preparation of financial statements in accordance with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

Going concern

These interim financial statements have been prepared on the going concern basis, which assumes that the Group will have sufficient funds to continue in operational existence for the foreseeable future. Following the placing and subscriptions to raise a total of £4.3 million (before expenses) in H1 2019, the Board's forecasts for the Group, including due consideration of the continued operating losses, projected increase in revenues and decreasing cash-burn of the Group (and taking account of reasonably possible changes in trading performance), indicate that the Group will have sufficient cash available to continue in operational existence for the next 12 months and beyond. The Board believes that the Group is well placed to manage its business risks, and longer-term strategic objectives, successfully. Therefore, the Directors consider the going concern basis appropriate.

IFRS 16: leases

The modified retrospective approach to IFRS 16 transition has been applied. There is deemed to be no impact on reserves brought forward. The retrospective charge for lease rental during prior periods has been stated so as to display comparative figures.

2. Revenue

The Group's operations are principally located in the UK and the USA. The main assets of the Group, cash and cash equivalents, are held in Jersey. The Group's revenue from external customers by geographical location is detailed below:

	Unaudited six months to 30 June 2019	Unaudited six months to 31 May 2018	Audited 13 months to 31 Dec 2018
	US$'000	US$'000	US$'000
United Kingdom	1,095	507	1,901
Rest of World	13	30	42
USA	8,736	3,102	9,713
Total	**9,844**	3,639	11,656

3. Loss per share

Basic earnings per share is calculated by dividing the loss attributable to shareholders by the weighted average number of ordinary shares in issue during the period.

IAS 33 requires presentation of diluted EPS when a company could be called upon to issue shares that would decrease earnings per share, or increase the loss per share. For a loss-making company with outstanding share options, net loss per share would be decreased by the exercise of share options. Therefore, as per IAS 33:36, the antidilutive potential ordinary shares are disregarded on the calculation of diluted EPS.

On 21 June 2019, the Company consolidated every 100 existing ordinary shares of no par value into one new ordinary share of no par value.

Reconciliation of the loss and weighted average number of ordinary shares used in the calculation detailed in this note have been updated historically to represent the 100:1 share consolidation on 21 June 2019:

		30-Jun-19	
	Loss	Weighted average number of shares	Per share amount
Basic and Diluted EPS	US$'000	Thousand	Cents
Loss attributable to shareholders:			
- Continuing and discontinued operations	(2,769)	12,238	(23)

		31-May-18	
	Loss	Weighted average number of shares	Per share amount
Basic and Diluted EPS	US$'000	Thousand	Cents
Loss attributable to shareholders:			
- Continuing and discontinued operations	(5,155)	9,306	(55)

		31-Dec-18	
	Loss	Weighted average number of shares	Per share amount
Basic and Diluted EPS	US$'000	Thousand	Cents
Loss attributable to shareholders:			
- Continuing and discontinued operations	(8,088)	10,474	(77)

4. Share Capital

On 21 June 2019, the Company consolidated every 100 existing ordinary shares of no par value into one new ordinary share of no par value.

The issued and fully paid ordinary shares of no par value detailed in this note have been updated historically to represent the 100:1 share consolidation on 21 June 2019.

Issued and fully paid – ordinary shares of no par value

At 31 December 2018 (adjusted for share consolidation)	11,732,909
At 30 June 2019	14,006,757

The total number of instruments over equity (including both share options and warrants) outstanding at the period end was 1,985,244.

Those amounts raised via subscriptions and placings are stated in sterling in supporting notes and commentary as the Group raises funds primarily in sterling. Equity is translated on the consolidated statement of financial position in US dollars as the Group's primary reporting currency is US dollars.

The following share subscription notes are quoted before (and after) the 100:1 share consolidation, which was completed on 21 June 2019.

In February 2019, the Company announced a subscription to raise gross proceeds of £1.5 million to fund its rapidly increasing portfolio of podcasting content. 115,384,670 (1,153,847) ordinary shares were issued at a price of 1.3p (£1.30) per ordinary share with the proceeds predominantly being used to meet the upfront payments required to secure new and existing podcast content and their audiences.

In May 2019, the Company concluded a placing and subscription raising further gross proceeds of £2.8 million to fund growth. 112,000,000 (1,120,000) ordinary shares were issued at a price of 2.5p (£2.50) per ordinary share with the proceeds predominantly being used to accelerate the acquisition of established podcast content and their audiences, development of co-production content partnerships and AON productions, to deliver valuable original content.

5. Intangible assets

Cost	Software development US$'000	Intellectual property US$'000	Goodwill US$'000	Total US$'000
At 31 December 2018 and 30 June 2019	576	2,164	883	3,623
Amortisation charged in the period	(54)	(151)	-	(205)
Foreign exchange effect	6	16	-	22
Carried forward at 30 June 2019	(171)	(1,215)	-	(1,386)
Net book value 30 June 2019	**405**	**949**	**883**	**2,237**
Net book value 31 December 2018	453	1,084	883	2,420

Software development and intellectual property are being amortised over a period of five years and have economic useful lives of between four and five years remaining.

6. Trade and other receivables

The trade and other receivables at the end of the period comprised US$4.4 million relating to trade debtors and accrued sales income, and US$1.8 million relating to deposits, prepaid expenses and advance talent payments.

7. Trade and other payables

The trade and other payables at the end of the period comprised US$3.7 million relating to trade payables and accrued content partner costs. The Company currently accrues all costs based on contract terms. Due to a minimum payable value, some partners have not attained the threshold level to receive a payment. Other payables total US$0.5 million. Payables relating to leases total US$1.6 million, following the modified retrospective approach to IFRS 16 transition being applied.

8. Related party transactions

The following share subscription, issue of warrants and special purpose vehicle notes are quoted before (and after) the 100:1 share consolidation, which was completed on 21 June 2019.

Share subscriptions

Candy Ventures sarl subscribed for 46,153,850 (461,539) new ordinary shares at 1.3p (£1.30) in February 2019 and a further 42,400,000 (424,000) new ordinary shares at 2.5p (£2.50) in May 2019. Candy Ventures sarl is the Company's largest shareholder and an investment vehicle 90% owned by Nick Candy. Steven Smith, a non-executive Director of the Company, is a 10% shareholder and director of Candy Ventures sarl.

Michael Tobin, non-executive Chairman of the Company, subscribed for 3,846,160 (38,462) ordinary shares at 1.3p (£1.30) in February 2019 and a further 3,600,000 (36,000) ordinary shares at 2.5p (£2.50) in May 2019.

Roger Maddock, a non-executive Director of the Company, subscribed for 3,846,160 (38,462) ordinary shares at 1.5p (£1.50) in February 2019 and a further 2,000,000 (20,000) ordinary shares at 2.5p (£2.50) in May 2019. The Preston Trust (being a trust for the benefit of the family of Roger Maddock) subscribed for 4,000,000 (40,000) ordinary shares at 2.5p (£2.50) in May 2019.

Warrants

In order to allow the subscription shares in February 2019 to be issued on a timely basis and within the Company's existing share allotment authorities and without the need to convene an extraordinary general meeting of the Company, Michael Tobin agreed that the exercise of his 30,000,000 (300,000) warrants (split into three tranches of 10,000,000 (100,000) warrants) over new ordinary shares, awarded to him on 3 September 2018, be made conditional upon the Company obtaining shareholder authorities to allot and issue the new ordinary shares arising on exercise of the warrants free of pre-emption rights. Such authority was granted at a general meeting held on 21 May 2019. In return, and in recognition that such warrants should be an incentive, the Company agreed to (a) lower the exercise prices of the warrants from 2.4p (£2.40), 4.4p (£4.40) and 6.4p (£6.40) to 1.3p (£1.30), 3.3p (£3.30) and 5.3p (£5.30) respectively and (b) lower the share price hurdle for exercise of the second and third tranche of the warrants from 4.4p (£4.40) and 6.4p (£6.40) to 3.3p (£3.30) and 5.3p (£5.30) respectively.

In addition, and in order to obtain a substantial participation in the subscription, the Company agreed with Nick Candy to extend the exercise period of 12,000,000 (120,000) warrants over new ordinary shares held by him, granted pursuant to an agreement dated 2 April 2016, from 2 April 2019 to 31 March 2024. These warrants have an exercise price of 2.5p (£2.50) per ordinary share.

Special Purpose Vehicle

On 17 June 2019, the Company agreed a new content funding facility with SPV Investments Ltd, a special purpose vehicle ('SPV') which has been established and is owned equally by Michael Tobin, the Company's Chairman, and Candy Ventures sarl, the Company's largest shareholder. The SPV will provide minimum revenue guarantees to certain leading new content partners of the Company. Audioboom will pay the SPV 8% of the net advertising revenue (after paying the content partner its share) received by Audioboom, in relation to those podcasts. The underlying providers of the guarantees will be granted 2,500,000 (25,000) warrants to subscribe for ordinary shares in the Company for every US$1 million of guarantee provided, subject to a maximum of 10,000,000 (100,000) warrants. The exercise price of these warrants will be 3.3p (£3.30) per ordinary share each, with such warrants being exercisable for five years from grant. The first guarantee provided by the SPV in June 2019 led to an initial grant of an aggregate of 2,500,000 (25,000) warrants split equally between Michael Tobin and Candy Ventures sarl.

9. Share-based payments

The following share-based payments notes are quoted before (and after) the 100:1 share consolidation, which was completed on 21 June 2019.

The Company has share option schemes for employees of the Company and, in March 2019, the Company made grants of options to subscribe for new ordinary shares in the Company to certain of its Directors and employees. These included grants to Rob Proctor, Chief Executive Officer, of 25,000,000 (250,000) options with an exercise price of 1.3p (£1.30) and to Brad Clarke, Chief Financial Officer, of 12,000,000 (120,000) options with an exercise price of 1.3p (£1.30). Following these grants and the share consolidation, the total options held by Rob Proctor are 457,231 and by Brad Clarke are 185,000.

ENDS