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**Audioboom Group plc**  
("Audioboom", the "Group" or the "Company")

### Half-Year Report

Audioboom (AIM: BOOM), the leading global podcast company, is pleased to announce its unaudited half-year results for the six months ended 30 June 2021.

#### Financial Highlights and KPIs

- Record H1 revenue of US\$22.8 million, **up 93%** on H1 2020 (US\$11.8 million). Year-on-year growth outpaced the predicted wider annual industry average growth **by 55%\***
- Record Q2 revenue of US\$13.3 million, **up 144%** on Q2 2020 (US\$5.4million) and **up 39%** on Q1 2021 (US\$9.5 million)
- Adjusted EBITDA\*\* profit of US\$0.2 million (H1 2020: US\$1.2 million loss)
- Group loss for the period significantly reduced to US\$0.46 million (H1 2020: US\$2.0 million loss)
- Average Q2 global monthly downloads increased to 92.1 million, **up 25%** on Q2 2020 (73.5 million). Global downloads in June 2021 reached 92.8 million
- Average Q2 brand advertiser count of 326, **up 27%** on Q2 2020 (256)
- Average global revenue per 1,000 downloads (eCPM) increased to US\$50.73 in Q2 2021, **up 92%** (Q2 2020: US\$26.41)
- Access to capital of US\$4.8 million as at 30 June 2021, represented by Group cash of US\$1.5 million and US\$3.3 million of the non-revolving loan facility with SPV Investments Limited remaining available

#### Commercial Highlights

- Continued strong trading, with the Company having now signed advertising bookings representing over 90% of the Board's revenue expectations for the Group for 2021
- Expansion of the Audioboom Originals Network through show launches with influential US talent including Rainn Wilson (*Dark Air*), Lindsey Chrisley (*The Southern Tea*), Colleen Ballinger (*RELAX!*) and Bailey Sarian (*Dark History*). In June 2021, *Dark History* achieved Number 1 status on the Apple and Spotify podcast charts globally, including in the US, UK, Australia and Canada
- New commercial partnerships with top tier podcasts including: *Zane & Heath Unfiltered*, *Hacks on Tap* with CNN's David Axelrod, *Wafflin' with Joe Weller*, and *Curbsiders*
- New global sales partnerships to optimise revenue generation with MAPP Media (UK), Australian Radio Network (Australia) and Ideabrew Studios (India)
- Launched new advertising technology, including a tool for podcasters to automate the replacement of embedded live read advertising with real-time dynamic advertising, in order to re-monetise back catalogue content
- Climbed to fourth position (previously sixth) in Triton Digital's March 2021 ranker of the largest US podcast publishers by number of average weekly users

\* Interactive Advertising Bureau's May 2021 Podcast Advertising Revenue Study states that US podcast advertising revenue is expected to grow by 60% in 2021 relative to 2020

\*\* Earnings before interest, tax, depreciation, amortisation, share based payments, non-cash foreign exchange movements and material one-off items

#### Stuart Last, CEO of Audioboom, commented:

"After a breakthrough first quarter of 2021 in which the Company reported a maiden adjusted EBITDA profit, the story of the second quarter is of accelerated revenue and EBITDA growth as our content-focused expansion strategy delivered increased value to the business.

We have made a strong impact on the industry and podcast audiences during this period through our Audioboom Originals Network launches, which has increased our standing in the industry as podcast creators. *Dark History*, *RELAX!*, *The Southern Tea* and *Dark Air with Terry Carnation* have all been commercial successes, with *Dark History* leading the charge as it hit number 1 on both the Apple and Spotify charts globally in June 2021.

The financial progress Audioboom has made will enable us to further invest in key areas of the business as we move into the second half of 2021. Expansion of our podcast production operation and the development of new advertising technologies are priorities, and we anticipate that both will deliver further growth opportunities for the remainder of this year and beyond.

Audioboom is a leader in podcasting globally, and the performance in the first half highlights that the Group is increasingly capitalising on this market position to the benefit of shareholders – thank you for your support.”

## **Enquiries**

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## **About Audioboom**

Audioboom is a global leader in podcasting - our shows are downloaded more than 92 million times each month by 26 million unique listeners around the world. Audioboom is ranked as the fourth largest podcast publisher in the US by Triton Digital.

Audioboom's ad-tech and monetisation platform underpins a scalable content business that provides commercial services for a premium network of 250 top tier podcasts, with key partners including 'Casefile True Crime' (US), 'Morbid' (US), 'True Crime Obsessed' (US), 'The Morning Toast' (US), 'No Such Thing As A Fish' (UK) and 'The Cycling Podcast' (UK).

The Audioboom Originals Network is a slate of content developed and produced by Audioboom, including 'Dark Air with Terry Carnation', 'RELAX!', 'Baby Mamas No Dramas', 'Covert', 'It's Happening with Snooki & Joey', 'Mafia', 'Huddled Masses' and 'What Makes A Killer'.

Audioboom operates internationally, with operations and global partnerships across North America, Europe, Asia and Australia. The platform allows content to be distributed via Apple Podcasts, Spotify, Pandora, Amazon Music, Deezer, Google Podcasts, iHeartRadio, RadioPublic, Saavn, Stitcher, Facebook and Twitter as well as a partner's own websites and mobile apps.

For more information, visit [audioboom.com](http://audioboom.com).

## Chief Executive's Report

### ***Value Proposition and Strategy***

Audioboom continues to establish itself as a leading global podcast publisher, underpinned by a content-focused growth strategy with an owned-and-operated technology platform that provides efficient scalability to the business.

Our technology platform provides key support to Audioboom's content, including:

- Hosting of content and automated distribution to all major listening apps, including Apple Podcasts, Spotify, Amazon Music, Google Podcasts, iHeartRadio and many others
- Advertising tech, including dynamic ad insertion, campaign management, marketplace transactions, and programmatic platform integrations
- Inventory management and business intelligence for premium advertising execution.

The Audioboom platform powers more than 8,000 podcast channels and delivers more than 92 million downloads each month to more than 26 million unique users. The platform requires a low level of investment, but is extremely scalable with the ability to power significantly more podcast channels and downloads.

Audioboom's content growth strategy is sharply focused on increasing the number and size of podcasts in our network, then monetising the content through the various methods provided by our platform, including premium host-endorsement advertising, dynamic insertion of ads in real-time, and monthly subscription payments.

Content expansion continues to be focused on three distinct areas:

1. ***Content Acquisition*** where Audioboom acquires exclusive monetisation and distribution rights to leading independent podcasts;
2. ***Content Creation*** where Audioboom develops and produces podcasts through its in-house production arm; and
3. ***Content Access*** where our in-house agency Sonic Influencer Marketing monetises podcasts outside of the Audioboom network.

The combination of technology, content and monetisation we believe is unique amongst our peers – Audioboom operates the entire chain; maximising distribution and revenue generation.

### ***Performance***

After a breakthrough first quarter, Audioboom continued to accelerate both revenue and adjusted EBITDA growth in Q2 2021.

Benchmarked against wider industry fortunes, Audioboom continues to outperform, with our 93% annual growth during the period more than 55% greater than the Interactive Advertising Bureau's US podcast market advertising revenue growth projections for 2021 relative to 2020.

Audioboom also continued to capture audience market share during the period, improving our position in Triton Digital's podcast ranker. Audioboom moved up from sixth position to fourth largest podcast publisher in the US, in terms of weekly audience reach.

Our focus on expanding our content operation can also be seen in our global monthly downloads KPI. During Q2 we averaged 92.1 million downloads per month - representing 25% annual growth in audience.

Each month we are delivering significantly more downloads of our content and monetising that consumption more effectively than ever before.

### ***Content Acquisition - Independent Podcasters***

During the first half of the year, Audioboom acquired exclusive sales and distribution rights to a number of top tier US and UK podcasts, and renewed partnerships with many of our leading independent shows.

New, major partnerships signed in 2021 include:

- *The Fantasy Footballers*
- *Zane & Heath: Unfiltered*
- *Hacks on Tap with CNN's David Axelrod*
- *The Curbsiders*
- *Wafflin' with Joe Weller*
- *Strange & Unexplained*

Renewals of shows in our premium network during 2021 include:

- *True Crime Obsessed*
- *The Morning Toast*
- *Astonishing Legends*
- *Obsessed with Disappeared*

We have extended the length of renewal agreements with some of our major partners to 24-36 months which provides visibility on advertising inventory and greater security to our business.

The majority of Audioboom's new major podcast partnerships now come via our strong relationships with the key Hollywood talent agencies as a result of the professionalisation of the podcast industry in the US. We have proven over the past 3-5 years that we have the ability to deliver significant, long-term value to their clients, which in turn leads to more incoming opportunity from the likes of UTA, WME and CAA. We see this growth opportunity trend continuing, providing an efficient funnel of new business into our largest revenue line.

### **Content Creation – Production**

In 2021, we refocused our production strategy, investing in projects developed alongside creative talent and brands, and utilising their built-in audiences to deliver chart-topping hit shows.

Successful launches on Audioboom Originals Network (AON) included:

- *Dark Air* with Terry Carnation – a show developed and produced with Rainn Wilson, star of NBC's *The Office*.
- *RELAX!* with Colleen Ballinger – a YouTube personality with more than 50 million social media followers.
- *The Southern Tea*, featuring TV star Lindsay Christley, which reached the top 30 on Apple's Podcast chart in June.
- *Dark History*, hosted by Bailey Sarian. *Dark History* hit number 1 globally on both the Apple Podcast and Spotify charts, with the launch episode receiving more than 2 million listens.

We also deepened our production agreement with Formula 1, a partnership that sees Audioboom producing *F1: Beyond The Grid* and *F1 Nation* until 2023, highlighting the quality and reputation of our in-house audio team. *F1: Beyond The Grid* received the Bronze Award for Best Sports Podcast at the recent British Podcast Awards.

We have taken a clear step forward in terms of audience reach, quality, commercial success, and brand visibility to both consumers and industry thought leaders. We plan to capitalise on this momentum with further investment into our production operation during the second half of 2021, both in the US and also with the launch of a UK-based production team. The relatively under-developed UK podcast market provides a clear opportunity for Audioboom to create a production leadership position and become a household name for audio entertainment.

### **Content Access - Sonic Influencer Marketing (Sonic)**

Audioboom's in-house agency, Sonic, focuses on the third pillar of Audioboom's growth strategy – accessing advertising

inventory in third party podcast networks.

Growth at Sonic in 2021 has been powered by the launch of a custom-built, Salesforce-based inventory management platform. The platform is fully scalable and in H1 2021 enabled the monetisation of 37.2 million average monthly downloads outside of the Audioboom network.

During the first half of the year, 25 advertisers utilised the Sonic platform (up 32% on H1 2020) and accessed inventory across 325 podcasts outside of the Audioboom network (up 77% on H1 2020).

### ***Revenue Model***

Audioboom's primary method of revenue generation is through advertising sales, connecting brands with loyal and engaged audiences through podcast content. We deliver maximum value to podcast creators and to our in-house productions through a two-stage advertising model:

- Premium: Ads are sold by our in-house sales team, in a bespoke manner against an individual podcast episode. The ad is delivered by the host of the show (rather than pre-produced), and the ad is embedded into the audio for the first 90 days following the release of the episode. Premium advertising commands CPM (revenue per 1,000 downloads) rates of US\$25 to US\$50, and each episode of a show contains between three and six available advertising slots.
- Ad Tech: Ads are sold by our in-house team, by our global sales partners, or programmatically through advertising technology. Ads are delivered via dynamic ad insertion at the point of consumption, enabling the continual re-monetisation of content whether it was released 1 day prior or 10 years prior. CPMs range from US\$4 to US\$25.

Our premium sales model continues to be the key revenue driver within the business. It is limited to the largest 250 shows in our network in order to effectively manage inventory during the bespoke sales process. The model scales efficiently as we add new podcasts with bigger audiences, while maintaining the overall size of the premium network at 250 through a "one-in, one-out" process. The number of ad units we have to sell across the top 250 shows remains the same, requiring no increase in resource to manage, but each ad unit holds more value than before due to the increased size of the audience attached to each one.

This scaling effect can be seen clearly in our Sold Average Unit Rate metric, which is the average sale price of one premium advertising unit on our premium network:

- Q2 2020: US\$1,542
- Q2 2021: US\$2,009 (30% annual growth)

Success in our premium sales model is also linked to the percentage of those units sold - highlighted by our Fill Rate metric - for the top 250 shows in our network:

- Q2 2020: 53%
- Q2 2021: 77% (45% annual growth)

Increased fill rate is a product of the close relationship that the Audioboom team builds with its podcast partners, coaching them on best practices for ad execution, leading to stronger performance of those ads for brands, and consequently higher demand for the available ad units. This expertise and talent management continues to set Audioboom apart from its competitors.

Audioboom's ad tech supports our secondary sales model and is designed to create revenue opportunities for the thousands of smaller podcasts in our network, and to develop second window monetisation for the back catalogue of our top 250 shows.

Revenue from our advertising technology grew by 260% in H1 2021 (versus H1 2020). It now accounts for 9% of total group revenue, up from 5% in H1 2020

This performance has been driven by two key initiatives:

1. Launch of our proprietary Live Read Removal tool

In early July 2021, we officially launched a new tool (AdRip) that automates the process of removing premium, first window, embedded ads once an episode has passed through its 90-day first sales window. The tool replaces embedded ads with ad-breaks that allow our platform to dynamically serve new, real-time advertising spots in order to re-monetise content.

We believe that AdRip will create significant levels of new inventory that can be sold through our proven sales channels. Audioboom's content currently receives 92 million downloads each month, with more than 50% of that consumption relating to back catalogue episodes (older than 90 days). The ability to re-monetise this vast back catalogue can deliver significant value through our ad tech.

AdRip has been available to a select group of publisher partners during the first half of the year and is now live for use across all 8,000+ podcast channels.

2. Establishment of key international sales partnerships

During H1 2021, Audioboom launched new sales partnerships in its key global territories of the UK, Australia, Canada and India. Behind the US, these regions make up our top 5 markets for content consumption, totalling around 25% of our downloads. However, until this year revenue contributions from these regions have been limited.

Audioboom partnered with MAPP Media (UK), Australian Radio Network (Australia), Rogers Media (Canada) and Ideabrew Studios (India and the Middle East) to provide regional sales. Each of these providers is now selling advertising that can be geo-targeted to listeners through Audioboom's ad tech platform. Our medium-term goal is to align revenue from these territories with the level of content consumption seen in each.

As a result of the two initiatives outlined above, we believe that there is significant future revenue upside from our advertising technology, and this will be another area of investment for the business beginning with the launch of the Audioboom Marketplace in H2 2021. The Audioboom Marketplace will be a plug and play solution for podcasters, enabling their content to be exposed to a wide suite of sales channels globally via the Audioboom platform. For advertisers, the Marketplace will deliver unique targeting options at significant scale across a portfolio of 8,000 shows, all in one efficient place.

## **Financial Review**

Group revenue in the first half of 2021 increased by 93% year on year to US\$22.8 million (H1 2020: US\$11.8 million). Adjusted EBITDA profit (earnings before interest, tax, depreciation, amortisation, share based payments, non-foreign exchange movements and material one off items) significantly improved to US\$0.2 million (H1 2020: US\$1.2 million loss). The total loss for the period was significantly reduced to US\$0.46 million (H1 2020: US\$2.0 million loss). The Company continued to deliver year-on-year revenue growth significantly ahead of the predicted wider podcast industry\*.

Gross margin reduced slightly to 21% (year to 31 December 2020: 23%). Audioboom has a mix of revenue streams, contributing different gross margins. Direct revenue, where advertising is placed on third party podcasts via the Audioboom sales teams, yielded a 21% gross margin in H1 2021. This reflects the concentration of revenue in the top tier of podcasts where the revenue share is split 80/20 in the podcasters' favour. The Audioboom Originals Network contributed a 37% gross margin in H1 2021, and the higher associated gross margin means this will be a key area of focus going forward for the Company. Sonic Influencer Marketing contributed a 12% gross margin in H1 2021 and the continued growth of this part of the business has also contributed to overall Group gross margin reducing slightly.

Cost control continues to be of utmost importance, ensuring that the resources of our lean and efficient Company are aligned to our operational demands and allow our 37 dedicated members of staff to continue to deliver growth. Cash collection has continued to increase once again due to overall revenue growth and, thanks to our efficient internal processes and good relationships with our customers, we report a debtor day figure of 79, 8 days lower than 31 December 2020 (87). A debtor day figure of 58 was reported at 30 June 2020, however, this was due to the lower revenue reported in Q2 2020 due to the impact of Covid-19. Creditor payments continue to be in line with our contractual payment obligations, with trade payables and accrued costs as at 30 June 2021 being US\$7.3 million.

Cash held at 30 June 2021 of US\$1.5 million decreased by US\$1.8 million from 31 December 2020 (US\$3.3 million). During H1 2021, US\$1.5 million of recoupable advances were paid to new and existing podcast partners (H1 2020: US\$0.8 million). US\$1.1 million of recoupable advances were held on the balance sheet at 30 June 2021. Trade debtors have increased by US\$3.5 million to US\$9.8 million since 31 December 2020 (US\$6.4 million), reflecting the continued revenue growth in the business. Cash plus trade debtors as at 30 June 2021 was US\$11.3 million versus US\$9.6 million at 31 December 2020, an increase of US\$1.7 million. The Company continues to collect an increasing volume of debtors (2021 monthly average of US\$3.2 million vs 2020 full year monthly average of US\$2.2 million) and continues to have minimal bad debt write offs.

Operating cash inflow before working capital movements of US\$0.2 million was significantly ahead of H1 2020 (H1 2020: US\$1.7 million cash outflow). Net cash used in operating activities of US\$1.8 million was marginally above H1 2020 (H1 2020: US\$1.7 million) due to the increase in both debtors and creditors due to the growth recorded by the Company.

On 7 February 2020, the Company announced that it had entered into a US\$4 million secured loan facility arrangement (the "Facility") with SPV Investments Limited ("SPV"), a special purpose vehicle owned by Michael Tobin, the Company's Chairman, and Candy Ventures sarl, the Company's largest shareholder. To date, US\$0.7 million of the loan has been drawn down and subsequently repaid in 2020. No loan drawdowns have occurred in 2021 and we will continue to prioritise limiting further draw-downs to when absolutely necessary.

The separate US\$4 million content funding facility with SPV, announced on 17 June 2019, has continued to decrease pressure on capital required to secure high revenue producing podcasts. This provides minimum revenue guarantees to certain leading content partners of the Company with Audioboom paying SPV 8% of the net advertising revenue (after paying the content partner its share) received by Audioboom, in relation to those podcasts. As at 30 June 2021, the amount currently remaining available under the guarantee facility was approximately US\$2.8 million (31 December 2020: US\$1.1 million).

## **Outlook**

The business is well positioned for further accelerated growth in the second half of 2021. New major content partnerships, Audioboom Originals, and recently launched ad tech innovations will provide significantly higher inventory levels for us to monetise through our proven sales channels.

H2 2021 will also be a time for increasing our investment in future growth, with the launch of our UK production team and the Audioboom Marketplace.

We are committed to delivering further shareholder value through a business model and industry leadership position that is stronger than ever. I would like to take this opportunity to thank the management team and staff for embracing and executing our growth strategy, and I look forward to the second half of the year with great anticipation.

**Stuart Last**  
**Chief Executive Officer**

**Audioboom Group PLC**  
**Consolidated Statement of Comprehensive Income**

		<b>Unaudited 6 months to 30 June 2021</b>	Unaudited 6 months to 30 June 2020	Audited 12 months to 31 Dec 2020
	<b>Notes</b>	<b>US\$'000</b>	US\$'000	US\$'000
<b>Continuing operations</b>				
Revenue	2	<b>22,783</b>	11,829	26,782
Cost of sales		<b>(17,916)</b>	(9,343)	(20,581)
<b>Gross profit</b>		<b>4,867</b>	2,486	6,201
Administrative expenses		<b>(5,309)</b>	(4,347)	(9,288)
Adjusted operating profit / (loss)		<b>225</b>	(1,207)	(1,720)
- Share based payments		<b>(487)</b>	(335)	(715)
- Depreciation		<b>(30)</b>	(30)	(60)
- Depreciation – leases		<b>(114)</b>	(160)	(319)
- Corporate transaction costs		-	(129)	(167)
- Operating foreign exchange loss		<b>(22)</b>	-	(106)
- Restructuring costs		<b>(14)</b>	-	-
<b>Operating loss</b>		<b>(442)</b>	(1,861)	(3,087)
Finance costs	3	<b>(16)</b>	(141)	(210)
<b>Loss before tax</b>		<b>(458)</b>	(2,002)	(3,297)
Income tax		-	-	-
<b>Loss for the financial period</b>		<b>(458)</b>	(2,002)	(3,297)
<b>Other comprehensive income</b>				
Foreign currency translation difference		<b>10</b>	(320)	61
<b>Total comprehensive loss for the period</b>		<b>(448)</b>	(2,322)	(3,236)
Loss per share				
from continuing operations				
Basic and diluted	4	<b>(3) cents</b>	<b>(14) cents</b>	<b>(23) cents</b>



**Audioboom Group PLC**  
**Consolidated Statement of Financial Position**

		Unaudited as at 30 June 2021 US\$'000	Unaudited as at 30 June 2020 US\$'000	Audited as at 31 Dec 2020 US\$'000
	Notes			
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment		64	112	90
Right of use asset		715	1,129	822
		<u>779</u>	<u>1,241</u>	<u>912</u>
<b>Current assets</b>				
Trade and other receivables	6	12,381	5,348	8,028
Cash and cash equivalents		1,461	818	3,257
		<u>13,842</u>	<u>6,166</u>	<u>11,285</u>
<b>TOTAL ASSETS</b>		<u>14,621</u>	<u>7,407</u>	<u>12,197</u>
<b>Current liabilities</b>				
Trade and other payables	7	(8,030)	(4,240)	(5,667)
<b>NET CURRENT ASSETS</b>		<u>5,812</u>	<u>1,926</u>	<u>5,618</u>
<b>Non-current liabilities</b>				
Loan liability	3	-	(500)	-
Lease liability	3	(466)	(892)	(636)
<b>NET ASSETS</b>		<u>6,125</u>	<u>1,775</u>	<u>5,894</u>
<b>Equity</b>				
Share capital		-	-	-
Share premium	5	60,873	56,310	60,822
Issue cost reserve		(2,048)	(2,048)	(2,048)
Foreign exchange translation reserve		(266)	(657)	(276)
Reverse acquisition reserve		(3,380)	(3,380)	(3,380)
Retained earnings		(49,054)	(48,450)	(49,224)
<b>TOTAL EQUITY</b>		<u>6,125</u>	<u>1,775</u>	<u>5,894</u>

**Audioboom Group PLC**  
**Consolidated Cash Flow Statement**

	<b>Unaudited six months to 30 June 2021 US\$'000</b>	Unaudited six months to 30 June 2020 US\$'000	Audited 12 months to 31 Dec 2020 US\$'000
Loss from operations	(458)	(2,002)	(3,297)
<b>Loss for the period</b>	<b>(458)</b>	<b>(2,002)</b>	<b>(3,297)</b>
Adjustments for:			
Interest payable	16	141	210
Depreciation of fixed assets	30	30	60
Share based payments	487	335	715
Taxation received	-	27	28
Foreign exchange gain / (loss)	133	(223)	76
<b>Cash flows from operating activities before working capital movements</b>	<b>208</b>	<b>(1,692)</b>	<b>(2,208)</b>
(Increase)/Decrease in trade and other receivables	(4,353)	1,773	(906)
Increase/(Decrease) in trade and other payables (excluding leases)	2,474	(1,766)	301
Decrease in lease liability	(173)	-	(411)
<b>Net cash used in operating activities</b>	<b>(1,844)</b>	<b>(1,685)</b>	<b>(3,224)</b>
<b>Investing activities</b>			
Purchase of property, plant and equipment	(3)	(2)	(10)
<b>Net cash used in investing activities</b>	<b>(3)</b>	<b>(2)</b>	<b>(10)</b>
<b>Financing activities</b>			
Proceeds from SPV loan	-	500	700
Repayment of SPV loan	-	-	(700)
SPV loan interest and fees	-	(87)	(113)
Proceeds from issue of ordinary share capital	51	100	4,612
<b>Net cash generated from financing activities</b>	<b>51</b>	<b>513</b>	<b>4,499</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(1,796)</b>	<b>(1,174)</b>	<b>1,265</b>
Cash and cash equivalents at beginning of period	<b>3,257</b>	1,992	1,992
<b>Cash and cash equivalents at end of period</b>	<b>1,461</b>	818	3,257

**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
<b>At 31 December 2019</b>	56,210	(5,765)	(46,783)	<b>3,662</b>
Loss for the period	-	-	(2,002)	<b>(2,002)</b>
Issue of shares	100	-	-	<b>100</b>
Equity-settled share-based payments	-	-	335	<b>335</b>
Other comprehensive loss	-	(320)	-	<b>(320)</b>
<b>At 30 June 2020</b>	56,310	(6,085)	(48,450)	<b>1,775</b>
Loss for the period	-	-	(1,295)	<b>(1,295)</b>
Issue of shares	4,512	-	-	<b>4,512</b>
Equity-settled share-based payments	-	-	521	<b>521</b>
Other comprehensive income	-	381	-	<b>381</b>
<b>At 31 December 2020</b>	60,822	(5,704)	(49,224)	<b>5,894</b>
Loss for the period	-	-	(458)	<b>(458)</b>
Issue of shares	51	-	-	<b>51</b>
Equity-settled share-based payments	-	-	628	<b>628</b>
Other comprehensive loss	-	10	-	<b>10</b>
<b>At 30 June 2021</b>	60,873	(5,694)	(49,054)	<b>6,125</b>

*\*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 2020 Annual Report.*

**Audioboom Group plc**  
**Notes to the financial statements**

**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.

These consolidated interim financial statements, which are unaudited, have been approved by the Board of Directors on 19 July 2021. 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 2021, which are not expected to be significantly different to those set out in note 1 to the Company's audited financial statements for the year ending 31 December 2020.

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. Those estimates and assumptions are consistent with those as reported in the Company's audited financial statements for the year ending 31 December 2020.

**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. The Group ended the period with access to US\$4.8 million of capital, being US\$1.5 million of cash and US\$3.3 million of the two year non-revolving loan facility arrangement with SPV Investments Limited announced on 7 February 2020. The Board's forecasts for the Group, projected increase in revenues and decreasing cash-burn of the Group and taking account of reasonable possible changes in trading performance including changes outside of expected trading performance, indicate that the Group will have sufficient cash available to continue in operational existence for the next 12 months from the date of approval of the financial statements and beyond. No additional funding is considered to be required and, based on the Board's forecasts, the Group considers that it will not require additional funding for the foreseeable future for the purposes of meeting its liabilities as and when they fall due. The Board believes that the Group is well placed to manage its business risks, and longer term strategic objectives, successfully.

Management has carried out sensitivity analyses of the Group's cash flow models to assess the impact of a range of possible outcomes, including lower than anticipated revenues, and the mitigations that the Group has available to it, including a reduction in overhead costs, active working capital management and the availability of finance from SPV Investments Limited. In addition, management continue to assess any ongoing impact of Covid-19 on Group performance, albeit that the Group proved resilient to the challenges posed by the pandemic in 2020. Accordingly, the Directors are satisfied that the Group will continue to be able to meet its ongoing liabilities as and when they fall due in reasonably foreseeable circumstances.

Therefore the Directors consider the going concern basis of preparation of these interim financial statements appropriate.

## 2. Revenue

The Group's operations are principally located in the UK and the USA. The Group's revenue from external customers by geographical location is detailed below:

	<b>Unaudited six months to 30 June 2021 US\$'000</b>	Unaudited six months to 30 June 2020 US\$'000	Audited 12 months to 31 Dec 2020 US\$'000
United Kingdom and Rest of World	1,052	747	1,674
USA	21,731	11,082	25,108
<b>Total</b>	<b>22,783</b>	11,829	26,782

## 3. Finance costs

The Company has incurred no interest on the SPV loan facility in the period (H1 2020: US\$7,000 interest on US\$0.5 million loan drawn, and US\$80,000 arrangement fee which was paid on the first draw down, equivalent to 2 per cent. of the full US\$4 million available under the facility). The Facility attracts an interest rate of 8 per cent. per annum on drawn down funds. The accrued interest is payable at the date of repayment of the principal amount outstanding with the latest date for repayment being 24 months from the commencement date of the facility, being 7 February 2022. The loan may be repaid earlier at the Company's election. There are currently no funds drawn down and remaining unpaid, and US\$3.3 million remaining available for draw down.

	<b>Unaudited six months to 30 June 2021 US\$'000</b>	Unaudited six months to 30 June 2020 US\$'000	Audited 12 months to 31 Dec 2020 US\$'000
SPV loan interest and arrangement fee	-	87	113
Depreciation – lease interest	16	54	97
<b>Total</b>	<b>16</b>	141	210

## 4. Loss per share

Basic earnings per share (EPS) 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.

Reconciliation of the loss and weighted average number of ordinary shares used in the calculation are set out below:

	Loss	30-June-21 Weighted average number of shares Thousand	Per share amount Cents
Basic and Diluted EPS	US\$'000		
Loss attributable to shareholders:			
- Continuing operations	(458)	15,679	(3)

	Loss	30-June-20 Weighted average number of shares Thousand	Per share amount Cents
Basic and Diluted EPS	US\$'000		
Loss attributable to shareholders:			
- Continuing and discontinued operations	(2,002)	14,017	(14)

	Loss	31-Dec-20 Weighted average number of shares Thousand	Per share amount Cents
Basic and Diluted EPS	US\$'000		
Loss attributable to shareholders:			
- Continuing and discontinued operations	(3,297)	14,276	(23)

## 5. Share capital

Issued and fully paid – ordinary shares of no par value

At 31 December 2020	15,674,494
At 30 June 2021	15,693,105

During the period 18,611 new ordinary shares were issued to satisfy the exercise of existing share options under the Company's Share Option Scheme 2014 by past and current employees.

The total number of instruments over equity (including both share options and warrants) outstanding at the period end was 1,660,126.

## 6. Trade and other receivables

The trade and other receivables at the end of the period included US\$10.6 million relating to trade debtors (US\$9.8 million) and accrued sales income (US\$0.8 million), and US\$1.7 million relating to deposits (US\$0.2 million), prepaid expenses (US\$0.4 million) and advance talent payments (US\$1.1 million).

## **7. Trade and other payables**

The trade and other payables at the end of the period comprised US\$7.3 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. Payables relating to leases total US\$0.8 million, US\$0.3 million due in under one year which is included in trade and other payables and US\$0.5 million due in more than one year which is disclosed separately.

## **8. Related party transactions**

During the period, there were no related party transactions. There were no further uses of the content funding facility that was announced on 17 June 2019, nor were there any loan draw downs on the secured US\$4 million non-revolving two year loan facility that was announced on 7 February 2020.

**ENDS**