

28 June 2023

One Media iP Group Plc
("One Media", the "Group" or the "Company")

Interim Results for the six months ended 30 April 2023

Continued strong revenue performance with TCAT investment showing results

One Media (AIM: OMIP), the digital media content owner and manager which specialises in the active monetisation of music and video intellectual property rights, together with copyright protection technology, announces its unaudited interim results for the six months ended 30 April 2023.

Financial Highlights

- 15% increase in revenue to £2.7m (H1 2022: £2.4m), of which £2.5m was generated from intellectual property royalties driven largely by organic growth and active management of portfolio of copyrights
- 14% uplift in net revenue to £1.8m (H1 2022: £1.6m)
- EBITDA of £0.8m (H1 2022: £1.0m) reduced due to allocation of resources to TCAT in line with Group strategy. Core business of copyright investments performed positively delivering an EBITDA of £1.1m
- Trials of TCAT software in the six months to 30 April 2023 generated £182,000, compared to £74,000 for H1 2022, reflecting a 147% year on year increase
- Reduced EPS of 0.07p (H1 2022: 0.19p) as a result of strategic investment into TCAT
- Net margin maintained at 67% (H1 2022: 67%)
- Cash balance at 30 April 2023 of £2.2m (H1 2022: £2.1m)
- Final dividend of 0.055p per share distributed in May 2023

Operational Highlights

- Ongoing active management of music and video rights portfolio, with focus on maximising potential of catalogues which include recorded and/or producers' royalty rights to songs written or performed by Culture Club, Don Williams, Mungo Jerry, José Carreras, Kid Creole, Mägo De Oz and Take That
- Continued growth and expansion of TCAT client base, with internationally recognised songwriters, two majors and several independents among those now either trialling or licensing TCAT's software
- New product – TCAT Insight – launched post period end with pipeline of further products to add to suite of TCAT software solutions designed to tackle digital copyright infringement

Outlook

- Continued positive outlook for industry, with new developments bringing increasing opportunities to generate value from digital copyrights as well as requirements for protecting copyrights from illegal infringement

Michael Infante, CEO said: “The digital rights division of our business continues to perform strongly and in line with expectations. Given our specialist skillset, the positive structural tailwinds and supportive developments in the music industry, we remain optimistic about the growth prospects for our catalogues portfolio.

“Alongside the ongoing management of our copyright catalogues, our strategic focus has been on investing in the potential we see in TCAT against this advancing industry backdrop. We continue to invest in content with both time and resource and will, as part of our day-to-day, exploit opportunities that fall within the Company’s acquisition multiple expectations. Over the past six months the TCAT team has introduced several new products, tailored to the digital copyright challenges being experienced by the industry. AI has had much press acclaim and equally has spread elements of concern within the music industry. Our commitment to staying ahead of the curve and embodying AI in both our catalogue enhancement and TCAT detection process, as well as using the technology to improve our metadata, has enabled us to differentiate ourselves from competitors and provide our customers with cutting-edge solutions that address their evolving needs. We are already seeing positive reactions as we seek to transform its potential into shareholder value.”

This announcement contains inside information for the purposes of the UK Market Abuse Regulation. The person who arranged the release of this information is Michael Infante, Chief Executive Officer of the Company.

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About One Media iP Group Plc

One Media is a digital music rights acquirer, publisher and distributor with a catalogue independently valued at £34.8 million (as at April 2022). The Group specialises in purchasing and monetising intellectual property rights with proven, repeat income streams. One Media adds value to its content by maximising its availability in over 600 digital stores globally, including Apple Music, YouTube, Amazon and Spotify.

One Media's music is also widely used for synchronisation in film and TV whilst its video content is primarily viewed on YouTube where One Media operates over 20 YouTube channels as a certified partner. Additionally its copyright infringement and digital music audit tool software TCAT is used by major record labels and the world leading digital international distributor. Men

& Motors, the Company's branded car channel, is now available via YouTube www.youtube.com/channel/UCNLIybn_9jgQaV0NZISRwCg

One Media is listed on the AIM Market of the London Stock Exchange under the ticker 'OMIP'.

For further information, please visit www.omip.co.uk and www.harmonyip.com/

Chairman's Statement

At this half year milestone, I am pleased to report that our company continues to demonstrate revenue growth, innovation in our response to fast moving industry developments and an ongoing commitment to delivering value on behalf of our shareholders. The strong performance is testament to the One Media management and its wider team, whose hard work continues to deliver consistent results.

Financial performance

Our financial performance for the first half of the year has been in line with expectations. For the fourth period in succession, revenues have seen a double digit increase, improving by 15% to £2.7m (H1 2022: £2.4m) and putting us in a strong position for the second half of the year. This is an excellent reflection of the quality of the Company's portfolio of music recording rights and its efficacy at monetising their value through the various avenues available to drive copyright royalties.

Net revenues are up 14% to £1.8m (H1 2022: £1.6m), however we have reported a reduction in our EBITDA to £0.8m as we continue with the stated Group strategy of investing into our SaaS platform, TCAT. The allocation of resources to developing and growing TCAT, an update on which is provided below, has naturally impacted on earnings per share (EPS), which have reduced to 0.07p (H1 2022: 0.19p). Despite this, our margins and cash balance remain stable at 67% and £2.2m respectively.

Borrowings have decreased to £1.7m (FY 2022: £1.9m).

Alongside the continued positive performance, a final dividend for the 2022 year of 0.055p per share was distributed in May 2023 which was approved by shareholders at the annual general meeting held on 26 April 2023.

Operations and investments

During the first half of the year, in line with the Group's stated strategy, the management's efforts have been focused on maximising the existing portfolio of music copyrights and on investing into growing the TCAT platform to enable it to reach its potential.

The One Media team's success in monetising the music and video rights that we own is well known, underpinned by its keen expertise, strong network across the creative industries and favourable market tailwinds. A highlight in the first half of the year was the placement of 'Concerto for Violin, Strings and Basso Continuo No. 1 in A minor BWV 1041: Allegro', from the Point Classics catalogue, into an episode of 'Star Trek: Picard'. The episode it featured in (season 3, episode 8) aired on Paramount+ on 6 April 2023.

The strategic allocation of cash towards TCAT stems from our objective to expand our investment into the proprietary software platform to grow its brand and customer base at this important juncture for the industry. While it means we have not committed to any significant music catalogue investments this half year, the relevance of TCAT's offer to the music industry is increasing by the day and investments into research and development have continued to

yield innovative solutions, enabling the whole Group to respond to evolving digital technology market demands with even more effectiveness.

The increased support that the Group has provided over the past months has contributed to the successful launch of several new TCAT services. The new products have been well received by customers, who continue to trial initiatives within their music content delivering anti-copyright infringement results in the fight against music piracy.

In May 2023, TCAT announced the launch of a new product to its proprietary software platform, 'TCAT Insight'. The new software's scanning ability can help music copyright owners to detect copyright infringing tracks, including AI generated music, and can also identify possible covers using a process that incorporates metadata matching and artificial intelligence to analyse lyrics. With the explosive growth of AI and the debate it has prompted in the music industry, this new product is extremely pertinent and points to the future potential of TCAT that, with the right direction, can be unlocked ultimately to benefit of One Media's shareholders.

As a result of the TCAT management's active engagement across the creative spectrum over the past 12 months, the software is now being licensed by two of the major record companies as well as several independent record companies. Among TCAT's clients are the leading British independent, Domino Recording Company, which is using the anti-piracy software on behalf of a number of its artist roster including a major English rock band; Empire Distribution, an American distribution company and record label focused predominantly on Hip Hop music; Irving Azoff's Iconic Artists Group; Sony Music; The Orchard (Sony's distribution arm); and a number of prominent, internationally renowned songwriters and composers, who are specifically using TCAT Insight to protect their catalogues from infringement, particularly from AI generated music.

Efforts to strengthen existing customer relationships from our music related activities and forge new strategic partnerships have yielded additional uses for the TCAT software. The pipeline of new customers is advancing, with several sets of negotiations in train and we have successfully entered several new market trials, leveraging our innovative products and solutions to create continued interest in the battle against the new emerging threats to legitimate music monetisation. In H1 2022 these trials generated £74,000 in revenue, while trials in the six months to 30 April 2023 generated £182,000, reflecting a 147% increase vs the prior year.

This gives a flavour of the strides that have been made over the past year in growing the TCAT offer and brand, while also providing an indication of the market opportunity available to generate additional sales and sustainable revenues in the future.

Environmental, social and governance

ESG is an integral part of our corporate strategy and we recognise the importance of environmental stewardship, social responsibility and good governance.

We remain committed to upholding the highest standards of corporate governance, transparency and ethical business practices. Our Board of Directors and management team have diligently worked to strengthen our governance framework, ensuring that we operate with integrity and in the best interests of our shareholders.

We have actively engaged with local communities through various philanthropic activities and volunteering efforts. This includes our voluntary contribution to the BPI; The Tring Park School of Performing Arts; placements for undergraduates and apprentices within our Creative Technician team; and offering assistance to aging artists within the One Media digital distribution arena to help them to better understand their royalty reporting income with one-to-one engagement.

Market backdrop and outlook

As we look towards the remainder of the year, we are optimistic about the opportunities that lie ahead. With a strong performance delivered for the first six months, the Company is well positioned to navigate the challenges of an ever-changing business landscape and, importantly, to capitalise on the emerging trends in our industry.

The music industry's growth is unabated and, indeed, forecasts are being revised upwards. This year's IFPI's Global Music Report showed that global revenue from recorded music grew by 9% to US\$26.2 billion in 2022, an eighth consecutive year of growth. This trajectory is being driven by the sustained success of streaming and the growth in subscription revenue.

While global capital markets have faced some challenges over recent times, the income derived from music royalties, underpinned by positive structural trends, is stable, secure and annuity-like, offering an attractive option for investors.

Against this backdrop, One Media's continued investment into our people, technology and innovation is driving sustainable growth and creating long term value for our shareholders.

We extend our sincere appreciation to our employees, valued customers, and loyal shareholders. Your support has been instrumental in our success thus far. We will remain committed to delivering on our strategic vision.

Thank you for your continued confidence in our company.

Claire Blunt
Chairman of One Media

Unaudited Consolidated Statement of Comprehensive Income For the six months ended 30 April 2023

	Unaudited 6 months ended 30 April 2023 £	Unaudited 6 months ended 30 April 2022 £	Audited 12 months ended 31 October 2022 £
Revenue	2,731,644	2,381,784	5,128,840
Distribution charges	(572,920)	(526,466)	(1,090,703)
Royalty costs	(227,917)	(232,036)	(459,115)
Other costs	(110,088)	(26,155)	(253,334)
Net revenue	<u>1,820,719</u>	<u>1,597,127</u>	<u>3,325,688</u>
Amortisation of catalogues	(408,353)	(378,251)	(806,082)
Administration expenses	(1,094,913)	(611,342)	(1,604,863)
FOREX gains	24,696	18,134	34,365
Operating profit	<u>342,149</u>	<u>625,668</u>	<u>949,108</u>
Share based payments	-	(30,228)	-
Finance costs	(66,411)	(90,205)	(384,416)
Finance income	-	-	-

Profit on ordinary activities before taxation	275,738	505,235	564,692
Tax expense	(110,033)	(90,031)	(126,442)
Profit for period attributable to equity shareholders and total comprehensive income for the period	165,705	415,204	438,250
Basic earnings per share	0.07p	0.19p	0.20p

Unaudited Consolidated Statement of Financial Position As at 30 April 2023

	Unaudited 30 April 2023 £	Unaudited 30 April 2022 £	Audited 31 October 2022 £
Assets			
Non-current assets			
Intangible assets	14,384,649	14,562,132	14,438,031
Property, plant and equipment	25,940	23,486	12,998
	<u>14,410,589</u>	<u>14,585,618</u>	<u>14,451,029</u>
Current assets			
Trade and other receivables	1,546,820	1,443,787	1,472,369
Cash and cash equivalents	2,157,169	2,138,294	2,175,663
Total current assets	<u>3,703,989</u>	<u>3,582,081</u>	<u>3,648,032</u>
Total assets	<u>18,114,578</u>	<u>18,167,699</u>	<u>18,099,061</u>
Liabilities			
Current liabilities			
Trade and other payables	1,030,698	1,055,961	993,646
Deferred tax	158,253	137,512	158,253
	<u>1,188,951</u>	<u>1,193,473</u>	<u>1,151,899</u>
Borrowings	1,685,210	1,769,987	1,872,450
Total liabilities	<u>2,874,161</u>	<u>2,963,460</u>	<u>3,024,349</u>

Equity

Called up share capital	1,112,231	1,112,231	1,112,231
Share redemption reserve	239,546	239,546	239,546
Share premium account	9,484,577	9,484,577	9,484,577
Share based payment reserve	504,399	534,627	504,399
Retained earnings	3,899,664	3,833,258	3,733,959
Total equity	15,240,417	15,204,239	15,074,712
Total equity and liabilities	18,114,578	18,167,699	18,099,061

Unaudited Consolidated Statement of Changes in Equity For the six months ended 30 April 2023

	Share capital	Share redemption reserve	Share premium	Share based payment reserve	Retained earnings	Total equity
	£	£	£	£	£	£
At 1 November 2021	1,112,231	239,546	9,484,577	504,399	3,418,054	14,758,807
Proceeds from the issue of new shares	-	-	-	-	-	-
Profit for the six months to 30 April 2022	-	-	-	-	415,204	415,204
Share based payment charge	-	-	-	30,228	-	30,228
At 30 April 2022	1,112,231	239,546	9,484,577	534,627	3,833,258	15,204,239
Proceeds from the issue of new shares	-	-	-	-	-	-
Dividends paid	-	-	-	-	(122,345)	(122,345)
Profit for the six months to 31 October 2022	-	-	-	-	23,046	23,046
Share based payment charge	-	-	-	(30,228)	-	(30,228)
At 31 October 2022	1,112,231	239,546	9,484,577	504,399	3,733,959	15,074,712
Proceeds from the issue of new shares	-	-	-	-	-	-
Profit for the six months to 30 April 2023	-	-	-	-	165,705	165,705
Share based payment charge	-	-	-	-	-	-
Balance at 30 April 2023	1,112,231	239,546	9,484,577	504,399	3,899,664	15,240,417

**Unaudited Consolidated Cash Flow Statement
For the six months ended 30 April 2023**

	Unaudited 6 months ended 30 April 2023	Unaudited 6 months ended 30 April 2022	Audited 12 months ended 31 October 2022
	£	£	£
Cash flows from operating activities			
Profit before taxation	275,738	529,487	564,692
Amortisation	408,353	384,388	806,082
Depreciation	25,571	24,840	40,577
Share based payments	-	30,228	-
Finance income	-	-	-
Finance costs	66,411	90,205	384,416
(Increase)/decrease in receivables	(74,451)	3,703	(24,879)
(Decrease)/increase in payables	(72,802)	30,031	(175,323)
Corporation tax paid	(6,108)	-	(14,926)
Net cash inflow from operating activities	<u>622,712</u>	<u>1,092,882</u>	<u>1,580,639</u>
Cash flows from investing activities			
Investment in copyrights / licenses	(72,791)	(1,050,897)	(1,225,577)
TCAT development	(282,181)	(411,548)	(534,459)
Investment in fixed assets	(38,512)	(4,319)	(9,569)
Finance income	-	-	-
Net cash used in investing activities	<u>(393,484)</u>	<u>(1,466,764)</u>	<u>(1,769,605)</u>
Cash flow from financing activities			
Finance cost paid	(57,722)	(53,637)	(205,554)
Bank loan	-	-	1,900,000
Loan notes repayment	(190,000)	-	(1,900,000)
Loan notes	-	-	126,715
Dividend paid	-	-	(122,345)
Net cash (outflow) from financing activities	<u>(247,722)</u>	<u>(53,637)</u>	<u>(201,184)</u>
Net change in cash and cash equivalents	(18,494)	(427,519)	(390,150)
Cash at the beginning of the period	2,175,663	2,565,813	2,565,813
Cash at end of the period	<u><u>2,157,169</u></u>	<u><u>2,138,294</u></u>	<u><u>2,175,663</u></u>

**Notes to the Interim Report
For the six months ended 30 April 2023**

1. Nature of operations and general information

One Media iP Group Plc and its subsidiaries' ("the Group") principal activities are the acquisition and licensing of audio-visual intellectual copyrights and publishing for distribution through the digital medium and to a lesser extent through traditional media outlets.

One Media iP Group Plc is the Group's ultimate parent company incorporated under the Companies Act in England and Wales. The address of One Media iP Group Plc registered office is 623 East Props Building, Goldfinger Avenue, Pinewood Road, Iver Heath, Buckinghamshire, SL0 0NH.

The financial information set out in this Interim Report does not constitute statutory accounts. The Group's statutory financial statements for the year ended 31 October 2022 are available from the Group's website. The auditor's report on those financial statements was unqualified.

2. Accounting Policies

Basis of Preparation

These interim consolidated financial statements are for the six months ended 30 April 2023. They have been prepared following the recognition and measurement principles of IFRS. They do not include all the information required for full annual statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 October 2022.

This unaudited interim statement has not been subject to a review by the Group's auditors James Cowper Kreston.

Comparatives

The comparative periods represent the unaudited results for the six months period ended 30 April 2022 and the audited twelve months figures for the year ended 31 October 2022.

3. Segmental Analysis

IFRS 8 'Operating Segments' requires the Group's segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Operating Decision Maker to allocate resources to the segments and to assess their performance. The Chief Operating Decision Maker is considered to be the Chief Executive Officer of One Media IP Group Plc.

The Chief Operating Decision Maker receives and reviews segmental operating profit. Certain central administrative costs including Group Directors' salaries are included within the Group's Licenses result. This is consistent with the results as reported to the Chief Operating Decision Maker.

Each segment is shown net of intercompany transactions and balances within that segment. The eliminations remove intercompany transactions and balances between the different segment which primarily relate to the net draw down of loans and short-term working capital funding provided by One Media IP Group Plc to the other company in the Group. Inter-segment transactions are undertaken in the ordinary course of business on arm's length terms.

Information regarding the Group's reportable operating segments for the period ended 30 April 2023 is shown below:

Income statement	Licenses £	TCAT £	Total £
Revenue	2,550,124	181,520	2,731,644
Distribution charges	(572,920)	-	(572,920)
Royalty costs	(227,917)	-	(227,917)
Other costs	(45,390)	(64,698)	(110,088)
Net revenue	1,703,897	116,822	1,820,719
Amortisation	(365,629)	(42,724)	(408,353)
Administration expenses	(652,512)	(442,401)	(1,094,913)
Foreign exchange gains	32,962	(8,266)	24,696
Operating profit	718,718	(376,569)	342,149
Finance costs	(66,411)	-	(66,411)
Profit / (loss) before taxation	652,307	(376,569)	275,738
Tax expense			(110,033)
Profit for the period			165,705

Total assets and liabilities	Licenses £	TCAT £	Eliminations £	Total £
Total assets	18,721,304	1,662,407	(2,269,133)	18,114,578
Total liabilities	(2,791,105)	(2,352,189)	2,269,133	(2,874,161)
Total segment net assets/ (liabilities)	15,930,199	(689,782)	-	15,240,417

Revenue by segment

The Group considers it has two business segments with its Profit from the acquisition and exploitation of mixed media intellectual property rights for distribution and a SAAS platform, ultimately earned from its sole activity in the United Kingdom.

	Unaudited 30 April 2023 £	Unaudited 30 April 2022 £	Year ended 31 October 2022 £
Licenses and other media intellectual property	2,550,124	2,308,162	4,761,943
TCAT	181,520	73,622	366,897
	<u>2,731,644</u>	<u>2,381,784</u>	<u>5,128,840</u>

4. Earnings per share

The calculation of the earnings per share is based on the profit for the financial period divided by the weighted average number of shares in issue during the period.

Basic earnings per share	Unaudited 6 months ended 30 April 2023	Unaudited 6 months ended 30 April 2022	Audited 12 months ended 31 October 2022
Profit for period attributable to equity shareholders	165,705	415,204	438,250
Weighted average number of shares in issue at period end	222,446,249	222,446,249	222,446,249
Basic earnings per share	0.07p	0.19p	0.20p

The diluted earnings per share would be lower than the basic profit per share as the exercise of warrants and options would be dilutive.

5. Share capital

Group and company	Unaudited 30 April 2023 £	Unaudited 30 April 2022 £	Audited 31 October 2022 £
Issued:			
Ordinary shares of 0.5p each			
222,446,249 ordinary shares of 0.5p each	1,112,231	1,112,231	1,112,231

6. Interim statement

Copies of this statement are available from the Group's registered Office at:

623 East Props Building, Goldfinger Avenue, Pinewood Road, Iver Heath, Buckinghamshire, SL0 0NH.

Caution regarding forward looking statements

Certain statements in this announcement, are, or may be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe", "could", "should", "envisage", "estimate", "intend", "may", "plan", "potentially", "expect", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These forward-looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors.