

19 July 2022

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

**Interim Results for the six months ended 30 April 2022**

**Strong first half performance with double digit revenue and earnings growth**

One Media iP (AIM: OMIP), the digital media content provider which specialises in the active exploitation of music and video intellectual property rights together with copyright infringement technology, announces its unaudited interim results for the six months ending 30 April 2022.

**Financial Highlights**

- 13% increase in revenue to £2.4m (H1 2021: £2.1m), driven by contribution from new acquisitions, organic growth and active management of portfolio
- 39% uplift in EBITDA to £1.0m (H1 2021: £0.7m), notwithstanding addition of TCAT overhead expenses
- 20% uplift in net revenue to £1.6m (H1 2021: £1.3m)
- EPS up 24% to 0.19p (H1 2021: 0.15p)
- Net margin increased to 67% (H1 2021: 63%)
- Cash balances at 30 April 2022 of £2.1m (H1 2021: £6.4m)
- Operative NAV per Ordinary Share of 17p\*
- Final dividend of 0.055p per share distributed in June 2022

**Operational Highlights**

- Acquisition of the licensor's share of the royalties to the Orbital Digital Ltd/Rapier Music catalogue of rights comprising over 40 branded record labels and several thousand diversified recordings with proven revenue streams from artists including Joe Strummer, Chic, Kool & The Gang, Sid Vicious and the Irish Tenor Trio
- TCAT business plan progressing, with software operating across 178 territories and trials with three major record labels expected to translate into long term contracts

**Outlook**

- Ongoing supportive market backdrop with music industry growth projections continuing to accelerate and increasing opportunities to generate royalty income through digital platforms
- Positive industry developments, including Copyright Royalty Board ruling in July 2022 increasing headline royalty rate in the US from 10.5% to 15.1%

**Michael Infante, CEO said:** "We are very pleased with the results delivered for the first half of this year, building on the positive progress we made in 2021. Our core strategic focus on diversified catalogues of songs that have proven their value over many years continues to deliver, with our specialist teams helping to maximise their revenue potential alongside our other investments. Against a strengthening industry backdrop, our expertise in driving royalty income from digital recordings and disciplined approach to acquisitions have enabled us to deliver significant growth that positions us well for the remainder of the year."

\* Operative NAV is calculated by using the IFRS NAV, adjusting for the revaluation of catalogues assets to fair value and then adding back the catalogue amortisation.

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\\_9jqQaV0NZISRwCg](https://www.youtube.com/channel/UCNLIybn_9jqQaV0NZISRwCg)

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](http://www.omip.co.uk) and [www.harmonyip.com/](http://www.harmonyip.com/)

## **Chairman's Statement**

### **Financial performance**

In the first half of 2022, the Company has continued to build on the momentum created during the prior year enabling the delivery of another set of positive results from our diversified portfolio of music and video intellectual property rights, which includes investments in Take That's 'A Million Love Songs'; Culture Club's 'Karma Chameleon'; as well as music performed by artists such as Kid Creole and the Coconuts, Joe Strummer, Sex Pistols, Kool & the Gang and Chic.

Revenues have increased by 13% to £2.4 million (H1 2021: £2.1 million), driven by contributions from new acquisitions, organic growth and active management of portfolio. EBITDA grew by an impressive 39% to £1.0 million (H1 2021: £0.7m), notwithstanding the new inclusion of TCAT overhead expenses in this period. As a result, Earnings Per Share increased by 24% to 0.19p.

A 20% uplift in net revenue was delivered and net margin was increased to 67% (H1 2021: 63%) reflecting the relatively low overall cost base and ongoing efforts of the specialist team to sweat the portfolio and maximise its income potential. The Operative NAV per Ordinary Share was 17p.

One Media trades in a global market and is therefore required to convert its digital income from the many territories' currencies in which it operates on a monthly basis. All of these local currencies are converted to US Dollars which are ultimately reported in Sterling. With approximately 89% of the Company's revenues generated in US dollars, management carefully monitors exchange rates to ensure the Company can seek to take advantage of the best exchange rates available. The average monthly rate for the first half of 2022 moved to 1.3325 from 1.3678 in the same period last year.

Following a positive performance in 2021, on 22 April 2022 the Company declared a final dividend of 0.055p per ordinary share which was distributed to shareholders in June 2022.

When we released our full year results in April, we also announced that our content catalogue had been independently valued at £34.8 million, which reflects an implied value of 16.1p per share and the fair value of the portfolio that has been carefully assembled over the last 16 years. With the results the Company has announced today, we are well positioned for the year ahead and continue to work hard on behalf of our shareholders to maintain our positive performance and deliver returns.

### **Operations and investments**

During the period the Company acquired the licensor's share of the royalties to the Orbital Digital Ltd/Rapier Music catalogue of rights comprising over 40 branded record labels and several thousand diversified recordings with proven revenue streams from artists including Joe Strummer, Chic, Kool & The Gang, Sid Vicious and the Irish Tenor Trio. The investment is fully meeting performance expectations and brings further diversification and additional income to our portfolio at a multiple that is in line with our acquisition strategy.

The transaction was undertaken through One Media's Harmony IP asset release initiative which enables rights owners to release portions of equity from their music, providing greater flexibility to access future earnings while retaining majority ownership of their intellectual property.

The acquisition opportunity resulted from an existing long-term relationship that management had with the vendor, reflecting the importance of the team's long and respected track record in the music industry, which is built on relationships. It continues to exploit these carefully held networks and is actively seeking new opportunities that meet our investment criteria as we look to deploy our cash into proven income streams.

In August 2020 the Company raised £5.6 million of equity (net of costs), of which £5.4 million has been invested into the acquisition of eight portfolios of rights. These transactions have been completed at an attractive blended multiple of 9x with an 11% yield.

Alongside our core focus on royalties, the business plan for the Company's proprietary anti-privacy software platform investment, TCAT Ltd ("TCAT") continues to progress in line with expectations. Established in 2016 to automate the difficult and time-consuming task of detecting copyright infringement, TCAT operates across the major digital stores, including Apple, Spotify, Amazon Deezer and YouTube, and is currently being deployed across 178 territories.

The TCAT team are working with three major record labels globally with the expectation of entering into long term contracts.

A full board has been appointed, including CEO Nick Stewart, and TCAT now employs a team of 10 people plus two consultants. Nick Stewart is deploying his extensive experience of the global music market, royalty collection and music piracy to build the profile of TCAT and its ground-breaking A.I. software, which monitors millions of music tracks across the world, saving rights holders millions in unpaid or fraudulently claimed royalties.

The One Media Board together with the newly formed TCAT board has been active in seeking funding directly into the TCAT subsidiary. Currently that process is undergoing due diligence and we will report to the market when it is completed.

### **Market backdrop and outlook**

The outlook for the music industry grows ever stronger, with technology advancements and positive developments creating a fairer and more efficient system for all of us who depend on royalty streams for income.

In June 2022, Goldman Sachs issued its 'Music in the Air' report into the global music industry, reiterating its confidence that music streaming will remain resilient in an economic downturn. It once again raised its global revenue forecasts, projecting a 24% increase in 2022 revenues across all sectors followed by 8% growth in 2023, driven by higher streaming revenues, revenues from emerging platforms and physical sales.

In July 2022, a legal ruling in the US paved the way for an increase in the headline royalty rate paid from streaming services in the US from 10.5% to 15.1%, which has been backdated to 2018. The new rates imposed by the Copyright Royalty Board (CRB) is the largest rate increase in the history of the CRB.

With the headline rate change, the streaming services are about to pay out arrears to publishers and songwriters/composers to cover the now official 15.1% CRB (2022) rate for the five years covered by the ruling on a prorated basis. The CRB has commenced negotiations for the next five-year period (2023 to 2027) on behalf of the composers and publishers and want to see a mechanical streaming royalty rate of 20%. The Company does not expect this to be a material payment.

Not only will this ruling have a positive impact on the Company's revenues, but it sets another welcome marker for the industry generally, in recognising the value of music and its creators as well as underlining the robust investment potential of music composition and publishing rights.

Against this positive backdrop we'd finally like to thank our shareholders for their ongoing support, and also pay tribute to the One Media team for their efforts on your behalf.

**Claire Blunt**

Chairman of One Media  
**Unaudited Consolidated Statement of Comprehensive Income**  
**For the six months ended 30 April 2022**

	Unaudited 6 months ended 30 April 2022 £	Unaudited 6 months ended 30 April 2021 £	Audited 12 months ended 31 October 2021 £
<b>Revenue</b>	2,381,784	2,102,848	4,389,581
Distribution charges	(526,466)	(529,501)	(1,107,127)
Royalty costs	(232,036)	(212,125)	(435,386)
Other costs	(26,155)	(31,436)	(66,542)
<b>Net revenue</b>	<u>1,597,127</u>	<u>1,329,786</u>	<u>2,780,526</u>
Amortisation of catalogues	(378,251)	(256,998)	(599,308)
Administration expenses	(611,342)	(555,026)	(1,040,706)
FOREX gains/(losses)	18,134	(35,564)	(64,554)
<b>Operating profit</b>	<u>625,668</u>	<u>482,198</u>	<u>1,075,958</u>
Share based payments	(30,228)	(30,125)	(77,178)
Finance costs	(90,205)	(92,956)	(184,045)
Finance income	-	-	1
<b>Profit from continuing activities</b>	<u>505,235</u>	<u>359,117</u>	<u>814,736</u>
Asset disposal	-	-	(93,939)
<b>Profit on ordinary activities before taxation</b>	<u>505,235</u>	<u>359,117</u>	<u>720,797</u>
Tax expense	(90,031)	(61,780)	(176,222)
<b>Profit for period attributable to equity shareholders and total comprehensive income for the year</b>	<u>415,204</u>	<u>297,337</u>	<u>544,575</u>
<b>Basic earnings per share</b>	<u>0.19p</u>	<u>0.15p</u>	<u>0.24p</u>

**Unaudited Consolidated Statement of Financial Position  
As at 30 April 2022**

	Unaudited 30 April 2022 £	Unaudited 30 April 2021 £	Audited 31 October 2021 £
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets	14,562,132	9,403,844	13,484,077
Property, plant and equipment	23,486	86,849	44,007
	<u>14,585,618</u>	<u>9,490,693</u>	<u>13,528,084</u>
<b>Current assets</b>			
Trade and other receivables	1,443,787	1,385,946	1,481,077
Cash and cash equivalents	2,138,294	6,373,525	2,565,813
<b>Total current assets</b>	<u>3,582,081</u>	<u>7,759,471</u>	<u>4,046,890</u>
<b>Total assets</b>	<b><u>18,167,699</u></b>	<b><u>17,250,164</u></b>	<b><u>17,574,974</u></b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	1,055,961	821,704	937,622
Deferred tax	137,512	117,356	132,830
	<u>1,193,473</u>	<u>939,060</u>	<u>1,070,452</u>
<b>Borrowings</b>	<b><u>1,769,987</u></b>	<b><u>1,724,243</u></b>	<b><u>1,745,735</u></b>
<b>Total liabilities</b>	<u>2,963,460</u>	<u>2,663,303</u>	<u>2,816,187</u>
<b>Equity</b>			
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	534,627	457,346	504,399
Retained earnings	3,833,258	3,293,161	3,418,054
<b>Total equity</b>	<u>15,204,239</u>	<u>14,586,861</u>	<u>14,758,807</u>
<b>Total equity and liabilities</b>	<b><u>18,167,699</u></b>	<b><u>17,250,164</u></b>	<b><u>17,574,974</u></b>

**Unaudited Consolidated Statement of Changes in Equity  
For the six months ended 30 April 2022**

	Share capital	Share redemption reserve	Share premium	Share based payment reserve	Retained earnings	Total equity
	£	£	£	£	£	£
<b>At 1 November 2020</b>	<b>1,109,731</b>	<b>239,546</b>	<b>9,473,327</b>	<b>427,221</b>	<b>2,995,824</b>	<b>14,245,649</b>
Proceeds from the issue of new shares	2,500	-	11,250	-	-	13,750
Profit for the six months to 30 April 2021	-	-	-	-	297,337	297,337
Share based payment charge	-	-	-	30,125	-	30,125
<b>At 30 April 2021</b>	<b>1,112,231</b>	<b>239,546</b>	<b>9,484,577</b>	<b>457,346</b>	<b>3,293,161</b>	<b>14,586,861</b>
Proceeds from the issue of new shares	-	-	-	-	-	-
Dividends paid	-	-	-	-	(122,345)	(122,345)
Profit for the six months to 31 October 2021	-	-	-	-	247,238	247,238
Share based payment charge	-	-	-	47,053	-	47,053
<b>At 31 October 2021</b>	<b>1,112,231</b>	<b>239,546</b>	<b>9,484,577</b>	<b>504,399</b>	<b>3,418,054</b>	<b>14,758,807</b>
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
<b>Balance at 30 April 2022</b>	<b>1,112,231</b>	<b>239,546</b>	<b>9,484,577</b>	<b>534,627</b>	<b>3,833,258</b>	<b>15,204,239</b>

**Unaudited Consolidated Cash Flow Statement  
For the six months ended 30 April 2022**

	Unaudited 6 months ended 30 April 2022	Unaudited 6 months ended 30 April 2021	Audited 12 months ended 31 October 2021
	£	£	£
<b>Cash flows from operating activities</b>			
Profit before taxation	529,487	386,118	720,798
Amortisation	384,388	240,411	599,169
Depreciation	24,840	7,552	50,509
Share based payments	30,228	30,125	77,178
Finance income	-	-	(1)
Finance costs	90,205	92,455	184,045
(Increase)/decrease in receivables	3,703	(252,240)	(313,783)
(Decrease)/increase in payables	30,031	(94,780)	(69,144)
Corporation tax paid	-	-	(72,063)
<b>Net cash inflow from operating activities</b>	<u>1,092,882</u>	<u>409,641</u>	<u>1,176,708</u>
<b>Cash flows from investing activities</b>			
Investment in copyrights / licenses	(1,050,897)	(303,733)	(4,356,814)
Net TCAT Investment	(411,548)	(456,362)	(842,273)
Investment in fixed assets	(4,319)	(3,141)	(3,257)
Finance income	-	-	1
<b>Net cash used in investing activities</b>	<u>(1,466,764)</u>	<u>(763,236)</u>	<u>(5,202,343)</u>
<b>Cash flow from financing activities</b>			
Proceeds from the issue of new shares	-	13,750	13,750
Finance cost paid	(53,637)	(53,054)	(114,873)
Loan notes	-	-	48,492
Dividend paid	-	-	(122,345)
<b>Net cash inflow from financing activities</b>	<u>(53,637)</u>	<u>(39,304)</u>	<u>(174,976)</u>
<b>Net change in cash and cash equivalents</b>	<u>(427,519)</u>	<u>(392,899)</u>	<u>(4,200,611)</u>
<b>Cash at the beginning of the period</b>	2,565,813	6,766,424	6,766,424
<b>Cash at end of the period</b>	<u>2,138,294</u>	<u>6,373,524</u>	<u>2,565,813</u>



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**Notes to the Interim Report**  
**For the six months ended 30 April 2022**

**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 2021 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 2022. 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 2021.

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 2021.

**3. 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.

<b>Basic earnings per share</b>	<b>Unaudited 6 months ended 30 April 2022</b>	<b>Unaudited 6 months ended 30 April 2021</b>	<b>Audited 12 months ended 31 October 2021</b>
Profit for period attributable to equity shareholders	415,204	297,337	544,575
Weighted average number of shares in issue at period end	222,446,249	192,069,005	222,446,249
<b>Basic earnings per share</b>	<b>0.19p</b> =====	<b>0.15p</b> =====	<b>0.24p</b> =====

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

#### 4. Share capital

<b>Group and company</b>	<b>Unaudited 30 April 2022 £</b>	<b>Unaudited 30 April 2021 £</b>	<b>Audited 31 October 2021 £</b>
<b>Authorised:</b>			
200,000,000 ordinary shares of 0.5p each	1,000,000	1,000,000	1,000,000
	=====	=====	=====
<b>Issued:</b>			
Ordinary shares of 0.5p each			
222,446,249 ordinary shares of 0.5p each	1,112,231	1,112,231	1,112,231
	=====	=====	=====

#### 5. 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.