catenamedia

Press release

20 October 2021

Catena Media reports strong growth in Q3 revenue and adjusted EBITDA plus impairment charge

Catena Media plc today announces preliminary results for the third quarter ahead of the interim report to be published on 17 November 2021. The company reports strong growth in revenue and adjusted EBITDA fuelled by an exceptionally strong US performance, along with an impairment charge arising from a writedown of German and French sports assets.

Revenue in Q3 is estimated at EUR 33.1m (24.9m), up 33 percent from the same period last year. Revenue from North American iGaming increased by approximately 124 percent and accounted for 51 percent of group revenue during the quarter.

Organic growth is estimated at 23 percent, or 34 percent excluding the now-regulated German iGaming market, where revenue fell approximately 62 percent and accounted for 4 percent of group revenue during the quarter.

Adjusted EBITDA, excluding items affecting comparability, is estimated at EUR 16.0m (12.0m), an increase of 33 percent and corresponding to a margin of 48 percent (48 percent).

Operating profit will be negatively impacted by a non-cash impairment of intangible assets in accordance with IAS 36, resulting in an estimated writedown of EUR 49.4m. EUR 42.8m of the writedown pertains to German sports assets acquired between 2016 and 2018. EUR 6.6m relates to French sports assets acquired in 2018.

The writedown and consequent impairment charge reflect an updated assessment by management of the assets' expected future earnings in the context of recent regulatory changes in Germany's iGaming market and overall market conditions. Management regularly assesses expected future earnings in accordance with IAS 36 and may further adjust assets' amortisation plans. The writedown will have no impact on cash flow.

Catena Media CEO Michael Daly said: "Q3 was an exceptional quarter with September revenue breaking our monthly all-time high. This was the result of our strategic investment in organic development, particularly in North America, and was supported by two recent acquisitions in the United States and the opening of the iGaming market in Arizona. The impairment charge adjusts our European business to new market realities following a review by the management team and our focus on transforming the business to reach maximum potential."

All financial figures presented in this press release are preliminary and unaudited. Final numbers will be published with the interim report for the third quarter of 2021 as planned on 17 November 2021 at 07:00 CET.

Contact details for further information:

Michael Daly, CEO
E-mail: michael.daly@catenamedia.com

Peter Messner, Group CFO
Phone: +46 768 95 26 93, E-mail: peter.messner@catenamedia.com

Investor Relations
E-mail: ir@catenamedia.com

About Catena Media

Catena Media has a leading position within online lead generation. The company has about 400 employees in the US, Australia, Japan, Serbia, the UK, Sweden, Italy and Malta (HQ). The company is listed on Nasdaq Stockholm. Further information is available at www.catenamedia.com.