

**TEAM INTERNET GROUP PLC**

("Team Internet" or the "Company" or the "Group")

**UNAUDITED FINANCIAL RESULTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023**

Continued delivery with 16% year-on-year increase in Revenue, 11% rise in Adjusted EBITDA, and a confident outlook for FY23

Team Internet Group Plc (AIM: TIG), the global internet company that generates recurring revenue from creating meaningful and successful connections: businesses to domains, brands to consumers, publishers to advertisers, is pleased to announce its unaudited financial results for the nine months ended 30 September 2023 ("September 2023 YTD").

**September 2023 YTD Financial Summary:**

- Gross revenue increased by 16% to USD 611.7m (nine months ended September 2022 ("September 2022 YTD"): USD 526.7m)
- Organic revenue growth\* for the trailing twelve months ended 30 September 2023 ("TTM 2023") of approximately 19%
- Net revenue (Gross profit) increased by 8% to USD 138.5m (September 2022 YTD: USD 128.3m)
- Adjusted EBITDA\*\* increased by 11% to USD 68.8m (September 2022 YTD: USD 62.0m)
- Adjusted EPS increased by 28% to USD 17.56 cents (September 2022 YTD: USD 13.68 cents)
- Net debt\*\*\* of USD 81.7m (31 December 2022: USD 56.6m) and Leverage\*\*\*\* of 1.1x pro forma EBITDA TTM 2023, following non-operating cash outflows in respect of the Group acquiring its own shares USD 30.2m (Share buyback: USD 24.9m, Employee Benefit Trust: USD 5.3m), dividend of USD 3.6m, reflecting the Group's choice to return cash to shareholders, and non-recurring settlement of deferred consideration of USD 17.9m
- Adjusted operating cash conversion of 95% (FY2022: 110%). We expect this to continue to normalise nearer to 100% over the remainder of the year

**Q3 highlights:**

- On 4 September 2023, the Group announced its rebranding from CentralNic Group to Team Internet Group and effective that same day, the Group's shares commenced trading under the ticker "TIG". At a general meeting held on 28 September 2023, a resolution was passed to change the Company's name from CentralNic Group Plc to Team Internet Group Plc, a change which has now been confirmed by Companies House
- The Group continued to trade at least in line with current market expectations during the period, driven by ongoing market share gains of its proprietary privacy-safe, AI-based customer journeys which address a multi-billion-dollar opportunity
- In the Online Marketing segment, the number of visitor sessions increased by 36% to 5.6 billion for TTM 2023 from 4.1 billion for the trailing twelve-month period ended 30 September 2022 ("TTM 2022"). Revenue per thousand sessions ("RPM") decreased by 7% from USD 104 to USD 97, continuing to outperform the market
- The Online Presence segment again posted its highest ever organic revenue growth, 17% TTM 2023 compared to 4% for TTM 2022
- Adjusted EBITDA as a percentage of Net revenue has increased to 50% for September 2023 YTD from 48% for September 2022 YTD, demonstrating that Team Internet's growth continues to translate into operating leverage
- Zeropark, Team Internet's Commerce Media Tech business, announced three strategic partnerships: First, becoming a Tier 1 Demand Partner of Sovrn, a leading publisher technology platform. Second, a significant deal with booking.com, the global online travel agency. Third, Klarna, the Buy Now Pay Later platform has become a direct publisher on the Zeropark network
- Voluum, Team Internet's flagship ad tracker, announced the launch of a new integration with popular e-commerce platform Shopify, allowing customers to directly feed conversion data from their Shopify stores into Voluum, bolstering their ad, product, and page performance
- On 31 August 2023, Adrenalads LLC was acquired for an initial consideration of USD 2.1m. The acquisition included deferred consideration of USD 0.2m payable in February 2025. This business has a rich history of collaboration with Zeropark
- One of the Group's largest Retail brands OnlyDomains entered into a partnership with business email provider Titan to offer new and existing customers premium business email with every domain name

**Post period end highlights:**

- Launch of Team Internet AG's Adspot product, seamlessly integrating tailored ad feeds into the digital space, discarding the intrusive nature of native ads. Adspot's state-of-the-art technology resonates with the target audience's interests through advanced keyword pairing, offering users total control over contextual ads and related terms, while handling the intricacies of optimisation
- The Group's performance marketing business Codewise has been rebranded to "Commerce Media Tech", reflecting our mission to help advertisers connect with their ideal customers
- Simon McCalla joined Team Internet as the new CEO of our Online Presence division. Simon's experience as a senior leader at blue chip companies both within and beyond the domain name industry make him a great fit to lead Online Presence into the future
- Team Internet initiated an ESG alliance between leading partners along the domain name value chain at ICANN78 in Hamburg in October 2023

## Outlook:

Team Internet delivered another strong performance during September 2023 YTD across both its Online Marketing and Online Presence segments, delivering organic revenue growth of 19% on a TTM 2023 pro forma basis. The Group has maintained its strong operating leverage, as demonstrated by Adjusted EBITDA as a percentage of Net revenue being 50% for September 2023 YTD (48% September 2022 YTD).

The material expansion of the Company's share buyback programme announced on 3 July 2023, alongside the cash flow waterfall model as described on page 14 in the 2022 Annual Report, is primarily being funded by continued strong operating cash generation. To date, the Company has bought back 16.7m shares under its programme at a cumulative cost of GBP 20.7m. GBP 13.3m remains available for the remainder of the programme.

The Group looks ahead with confidence to Q4, which is typically its strongest quarter, and the Directors expect that the Group will continue to deliver results at least in line with current market expectations for the full year.\*\*\*\*\*

## Results presentation:

There will be a webinar/conference call for equity analysts at 09.30am GMT today, and for private client investment managers at 11am GMT. Both events will be hosted by CEO Michael Riedl and CFO William Green.

Anybody wishing to register should contact [teaminternet@secnewgate.co.uk](mailto:teaminternet@secnewgate.co.uk), where further details will be provided.

Further, an Investor Meet Company session will be held at 1pm GMT today: <https://investormeetcompany.com/Team-Internet-group-plc/register-investor>

**Michael Riedl, CEO of Team Internet, commented:** *"I am pleased to report that the Group has continued its strong organic revenue growth in Q3 2023, building on the record results achieved in 2022. This growth was driven by both operating segments, reflecting the strength of our product portfolio. Leveraging this position, the Group is primed for a strong finish in Q4, traditionally our highest revenue quarter of the year.*

*The Group's new brand launched in the quarter goes beyond aesthetics. It's a manifestation of our purpose: to forge meaningful and successful connections. We aim to connect domains with businesses, businesses with consumers, and publishers with advertisers, propelling them towards their digital aspirations.*

*Our aspirations for Team Internet are clear: diversification, global outreach, deeper vertical integration, and an unyielding allegiance to our core values."*

\* Pro forma revenue, adjusted for; acquired revenue, constant currency foreign exchange impact and non-recurring revenues is USD 817m for TTM 2023 and at USD 687m for TTM 2022

\*\* Earnings before interest, tax, depreciation, amortisation, impairment, non-cash charges and non-core operating expenses

\*\*\* Includes gross cash, bank debt and prepaid finance costs as of 30 September 2023 (cash of USD 83.7m and bank debt and prepaid finance costs of USD 166.7m); includes gross cash, bank debt, prepaid finance costs and hedging assets of USD 1.4m (31 December 2022 cash of 94.8m, bond debt, bank debt and prepaid finance costs of USD 151.2m and hedging liabilities of USD 0.2m)

\*\*\*\* Includes Net Debt as defined under\*\*\* (i) excluding prepaid finance costs, (ii) plus guarantee obligations, and (iii) plus the best estimate of any crystallised deferred consideration payable in cash, all divided by pro forma EBITDA, i.e. last twelve months' EBITDA including acquired entities' EBITDA on a pro forma basis, and adjusted for rental expense capitalized under IFRS 16 and non-core expenses

\*\*\*\*\* Latest analyst forecasts are within a range of USD 783m and USD 834m for FY23 revenue and USD 91m and USD 98m for FY23 Adjusted EBITDA

**For further information:**

**Team Internet Group Plc**

Michael Riedl, Chief Executive Officer  
William Green, Chief Financial Officer

+44 (0) 203 388 0600

**Zeus Capital Limited (NOMAD and Joint Broker)**

Nick Cowles / Jamie Peel / James Edis (Investment Banking)  
Dominic King (Corporate Broking)

+44 (0) 161 831 1512

+44 (0) 203 829 5000

**Berenberg (Joint Broker)**

Mark Whitmore / Richard Andrews / Alix Mecklenburg-Solodkoff

+44 (0) 203 207 7800

**SEC Newgate (for Media)**

Bob Huxford / Alice Cho / Harry Handyside / Tom Carnegie

[teaminternet@secnewgate.co.uk](mailto:teaminternet@secnewgate.co.uk)

+44 (0) 203 757 6880

**Forward-Looking Statements**

This document includes forward-looking statements. Whilst these forward-looking statements are made in good faith, they are based upon the information available to Team Internet at the date of this document and upon current expectations, projections, market conditions and assumptions about future events. These forward-looking statements are subject to risks, uncertainties and assumptions about the Group and should be treated with an appropriate degree of caution.

**About Team Internet Group Plc**

Team Internet (AIM: TIG) creates meaningful and successful connections from businesses to domains, brands to consumers, publishers to advertisers, enabling everyone to realise their digital ambitions. The Company is a leading global internet solutions company that operates in two highly attractive markets: high-growth digital advertising (Online Marketing segment) and domain name management solutions (Online Presence segment). The company's Online Marketing segment creates privacy-safe and AI-generated online consumer journeys that convert general interest online media users into confident high conviction consumers through advertorial and review websites. The Online Presence segment is a critical constituent of the global online presence and productivity tool ecosystem, where Team Internet serves as the primary distribution channel for a wide range of digital products. The company's high-quality earnings come from subscription recurring revenues in the Online Presence segment and revenue share on rolling utility-style contracts in the Online Marketing segment.

For more information please visit: [www.teaminternet.com](http://www.teaminternet.com)

## MANAGEMENT COMMENTARY ON PERFORMANCE

### Introduction

Team Internet's organic growth, combined with the acquisition strategy pursued through the end of 2022, substantially increased the scale and capabilities of the Group. The effect of this is demonstrated in our unaudited September 2023 YTD results which show increases in both Revenue and Adjusted EBITDA of 16% and 11% respectively, compared to September 2022 YTD.

### Performance Overview

The Group has performed strongly during the period with the key financial metrics listed below:

	Nine months ended 30 September 2023	Nine months ended 30 September 2022	Change
	USD m	USD m	%
Revenue	611.7	526.7	16%
Net revenue/gross profit	138.5	128.3	8%
Adjusted EBITDA	68.8	62.0	11%
Operating profit	29.8	35.1	(15%)
Adjusted operating cash conversion (note 8)	95%	105%	(9%)
Profit after tax	13.8	6.5	112%
EPS – Basic (cents)	5.10	2.48	106%
EPS – Adjusted earnings – Basic (cents) (note 7)	17.56	13.68	28%

### Segmental analysis

Organic growth rates quoted below are calculated on a pro forma basis including all the Group's constituents as of the last balance sheet dates and adjusted for non-recurring or non-cash revenues and on a constant currency basis.

#### Online Marketing segment

The Online Marketing segment continued to outperform the market, with revenues increasing by USD 62.1m, or 15%, from USD 412.6m to USD 474.7m. Organic revenue grew at a rate of 20% for TTM 2023, predominantly driven by Team Internet's TONIC platform. Inorganic growth was a result of the full period impact of the VGL acquisition, which was acquired in March 2022, and Adrenalads in August 2023.

The number of visitor sessions increased by 36% from 4.1 billion for TTM 2022 to 5.6 billion for TTM 2023 and the RPM decreased by 7% from USD 104 to USD 97<sup>(1)</sup>.

The Online Marketing segment creates privacy-safe and AI-generated online consumer journeys that convert general interest online media users into confident high conviction consumers through advertorial and review websites, generating utility-style referral and commission income through partnerships with Google, Amazon and a multitude of other partners. Our long-term vision aims to harness the Group's expertise in two critical areas: first, to transform social media and other low-intent traffic into qualified leads for search ad campaigns; and second, to effectively turn search ad campaigns into successful e-commerce transactions. By integrating these capabilities, we aspire to establish a robust social commerce channel. This sector is expected to reach a value of USD 80 billion<sup>(2)</sup> by 2025 in the US alone.

#### Online Presence segment

Reported revenue in this segment increased by 20% from USD 114.1m in September 2022 YTD to USD 137.0m in September 2023 YTD. Organic growth for the Online Presence segment was 17% for TTM 2023, the highest growth rate since the segment's establishment, driven by the structural shift in demand towards Top Level Domains where Team Internet has a competitive edge.

The number of processed domain registration years increased by 11% from 12.7m for TTM 2022 to 14.1m for TTM 2023 and the average revenue per domain year increased by 8% from USD 10.03 to USD 10.81. The share of Value-Added Service revenue TTM 2023 was 11.2%<sup>(3)</sup>.

The Online Presence segment is a critical constituent of the global online presence and productivity tool ecosystem, where Team Internet serves as the primary distribution channel for a wide range of digital products.

#### Michael Riedl Chief Executive Officer

<sup>(1)</sup> Based on analysis of c.85% of the search segment which can be adequately and reliably described by this KPI

<sup>(2)</sup> Source: "Social commerce: The future of how customers interact with brands", McKinsey & Company, October 19, 2022

<sup>(3)</sup> Based on analysis of c.86% of this segment which can be adequately and reliably described by this KPI

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	Unaudited Nine months ended 30 September 2023 USD m	Unaudited Nine months ended 30 September 2022 USD m	Audited Year ended 31 December 2022 USD m
Note			
Revenue	4	611.7	526.7
Cost of sales		(473.2)	(398.4)
Net revenue/gross profit		138.5	128.3
Operating expenses		(105.2)	(89.4)
Share-based payments expense		(3.5)	(3.8)
<b>Operating profit</b>		<b>29.8</b>	<b>35.1</b>
<b>Adjusted EBITDA<sup>(a)</sup></b>		<b>68.8</b>	<b>62.0</b>
Depreciation of property, plant and equipment		(2.3)	(2.1)
Amortisation and impairment of intangible assets		(28.1)	(21.1)
Non-core operating expenses <sup>(b)</sup>	5	(5.0)	(6.0)
Foreign exchange (loss)/gain		(0.1)	6.1
Share-based payment expenses		(3.5)	(3.8)
<b>Operating profit</b>		<b>29.8</b>	<b>35.1</b>
Finance income less finance costs	6	(8.8)	(9.4)
Foreign exchange loss on borrowings		-	(4.7)
Net finance costs		(8.8)	(14.1)
<b>Profit before taxation</b>		<b>21.0</b>	<b>21.0</b>
Income tax expense		(7.2)	(14.5)
<b>Profit/(loss) after taxation</b>		<b>13.8</b>	<b>6.5</b>
<b>Items that may be reclassified subsequently to profit and loss</b>			
Exchange difference on translation of foreign operations		(4.2)	(30.5)
Movement arising on changes in fair value of hedging instruments		1.6	6.4
<b>Total comprehensive income/(loss) for the period/year</b>		<b>11.2</b>	<b>(17.6)</b>
<b>Profit/(loss) is attributable to:</b>			
Owners of Team Internet Group Plc		13.8	6.5
<b>Total comprehensive income/(loss) is attributable to:</b>			
Owners of Team Internet Group Plc		11.2	(17.6)
<b>Earnings per share:</b>			
Basic (cents)		5.10	2.48
Diluted (cents)		5.07	2.41
Adjusted earnings – Basic (cents)		17.56	13.68
Adjusted earnings – Diluted (cents)		17.45	13.29

All amounts relate to continuing activities

<sup>(a)</sup> Earnings before interest, tax, depreciation, amortisation and impairment, non-cash charges and non-core operating expenses.

<sup>(b)</sup> Non-core operating expenses include items related primarily to acquisition, integration and other related costs, which are not incurred as part of the underlying trading performance of the Group, and which are therefore adjusted for, in line with Group policy.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	Unaudited Nine months ended 30 September 2023 USD m	Unaudited Nine months ended 30 September 2022 USD m	Audited Year ended 31 December 2022 USD m
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	2.7	1.8	1.8
Right-of-use assets	4.7	5.6	5.5
Intangible assets	327.0	314.1	347.9
Deferred receivables	0.2	0.4	0.3
Deferred tax assets	9.7	7.9	9.5
Derivative financial instruments	1.4	-	-
	<b>345.7</b>	<b>329.8</b>	<b>365.0</b>
<b>CURRENT ASSETS</b>			
Inventory	0.5	0.8	0.6
Trade and other receivables	99.8	93.4	98.2
Cash and bank balances	83.7	83.8	94.8
	<b>184.0</b>	<b>178.0</b>	<b>193.6</b>
<b>TOTAL ASSETS</b>	<b>529.7</b>	<b>507.8</b>	<b>558.6</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital	0.3	0.3	0.3
Share premium	98.3	98.3	98.3
Merger relief reserve	5.3	5.3	5.3
Share-based payments reserve	27.4	22.1	24.1
Cash flow hedging reserve	1.4	-	(0.2)
Foreign exchange translation reserve	(15.0)	(27.6)	(10.8)
Retained earnings	30.0	59.1	50.0
<b>TOTAL EQUITY</b>	<b>147.7</b>	<b>157.5</b>	<b>167.0</b>
<b>NON-CURRENT LIABILITIES</b>			
Other payables	5.7	11.5	13.9
Lease liabilities	3.1	1.9	3.8
Deferred tax liabilities	26.5	26.8	30.2
Borrowings	147.7	0.5	145.9
Derivative financial instruments	-	-	0.2
	<b>183.0</b>	<b>40.7</b>	<b>194.0</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables and accruals	178.2	159.0	190.3
Lease liabilities	1.7	3.9	1.9
Borrowings	19.1	141.7	5.3
Derivative financial instruments	-	5.0	0.1
	<b>199.0</b>	<b>309.6</b>	<b>197.6</b>
<b>TOTAL LIABILITIES</b>	<b>382.0</b>	<b>350.3</b>	<b>391.6</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>529.7</b>	<b>507.8</b>	<b>558.6</b>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	Share capital USD m	Share premium USD m	Merger relief reserve USD m	Share-based payments reserve USD m	Cash flow hedging Reserve USD m	Foreign exchange translation reserve USD m	Retained earnings USD m	Equity attributable to owners of the Parent Company USD m
<b>Balance as at 1 January 2022</b>	<b>0.3</b>	<b>39.8</b>	<b>5.3</b>	<b>19.5</b>	<b>(6.4)</b>	<b>2.9</b>	<b>52.6</b>	<b>114.0</b>
Profit for the period	-	-	-	-	-	-	6.5	6.5
Translation of foreign operations	-	-	-	-	-	(30.5)	-	(30.5)
Other comprehensive income – changes in fair value of hedging instruments	-	-	-	-	6.4	-	-	6.4
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6.4</b>	<b>(30.5)</b>	<b>6.5</b>	<b>(17.6)</b>
Issue of share capital	-	59.6	-	-	-	-	-	59.6
Share issue costs	-	(1.1)	-	-	-	-	-	(1.1)
Share-based payments	-	-	-	3.8	-	-	-	3.8
Share-based payments – deferred tax asset	-	-	-	(0.4)	-	-	-	(0.4)
Share-based payments – exercised and lapsed	-	-	-	(0.8)	-	-	-	(0.8)
<b>Balance as at 30 September 2022</b>	<b>0.3</b>	<b>98.3</b>	<b>5.3</b>	<b>22.1</b>	<b>-</b>	<b>(27.6)</b>	<b>59.1</b>	<b>157.5</b>
Loss for the period	-	-	-	-	-	-	(8.6)	(8.6)
Translation of foreign operations	-	-	-	-	-	16.8	-	16.8
Other comprehensive income – changes in fair value of hedging instruments	-	-	-	-	(0.2)	-	-	(0.2)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0.2)</b>	<b>16.8</b>	<b>(8.6)</b>	<b>8.0</b>
Repurchase of shares	-	-	-	-	-	-	(0.5)	(0.5)
Share-based payments	-	-	-	4.3	-	-	-	4.3
Share-based payments – deferred tax asset	-	-	-	0.5	-	-	-	0.5
Share-based payments – exercised and lapsed	-	-	-	(2.8)	-	-	-	(2.8)
<b>Balance as at 31 December 2022</b>	<b>0.3</b>	<b>98.3</b>	<b>5.3</b>	<b>24.1</b>	<b>(0.2)</b>	<b>(10.8)</b>	<b>50.0</b>	<b>167.0</b>
Profit for the period	-	-	-	-	-	-	13.8	13.8
Translation of foreign operations	-	-	-	-	-	(4.2)	-	(4.2)
Other comprehensive income – changes in fair value of hedging instruments	-	-	-	-	1.6	-	-	1.6
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.6</b>	<b>(4.2)</b>	<b>13.8</b>	<b>11.2</b>
Dividends paid on equity shares	-	-	-	-	-	-	(3.6)	(3.6)
Repurchase of shares	-	-	-	-	-	-	(30.2)	(30.2)
Share-based payments	-	-	-	7.3	-	-	-	7.3
Share-based payments – deferred tax asset	-	-	-	1.2	-	-	-	1.2
Share-based payments – exercised and lapsed	-	-	-	(5.2)	-	-	-	(5.2)
<b>Balance as at 30 September 2023</b>	<b>0.3</b>	<b>98.3</b>	<b>5.3</b>	<b>27.4</b>	<b>1.4</b>	<b>(15.0)</b>	<b>30.0</b>	<b>147.7</b>

- Share capital represents the nominal value of the Company's cumulative issued share capital.
- Share premium represents the cumulative excess of the fair value of consideration received for the issue of shares in excess of their nominal value less attributable share issue costs and other permitted reductions.
- Merger relief reserve represents the cumulative excess of the fair value of consideration received for the issue of shares in excess of their nominal value less attributable shares issue costs and other permitted reductions.
- Retained earnings represents the cumulative value of the profits not distributed to Shareholders but retained to finance the future capital requirements of the Group.
- Share-based payments reserve represents the cumulative value of share-based payments recognised through equity and deferred tax assets arising thereon, net of exercised and lapsed options.
- Cash flow hedging reserve represents the effective portion of changes in the fair value of derivatives.
- Foreign exchange translation reserve represents the cumulative exchange differences arising on Group consolidation.

<b>CONSOLIDATED STATEMENT OF CASH FLOWS</b>	<b>Unaudited Nine months ended 31 September 2023 USD m</b>	<b>Unaudited Nine months ended 30 September 2022 USD m</b>	<b>Audited Year ended 31 December 2022 USD m</b>
<b>Cash flow from operating activities</b>			
Profit before taxation	21.0	21.0	14.8
<i>Adjustments for:</i>			
Depreciation of property, plant and equipment	2.3	2.1	3.0
Amortisation and impairment of intangible assets	28.1	21.1	36.4
Finance cost (net)	8.8	14.0	18.8
Share-based payments	3.5	3.8	5.7
Increase in trade and other receivables	(1.1)	(5.3)	(9.8)
Increase/(decrease) in trade and other payables	(8.3)	1.7	16.9
Decrease in inventories	0.2	-	0.2
<b>Cash flow generated from operations</b>	<b>54.5</b>	<b>58.4</b>	<b>86.0</b>
Income tax paid	(4.3)	(4.4)	(8.4)
<b>Net cash flow generated from operating activities</b>	<b>50.2</b>	<b>54.0</b>	<b>77.6</b>
<b>Cash flow used in investing activities</b>			
Purchase of property, plant and equipment	(1.7)	(0.6)	(1.3)
Purchase of intangible assets	(6.7)	(3.6)	(5.2)
Payment of deferred consideration	(17.9)	(2.5)	(2.7)
Proceeds from disposals of investments	-	0.1	0.1
Acquisition of subsidiaries and related assets, net of cash acquired	(5.6)	(66.9)	(81.5)
<b>Net cash flow used in investing activities</b>	<b>(31.9)</b>	<b>(73.5)</b>	<b>(90.6)</b>
<b>Cash flow generated from/(used in) financing activities</b>			
Proceeds from borrowings	15.0	30.5	185.5
Settlement of forward foreign exchange contracts	-	(21.0)	(25.5)
Repayment of bond financing	-	-	(128.6)
Repayment of revolving credit facility	-	-	(18.8)
Bank finance arrangement fees	(0.2)	-	(3.4)
Accrued interest on bond tap	-	0.4	0.4
Bond arrangement fees	-	(0.8)	(0.8)
Proceeds from issuance of ordinary shares (net)	-	58.5	58.6
Repurchase of ordinary shares	(30.2)	-	(0.4)
Dividends paid on equity shares	(3.6)	-	-
Payment of lease liability	(1.1)	(1.6)	(2.2)
Bank loan capital repayments	(0.2)	-	-
Interest paid	(9.0)	(7.0)	(7.8)
<b>Net cash flow generated from/(used in) financing activities</b>	<b>(29.3)</b>	<b>59.0</b>	<b>57.0</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(11.0)</b>	<b>39.5</b>	<b>44.0</b>
Cash and cash equivalents at beginning of the period/year	94.8	56.1	56.1
Exchange losses on cash and cash equivalents	(0.1)	(11.8)	(5.3)
<b>Cash and cash equivalents at end of the period/year</b>	<b>83.7</b>	<b>83.8</b>	<b>94.8</b>



## NOTES TO THE UNAUDITED FINANCIAL RESULTS

### 1. General information

Team Internet Group Plc is the UK holding company of a group of companies which operate a global internet platform that derives recurring revenue from Online Marketing and Online Presence services. The Company is registered in England and Wales. Its registered office and principal place of business is 4th Floor, Saddlers House, 44 Gutter Lane, London EC2V 6BR.

### 2. Basis of preparation

The financial results for the nine months ended 30 September 2023 are unaudited and have been prepared on the basis of the accounting policies set out in the Group's 2022 statutory accounts and, for all periods presented, in line with the principal disclosure requirements of IAS 34: Interim Financial Reporting.

The unaudited financial results are condensed and do not represent statutory accounts within the meaning of section 435 of the Companies Act 2016. The statutory accounts for the year ended 31 December 2022, upon which the auditors issued an unqualified opinion, are available on the Group's website and did not contain statements under section 498(2) or (3) of the Companies Act 2006.

### 3. Segment analysis

Team Internet is an independent global service provider building and managing platforms that sell Online Marketing and Online Presence services. Operating segments are organised around the products and services of the business and are prepared in a manner consistent with the internal reporting used by the chief operating decision maker to determine allocation of resources to segments and to assess segmental performance. The Directors do not rely on analyses of segment assets and liabilities, nor on segmental cash flows arising from the operating, investing and financing activities for each reportable segment, for their decision making and therefore have not included them.

The Online Marketing segment creates privacy-safe, AI-generated online customer journeys that convert general interest online media users into confident high conviction consumers through advertorial and review websites. The Online Presence segment is a critical constituent of the global online presence and productivity tool ecosystem, where Team Internet serves as the primary distribution channel for the wide range of digital products.

Management reviews the activities of the Team Internet Group in the segments disclosed below up to a Net revenue/gross profit level only:

	<b>Unaudited Nine months ended 30 September 2023 USD m</b>	<b>Unaudited Nine months ended 30 September 2022 USD m</b>	<b>Audited Year ended 31 December 2022 USD m</b>
<b>Online Marketing</b>			
Revenue	474.7	412.6	574.7
Cost of sales	(380.4)	(323.7)	(449.6)
Net revenue/gross profit	<b>94.3</b>	<b>88.9</b>	<b>125.1</b>
<b>Online Presence</b>			
Revenue	137.0	114.1	153.5
Cost of sales	(92.8)	(74.7)	(100.9)
Net revenue/gross profit	<b>44.2</b>	<b>39.4</b>	<b>52.6</b>
<b>Total revenue</b>	<b>611.7</b>	<b>526.7</b>	<b>728.2</b>
Total cost of sales	(473.2)	(398.4)	(550.5)
<b>Net revenue/gross profit</b>	<b>138.5</b>	<b>128.3</b>	<b>177.7</b>

NOTES TO THE UNAUDITED FINANCIAL RESULTS (continued)

4. Revenue

The Group's revenue is generated indirectly from consumers located in the following geographical areas:

	Unaudited Nine months ended 30 September 2023		Unaudited Nine months ended 30 September 2022		Audited Year ended 31 December 2022	
	USD m	%	USD m	%	USD m	%
Americas	314.6	51%	279.2	53%	389.0	53%
APAC	53.8	9%	55.8	11%	73.5	10%
EMEA	210.9	35%	169.9	32%	234.5	33%
UK	32.4	5%	21.8	4%	31.2	4%
	<b>611.7</b>	<b>100%</b>	<b>526.7</b>	<b>100%</b>	<b>728.2</b>	<b>100%</b>

The Group's revenue is invoiced directly to the following geographical areas:

	Unaudited Nine months ended 30 September 2023		Unaudited Nine months ended 30 September 2022		Audited Year ended 31 December 2022	
	USD m	%	USD m	%	USD m	%
<b>Online Marketing</b>						
Americas	14.4	3%	14.0	3%	19.5	3%
APAC	7.9	1%	5.4	1%	7.8	1%
EMEA	449.3	73%	391.5	74%	544.5	75%
UK	3.1	1%	1.7	-	2.9	-
	<b>474.7</b>	<b>78%</b>	<b>412.6</b>	<b>78%</b>	<b>574.7</b>	<b>79%</b>
<b>Online Presence</b>						
Americas	51.4	8%	33.4	6%	51.7	7%
APAC	17.4	3%	16.2	3%	22.3	3%
EMEA	62.5	10%	61.6	12%	75.4	10%
UK	5.7	1%	2.9	1%	4.1	1%
	<b>137.0</b>	<b>22%</b>	<b>114.1</b>	<b>22%</b>	<b>153.5</b>	<b>21%</b>
<b>Total revenue</b>	<b>611.7</b>	<b>100%</b>	<b>526.7</b>	<b>100%</b>	<b>728.2</b>	<b>100%</b>

5. Non-core operating expenses

	Unaudited Nine months ended 30 September 2023	Unaudited Nine months ended 30 September 2022	Audited Year ended 31 December 2022
	USD m	USD m	USD m
Acquisition related costs	0.7	3.1	3.5
Integration and streamlining costs	2.6	2.8	4.0
Other costs <sup>(1)</sup>	1.7	0.1	0.7
	<b>5.0</b>	<b>6.0</b>	<b>8.2</b>

<sup>(1)</sup> Other costs include items related primarily to business reviews and restructuring expenses.

NOTES TO THE UNAUDITED FINANCIAL RESULTS (continued)

6. Net finance costs

	Unaudited Nine months ended 30 September 2023 USD m	Unaudited Nine months ended 30 September 2022 USD m	Audited Year ended 31 December 2022 USD m
Finance income	(0.3)	-	-
Impact of unwinding of discount on net present value of deferred consideration	1.1	0.4	1.0
Reappraisal of deferred consideration	(2.8)	(1.4)	(1.3)
Arrangement fees on borrowings	1.0	2.9	3.0
Interest on bank borrowings and bond interest	9.9	7.4	10.2
Interest expense on leases	0.1	0.1	0.2
(Gain)/loss arising on derivatives classified as fair value hedges	(0.2)	-	0.1
Foreign exchange loss on borrowings	-	4.7	5.6
<b>Net finance costs</b>	<b>8.8</b>	<b>14.1</b>	<b>18.8</b>

7. Earnings per share

Earnings per share has been calculated by dividing the consolidated profit/(loss) after taxation attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the year. Diluted earnings per share have been calculated on the same basis as above, except that the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares (arising from the Group's share option scheme and warrants) into ordinary shares has been added to the denominator. In 2022, there is no change to the loss numerator of the dilutive calculation. Due to the loss made in the year, the impact of the potential shares to be issued on exercise of share options and warrants would be anti-dilutive and therefore diluted earnings per share is reported on the same basis on earnings per share.

	Unaudited Nine months ended 30 September 2023 USD m	Unaudited Nine months ended 30 September 2022 USD m	Audited Year ended 31 December 2022 USD m
Profit/(loss) after tax attributable to owners	<b>13.8</b>	<b>6.5</b>	<b>(2.1)</b>
Operating profit	29.8	35.1	33.6
Depreciation of property, plant and equipment	2.3	2.1	3.0
Amortisation and impairment of intangible assets	28.1	21.1	36.4
Non-core operating expenses	5.0	6.0	8.2
Foreign exchange loss/(gain)	0.1	(6.1)	(0.9)
Share-based payment expenses	3.5	3.8	5.7
Adjusted EBITDA	68.8	62.0	86.0
Depreciation	(2.3)	(2.1)	(3.0)
Net finance costs (excluding deferred consideration amounts, foreign exchange loss on borrowings and write off of arrangement fees on borrowing – note 7)	(11.8)	(9.5)	(13.1)
Taxation	(7.2)	(14.5)	(16.9)
Adjusted earnings	<b>47.5</b>	<b>35.9</b>	<b>53.0</b>
<b>Weighted average number of shares:</b>			
Basic	270,543,200	262,399,797	265,623,278
Effect of dilutive potential ordinary shares	1,600,095	7,708,732	2,584,385
Diluted average number of shares	<b>272,143,295</b>	<b>270,108,529</b>	<b>268,207,663</b>
<b>Earnings per share:</b>			
Basic (cents)	5.10	2.48	(0.78)
Diluted (cents)	5.07	2.41	(0.78)
Adjusted earnings – Basic (cents)	17.56	13.68	20.01
Adjusted earnings – Diluted (cents)	17.45	13.29	19.81

Basic and diluted earnings per share of 5.10 and 5.07 cents (2022: 2.48 and 2.41 cents) have been impacted by depreciation, amortisation, impairment, non-core operating expenses, foreign exchange gains and losses and share-based payment expenses.

## NOTES TO THE UNAUDITED FINANCIAL RESULTS (continued)

### 8. Financial instruments

The Team Internet Group is exposed to market risk, credit risk and liquidity risk arising from financial instruments. The Group's overall financial risk management policy focusses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group does not trade in financial instruments.

Cash conversion for the nine-month periods ended 30 September 2023, 30 September 2022 and for the year ended 31 December 2022 was as follows:

	Unaudited Nine months ended 30 September 2023 USD m	Unaudited Nine months ended 30 September 2022 USD m	Audited Year ended 31 December 2022 USD m
<b>Cash conversion</b>			
Cash flow from operations	54.5	58.4	86.0
Exceptional costs incurred and paid during the year	5.1	5.4	7.8
Settlement of one-off working capital items from the prior year	6.0	1.2	1.2
<b>Adjusted cash flow from operations</b>	<b>65.6</b>	<b>65.0</b>	<b>95.0</b>
Adjusted EBITDA	68.8	62.0	86.0
Conversion %	95%	105%	110%

Net debt as at 30 September 2023 and 31 December 2022 is shown in the table below.

	Bank debt USD m	Cash USD m	Financial instruments USD m	Net debt USD m
<b>At 31 December 2022</b>	<b>(151.2)</b>	<b>94.8</b>	<b>(0.2)</b>	<b>(56.6)</b>
Drawdown	(15.0)	15.0	-	-
Capital repayments	0.2	(0.2)	-	-
Prepaid finance costs	0.2	(0.2)	-	-
Amortisation of prepaid finance costs	(1.0)	-	-	(1.0)
Mark-to-market revaluation	-	-	1.6	1.6
Other cash movements	-	(25.6)	-	(25.6)
Foreign exchange differences	-	(0.1)	-	(0.1)
<b>At 30 September 2023</b>	<b>(166.8)</b>	<b>83.7</b>	<b>1.4</b>	<b>(81.7)</b>

Financial instruments included in net debt represent the mark-to-market valuation of interest rate swaps, which fix the variable interest component of USD 75.0m of the bank debt.

### 8. Business combinations

#### Acquisition of Adrenalads LLC

On 31 August 2023, Team Internet acquired Adrenalads LLC, a Los Angeles based online marketing company that has a rich history of collaboration with Zeropark. Consideration included initial consideration USD 2.1m and deferred consideration of USD 0.2m payable in February 2025. The acquisition will be immediately earnings accretive. The acquisition aims to seamlessly integrate Adrenalads into the Zeropark ecosystem. This move is anticipated to strengthen Zeropark's ties with ecommerce stakeholders, improve efficiency of internal media-buying processes, open new supply channels for Zeropark and establish a presence in strategic Pacific time zone.

In FY2022, Adrenalads generated unaudited revenue of USD 2.7m, unaudited Net revenue/gross profit of USD 1.1m and unaudited EBITDA of USD 0.7m.

The purchase price allocation exercise for the acquisition of Adrenalads has not yet been completed as at the date of signing this report, and it is therefore not possible to provide further details of the fair value estimates of the assets and liabilities at the acquisition date.

#### Deferred consideration payments

During the nine month period ended 30 September 2023 the following deferred consideration payments were made:

- Deferred contingent consideration payments for the acquisition of VGL Publishing AG was settled in cash for EUR 13.7 (USD 14.9m), which includes EUR 12.4m (USD 13.6m) in respect of performance in 2022
- The first deferred contingent consideration payment for the acquisition of M.A Aporia was cash settled for USD 2.3m in two instalments USD 0.8m paid on 13 July 2023 and USD 1.5m paid on 24 August 2023
- On 27 July 2023, the final deferred contingent consideration payment for the acquisition of InterNexum GmbH was settled in cash for EUR 0.6m (USD 0.6m)

## NOTES TO THE UNAUDITED FINANCIAL RESULTS (continued)

### 9. Share buyback programme and Employee Benefit Trust

During the period the Company repurchased 15,878,125 shares under its share buyback programme at an average share price of £1.28 (FY2022: 220,000 shares at a share price of £1.54). These shares are held in treasury by the Company.

During the period the Group's Employee Benefit Trust purchased 3,648,587 shares at an average share price of £1.16. At 30 September 2023 the Employee Benefit Trust held 9,199,521 shares (31 December 2022: 11,232,599 shares, 30 September 2022: 16,519,280 shares).

The total share repurchase in the period is USD 30.9m of which USD 30.2m was settled in cash in the period, with USD 0.7m settled in cash after the period end.

The number of shares held and outstanding share options is as follows:

	<b>Unaudited 30 September 2023 Number</b>	<b>Unaudited 30 September 2022 Number</b>	<b>Audited 31 December 2022 Number</b>
Issued share capital	288,660,084	288,660,084	288,660,084
Shares held by the Employee Benefit Trust	(9,199,521)	(16,519,280)	(11,232,599)
Shares held in Treasury	(16,098,125)	-	(220,000)
<b>Share capital</b>	<b>263,362,438</b>	<b>272,140,804</b>	<b>277,207,485</b>
Outstanding share options	11,525,831	18,372,001	12,985,926
<b>Share capital plus outstanding share options</b>	<b>274,888,269</b>	<b>290,512,805</b>	<b>290,193,411</b>

### 10. Events occurring after the period end

The following significant event occurred after the Group's period end date of 30 September 2023 and before the signing of these Unaudited Financial Results on 13 November 2023:

- On 19 October 2023, a deferred consideration payment in relation to the acquisition of M.A Aporia was made for USD 2.8m