

System1 Group

24 January 2024

System1 Group PLC (AIM: SYS1)
("System1", or "the Company", or "the Group")
Quarter 3 Trading Update
Increase in Full Year Guidance

System1, the marketing decision-making platform www.system1group.com today issues an update on trading for the quarter ended 31 December 2023 (Q3).

Revenue £ million - unaudited	Q3 FY24	Q3 FY23	Q3 % YoY	YTD FY24	YTD FY23	YTD % YoY
Predict Your (data)	5.2	3.4	53%	14.2	9.6	49%
Improve Your (data-led consultancy)	1.0	0.9	16%	2.9	2.3	25%
Platform Revenue	6.2	4.3	46%	17.1	11.9	44%
Other consultancy (non-platform)	1.8	2.0	-6%	4.2	4.9	-13%
Total Revenue	8.0	6.2	29%	21.4	16.7	28%

Quarter 3

System1 made further progress on delivery against the strategic review objectives that the Board set out following the 2022 strategic review, growing Q3 platform revenue by 46% versus Q3 FY23.

Predict Your (data) revenue grew by 53% on the comparable prior-year quarter to £5.2m and Improve Your (data-led consultancy) revenue increased by 16% over the comparable prior-year quarter to £1.0m, bringing total platform revenue to £6.2m, up 46%.

Total Group revenue grew by £1.9m to £8.0 million, up 29% on Q3 FY23, with strong growth in the US, Europe and the UK.

Nine Months to 31 December 2023

Predict Your (data) revenue grew by 49% on the comparable prior-year period to £14.2m and Improve Your (data-led consultancy) revenue increased by 25% over the comparable prior year to date to £2.9m, bringing total platform revenue to £17.1m, up 44%.

Total Group revenue grew by £4.7m to £21.4m, up 28%, with year-to-date gross profit margin at 87% remaining strong.

The Group's Q3 period end cash balance rose to £6.4m (31 March 2023: £5.7m).

New Clients and Partners

System1 won over 60 new clients in Q3, and over 200 new clients in FY24 Q1 - Q3. These new clients include Pfizer, M&S, Tesco, easyJet, Toyota, Muller, B&Q, and Just Eat.

New partnerships were secured with one of the leading ad-supported broadcast and cable networks in the US as well as Roku TV, Radiocentre, Aardman Animations and Fuse OMD Worldwide.

Outlook

The Group enters the final quarter of the year with good trading momentum following a consistently strong December quarter. As a consequence, the Board believes that the Group is now well placed to deliver results ahead of previous expectations. Revenue for the current financial year is expected to be at least £29 million (FY23: £23.4 m) and statutory profit before tax to be comfortably above £2 million and materially ahead of current consensus (FY23: £0.7m).

Commenting on the trading update, CEO James Gregory said: "We continue to deliver quarter on quarter revenue and profit growth, exceeding £8m revenue for the last quarter and increasing platform revenue by 46%. We are executing our go-to-market plans and building out ever-improving customer propositions, creating the momentum to grow further over the coming years".

Capital Markets Day

The Company will be holding a Capital Markets Day via Investor Meet Company at 3:00pm GMT on Wednesday 7 February 2024. The meeting is open to all existing and potential shareholders. Questions can be submitted pre-event via your Investor Meet Company dashboard up until 9:00am the day before the meeting or at any time during the live presentation.

Investors can sign up to Investor Meet Company for free and add to meet System1 Group PLC via:

<https://www.investormeetcompany.com/system1-group-plc/register-investor>

Investors who already follow System1 Group PLC on the Investor Meet Company platform will automatically be invited.

Further information on the Company can be found at www.system1group.com.

This announcement contains inside information for the purposes of article 7 of the Market Abuse Regulation (EU) 596/2014 as amended by regulation 11 of the Market Abuse (Amendment) (EU Exit) Regulations 2019/310. With the publication of this announcement, this information is now considered to be in the public domain.

For further information, please contact:

System1 Group PLC

James Gregory, Chief Executive Officer

Chris Willford, Chief Financial Officer

Tel: +44 (0)20 7043 1000

Canaccord Genuity Limited (Nominated Adviser & Broker)

Simon Bridges / Andrew Potts / Harry Rees

Tel: +44 (0)20 7523 8000

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

TSTQKNBNOBKDCDB