

## ASX Announcement

26th February 2021

**Successfully delivering on global digital disruption strategy – 770% increase EBITDA, 469% increase profit, 296% increase total income, \$18.4m total revenue, \$8.2m profit before tax, \$50.1m assets**

- **Successfully delivering on global digital disruption strategy, strong growth from Australian and North American operations, building platform for future growth, expanding into new markets**
- **Accelerating leadership position for business and finance news for affluent and influential investors, launched the number 1 Australian business TV streaming network, 10m+ streams a month**
- **Scale efficiencies building as shown by approx 3x increase in total revenue to \$18.4m, leading to approx 5x increase in profit before tax of \$8.2m, demonstrating operational and business model advantages**

The Market Herald Limited (ASX:TMH “The Market Herald”) is pleased to provide an update on operations and results for the 6 months ending December 31<sup>st</sup> 2020.

The Company is reporting a 469% increase in net profit before tax of \$8,173,797 for the period (31 December 2019: Net loss before tax of \$2,215,688). This includes non-cash share-based payment expenses of \$220,644 (31 December 2019: \$605,052). Revenue from contracts with customers was \$10,671,135 for the 6 months which is 170% higher than the 2019 corresponding period. These contracts are prepaid and deferred to the Statement of Financial Position to be recognised as customers utilise investor relations services over the contract’s life, typically twelve months. The Company has already secured unrecognised revenue of \$3,914,961 on the Statement of Financial Position as at 31 December 2020. The Company has cash and cash equivalents of \$6,928,131 (30 June 2020: \$2,376,193) and financial assets of \$14,609,190 (30 June 2020: \$13,109,011) as at 31 December 2020.

### 31 December 2020 Half-Yearly Results

Financial Performance	31-Dec-20	31-Dec-19	Change	Percentage Change
<b>Income Statement</b>				
	\$	\$	\$	%
Revenue	10,671,135	3,948,577	6,722,558	170%
Other revenue	6,075,844	341,897	5,733,947	1677%
Movement in net gain on equity instruments designated at fair value through other comprehensive income	1,693,087	361,905	1,331,182	368%
<b>Total revenue and other comprehensive income</b>	<b>18,440,066</b>	<b>4,652,379</b>	<b>13,787,687</b>	<b>296%</b>
<b>EBITDA</b>	<b>10,100,327</b>	<b>(1,506,655)</b>	<b>11,606,982</b>	<b>770%</b>
<b>Profit before Tax</b>	<b>8,173,797</b>	<b>(2,215,688)</b>	<b>10,389,485</b>	<b>469%</b>
<b>Total comprehensive income/(loss)</b>	<b>7,323,363</b>	<b>(1,897,629)</b>	<b>9,220,992</b>	<b>486%</b>
<b>Balance Sheet</b>				
	31-Dec-20	31-Dec-19	Change	Percentage Change
Cash	6,928,131	2,561,007	4,367,124	171%
Financial assets	14,609,190	5,588,669	9,020,521	161%
Assets available for sale (Cars gross value)	1,306,233	287,986	1,018,247	354%
<b>Total cash and assets available for sale</b>	<b>22,843,554</b>	<b>8,437,662</b>	<b>14,405,892</b>	<b>171%</b>

## **Jag Sanger, Managing Director of The Market Herald commented:**

“Our AGM presentations of November 2019 and November 2020 laid out our strategy of building a leading digital first global business and finance news publisher serving influential and affluent investors. Our half year results show that we are beginning to deliver on the platform we have built and gives us a roadmap for the future as we expand our offer and markets served.

There are 3 key themes that drive our growth – and results – and building on these will be central to our growth:

***The first is Winner Takes All: Be the digital leader in each of our offers:*** A key feature of successful digital companies, especially media, is many markets tend to be “winner takes all”. The dominant digital player takes a disproportionately large percentage of market revenues, leading to higher margins, and a leadership position that is hard to challenge. This virtuous circle can be seen in many digital media markets, for example Google dominates search, and Facebook dominates social media. Closer to home, for example, Real Estate Australia (ASX:REA) and Carsales (ASX:CAR) dominate their classifieds markets, leading to market capitalisations of approximately \$20bn and \$5bn respectively. Currently we are the dominant digital leader for retail investor engagement in Australia and Canada, serving over 2.5m affluent investors with 100m page impressions a month.

***The second is Think and Do: A culture of constant innovation and delivery:*** Over the past 6 months we have built on our leadership position by successfully launching new offers that will drive future growth. An example of this would be the launch of our Streaming Business and Finance Television news network in Australia. This is now the largest streaming finance television network in Australia compared to our peers by audience and view streams (Nielsen DCR December 2020). Another example would be the successful launch of our North American ventures consultancy. This combines media, ventures and strategic advice. Our ability to think and do is driven by culture – and where we have a compelling advantage over traditional media businesses with legacy cost and organisational structures.

***The third is Build and Buy: A disciplined organic and non-organic growth strategy:*** Over the past 6 months we have completed the integration of our first international acquisition. We have built capabilities to review and execute on the many opportunities that are emerging globally in business and finance media. We will continue to build on this and will announce a revised strategy and organisation structure in the coming months.”

## **About The Market Herald**

The Market Herald is a multi-platform business and finance news organisation building the world’s largest audience of active investors, and the most valuable audience of affluent luxury and wealth buyers. Every month The Market Herald and its global financial communities deliver over 100m page impressions reaching over 2.5 million investors with investable assets of over \$300bn. By leveraging our unique analytics and data led way to create and deliver business stories we are able to capture insights into investor thinking, giving us a distinct advantage to compete and win in a \$4bn revenue market serving active investors.

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This announcement has been authorised for release by the Board of The Market Herald.