15 May 2023

CENTRALNIC GROUP PLC

("CentralNic" or the "Company" or the "Group")

UNAUDITED FINANCIAL RESULTS FOR THE THREE MONTHS ENDED 31 MARCH 2023

Continued delivery with a 24% increase in Revenue, 16% rise in Adjusted EBITDA,
and a confident outlook for FY23

CentralNic Group Plc (AIM: CNIC), the global internet company that derives recurring revenue from privacy-safe, AI based customer journeys that help online consumers make informed choices, is pleased to announce its unaudited financial results for the three months ended 31 March 2023 ("Q1 2023").

Financial summary:
- Gross revenue increased by 24% to USD 194.9m (three months ended March 2022 ("Q1 2022"): USD 156.6m)
- Organic revenue growth* for the trailing twelve months ended 31 March 2023 ("TTM 2023") of approximately 46%
- Net revenue/gross profit increased by 15% to USD 45.8m (Q1 2022: USD 39.9m)
- Adjusted EBITDA** increased by 15% to USD 21.3m (Q1 2022: USD 18.5m)
- Operating profit decreased by 23% to USD 7.7m (Q1 2022: USD 10.0m), the primary driver of which was an increase in non-cash charges such as Amortisation expense
- Adjusted EPS increased by 23% to USD 5.54 cents (FY 2022: USD 4.51 cents)
- Net debt*** reduced by USD 7.3m to USD 49.3m as compared to USD 56.6m on 31 December 2022 despite USD 4.0m in share buybacks
- Adjusted operating cash conversion of 94% (FY 2022: 110%), reflecting a temporary change in working capital mix. We expect this to reach 100% or more for the full year

Operational highlights:
- 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
- The number of visitor sessions increased by 70% to 5.0 billion for TTM 2023 from 3.0 billion for the trailing twelve-month period ended 31 March 2022 ("TTM 2022") and the revenue per thousand sessions ("RPM") increased by 12% from USD 91 to USD 102
- Adjusted EBITDA as a percentage of Net Revenue has increased to 47% in Q1 2023 from 46% in Q1 2022 continuing to demonstrate that CentralNic's growth translates into operating leverage
- William Green, who became Group CFO on 12 December 2022, was appointed to the board of directors on 30 January 2023

Post quarter end highlights:
- Maiden final dividend of 1.0p payable on 16 June 2023 after approval at the AGM, reflecting a renewed capital allocation policy geared towards greater returns to shareholders
- Partnership agreement with Microsoft Bing, deepening and diversifying the demand pool in our important TONIC business
- First international expansion of our vergleich.org product review business with meilleurs.fr dedicated to France, the second largest market for our key e-commerce partner Amazon within the EU
- On 8 May 2023, the first deferred consideration payment for the acquisition of VGL was settled in cash for EUR 12.4m (USD 13.6m) as a result of the above expectation performance in 2022. This was fully funded by the incremental operating cash flow generated by VGL
- Appointment of Marie Holive as independent Non-Executive Director, Chair of the Audit Committee and a member of the Remuneration Committee

Outlook:

CentralNic has had a strong start to 2023 across both business segments, which is continuing into Q2. For TTM 2023, organic revenue has grown 46% on a pro forma basis. Moreover, as the Group rapidly scales up, the underlying qualities of high recurring revenues and excellent cash conversion become increasingly meaningful. Furthermore, the Group has strong operating leverage, as demonstrated by CentralNic's Adjusted EBITDA as a percentage of Net Revenue being 47% for Q1 2023 (46% Q1 2022).

Whilst the Directors continue to monitor the global macro-economic environment closely, they are confident in the Group's targeted investment in product innovation as well as vertical integration and international expansion has positioned it to succeed. Therefore, the Directors expect that the Group will trade at least in line with current market expectations for the full year.****

Furthermore, as part of its capital return programme the Group is announcing its second Share Buyback Programme (the "Buyback Programme"), in which it expects to purchase GBP 4m of its own shares. The Board considers the Buyback Programme to be in the best interests of all shareholders, given the cash generative nature of the business and continued strong performance. It reflects the Group's more balanced approach to capital allocation.

There will be a webinar / conference call for equity analysts at 09.00 BST today, hosted by CEO Michael Riedl and CFO William Green. Anybody wishing to register should contact centralnic@secnewgate.co.uk, where further details will be provided.

Michael Riedl, CEO of CentralNic, commented: *"I am pleased to announce that CentralNic has achieved highly resilient results in the first quarter of the year, demonstrating our industry leadership and reputation for excellence. We have secured key partnership with the world's leading technology companies including Google, Amazon and recently Microsoft, a testament to the strength and quality of our offering. We are confident in our business model and our ability to continue delivering high-quality earnings and strong growth."*

[*] Pro forma revenue, adjusted for; acquired revenue, constant currency foreign exchange impact and non-recurring revenues is estimated at USD 771m for TTM 2023 and at USD 529m for TTM 2022

[**] Parent and subsidiary 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 31 March 2023 (cash of USD 102.9m and bank debt and prepaid finance costs of USD 151.4m); includes gross cash, bank debt, prepaid finance costs and hedging liabilities of USD 0.8m (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)

[****] Latest analyst forecasts are within a range of USD 771.8m and USD 833.7m for FY23 revenue and USD 90.9m and USD 97.8m for FY23 EBITDA

For further information:

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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 CentralNic 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 CentralNic Group Plc

CentralNic 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 CentralNic 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. The Online Marketing market has a long-term average growth rate of +20%, making it an attractive growth market. With a proven business model, scalable technology, and a track record of delivering accretive M&A, CentralNic has become a global consolidator.

For more information please visit: www.centralnicgroup.com

MANAGEMENT COMMENTARY ON PERFORMANCE

Introduction

CentralNic'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 March 2023 YTD results which show increases in both Revenue and Adjusted EBITDA of 24% and 15% respectively compared to Q1 2022.

Performance Overview

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

	Three months ended 31 March 2023	Three months ended 31 March 2022	Change
	USD m	USD m	%
Revenue	194.9	156.6	24%
Net revenue/ gross profit	45.8	39.9	15%
Adjusted EBITDA	21.3	18.5	15%
Operating profit	7.7	10.0	(23%)
Adjusted operating cash conversion (note 9)	94%	128%	n.m.
Profit after tax	2.9	4.0	(27%)
EPS – Basic (cents)	1.06	1.53	(31%)
EPS – Adjusted earnings – Basic (cents) (note 8)	5.54	4.51	23%

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 its growth with revenues increasing by USD 32.8 m, or 28%, from USD 116.9m to USD 149.7m. Organic revenue grew at a rate of 60%, predominantly driven by CentralNic's TONIC platform. Inorganic growth was obtained from the full quarter impact of the VGL acquisition.

The number of visitor sessions increased by 70% from 3.0 billion for TTM 2022 to 5.0 billion for TTM 2023 and the RPM increased by 12% from USD 91 to USD 102[1].

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.

Online Presence segment

Reported revenue in this segment increased by 14% from USD 39.7m in March 2022 YTD to USD 45.2m in March 2023 YTD. Organic growth for the Online Presence segment was 10% for TTM 2023.

The number of processed domain registration years increased by 2% from 12.1m for TTM 2022 to 12.4m for TTM 2023 and the average revenue per domain year increased by 4% from USD 9.48 to USD 9.85. The share of Value-Added Service revenue in Q1 2023 YTD was c.8%[2].

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

Michael Riedl
Chief Executive Officer

(1) Based on analysis of c.86% of the segment which can be adequately and reliably described by this KPI
(2) Based on analysis of c.80% of this segment which can be adequately and reliably described by this KPI

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	Note	Unaudited Three months ended 31 March 2023 USD m	Unaudited Three months ended 31 March 2022 USD m	Audited Year ended 31 December 2022 USD m
Revenue	5	194.9	156.6	728.2
Cost of sales		(149.1)	(116.7)	(550.5)
Net revenue / gross profit		45.8	39.9	177.7
Operating expenses		(37.2)	(28.2)	(138.4)
Share-based payments expense		(0.9)	(1.7)	(5.7)
Operating profit		**7.7**	**10.0**	**33.6**
Adjusted EBITDA[a]		**21.3**	**18.5**	**86.0**
Depreciation of property, plant and equipment		(0.8)	(0.6)	(3.0)
Amortisation and impairment of intangible assets		(9.0)	(6.1)	(36.4)
Non-core operating expenses[b]	6	(1.4)	(1.1)	(8.1)
Foreign exchange (loss) / gain		(1.5)	1.0	0.8
Share-based payment expenses		(0.9)	(1.7)	(5.7)
Operating profit		**7.7**	**10.0**	**33.6**
Finance income less finance costs	7	(3.4)	(2.8)	(13.2)
Foreign exchange loss on borrowings		-	-	(5.6)
Net finance costs		(3.4)	(2.8)	(18.8)
Profit before taxation		**4.3**	**7.2**	**14.8**
Income tax expense		(1.4)	(3.2)	(16.9)
Profit/(loss) after taxation		**2.9**	**4.0**	**(2.1)**
Items that may be reclassified subsequently to profit and loss				
Exchange difference on translation of foreign operations		2.1	1.1	(13.7)
Movement arising on changes in fair value of hedging instruments		(0.6)	(3.0)	6.2
Total comprehensive income/(loss) for the period / year		**4.4**	**2.1**	**(9.6)**
Profit/(loss) is attributable to:				
Owners of CentralNic Group Plc		**2.9**	**4.0**	**(2.1)**
Total comprehensive income/(loss) is attributable to:				
Owners of CentralNic Group Plc		**4.4**	**2.1**	**(9.6)**
Earnings per share:				
Basic (cents)		1.06	1.53	(0.78)
Diluted (cents)		1.05	1.49	(0.78)
Adjusted earnings – Basic (cents)		5.54	4.51	20.01
Adjusted earnings – Diluted (cents)		5.49	4.39	19.81

All amounts relate to continuing activities

[a] Parent and subsidiary earnings before interest, tax, depreciation, amortisation and impairment, non-cash charges and non-core operating expenses.

[b] 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 Three months ended 31 March 2023 USD m	Unaudited Three months ended 31 March 2022 USD m	Audited Year ended 31 December 2022 USD m
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	1.9	1.9	1.8
Right-of-use assets	5.2	7.2	5.5
Intangible assets	342.6	339.4	347.9
Deferred receivables	0.2	0.4	0.3
Investments	-	0.1	-
Deferred tax assets	10.6	8.6	9.5
	360.5	**357.6**	**365.0**
CURRENT ASSETS			
Inventory	0.6	0.9	0.6
Trade and other receivables	97.0	86.6	98.2
Derivative financial instruments	0.4	-	-
Cash and bank balances	102.9	90.6	94.8
	200.9	**178.1**	**193.6**
TOTAL ASSETS	**561.4**	**535.7**	**558.6**
EQUITY AND LIABILITIES			
EQUITY			
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	24.9	19.8	24.1
Cash flow hedging reserve	(0.8)	(9.4)	(0.2)
Foreign exchange translation reserve	(8.7)	4.0	(10.8)
Retained earnings	48.9	56.5	50.0
TOTAL EQUITY	**168.2**	**174.8**	**167.0**
NON-CURRENT LIABILITIES			
Other payables	14.2	8.3	13.9
Lease liabilities	3.4	2.3	3.8
Deferred tax liabilities	28.4	32.8	30.2
Borrowings	147.3	138.9	145.9
Derivative financial instruments	0.8	-	0.2
	194.1	**182.3**	**194.0**
CURRENT LIABILITIES			
Trade and other payables and accruals	193.1	151.2	190.3
Lease liabilities	1.9	5.0	1.9
Borrowings	4.1	13.0	5.3
Derivative financial instruments	-	9.4	0.1
	199.1	**178.6**	**197.6**
TOTAL LIABILITIES	**393.2**	**360.9**	**391.6**
TOTAL EQUITY AND LIABILITIES	**561.4**	**535.7**	**558.6**

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
Balance as at 1 January 2022	**0.3**	**39.8**	**5.3**	**19.5**	**(6.4)**	**2.9**	**52.5**	**113.9**
Profit for the period	-	-	-	-	-	-	4.0	**4.0**
Translation of foreign operations	-	-	-	-	-	1.1	-	**1.1**
Other comprehensive income – changes in fair value of hedging instruments	-	-	-	-	(3.0)	-	-	**(3.0)**
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**(3.0)**	**1.1**	**4.0**	**2.1**
Issue of share capital	-	59.6	-	-	-	-	-	59.6
Share issue costs	-	(1.1)	-	-	-	-	-	**(1.1)**
Share-based payments	-	-	-	1.7	-	-	-	**1.7**
Share-based payments – deferred tax asset	-	-	-	0.2	-	-	-	**0.2**
Share-based payments – exercised and lapsed	-	-	-	(1.6)	-	-	-	**(1.6)**
Balance as at 31 March 2022	**0.3**	**98.3**	**5.3**	**19.8**	**(9.4)**	**4.0**	**56.5**	**174.8**
Loss for the period	-	-	-	-	-	-	(6.1)	**(6.1)**
Translation of foreign operations	-	-	-	-	-	(14.8)	-	**(14.8)**
Other comprehensive income – changes in fair value of hedging instruments	-	-	-	-	9.2	-	-	**9.2**
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**9.2**	**(14.8)**	**(6.1)**	**(11.7)**
Repurchase of shares	-	-	-	-	-	-	(0.4)	**(0.4)**
Share-based payments	-	-	-	6.4	-	-	-	**6.4**
Share-based payments – deferred tax asset	-	-	-	(0.1)	-	-	-	**(0.1)**
Share-based payments – exercised and lapsed	-	-	-	(2.0)	-	-	-	**(2.0)**
Balance as at 31 December 2022	**0.3**	**98.3**	**5.3**	**24.1**	**(0.2)**	**(10.8)**	**50.0**	**167.0**
Profit for the period	-	-	-	-	-	-	2.9	**2.9**
Translation of foreign operations	-	-	-	-	-	2.1	-	**2.1**
Other comprehensive income – changes in fair value of hedging instruments	-	-	-	-	(0.6)	-	-	**(0.6)**
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**(0.6)**	**2.1**	**2.9**	**4.4**
Repurchase of shares	-	-	-	-	-	-	(4.0)	(4.0)
Share-based payments	-	-	-	1.7	-	-	-	**1.7**
Share-based payments – deferred tax asset	-	-	-	0.9	-	-	-	**0.9**
Share-based payments – exercised and lapsed	-	-	-	(1.8)	-	-	-	**(1.8)**
Balance as at 31 March 2023	**0.3**	**98.3**	**5.3**	**24.9**	**(0.8)**	**(8.7)**	**48.9**	**168.2**

- 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.

CONSOLIDATED STATEMENT OF CASH FLOWS	Unaudited Three months ended 31 March 2023	Unaudited Three months ended 31 March 2022	Audited Year ended 31 December 2022
	USD m	USD m	USD m
Cash flow from operating activities			
Profit before taxation	4.3	7.2	14.8
Adjustments for:			
Depreciation of property, plant and equipment	0.8	0.6	3.0
Amortisation and impairment of intangible assets	9.0	6.1	36.4
Finance cost (net)	3.4	2.8	18.8
Share-based payments	0.9	1.7	5.7
Decrease / (increase) in trade and other receivables	1.2	(4.3)	(9.8)
Increase / (decrease) in trade and other payables	(1.1)	7.1	16.9
Decrease in inventories	0.1	-	0.2
Cash flow generated from operations	18.6	21.2	86.0
Income tax paid	(0.8)	(0.5)	(8.4)
Net cash flow generated from operating activities	17.8	20.7	77.6
Cash flow used in investing activities			
Purchase of property, plant and equipment	(0.2)	(0.2)	(1.3)
Purchase of intangible assets	(1.8)	(0.7)	(5.2)
Payment of deferred consideration	-	(0.5)	(2.7)
Proceeds from disposals of investments	-	-	0.1
Acquisition of subsidiaries, net of cash acquired	(1.9)	(65.1)	(81.5)
Net cash flow used in investing activities	(3.9)	(66.5)	(90.6)
Cash flow used in financing activities			
Proceeds from borrowings	-	23.0	185.5
Settlement of forward foreign exchange contracts	-	-	(25.5)
Repayment of bond financing	-	-	(128.6)
Repayment of revolving credit facility	-	-	(18.8)
Bank finance arrangement fees	-	-	(3.4)
Accrued interest on bond tap	-	0.3	0.4
Bond arrangement fees	-	(0.1)	(0.8)
Proceeds from issuance of ordinary shares (net)	-	58.5	58.6
Repurchase of ordinary shares	(4.0)	-	(0.4)
Payment of lease liability	(0.6)	(0.5)	(2.2)
Bank loan capital repayments	(0.1)	-	-
Interest paid	(2.8)	-	(7.8)
Net cash flow generated/(used in) from financing activities	(7.5)	81.2	57.0
Net increase in cash and cash equivalents	6.4	35.4	44.0
Cash and cash equivalents at beginning of the period/year	94.8	56.1	56.1
Exchange gains/(losses) on cash and cash equivalents	1.7	(0.9)	(5.3)
Cash and cash equivalents at end of the period/year	**102.9**	**90.6**	**94.8**

NOTES TO THE UNAUDITED FINANCIAL RESULTS

1. General information

CentralNic 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 three months ended 31 March 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. Change of functional currency

On 1 January 2022, CentralNic Group Plc, the parent company of the Group, changed its functional currency from EUR to USD. The change was made to reflect that, when taking into account the impact of derivative financial instruments, USD became the predominant currency in CentralNic Group Plc, accounting for a significant part of the parent company's foreign currency borrowings. The financial impact of the change is that the revaluation of the EUR-denominated debt (USD 20.2m reduction in borrowings) is processed through the profit and loss account rather than through other comprehensive income. The change in functional currency also has necessitated a review of the hedge accounting treatment of the forward foreign exchange contracts with HSBC Bank Plc and Global Reach Partners Limited. Following the change in functional currency, these forward foreign exchange contracts were no longer considered to be effective and the cumulative cash flow hedging reserve as at 31 December 2021 was recycled through the profit and loss account for the year ended 31 December 2022.

4. Segment analysis

CentralNic 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-based customer journeys that help online consumers make informed choices. The Online Presence segment conducts business as a global distributor of domain names through a network of channel partners as well as selling domain names and ancillary services to end users, monitoring services to protect brands online, technical and consultancy services to corporate clients, and licensing the Group's in-house developed registry management platform on a global basis.

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

	Unaudited Three months ended 31 March 2023 USD m	**Unaudited Three months ended 31 March 2022 USD m**	**Audited Year ended 31 December 2022 USD m**
Online Marketing			
Revenue	149.7	116.9	574.7
Cost of sales	(119.1)	(91.2)	(449.6)
Net revenue / gross profit	30.6	25.7	125.1
Online Presence			
Revenue	45.2	39.7	153.5
Cost of sales	(30.0)	(25.5)	(100.9)
Net revenue / gross profit	15.2	14.2	52.6
Total revenue	**194.9**	**156.6**	**728.2**
Total cost of sales	**(149.1)**	**(116.7)**	**(550.5)**
Net revenue / gross profit	**45.8**	**39.9**	**177.7**

5. Revenue

The Group's revenue is generated from the following geographical areas:

	Unaudited Three months ended 31 March 2023 USD m	Unaudited Three months ended 31 March 2022 USD m	Audited Year ended 31 December 2022 USD m
Online Marketing			
UK	1.2	0.7	2.9
North America	4.2	5.2	18.5
Europe	138.9	106.4	536.1
ROW	5.4	4.6	17.2
	149.7	**116.9**	**574.7**
Online Presence			
UK	1.1	1.0	4.1
North America	15.4	11.6	47.3
Europe	21.6	19.9	72.1
ROW	7.1	7.2	30.0
	45.2	**39.7**	**153.5**
Total revenue	**194.9**	**156.6**	**728.2**

* End customers may be located in different territories as notable parts of the business are conducted through channel partners. Looking through the channel partners, North America represents c.48% of group revenue (Q1 2022: 50%)

6. Non-core operating expenses

	Unaudited Three months ended 31 March 2023 USD m	Unaudited Three months ended 31 March 2022 USD m	Audited Year ended 31 December 2022 USD m
Acquisition related costs	0.3	0.6	3.5
Integration and streamlining costs	0.3	0.5	3.9
Other costs(1)	0.8	-	0.7
	1.4	**1.1**	**8.1**

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

7. Net finance costs

	Unaudited Three months ended 31 March 2023 USD m	Unaudited Three months ended 31 March 2022 USD m	Audited Year ended 31 December 2022 USD m
Impact of unwinding of discount on net present value of deferred consideration	0.5	-	1.0
Reappraisal of deferred consideration	-	-	(1.3)
Arrangement fees on borrowings	0.3	0.5	3.0
Interest expense on current borrowings	0.1	0.1	2.5
Interest expense on non-current borrowings	2.9	2.2	7.7
Interest expense on leases	0.1	-	0.2
(Gain)/loss arising on derivatives classified as fair value hedges	(0.5)	-	0.1
Foreign exchange loss on borrowings	-	-	5.6
Net finance costs	**3.4**	**2.8**	**18.8**

8. 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 Three months ended 31 March 2023 USD m	**Unaudited Three months ended 31 March 2022 USD m**	**Audited Year ended 31 December 022 USD m**
Profit/(loss) after tax attributable to owners	**2.9**	**4.0**	**(2.1)**
Operating profit	7.7	10.0	33.6
Depreciation of property, plant and equipment	0.8	0.6	3.0
Amortisation and impairment of intangible assets	9.0	6.1	36.4
Non-core operating expenses	1.4	1.1	8.1
Foreign exchange (gain) / loss	1.5	(1.0)	(0.8)
Share-based payment expenses	0.9	1.7	5.7
Adjusted EBITDA	21.3	18.5	86.0
Depreciation	(0.8)	(0.6)	(3.0)
Net finance costs (excluding deferred consideration amounts, foreign exchange loss on borrowings and write off of arrangement fees on borrowing – note 7)	(3.9)	(2.8)	(13.1)
Taxation	(1.4)	(3.2)	(16.9)
Adjusted earnings	**15.2**	**11.9**	**53.0**
Weighted average number of shares:			
Basic	274,295,612	264,765,349	265,623,278
Effect of dilutive potential ordinary shares	2,476,838	7,346,860	2,584,385
Diluted average number of shares	276,772,450	272,112,209	268,207,663
Earnings per share:			
Basic (cents)	1.06	1.53	(0.78)
Diluted (cents)	1.05	1.49	(0.78)
Adjusted earnings – Basic (cents)	5.54	4.51	20.01
Adjusted earnings – Diluted (cents)	5.49	4.39	19.81

Basic and diluted earnings per share of 1.06 and 1.05 cents (2022: 1.53 and 1.49 cents) have been impacted by depreciation, amortisation, impairment, non-core operating expenses, foreign exchange gains and losses and share-based payment expenses.

9. Financial instruments

The CentralNic 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 three-month periods ended 31 March 2023, 31 March 2022 and for the year ended 31 December 2022 was as follows:

	Unaudited Three months to 31 March 2023 USD m	**Unaudited Three months to 31 March 2022 USD m**	**Audited Year ended 31 December 2022 USD m**
Cash conversion			
Cash flow from operations	18.6	21.2	86.0
Exceptional costs incurred and paid during the year	1.4	1.5	7.8
Settlement of one-off working capital items from the prior year	0.1	1.0	1.2
Adjusted cash flow from operations	**20.1**	**23.7**	**95.0**
Adjusted EBITDA	21.3	18.5	86.0
Conversion %	94%	128%	110%

9. Financial instruments (continued)

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

	Bank debt	Cash	Financial instruments	Net debt
	USD m	USD m	USD m	USD m
At 31 December 2022	**(151.2)**	**94.8**	**(0.2)**	**(56.6)**
Capital repayments	0.1	(0.1)	-	-
Amortisation of prepaid finance costs	(0.3)	-	-	(0.3)
Mark-to-market revaluation	-	-	(0.6)	(0.6)
Other cash movements	-	6.5	-	6.5
Foreign exchange differences	-	1.7	-	1.7
At 31 March 2023	**(151.4)**	**102.9**	**(0.8)**	**(49.3)**

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.

10. Business combinations

Deferred consideration payments

Deferred consideration payments are payable for VGL and Aporia acquisitions in Q2 2023. At the date of this report, these payments are estimated at EUR 13.7m (USD 15.0m) for VGL and USD 2.0m for Aporia.

11. Events occurring after the quarter end

Detailed below are the significant events that happened after the Group's quarter end date of 31 March 2023 and before the signing of these Unaudited Financial Results on 15 May 2023.

- Final dividend of 1.0p payable on 16 June 2023 after approval at the AGM, reflecting a renewed capital allocation policy geared towards greater returns to shareholders greater emphasis on returns to shareholders from now onwards
- Partnership agreement with Microsoft Bing, deepening and diversifying the demand pool in our important TONIC business
- First international expansion of our vergleich.org product review business with meilleurs.fr dedicated to France, the second largest market for our key e-commerce partner Amazon within the EU
- On 8 May 2023, the first deferred consideration payment for the acquisition of VGL was settled in cash for EUR 12.4m (USD 13.6m) as a result of the above expectation performance in 2022
- Appointment of Marie Holive as independent Non-Executive Director, Chair of the Audit Committee and a member of the Remuneration Committee, succeeding Thomas Rickert who vacated his office after more than nine years' service.