

26 October 2017

Vitesse Media plc
("Vitesse", the "Company" or the "Group")

Unaudited interim results

Business restructured; well positioned for growth

Vitesse Media plc (AIM: VIS), the AIM-quoted digital media and events business, announces its unaudited interim results for the six months ended 30 September 2017.

Financial highlights

- Placing raised funds of £2.15m, used to fully repay all debts and loans, and starting to invest in the business - as a result, balance sheet significantly strengthened and invoice discounting facility discontinued post-period end
- Total revenues of £1.01m (H1 FY16: 1.1m)¹
- Loss of £213k (H1 FY16: profit £3k)¹

¹ The H1 2016 comparative reporting period is for 6 months ended 31 July 2016 and therefore does not give a like-for-like representation due to the change in the Company's financial year end to 31 March

Operational highlights

- Simon Stilwell appointed as Chief Executive Officer
- Group restructured into four core divisions: Technology, Diversity, Investment and SME
- Three new events launched in the period: Data Summit, Women in Finance Awards and Tech Leaders Awards
- Small Business Grants initiative launched in September 2017
- Attendance at 2017's Investor Allstars event and Data 50 Awards increased by 8% and 49% respectively, compared to the 2016 events
- Website traffic increased by 63%, compared to 2016

Post-period highlights

- First Women in IT Awards USA event scheduled to take place in March 2018
- Recruitment of key skills underway to bolster current skillset
- Appointment of Ed Riddell as Finance Director, separately announced today

Simon Stilwell, Chief Executive of Vitesse Media, said:

"The period under review has been one of exciting change for Vitesse, with new management appointments and an oversubscribed capital raise to provide funds for growth and investment in a new growth strategy.

"Our vision is to build a group with a simple purpose: to create and deliver high quality content to our active communities, and in so doing enable a better and healthier business environment. We have the foundations in place to achieve this and our new group structure will enable us to better serve our clients and more efficiently use our media networks.

"We are continuing to focus on building scale, quality and attendance at our existing events while developing new events for the future. We continue to actively assess acquisition opportunities for our four divisions of Technology, Diversity, Investment and SME."

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About Vitesse Media plc

Vitesse Media plc is an AIM-quoted leading B2B media business specialising in events, digital activities, data and research across four key sectors: Technology, Investment, Diversity and SME. Vitesse's ambition is to create content that informs, communities that engage and brands that inspire in order to enable a better business environment for our sponsors and clients.

Vitesse's flagship titles include SmallBusiness.co.uk, Growth Company Investor, Information Age, GrowthBusiness.co.uk and What Investment. Vitesse Media is also responsible for a growing portfolio of high-profile events, including The Quoted Company Awards, Women in IT Awards, British Small Business Awards and Data 50 Awards, amongst others.

For more information visit www.vitessemedia.com

Chairman's statement

Vitesse has had a difficult history, faced a variety of challenges and operated within severe financial constraints. These results mark a step change in both the financial health and direction of the Company, which is encouraging to see.

In August, we appointed Simon Stilwell as Chief Executive who has already implemented a remarkable amount of change since he joined. Under Simon's leadership, Vitesse has a robust strategy and a clear vision and purpose; to create and deliver high quality content to our active communities, and in so doing enable a better and healthier business environment.

In September, we completed a placing of new shares to raise £2.15m to provide the funds to pursue that strategy and vision at pace. The placing proceeds have put the Company on a much stronger financial footing and now that all debts and loans have been repaid and invoice discounting facilities have been discontinued, we still have net cash of approximately £1.9m to support our plans. With a significantly strengthened balance sheet, we are able to invest in our organic growth initiatives and, importantly, are also in a position to acquire complementary businesses.

As we continue to reshape our business in order to more resolutely pursue growth, it is necessary to make some one-off changes which as a result will incur additional costs immediately. However, we are confident that they will pay dividends in future. As an example, the Board has decided it prudent to begin moving away from the declining Display Advertising market towards more long-term visible revenue streams that better utilise our content creation and strong industry insight. We have also decided to build our team by making a number of key hires, ultimately ensuring we are able to capitalise fully on the numerous opportunities we have identified.

I am particularly pleased to have seen the launch of the Small Business Grants initiative in the period as well as the successful first Women in Finance Awards. Our leading position on gender diversity has been strengthened by the launch of Women in IT Awards USA, which is due to take place in March 2018. Events in the period are showing the benefits of long term engagement with sponsors and we are looking to forge long term relationships with key partners in all areas. There are other exciting developments ahead with the launch of at least six new events in the coming twelve months which will comprise events in the Technology, Diversity and SME areas.

I am delighted to announce separately today the appointment of Ed Riddell as Finance Director. Ed has been with the Company for twelve months and been instrumental in assisting to improve the financial position of the business. Niki Dowdall has continued as Executive Director with special responsibility for Events, helping to boost growth in this area significantly over the period.

I would like to take this opportunity to thank our team and shareholders for their ongoing support and look forward to delivering on the opportunities available to the Group.

David Smith
Non-Executive Chairman

Chief Executive's Statement

Review of the period

I joined Vitesse on 11 August 2017. From the outside, I saw a business that had some great brands but had suffered from a combination of too much debt, a constrained financial position and some unfortunate circumstances with the sudden illness of the previous Chairman, as evidenced by the results reported for the period. In spite of this, the Group had continued to grow and deliver high-quality content and events as well as helping to highlight several key issues, not least around the gender imbalance in the workplace.

Since August, we have acted swiftly to address our issues, first by completing a placing of new shares to raise £2.15m in September which has allowed us to repay our debts and loans and discontinue the invoice discounting facility, significantly strengthening our balance sheet and net cash position. These funds enable us to pursue our strategy and vision and we have immediately begun to invest in key areas of the business, notably data management, SEO and social media.

Growth strategy

We have reshaped the business into four clear business sectors with defined leadership, namely Technology, Diversity, Investment and SME. Each of these areas has a range of events and media assets as well as other revenue generating areas. As experts in their particular areas, the teams are well positioned to grow and develop their sectors, supported by a central resource of event knowledge, editorial and financial support. Our ambition is to develop all of these areas by creating content that informs, communities that engage and, in Diversity in particular, a brand that inspires. Over time we will grow these communities, share best practice across our sectors and continually improve our understanding of how to effectively access our audiences.

We have seen good growth in event attendees, and website traffic increased by 63% compared to 2016. This indicates that we are on the right track, and with an enhanced offering of key skills and a better understanding of our clients' needs, we expect to see continued uplift. Key sponsors are looking for better engagement with attendees and the fact that we have control of our own media outlets allows us to maximise profile alongside our internally generated high-quality content.

The Group continues to assess acquisition opportunities to complement our growth strategy. We are already assessing some exciting opportunities that we hope will meet our criteria. Areas of interest to us have the following characteristics: a widely distributed community that needs content to remain informed and/or compliant, a need for networking to develop business and communicate, and conferences or awards events to get together and celebrate success.

Business Model

Vitesse creates content that informs, communities that engage, and brands that inspire. Our combination of events and media assets mean that we can deliver a high-quality, joined-up offering for our clients. We are a key B2B media partner which can not only help businesses engage at the right level and with the right audience, but maintain that engagement over a longer time frame. It is our belief that the life cycle of an event has lengthened and this gives our sponsors and clients greater exposure to the market and people they are seeking to address. We can control that access with our websites, publications and communities. It is likely that many of our new launches will be more focused on Networking events and conferences to run alongside our awards programme as we believe there are interesting opportunities in this area.

The other area which has been underdeveloped in Vitesse in the last few years has been data. The Company collects an enormous amount of data on a daily basis and collectively has a deep knowledge of the communities it addresses. I believe that there is a good source of future revenue in our data business in the form of data analytics, data bases and potential directories. It is currently a reasonably untapped store of value and we will need to invest in people in this area to obtain best value over time.

We have restructured the business into four areas as follows:

Technology:

Assets we have in this area include *Information Age* and two events, Tech Leaders Summit and the Data 50 Awards.

The Tech Leaders Summit, historically a daytime-only event, has been successfully extended to also encompass an evening awards ceremony. Similarly, the Data 50 Awards now offers a day conference in addition to the evening awards ceremony. There is no doubt that the opportunity for senior technology figures to meet together remains popular and we will continue to develop these formats. We have developed the first of a series of sector-based technology events which will be in the second half of the next financial year.

Diversity:

Our Diversity assets include the Women in IT Awards, now in its fourth year and attracting over 1,000 guests, as well as the Women in Finance Awards, which was launched in June 2017 again to address a lack of diversity in a specific community.

We believe this issue is not just related to these two industries and our growth plan is twofold; to take these events internationally, but also to look at other sectors and other diversity issues outside of gender, including Disability and LGBTQ. We have already launched Women in IT USA, due to be held in March 2018. There has been a great deal of recent press coverage on gender diversity in financial services and, in general, diversity in the workplace is a key boardroom issue and we will seek to develop activities to help companies address this vital issue. In addition, to assist in addressing another important issue, the imbalance of women in science, technology, engineering and mathematics (STEM) careers, we are launching two female only events: the Tomorrow's Tech Leaders Today careers fair in January 2018 and the Future Stars of Tech in April 2018.

Investment:

Our Investment assets include *What Investment* and *Growth Company Investor*, two subscription-based publications. The Quoted Company Awards continues to do well, focusing on the people behind the businesses in the quoted company arena.

Both *What Investment* and *Growth Company Investor* have lacked investment over the last two years and we will be reinvigorating both products to provide a fuller offering to the loyal subscription base.

SME:

Our SME assets include www.smallbusiness.co.uk and www.growthbusiness.co.uk, which continue to grow. Page views in the period have grown 47% to just over 2m and 73% to just under half a million

respectively in the period. They are instrumental in promoting our activities in this area, including the British Small Business Awards, where attendees for this year's event are up nearly 40% on 2016.

British Small Business will always be a key part of the economy and we will be holding more activities to help small businesses both at a national and a regional level. Our recent launch of the Small Business Grants initiative is an example of how we can help build a stronger community of small businesses.

Central support:

Our central support for these areas involves event expertise, editorial support, financial planning and data management. More efficient structuring of our data on an ongoing basis will enable us to make more informed decisions on the direction of these sectors and help us achieve cross-sector benefits. In response to GDPR, we are currently working to ensure that we are compliant in all areas. Over the coming years, we believe data will play an enormous part in our industry and, therefore the investment we make in this area will be of benefit to the Group as a whole, both in shaping its strategic direction as well as being a revenue centre itself.

Outlook

After some years of instability and financial strain, Vitesse is in a much stronger position. It has a more robust balance sheet which has enabled it to launch new events and rapidly develop its leadership in specific sectors, as well further develop its existing brands.

We have an ambitious but well-structured organic plan that will see the launch of six new events per year, up to the year ending 31 March 2020. This will see us take our Diversity series overseas and continue to expand our reach in Technology. We believe our combination of content and events is of value to companies looking to reach their target audiences and also to showcase their own abilities.

A key step is for Vitesse is to move back into profit. Whilst we have a strong second half weighting to our numbers due to the timings of our larger events, we have good visibility on these events which are running ahead of budget. At this stage, we believe the change in mix in our media sales to a more visible revenue stream, plus the necessary investment in key staff should allow a return to profitability in the current financial year, albeit at a low level. We expect to see a more significant return to profitability in the financial year ending 31 March 2019.

We are confident that the new strategy, underpinned by investment into the robust core business, positions the Group well. We look forward to driving the business forward over the coming years and delivering returns for our shareholders.

Simon Stilwell
Chief Executive

Financial Review

Group results

Group revenue decreased by 5.7% to £1,009k (H1 FY16: 1,070k), with an increase in Events revenue of 47.2% to £633k (H1 FY16: £430k) offsetting a 41% decline in Media revenue to £375k (H1 FY16: £639k).

The decline in Media revenue was due to a combination of difficult market conditions for Display Advertising and a predominantly new sales team starting during the last half year. As stated in the Chairman's statement, the Board has decided it prudent to begin moving away from the declining Display Advertising market towards more long-term visible revenue streams that better utilise our content creation and strong industry insight.

The increase in Events revenue was due to the launch of several new events, as well as the development of our larger existing events, which were primarily grown through an increase in marketing, and by capitalising on Vitesse's reputation for delivering high-quality events.

The Company reported a loss for the period of £213k (H1 FY16: profit £3k)

Consolidated statement of comprehensive position

| | 6 month period ended 30 September 2017 (unaudited) £'000 | 6 month period ended 30 September 2016 (unaudited) £'000 | 14 month period ended 31 March 2017 (audited) £'000 |
|---|---|---|--|
| Revenue | 1,009 | 1,070 | 2,671 |
| Cost of Sales | (403) | (308) | (962) |
| Gross Profit | 606 | 762 | 1,709 |
| Administrative expenses | (818) | (754) | (1,898) |
| Operating Profit/(Loss) | (212) | 8 | (189) |
| Finance Costs | (1) | (5) | (17) |
| Profit /(Loss) before Tax | (213) | 3 | (206) |
| Income Tax expense | - | - | - |
| Profit/(Loss) For Period | (213) | 3 | (206) |
| Profit/(Loss) Per Share Attributable | (0.32p) | 0.01p | (0.32p) |

Consolidated Position of Financial Position

| | 30 September 2017 (unaudited) £'000 | 30 September 2016 (unaudited) £'000 | 31 March 2017 (audited) £'000 |
|--|---|---|-------------------------------------|
| NON-CURRENT ASSETS | | | |
| Goodwill | 729 | 729 | 729 |
| Other intangible assets | 1,352 | 1,399 | 1,359 |
| Property Plant and Equipment | 8 | 10 | 7 |
| | <u>2,089</u> | <u>2,138</u> | <u>2,095</u> |
| CURRENT ASSETS | | | |
| Inventories | - | 16 | - |
| Trade & Other Receivables | 319 | 603 | 382 |
| Cash and Cash Equivalents | 2,105 | 128 | 116 |
| | <u>2,424</u> | <u>747</u> | <u>498</u> |
| TOTAL ASSETS | <u>4,513</u> | <u>2,885</u> | <u>2,593</u> |
| EQUITY | | | |
| Share Capital | 4,025 | 2,950 | 2,950 |
| Share Premium | 4,444 | 3,369 | 3,369 |
| Share Option Reserve | 118 | 118 | 118 |
| Other Reserves | 5 | 104 | 104 |
| Retained Earnings | (5,285) | (4,886) | (5,072) |
| TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF PARENT | <u>3,307</u> | <u>1,655</u> | <u>1,469</u> |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 1,151 | 1,002 | 976 |
| Borrowings | 55 | 228 | 148 |
| TOTAL LIABILITIES | <u>1,206</u> | <u>1,230</u> | <u>1,124</u> |
| TOTAL EQUITY AND CURRENT LIABILITIES | <u>4,513</u> | <u>2,885</u> | <u>2,593</u> |

Consolidated statement of changes in equity

| | Share Capital £'000 | Share Premium £'000 | Share-based payment reserve £'000 | Other Reserves £'000 | Retained Earnings £'000 | Total £'000 |
|--|---------------------------|---------------------------|--|----------------------------|-------------------------------|----------------|
| Balance at 31st March 2016 | 2,950 | 3,369 | 118 | 104 | (5,278) | 1,263 |
| Total comprehensive loss for the period | | | | | 3 | 3 |
| Balance at 30th September 2016 | 2,950 | 3,369 | 118 | 104 | (5,281) | 1,469 |
| Total comprehensive loss for the period | | | | | (209) | (209) |
| Balance as at 31st March 2017 | 2,950 | 3,369 | 118 | 104 | (5,072) | 1,469 |
| Total comprehensive loss for the period | | | | | (213) | (213) |
| Issue of Share capital | 1,075 | 1,075 | | (99) | | 2,051 |
| Balance as at 30th September 2017 | 4,025 | 4,444 | 118 | 5 | (5,285) | 3,307 |

Consolidated statement of cashflows

| | 6 month period ended 30 September 2017 (unaudited) £'000 | 6 month period ended 30 September 2016 (unaudited) £'000 | 14 month period ended March 2017 (audited) £'000 |
|---|--|--|---|
| Cash Flows from Operating Activities | | | |
| Profit/(Loss) before taxation | (213) | 3 | (206) |
| Adjustments | | | |
| Finance Costs | 1 | 5 | 17 |
| Amortisation and Impairments | 13 | (7) | 101 |
| Depreciation of Property, Plant and Equipment | 4 | 3 | 4 |
| Share Based Payment Charge | 1 | 1 | - |
| Operating Cash Flows before movements in working capital | (194) | 5 | (84) |
| Decrease/(increase) in inventories | - | - | 15 |
| (Increase)/decrease in receivables | 63 | (214) | 28 |
| Increase/(decrease) in payables | 174 | 201 | 252 |
| Cashflows from Operations | 43 | (8) | 211 |
| Interest Paid | (1) | (8) | (17) |
| NET CASH USED IN OPERATING ACTIVITIES | 42 | (16) | 194 |
| INVESTING ACTIVITIES | | | |
| Purchase of property, plant and equipment | (5) | (2) | (10) |
| Purchase of intangible assets | (6) | (30) | (89) |
| NET CASH USED IN INVESTING ACTIVITIES | (11) | (32) | (99) |
| FINANCING ACTIVITIES | | | |
| Proceeds of Issue of ordinary shares | 2,051 | - | 250 |

| | | | |
|---|--------------|------------|-------------|
| Repayment of invoice discounting and other borrowings | (93) | 107 | (279) |
| NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES | 1,958 | 107 | (29) |
| Net Increase in Cash and Cash equivalents | 1,989 | 59 | 66 |
| Cash at beginning of period | 116 | 69 | 50 |
| CASH AND CASH EQUIVALENTS AT END OF PERIOD | 2,105 | 128 | 116 |

Notes to the Interim Results

1. Basis of preparation

These unaudited condensed consolidated interim financial statements are for the six months ended 30 September 2017. They have been prepared in accordance with recognition and measurement principles of International Financial Reporting Standards (IFRS) as adopted by the European Union. This report should be read in conjunction with the annual financial statements for the year ended 31 March 2017, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and International Financial Reporting Interpretations Committee ('IFRIC') Interpretations and the Companies Act 2006, as applicable to companies reporting under IFRS.

The financial information in this interim announcement does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. The unaudited interim financial statements were approved by the Board on 25 October 2017.

The comparative financial information for the 14 month period ended 31 March 2017 does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. The statutory accounts of Vitesse Media plc for the 14 month period ended 31 March 2017 have been reported on by the Company's auditor, RSM UK Audit LLP, and have been delivered to the Registrar of Companies.

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the 14 month period ended 31 March 2017.

These financial statements have been prepared under the historical cost convention.

The financial information for the six months ended 30 September 2017 is unaudited.

Nature of operations and general information

Vitesse Media plc is a leading B2B media business specialising in events, digital activities, data and research for the technology, SME business and high-net-worth investment industries.

Vitesse Media plc is the Group's ultimate parent company. It is incorporated and domiciled in England. The address of Vitesse Media plc's registered office is 5th Floor, 6 St. Andrew Street, London, EC4A 3AE. Vitesse Media plc's shares are admitted to trading on the AIM Market of the London Stock Exchange.

Vitesse Media plc's consolidated interim financial statements are presented in Pounds Sterling (£), which is also the functional currency of the parent company.

2. Segmental Information

For the 6 month period ended 30th September 2017

| | Diversity £'000 | Investment £'000 | SME £'000 | Technology £'000 | Total £'000 |
|--|--------------------|---------------------|--------------|---------------------|----------------|
| Revenue | 148 | 153 | 391 | 317 | 1,009 |
| Cost of Sales | (67) | (53) | (183) | (100) | (403) |
| Gross Profit | 81 | 100 | 208 | 217 | 606 |
| Administrative expenses | (145) | (187) | (257) | (211) | (800) |
| Contribution (EBITDA) | (64) | (87) | (49) | 6 | (194) |
| Reconciliation of segment result to profit before tax | | | | | |
| Depreciation and amortisation | | | | | (17) |
| Share Option Charge | | | | | (1) |
| Finance Costs & Similar Charges | | | | | (1) |
| Profit/(Loss) Before Tax | | | | | (213) |

For the 6 month period ended 30th September 2016

Segmental Information

| | Diversity £'000 | Investment £'000 | SME £'000 | Technology £'000 | Total £'000 |
|----------------|--------------------|---------------------|--------------|---------------------|----------------|
| Revenue | | 181 | 528 | 361 | 1,070 |
| Cost of Sales | - | (67) | (157) | (84) | (308) |

| | | | | | |
|--|--------------|-------------|------------|------------|------------|
| Gross Profit | - | 114 | 371 | 277 | 762 |
| Administrative expenses | (101) | (198) | (259) | (196) | (754) |
| Contribution (EBITDA) | (101) | (84) | 112 | 81 | 8 |
| Reconciliation of segment result to profit before tax | | | | | |
| Depreciation and amortisation | | | | | 4 |
| Share Option Charge | | | | | (1) |
| Finance Costs & Similar Charges | | | | | (8) |
| Profit/(Loss) Before Tax | | | | | 3 |

3. Earnings Per Share

| | 6 month period ended 30 September 2017 (unaudited) | 6 month period ended 30 September 2016 (unaudited) | 14 month period ended 31 March 2017 (audited) |
|---|---|---|--|
| Profit/(Loss) attributable (£) | (213,400) | 3,282 | (205,560) |
| Weighted average number of shares in issue | 66,323,927 | 64,561,632 | 64,037,523 |
| Earnings/(Loss) Per Share | (0.32p) | 0.01p | (0.32p) |

4. Dividends

No dividend is proposed for the 6 months ended 30 September 2017.

5. Availability

Copies of this announcement are available from the Company's website www.vitessemedia.com