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NS Half-year/Interim Report

INTERIM RESULTS

4GLOBAL PLC

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21 December 2022

4GLOBAL PLC

("4GLOBAL", "Group" or the "Company")

Interim Results

4GLOBAL, a UK-based data, services and software company focused on major sporting events and measurement of physical activity, is pleased to announce its unaudited interim results for the period ended 30 September 2022.

The six months to 30 September 2022 have been a period of investment and growth through new business wins, laying the foundation for future international growth and strengthening the PLC systems and processes.

As expected, Group revenue generation profile is significantly weighted to the second half of the year, which has been in previous years. As we enter the final quarter of the financial year, management has set out its full year market expectations.

Financial highlights for the period

- Revenue for the six months was £1.4m (2021: £1.3m) an increase of 10%.
- Adjusted loss £0.8m (2021 profit: £0.2m prior to Company being listed on AIM, reflecting a significantly different cost base).
- Robust balance sheet with cash balances of £2.1m (2021: £1.4m).

Post period financial highlights

- Revenue at the end of November 2022 stands at £3m (unaudited).
- In addition to the £1.4m revenue in period, a further £3m has already been booked to be delivered in this FY, which consists of significantly higher margin contracts than in the first half.
- Sales pipeline of £30m of which £7.3m (£6.1m at proposal stage) would fall in the second half of the financial year.

Key new business wins and partnerships - year to date:

- Total contracted work to be delivered this and subsequent years stands at £9.1m
- Multi-year agreement for an initial project amount of £4.0m in the Middle East with M
- Major sporting event in the Middle East with initial project amount of £200k
- Peru reconstruction programme contract extension for an initial amount of £360k
- Sport England moving communities increase scoped for a value of £100k
- UK Active project for a value of £90k
- England Netball insight modules and datahub for a value of £70k.
- Other technology contracts for value in excess of £500k
- Key partnerships agreements with:
 1. Jonas - a leading global data software company focused on the Leisure sector of the UK, part of Constellation Group PLC
 2. MACE - a leading global Construction company
 3. Al Jassra Group - an international conglomerate with revenues exceeding £1bn globally
 4. Fitness Industry Council of Canada ("FICC") and USA National Fitness Association ("IHRSA")
 5. TechnoGym - a global Fitness equipment and data company
 6. Les Mills - a leading activity provider

Operational highlights

- During the period, the Group has successfully laid the foundations through client and partner agreements to launch the DataHub product in the North American and European markets in the first half of next year.
- The North American launch next year will be underpinned by:

1. Partnership with Jonas, a current UK DataHub partner. Jonas (a Constellation company) will provide access to activity data from 16,000 gyms across the US/Canada will act as a sales channel for revenue generation.
 2. Partnership with FICC and IHRSA - its equivalent in the USA. These organisations the Group with a pipeline of end user clients, access to physical activity data and endorsement.
- The European Data hub launched in the first half of next year through a partners Europe Active, the trade body for gyms and activity facilities across key E markets. The Group is currently tracking over 3,500 facilities and 11 million individuals from 14 European countries.
 - The Company hired Kerstin Obenauer as Chief Customer Officer. Kerstin will lead a sales capability for the Group. Kerstin brings with her a wealth of experience and cred well as an extensive network in the international sports data market.
 - During this period, the Group has successfully worked with the England Football Association to deliver and maximise the benefits from the Women Euros tournament and it is providing significant operational support to another major football tournament in the East.
 - To underpin its future growth in new international markets, the Group has implemented Salesforce as group wide CRM system, providing a more granular visibility on the pipeline and margin management.
 - Further investment has been made into the DataHub product to support the international expansion and the number of data integrations has grown from circa 50 at IPO to more to date.

Eloy Mazon, Chief Executive Officer of 4GLOBAL, commented:

"Recent trading has been strong which provides the management with confidence of achieving growth. This year the Group has put in place the key building blocks for accelerating growth has a current booked revenue of £4.4m (£1.4m delivered in H1 and £3m to be delivered margin contracts to be delivered in the second six months of the financial year. In addition actively pursuing £30m of new opportunities some of which will fall into this financial year.

"Our multimillion-dollar client wins with MACE in the Middle East, Technogym, Al partnerships with leading sport/physical activity data partners such as Jonas, IHRSA and provide us with confidence and excitement about the continued international expansion business."

For further information contact

4GLOBAL plc

Eloy Mazon (CEO)

c/o IFC Advisory

Spark Advisory Partners - Nominated Adviser

Neil Baldwin

0203 368 3554

Oberon Capital - Broker

0203 179 5300

Michael Seabrook / Adam Pollock / Chris Crawford

IFC Advisory

0203 934 6630

Graham Herring / Zach Cohen

A copy of the interim accounts is available from the Company's website www.4global.com.

Company registration number: 13523846

CHIEF EXECUTIVE'S STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2022

The six months to 30 September 2022 was a period of investment for the Group as it delivered revenue to £1.4m (30 September 2021: £1.3m) and it has accelerated its investment in which is reflected in the Group's total contracted work to date of £8.9m - of which £4.4m will be delivered this financial year - together with a total opportunity pipeline of £30m.

The £3m of booked revenue, to be delivered in the second six months of the financial year, contracts which will have a significant impact on the EBITDA line. The Group has also secured multi-year agreements, which enhances visibility over future revenues.

As expected, Group revenue generation profile is weighted to the second half of the year across periods. The Group invested significantly in the first half of the financial year, in comparison to the period ended 30 September 2021, prior to its listing, as it transitioned to being a public company to build business capabilities and key talent to support its international expansion.

This investment, which is showing a return in the order book, pipeline and international expansion, the Group has produced an adjusted loss from operations of £0.8m (30 September 2021: £0.5m). Management anticipates recovering in the second half of the year.

¹ The cost figure for 30 September 2021 is prior to the company being listed and therefore the cost base is significantly lower.

Management remains focused on delivering the market expectations' growth for the full year through the core foundations of the DataHub product, international expansion, and in upgrading business key talent. Key progress milestones have been met in each area.

The Group is developing strategic partnerships which provide a cost-effective entrance into the full recurring data software and services model that the Company currently operates in the market. The partnerships also provide a channel to clients as well as a vehicle to accelerate data acquisition of the core asset; the DataHub. At present, the Group is focus on three core markets: North America, Europe and the Middle East.

During the period, 4GLOBAL has accelerated its planned expansion into North America through client and partner agreements to launch its products and services in the market in the USA. The North American expansion is underpinned by three core partnerships:

1. Jonas - the Group has a long standing successfully commercial relationship with Jonas Constellation Group PLC - in the UK. This relationship has now been extended to the American market where Jonas is the leading solutions provider to the fitness, leisure and sports sector with over 16,000 sport facilities in their books. These partnerships will allow the Group to significantly accelerate the deployment of its data and software products/solutions in the market to generate revenues and it will add significant amount of data to the DataHub, increasing the value of this core asset to the business.
2. FICC - the relationship between the Group and FICC has gone from strength to strength and culminated with the launch of the Social Value Calculator product in the market early in the year. FICC represents over 6,000 facilities and 6 million members nationwide, this relationship is key to the Group to have direct access to the market, data and the endorsement from FICC.
3. IHRSA - the Group was delighted to sign a partnership agreement with IRSHA that will provide similar benefits to the relationship with FICC in the USA market which is key to the Group's growth, and it will accelerate the Group's ability to grow the amount of data in the DataHub from this market.

Expansion in the European market continues to progress. The European DataHub was launched in partnership with EuropeActive and it is already tracking over 3,500 facilities and 11 million members across the EU. This has allowed the Group to start marketing and selling its products at the same time that it continues to grow the DataHub and therefore its ability to service more clients and further strengthen its position in the market.

In the Middle East, the Group has developed key relationships with Al Jassra Group - a conglomerate with revenues exceeding £1bn globally - and MACE Group - global infrastructure with revenues in excess of £400m. These partnerships have already generated contracts since 30 September 2022 in the region as well as they have generated potential multi-million pound opportunities active for 4GLOBAL.

Since IPO in December 2021, the Group has strengthened the delivery and senior leadership by hiring Kerstin Obenauer as Chief Customer Officer. Kerstin was previously UK customer success manager at technology supplier, eGYM, based in Munich, and has over 20 years' experience in the fitness industry.

Kerstin brings with her a wealth of experience and credibility as well as an extensive network of contacts. She has led the implementation of a new CRM system and customer centric infrastructure, resulting in wins in the year to date with MACE in the Middle East, Qatar and Technogym totalling more than £10m.

During the six months ended 30 September 2022, the Group has invested in the development of new products and new product lines to allow the Company to maximise its presence in the short and medium term markets in which it currently operates. Since the IPO the Group has increased its number of facilities from 50 to more than 75 allowing this way more data to flow into the DataHub and therefore increasing the number of customers as well as allowing the Group to operate in new geographies.

The Group continually reviews its products and develop enhancements that increase its target markets.

The Group has a robust balance sheet with cash and cash equivalents of £2.1m, £4.4m of current financial year and a strong sales pipeline for the current year of £7.3m (full pipeline). Management has laid strong foundations to sustain fast growth of its business.

Board Change

After assisting the Group through its IPO, Roger Taylor decided to resign from the Board brought insight and advice to the Board who would like to thank him for his contribution.

Outlook

Recent trading has been strong which provides the management with confidence of achieving growth. This year the Group has put in place the key building blocks for driving significant business. It has a current order book of £4.4m (£1.4m delivered in H1 and £3m to be delivered high margin contracts to be delivered in the second six months of the financial year. In addition, we are actively pursuing £30m of new opportunities some of which will fall into this financial year.

As a result, the Board is confident about the prospects of the Group and views the future with optimism.

Eloy Mazon

Chief Executive

20 December 2022

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	Note	Six months ended 30 September 2022 (unaudited) £	Six months ended 30 September 2021 (unaudited) £
Revenue		1,389,429	1,262,031
Cost of sales		<u>(704,510)</u>	<u>(354,154)</u>
Gross profit		684,919	907,877
Administrative expenses		(1,474,743)	(805,588)

Other operating income	14,000	64
<hr/>		
Analysed as follows:		
Adjusted (loss)/profit from operations	(775,824)	204,36
Depreciation	(181,462)	(70,953
Share based payment expense	(208,620)	(30,470
Exceptional items	(54,000)	
<hr/>		
Operating profit/(loss)	(1,219,906)	102,93
Finance income	1,439	5
Finance cost	(17,736)	(11,947
<hr/>		
Profit/(loss) before tax	(1,236,186)	91,04
Tax credit	103,314	34,19
<hr/>		
Profit for the period	(1,132,872)	125,23
Other comprehensive income		
Exchange differences on translation of foreign operations	333	(796
<hr/>		
Other comprehensive income for the period	333	(796
<hr/>		
Total comprehensive income for the period	(1,132,439)	124,44
<hr/>		
Total comprehensive income attributable to the equity holders of the company	(1,132,539)	124,44
<hr/>		
Basic profit - pence per share	(4.3)p	0.57
<hr/>		
Diluted profit - pence per share	(4.3)p	0.57
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The notes form part of these Condensed Consolidated Financial Statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2022

As at	Note	30 September 2022 (unaudited) £	30 September 2021 (unaudited) £
Non-current assets			
Intangible assets		197,107	-
Property, plant and equipment		218,301	221,317
Total non-current assets		415,408	221,317
Current assets			
Trade and other receivables		1,084,891	1,316,297
Cash and cash equivalents		2,118,665	1,417,840
		3,203,557	2,734,137
Total assets		3,618,965	2,955,454
Equity and Liabilities			
Equity			
Share capital		263,451	1,097
Share redemption reserve		-	105
Share premium		3,390,330	894,491
Merger reserve		676,310	-
Share option reserve		347,701	62,243
Share warrant reserve		188,266	
Currency translation reserve		(31,990)	(22,060)
Retained earnings		(2,254,197)	638,898
Total equity		2,579,871	1,574,774
Non-current liabilities			
Borrowings		133,703	254,372
Lease liability		-	140,773
		133,703	395,145
Current liabilities			
Borrowings		50,130	50,009
Trade and other payables		676,515	861,150
Lease liability		178,746	74,376
Total current liabilities		905,391	985,535
Total liabilities		1,039,094	1,380,680
Total equity and liabilities		3,618,965	2,955,454

The notes form part of these Condensed Consolidated Financial Statements.

The Condensed Consolidated Financial Statements were approved and authorised for Directors on 20 December 2022.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	Six months to 30 September 2022 (unaudited) £	Six months to 30 September 2022 (unaudited) :
Cash flows from operating activities		
Profit/(loss) before income tax for period	(1,236,086)	91,04
<i>Adjustments to reconcile loss before tax to net cash flows:</i>		
Depreciation of tangible assets	181,462	71,05
Loss on disposal of fixed assets	-	
Other income	-	(647)
Finance income	(1,439)	(51)
Finance cost	17,736	11,94
Equity-settled share-based expense/warrants	208,620	30,47
(Increase)/decrease in trade and other receivables	520,729	(545,947)
Increase/(decrease) in trade and other payables	(223,168)	192,28
Tax received	103,708	
	<hr/>	<hr/>
Net cash flows - operating activities	(428,438)	(149,848)
	<hr/>	<hr/>
Cash flows from investing activities		
Purchase of intangible assets	(197,107)	(7,306)
Purchase of Tangible assets	(18,905)	
Interest received	1,439	5
	<hr/>	<hr/>
Net cash - investing activities	(214,573)	(7,255)
	<hr/>	<hr/>
Cash flows from financing activities		

Issue of share capital	-	1,161,971
Share issuance costs	-	(268,625)
(Repayments of)/proceeds from borrowings	(101,113)	(16,666)
Lease liability principal payment	(175,065)	(66,527)
Interest elements of lease payments	(5,235)	(4,873)
Interest paid	(8,192)	(4,671)
	<hr/>	<hr/>
Net cash flows - financing activities	(289,605)	800,610
	<hr/>	<hr/>
Net increase in cash	(932,616)	643,511
Effects of exchange rate changes on cash	333	(1,015)
Cash at beginning of period	3,050,948	775,341
	<hr/>	<hr/>
Cash at the end of period	2,118,665	1,417,841
	<hr/> <hr/>	<hr/> <hr/>
Comprising:		
Cash and cash equivalents	2,118,665	1,417,841
	<hr/>	<hr/>
Cash at end of period	2,118,665	1,417,841
	<hr/> <hr/>	<hr/> <hr/>

The notes form part of these Condensed Consolidated Financial Statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	Capital					Currency
Share	redemption	Share	Merger	Share	Share	translation
capital	reserve	premium	reserve	reserve	reserve	reserve
£	£	£	£	£	£	£
				option	warrant	

As at 31	1,097	105	894,491	-	31,773	-	(21,264)
March 2021 - restated							
(Loss) for the year	-	-	-	-	-	-	-
Other comprehensive charges - translation differences	-	-	-	-	-	-	(11,058)
Total comprehensive income for the year	-	-	-	-	-	-	(11,058)
Transactions with owners:							
Issue of shares, net of costs	262,354	(105)	2,684,105	676,310	-	-	-
Deferred tax on share options	-	-	-	-	-	-	-
Share based expense	-	-	-	-	169,550	-	-
Share options cancelled fair value adjustment	-	-	-	-	-	-	-
Share options waived	-	-	-	-	(62,243)	-	-
Issue of warrants	-	-	(188,266)	-	-	188,266	-
	<u>262,354</u>	<u>-</u>	<u>3,390,330</u>	<u>676,310</u>	<u>107,307</u>	<u>188,266</u>	<u>-</u>
As at 31 March 2022	<u>263,451</u>	<u>-</u>	<u>3,390,330</u>	<u>676,310</u>	<u>139,080</u>	<u>188,266</u>	<u>(32,323)</u>
(Loss) for the year	-	-	-	-	-	-	-

Other							
comprehensive	-	-	-	-	-	-	333
charges -							
translation							
differences							
Total							
comprehensive	-	-	-	-	-	-	333
income for the							
year							
Transactions							
with owners:							
Share based	-	-	-	-	208,621	-	-
expense							
	-	-	-	-	208,621	-	333
As at 30	263,451	-	3,390,330	676,310	347,701	188,266	(31,990)
September							
2022							

The notes form part of these Condensed Consolidated Financial Statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

1. General Information

4Global plc is a public limited company incorporated in England and Wales and trading on the AIM Market of the London Stock Exchange, under the ticker symbol 4GL. The financial statements are for the period ended 30 September 2022.

The Company was incorporated and registered in England and Wales on 22 July 2011 as a company limited by shares, with the name 4Global plc and registered number 1352381.

On 11 November 2021 the Company allotted 21,938,300 ordinary shares, pursuant to a share purchase agreement, to the shareholders of 4Global Consulting Limited and 4Global Limited became a wholly owned subsidiary undertaking of the Company.

This financial information issued by 4Global plc in compliance with its reporting obligations under the AIM Rules.

At 30 September 2022 the Company had issued share capital of 26,344,994 Ordinary Shares of 1p each.

The address of its registered office is Venture X, 5th Floor Building 7 Chiswick Park, Uxbridge, Middlesex, United Kingdom, W4 5YG. and the registered company number is 13523846. The principal activity of the Company is the provision of advisory services in the financial services sector at a local, national and international level.

2. Significant accounting policies

2.1 Basis of preparation

The consolidated financial statements of 4Global PLC were prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the United Kingdom, IFRIC interpretations and the Companies Act 2006 applicable to companies applying IFRS. The interim report is prepared in accordance with International Accounting Standard (IAS) 34 (Interim Financial Reporting). The information in this report has been drawn up using, in all material respects, the same accounting methods as those utilised in the Group's annual report and accounts for the year ended 30 September 2022. The comparative information for the six months to 30 September 2021 is for 4Global Limited and as presented in the Company's Admission Document in December 2021.

3. Revenue

Analysis of revenue by category	Six Months ended	Six Months ended
	30 September 2022 (unaudited) £	30 September 2021 (unaudited) £
Consultancy services revenue	630,933	830,040
Technology revenue	758,498	431,990
	1,389,431	1,262,030

Analysis of revenue by geography	Six Months ended	Six Months ended
	30 September	30 September

	2022	2021
	(unaudited)	(unaudited)
	£	
Europe	1,092,698	707,61
South America	142,050	442,74
Middle East	154,601	83,47
Other	-	28,19
	<hr/> 1,389,431	<hr/> 1,262,03
	<hr/> <hr/>	<hr/> <hr/>

4. Earnings per share

To prepare the company for its listing a 200:1 share split took place during the year which increased the number of shares in issue to 21,938,400 at the time of the share split. In 2021 the Company listed on AIM and issued a further 4,406,594 ordinary shares.

	Six Months ended	Six Months ended
	30 September	30 September
	2022	2021
Basic earnings per Ordinary Share	(unaudited)	(unaudited)
	£	£
Profit for the period	(1,236,186)	125,236
Weighted average number of Ordinary Shares in issue	26,344,994	21,938,400
Basic earnings per share (pence)	(4.7)p	0.57p
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Six Months ended Six Months ended

	30 September 2022	30 September 2021
Weighted average number of shares used as a denominator	(unaudited)	(unaudited)
Shares in issue at 1 April 2022 and 2021	26,344,994	109,692
Share split 1:200	21,938,400	21,938,400
Weighted number of shares issued in the period	4,406,594	-
	26,344,994	21,938,400
Adjustments for calculation of diluted earnings per share		
Share options	1,876,285	-
Warrants	339,289	-
	2,215,574	-
	28,560,568	21,938,400

As the Group has reported a loss diluted earnings per share are equal to basic earnings

5. Share-based payments

The following table shows the movements in the share-based payment reserve during

	Number
Outstanding at 1 April 2022	2,305,872
Granted during the period	-
Exercised during the period	-
	2,305,872
At 30 September 2022	2,305,872

On admission of the Company, 2,305,872 new share options in the Company were granted with a weighted average exercise price of 77.77 pence.

4GLOBAL PLC**DIRECTORS, SECRETARY AND ADVISERS**

Directors	Ian James (Non-executive Chairman) Eloy Mazon (Chief Executive Officer) Keith Sadler (Chief Financial Officer) Steven Clarke (Non-executive Director) Alexandra Orlando (Non-executive Director) Roger Taylor (Non-executive Director) (resigned 1 October 20
Company Secretary	Keith Sadler
Registered office	Venture X 5 th Floor, Building 7, Chiswick Park 566 Chiswick High Road, Chiswick London, W4 5YG
Website address	www.4global.com
Nominated advisor	SPARK Advisory Partners Limited 5 St John's Lane London EC1M 4BH
Broker	Oberon Capital 65 Curzon Street London W1J 8PE
Independent auditor	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Legal Advisers to the Company	Fladgate LLP 16 Great Queen Street London WC2B 5DG
Registrars	Neville Registrars Limited Neville House Steelpark Road Halesowen B62 8HD

Public Relations Adviser to the Company	IFC Advisory Limited Birchin Court 20 Birchin Lane London EC3V 9DU
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