

21/03/2024

For immediate release

ADVFN PLC
(“ADVFN” or the “Group”)
Unaudited Interim Results for the Six Months Ended 31 December 2023

ADVFN today announces its unaudited interim results for the six months ended 31 December 2023 (the “Period”).

Chief Executive’s Statement

As we release our interim report, the Board reaffirms its commitment to implementing its long-term plans to improve financial results.

The first stages of this are in place. I wish to highlight our recent partnership with Prodesfin S.R.L, who own and operate the financial website [Financiallounge.com](https://www.financiallounge.com) in Italy and also the changes and redesign of our product offering some of which are evident on our www.advfn.com site. We're on track to conclude these enhancements by the end of Q2 2024.

We have continued to reduce costs and the cash burn rate and we’ve maintained a healthy cash balance of £4.7 million at the Period end, aligning with the financial objectives outlined in previous reports. This has led to reduced losses over the comparable period to last year of (£531k; 2023 £622k) despite a decrease in revenues. The decrease in revenues was primarily attributable to continued adverse market conditions and the discontinuance of company units which no longer supported our business goals.

We remain focused on continuing this improved trend in the upcoming H1 and H2 of 2024.

Amit Tauman
CEO
xx xxxx 2024

Condensed interim consolidated income statement

	6 months to 31 Dec 2023 £'000 unaudited	6 months to 31 Dec 2022 £'000 unaudited	12 months to 30 June 2023 £'000 audited
	Notes		
Revenue	2,294	3,061	5,445
Cost of sales	(109)	(196)	(316)
Gross profit	2,185	2,865	5,129
Share based payment	(9)	-	319
Amortisation of intangible assets	(84)	(91)	(191)
Administrative expenses	(2,703)	(3,390)	(6,026)
Administrative expenses – non-recurring items	-	-	(1,178)
Total administrative expense	(2,796)	(3,481)	(7,076)
Operating loss	(611)	(616)	(1,947)
Finance income	80	-	24
Finance expense	(1)	(6)	(11)
Other income	-	-	20
Loss before tax	(532)	(622)	(1,914)
Taxation	1	-	58
Loss from continuing operations	(531)	(622)	(1,856)
Loss from discontinued operations	-	-	(313)
Total loss for the period attributable to shareholders of the parent	(531)	(622)	(2,169)
Loss per share from continuing operations		RESTATED	
Basic	-	-	(5.16p)
Diluted	-	-	(5.16p)
Loss per share from total operations			
Basic	3	(1.16p)	(2.35p)
Diluted		(1.16p)	(2.35p)

Condensed interim consolidated statement of comprehensive income

	6 months to 31 Dec 2023 £'000 unaudited	6 months to 31 Dec 2022 £'000 unaudited	12 months to 30 June 2023 £'000 audited
Loss for the period	(531)	(622)	(2,169)
Other comprehensive income:			
Items that will be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations	28	41	33
Total other comprehensive income	28	41	33
Total comprehensive loss for the period attributable to shareholders of the parent	(503)	(581)	(2,136)

Condensed interim consolidated balance sheet

	31 Dec 2023 £'000 unaudited	31 Dec 2022 £'000 unaudited	30 June 2023 £'000 audited
Assets			
Non-current assets			
Property, plant and equipment (including right of use assets)	145	51	160
Goodwill and intangible assets	959	2,054	1,003
Other receivables	22	26	25
	<hr/>	<hr/>	<hr/>
	1,126	2,131	1,188
Current assets			
Trade and other receivables	460	368	466
Cash and cash equivalents	4,798	647	5,557
	<hr/>	<hr/>	<hr/>
	5,258	1,015	6,023
Total assets	<hr/>	<hr/>	<hr/>
	6,385	3,146	7,211
Equity and liabilities			
Equity			
Issued capital	92	53	92
Share premium	6,676	305	6,676
Share based payments reserve	32	341	22
Foreign exchange translation reserve	344	324	316
Retained earnings	(2,360)	(282)	(1,828)
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	4,783	741	5,278
Non-current liabilities			
Borrowing – bank loans	15	34	20
	<hr/>	<hr/>	<hr/>
	15	34	20
Current liabilities			
Trade and other payables	1,576	2,314	1,903
Borrowing – bank loans	10	13	10
Lease liabilities	-	44	-
	<hr/>	<hr/>	<hr/>
	1,586	2,371	1,913
Total liabilities	<hr/>	<hr/>	<hr/>
	1,601	2,405	1,933
Total equity and liabilities	<hr/>	<hr/>	<hr/>
	6,384	3,146	7,211

Condensed interim consolidated statement of changes in equity

	Share capital	Share premium	Share based payment reserve	Foreign exchange translation reserve	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 July 2022	53	305	341	283	340	1,322
Loss for the period after tax	-	-	-	-	(622)	(622)
Other comprehensive income						
Exchange differences on translation of foreign operations	-	-	-	41	-	41
Total comprehensive (loss)/income	-	-	-	41	(622)	(581)
At 31 December 2022	53	305	341	324	(282)	741
Transactions with equity shareholders:						
Shares issued	39	6,448	-	-	-	6,487
Cost associated with the issue of shares	-	(77)	-	-	-	(77)
Issue of options	-	-	1	-	-	1
Lapsed options	-	-	(320)	-	-	(320)
	39	6,371	(319)	-	-	6,091
Loss for the period after tax	-	-	-	-	(1,546)	(1,546)
Other comprehensive income						
Exchange differences on translation of foreign operations	-	-	-	(8)	-	(8)
Total other comprehensive income	-	-	-	(8)	-	(8)
Total comprehensive loss	-	-	-	(8)	(1,546)	(1,554)
At 30 June 2023	92	6,676	22	316	(1,828)	5,278
Transactions with equity shareholders:						
Issue of options	-	-	10	-	-	10
	92	6,676	32	316	(1,828)	5,288
Loss for the period after tax	-	-	-	-	(531)	(531)
Other comprehensive income						
Exchange differences on translation of foreign operations	-	-	-	28	-	28
Total comprehensive (loss)/income	-	-	-	28	(531)	(503)
At 31 December 2023	92	6,676	32	344	2,359	4,785

Condensed interim consolidated cash flow statement

	6 months to 31 Dec 2023 £'000 unaudited	6 months to 31 Dec 2022 £'000 unaudited	12 months to 30 June 2023 £'000 audited
Cash flows from continuing operating activities			
Loss for the period from continuing operations	(531)	(622)	(1,855)
Net finance (income)/expense in the income statement	(79)	6	(13)
Depreciation of property, plant and equipment	16	53	75
Amortisation of intangible assets	84	91	191
Write off goodwill	-	-	978
Share based payments	10	-	(319)
Decrease / (Increase) in trade and other receivables	(16)	92	(20)
Increase / (decrease) in trade and other payables	(328)	167	(226)
Net cash used by continuing operations	(844)	(213)	(1,189)
Cashflow from discontinued operating activities			
Loss for the year from discontinued operations	-	-	(313)
Amortisation of intangible assets	-	-	23
Write off intangible assets	-	-	83
Decrease in trade and other receivables	-	-	14
Decrease in trade and other payables	-	-	(23)
Net cash used by discontinued operations	-	-	(216)
Income tax receivable	25	-	-
Net cash used by operating activities	(819)	(213)	(1,405)
Cash flows from financing activities			
Issue of share capital	-	-	6,410
Dividend payments	-	-	(589)
Bank interest received	80	-	24
Repayment of loans	(5)	(7)	(24)
Repayments of lease liabilities	-	(44)	(91)
Lease interest paid	-	(3)	(4)
Other interest paid	(1)	(3)	(1)
Net cash (used)/generated by financing activities	74	(57)	6,314
Cash flows from investing activities			
Payments for property, plant and equipment	(2)	(6)	(136)
Purchase of intangibles	(40)	-	(175)
Net cash used by investing activities	(42)	(6)	(311)
Net (decrease)/increase in cash and cash equivalents	(787)	(276)	4,598
Gain on foreign exchange	28	8	44
Net increase/(decrease) in cash and cash equivalents	(759)	(268)	4,642
Cash and cash equivalents at the start of the period	5,557	915	915
Cash and cash equivalents at the end of the period	4,798	647	5,557

1. Legal status and activities

The principal activity of ADVFN PLC (“the Company”) and its subsidiaries (together “the Group”) is the development and provision of financial information, primarily via the internet, research services and the development and exploitation of ancillary internet sites.

The principal trading subsidiaries are All IPO Plc (strike off applied for), InvestorsHub.com Inc and N A Data Inc,

The Company is a public limited company which is quoted on the AIM of the London Stock Exchange and is incorporated and domiciled in the UK. The address of the registered office is Suite 28, Essex Business Centre, The Gables, Fyfield Road, Ongar, Essex, CM5 0GA.

The registered number of the company is 02374988.

2. Basis of preparation of the half-year report

These condensed interim financial statements have been prepared in accordance with IAS 34, “Interim Financial Reporting”.

The financial information does not include all the information required for full annual financial statements. The same accounting policies and methods of computation have been followed in the interim financial statements as compared with the full audited financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended 30 June 2023, which were prepared under applicable law and in accordance with UK-adopted international accounting standards.

The unaudited consolidated interim financial information is for the six-month period ended 31 December 2023. These financial statements were approved for issue on 19th March 2024.

The financial statements are presented in Sterling (£) rounded to the nearest thousand except where specified.

The interim financial information has been prepared on the going concern basis which assumes the Group will continue in existence for the foreseeable future.

No material uncertainties that cast significant doubt about the ability of the Group to continue as a going concern have been identified by the directors. Accordingly, the directors believe it is appropriate for the interim financial statement to be prepared on the going concern basis.

The principal risks and uncertainties of the Company remain the same as those reported in the consolidated financial statements of the Group for the year ended 30 June 2023. The critical estimates and judgements remain the same as those applied to the consolidated financial statements for the Group for the year ended 30 June 2023.

The interim financial information has not been audited nor has it been reviewed under ISRE 2410 of the Auditing Practices Board. The financial information presented does not constitute statutory accounts as defined by section 434 of the Companies Act 2006. The Group’s statutory accounts for the year to 30 June 2023 have been filed with the Registrar of Companies. The auditors, Saffery Champness LLP reported on these accounts and their report was unqualified and did not contain a statement under section 498(2) or Section 498(3) of the Companies Act 2006.

3. Loss per share

	6 months to 31 Dec 2023 £'000	6 months to 31 Dec 2022 £'000	12 months to 30 June 2023 £'000
Loss for the year attributable to equity shareholders from continuing operations	(531)	(622)	(1,856)
Loss for the year attributable to equity shareholders from total operations	(531)	(622)	(2,169)
		Shares	Shares
Weighted average number of shares			
Number of shares in issue prior to rights issue (prior year: weighted average)	46,004,758	26,315,318	26,315,318
Correction for deemed rights issue	-	169,179	169,179
Deemed number of shares before rights issue	46,004,758	26,484,497	26,484,497
Weighted average shares			
26,484,497 x 188/365 (prior to rights issue)	-	-	13,641,330
46,004,758 x 177/365 (post rights issue)	-	-	22,309,157
Total weighted average number of shares	46,004,758	26,484,497	35,950,487
Loss per share for the year attributable to equity shareholders from continuing operations:			
Basic and diluted	-	-	(5.16p)
Total loss per share for the year attributable to equity shareholders:			
Basic and diluted	(1.16p)	(2.35p)	(6.03p)
Basic and diluted loss per share as previously stated	-	(2.36p)	-

Where a loss has been recorded for the year the diluted loss per share does not differ from the basic loss per share.

Where a profit has been recorded but the average share price for the year remains under the exercise price the existence of options is not normally dilutive. However, whilst the average exercise price of all outstanding options is above the average share price there are a number of options which are not. Under these circumstances those options where the exercise price is below the average share price are treated as dilutive.

During the year to 30 June 2023, the company made a rights issue. The prior year earnings to 31 December 2022 have been restated to allow for the effects of this rights issue.

4. Dividends

The directors are not recommending payment of an interim dividend in the current financial year.

5. Events after the balance sheet date

An application for strike off has been submitted for All IPO Plc, in line with the strategic plans for the business.

In February 2024 a partnership agreement was signed with Prodesfin S.r.l in relation to the creation and maintenance of an ADVFN Italian website.

The company is in the process of issuing proceedings against a former director in order to seek damages for various breaches of fiduciary duty. The Company is also in the process of issuing proceedings against Online Blockchain PLC for monies transferred to that company.

