

Information in this FAQ summary is taken from an RNS Announcement published by the Company on 21 October 2024 (<https://www.londonstockexchange.com/news-article/XLM/proposed-divestment-of-north-america-business/16723082>). The provision of this extract is not a substitute for and should not be construed as an alternative to reading the announcement in full. Shareholders are strongly encouraged to read that announcement and the circular published by the Company on 21 October 2024 in full.



XLMedia PLC

("XLMedia" or the "Company" or the "Business")

FAQ in relation to the proposed divestment of North America Business

What are the Transaction headlines?

The Board of XLMedia PLC announced on 21 October 2024 that it had entered into a conditional asset purchase agreement (the "APA") for the sale to Sportradar AG of certain assets that constitute the Company's North America Business ("North America Disposal").

The consideration payable by Sportradar AG for the North America Business will be up to \$30.0 million comprising an initial amount of \$20.0 million payable on the completion date and a variable component of up to \$10.0 million. The variable component of the consideration will be subject to adjustment and calculated by reference to the Group's revenue and gross profit in the 2024 financial year. To achieve full payout, the North America Business would need to exceed current market expectation.

The Revenue and Estimated Adjusted EBITDA 2023 attributable to the North America Business for the year ended 31 December 2023 was \$27.5 million and \$5.5 million respectively. The total consideration for the North America Disposal represents an implied value of up to 8.8p per Ordinary Share and a multiple of 5.5 times Adjusted EBITDA 2023 for the North America Business

What happens next?

The North America Disposal is subject to approval by Shareholders at the General Meeting to be held on 7 November 2024 and expected to complete shortly thereafter. Sportradar AG has received irrevocable undertakings from Premier Investissement SAS and the Directors representing approximately 31.18 per cent of the Ordinary Share capital to instruct a vote in favour of the Resolution.

What are the conditions to close the Transaction?

The conditions precedent include that commitments made in respect of the following items remain in force at the date of completion (i) the transfer of all senior employees and not less than 90% of all

non-senior employees; (ii) the transfer of certain media partner contracts, to the Buyer on the completion date; and (iii) shareholder approval in respect of the transaction having been given by the Company's shareholders in a shareholders' meeting duly convened for such purpose. The Buyer may waive these conditions (i) and (ii) at any time prior to 15 December 2024 (the Long Stop Date) provided that should any of the conditions not be fulfilled by the Long Stop Date, either the Sellers or the Buyer shall have the right to terminate the APA.

What happens if/when the deal is approved by Shareholders and completed?

Following Completion, XLMedia will become an AIM Rule 15 Cash Shell, focused solely on the orderly distribution to Shareholders of the proceeds from the North America Disposal and the previously announced sale of the Company's Europe and Canada assets ("Europe Disposal").

How will the proceeds from the Disposal be used?

Following Completion, the Group expects to receive approximately \$18.0 million of cash net of transaction-related fees in respect of the initial payment for the North America Disposal.

As previously announced, the Board intends to make an initial distribution to shareholders from available capital in Q4 2024, the amount of which will be determined after providing for the ongoing costs and working capital requirements of the residual runoff business and outstanding liabilities (including historical tax liabilities). Further details of this return of capital will be published by the Company in due course.

What does that mean for the future of XLMedia?

As the Company does not propose to make an acquisition that constitutes a reverse takeover under AIM Rule 14 or become an investing company, Shareholders should be aware that, in accordance with AIM Rule 15, it is expected that trading in the Ordinary Shares will be suspended on or around 12 May 2025. The Company will then have a further six months following the date of suspension before the Company's admission to trading on AIM is cancelled. The Directors' current expectation is that the Company will have taken steps to effect cancellation of its admission to trading on AIM by this time.

Forward Looking Statements

This summary contains forward-looking statements. Forward-looking statements are neither historical facts nor assurances of future performance. They are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, Shareholders should not rely on any of these forward-looking statements.