

Chime provides its mid-year update for the 6-month period ended 30 June 2023.

Chime has had a good start to 2023 with Operating Income up 5.7% on the same period in 2022. EBITDA is down 9.3% compared to the same period last year, due primarily to the timing of major sporting events which in 2023 are weighted to the second half of the year.

The trading performance of the business has resulted in a sustained strong financial position with continued leverage headroom of over 45% and cash balances of over £50m at 30 June 2023.

During the first half of the year the group repaid its £9.2m Capex loan.

During the first half of the year Chime provided services within two core areas; Communications and Sports and Entertainment (“CSM”). The CSM division was sold on 30 September to Wasserman Media Group. Following this Chime repaid £68m of its bank borrowings. It now has £135.2m of bank borrowings and a revolving credit facility of £16.5m.

From a strategic perspective the group has continued to focus on its strategy of being “The Challenger Network”, working with clients to help transform their businesses by challenging convention.

VCCP

VCCP has had a solid start to 2023 with Operating Income up 2.5% and EBITDA down 2.2% on the same period last year.

The period has been characterised by clients exercising caution in their advertising and marketing spends, in particular with TMT clients, as the technology sector experienced significant headwinds. The business has not grown as quickly as foreseen in the budget as a result of clients reducing or deferring spend. To counter the effect of this the firm has maintained tight control over its costs. It also enjoyed increased success in the US, with the new management team driving growth there.

During the period new clients have been added including Allwyn, Lego, Unicredit and Primark Global.

CSM Sports and Entertainment (‘CSM’)

CSM has also had a good start to 2023 with Operating Income up 11.7%. EBITDA was up £2m on budget, but down £2.6m up on the same period last year due to the timing of major sporting events.

The first half of 2023 saw a strong new business performance with 74% of the full year target achieved by the mid-year. The period also included the return of the Major League Baseball London Series.

As noted above Chime sold the CSM division on 30 September 2023.