

Play Magnus Group (PMG) - Q3 2022: Increased Revenue Growth and Continued Improvement in EBITDA

30.11.2022 16:30:12 CET | Play Magnus AS | Half yearly financial reports and audit reports / limited reviews

(Oslo, 30 November 2022) - Play Magnus Group, a global leader in the chess industry, today published its financial results for the third quarter 2022 showing revenue of USD 6.6 million, a Y/Y growth of 20 percent. Adjusted EBITDA was USD -1.6 million, an improvement from USD -3.7 million in Q3 2021 and USD -2.0 million in Q1 2022.

“The Champions Chess Tour continued its success and together with improved trends in elearning, Play Magnus Group had accelerated revenue growth in the third quarter. At the same time, market conditions remain challenging, and we continue to execute on our comprehensive program to reduce our cost base. Our adjusted EBITDA loss was significantly reduced in the third quarter, and we remain committed to continue to improve our adjusted EBITDA moving forward,” said CEO of Play Magnus Group Andreas Thome.

The average monthly revenue per paying user in Play Magnus Group was USD 20.7 in Q3, 14 percent higher than in the same period last year. At the same time, the number of monthly paying users declined 8 percent year over year.

“All in all, the third quarter was positive for our main elearning platform Chessable. We are set for continued improvement now with successful Black Friday campaigns and many upcoming activities approaching the holiday season,” said Andreas Thome.

Third quarter bookings was USD 4.8 million, a decline of 21 percent compared to the same period in 2021. Year to date, bookings increased 10 percent.

“Sales of elearning courses continued to see improvement, whereas we experienced extended sales processes for Tour partnerships compared to last year. However, the Tour partnership pipeline remains promising,” said Andreas Thome.

As announced in Q3, Chess Growthco LLC ([Chess.com](https://www.chess.com)) has issued an offer to acquire all outstanding shares in Play Magnus Group at a price of NOK 13.00 per share. Reference is made to the Settlement Notification published on November 30.

Financial highlights in the third quarter 2022:

- Revenue USD 6.6 million (+20% Y/Y)
- Bookings USD 4.8 million (-21% Y/Y)
- Monthly Paying Users 55,300 (-8% Y/Y)
- Average Revenue per Paying User (ARPPU) USD 20.7 (+14% Y/Y)
- Adjusted EBITDA USD -1.6 million (-3.7 million in Q3 21 and -2.0 million in Q2 22)

Please find enclosed Play Magnus Group's Q3 2022 presentation. Note that there will be no webcast presentation of the Q3 results.

Disclosure regulation

This release is an announcement issued pursuant to legal information obligations and is subject of the disclosure requirements pursuant to the Market Abuse Regulation (MAR) Article 17 no. 1 and section 5-12 of the Norwegian Securities Trading Act, and was submitted for publication by Arkus Fredriksson, Chief Strategy Officer of Play Magnus Group.

Contacts

- Dmitri Shneider, CFO, Play Magnus Group, dmitri@playmagnus.com
- Investor Relations, ir@playmagnus.com

About Play Magnus AS

Play Magnus Group is a global leader in the chess industry focused on providing premier digital experiences for millions of chess players and students. The company offers elearning and entertainment services via its market leading brands: chess24, Chessable, iChess, New In Chess, Everyman Chess, Magnus Academy, Aimchess, the Play Magnus App Suite, and the Meltwater Champions Chess Tour. The Group's mission is to grow chess to make the world a smarter place by encouraging more people to play, watch, study, and earn a living from chess.

Play Magnus Group is listed on Euronext Growth Oslo under the ticker PMG and OTCQX® Best Market under the ticker PMGMF. For more information visit pmg.me.

Attachments

- [Download announcement as PDF.pdf](#)
- [Play Magnus Group Q3 2022 Presentation.pdf](#)