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SEEEN PLC
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Prior to publication, the information contained within this announcement was deemed by the Company to constitute inside information for the purposes of Regulation 11 of the Market Abuse (Amendment) (EU Exit) Regulations 2019/310. With the publication of this announcement, this information is now considered to be in the public domain.

SEEEN plc

("SEEEN", the "Group" or the "Company")

Trading and Operational Update, Significant Customer Win and Board Change

SEEEN plc (AIM: SEEEN), the company whose proprietary AI-generated Key Video Moments technology helps all video asset owners increase direct revenue and profits from their videos, announces: a trading and operational update for the year ended 31 December 2022 ("2022"); its 2023 outlook following its recent fundraising; a change to the Board; and a significant customer win expected to be worth approximately $1m in annual revenues, which reinforces how SEEEN's Key Video Moments technology positions it well to benefit from a shift in emphasis for all MCNs driven by YouTube.

During 2022, the Board made management changes to shift the Group's focus from product development to commercialisation. As a result, SEEEN gained sales traction for its proprietary Key Video Moments technology by targeting certain strategic customers and gaining a foothold in key vertical markets; especially sports, financial publishing and services. With its fundraising closed, the Group has started 2023 by reinforcing these vertical customer wins with sales hires in these target markets.

For 2022, the Group generated revenues expected to be approximately $3.3 million and an expected adjusted EBITDA* loss of $0.8-0.9 million, reflecting the increased commercialisation focus of the Group.

Finally, as outlined below, YouTube is re-designating MCNs as Creator Service Partners ("CSPs"), which the Group will use to describe this business going forward. In-line with this shift, the Group has focused on retaining and winning YouTube channel partners for its MultiChannelNetwork business ("MCN") where its technology products add value. Today's announcement of a new strategic customer, initially for SEEEN's CSP services, which is expected to be worth approximately $1m in revenues per year, further validates this focus. There is potential to grow this relationship significantly in both size and scope, reinforcing the Group's strategic growth plan. A key component of this growth plan includes using Key Video Moments to drive value for CSPs, in line with YouTube's strategy for added value from CSPs.

Unaudited 2022 Financial Highlights

Profitability

- Adjusted Group EBITDA* loss expected to be between $0.8m and $0.9m (2021: loss of $1.5m)
- Improved gross margin of 15.2% (2021: 10.6%), reflecting increasing mix of technology sales and higher margin CSP channel partners

Revenues

- Changing mix of revenue, reflecting technology commercialisation
- Revenues from customers using *CreatorSuite*, the Group's primary technology product, of approximately $1.0 million (2021: $0.1 million)
    - Recurring technology revenues of approximately $0.1 million (2021: $0.1 million, of which approximately half was professional services fees)

- Total Group revenues for the year ended 31 December 2022 expected to be $3.3m (2021: $8.5m). Reduction reflects: (i) elimination of unprofitable revenue from CSP channel partners with no technology upselling potential with annual views of 10.0bn (2021: 12.0bn); (ii) loss of all CSP advertising revenue in Russia since the start of the Ukrainian conflict; (iii) an unseasonably weak Q4 exacerbated by adverse exchange rates; together with (iv) shifting revenue mix to include technology-led sales

Balance Sheet

- Pro forma cash position of $3.4 million, reflecting amounts receivable from the fundraising completed on 30 December 2022

2022 Operating and Strategic Highlights

- Successful fundraising of £2.6 million (gross) to accelerate sales through an enhanced sales and marketing team and selected technology upgrades
- Accelerating commercialisation reinforcing the Group's core technology KPIs
  - 14 vertical market customers in financial publishing, sports, retail and services markets
  - 3 strategic customers in the publishing industry, including Daily Mail; subsequent event - new further customer announced today
  - 4 e-commerce customers
  - Strategic partnership with Kinetiq
  - Publication of new customer-led product features for *CreatorSuite*
- CSP increasingly profitable
  - Increasing focus on targeting publishers with large video back catalogues to optimise historic and new video content through "Key Video Moments"
  - Shedding of lower margin, higher volume legacy creator partners who had minimal cross-sell opportunities
  - Subsequent event - customer win

Customer Win

The Group is pleased to announce today that it has secured a further strategic customer, initially for its technology-driven CSP services. This new customer's core business is as a provider of channels to streaming and cable networks, focused on long and short form programmes delivering adventure and danger-related content.

This customer is expected to become one of the Group's biggest CSP channel partners, with the contract expected to deliver approximately $1m per year in revenues to SEEEN, generated from YouTube advertising. SEEEN will enhance this channel's significant presence by using its Key Video Moments technology to create Short Form highlights and re-mixed videos to drive increased views and revenue for the channel partner.

The Board believes that this relationship could significantly grow in terms of both size and scope, reinforcing the Group's strategic growth plan.

As discussed in the strategy and outlook section below, this win builds on SEEEN's growing relationships in the publishing industry. Moreover, it reinforces the Group's Go to Market Strategy in line with the Group's KPIs as outlined in its 2021 Annual Report.

Board Change

SEEEN announces that Charles Burdick has tendered his resignation from the Board of the Company in order to focus on his other interests. He will remain a director of the Company until 3 April 2023, in line with his notice period.

Having completed its fundraise, the Company is seeking to appoint an additional non-executive director to the Board to help advance its growth plan. The Group also plans to strengthen its executive team with the appointment of a CFO ahead of the Group's audited results for the year ended 31 December 2022. The Group will make further announcements as appropriate.

2023 Strategy and Outlook

In 2022, the Group added 16 customers across its different KPIs, including the first cross-sale of technology services to a CSP customer. Building on this, on 30 December 2022, the Group completed a £2.6m (gross) fundraising, principally to:

- invest in accelerating sales traction, through targeted sales and marketing hires; and
- add functionality for *CreatorSuite*, especially more flexible end cards and advertising integration, to enable shorter sales cycles and faster implementation by both vertical and strategic customers

Since the start of 2023, the Group has added two sales hires in the US (for e-commerce and strategic partnerships) and the UK (for the sports vertical). Both of these individuals will leverage both the Group's 2022 case studies and sales wins to accelerate sales of *CreatorSuite*. These efforts are being supplemented by attendance at trade shows, such as the Smart Retail Tech Expo in London on 28 February - 1 March 2023.

In addition, the Group has invested in developing additional functionality for *CreatorSuite* aimed at accelerating sales cycles and customer adoption, including the creation of more flexible in-video Calls To Action (or end cards) to drive increased viewer conversion into paying customers and advertising modules for videos processed in *CreatorSuite* to attract larger scale publishers.

Finally, the contract win announced today further validates the strategy of targeting larger publishers initially with our YouTube offering with a strategy to cross-sell our *CreatorSuite* services for enhanced Search Engine Optimisation (SEO) and video monetisation. This builds on SEEEN's growing reputation in the publishing community, including working with YouTube to become the leading partner of choice for publishing channels on YouTube. Furthermore, YouTube is re-designating MCNs as CSPs, as they are focused on the value-add that such organisations bring to creators. With its Key Video Moments technology, SEEEN is well positioned to benefit from this shift in emphasis from YouTube and will refer to this segment of its business as CSP going forward.

Adrian Hargrave, CEO of the Company, stated: "*2022 was a transformative year for the business, where we truly began to see sales wins and synergies between our YouTube CSP business and our AI-led Key Video Moments technology. I am grateful to our investors for their ongoing support, including the recent fundraising to accelerate sales in 2023 and beyond for both our AI technology and CSP products and services. I am confident that during 2023, we will execute against the plans set out as part of our recent fundraising.*"

Notes

* EBITDA adjusted for share-based payments and one-time costs

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