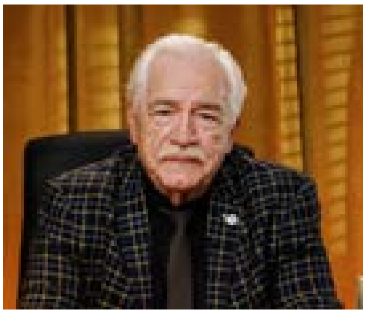
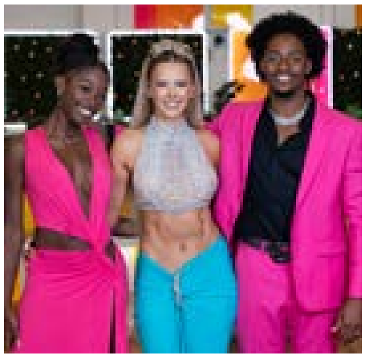
LBG MEDIA PLC





GIVING YOUNG ADULTS A VOICE

LBG Media PLC Annual report and Accounts 2024

CHANGE TO ACCOUNTING DATE

As announced on 18 September 2024, we have adopted 30 September as our accounting year-end. In this transitional reporting period we are required to present the statutory statements as the 9 months ending 30 September 2024 in comparison to the 12 months ending 31 December 2023. However, we appreciate that it is difficult for the reader to understand the underlying performance of the business on this basis, therefore this Annual Report and Accounts includes an unaudited proforma consolidated statement of comprehensive income as supplementary information, providing insight into the Group's performance on an annualised basis for the 12 months ending 30 September 2024 in comparison to the 12 months ending 30 September 2023. This unaudited proforma information, sourced from the Group's management accounts for the two comparative periods, does not form part of the audited financial statements. Additional notes, including segmental analysis, key assumptions, and reconciliations to the reported financial statements, are detailed on pages 27 to 29.

STRONG FINANCIAL GROWTH AND KEY STRATEGIC AND OPERATIONAL ADVANCEMENTS

9 MONTH FINANCIAL HIGHLIGHTS – 9 MONTHS vs 12 MONTHS

The following highlights and key performance indicators ('KPIs') showcase our progress and accomplishments over the period. The financial highlights present performance over the 9 months ended 30 September 2024 compared to the 12 months ended 31 December 2023 ('FY23').

REVENUE	PROFIT BEFORE TAX	ADJUSTED EBITDA*	CASH	GLOBAL AUDIENCE
£64.9m	£12.1m	£16.9m	£27.2m	503m
FY23: £67.5m	FY23: £5.9m	FY23: £17.4m	FY23: £15.8m	FY23: 452m

UNAUDITED PRO-FORMA FINANCIAL HIGHLIGHTS – 12 MONTHS vs 12 MONTHS

The Group delivered a strong financial performance in the 12 months to 30 September 2024, reflecting the successful execution of our strategic priorities. The unaudited proforma financial highlights present performance over the 12 months ended 30 September 2024 compared to the 12 months ended 30 September 2023 ('PF23 (12m)').

REVENUE	PROFIT BEFORE TAX	ADJUSTED EBITDA*	CASH
£86.2m	£14.5m	£24.5m	£27.2m
PF23(12m): £70.9m	PF23(12m): £11.0m	PF23(12m): £21.1m	SEPT23: £30.7m
CHANGE: 22%	CHANGE: 32%	CHANGE: 16%	CHANGE: (12%)

* Adjusted EBITDA, which is defined as profit before net finance costs, tax, depreciation, amortisation, asset impairment and release of related liabilities, share based payment charge and adjusting items is a non-GAAP metric used by management and is not an IFRS disclosure.

AT A GLANCE

WE ARE A GLOBAL DIGITAL ENTERTAINMENT BUSINESS WITH A FOCUS ON YOUNG ADULTS

OUR PURPOSE IS TO GIVE YOUNG ADULTS A VOICE BY BUILDING COMMUNITIES THAT LAUGH, THINK AND ACT.

ONE OF THE LARGEST AND MOST ENGAGED PUBLISHERS ON SOCIAL MEDIA OF ALL TIME.

RANKS
#1
FOR ALL-TIME VIEWS AND ENGAGEMENTS ACROSS FACEBOOK FOR PROPERTIES OF ANY GENRE AND ANY INDUSTRY
(Tubular 30.09.24)

LADTV VIEWS INCREASE
23m
WITH WATCH TIME INCREASING BY 3.7 MINUTES OVER THE FIRST 9 MONTHS OF 2024 VS 2023
(YouTube Studio 9 months to 30.09.24)

ALL-TIME ENGAGEMENTS
20.1bn
(Tubular 30.09.24)

WEBSITES VISITS INCREASE
18%
WITH AN AVERAGE OF 85.9M UNIQUE WEB USERS VS 2023
(Google Analytics 9 months to 30.09.24)

ALL-TIME INSTAGRAM ENGAGEMENTS
3.7bn
(Tubular 9 months to 30.09.24)

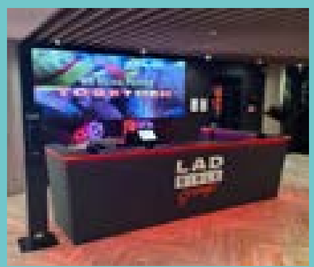
TIKTOK FOLLOWERS
65.4m
A 13% INCREASE VS 2023
(TikTok 9 months to 30.09.24)

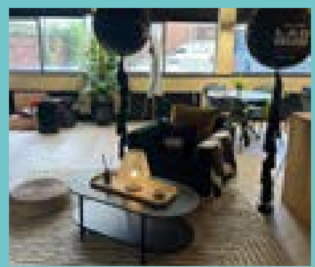
GLOBAL AUDIENCE
503m
(FY23: 452m)
(Tubular 30.09.24, manual count per page and platform direct from relevant platform included in Supermetrics – LBG Monthly follower report)

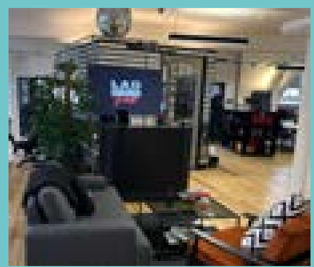
GLOBAL REACH
+1bn

BRIEF CONVERSION 2024 (9 MONTHS)
29%
(FY23: 29%)

OUR OFFICES


LONDON

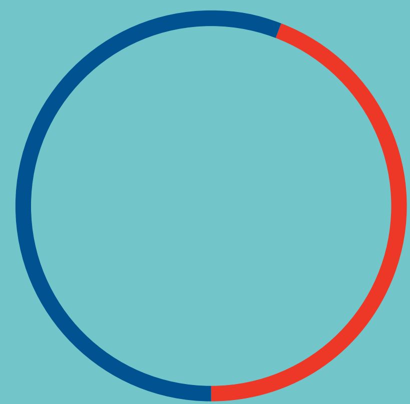

DUBLIN


MANCHESTER


NEW YORK

AUDIENCE BY GENDER

Male	56%
Female	44%



OUR BRANDS

STRATEGIC REPORT

STRATEGIC REPORT

INVESTMENT CASE

WE GENERATE REVENUE BY PROVIDING BRANDS ACCESS TO OUR GLOBAL AUDIENCE

LBG Media ('LBG') has firmly established itself as a leading global digital entertainment business, focused on engaging and empowering young adults.

Our mission is to give the young adult generation a voice by building communities that laugh, think and act. As one of the world's largest publishers focused on young adults, we are at the intersection of two significant trends: the continued rise of digital advertising and the increasing influence of Gen Z as a consumer demographic. We operate in the largest and fastest growing sector of the advertising market and continue to leverage our expansive distribution network, unmatched audience engagement, deep insights, and the power of our diverse portfolio of brands to drive exceptional growth.

The combination of;

- the macro shift to digital advertising and growth of Gen Z purchasing power;
- our scale, relevance and unmatched engagement;
- a growing U.S. footprint; and
- diversified revenue streams driving strong financial performance;

all give LBG an unrivalled competitive edge as we build an entertainment powerhouse for young adults with a clear line of sight to £200m of revenue.

MACRO SHIFT TO DIGITAL AND THE RISE OF GEN Z

LBG operates within the increasingly dominant digital advertising market, which continues to capture an even larger share of global advertising spend. The global digital advertising market will account for 70% of total global advertising spend by 2025, up from 50% just five years ago.[1] This growth significantly outpaces traditional media and, for the first time in 2024, social media has become the largest global advertising channel, underscoring the rapid evolution and dominance of digital platforms in the advertising landscape.

As a major player within this expanding digital ecosystem, LBG is perfectly poised to capitalise. This is further supported by our ability to connect with young, digitally-active audiences, particularly Gen Z, who are expected to become the wealthiest generation globally by 2030.[2] Gen Z's growing spending power and digital engagement present a substantial opportunity for LBG to capture an increasing share of advertising spend from brands eager to engage this valuable cohort.

LBG is a direct beneficiary of these market dynamics with positive signs already flowing through in our current financial performance, and the substantial future opportunity.

1. WARC, Global Ad Spend Outlook 2024/25.
2. NIQ, A Report on Gen Z Spending Power.

SCALE, RELEVANCE, AND UNMATCHED ENGAGEMENT

At the core of LBG's success is a growth cycle fuelled by highly engaging content, growing audiences, and increasing advertising revenues. Our ability to consistently create content that resonates with young adults – combined with our extensive distribution channels – drives high levels of engagement. This attracts the biggest blue-chip brands and top A-list celebrities, who are also attracted to the rich understanding we have of our audience and the data and insights we can provide. This leads to stronger partnerships and increasing ad revenues. As our advertising revenues grow, we continue to reinvest in content creation, distribution networks and data tools, further enhancing our capabilities. This cycle of growth, where each step reinforces the next, is central to our ability to scale rapidly and sustainably.

A GROWING U.S. FOOTPRINT

Our U.S. expansion is a core component of our long-term strategy. As a reminder, our business is split between our Direct and Indirect segments, with expansion in the U.S. supplementing both these revenue streams. The acquisition of Betches Media in 2023 has provided a springboard for the Group in the world's largest and most lucrative advertising market. With its complementary audience focused on millennial and Gen Z females, the acquisition is already yielding some impressive results following significant new blue-chip client wins in the year and a promising pipeline. This strategic acquisition and expansion of our U.S. presence positions LBG Media to capitalise on growing opportunities and further accelerate our success in the world's biggest ad market.

DIVERSIFIED REVENUE STREAMS

LBG has an increasingly diversified revenue base. The broadly even split between our two core routes to market – Direct and Indirect – reflects the effectiveness of our business model. Direct revenue is where we provide content marketing services to blue-chip brands and media agencies and have a direct relationship with the advertiser. Indirect is where we generate revenue on social platforms and from our owned and operated websites.

Direct revenue accounted for 53% of total revenue for the 9 months ended 30 September 2024, up from 41% at FY21 – the first set of public results following listing on the London Stock Exchange in December 2021. This growth is driven by strong, long-term partnerships with major brands as we continue to take share from traditional media players. Within Indirect revenue, we have seen strong growth in our Web programmatic offering, which for the 9 months ended 30 September 2024, now accounts for 49% of Indirect revenue, up from 30% at FY23. While social platforms remain a key contributor, the expansion of our Web operation and its high levels of engagement and monetisation have provided greater diversity, enhancing our resilience to market fluctuations and reinforcing the sustainability of our growth.

This robust top-line performance is supported by a solid balance sheet and a healthy cash position of £27.2m as at 30 September 2024. Our strong levels of cash generation provides the financial flexibility to pursue strategic M&A opportunities, enabling us to continue scaling and delivering long-term growth.

LBG AND OUR COMPETITIVE EDGE

LBG has established itself as a leader in the digital entertainment industry, driven by our unmatched scale, audience engagement, and strategic positioning in the rapidly growing digital advertising market.

Our ability to create highly engaging content, combined with our expansive distribution network, sets us apart in this market and the acquisition of Betches has strengthened our U.S. presence, unlocking significant growth potential in the largest advertising market in the world. With a diverse revenue model and a strong cash position, we are well-equipped to continue scaling our business and providing our shareholders with significant long-term value.

CHAIR'S STATEMENT

IT'S BEEN ANOTHER YEAR OF PROGRESS AND GLOBAL EXPANSION

> With rising audience numbers and growing market share in the U.S., we are uniquely positioned to capitalise on the growing digital advertising market and deliver sustained value to our stakeholders.

Dave Wilson
Chair

LBG has come a long way from the organisation that joined the public markets in 2021, and I am immensely proud of the incredible work our team has done to shape the present-day business. The past nine-months have been another period marked by strong financial performance, further embedding our footprint in the U.S. and strengthening our line of sight to £200m of revenue. Underpinning the success of our business model is our highly engaged audience. This audience grew by 19% in the 12 month proforma period ended 30 September 2024, to 503m, as rising audience numbers, alongside key sporting and cultural event campaigns, confirm our position as one of the 'go-to' digital entertainment brands for young adults.

We remain extremely well positioned to capture the opportunity ahead of us as the macro shift towards digital advertising continues and the purchasing power of Gen Z expands. As a digital advertiser focused on young adults, LBG is direct beneficiary of these macro trends, and this is evident in our financial performance, and future opportunity, as we look to enhance value for our shareholders and stakeholders alike.

Our progress

In the 9 months ended 30 September 2024, LBG made significant progress focusing on three key growth lenses: Direct, Indirect, and U.S. expansion, with the latter supplementing growth across both Direct and Indirect operations.

During this period, the Group delivered revenue of £64.9m, adjusted EBITDA reached £16.9m, while profit before tax increased to £12.1m. For the unaudited proforma 12 months ended 30 September 2024, the Group reported revenue of £86.2m, up 22% compared to the same prior period. On an unaudited 12-month proforma basis, adjusted EBITDA rose to £24.5m, an increase of 16%, and profit before tax grew 32% to £14.5m.

Direct revenue, which is where we provide content marketing services to blue-chip brands and media agencies, accounted for over 50% of total Group revenue in the 9 months ended 30 September 2024 with the impressive growth driven by an expanding client base, deeper relationships with existing partners and the acquisition of Betches in October 2023. Direct brief conversion of 29% and 74% repeat client revenue in the 12-month period to 30 September 2024 also highlights the confidence our partners have in our ability to deliver targeted and unique campaigns that drive meaningful penetration and results.

Our Indirect business is where we generate revenue on social platforms and from our owned and operated websites. We have expanded our Web capabilities by investing in people and technology that have enhanced our web programmatic offering, resulting in a significant increase in both sessions and yields during the period. Social revenues were temporarily impacted by the Facebook commercial model change in calendar Q3 but, as with previous platform changes, we were able to adapt quickly and saw a return to normalised levels on exiting Q1 FY25. This gives us confidence and positive momentum for the remainder of the new year ahead.

We also saw significant progress in the U.S. market where we successfully integrated the LBG and Betches commercial teams in the first half of the period, resulting in several major wins that are a testament to the complementary nature of our operations. Partnerships with global brands like The Boston Beer Company, NYX Cosmetics, and White Castle illustrate the growing demand for access to our vast audience and top-tier capabilities in the U.S. market.

Change in reporting year-end

As announced on 24 July 2024, we have adopted 30 September as our accounting year-end. In this transitionary reporting period we are required to present the statutory statements as the 9 months ending 30 September 2024 in comparison to the 12 months ending 31 December 2023. However, we appreciate that it is difficult for the reader to understand the underlying performance of the business on this basis, therefore this Annual Report and Accounts includes an unaudited proforma consolidated statement of comprehensive income as supplementary information, providing insight into the Group's performance on an annualised basis for the 12 months ending 30 September 2024 in comparison to the 12 months ending 30 September 2023.

This unaudited proforma information, sourced from the Group's management accounts for the two comparative periods, does not form part of the audited financial statements. Additional notes, including segmental analysis, key assumptions, and reconciliations to the reported financial statements, are detailed on pages 27 to 29.

Board changes

LBG announced on 6 January 2025 that Richard Flint has stepped down from his non-executive role on the Board, effective 31 December 2024. I would like to express my gratitude to Richard for his valuable contributions and guidance during his tenure, particularly in helping to shape the Group's strategic direction. The Board wishes him the very best in his future endeavours.

Social responsibility and governance

We take immense pride in the significant work we do to support meaningful causes and drive positive change. Our commitment to being a socially responsible organisation is rooted in our ability to engage with our audience, empowering them by fostering communities that laugh, think, and act. This engagement is a fundamental enabler of our success, and we are dedicated to remaining true to these core values in the years ahead.

Outlook

Finally, none of the progress made this period would have been possible without the dedication and hard work of our people. On behalf of the Board, I want to thank every member of the LBG team for their commitment and effort throughout the period - it has not gone unnoticed. I would also like to extend my gratitude to the brands we work with, our global audience and our shareholders for their continued support and trust.

As we look ahead to the opportunities and challenges of the coming year, I remain confident that we present a unique and highly differentiated proposition within the market. We capture the eyes and ears of a highly sought-after demographic for marketers, and in the complex, digital media landscape, the detailed understanding we have of this audience provides a strong foundation for long-term growth and the delivery of sustained shareholder value.

Dave Wilson
Chair

21 January 2025

CHIEF EXECUTIVE OFFICER'S REVIEW

CONTINUED PROGRESS ALONG OUR LINE OF SIGHT TO £200M

REVENUE
FOR 9 MONTHS ENDED 30 SEPTEMBER 2024

£64.9m

(FY23 (12m): £67.5m)

ADJUSTED EBITDA
FOR 9 MONTHS ENDED 30 SEPTEMBER 2024

£16.9m

(FY23 (12m): £17.4m)

PROFIT BEFORE TAX
FOR 9 MONTHS ENDED 30 SEPTEMBER 2024

£12.1m

(FY23 (12m): £5.9m)

2024 has been a period of strong financial growth and key strategic and operational advancements as we progress along our line of sight to £200m in revenue. This path to £200m is driven by a clear focus on three key growth lenses: Direct, Indirect, and U.S. expansion, with our expansion in the U.S. supporting growth across both Direct and Indirect segments. Combined with our diversified revenue streams, strong client relationships, and dedicated team, this provides us with a platform for sustainable growth, enabling LBG to continue to capture market share from traditional media players in the years ahead.

Market dynamics

The global ad market is expected to exceed $1 trillion by 2025.[1] Over two-thirds of this is allocated to digital advertising and the momentum continues to be one-way, with this figure expected to reach 70% in the next year, up from 50% just five years ago.[1] This macro shift positions LBG as a key player within the biggest and fastest-growing segment of global advertising. A significant driver of this growth is social media, which has become the largest global advertising medium, accounting for 24% of total ad spend. With 94% of Gen Z using social media, we are uniquely positioned to capture spend targeting this influential demographic.[1]

Gen Z is not only the largest generation ever from a population perspective, but it is also demonstrating significant purchasing power - already Gen Z represents 17% of global spend and is projected to become the wealthiest generation that has ever lived.[1] Our focus on engaging this digitally native generation, alongside the rapid expansion of the digital ad market, provides substantial opportunities for sustainable long-term growth for our business.

1. Sources: WARC, Global Ad Spend Outlook 2024/25 & NIQ, A Report on Gen Z Spending Power.

Financial performance

We have delivered a strong financial performance in both the reporting and proforma period. Total revenue for the 9 months ended 30 September 2024 reached £64.9m (12 months FY23: £67.5m). Revenue was £86.2m for the unaudited proforma financial statements for the 12 months ended 30 September 2024, an increase of 22% based on the same period from the prior year. The growth of Direct, which now accounts for more than 50% of our total revenue, up from 41% at the time of our IPO in 2021, underscores the effectiveness of our business model and the strong relationships we have built with major brands. Further diversity in Indirect revenues with the growth of our Web offering provides the business with a robust and resilient financial base.

PURPOSE DRIVEN WORK & AWARDS

Our strong topline performance in the 9 month period has resulted in adjusted EBITDA of £16.9m (12 month FY23: £17.4m). For the unaudited proforma financial statements for the 12 months ended 30 September 2024, adjusted EBITDA increased by 16%, driven by strong revenue growth, improvements to the ANZ operating model, and the accretive impact of Betches. Our profit before tax increased to £12.1m for the nine-month period ended 30 September 2024, whilst on an unaudited 12-month proforma basis, profit before tax grew 32% to £14.5m. We are also pleased to report a healthy cash position of £27.2m as at 30 September 2024, up from £15.8m at 31 December 2023. This provides us with the flexibility to continue reinvesting in our business and pursue strategic acquisitions, thereby supporting our long-term growth.

At LBG we believe strongly in leveraging our global platform to drive socially responsible agendas, supporting meaningful change. This year, we launched the 'You're On Mute' campaign to encourage young people to vote in the general election and also partnered with charity Stamp Out Spiking to launch the 'End Spiking, Now' campaign, raising awareness of the drink spiking problem and advocating for legal changes. The campaign, which included a powerful mini-series, culminated in the UK Government's decision to make drink spiking a specific offence. Additionally, LBG Media was honoured to become The King's Trust's first official social partner for their annual awards, celebrating young people who have overcome significant barriers. These initiatives reflect our ongoing commitment to using our platform to empower young people and contribute to positive social change.

We are very proud to have been the most awarded media owner at the Campaign Media Awards for the second year running, with three wins for our partnerships with The AA, Jacamo, and McDonald's. We also took home Best Finance Campaign at the Digital Media Awards for Bank of Ireland, along with other shortlists including 'Channel of the Year,' 'Best Factual Channel', and 'Best Short Form' for our Honesty Box show.

CHIEF EXECUTIVE OFFICER'S REVIEW CONTINUED

Strategic Progress

Direct revenue is where we provide content marketing services to blue-chip brands and media agencies and have a direct relationship with the advertiser.

Our Direct segment performed extremely well in the 9 months ended 30 September 2024, driven by the strengthening of relationships with existing clients, expansion of our client base and the acquisition of Betches in October 2023. The growth in Direct revenue is a result of our ability to build deeper, more strategic partnerships, particularly with brands like Google, Lloyds and Costa Coffee, as well as our growing footprint in the U.S. where we already have one $1 million client. Our Euros-themed edition of the highly successful original series "Snack Wars", which was sponsored by Uber Eats, was a great showcase of our expanding capabilities as we delivered brand sponsored-content in a native format that resonated with our audience, garnering millions of views.

As our client relationships continue to evolve, we have increasingly become an integral part of corporate marketing strategies. Our direct brief conversion rate for the 12 months ended 30 September 2024 stood at 29% and repeat client revenue was 74% - both clear indicators of the trust and value brands place in us, on a repeat basis. Our ability to provide partners with real time analytics and ROI insights that demonstrate the value and success of their advertising investment is a feature which sets us apart from the competition, particularly traditional media. We continue to capture a growing share of spend from these traditional players, as our unique value proposition, high-quality content, and deep audience engagement resonate with advertisers seeking to connect with young adults.

Indirect is where we generate revenue on social platforms ('Social') and from our owned and operated websites ('Web').

Indirect has performed in line with our expectations for the period, with solid growth driven by the continued expansion of our global audience, which increased by 19% to 503m in the 12 months to 30 September 2024. Our U.S. audience now stands at 143m. Social, which includes revenues generated from social media platforms and partners, delivered a robust performance despite recent changes to Facebook's commercial model. While these changes impacted social ad yields and introduced some short-term volatility, the segment remained resilient as the new model focuses on high-quality, engaging content - an area that aligns directly with our strengths. As we have demonstrated with previous platform changes, our scale, expertise, and data-driven approach enable us to adapt quickly and navigate such changes in the external environment efficiently.

Web has been a standout performer and now accounts for 45% of Indirect revenue for the 12 months ended 30 September 2024, up from 30% at the end of FY23. We have seen significant growth, fuelled by ongoing investment in technology and talent, which has led to substantially increased yields through the period. The diversification of our Indirect revenue, supported by both social platforms and our owned web assets, enhances the stability of our income streams and provides multiple levers for sustained, long-term growth.

U.S. Expansion: Supporting our growth across both Direct and Indirect segments

Expanding our operations in the U.S., the world's largest advertising market, presents a significant opportunity from both a Direct and Indirect perspective. Since acquisition of Betches on 17 October 2023, we have made significant strides in integrating our U.S. operations.

This has included consolidating offices at Betches HQ and reorganising sales teams to focus on category specialisations in areas such as entertainment, alcohol and consumer goods.

This operational shift has enabled us to build deeper client relationships and is demonstrating encouraging signs of early success with new high-profile partnerships, such as Netflix, L'Oreal and White Castle, and a very encouraging pipeline. We are also excited about new opportunities such as the launch of Betches Sports, a sub-sector where we already have significant experience through our SPORTbible brand. Our U.S. operation offers brands a 'one-stop shop' to access our young adult audience and the steps we have taken this year put the business in a fantastic position to capitalise on the significant opportunity ahead of us in the U.S. market.

Clear Line of Sight to £200m Revenue Opportunity

Through our strategic growth lenses LBG is uniquely positioned for significant growth in the years ahead and we remain on track as we progress along our line of sight to £200m of revenue. The positive momentum in our market and the continued growth of our global audience, is supported by our ability to foster even deeper relationships with blue-chip brands and key partners. Our U.S. operations provide a solid foundation for further growth in the world's largest advertising market and the diversification of our revenue streams, along with our strong cash generation profile, provides us with the financial flexibility to accelerate growth through strategic M&A opportunities.

We have made tremendous progress in the period, and with a clear strategy, strong partnerships, and continued market expansion, LBG is well-positioned for sustained, profitable growth in the years to come.

Solly Solomou
Chief Executive Officer

21 January 2025

> **"Our unique content and broad reach, bolstered by the Betches acquisition, position us for sustained growth and long-term value creation."**
>
> **Solly Solomou**
> Chief Executive Officer

BUSINESS MODEL

WE GENERATE REVENUE BY PROVIDING BRANDS ACCESS TO OUR GLOBAL AUDIENCE

DIRECT

- Creating & producing bespoke full funnel marketing content for brands
- Offering brands analytics & ROI insights that support their campaigns

Google NETFLIX NIKE Uber Eats amazon LLOYDS

INDIRECT

- Digital advertising via social media & web programmatic
- Revenue shared between platform & publisher

REVENUE

- Diverse revenues reflect effectiveness of business model
- Multiple levers to drive sustainable growth

Direct	£34.4m
Indirect	£29.4m
Other	£1.1m

U.S. EXPANSION

- Expanding operations in largest ad market
- Huge direct and indirect opportunity
- Betches addition is a platform for growth

BETCHES + LAD BIBLE

WHO DO WE WORK WITH?

01 BLUE CHIP BRANDS

02 SOCIAL PLATFORMS

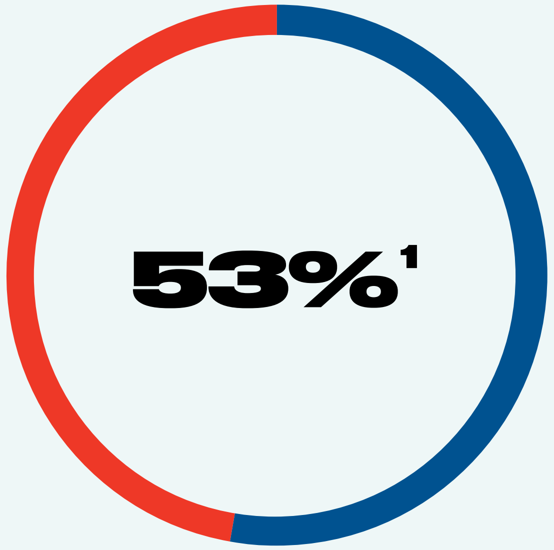
03 A-LIST CELEBRITIES

04 MEDIA AGENCIES

REVENUE STREAMS IN FOCUS

THE BREAKDOWN OF OUR REVENUE

DIRECT



DESCRIPTION

We provide content marketing services to media agencies and brand owners where we have a direct relationship with the advertiser.

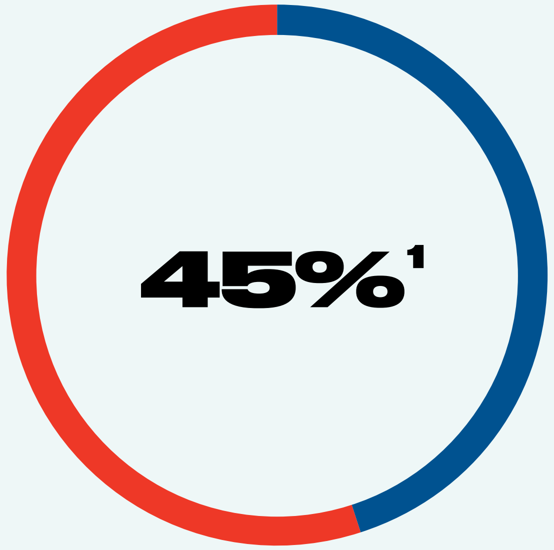
INCLUDES

Branded content
Our in-house studio and creative team design and produce bespoke branded content solutions for our customers that is distributed to our audience via social media platforms, podcasts and newsletters.

Direct display and video
We sell website advertising space directly to our customers on a number of views (ad impressions) basis, at an agreed price per 1,000 views.

Social agency
Management of social channels on behalf of brands.

INDIRECT



DESCRIPTION

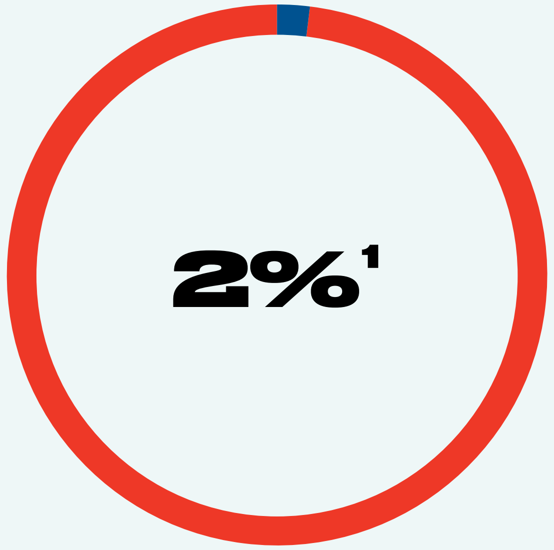
We generate revenue on social platforms and our websites, where we indirectly engage with the end customer.

INCLUDES

Social video
We have revenue share arrangements with social platforms where advertising appears alongside our content.

Web programmatic
We use automated technology which brings together advertisers and publishers to facilitate the buying and selling of website advertising space on an auction basis.

OTHER



DESCRIPTION

This includes content licensing, subscription income, merchandise sales, affiliate revenue and events.

INCLUDES

Licensing – We license content to customers including television channels and other media publishers, either on a per clip or package basis.

Subscriptions – Relates to revenue from podcast subscriptions.

Events – Relates to ticket sales from live events hosted throughout the year.

Affiliate Revenue – Relates to earnings from website content enabling viewers to click through to partner sites.

1. As a percentage of total revenue for the 9 months ended 30 September 2024.

OUR STRATEGY

PROGRESSING ON OUR JOURNEY TO £200M

LBG made significant progress along its line of sight to £200m in revenue, focusing on three key growth lenses: Direct, Indirect, and U.S. expansion, with the latter supplementing growth across both Direct and Indirect segments.

01 DIRECT

Taking market share from traditional players and building deeper relationships with blue-chip brands.

Progress in the year:

- Ever increasing roster of seven figure clients.
- Uber Eats 'snack wars' series demonstrates expanding capabilities (read the case study on page 19).
- 5 awards in 2024.

02 INDIRECT

Growing audience and reach across platforms and web, building deeper relationships with key partners.

Progress in the year:

- Global audience of 503m, of which 143m U.S. based.
- Improved web proposition driving great revenue diversification (see further details on page 20).
- Significant increase in web sessions and yields in 2024.

03 U.S. EXPANSION

Growing operations in the world's largest ad market, with Betches as a springboard for growth.

Progress in the year:

- Existing U.S. operations consolidated into Betches HQ.
- Integration of sales teams to create industry specialists.
- Significant wins demonstrate complementary nature of business (see case study on page 22).

OPPORTUNITY TO ACCELERATE VIA STRATEGIC MERGERS & ACQUISITIONS (M&A)

OUR STRATEGY IN ACTION

01 DIRECT

Summary

- **In June, we partnered with Uber Eats for a sponsored Euro 2024 themed edition of our hugely popular original series 'Snack Wars'.**
- **This mini-series was fronted by football talent including Thierry Henry, Kate Abdo and Micah Richards, among others, as they went head-to-head to put their home countries' cuisines against each another.**
- **The series was supported by a social campaign and in-app activity from Uber Eats and was a huge success, with viewing figures surpassing viewership of the Euro 2024 final on the BBC!**
- **This is a great showcase of our expanding capabilities as we delivered brand sponsored-content in a native format that resonated with our audience, garnering millions of views.**

snack wars

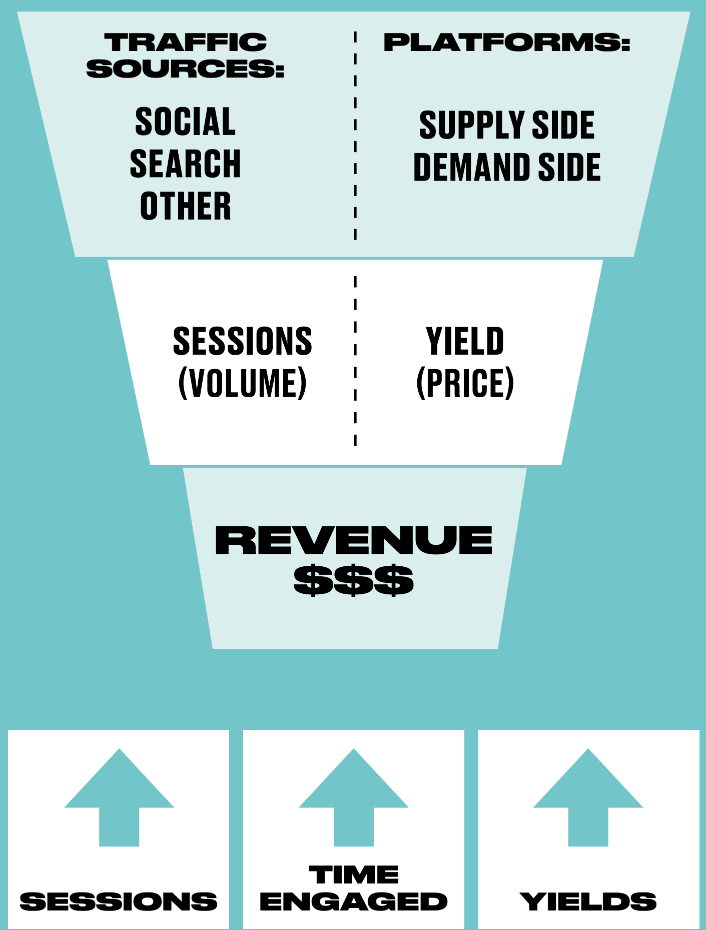
SPONTANEOUS AWARENESS	BRAND LOVE
+8% PTS	+6% PTS
FAVOURED BRAND	**TRUST**
+10% PTS	+12% PTS

OUR STRATEGY IN ACTION CONTINUED

WEB REVENUE ENHANCEMENTS

02 INDIRECT

- Our web revenue is derived from our owned and operated websites, such as ladbible.com and sportbible.com, among others.
- Over the last year, we have placed an editorial focus on quality web content. This has driven higher sessions and greater average time engaged with users.
- Platform enhancements have further improved our web offering, and this has combined to deliver a substantial increase in our web yields.
- Web now accounts for 49% of Indirect revenue as at the end 9 months ended 30 September, up from 30% at the end of FY23.
- The diversification of our indirect revenue, supported by our web offering enhances the stability of our income streams and provides multiple levers for sustained, long-term growth.



OUR MISSION CONTROL PLATFORM

BUILDING OUT OUR CAPABILITIES AS A DATA-LED ORGANISATION.

LADbible's newly developed internal reporting platform, Mission Control, represents a significant step forward in the Company's ability to monitor, analyse, and act on data from multiple platforms.

Mission Control aggregates data across platforms, offers automated scraping capabilities, and enables bespoke reporting solutions tailored to departments and individual needs – further expanding our capabilities as a data-led organisation.

KEY FEATURES OF MISSION CONTROL

Comprehensive Data Aggregation:
- Aggregates metrics and data across all platforms, including Facebook, Instagram, YouTube, Snapchat, and TikTok.

Automation and Scheduling:
- Automated daily scraping of data from platforms, ensuring up-to-date reporting. Facebook and Instagram data scraped every five minutes.

Customisable Reporting:
- Ability to build bespoke dashboards and automated programming that summarises top-performing content across platforms.

OPPORTUNITIES

Content Strategy Optimisation:
- Identifying high-engagement content categories and reallocating resources toward successful content strategies.

Third-Party and Creator Data Integration:
- Potential to integrate data from third-party accounts and additional external channels.

Platform Manager Collaboration:
- Opportunity to collaborate with social platform managers to secure deeper data integration.

OUR DATA-LED MISSION...

Mission Control offers transformative potential for LBG Media, consolidating data from diverse platforms into a cohesive, actionable format.

It presents opportunities to streamline reporting, enhance forecasting, and drive revenue-focused decision-making.

Further development of Mission Control will support the business as it builds out capabilities as a data-led organisation.

OUR STRATEGY IN ACTION CONTINUED

Summary

Peacock was a joint blue-chip account win with Betches.

Highlights

U.S. Expansion supports our growth across both Direct and Indirect segments and expanding our operations in the U.S., the world's largest advertising market, presents a significant opportunity. In June 2024, we signed a deal with NBCUniversal streaming service Peacock, which was a joint win between the LBG and Betches teams. The deal highlights the complementary nature of our combined offering in the U.S. and has since been supplemented by further high-profile partnerships, such as that with Netflix, L'Oréal and Heineken.

What we did

Leveraging SPORTbible we ran a high impact U.S. site takeover as well as 3 Instagram carousels focusing on key sports that Peacock were due to show during the period, including the Premier League and NFL.

We utilised the carousel to showcase the big games to watch creating tangible tune in moments and mass awareness amongst a sports loving audience.

Results

- Our site takeover and social campaign smashed all benchmarks on engagement and click-through rate ('CTR').
- Our takeover overdelivered by 220% on booked impressions with 72% viewability and 0.09% CTR (benchmark 0.05%).
- Across social we reached over 2.4m sports fans with 119% overdelivery on impressions.
- We doubled our benchmark of engagements with 82,818 in total and 1,676 saves. CTR also surpassed benchmarks driving high volumes of users to the Peacock site to stream the action.

WINS IN FY24

NBC

NETFLIX

Heineken

FINANCIAL REVIEW

STRONG FINANCIAL PERFORMANCE, REFLECTING THE SUCCESSFUL EXECUTION OF OUR STRATEGIC PRIORITIES

REVENUE
FOR 9 MONTHS ENDED 30 SEPTEMBER 2024
£64.9m
FY23 (12m): £67.5m

ADJUSTED EBITDA
FOR 9 MONTHS ENDED 30 SEPTEMBER 2024
£16.9m
FY23 (12m): £17.4m

PROFIT BEFORE TAX
FOR 9 MONTHS ENDED 30 SEPTEMBER 2024
£12.1m
FY23 (12m): £5.9m

"Our diversified revenue model continues to strengthen, with Direct contributing over 50% of Group revenue and Web operations comprising 49% of Indirect revenue."

Solly Solomou
Chief Executive Officer

Change to accounting reference date

As announced on 24 July 2024, we have adopted 30 September as our accounting year-end. In this transitionary reporting period we are required to present the statutory statements as the 9 months ending 30 September 2024 in comparison to the 12 months ending 31 December 2023. However, we appreciate that it is difficult for the reader to understand the underlying performance of the business on this basis, therefore this Annual Report and Accounts includes an unaudited proforma consolidated statement of comprehensive income as supplementary information, providing insight into the Group's performance on an annualised basis for the 12 months ending 30 September 2024 in comparison to the 12 months ending 30 September 2023. This unaudited proforma information, sourced from the Group's management accounts for the two comparative periods, does not form part of the audited financial statements. Additional notes, including segmental analysis, key assumptions, and reconciliations to the reported financial statements, are detailed on pages 27 to 29.

FINANCIAL REVIEW CONTINUED

Highlights & KPIs

The Group delivered strong financial performance in the 9 months to 30 September 2024, reflecting the successful execution of our strategy across our three growth lenses of Direct, Indirect and U.S. expansion. The following highlights and key performance indicators ('KPIs') showcase our progress and accomplishments over the period. As the current reporting period covers 9 months, compared to a 12-month period for the prior year, percentage changes have not been presented.

			UNAUDITED PROFORMA		
	9 months ended 30 Sept 24 £'000	Year ended 31 Dec 23 £'000	12 months ended 30 Sept 24 £'000	12 months ended 30 Sept 23 £'000	Change 12m v12m %
Revenue	**64,945**	67,510	**86,245**	70,895	22%
Adjusted EBITDA	**16,929**	17,368	**24,475**	21,126	16%
Profit before tax	**12,139**	5,937	**14,469**	10,999	32%
Closing cash	**27,174**	15,800	**27,174**	30,727	(12%)
Cash generated from operations	**20,264**	10,100	**25,817**	14,954	73%
Cash conversion	**120%**	78%	**105%**	71%	

Financial KPIs

Adjusted EBITDA as a % of revenue	**26.1%**	25.7%	**28.4%**	29.8%	
Profit before tax as a % of revenue	**18.7%**	8.8%	**16.8%**	15.5%	

Non financial KPIs

Global audience* (m)	**503**	452	**503**	424	19%
Brief conversion	**29%**	29%	**29%**	29%	
Daily web sessions (m)	**5.3**	4.7	**5.0**	4.9	2%
Web yield per 1k sessions (£)	**10.01**	6.87	**10.07**	6.04	67%

* Global Audience reflects social followers, unique podcast listeners and average monthly website users in the period.

- Total Group revenue for the 9 months to 30 September 2024 was £64.9m. Unaudited proforma revenue rose 22%, from £70.9m to £86.2m, outpacing market growth and highlighting our growing appeal to advertisers.
- Broadly even split between Direct and Indirect reflects effectiveness of business model and reinforces sustainability of our growth.
- Adjusted EBITDA up 16% for the unaudited 12-months to 30 September 2024, predominantly driven by the expansion of our U.S. footprint, through the acquisition of Betches, and a more efficient ANZ operating model.
- Adjusted EBITDA margin impacted by investments for growth of £3.4m which have focused on our Direct and Web segments, and which are already delivering positive results.
- Strong adjusted cash conversion of 120%, resulted in cash and cash equivalents of £27.2m at the period end (FY23 £15.8m).

Financial Review

Revenue

			UNAUDITED PROFORMA		
	9 months ended 30 Sept 24 £'000	Year ended 31 Dec 23 £'000	12 months ended 30 Sept 24 £'000	12 months ended 30 Sept 23 £'000	Change 12m v 12m %
Direct	**34,443**	29,349	**43,920**	31,635	39%
Indirect	**29,368**	37,111	**40,749**	38,272	6%
Other	**1,134**	1,050	**1,576**	988	60%
Total	**64,945**	67,510	**86,245**	70,895	22%

Total Group Revenue

Total Group revenue for the 9 months ended 30 September 2024 was £64.9m, demonstrating strong operational performance despite being lower than the £67.5m reported for the 12 month prior period. This highlights the growing appeal of our offerings to advertisers and reflects the accelerated growth driven by the strategic value we deliver to our clients on both our Direct and Indirect revenue streams.

The strength of our diversified revenue model continues to improve with Direct accounting for more than 50% of total Group revenue, alongside progression of our Web operations which now accounts for 49% of total Indirect revenue in the 9 months ended 30 September 2024.

On an unaudited proforma basis, revenue for the 12 months ended 30 September 2024 reached £86.2m, representing a 22% increase compared to the prior year. This growth comprised 6% organic growth, driven by deeper relationships with blue-chip brands and continued expansion of Web, offset by softer Social revenues as a result of the Facebook commercial model change in calendar Q3. The remainder of the increase in total Group revenue can be attributed to the acquisition of Betches, which occurred in October 2023.

Direct Revenue

Direct revenue for the 9 months ended 30 September 2024 was £34.4m (FY23 (12m): £29.3m).

This increase, despite the shorter reporting period, was primarily driven by the inclusion of Betches, acquired as part of our U.S. expansion strategy, which has strengthened our Direct revenue streams and aligned with our focus on growing Direct revenue through targeted market opportunities.

On an unaudited proforma basis, Direct revenue for the year ended 30 September 2024 increased by 39%, to £43.9m, up from £31.6m in the prior year.

The Group continued to deliver high-quality content, retained, strengthened and developed new relationships with key blue-chip brands, expanded its presence in the U.S., and capitalised on significant cultural and sporting moments with successful campaigns during the year.

Indirect Revenue

Indirect revenue for the 9 months ended 30 September 2024 was £29.4m, down from £37.1m in the prior year. This decline reflects the impact of the shorter reporting period, as well as changes in Facebook's commercial model which resulted in some short-term volatility in Social revenues in calendar Q3. As with previous platform changes, we were able to quickly adapt and saw a return to normalised levels on exiting Q1 FY25.

On an unaudited proforma basis, Indirect revenue grew by 6% to £40.7m from £38.3m in the prior year. This growth was driven by an expanding audience base and significant monetisation improvements in our Web proposition, aligning with the Group's strategy of delivering specialised content to targeted audiences.

Operating Expenses

Net operating expenses for the 9 months ended 30 September 2024 amounted to £52.4m, compared to £61.4m for the previous 12 month period. On an unaudited proforma basis, net operating expenses for the 12 months ended 30 September 2024 were £71.3m, representing an 19% increase from £59.8m in the prior year. This increase primarily reflects the inclusion of a full year of operating costs associated with Betches.

Adjusted EBITDA

Adjusted EBITDA for the 9 months ended 30 September 2024 was £16.9m, compared to £17.4m for the year ended 31 December 2023.

On an unaudited proforma basis, Adjusted EBITDA was £24.5m for the 12 months ended 30 September 2024, a 16% increase from £21.1m in the previous year. Whilst this improvement reflects the Group's effective management of core operations, growth in Adjusted EBITDA has been impacted by investments for growth of £3.4m which have focused on our Direct and Web segments, and which are already delivering positive results.

FINANCIAL REVIEW CONTINUED

Adjusted EBITDA is used for internal performance analysis to assess the execution of our strategy and is a benchmark that has been used by management and the investment community to assess the performance of the Group. As such, management believe that this adjusted measure is an appropriate measure to assess the performance of the Group. Note that using Adjusted EBITDA produces a materially different result to the most closely related GAAP measure, being Profit Before Tax. It is therefore important to understand the nature of any adjusting items.

Share-based payment charges

Share-based payment charges decreased by £3.2m during the period, to £0.7m compared to £3.9m as of 31 December 2023. The reduction was primarily driven by the vesting of certain Non-Executive Director share schemes in the prior year, which resulted in a decline in associated expenses for the current period.

Amortisation and depreciation

Amortisation for the 9 months ended 30 September 2024 was £1.8m, up from £1.4m in the prior period, mainly reflecting the charge against intangible assets acquired through Betches.

Unaudited proforma amortisation for the 12 months ended 30 September 2024 was £2.4m, compared to £1.0m in the prior year. This is due to the amortisation of intangible assets recognised as part of the Betches acquisition in October 2023.

The depreciation charge for the 9 months ended 30 September 2024 was £1.8m (FY23 (12m): £2.1m) On a pro-rata basis, the current year charge reflects an increase, primarily driven by higher depreciation on right-of-use assets and new additions during the year.

Adjusting items

Adjusting items were £nil for the 9 months ended 30 September 2024, a decrease from £3.7m in the previous period.

Unaudited proforma adjusting items for the 12 months ended 30 September 2024 were £2.7m, compared to £3.5m in the prior year. These items included costs related to business reorganisations and acquisition-related fees, which management considers non-recurring.

Net finance costs

Net finance costs increased by £0.4m to £0.9m (FY23 (12m): £0.5m).
The increase in finance costs reflect the unwinding of the discount on contingent consideration of £1.0m arising on acquisition (FY23 (12m): £0.3m), offset by an increase in finance income of £0.2m.

Share of joint ventures

The share in joint ventures amounted to £0.5m for the nine months ended 30 September 2024 (FY23 (12m): £0.3m). This increase reflects the growth and improved profitability of Pubity Group Ltd.

Profit before tax

Profit before tax for the 9 months to 30 September 2024 increased to £12.1m, more than doubling from £5.9m in the prior year. This improvement was driven by lower depreciation and amortisation expenses due to the shorter reporting period, as well as a reduction in adjusting items.

Taxation

The tax charge for the period as £3.2m (FY23 (12m): £4.3m).

Balance sheet

As of 30 September 2024, the balance sheet shows a strengthened financial position with a £5.8m increase in total assets and an £8.0m rise in net assets from 31 December 2023.

The balance sheet reflects a stronger liquidity position and a bank facility free structure.

Total assets increased by £5.8m to £97.1m from £91.3m, mainly due to trading performance and improved cash conversion, offsetting decreases in non-current assets, such as goodwill and PPE.

Total liabilities reduced by £2.2m to £24.0m. Non-current liabilities declined by £4.5m due to reductions in lease liabilities based on payments made in the year of £1.6m and a £3.1m ($4.0m) payment of contingent consideration relating to the Betches acquisition.

Included within reserves movements in the year is a £1.6m currency translation difference (FY23 (12m): £1.1m).
The increase in the year relates to foreign exchange movements on intercompany loans.

Cashflow and cash position

The Group continues to maintain a strong cash position of £27.2m (FY23 (12m): £15.8m). Cash generated from operations was £20.3m for the 9 month period (FY23 (12m): £10.1m). Cash conversion in the period was 120% of adjusted EBITDA (FY23 (12m): 78%). This has been driven by improved focus on working capital management. During the period, we made lease payments of £1.6m (FY23: £1.3m).

On an unaudited proforma basis, cash decreased from £30.7m to £27.2m over the 12 months ended 30 September 2024, reflecting a net reduction of just £3.5m. This is particularly notable given the significant cash outflows related to the acquisition of Betches, including £17.6m paid at the time of acquisition and a further £3.1m in contingent consideration settled in July 2024.

Solly Solomou
Chief Executive Officer

21 January 2025

Unaudited Proforma Statement of Comprehensive Income

The unaudited proforma consolidated statement of comprehensive income has been included as supplementary information to the statutory 9-month reporting requirements. It is intended to provide insight into the Group's performance on an annualised basis, recognising the significance of the fourth calendar quarter. This unaudited proforma information is unaudited and does not constitute part of the audited financial statements. Selected income statement data has been sourced from the Group's management accounts for the two comparative periods. Additional notes, including segmental analysis and key assumptions underlying the proforma income statement, are detailed on pages 28 to 29.

		AUDITED	UNAUDITED	UNAUDITED	AUDITED	UNAUDITED	UNAUDITED	UNAUDITED
	Note	9 months ended 30 Sept 24 £'000	Plus 3 months ended 31 Dec 23 £'000	12 months ended 30 Sept 24 £'000	Year ended 31 Dec 23 £'000	Deduct 3 months 01 Oct 23 to 31 Dec 23 £'000	Plus 3 months ended 1 Oct 22 to 31 Dec 22 £'000	12 months ended 30 Sept 23 £'000
Revenue	8	**64,945**	21,300	**86,245**	67,510	(21,300)	24,685	**70,895**
Net operating expenses		**(52,383)**	(18,895)	**(71,278)**	(61,445)	18,895	(17,295)	**(59,845)**
Operating profit/(loss)		**12,562**	2,405	**14,967**	6,065	(2,405)	7,390	**11,050**
Analysed as:								
Adjusted EBITDA		**16,929**	7,546	**24,475**	17,368	(7,546)	11,304	**21,126**
Depreciation		**(1,814)**	(786)	**(2,600)**	(2,088)	786	(450)	**(1,752)**
Amortisation		**(1,820)**	(574)	**(2,394)**	(1,369)	574	(216)	**(1,011)**
Asset impairment and release of related liabilities		**–**	(318)	**(318)**	(318)	318	–	**–**
Share based payments charge		**(733)**	(760)	**(1,493)**	(3,853)	760	(685)	**(3,778)**
Adjusting items	9	**–**	(2,703)	**(2,703)**	(3,675)	2,703	(2,563)	**(3,535)**
Group operating profit/(loss)		**12,562**	2,405	**14,967**	6,065	(2,405)	7,390	**11,050**
Finance income		**289**	58	**347**	106	(58)	4	**52**
Finance costs		**(1,217)**	(351)	**(1,568)**	(565)	351	(26)	**(240)**
Net finance costs		**(928)**	(293)	**(1,221)**	(459)	293	(22)	**(188)**
Share of post-tax profits of equity accounted joint venture		**505**	218	**723**	331	(218)	24	**137**
Profit/(loss) before taxation		**12,139**	2,330	**14,469**	5,937	(2,330)	7,392	**10,999**
Income tax expense		**(3,185)**	(1,805)	**(4,990)**	(4,271)	1,805	(2,236)	**(4,702)**
Profit/(loss) for the financial year attributable to equity holders of the Company		**8,954**	525	**9,479**	1,666	(525)	5,156	**6,297**
Currency translation differences (net of tax)		**(1,562)**	(1,039)	**(2,601)**	(1,082)	1,039	70	**27**
Profit/(loss) and total comprehensive income for the financial year attribute to equity holders of the Company		**7,392**	(514)	**6,878**	584	514	5,226	**6,324**
Basic earnings/(loss) per share (pence)	10	**4.3**	0.3	**4.6**	0.8	(0.3)	2.5	**3.0**
Diluted earnings/(loss) per share (pence)	10	**4.1**	0.2	**4.3**	0.8	(0.2)	2.3	**2.9**

FINANCIAL REVIEW CONTINUED

Basis of preparation for proforma disclosure

1. Unaudited purpose of proforma disclosure

The proforma statement of comprehensive income has been prepared to provide stakeholders with a full 12 month view of the Group's performance, following the recent change in year-end from 31 December to 30 September. This proforma disclosure covers the period from 1 October 2023 to 30 September 2024, supporting comparability with previous periods and offering insight into the Group's annualised results.

2. Unaudited basis of preparation

The proforma statement of comprehensive income has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the United Kingdom. The accounting policies applied are consistent with those used in the statutory financial statements.

Key assumptions in the proforma statement of comprehensive income include the consistent application of the effective tax rate used in prior financial years and uniform treatment of share-based payments across the proforma period.

Adjusting items have been included in the proforma disclosure, with each item allocated to the period in which it was incurred. This approach provides a realistic view of the Group's financial performance, reflecting all significant items impacting operations during the 12 month period.

3. Unaudited revenue and expense allocation

Revenue recognition has been applied consistently across both the statutory and proforma periods, in line with IFRS 15 guidelines. Revenue streams have been allocated across the proforma period according to performance obligations.

Operating expenses, including direct and indirect costs, have been allocated on a basis consistent with the statutory period.

4. Unaudited adjusting items

Adjusting items during the reporting period are reflected in the proforma statement of comprehensive income based on the actual period in which they were incurred. Detailed notes accompany the proforma statement of comprehensive income, outlining the nature and timing of each adjusting item to enhance transparency and clarity for users.

5. Unaudited taxation

A blended effective tax rate has been applied across the proforma period to reflect relevant tax rates for each segment. Specifically, the FY22 effective tax rate was applied to the first 3 months, with the FY23 effective tax rate applied to the remaining 9 months of the year ended 30 September 2023. For the 12 month proforma period ending 30 September 2024, a blended rate combining the FY23 rate and the rate applicable to the statutory 9 month period has been applied, providing a representative tax view across the proforma period.

6. Unaudited share-based payments

Share-based payments have been calculated and applied consistently throughout the proforma period, using the same valuation methodologies and recognition criteria as in prior periods, ensuring comparability with statutory accounts.

7. Unaudited presentation of comparative information

The proforma statement of comprehensive income serves as supplementary information and is not part of the statutory financial statements. Comparative figures for the statutory 9 month period (1 January 2024 to 30 September 2024) are disclosed alongside the proforma 12 month period for clarity and enhanced comparability.

Disclosures

8. Unaudited revenue

	AUDITED	UNAUDITED	UNAUDITED	AUDITED	UNAUDITED	UNAUDITED	UNAUDITED
	9 months ended 30 Sept 24 £'000	Plus 3 months ended 31 Dec 23 £'000	Year ended 30 Sept 24 £'000	Year ended 31 Dec 23 £'000	Deduct 3 months 01 Oct 23 to 31 Dec 23 £'000	Plus 3 months ended 1 Oct 22 to 31 Dec 22 £'000	Year ended 30 Sept 23 £'000
Revenue							
Direct	34,443	9,477	**43,920**	29,349	(9,477)	11,763	**31,635**
Indirect	29,368	11,381	**40,749**	37,111	(11,381)	12,542	**38,272**
Other	1,134	442	**1,576**	1,050	(442)	380	**988**
	64,945	**21,300**	**86,245**	67,510	(21,300)	24,685	**70,895**

9. Unaudited adjusting items

A breakdown of adjusting items is provided below

	AUDITED	UNAUDITED	UNAUDITED	AUDITED	UNAUDITED	UNAUDITED	UNAUDITED
	9 months ended 30 Sept 24 £'000	Plus 3 months ended 31 Dec 23 £'000	Year ended 30 Sept 24 £'000	Year ended 31 Dec 23 £'000	Deduct 3 months 01 Oct 23 to 31 Dec 23 £'000	Plus 3 months ended 1 Oct 22 to 31 Dec 22 £'000	Year ended 30 Sept 23 £'000
Costs associated with business reorganisations	–	1,629	**1,629**	1,980	(1,629)	1,571	**1,922**
Acquisition related fees	–	1,141	**1,141**	1,141	(1,141)	–	**–**
One off retention payment in 2023	–	–	**–**	621	–	–	**621**
U.S. set up costs	–	–	**–**	–	–	626	**626**
Tax (credits)/settlements	–	(67)	**(67)**	(67)	67	365	**365**
	–	**2,703**	**2,703**	**3,675**	**(2,703)**	**2,562**	**3,534**

10. Unaudited EPS

	AUDITED	UNAUDITED	AUDITED	UNAUDITED
	9 months ended 30 Sept 24 £'000	Year ended 30 Sept 24 £'000	Year ended 31 Dec 23 £'000	Year ended 30 Sept 2023 £'000
Basic Earnings per share				
Earnings, £m	8,954	9,479	1,666	6,297
Number of shares (m)	209.1	208.4	206.5	206.5
Earnings per share, pence	**4.3**	**4.6**	**0.8**	**3.0**
Diluted Earnings per share				
Earnings, £m	8,954	9,479	1,666	6,297
Number of shares (m)	217.7	217.7	217.7	217.7
Earnings per share, pence	**4.1**	**4.4**	**0.8**	**2.9**

PRINCIPAL RISKS AND UNCERTAINTIES

THE BOARD HAS OVERALL RESPONSIBILITY FOR RISK MANAGEMENT, WHICH IS REVIEWED REGULARLY TO ENSURE MITIGATING ACTIONS ARE IN PLACE.

In the 9 months ended 30 September 2024, the Group undertook an exercise to update the Group's risk register, including each key department in the Group participating in risk workshops to identify the key risks, their impact and likelihood, as well as identifying any mitigations and required actions.

The principal risks and uncertainties which may impact the Group's performance are set out below.

RELIANCE ON KEY EMPLOYEES

Risk and impact
The Group's future success depends, in part, on its senior management team and long-standing senior employees, who possess a wealth of knowledge of the Group's business, development and growth.

The Group faces competition from competitors for qualified personnel and the Group's success is therefore also dependent on its ability to attract, train, motivate and retain highly qualified individuals.

Succession planning complements these efforts by identifying high-potential employees for future leadership roles and integrating external recruitment to address any expertise gaps. This ensures business continuity and reduces the risks associated with leadership transitions.

Mitigation
The Group has an experienced senior management team with extensive industry experience and a deep understanding of the Group's business, many of whom are long-standing employees who have taken on additional responsibilities to progress within the Group.

In order to attract and retain the best talent, the Group has a people strategy in place consisting of a variety of measures, including: competitive reward, remuneration and benefit packages; training and development; career progression; mentorship; wellbeing initiatives; and the opportunity to work on innovative and original projects. The Group invests significant time in developing its talent and future leaders, whilst also keeping an eye out for talent outside the Group for when the time comes to bring in new skills and expertise.

DATA PROTECTION

Risk and impact
Any data breach by the Group, or any failure to comply with data protection laws, including any historic non-compliance, may result in fines and/or enforcement action from local regulatory authorities and/or claims brought against it by affected third parties, as well as reputational damage. Privacy compliance laws are continuing to develop around the world as well as increasing awareness by the public of their data rights.

Mitigation
The Group has established processes and procedures to ensure compliance with data protection laws and best practice, and provisions are included in contracts with third party processors, including suppliers and programmatic partners. The Group also invests in technology and resource to manage privacy risks, supported by the Group's in-house legal function, leveraging external counsel where necessary.

DEPENDENCY ON SOCIAL MEDIA PLATFORMS

Risk and impact
The Group's success as a social media publisher is reliant on the continued popularity of social media as a means of creating, sharing and consuming content. There is a risk to the Group that any of the social media platforms on which it publishes content cease to be a market leader, cease to operate at all, or cease to regard the Group as a preferred partner (for example, the Group has limited contractual assurance as to the duration or terms of its relationships with such social media platforms). Changes in social media platforms' algorithms and strategies could materially impact traffic to the Group's content and revenues. Given the Group's significant younger audience, the Group would be adversely affected by a negative change in the perception of social media platforms by young people. Social media platforms may also be subject to adverse publicity and/or legal, regulatory or governmental action that may materially impede the provision of services and infrastructure.

Mitigation
The Group works with a diverse range of social media platforms and has strong relationships with each of them, reducing reliance on any single platform. The Group continuously monitors algorithms and other updates to platforms to identify any potential impact on audiences. Further, the Group continues to diversify its portfolio, reducing reliance upon Facebook (for example through the acquisition of Betches which has a predominantly Instagram and podcast-led audience). The Group continues to monitor publicity and legal/regulatory trends to ensure that it keeps ahead of any changes that may impact the Group.

CYBERSECURITY AND SYSTEM INTERRUPTIONS

Risk and impact
Interruptions in the Group's IT systems may result in operational failures and may make the Group's websites temporarily unavailable. In addition, the Group's IT systems rely, in part, on the services of third-party providers, including social media platforms. Any interruptions in the services provided by such third parties, which are outside the control of the Group, would impact the operation of the Group's business and the Group's ability to publish content, reach audiences and generate advertising revenue.

Inadequate performance of the Group's IT systems could also affect the security of the Group's websites. The Group and its service providers might not have the resources or technical sophistication to anticipate or prevent all types of cyberattacks. IT security breaches can also occur as a result of non-technical issues, including intentional or inadvertent breaches by employees or by persons with whom the Group has commercial relationships. Advances in computer capabilities and technology, including the use of AI, may also increase the frequency, sophistication or likelihood of security breaches. As a result, the Group may, in future, need to devote significant resources to protect against security breaches or to address problems caused by any such breaches.

Mitigation
The Group reviews and seeks continuous improvement to ensure that robust procedures and controls to mitigate system interruptions in relation to the Group's IT systems, including intrusion detection systems, multi-factor authentication and regular testing. Employees regularly undertake cybersecurity training to foster a culture of awareness and compliance.

PRINCIPAL RISKS AND UNCERTAINTIES CONTINUED

ECONOMIC UNCERTAINTY AND DEPENDENCY ON DIGITAL ADVERTISING REVENUE

Risk and impact

Digital advertising is a critical source of revenue for the Group. The Group's success depends, in part, on its ability to maintain and expand its relationships with brand advertisers, including the advertising agencies that represent them.

In addition, the Group's digital advertising products face competition for advertising revenues from a variety of sources, such as other international content providers, newspapers, television, radio and other forms of media and social media. The launch of new competing digital services that attract consumers, advertisers or user generated content, or a significant increase in the market share of any of the Group's existing competitors, could lead to a reduction in the Group's digital advertising revenues.

A number of other factors outside of the Group's control could also lead to reductions in the Group's digital advertising revenues. Such factors include: a decline in the popularity of, or demand for, the Group's editorial content or perceptions of the Group's brands and/or publications; a decrease in the price of online advertising generally or the pricing of the Group's offering or competing offerings; and other factors such as the macroeconomic climate, political uncertainty, consumer sentiment, advertising regulations and consumer perception of economic conditions in any of the territories in which the Group operates.

Mitigation

The Group continuously monitors macroeconomic developments and market conditions and is well positioned competitively due to its large audience of young adults (typically aged 18 to 34) and works with a diverse range of clients in different industries, sectors and territories, and has successfully retained a significant proportion of key clients each year.

The Group also has diversified revenue streams including both direct (client) channels in territories including the UK, U.S., Ireland, Australia and New Zealand and indirect (monetisation and programmatic) channels worldwide.

OUTSOURCED PROVIDERS AND DATA ASSURANCE

Risk and impact

The Group relies on outsourced providers for IT, data management in revenue recognition, and tax technical expertise. This creates risks around limited oversight, reliance on third-party controls, and data accuracy and security. SOC reports provide limited assurance, potentially exposing the Group to operational, compliance, and financial risks.

Mitigation

The Group selects outsourced providers based on their expertise and reputation, with contracts outlining performance expectations and compliance requirements. While SOC reports provide some assurance, the Group acknowledges the need to further enhance oversight and monitoring to ensure alignment with its control environment and strategic objectives.

This Strategic Report, which has been prepared in accordance with the requirements of the Companies Act 2006, has been approved and signed on behalf of the Board.

Solly Solomou
Chief Executive Officer

21 January 2025

SUSTAINABILITY

OUR APPROACH TO SUSTAINABILITY

LBG MEDIA IS DEDICATED TO MAKING A POSITIVE IMPACT IN THE WORLD. AS A LEADING ENTERTAINMENT COMPANY FOR YOUNG ADULTS, WE RECOGNISE THE POWER OF OUR GLOBAL PLATFORM TO DRIVE A SOCIALLY RESPONSIBLE AGENDA, AMPLIFY THE VOICES OF OUR AUDIENCE, AND ADVOCATE FOR THOSE WITHOUT EQUAL OPPORTUNITIES.

We continue to make progress in key areas identified in our materiality assessment, with highlights outlined below from key areas.

PEOPLE AND SOCIETY

LBG MEDIA LEVERAGES ITS POWERFUL GLOBAL PLATFORM TO PURSUE SOCIALLY RESPONSIBLE AGENDAS, RUNNING SEVERAL AWARENESS CAMPAIGNS TO CONTINUE OUR COMMITMENT TO OUR PLATFORM AS A FORCE FOR GOOD.

PLANET EARTH

WE CONTINUE TO FOCUS ON REDUCING OUR CARBON FOOTPRINT ACROSS OUR BUSINESS.

SUSTAINABILITY CONTINUED

PEOPLE AND SOCIETY

In the period we launched the 'You're On Mute' campaign to inspire young people to vote in the general election. In partnership with creators, we spread the message through an out-of-home ad campaign at Glastonbury Festival, boosting election awareness among young adults.

With the charity Stamp Out Spiking, we raised awareness of drink spiking in the UK and pushed for legislative change. The campaign featured a four-part mini-series, Survivors of Spiking: Our Stories, backed by insight from LADnation, the Group's consumer youth panel, and was supported by Capital XTRA host Jourdan, social content, and out-of-home ads in Manchester.

On 17 July 2024, the Government announced drink spiking would be made a specific offence.

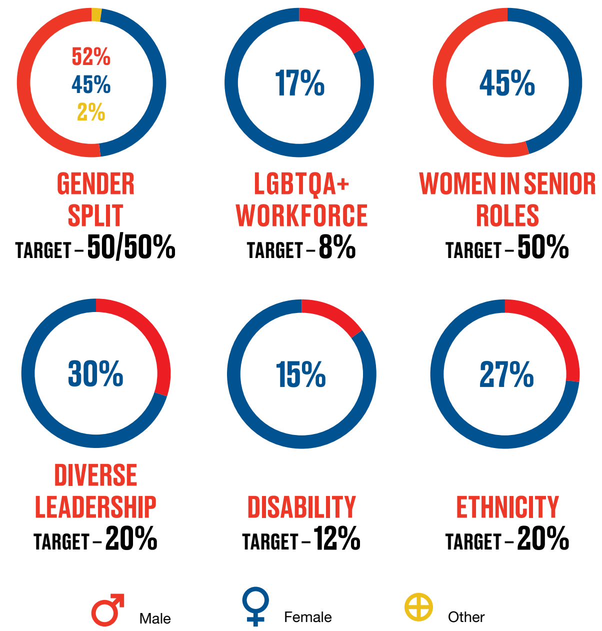
LBG Media was named The King's Trust's first official social partner for its annual awards, celebrating young people who've overcome barriers. We activated content leading up to the event, surprising winners with idols like Chunkz, and hosted the exclusive red carpet. Additionally, we launched our second LADnation report with the Trust, highlighting the challenges young people face in building careers and achieving financial stability.

DIVERSITY & INCLUSION

LBG Media is committed to building a diverse, inclusive workforce that reflects our global audience. We always look to challenge ourselves and our audience to think differently and create an environment where our people can directly influence our work.

This year, we have introduced reporting on social mobility as part of our annual targets. We will continue to work to improve our policies and working practices to meet our targets and will be monitored annually by management.

LBG Media January – September 2024 D&I Survey Results



PLANET EARTH

We continue to focus on reducing our carbon footprint across our business. This includes our websites, where we are continuing our work with third-party tech partners that assist with eco-effective bidding. We have also started using methodologies and practices that take down the global bid requests and use a more targeted approach to reduce wastage. Across Studios, we continue to use the Albert and Adgreen calculators to ensure best practices and minimise emissions in production and travel throughout the business.

We continue to engage with our stakeholders and employees on climate-positive topics. This year, we launched a new initiative for the Group on Earth Day, to exchange second-hand clothes as part of a 'Thrift Shop' as well as using a sustainable stationery company that uses 100% recyclable materials.

Across our platforms, we aim to raise awareness of global issues and educate our audience on how they can take action to address them. Highlights include an episode of Honesty Box with naturalist Steve Backshall to discuss protecting wildlife, as well as a partnership with GiffGaff for World Environment Day to encourage our audience to recycle and save e-waste from landfill.

We are proud to be IAB Gold Standard certified, demonstrating our commitment to best practices in digital advertising and we attend regular board meetings to help shape the industry's future.

SECTION 172(1) STATEMENT

TAKING CARE OF OUR STAKEHOLDERS

This statement sets out how our Board of Directors, both individually and collectively, act with regard to section 172(1) of the Companies Act 2006 when undertaking their duties during 2024.

The Board considers that this statement focuses on those risks and opportunities that are strategically important to LBG Media, and consistent with the Group's size and complexity.

Engagement with all stakeholders is critical to the Group achieving long-term success. As such, the Board regularly considers all stakeholders when making decisions regarding the Group's long-term strategy and operations.

Our key stakeholders are those who influence or are affected by our day-to-day activities. These stakeholder groups have varying needs and expectations; our aim at LBG Media is to engage effectively with all of them, to develop and maintain positive and productive relationships.

We have a broad range of stakeholders who influence or are affected by our day-to-day activities, and have varying needs and expectations. Our aim is to ensure that the perspectives, insights and opinions of stakeholders are understood and taken into account when key operational, investment or business decisions are being made, so those decisions: are more robust and sustainable in themselves; and support LBG Media's strategic approach of creating value for shareholders and society.

KEY STAKEHOLDERS	WHY WE ENGAGE	IMPACT TO LBG MEDIA	VALUE CREATED
EMPLOYEES	Engagement helps attract, retain and develop a diverse and talented workforce.	Diversity in our people and our thoughts helps us to create content our audience loves, with many of our colleagues being part of the communities we reach.	Our workforce reflects the communities we serve. Our culture is a powerful asset and empowers and enables our people to deliver high quality content for our audience.
SHAREHOLDERS	We place great importance on having constructive relationships with all shareholders and seek to ensure there is an appropriate level of dialogue with them on all matters, including strategy, governance and remuneration, throughout the year.	Our investors provide finance, strategic direction and stewardship. Shareholders are directly consulted by the Board on such matters as Remuneration Policy and views are sought on key corporate activity.	Successful execution of the strategy drives strong earnings performance.
AUDIENCE	Our audience is at the centre of everything we do. Without them we would not exist. It is therefore vital we create vibrant, engaging content to attract and retain our audience.	Commercial opportunities are driven primarily by the access we have to our audience.	Creating a large, diverse audience, often in the hard to target 18-34 year old range, differentiates our media offering versus our competitors.
CUSTOMERS AND PLATFORMS	Fostering healthy reciprocal relationships helps to ensure LBG Media achieves the greatest all-round value from its investments and activities.	Developing mutually beneficial relationships with our commercial partners and suppliers is a fundamental contributor to our long-term sustainability.	Through alignment with our values, continuous improvement and risk we build mutual confidence and respect.

KEY STAKEHOLDER GROUPS

01 EMPLOYEES

Group engagement

- Employee recognition awards at Summer and Christmas events
- Engagement through town hall meetings (led by our CEO, COO and CFO)
- Annual Group-wide events & socials
- The weekly 'LBG Media Roundup' email sent to all staff summarising the key events of the week across the business
- Launched Plumm, online wellbeing and counselling service to all staff

How the Board engaged in the period

- D&I survey, 77% completion rate which is our highest ever record
- Values workshop with all staff to help create a set of Company values
- Employee pulse survey
- Q&A sessions with all staff at town halls and annual events
- Team socials and events

WHAT WE LEARNT

- **Transparency and communication of business strategy and direction is important to our employees**
- **That our employees feel they have a good relationship with their managers**
- **That our employees feel they undertake meaningful work**
- **That our employees enjoy working in the office environments that we have created for them**
- **That a hybrid working approach is working well for us**

WHAT ARE WE GOING TO DO IN FY 2025?

- **Grow and attract the best talent**
- **Design and undertake manager and leadership training programmes**
- **Roll out training to all employees at every level**
- **Further engagement surveys**
- **Create and communicate a set of new Company values**
- **Further develop D&I initiatives, groups and partnerships**
- **Annual review of salary benchmarking data**
- **Continue to build on town halls and communication**

SECTION 172(1) STATEMENT CONTINUED

02 SHAREHOLDERS

Group engagement

- Responding to queries from shareholders, and holding meetings with all types of investors on an ongoing basis
- Ad hoc updates with investors to help them to understand the business
- Continuous communication with buy-side analysts (who act as a conduit with shareholders)
- Communicating shareholder views to LBG Media's senior management teams
- Bi-annual roadshow to communicate results

How the Board engaged in the period

A programme of Director-investor meetings covering key financial announcements, long-term priorities and specific issues at investors' request

- Participation in virtual and physical investor conferences
- Chair meeting with top shareholders to maintain the interaction and to obtain feedback
- Regular Board updates on investor and financial market sentiment
- Board updates on the acquisition of Betches Media, LLC
- Detailed reporting of shareholder feedback during and after half - and full-year results roadshows

WHAT WE LEARNT

- **Investors are highly engaged with LBG Media and understand the strategy that underpins our future growth plans**
  They are keen to see the traction from these and they are supportive of the strategy and its implementation
- **Focus on ensuring key management is retained, good succession planning is in place across the leadership teams as well as appropriate future remuneration policy**

WHAT ARE WE GOING TO DO IN FY 2025?

- **Continue to engage with our shareholders throughout 2025 through regular communication including the AGM**
- **Board members are available should investors like to hear an update and share feedback**

Measuring engagement and value created

BASIC EARNINGS PER SHARE	DILUTED EARNINGS PER SHARE
4.3p	4.1p

03 AUDIENCE

Group engagement

- Surveyed our audience via our LADnation panel of 55,000 of our community on current news and cultural topics to inform key creative output across the business such as original format 'Ask The Audience'
- Engaged with our audience via innovative experiences, creating AI lens for brands such as Wilkinson Sword and reactive editorial, for example the Euros-themed filters
- Undertook partnerships and on-the-ground content around culturally relevant moments and high profile events, including The King's Trust Awards, MOBO Awards, BAFTAS, BAFTA TV, Brit, Royal Television Society, The Ultimate Disney Fan Event, EMAS, Gladiator, Wicked, Wimbledon, British Grand Prix and BBC Sport Personality of the Year
- Supported causes and charities such as Stamp Out Spiking, Women's Aid, If U Care Share, RNIB
- Projects included 'You're on Mute' to encourage voting of young people in the UK, working with CALM for the launch of 'You Saved My Life' and working with World Refugee Day with two former refugees turned footballing superstars

How the Board engaged in the period

- Audience engagement figures form part of every Board meeting agenda

WHAT WE LEARNT

- **Engagement from our audience drives everything we do and informs our content strategies across our brands**
- **Our audience loves to experience key moments in the cultural calendar through LBG Media's channels**
- **Partnerships with high profile events bring in new audiences**
- **Creating a wide range of content for all of our platforms is integral in our strategy to be where our audience is**
- **Our audience enjoy being active participants and experimenting with personalised content**

WHAT ARE WE GOING TO DO IN FY 2025?

- **Activate brand campaigns around issues that are important to our audience and continue regularly supporting our key areas: Protecting women and girls, mental health awareness, the planet and representing underrepresented communities**
- **Implement a new branding and narrative strategy for LADbible Group and its brand portfolio 'bibles'**
- **Create content to raise awareness around important issues around the world and drive fresh conversation, understanding and action in young people**
- **Form partnerships with high-profile events and platforms to reach new audiences**

SECTION 172(1) STATEMENT CONTINUED

04 CUSTOMERS AND PLATFORMS

Group engagement

- Ongoing, strong relationships with the key advertising agencies, fostered through frequent meetings and hosting events for those agencies alongside being IAB Gold Standard Certified
- Regular meetings with the largest social media platforms including Meta, Google, YouTube, TikTok and Snapchat

How the Board engaged in the period

- The relationships with key media agencies and platforms form part of every Board meeting agenda

WHAT WE LEARNT

- **Customers are highly engaged with LBG Media and understand the strategy that underpins our future growth plans. They are keen to see the traction from these and they are supportive of the strategy and its implementation**
- **Focus on ensuring key management is retained, good succession planning is in place across the leadership teams as well as appropriate future remuneration policies**

WHAT ARE WE GOING TO DO IN FY 2025?

- **Continue to work closely with Meta, TikTok and Google and YouTube to discuss opportunities throughout the year**

Measuring engagement and value created

LBG MEDIA CONTINUES TO GROW ACROSS TIKTOK AND YOUTUBE IN THE UK

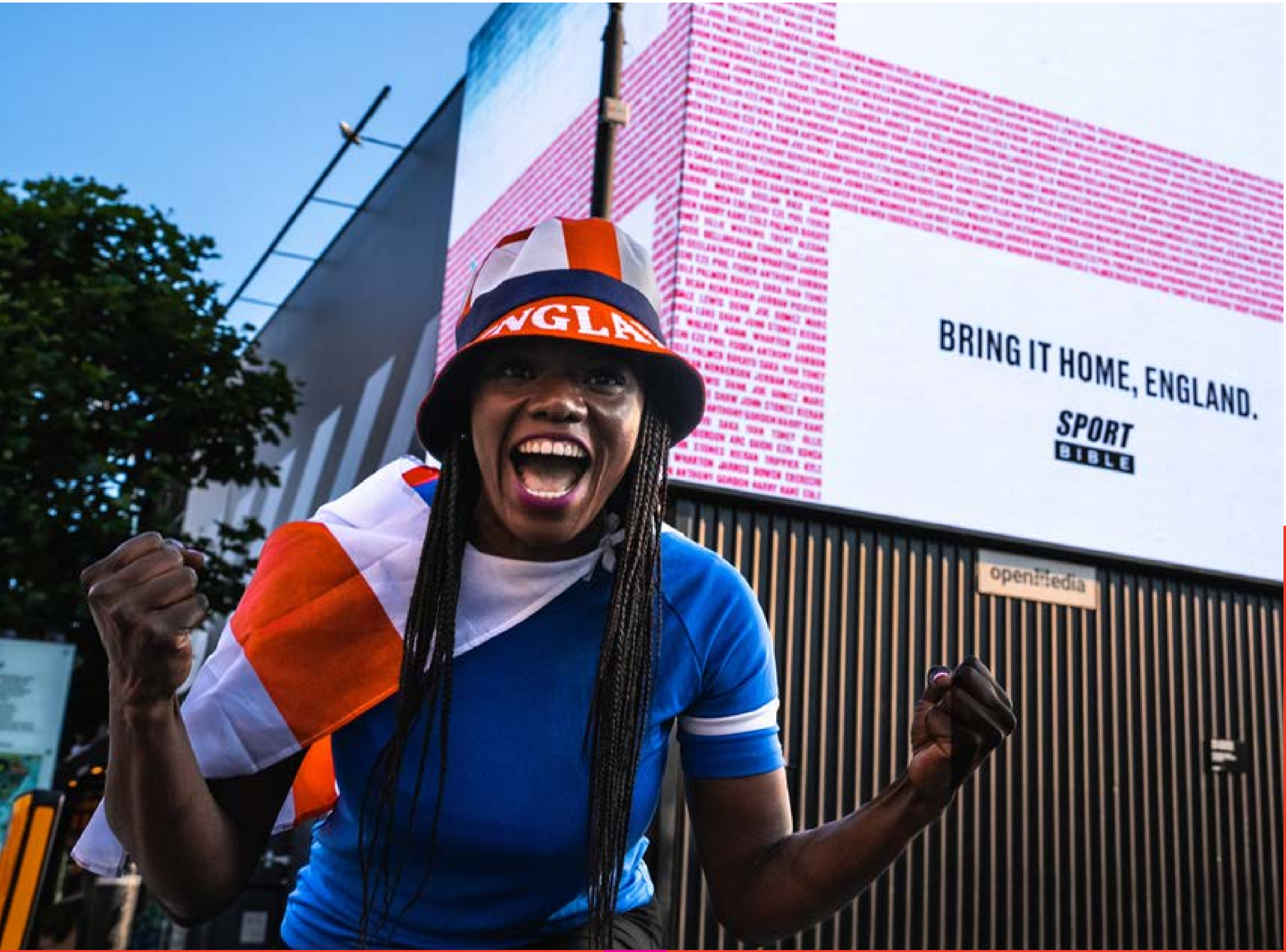
INCREASING PARTNERSHIPS UTILISING LADNATION CONTINUED WITH THE LIKES OF VISA, HALIFAX AND JACAMO

Board decision making in practice

BELOW ARE EXAMPLES OF SOME OF THE SIGNIFICANT DECISIONS TAKEN BY THE BOARD DURING THE YEAR AND HOW THE DIRECTORS TOOK STAKEHOLDER INTERESTS INTO ACCOUNT WHEN DISCHARGING THEIR DUTIES UNDER S.172(1) COMPANIES ACT 2006.

STRATEGIC DECISION	STAKEHOLDER GROUP IMPACTED	ENGAGEMENT WITH STAKEHOLDERS
Non-payment of dividends	Investors	The Group has decided not to pay a dividend this year, consistent with the prior period, to prioritise reinvesting profits for sustainable growth. This decision supports long-term value creation. Investors are informed via bi-annual and annual reports, highlighting financial performance, strategic progress, and the rationale behind reinvestment.
Establishment of EBT	Employees, Investors	The Group established an Employee Benefit Trust (EBT) to support long-term retention and incentivisation of employees. This aligns with the Group's commitment to attracting and rewarding talent, fostering a motivated workforce crucial for sustainable growth. Updates are provided through internal communications for employees and investor presentations.
Change of reporting date	Investors	The change in the financial year-end aligns the Group's reporting with the fourth calendar quarter (October to December), now Q1 of the new financial year. This period is the Group's most significant quarter, improving market guidance, planning, and forecasting. Stakeholders are informed through formal announcements and financial disclosures explaining the strategic benefits.
Board's Review of the Risk Register	Investors, Employees	The Board conducted a comprehensive review of the Group's risk register, ensuring robust mitigation strategies for emerging and principal risks. Key insights and actions are communicated via governance disclosures and internal updates.
ANZ Restructure	Employees, Investors, Customers	The Group has completed the restructuring reported in the last Annual Report, transitioning to a changed business model. A third party has been appointed to manage the direct business under a profit-sharing arrangement. Stakeholders are engaged through internal communications, client updates, and investor briefings to outline the benefits of this completed restructure.
Consolidation and Integration of Betches	Employees, Investors	Efforts to consolidate and integrate Betches with LADbible US aim to foster operational efficiency and drive synergies. Progress updates are shared through employee communications and investor briefings, outlining milestones and expected benefits.

GOVERNANCE



GOVERNANCE

BOARD OF DIRECTORS

Key
- Audit Committee
- Nomination Committee
- Remuneration Committee
- Chair

A WEALTH OF EXPERIENCE

DAVE WILSON

NON-EXECUTIVE CHAIR

Appointed: December 2021

Dave has over 35 years of international, operational and Board level experience. He spent over 12 years at GB Group plc, joining as the Group Finance and Operations Director in 2009. During his tenure, Dave successfully completed 14 acquisitions and two divestments and oversaw growth in the market capitalisation from £14m to £1.8bn. Dave currently holds the role of Non-Executive Director and Audit Committee Chair at musicMagpie Plc, and Non-Executive Chair of Knights Group Holdings plc. Previous Board positions have included roles as Chief Financial Officer and Chief Operating Officer of EazyFone Group, Chief Financial Officer at Codemasters and EXI Group, and Chief Operating Officer for a division within Fujitsu.

ALEXANDER 'SOLLY' SOLOMOU

CHIEF EXECUTIVE OFFICER

Appointed: October 2021

Solly co-founded LBG Media in 2012. In the following years, Solly has led the Group and its strategic direction, growing it to a £86m+* turnover business while building a wealth of experience in digital advertising and content creation. Solly was awarded the Ernst & Young Entrepreneur of the Year North award in 2016 and holds a Business Management Degree from the University of Leeds.

* Based on revenue for 12 months to 30 September 2024 (unaudited proforma).

RICHARD JARVIS

CHIEF FINANCIAL OFFICER

Appointed: April 2023

Richard has over 25 years' finance experience and joined LBG Media in April 2023. Prior to this, he worked at GB Group plc where he held a number of senior and executive roles including Group Financial Controller, Deputy Finance Director and, from 2019 to 2023, as Group Commercial Finance Director. During his time with GB Group, Richard managed and developed a global finance team across UK, U.S. and APAC, gained significant international growth and acquisition experience and guided GB Group on performance, commercial opportunities and risks.

CAROL KANE

NON-EXECUTIVE DIRECTOR

Appointed: December 2021

Carol co-founded Boohoo Group plc, a leading online fashion retailer, in 2006. During her time at Boohoo Group, Carol has helped take the company through an AIM listing and has grown the company to a now £1.8bn revenue business. Through her roles at Boohoo Group, Carol has extensive experience working across marketing, product and brand strategy both domestically and abroad.

ALEXANDRA JARVIS

NON-EXECUTIVE DIRECTOR

Appointed: December 2021

Alexandra is currently the Chief Strategy Officer and co-founder at Toppan Digital Language, an innovative digital translation technology service provider. Alexandra's roles at Toppan include building value through corporate development, strategic initiatives, mergers and acquisitions, finance, and governance. Alexandra previously worked for SDL plc, an LSE Main Market company, as the Senior Vice President and Executive Board member for Strategy, M&A, IR and Corporate Marketing. Prior to joining SDL plc, Alexandra was a Partner at Peel Hunt LLP, a UK-based investment bank, where she was the senior equity analyst for the technology sector.

RICHARD FLINT

NON-EXECUTIVE DIRECTOR

Appointed: December 2021 – Resigned December 2024

Richard has over 20 years' experience in online businesses, formerly serving as Executive Chair of Sky Betting & Gaming and, prior to this appointment in October 2018, Richard served as Chief Executive Officer of Sky Betting & Gaming for ten years. During his tenure at Sky Betting & Gaming, he was awarded a number of high-profile awards, including the Compliance Lifetime Achievement Award at the global regulatory awards in 2020, and Glassdoor's No.1 CEO in 2018. Richard currently holds the role of Chairperson of Butternut Box, Chairperson of Seat Unique and was a former Non-Executive Director of Welcome to Yorkshire and of Flutter Entertainment plc.

CORPORATE GOVERNANCE REPORT

MAINTAINING & VALUING HIGH STANDARDS

On behalf of the Board, I am pleased to introduce the Group's Corporate Governance Report.

Dave Wilson
Chair

Date of Board Meeting	Board Member Attendees
24 January 2024	All Directors attended
4 April 2024	All Directors attended
23 May 2024	All Directors attended
25 July 2024	All Directors attended

The Board recognises the value and importance of high standards of corporate governance. We aim to apply these in a manner which is most suited to the Group's ambitions and culture, and best addresses the Board's accountability to shareholders and other stakeholders.

The Group voluntarily observes the requirements of the Quoted Company Alliance's Corporate Governance Code (2018) (the '**QCA Code**') as the Board feels that this is most appropriate for the Group's size and stage of development.

In this section of our report we have set out how our governance framework underpins our day-to-day activities and decisions, and provided further insight into how the Board and Committees operate.

The Directors support a high standard of Corporate Governance and believe that the QCA Code provides the Group with the framework to help ensure that a strong level of governance is maintained, enabling the Group to embed the governance culture that exists within the organisation as part of building a successful and sustainable business for all of its stakeholders.

Principle 1

Establish a strategy and business model which promote long-term value for shareholders

The Directors believe that the Group's business model helps to promote long-term value for shareholders.
The business model is based on three key growth lenses:

- Direct;
- Indirect; and
- U.S. Expansion.

More details on our key growth lenses can be found on pages 14 to 15.

The principal risks facing the Group are set out on pages 30 to 32.
The Directors take appropriate steps to identify risks and undertake a mitigation strategy to manage these risks.

Principle 2

Seek to understand and meet shareholder needs and expectations

The Board is committed to engaging with shareholders to ensure that the business strategy, operating model, and performance are clearly understood and communicated. Shareholders are kept up to date via Regulatory Information Service announcements on matters of a material substance and/or a regulatory nature. Updates are provided to the market from time to time, including any financial information, and any expected material deviations to market expectations are announced via a Regulatory Information Service.
The Group's AGM is an opportunity for shareholders to meet with the Non-Executive Chair and other members of the Board. The meeting is open to all shareholders, giving them the option to ask questions and raise issues during the formal business or, more informally, following the meeting. The results of the AGM votes are announced via a Regulatory Information Service.

The Board is keen to ensure that the voting decisions of shareholders are reviewed and monitored. The Group intends to engage with shareholders where votes are not in favour of resolutions at the AGM to understand their motivation.

The Board actively encourages feedback from shareholders and the wider investor community.
There is a designated email address for investor relations, investors@ladbiblegroup.com, and all relevant contact details are included on the Group's corporate website.

Principle 3

Take into account wider stakeholder and social responsibilities and their implications for long-term success

The Group takes corporate social responsibilities, including ESG, very seriously and is focused on maintaining effective working relationships across a wide range of stakeholders including shareholders, employees, customers, suppliers and the communities in which the Group operates, in order to achieve long-term success.

The Group has established a number of initiatives to support the development and welfare of its employees. The Directors believe that the key to the success of the business is promoting strong social values, including the importance of promoting inclusion, diversity and equality to its community of followers. The Group regularly seeks feedback from its audience and wider stakeholders to maintain an inclusive culture and implement best working practices.

The Directors maintain an open and ongoing dialogue with its stakeholders to help promote the long-term success of the Group and seeks to actively engage with them to regularly inform and influence better decision making.

Principle 4

Embed effective risk management, considering both opportunities and threats, throughout the organisation

The Board continues to ensure that the Group has effective risk management processes and an embedded system of internal control. The risks involved and the specific uncertainties for the Group are regularly monitored through a strategic risk register reviewed by the Board at each Board meeting.

Where necessary, the Board draws on the expertise of appropriate external consultants or advisers to assist in dealing with or mitigating risk.
The Group, with support from the Board and Audit Committee, has updated the Group risk management process in 2024, which has been shared with the Board and Audit Committee.

Principle 5

Maintain the Board as a well-functioning, balanced team led by the Chair

The Board is comprised of the Non-Executive Chair, three Non-Executive Directors and two Executive Directors. Executive Directors work full time. The Chair is contracted to work 42-54 days per annum.
Other Non-Executive Directors are contracted to work 12 days per annum.

The biographies of the Directors are set out on pages 44 to 45.
The Non-Executive Chair is Dave Wilson, and the Non-Executive Directors are Carol Kane, Alexandra Jarvis and Richard Flint.
All Non-Executive Directors are considered to be independent and were selected with the objective of bringing experience and independent judgement to the Board. The shareholdings held by the Non-Executive Directors are immaterial and therefore based upon the judgement of the Board they are independent. Non-Executive Director independence will be reviewed annually.

The Board is also supported by the Audit Committee, the Remuneration Committee and the Nomination Committee. The Nomination Committee keep the composition of the Board under regular review, taking into account the relevant skills, experience, independence, knowledge and gender balance of the Board.
The Non-Executive Directors will be subject to retirement by rotation at every third AGM of the Group.

The Board meets regularly and holds at least six Board meetings a year. Processes are in place to ensure that each Director is, at all times, provided with such information as is necessary to enable each Director to discharge their respective duties.

The Group is satisfied that the current Board is sufficiently resourced to discharge its governance obligations on behalf of all stakeholders and will consider the requirement for additional Executive and Non-Executive Directors as the Group fulfils its growth objectives. Between 1 January 2024 and 30 September 2024, the Board met four times, which reflects the change of year-end with statutory financial results being reported for the 9 months ended 30 September 2024.

Principle 6

Ensure that, between them, the Directors have the necessary up-to-date experience, skills and capabilities

The skills and experience of the Directors are summarised in their biographies set out on pages 44 to 45.

The Directors believe that the Board has the appropriate balance of diverse skills and experience to deliver on its core objectives. Experiences are varied and contribute to maintaining a balanced Board that has the appropriate level and range of skill to assist the Group's strategy and growth objectives.

CORPORATE GOVERNANCE REPORT CONTINUED

The Chair and the Non-Executive Directors provide additional experience in operating in public market companies, have recent governance experience and each offer wider business skills which help to strengthen the Board and widen its capabilities.

The Board is not dominated by one individual and all Directors have the ability to challenge proposals put forward to a meeting, democratically. The Directors have also received a briefing from the Group's Nominated Adviser in respect of continued compliance with the AIM Rules for Companies.

The Board and Committees receive training as appropriate, including technical updates on the latest accounting, auditing, tax, and reporting developments. The balance of skills of the Board is reviewed at least on an annual basis. The Board has access to professional advisers at the Group's expense if necessary. The Board maintains its skillset through regular updates and training sessions provided by its advisers.

Principle 7

Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

The Directors will consider seriously the effectiveness of the Board, Audit Committee, Nomination Committee, Remuneration Committee, and individual performance of each Director.

The Group intends to establish a formal process for the regular assessment of the individual contributions of each member of the Board to ensure that their contribution is relevant and effective. Until then, the Non-Executive Chair is responsible for ensuring an effective Board.

Principle 8

Promote a corporate culture that is based on ethical values and behaviours

The Group has a responsibility towards its employees and other stakeholders and recognises that sound ethical values and behaviours are critical in creating an environment in which employees feel valued and can be most effective. The Board promotes a culture of integrity, honesty, trust and respect and all employees of the Group are expected to operate in an ethical manner in all their internal and external dealings. Evidence of this can be found in our ESG report on pages 33 to 35.

The staff handbook and policies promote this culture and include such matters as whistleblowing, social media, anti-bribery and corruption, communication and general conduct of employees. The Board takes responsibility for the promotion of ethical values and behaviours throughout the Group, and for ensuring that such values and behaviours guide the objectives and strategy of the Group. The Group incorporates the promotion and reward of demonstrating strong ethical values and behaviours as part of its people processes.

The Group culture is set by the Board and is regularly considered and discussed at Board meetings.

Principle 9

Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

The Non-Executive Chair leads the Board and is responsible for its governance structures, performance and effectiveness. The Board retains ultimate accountability for good governance and is responsible for monitoring the activities of the Executive team. The Non-Executive Directors are responsible for bringing independent and objective judgement to Board decisions.

The Executive Directors are responsible for the operation of the business and delivering the strategic goals agreed by the Board.

The Board is supported by the Audit Committee, Nomination Committee and Remuneration Committee. There are certain material matters which are reserved for consideration by the full Board.

The Board reviews the Group's governance framework on an annual basis, co-ordinated by the Audit Committee, to ensure it remains effective and appropriate for the business going forward.

Principle 10

Communicate how the Group is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Board recognises that engagement with all stakeholders is key to the ongoing success of the Group and is a central part of the ongoing management of the business.

The Annual Report and Accounts as well as the Group's half year reports are key communication channels through which progress in meeting the Group's objectives and updating its strategic targets are updated to shareholders.

Additionally, the Board uses the Group's AGM as a primary mechanism to engage directly with shareholders, to give information and receive feedback about the Group and its progress, while also engaging with its Nominated Adviser, Joint Corporate Brokers and investor relations advisers to assist in shareholder feedback and interaction. The Board receives regular updates on the views of shareholders from these advisers.

There is also a designated email address for investor relations, investors@ladbiblegroup.com, and all contact details are included on the Group's corporate website.

NOMINATION COMMITTEE REPORT

"I am pleased to present this review of the activities of the Nomination Committee during 2024."

Carol Kane
Non-Executive Director

Key objectives

The Nomination Committee supports the Board in Executive and non-Executive succession planning. Our key objectives as a Nomination Committee are:

- to ensure that the Board has individuals with the necessary range of skills and knowledge and diversity of experiences to lead the Company; and
- to make sure that there is appropriate consideration given to succession planning for the Board and other senior executives of the Group.

Key responsibilities

The Nomination Committee's key responsibilities include:

- ensuring succession plans are reviewed regularly;
- undertaking an annual Board performance evaluation; and
- considering diversity on the Board and in the pipeline for senior management roles.

Key areas of focus in 2024

- Oversight of the Executive Leadership Team's (ELT) development and succession planning.

I am pleased to present this review of the activities of the Nomination Committee during 2024. The Committee is made up of four Non-Executive Directors: I act as Committee Chair, with my colleagues Dave Wilson, Alexandra Jarvis and Richard Flint comprising the Committee. We are all considered independent Non-Executive Directors based on the judgement of the Board, as the shareholdings and options we hold are immaterial. Richard Flint resigned from the Committee in December 2024.

The Nomination Committee meets at least once a year and otherwise as required.

ELT succession planning

During the year, the Committee discussed Board structure and succession plans for executive directors. The Committee will continue to keep a watching brief on the market and potential talent and will continue to monitor the ELT and senior management talent pool to ensure that succession planning for business-critical roles is proactively reviewed and to ensure the development of a diverse pipeline for succession for the Board and the ELT.

The focus for 2025 will be to keep the composition of the Board under regular review, taking into account the relevant skills and experience of the Board.

Carol Kane
Non-Executive Director

21 January 2025

AUDIT COMMITTEE REPORT

"I am pleased to present the Audit Committee Report for the year."

Alexandra Jarvis
Non-Executive Director

Membership and Attendance

The Audit Committee is comprised of the three Non-Executive Directors and I act as Chair. The Board is satisfied that the Audit Committee has relevant and recent financial experience. The Audit Committee members also have a wide range of executive experience to support our broader discussions about risk management.

Three Audit Committee meetings were held in the year, with the attendees indicated in the table below.

Audit Committee Member	Number of meetings attended
A Jarvis (Chair)	2
R Flint (Resigned December 2024)	2
D Wilson	2
C Kane	1

The Executive Directors and other senior management are invited to attend the Committee meetings when relevant.

Aims of the Committee

The general aims of the Audit Committee are to:

Increase shareholder confidence in, and the credibility and objectivity of, published financial information;

Ensure that the financial performance, position and prospects of the Group are properly monitored and reported on;

Assist the Board in meeting its financial reporting responsibilities and ensure that the Group's published financial statements comply with all applicable statutory requirements and accounting standards;

Support the independent position of the auditor by providing channels of communication between them and the Non-Executive Directors; and

Review the performance of the auditor.

The Audit Committee's activities are guided by its terms of reference, which are available on the Group's investor website.

2024 performance against aims

Financial performance was improved in 2024 compared to the previous two years and market expectations were met. The business overall was able to perform more consistently and predictably from the start of 2024, experiencing somewhat less volatility from the market and demonstrating both good responsiveness in Indirect and pipeline building and conversion in Direct.

It was the decision of the Board to change the financial year end to September because of the weighting of revenue and profit performance to the October-December quarter.

The Audit Committee will monitor the clarity of reporting and comparators in the context of the change in reference period.

Significant issues

The Committee, external auditors and management considered the following issues to be significant in relation to the FY24 financial statements:

Matters considered	Conclusion
Revenue recognition and the risk of material misstatement	Based on the auditor's testing procedures performed, the revenue recognition policy was found to be in line with the applicable accounting standards and the recognition of revenue in the year to be appropriate.

External audit

The Audit Committee monitors the independence and objectivity of the external auditor, BDO. It is our policy that BDO shall not be engaged to perform any non-audit services following the IPO. As Chair, I meet with the auditor without the presence of the Executive Directors at least once a year and maintain an open channel between the auditor and the Non-Executive Directors. BDO has been the Group's auditor since year-end 2020, and the Committee is satisfied with its independence and effectiveness. Partner rotation will occur after the current audit. The Committee's policy is to open external audit services to tender at least every ten years.

Internal audit

The Group does not currently have an internal audit function. During the year, the Audit Committee discussed the priority areas of review with the Executive Directors, which were agreed to be: core financial controls, cyber and information security and the risk register, which was reviewed and updated during the period by the Executive team.

Whistleblowing and Anti-Bribery and Corruption

The Committee reviewed the Group's whistleblowing and anti-bribery and corruption policies and procedures and considered them to be adequate and operating effectively. No whistleblowing reports or reports of non-compliance have been received by the Committee.

Alexandra Jarvis
Chair of the Audit Committee

21 January 2025

REMUNERATION COMMITTEE REPORT

"The Remuneration Committee remains committed to ensuring that the remuneration package for our Executive Directors, and the wider workforce, is market competitive and incentivises the delivery of strong operational and financial performance."

Carol Kane
Non-Executive Director

On behalf of the Board, I am pleased to present the company's Remuneration Report for 2024, having taken over as Remuneration Committee Chair from Richard Flint on 1 January 2025. The report sets out the remuneration for Directors in respect of 2024 and how remuneration will operate in 2025.

The Remuneration Committee remains committed to ensuring that the remuneration package for our Executive Directors, and wider workforce, is market competitive and incentivises the delivery of strong operational and financial performance to support the achievement of overall business objectives. The four main elements of the annual remuneration package for Executive Directors are a base salary, benefits (including pension or cash in lieu), a cash-based annual bonus and a long-term share incentive. Details on each of these elements are set out in this report.

Annual bonus outcomes for FY24

Consistent with previous years, the Committee had intended to operate a half year and full year performance period, with associated targets for Revenue and EBITDA for the corresponding 6 and 12 month periods and a target opportunity for Executive Directors of 80% of salary. The performance assessment at the full year takes into account the outcome delivered at the half year, with any half year payout offset against the payout based on the full year assessment – this structure applies for all bonus eligible employees across Group.

However, as announced in July 2024, the Group's financial year end was changed from 31 December 2024 to 30 September 2024, resulting in a 9 month financial year. The Remuneration Committee determined that it would not be appropriate to amend the 12 month performance targets set at the beginning of the year, and therefore resolved to continue to operate the 12 month performance period to 31 December 2024. This means that the performance outcome for the 12 month period to 31 December 2024 is not yet known and will therefore be disclosed in next year's report (alongside the outcome for the FY25 annual bonus), but details of the outcome in respect of the 6 month period to 30 June 2024 are set out on page 56.

Long term incentive awards granted during FY24

As outlined in last year's report, during FY23, the Group conducted a review of long term incentive awards to members of the senior management team to continue to ensure they remain fit for purpose as the Company matures as a listed business since the float in December 2021. Awards to members of the senior management team in respect of FY23 were agreed in May 2023, however due to M&A activity, the awards to Executive Directors were granted in January 2024. Further details are set out in this report.

No long-term incentive awards with a performance period commencing in FY24 have been granted, as the Committee is currently reviewing the design of future long-term incentive plans to be awarded to the Executive Directors and the wider management team. It is anticipated that the next tranche of awards will be granted during FY25, and details will be provided at the time of grant and in next year's Remuneration Committee report.

Remuneration for FY25

Due to the change in the Company's financial year-end, the scheduled review of salary increases for the CEO and CFO has not yet taken place. Consequently, no adjustments have been implemented at this time. When completed, any changes to executive salaries will be communicated transparently in the next annual report, ensuring they align with the broader context of the wider workforce.

As outlined above, the annual bonus for the period to 31 December 2024 will end in FY25 and the outcomes will be disclosed in next year's report. In order to re-align with financial years going forward, the FY25 annual bonus will operate on a 12 month performance period from 1 October 2024 to 30 September 2025. The maximum bonus opportunity for the Executive Directors will be 80% of salary and will be subject to stretching financial and strategic targets.

The Committee will consider the approach to long term incentive awards for FY25 for the Executive Directors during the year.

Attendance at Remuneration Committee meetings

The Committee met 3 times in FY24, and all relevant Committee members were present at each meeting.

I hope that you find the information in this report helpful and informative. We welcome any comments or questions that you may have on this report or generally in relation to the Company's remuneration – you can contact me via the Company Secretary.

Carol Kane
Non-Executive Director

21 January 2025

REMUNERATION COMMITTEE REPORT CONTINUED

Remuneration Policy

Composition of the Committee

The Committee members since IPO have been Carol Kane (Chair from 1 January 2025), Dave Wilson, and Alexandra Jarvis. Richard Flint resigned from the Committee effective 31 December 2024, prior to this Richard was the Chair of the Committee. The Committee will normally meet 3 times a year to review the remuneration of the Executive Directors.

Remuneration policy for FY24 – Executive Directors

The Committee's overall approach is focused on ensuring the Company's remuneration policy is aligned with shareholders' interests whilst also enabling the Company to attract, retain and motivate high quality executive management.
The key objectives of the Company's remuneration policy are to:

- align Executive and shareholder interests;
- underpin an effective pay-for-performance culture; and
- support retention, motivation and recruitment of talented people.

The table below summarises the key elements of the remuneration policy for Executive Directors for FY24:

Element and link to strategy	Operation	Maximum potential value	Performance conditions
Base salary and benefits Supports the recruitment and retention of Executive Directors, reflecting their roles skills and experience.	Salaries are reviewed annually and any changes are normally effective from 1 January in the financial year. The Executive Directors receive benefits which include, but are not limited to, family private health cover, death in service life assurance and travel expenses for business-related travel.	Base salaries will be set at an appropriate level with a comparator group of comparable sized listed companies and will normally increase with increases made to the wider employee workforce. The value of benefits are not capped.	N/A
Pension Supports recruitment and retention of Executive Directors.	The Committee retains discretion to provide pension funding in the form of a salary supplement or a direct contribution to a pension scheme. Any salary supplement would not form part of the salary for the purposes of determining the extent of participation in the Company's incentive arrangements.	Pension funding for the Executive Directors is aligned with the wider workforce, currently equal to 3% of base salary.	N/A
Annual bonus Rewards the Executive Directors for delivering on key strategic and financial goals, encouraging sustainable performance of the business.	Annual bonuses are paid in cash, with no deferral into shares.	Maximum opportunity of 80% of base salary.	The annual bonus is based on a blend of financial and non-financial metrics which are aligned to the business strategy.
LBG Media plc Long Term Incentive Plan ('LTIP') To incentivise and reward long-term performance and value creation. To align the interests of Executives and shareholders in the long term.	LTIP awards may be granted annually. LTIP awards will typically vest at the end of a three-year period subject to the Executive Directors' continued employment and satisfaction of the performance conditions.	Maximum opportunity of 675% of base salary.	The LTIP awards are typically subject to financial targets measured over three financial years.
LBG Media plc Share Incentive Plan ('SIP') To encourage equity ownership across all employees and create a culture of ownership.	The Company offers a HMRC approved SIP scheme for all employees. The operation of this plan will be at the discretion of the Committee, and Executive Directors will be eligible to participate on the same basis as other employees.	Maximum permitted based on HMRC limits from time to time.	N/A
LBG Media plc Save As You Earn Plan ('SAYE') To encourage equity ownership across all employees and create a culture of ownership.	The Company intends to implement a SAYE scheme for all employees. The operation of these plans will be at the discretion of the Committee, and Executive Directors will be eligible to participate on the same basis as other employees.	Maximum permitted based on HMRC limits from time to time.	N/A

Remuneration Policy for FY24 – Non-Executive Directors

The Non-Executive Directors have entered into letters of appointment with the Company, which may be terminated by either party giving one month's written notice. The Non-Executive Directors receive a fixed fee for their role (determined by the Board) and do not receive any other elements of remuneration.

Annual Report on Remuneration

The following table summarises the total remuneration of the Directors who served during the financial year to 30 September 2024 (with figures for the financial year ending 31 December 2023 provided for comparison).

£'000	Salary / fees		Benefits[1]		Pension		Bonus		Total	
	FY24[2] (9 months)	FY23 (12 months)	FY24[2] (9 months)	FY23 (12 months)	FY24[2] (9 months)	FY23 (12 months)	FY24[2] (9 months)	FY23 (12 months)	FY24[2] (9 months)	FY23 (12 months)
Executive Directors:										
Alexander 'Solly' Solomou	201	263	1	1	–	–	123	109	325	373
Richard Jarvis[3]	180	170	1	–	5	5	110	79	296	254
Non-Executive Directors:										
Dave Wilson[4]	113	150	–	–	–	–	–	–	113	150
Richard Flint	52	70	–	–	–	–	–	–	52	70
Carol Kane[4]	52	70	–	–	–	–	–	–	52	70
Alexandra Jarvis	52	70	–	–	–	–	–	–	52	70

1. The benefits for the Directors relate to private medical health insurance.
2. FY24 represents a 9 month period from 1 January 2024 to 30 September 2024 following the change in financial year end announced on 24 July 2024. The amounts for FY24 are therefore not directly comparable to FY23 figures.
3. Richard Jarvis joined the Company on 11 April 2023 was appointed to the Board on 12 April 2023.
4. Dave Wilson and Carol Kane were granted share awards in the form of nominal cost (0.1p) options prior to the Group's IPO in 2021 which vested on the second anniversary of Group's admission to AIM subject to continuing to serve as a Non-Executive Director until that time, as set out in the Admission Document dated 7 December 2021. The options were exercised on 3 January 2024 at a share price of 78.4447p – the gain on exercise (before taxes) was £1,119,209 for Carol Kane and £807,363 for Dave Wilson.

REMUNERATION COMMITTEE REPORT CONTINUED

FY24 Annual Bonus

Consistent with previous years, the Committee had intended to operate a half year and full year performance period, with associated targets for Revenue and EBITDA for the corresponding 6 and 12 month periods and a target opportunity for Executive Directors of 80% of salary.

The Committee considered Revenue and EBITDA performance for the 6 month period to 30 June 2024 compared to targets set at the beginning of the year, taking into account broader business performance and progress on strategic initiatives.

The target opportunity for the 6 month period was 40% of salary. The performance assessment at the full year takes into account the outcome delivered at the half year, with any half year payout offset against the payout based on the full year assessment, such that the total target opportunity for the year is 80% of salary. This structure applies for all bonus eligible employees across the Group.

The Committee determined that the annual bonus awards of 115% of target for the Executive Directors in respect of this period were appropriate, as follows:

- Alexander 'Solly' Solomou: 46% of salary, equivalent to £123,050
- Richard Jarvis: 46% of salary, equivalent to £110,400

The Remuneration Committee determined that adjusting the 12 month targets to reflect a 9 month period would be challenging to do in a robust manner given the uneven nature of the business cycle throughout each financial year. The Committee therefore decided to retain a 12 month performance period to 31 December 2024 based on the original targets. As such, the performance outcomes are not yet known and will be disclosed in next year's report (alongside the outcome for the FY25 annual bonus).

Long term incentive awards granted during FY24

As outlined in last year's report, the Group conducted a review of long term incentive awards to members of the senior management team. The awards to Executive Directors agreed in May 2023 were not granted until 15 January 2024 due to M&A activity.

No other long term incentive awards have been granted during the financial year ending 30 September 2024, however the Committee is currently considering the design of future long term incentive awards to be granted to the Executive Directors and wider management team.

The awards for the Executive Directors, granted in the form of nil cost options, are subject to the satisfaction of stretching performance conditions measured over a three year performance period (1 January 2023 to 31 December 2025) and continued employment. The awards consist of a 'Base Award' (which will vest subject to stretching financial targets) and a 'Stretch Award' (which will vest subject to stretching total shareholder return targets of 30% and 50% CAGR over a three year performance period ending on 31 December 2025).

	Number of share options		
	Base Award	Stretch Award	Total
Alexander 'Solly' Solomou	627,990	627,990	**1,255,980**
Richard Jarvis	565,191	565,191	**1,130,382**

Further details on the Company's share schemes are set out in Note 20 to the financial statements.

Directors' share interests

The table below sets out the Directors' share interests as at 30 September 2024.

	Shares owned outright[1]	Awards subject to performance conditions (Options)	Awards not subject to performance conditions (Options)	Total share scheme interests	Total interests in shares
Executive Directors:					
Alexander 'Solly' Solomou	87,019,928[2]	1,577,408	–	1,577,408	88,597,336
Richard Jarvis	33,872	1,130,382	296,772[3]	1,427,154	1,461,026
Non-Executive Directors:					
Dave Wilson[4]	862,567	–	–	–	862,567
Richard Flint	57,142	–	–	–	57,142
Carol Kane[5]	750,577	–	–	–	750,577
Alexandra Jarvis	23,920	–	–	–	23,920

1. Including shareholdings of closely associated persons.
2. The interests of Alexander Solomou include 82,368,871 Shares held by Solo Investments Holdings Limited (formally LAD Investments Limited), a company of which Alexander Solomou is a director and the sole shareholder and 4,651,057 held in his own name.
3. Richard Jarvis was granted a buyout award over 274,509 shares on 16 January 2024 to compensate him for awards forfeited on resignation from his previous employer. The awards will vest on 11 April 2025 subject to continued employment. The value of the awards on the grant date (16 January 2024) was £203,137 based on the closing share price of 74p on that date. The remaining 22,263 options relate to the Group's Save As You Earn (SAYE) scheme.
4. Dave Wilson exercised a nominal cost (0.1p) option over 1,030,527 shares on 3 January 2024 at a share price of 0.784447p. The gain on exercise (before taxes) was £807,363. David sold 566,004 shares to finance the cost of exercising the options and the resulting taxes, resulting a net gain of £364,394.
5. Carol Kane exercised a nominal cost (0.1p) option over 1,428,571 shares on 3 January 2024 at a share price of 0.784447p. The gain on exercise (before taxes) was £1,119,209. Carol sold 784,624 shares to finance the cost of exercising the options and the resulting taxes, resulting a net gain of £505,142.

Implementation of remuneration policy in FY25

We summarise below the Executive Director salaries, pension levels and incentive opportunities for the financial year ending 30 September 2025.

Base salary

Due to the change in period end the Remuneration Committee has not yet reviewed salaries for FY25. Any adjustments will be considered in due course and disclosed in next year's report.

Annual bonus

As outlined above, the second element of the annual bonus for the period to 31 December 2024 will be disclosed in next year's report. In order to re-align with financial years going forward, the FY25 annual bonus will operate on a performance period covering 1 October 2024 to 30 September 2025. The maximum bonus opportunity for the Executive Directors will be 80% of salary and will be subject to stretching financial and strategic targets. The actual performance targets are not disclosed as they are considered to be commercially sensitive. Awards will be paid in cash.

LTIP

The Committee will consider the approach to long term incentive awards for FY25 for the Executive Directors during the year. Details of any awards granted during the year will be set out in an RNS at the time of grant and in next year's Remuneration Committee report.

Non-Executive Director fees

The fees have not been reviewed during the short period since the previous report. Any changes will be reported in the FY25 Annual Report.

Carol Kane
Chair of the Remuneration Committee

21 January 2025

DIRECTORS' REPORT

The Directors present their report together with the audited financial statements of the Group and the Parent Company for the 9-month period ended 30 September 2024.

Principal activities

The principal activity of the Group continued to be that of an online media publisher.

Business review and future developments

A review of the performance of the Group during the year, including principal risks and uncertainties and comments on future developments, is given in the Strategic Report.

Key performance indicators ('KPIs')

Details of our key performance indicators can be found in the Financial Review on pages 23 to 29.

Results and dividends

The Group recorded revenue in the period of £64.9m (FY23: £67.5m) and profit after tax of £9.0m (FY23: £1.7m).

No dividends £nil (FY23: £nil) were declared, proposed or paid in the period.

Directors and their interests

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were:

Name of Director	Date appointed
A Solomou	21 October 2021
R Jarvis	12 April 2023
D Wilson	7 December 2021
A Jarvis	7 December 2021
C Kane	7 December 2021

Richard Flint resigned from the Board on 31 December 2024.

All the Directors are subject to re-election by the shareholders at the forthcoming Annual General Meeting following their appointment during the year.

The Directors who held office during the year and at 30 September 2024, had the following interests in the Ordinary shares of the Group.

Name of Director	Number
A Solomou	87,019,928
R Jarvis	33,872
D Wilson	862,567
A Jarvis	23,920
R Flint	57,142
C Kane	750,577

In addition to the interests in Ordinary shares shown above, the Group operates a number of option incentive plans. Certain employees and Directors of the Group were granted share options under these plans, further details of which can be found in the Remuneration Committee report on page 56.

The market price of the Group's shares at the end of the financial year was 137.00p (FY23: 81.20p) and the range of prices during the year ended 30 September 2024 was between 63.50 and 141.00p. During the period, Alexander Solomou purchased 341,929 shares in the Group, Richard Jarvis purchased 13,835 shares in the Group, and Carol Kane purchased 106,630 shares in the Group. Following the exercise of share options within the period, Dave Wilson retained an additional 464,523 shares in the Group and Carol Kane retained an additional 643,947 shares in the Group.

Details on related party transactions with Directors are provided in Note 24 of the Group financial statements.

Directors' indemnities and insurance

The Group has made qualifying third-party indemnity provisions for the benefit of the Directors, which were in force during the year and up to the date of this report.

Substantial shareholdings

As at 31 December 2024, the Group has been advised, in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority, of the following notifiable interests in 3% or more of its voting rights:

Shareholder	No. of ordinary shares	% of issued share capital
A Solomou*	87,019,928	41.62%
Makkma Investments Limited**	41,556,350	19.88%
abrdn	16,541,780	7.91%
Canaccord Genuity Wealth Mgt	9,750,000	4.66%
Slater Investments	7,801,133	3.73%
FIL Investment International	6,790,897	3.25%

* The interests of Alexander Solomou include 82,368,871 shares held by Solo Investments Holdings Limited (formally LAD Investments Limited), a company of which Alexander Solomou is a director and the sole shareholder and 4,651,057 held in his own name.

** These figures include 623,572 Shares held by members of Mahmud Kamani's family. Mahmud Kamani is the controlling shareholder of Makkma investments Limited.

Subsequent events

The Group established an Employee Benefit Trust (EBT) during the year to facilitate the remuneration of employees, including the administration of share-based payment schemes. The EBT is managed independently and operates under the terms of the trust deed, funded by the Group.

The EBT did not hold any shares at the reporting date. However, subsequent to the year-end, the EBT acquired shares totalling £1,900k to support its objectives. These post-year-end transactions will be reflected in the Group's consolidated financial statements for the next reporting period.

Financial risk management

Information relating to the principal risks and uncertainties of the Group are included within the Strategic Report. The financial risk management policies are disclosed within Note 22.

Employees

The Group systematically provides employees with information on matters of concern to them, consulting them or their representatives regularly, so that their views can be taken into account when making decisions that are likely to affect their interests. Employee involvement in the Group is encouraged, as achieving a common awareness on the part of all employees of the financial and economic factors affecting the Group plays a major role in its performance. Further details are disclosed within the Section 172 statement on page 37.

The Group recognises its responsibility to employ disabled persons in suitable employment and gives full and fair consideration to such persons, including any employee who becomes disabled, having regard to their particular aptitudes and abilities. Where practicable, disabled employees are treated equally with all other employees in respect of their eligibility for training, career development and promotion.

Engagement with suppliers, customers and others in a business relationship with the Company

Details of how Directors have had regard to the need to foster the Company's business relationships with suppliers, customers and others, and the effect of that regard, including on the principal decisions taken by the Company during the financial year are disclosed within the Section 172 statement on page 41.

Political donations

The Directors confirm that no donations for political purposes were made during the period £nil (FY23: £nil).

Share capital and voting

The Company has one class of equity share, namely £0.001 Ordinary shares. The Ordinary shares have full voting, dividend and capital distribution rights, including on winding up. They are non-redeemable. The rights and obligations attaching to these shares are governed by the Companies Act 2006 and LBG Media's Articles.

As at 30 September 2024, LBG Media's issued share capital comprised 209,079,740 Ordinary £0.001 shares totalling £209,080.

Rules governing the appointment and replacement of Directors are contained within the Articles of Association, a copy of which is located on the Group's website at www.lbgmedia.co.uk.

Corporate Governance

The Group's statement on Corporate Governance can be found in the Corporate Governance Report which is incorporated by reference and forms part of this Directors' Report.

Going concern

The Group generated profit before tax of £12,139k during the period ended 30 September 2024 (FY23: £5,937k) and, at that date, the Group's total assets exceeded its total liabilities by £73,159k (FY23: £65,153k) and it had net current assets of £35,208k (FY23: £28,977k).

The financial statements have been prepared on a going concern basis. In determining the appropriate basis of preparation of the financial statements, the Directors have considered whether the Group can continue in operational existence for the foreseeable future.

The Directors have considered the principal risks and uncertainties with respect to their assessment of going concern, none of which in the opinion of the Directors give rise to specific risk to the going concern status of the Group. In particular, reliance on key individuals and social media platforms do not give rise to any concerns with respect to projected trading in the forthcoming 12 months.

DIRECTORS' REPORT CONTINUED

The Directors have assessed the Group's ability to continue as a going concern, considering its significant cash reserves, strong net current asset position, and overall net asset position. Based on this assessment, the Directors do not consider there to be any plausible scenario in which the Group would cease to trade as a going concern within 12 months from the date of approval of these financial statements.

As part of their assessment, the Directors have modelled a plausible downside scenario, which includes the potential loss of a key customer. The results indicate that the Group's business model is resilient and capable of withstanding this event while maintaining sufficient cash reserves.

In addition, the Directors have prepared a severe downside scenario to determine the level of revenue decline required for the Group to no longer be considered a going concern. The analysis demonstrates that revenue would need to fall by 75% from forecast levels for this to occur. Even in this extreme scenario, the Group would retain sufficient liquidity to meet its obligations and continue operations beyond 30 April 2026.

Accordingly, the Directors consider it appropriate to prepare the financial statements on a going concern basis.

Streamlined Energy and Carbon Report ('SECR')

The Streamlined Energy and Carbon Reporting ('SECR') regulations were implemented on 1 January 2020. This report considers relevant energy and carbon usage for the period from 1 January 2024 to 30 September 2024. The information in this report relates to the UK only.

To calculate the information in the tables presented below, management have used source documents such as travel expenses and invoices to make reliable calculations of CO_2 emissions and energy consumption.

Reporting parameters

The reporting parameters are the financial period ended 30 September 2024 and cover the operations of the Group. The main energy usage for the Group is grid electricity within the offices, given there is no requirement for further energy usage.

The reporting intensity ratio used is tonnes of CO_2 emissions per £k turnover. It is considered that this provides the best representation of activity, in line with other SECR reporting and industry standards.

Energy consumption and greenhouse gas emissions	kWh/ annum (period ended 30/09/2024)	kWh/ annum (year ended 31/12/2023)
Total electricity and gas	**152,884**	211,464
Total transport	**1,054,853**	730,556
Total	**1,207,737**	942,020

Increase in kWh year on year largely due to increased air travel in connection with the integration of Betches post-acquisition and increased office space in the UK.

Note that all of the emissions above are scope 2. There are no scope 1 emissions. Further, electricity and gas emissions are combined as these records are received combined from the landlords of the properties occupied in the UK.

We have not taken any measures to increase energy efficiency in the year.

Intensity ratio

The energy intensity metric being reported is tCO_2 e/£k turnover and the results are shown below.

	Emissions $kgCO_2e$/ annum	Turnover £k	Intensity ratio t/CO_2e/£k turnover
Period ended 30/09/2024	**254,050**	**64,945**	**0.3912%**
Year ended 31/12/2023	195,065	67,510	0.2889%

Disclosure of information to auditors

In the case of each Director in office at the date the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Group's auditor is unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

Independent auditor

The auditor, BDO LLP, has indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the AGM.

The Directors' Report was approved on behalf of the Board on 21 January 2025.

By order of the Board

Solly Solomou
Chief Executive Officer

21 January 2025

20 Dale Street, Manchester, M1 1EZ Registered number: 13693251

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors are required to prepare the Group and Company financial statements in accordance with UK adopted international accounting standards and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group and Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with UK adopted international accounting standards subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Website publication

The Directors are responsible for ensuring the Annual Report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Solly Solomou
Chief Executive Officer

21 January 2025

FINANCIAL STATEMENTS

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LBG MEDIA PLC

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 30 September 2024 and of the Group's profit for the period then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of LBG Media plc (the 'Parent Company') and its subsidiaries (the 'Group') for the period ended 30 September 2024, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Cash flows, the Consolidated Statement of Changes in Equity, the Company Balance Sheet, the Company Statement of Changes in Equity and notes to the financial statements, including material and significant accounting policy information.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK adopted international accounting standards.

The financial reporting framework that has been applied in the preparation of the Parent Company is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 (The Financial Reporting Standard in the United Kingdom and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group and the Parent Company's ability to continue to adopt the going concern basis of accounting included:

- Challenging the rationale for the assumptions used in the cash flow forecasts prepared to facilitate the Directors' conclusions related to the use of the going concern basis of accounting, using our knowledge of the business and the sector;
- Considering the appropriateness of the Directors' forecasts by testing their mathematical accuracy, assessing historical forecasting accuracy and understanding the Directors' consideration of downside sensitivity analysis and reverse stress testing;
- Reperforming sensitivities on the Directors' base case and stressed case scenarios, considering the likelihood of these occurring, and understanding and challenging the mitigating actions the Directors' would take under these scenarios; and
- Assessing the going concern disclosures against the requirements of the accounting standards, and assessing the consistency of the disclosures with the Directors' forecasts and assessment.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Overview

		FY24	FY23
Key audit matters	Revenue recognition	✓	✓
	Acquisition accounting		✓
	Acquisition accounting is no longer considered to be a key audit matter because there have been no acquisitions in the period.		
Materiality	Group financial statements as a whole		
	£620k (2023: £330k) based on 5% (2023: 5%) of profit before tax (2023: profit before tax adjusted for acquisition costs).		

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, the applicable financial reporting framework and the Group's system of internal control. On the basis of this, we identified and assessed the risks of material misstatement of the Group financial statements including with respect to the consolidation process. We then applied professional judgement to focus our audit procedures on the areas that posed the greatest risks to the Group financial statements. We continually assessed risks throughout our audit, revising the risks where necessary, with the aim of reducing the Group risk of material misstatement to an acceptable level, in order to provide a basis for our opinion.

The Group operates predominantly from the UK, with operations in the USA, Ireland, APAC and New Zealand.

We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

Components

There are 19 entities within the Group, including the Parent Company. In addition there is a joint venture, in which the Group has a 30% share. The nature of the other entities in the Group is as follows:

- 10 of these entities are dormant, and have no financial impact on the financial statements, aside from subsidiary, Unilad Group Limited;
- 2 entities are holding companies, and hold investments in the trading entities in the Group; and
- The remaining 6 entities are trading entities, including the Group's main trading entity being LADbible Group Limited, and the Group's recently acquired subsidiary, Betches Media LLC.

The Group is centrally managed, with the Group Finance team controlling the processes and controls for all entities within the Group, with the exception of Betches Media LLC where, while oversight exists from Group management, processes and controls are managed from the USA.

Based on the nature of the entities in the Group, and the processes and controls of the entities, we deemed there to be 9 components of the Group.

For all 9 components, we used a combination of risk assessment procedures and further audit procedures to obtain sufficient appropriate evidence to support the Group audit opinion.

The 9 dormant entities which have no financial impact on the consolidated financial statements have not been considered to be components.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LBG MEDIA PLC
CONTINUED

These were as follows:

Component	Component Name	Entity	Procedures performed
1	LBG Media	LBG Media plc – the Parent Company	Statutory audit
2	LADbible UK	LADbible Group Limited – principal trading entity	Procedures on the entire financial information
3	LADbible Ireland	LADbible Ireland Limited – trading entity	Risk assessment procedures
4	LADbible Aus + NZ	LADbible Australia Pty Limited – trading entity LADbible New Zealand Limited – trading entity	Procedures on one or more classes of transactions, account balances or disclosures
5	Holding Companies	LBG Holdco Limited LBG Holdco US Inc	Procedures on one or more classes of transactions, account balances or disclosures
6	LADbible US	LADbible US Inc – trading entity	Procedures on one or more classes of transactions, account balances or disclosures
7	Betches Media	Betches Media LLC – trading entity	Procedures on one or more classes of transactions, account balances or disclosures
8	Pubity Group	Pubity Group Limited – joint venture entity	Risk assessment procedure, which led to Procedures on one or more classes of transactions, account balances or disclosures
9	Dormant Companies	Unilad Group Limited	Risk assessment procedures

Procedures performed centrally

We considered there to be a high degree of centralisation of financial reporting and commonality of controls, as well as similarity of the Group's activities in the period in relation to:

- Goodwill and other intangible assets;
- Investments in equity accounted joint ventures;
- Tax balances;
- Revenue earned from social media pages – being Indirect Revenue per Note 2;
- Expected credit loss provisions
- Right of use assets and lease liabilities;
- Dilapidation provisions;
- Share based payments;
- Contingent liability calculations;
- Consolidation, financial statement preparation and cash flow statement;
- Going concern; and
- Laws and regulations.

We therefore designed and performed procedures centrally in these areas.

The Group operates a centralised IT function that supports IT processes for all components, aside from recently-acquired Betches Media LLC. The centralised IT function is subject to specified risk-focused audit procedures, predominantly testing for appropriate design and implementation of the relevant IT general controls and IT application controls.

Betches Media LLC operates its own IT function. This IT function has been subject to specified risk-focused audit procedures, predominantly testing for appropriate design and implementation of the relevant IT general controls and IT application controls.

The Group engagement team has performed all procedures, and has not involved component auditors in the Group audit.

Changes from the prior year

There have been no significant changes on the Group audit scope from the prior year, aside from those arising in relation to Betches Media LLC, which was acquired during that year.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter		How the scope of our audit addressed the key audit matter
Revenue recognition Refer to Note 2 – Revenue recognition, Note 4 – Revenue and Note 14 – Trade Receivables in relation to accrued income.	The Group has a number of revenue streams as detailed at Note 2, each of which contain different performance obligations with regard to the appropriate revenue recognition under IFRS 15 – Revenue from Contracts with Customers which has led to our assessment of this being a key audit matter. We have assessed that the risk of material misstatement could arise from: • An inappropriate use of journals in revenue, in relation to all revenue streams; • The existence and accuracy of Indirect revenues recognised including the reliance placed on external data by the Directors within certain revenue streams that confirms the number of views of videos on social media and views of advertisement on websites; • The existence and accuracy of revenue recognised throughout the period in respect of Direct revenue; and • Improper revenue recognition before completion of performance obligations, specifically with a focus on revenue recognised around the period end and on open campaigns at the period end.	Our audit procedures performed included the following: • identifying and testing journal entries, in particular any journal entries posted with unusual account combinations to supporting documentation. We checked a sample of performance obligations within Direct revenue recognised both during the period and either side of period end to contracts with customers to ensure revenue was accurately recognised. We further checked the confirmation of the delivery of the obligations in the period to ensure revenue was recognised in the correct period; • We vouched a sample of revenue recognised by performance obligation for open campaigns to contracts with customers and to confirmation of the delivery of the obligations in the period; • We checked a sample of accrued income balances at the period end to supporting documentation. This included checking that the revenue and accrued revenue was recorded in the correct period with procedures such as: agreeing to proof of obligation delivery, agreeing to contractual terms, and subsequent invoicing as well as receipt of cash where paid; • For a sample of Indirect revenue recognised during the period, and for a sample focusing on the period either side of period end, we obtained external third-party statements to confirm that revenue was recognised in the correct period; and • We challenged management and those charged with governance on revenue streams where management place reliance on third party data, as explained in Note 2, and then performed our own assessment of the reliability of related amounts due from the customers by agreeing to third party confirmation of revenue and cash receipt, as well as reviewing contractual terms for any matters impacting revenue recognition, to check the appropriateness of recognition of revenue based on third party data. **Key observations:** Based on the procedures performed, we found management's revenue recognition policy to be in line with the requirements of applicable accounting standards and the recognition of revenue in the period to be appropriate.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LBG MEDIA PLC
CONTINUED

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Group financial statements		Parent company financial statements	
	FY24 £	FY23 £	FY24 £	FY23 £
Materiality	£620,000	£330,000	£3,135,000	£3,117,000
Basis for determining materiality	Set based on 5% of profit before tax.	Set based on 5% of profit before tax, adjusted for costs attributable to the business combination expensed in the year.	Set based on 1.5% of total assets	Set based on 1.5% of total assets
Rationale for the benchmark applied	We consider profit before tax to be the most relevant measure for users of the financial statements.	We consider profit before tax adjusted for the business combination specific costs to be the most relevant measure for users of the financial statements. Due to the acquisition of Betches during the year, significant costs have been incurred and recognised as 'adjusting items'. We have considered these costs to be appropriate to add back to profit before tax in calculating materiality on the basis that these costs are one-off items incurred in the current year.	We consider total assets to be the most relevant measure for users of the financial statements.	We consider total assets to be the most relevant measure for users of the financial statements.
Performance materiality	£403,000	£215,000	£2,038,000	£2,026,000
Basis for determining performance materiality	65% of materiality	65% of materiality	65% of materiality	65% of materiality
Rationale for the percentage applied for performance materiality	This was considered appropriate based on: • Cumulative knowledge of the Group, • Degree of estimation in financial statements, • Historic misstatement levels, and • The trade of the Group being contained in two principal trading companies and one principal holding company.	This was considered appropriate based on: • Cumulative knowledge of the Group, • Degree of estimation in financial statements, heightened in the year by the business combination entered into, • Historic misstatement levels, and • The trade of the Group being contained in two principal trading companies and one principal holding company.	This was considered appropriate based on: • Cumulative knowledge of the Group, • Degree of estimation in financial statements, • Historic misstatement levels, and • The trade of the Group being contained in two principal trading companies and one principal holding company.	This was considered appropriate based on: • Cumulative knowledge of the Group, • Degree of estimation in financial statements, • Historic misstatement levels. • The trade of the Group being contained in two principal trading companies and one principal holding company, and; Acquisition made of 'Betches' in the year

The table aside states the Parent Company statutory materiality for the current and prior periods. In the prior year audit report stated the component materiality allocated to the Parent Company was disclosed.

Component performance materiality

For the purposes of our Group audit opinion, we set performance materiality for each component of the Group, based on a percentage of between 55% and 90% (2023: restricted to 90%) of Group performance materiality dependent on the size and our assessment of the risk of material misstatement of that component. Component performance materiality ranged from £221,000 to £362,000 (2023: £297,000).

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £12,400 (2023: £6,600). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors' report	In our opinion, based on the work undertaken in the course of the audit: • the information given in the Strategic report and the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and • the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.
Matters on which we are required to report by exception	We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion: • adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or • the Parent Company financial statements are not in agreement with the accounting records and returns; or • certain disclosures of Directors' remuneration specified by law are not made; or • we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LBG MEDIA PLC
CONTINUED

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on our understanding and accumulated knowledge of the Group and the sector in which it operates we considered the risk of acts by the Group which were contrary to applicable laws and regulations, including fraud and whether such actions or non-compliance might have a material effect on the financial statements. These included but were not limited to those that relate to the form and content of the financial statements, such as the Group accounting policies, UK adopted international accounting standards, United Kingdom Accounting Standards, including Financial Reporting Standard 102 (The Financial Reporting Standard in the United Kingdom and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)) and UK Companies Act 2006; those that relate to the payment of employees; and industry related such as compliance with infringement and defamation legislation, data protection and advertising standards legislation.

Our audit procedures included, but were not limited to:

- Holding discussions with those charged with governance, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing minutes of Board meetings for instances of non-compliance with laws and regulation and fraud;
- Challenging internal legal counsel on the nature of any whistleblowing matters that arose in the period, to identity instances of non-compliance with laws and regulations and fraud;
- Reviewing a sample of legal costs incurred and any known legal correspondence throughout the period for instances of non-compliance with laws and regulation; and
- Obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance including the Audit Committee regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls and revenue recognition.

Our procedures in respect of the above included:

- Challenging assumptions and judgements made by management in their significant accounting estimates; in particular, in relation to impairment considerations related to goodwill and other intangibles, and accuracy of the contingent consideration liability;
- Identifying and testing journal entries to source documentation, in particular any journal entries posted with unusual account combinations or including specific keywords to supporting documentation;
- Performing the procedures set out on the next page in response to the risk of fraud in revenue recognition;
- Incorporating an element of unpredictability into the audit procedures, by testing a sample of immaterial expenses incurred and assets capitalised in the period to supporting documentation to assess validity, and performing revenue recognition testing within the Joint Venture of the Group;
- Holding discussions with those charged with governance, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing minutes of Board meetings for instances of non-compliance with laws and regulation and fraud; and
- Agreeing the financial statement disclosures to underlying supporting documentation.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Parent Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Graham Ellis (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor Manchester

21 January 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Period ended 30 September 2024

	Note	Period ended 30 September 2024 £'000	Year ended 31 December 2023 £'000
Revenue	4	**64,945**	67,510
Net operating expenses	6	**(52,383)**	(61,423)
Decrease in expected credit losses of trade receivables	14	**–**	(22)
Operating profit		**12,562**	6,065
Analysed as:			
Adjusted EBITDA[1]		**16,929**	17,368
Depreciation	11	**(1,814)**	(2,088)
Amortisation	10	**(1,820)**	(1,369)
Asset impairment and release of related liabilities	6	**–**	(318)
Equity settled share-based payments charge	20	**(566)**	(3,853)
Cash settled share-based payments charge	20	**(167)**	–
Adjusting items	6	**–**	(3,675)
Group operating profit		**12,562**	6,065
Finance income	8	**289**	106
Finance costs	8	**(1,217)**	(565)
Net finance costs		**(928)**	(459)
Share of post-tax profits of equity-accounted joint venture	13	**505**	331
Profit before taxation		**12,139**	5,937
Income tax expense	9	**(3,185)**	(4,271)
Profit for the financial year attributable to equity holders of the Company		**8,954**	1,666
Currency translation differences (net of tax)		**(1,562)**	(1,082)
Profit and total comprehensive income for the financial year attributable to equity holders of the Company		**7,392**	584
Basic earnings per share (pence)	7	**4.3**	0.8
Diluted earnings per share (pence)	7	**4.1**	0.8

1. Adjusted EBITDA, which is defined as profit before net finance costs, tax, depreciation, amortisation, asset impairment and release of related liabilities, share-based payment charge and adjusting items is a non-GAAP metric used by management and is not an IFRS disclosure.

The notes on pages 76 to 117 are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2024

	Note	As at 30 September 2024 £'000	As at 31 December 2023 £'000
Assets			
Non-current assets			
Goodwill and other intangible assets	10	**37,330**	39,782
Property, plant and equipment	11	**4,947**	5,982
Investments in equity-accounted joint ventures	13	**1,195**	690
Other receivables	14	**219**	198
Deferred tax asset	19	**274**	24
Total non-current assets		**43,965**	46,676
Current assets			
Trade and other receivables	14	**25,982**	28,765
Current tax asset		**–**	62
Inventory		**22**	27
Cash and cash equivalents	15	**27,174**	15,800
Total current assets		**53,178**	44,654
Total assets		**97,143**	91,330
Equity			
Called up share capital	21	**209**	207
Share premium reserve		**28,993**	28,993
Accumulated exchange differences		**(2,615)**	(1,053)
Retained earnings		**46,572**	37,006
Total equity		**73,159**	65,153
Liabilities			
Non-current liabilities			
Non-current lease liability	17	**1,757**	2,975
Provisions	18	**482**	446
Non-current contingent consideration	28	**3,240**	6,523
Deferred tax liability	19	**535**	556
Total non-current liabilities		**6,014**	10,500
Current liabilities			
Current lease liability	12	**2,485**	2,507
Trade and other payables	16	**9,460**	8,906
Contingent consideration	28	**3,811**	3,016
Current tax liabilities		**2,214**	1,248
Total current liabilities		**17,970**	15,677
Total liabilities		**23,984**	26,177
Total equity and liabilities		**97,143**	91,330

The financial statements on pages 72 to 117 were approved by the Board of Directors and authorised for issue on 21 January 2025, and were signed on its behalf by:

Solly Solomou
Chief Executive Officer

Registered number: 13693251

CONSOLIDATED STATEMENT OF CASH FLOWS

Period ended 30 September 2024

	Note	Period ended 30 September 2024 £'000	Year ended 31 December 2023 £'000
Net cash flow from operating activities			
Profit for the financial period/year		**8,954**	1,666
Income tax		**3,185**	4,271
Net interest expense	8	**928**	459
Share of post-tax profits of equity-accounted joint venture	13	**(505)**	(331)
Operating profit		**12,562**	6,065
Depreciation charge	11	**1,814**	2,088
Amortisation of intangible assets	10	**1,820**	1,369
Asset impairment and release of related liabilities	6	**–**	318
Equity settled share-based payments	20	**566**	3,853
Cash settled share-based payment	20	**167**	–
Settlement of cash settled share options	20	**(305)**	–
Gain on disposal of property, plant and equipment		**–**	(30)
Effect of exchange rates on contingent consideration		**(13)**	–
Decrease/(increase) in trade and other receivables		**2,737**	(4,151)
Increase in trade and other payables		**916**	588
Cash generated from operations		**20,264**	10,100
Tax paid		**(2,638)**	(2,898)
Net cash generated from operating activities		**17,626**	7,202
Cash flows from investing activities			
Purchase of intangible assets	10	**(563)**	(1,045)
Purchase of property, plant and equipment	11	**(466)**	(954)
Stamp duty paid		**–**	(26)
Acquisition of subsidiary, net of cash acquired	27	**–**	(17,580)
Payment of contingent consideration	28	**(3,120)**	–
Net cash used in investing activities		**(4,149)**	(19,605)
Cash flows from financing activities			
Lease payments	17	**(1,621)**	(1,323)
Lease deposits paid		**(50)**	(23)
Lease deposits received		**25**	544
Proceeds from share issue	21	**2**	1
Interest paid	17	**(182)**	(142)
Net cash used in financing activities		**(1,826)**	(943)
Net increase/(decrease) in cash and cash equivalents		**11,651**	(13,346)
Cash and cash equivalents at the beginning of the period/year		**15,800**	29,268
Effect of exchange rate changes on cash and cash equivalents		**(277)**	(122)
Cash and cash equivalents at the end of the period/year	15	**27,174**	15,800

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

As at 30 September 2024

	Notes	Share capital £'000	Share premium £'000	Accumulated exchange differences £'000	Retained earnings £'000	Total Equity £'000
Balance as at 1 January 2023		206	28,993	29	31,998	61,226
Profit for the financial year		–	–	–	1,666	1,666
Currency translation differences		–	–	(1,082)	–	(1,082)
Total comprehensive (loss)/income for the year		–	–	(1,082)	1,666	584
Issue of shares in the year	21	1	–	–	–	1
Share based payments	20	–	–	–	3,853	3,853
Equity settled share options switched to cash settled share options	20	–	–	–	(494)	(494)
Deferred tax on share options		–	–	–	(17)	(17)
Total transactions with owners, recognised directly in equity		1	–	–	3,342	3,343
Balance as at 31 December 2023 and 1 January 2024		**207**	**28,993**	**(1,053)**	**37,006**	**65,153**
Profit for the financial period		**–**	**–**	**–**	**8,954**	**8,954**
Currency translation differences		**–**	**–**	**(1,562)**	**–**	**(1,562)**
Total comprehensive (loss)/income for the period		**–**	**–**	**(1,562)**	**8,954**	**7,392**
Issue of shares in the period	21	**2**	**–**	**–**	**–**	**2**
Share based payments	20	**–**	**–**	**–**	**566**	**566**
Deferred tax on share options and intangibles		**–**	**–**	**–**	**46**	**46**
Total transactions with owners, recognised directly in equity		**2**	**–**	**–**	**612**	**614**
Balance as at 30 September 2024		**209**	**28,993**	**(2,615)**	**46,572**	**73,159**

NOTES TO THE FINANCIAL STATEMENTS

Period ended 30 September 2024

1. General information

The principal activity of LBG Media plc ('the Company') is that of a holding company and the principal activity of the Company and its subsidiaries ('the Group') is that of an online media publisher. The Company was incorporated on 20 October 2021 and is a public company limited by shares registered in England and Wales. The registered office of the Company is 20 Dale Street, Manchester, M1 1EZ. The Company registration number is 13693251.

2. Material accounting policy information

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

Basis of preparation

The financial information has been prepared on a going concern basis under the historical cost convention, in accordance with UK adopted international accounting standards.

The financial information is presented in sterling and has been rounded to the nearest thousand (£'000).

Changes in accounting policies

The following amendments are effective for the period beginning 1 January 2024:

- IFRS 16 Leases (Amendment to Liabilities in a Sale and Leaseback);
- IAS 1 Presentation of Financial Statements (Amendment to Classification of Liabilities as Current or Non-current);
- IAS 1 Presentation of Financial Statements (Amendment to Non-current Liabilities with Covenants); and
- IFRS 7 Financial Instruments: Disclosures (Amendment to Supplier Finance Arrangements).

These amendments are mandatorily effective for reporting periods beginning on or after 1 January 2024. See the applicable notes for further details on how the amendments affected the Group.

- IFRS 16 Leases (Amendment to Liabilities in a Sale and Leaseback)

The amendments to IFRS 16 provide a requirement for the seller-lessee to determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee.

These amendments had no effect on the consolidated financial statements of the Group.

- IAS 1 Presentation of Financial Statements (Amendment to Classification of Liabilities as Current or Non-current)

The amendments to IAS 1 require that an entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement for at least twelve months after the reporting period.

These amendments had no effect on the consolidated financial statements of the Group.

- IAS 1 Presentation of Financial Statements (Amendment to Non-current Liabilities with Covenants)

If an entity's right to defer is subject to the entity complying with specified conditions, such conditions affect whether that right exists at the end of the reporting period, if the entity is required to comply with the condition on or before the end of the reporting period and not if the entity is required to comply with the conditions after the reporting period. The amendments to IAS 1 also provide clarification on the meaning of 'settlement' for the purpose of classifying a liability as current or non-current.

These amendments had no effect on the annual consolidated financial statements of the Group.

- IFRS 7 Financial Instruments: Disclosures (Amendment to Supplier Finance Arrangements)

The amendment to IAS 7 and IFRS 7 requires an entity to disclose qualitative and quantitative information about its supplier finance arrangements on their liabilities, cash flows and exposure to liquidity risk, such as terms and conditions – including, for example, extended payment terms and security or guarantees provided. The IASB decided that, in most cases, aggregated information about an entity's supplier finance arrangements will satisfy the information needs of users of financial statements. Amongst other characteristics, IAS 7 explains that a supplier finance arrangement provides the entity with extended payment terms, or the entity's suppliers with early payment terms, compared to the related invoice payment due date.

These amendments had no effect on the annual consolidated financial statements of the Group.

New standards and interpretations not yet adopted

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Group has decided not to adopt early.

The following amendments are effective for the period beginning 1 January 2025:

- IAS 21 Transactions in Foreign Currencies (Amendment to Lack of Exchangeability).

The following amendments are effective for the period beginning 1 January 2026:

- IFRS 7 and IFRS 9 Financial Instruments (Amendment to the Classification and Measurement of Financial Instruments). Note this amendment is not yet UK endorsed.

The following amendments are effective for the period beginning 1 January 2027:

- IFRS 18 Presentation and Disclosure in Financial Statements (Replacement of IAS 1). Note this standard is not yet UK endorsed.
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (New Standard). Note this standard is not yet UK endorsed.

The Group is currently assessing the impact of these new accounting standards and amendments. The Group does not expect any standards issued by the IASB, but are yet to be effective, to have a material impact on the Group. The Group has not yet assessed the impact of IFRS 18.

The financial statements were approved and authorised for issue by a duly appointed and authorised committee of the Board of Directors on 21 January 2025.

Material accounting policies adopted are set out on the following pages.

Going concern

The Group generated profit before tax of £12,139k during the period ended 30 September 2024 (FY23: £5,937k) and, at that date, the Group's total assets exceeded its total liabilities by £73,159k (FY23: £65,153k) and it had net current assets of £35,208k (FY23: £28,977k).

The financial statements have been prepared on a going concern basis. In determining the appropriate basis of preparation of the financial statements, the Directors have considered whether the Group can continue in operational existence for the foreseeable future.

The Directors have considered the principal risks and uncertainties with respect to their assessment of going concern, none of which in the opinion of the Directors give rise to specific risk to the going concern status of the Group. In particular, reliance on key individuals and social media platforms do not give rise to any concerns with respect to projected trading in the forthcoming 12 months.

The Directors have assessed the Group's ability to continue as a going concern, considering its significant cash reserves, strong net current asset position, and overall net asset position. Based on this assessment, the Directors do not consider there to be any plausible scenario in which the Group would cease to trade as a going concern within 12 months from the date of approval of these financial statements.

As part of their assessment, the Directors have modelled a plausible downside scenario, which includes the potential loss of a key customer. The results indicate that the Group's business model is resilient and capable of withstanding this event while maintaining sufficient cash reserves.

In addition, the Directors have prepared a severe downside scenario to determine the level of revenue decline required for the Group to no longer be considered a going concern. The analysis demonstrates that revenue would need to fall by 75% from forecast levels for this to occur. Even in this extreme scenario, the Group would retain sufficient liquidity to meet its obligations and continue operations beyond 30 April 2026.

Accordingly, the Directors consider it appropriate to prepare the Group and Company financial statements on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS continued

Period ended 30 September 2024

2. Material accounting policy information continued

Business combinations

The Group uses the acquisition method of accounting to account for business combinations of entities not under common control. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred, and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as a financial liability within the scope of IFRS 9 'Financial Instruments: Recognition and Measurement' is measured at fair value with the changes in fair value recognised in the statement of profit or loss.

Currencies

i) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The financial statements are presented in 'Pounds Sterling' (£).

On consolidation, the results of overseas operations are translated into £ at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations, including goodwill arising on the acquisition of those operations, are translated at the rate ruling at the reporting date. All exchange differences arising from consolidation are recognised as a separate component of equity and presented separately in the Consolidated statement of changes in equity. For all intercompany loans where repayment is not planned within the foreseeable future they are treated as net investments in foreign operations, foreign currency gains and losses on retranslation are posted to the currency retranslation reserve.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions. At each year end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Revenue recognition

Revenue is grouped within three streams; direct, indirect and other income:

- Direct revenue relates to sales driven streams, including content marketing, direct display, newsletters, podcasts and social consultancy;
- Indirect revenue includes social video, web advertising and content recommendation revenues; and
- Other income includes affiliate, merchandise, ticket sales and licensing.

To determine whether to recognise revenue, the Group follow a 5-step process as follows:

1. Identifying the contract with a customer;
2. Identifying the performance obligations;
3. Determining the transaction price;
4. Allocating the transaction price to the performance obligations; and
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is measured at transaction price, stated net of rebates, VAT and other sales-related taxes. Revenue is recognised either at a point in time, or over time as the Group satisfies performance obligations by transferring the promised services to its customers as described below.

- Content marketing and direct display – recognised when performance obligations are met, at a point in time net of any agency rebate;
- Web advertising – recognised at the point a digital advert is delivered;
- Social video – recognised at the point a digital advert is delivered, net of revenue share taken by platform partners (customers);
- Affiliates commissions – recognised upon referral of new customers to our partners, as well as commission earned on active accounts;
- Social consultancy – recognised over the life of the agreement with the customer;
- Licensing – see below;
- Subscriptions – recognised over the period that the subscriber has paid for;
- E-commerce – recognised at the point of delivery of the products purchased; and
- Ticket sales – recognised at the point the event takes place.

For those licensing agreements where the following apply, all revenue was recognised immediately at the start date of the contract:

- The customer has access to draw all videos/credits down immediately; and
- The Group has no obligation to 'update the video bank' to make it current.

For those licensing agreements where the following apply, all revenue should be recognised over the contract period:

- The customer has access to draw down a set number of videos/credits per period (often a month); and
- Where the customer can draw down all videos immediately at the start of a period, but the Group has an obligation to 'update the video bank' to make it current over the contracted period (this is not the case for any current contracts).

Although revenue is grouped within three separate streams, as the Directors analyse revenue at this level, the Directors do not monitor or review gross margin by revenue stream. The Directors analyse the Group's Adjusted EBITDA and profit before tax as key performance indicators. Due to this, the Group does not believe there are any IFRS 8 considerations around the requirement to disclose operating segments for reporting purposes.

The following revenue streams' revenue recognition rely on the use of third party data from social media platforms and programmatic partners (including Google) confirming the number of impressions and views:

- Direct display
- Web advertising
- Social video

Adjusting Items

The Group presents as adjusting items on the face of the consolidated statement of comprehensive income those significant items of expense/ income which, because of their size, nature and infrequency of the events giving rise to them, merit separate presentation to allow users to understand better the elements of financial performance in the year so as to facilitate comparison with prior years and assess trends in financial performance more readily. These costs are analysed in Note 6.

Taxation

Taxation expense for the year comprises current and deferred tax recognised in the reporting year. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is also recognised in other comprehensive income or directly in equity, respectively. Current or deferred taxation assets and liabilities are not discounted.

Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the year end.

Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities and there is an intention to settle the balances on a net basis.

NOTES TO THE FINANCIAL STATEMENTS continued
Period ended 30 September 2024

2. Material accounting policy information continued

Deferred tax continued

The Group presents as adjusting items on the face of the consolidated statement of comprehensive income those significant items of expense/income which, because of their size, nature and infrequency of the events giving rise to them, merit separate presentation to allow users to understand better the elements of financial performance in the year so as to facilitate comparison with prior years and assess trends in financial performance more readily. These costs are analysed in Note 6.

Intangible assets
All business combinations are accounted for by applying the purchase method. Goodwill represents the difference between the cost of the trade and asset acquisitions and the fair value of the net identifiable assets acquired. Identifiable intangibles are those which can be sold separately, or which arise from legal or contractual rights regardless of whether those rights are separable, and are initially recognised at fair value.

Goodwill

Goodwill on trade and asset acquisitions is included in intangible assets. Goodwill is not amortised but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

Other intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is charged to profit or loss on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite and is presented within operating expenses. Intangible assets with an indefinite useful life and goodwill are systematically tested for impairment at each balance sheet date. Other intangible assets are amortised from the date they are available for use.

Social media pages

Social media pages acquired have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of the social media pages over their estimated useful lives of three to ten years.

Trademarks and licences

Trademarks and licences have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and licences over their estimated useful lives of three years.

Software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets where the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use;
- Management intends to complete the software and use or sell it;
- There is an ability to use or sell the software;
- It can be demonstrated how the software will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- The expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs.

Amortisation of intangible assets

Capitalised software development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use over their estimated useful lives of three to ten years.

Branded content relationships relate to content relationships acquired following acquisitions. They are amortised over their estimated useful lives of eight to ten years.

Brand intangible assets relate entirely to brands acquired through acquisitions. They are amortised over their estimated useful lives of ten years. Social Media pages assets relate to social media pages acquired from third parties. They are amortised over their estimated useful lives of three to ten years.

Content libraries are a collection of videos obtained by acquisitions that are owned on an exclusive basis which are then either licensed to third parties or published. The libraries are amortised over their estimated useful lives of three years. Note, this is only following acquisitions and in line with Group policy; the entity does not capitalise the videos it acquires in its day-to-day activities because the individual value of each video acquired is not material.

Property, plant and equipment
Property, plant and equipment ('PPE') are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. There is no de minimis level regarding the capitalisation of PPE.

Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. Those useful lives by category are as follows:

- Fixtures and fittings: Three years
- Computer equipment: Three years
- Right of use asset: Over the life of the lease

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting year. The effect of any change is accounted for prospectively.

Repairs, maintenance and minor inspection costs are expensed as incurred.

PPE are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss and included in net operating expenses.

Leased assets
Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to restore the underlying asset, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liabilities.

The lease liability is initially measured at the present value of lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortised cost using the effective interest method. If there is a remeasurement of the lease liability, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded directly in profit or loss if the carrying amount of the right-of-use asset is zero. In the instance the Group sub-lease and the Group assesses the sub-lease as a finance lease, the Group derecognises the right-of-use asset, recognises a lease receivable and recognises the difference within the statement of profit or loss.

The Group presents right-of-use assets within property, plant and equipment in Note 11.

NOTES TO THE FINANCIAL STATEMENTS continued

Period ended 30 September 2024

2. Material accounting policy information continued

Short term leases and low value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less or leases of low-value assets. These lease payments are expensed on a straight-line basis over the lease term. See further detail in Note 12.

Joint ventures

The Group is a party to a joint arrangement when there is a contractual arrangement that confers joint control over the relevant activities of the arrangement to the Group and at least one other party. Joint control is assessed under the same principles as control over subsidiaries.

In assessing the classification of interests in joint arrangements, the Group considers:

- The structure of the joint arrangement;
- The legal form of joint arrangements structured through a separate vehicle;
- The contractual terms of the joint arrangement agreement; and
- Any other facts and circumstances (including any other contractual arrangements).

The Group accounts for its interest in joint ventures using the equity method.

Any premium paid for an investment in a joint venture above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is capitalised and included in the carrying amount of the investment in joint venture. Where there is evidence that the investment in a joint venture has been impaired the carrying amount of the investment is tested for impairment in the same way as other non-financial assets.

Financial instruments

The Group has only a limited number of financial assets and liabilities. Financial assets include trade receivables, cash and other receivables. Other receivables relate largely to lease deposits.

Trade and other receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non current assets. Trade and other receivables, and amounts owed by Group undertakings, are classified at amortised cost and recognised initially at fair value and subsequently measured at amortised cost using the effective interest method (except for short-term receivables where interest is immaterial) less provisions for impairment. These assets are held to collect contractual cash flows being solely the payments of the principal amount and interest. Provisions for impairment of trade receivables are recognised for expected lifetime credit losses using the simplified approach. Impairment reviews of other receivables, including those due from related parties, use the general approach whereby 12-month expected losses are provided for and lifetime credit losses are only recognised where there has been a significant increase in credit risk, by monitoring the creditworthiness of the other party.

Financial liabilities include trade and other payables, accruals, lease liabilities and contingent consideration.

Non-derivative financial liabilities are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. The Group's lease liabilities, trade and other payables fall into this category of financial instruments. Contingent consideration is considered in the business combinations section above.

Dilapidation provisions

Provisions are recognised when the Group has a legal or constructive present obligation as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the year in which it arises.

Share-based payments

The Group operated both equity and cash settled share-based remuneration plans for employees in the period.

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values. The fair value of the employee services received in exchange for the grant of the awards is recognised as an expense. The total amount to be expensed over the appropriate service period is determined by reference to the fair value of the awards. The calculation of fair value excludes the impact of any non-market vesting conditions (for example, revenue growth per annum).

For equity settled awards, the fair value of each award is determined at the grant date, with consideration of the number of awards likely to vest (based on non-market conditions) at each balance sheet date made. For cash settled awards the fair value is determined at grant date, but then adjusted at each balance sheet date to account for changes in the number of awards likely to vest (based on non-market conditions) and the fair value of each award (based on market conditions).

For equity settled awards, for any charge taken to the income statement, the corresponding entry is in equity. For cash settled awards the corresponding entry is the cash settled share-based payment liability.

The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied. Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the consolidated statement of comprehensive income over the remaining vesting period. Where equity instruments are granted to persons other than employees, the consolidated statement of comprehensive income is charged with the fair value of goods and services received.

The post IPO share-based remuneration schemes have market-based vesting conditions included within the assumptions.

Employee Benefit Trust

The Group established the LBG Media Employee Benefit Trust ('EBT') on 4 July 2024 to enable shares to be bought in the market to satisfy the demand from share awards under the Group's employee share plans. The EBT is a separately administered trust and is funded by transfers from LBG Media plc. The assets of the trust comprise shares in LBG Media plc and cash balances.

The assets and liabilities of the EBT have been included in the Group and Company accounts. The assets of the EBT are held separately from those of the Company. Neither the purchase nor sale of own shares leads to a gain or loss being recognised in the Group consolidated statement of comprehensive income.

Investments in the Company's own shares held by the EBT are presented as a deduction from reserves and the number of such shares is deducted from the number of shares in issue when calculating the diluted earnings per share. The trustees of the holdings of LBG Media plc shares under the LBG Media Employee Benefit Trust have waived or otherwise foregone any and all dividends paid.

Operating segments

IFRS 8 requires operating segments to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). For LBG Media plc, the CODM has been identified as the management team, including the Chief Executive Officer and Chief Financial Officer.

For management purposes, the Group is managed as a single operating segment. Resource allocation and decision-making are undertaken at the Group level, considering the Group as a whole across all revenue streams. Following the acquisition of Betches, while its business operations remain a separate CGU, decisions regarding resource allocation and performance assessment are made in the context of the Group as a whole. This reflects the way the business is monitored, managed, and assessed by the CODM.

NOTES TO THE FINANCIAL STATEMENTS continued

Period ended 30 September 2024

3. Critical judgements and estimates in applying the accounting policies

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future years affected.

Accounting estimates

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Fair value measurement

A number of assets and liabilities included in the Group's financial statements require measurement at, and/or disclosure of, fair value. The fair value measurement of the Group's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

- Level 1: Quoted prices in active markets for identical items (unadjusted)
- Level 2: Observable direct or indirect inputs other than Level 1 inputs
- Level 3: Unobservable inputs (i.e. not derived from market data)

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

The Group measures contingent consideration at fair value. For further details refer to Note 28.

Goodwill and intangible assets arising on acquisition (Note 10)

The process of estimating the value of customer contracts, customer relationships and brands on acquisition includes an element of forecasting and judgement. The Directors review key customer contracts, key customer relationships and brands at acquisition which also involves an element of judgement as to the length of the contract and relationship. See note 10 for details.

Impairment reviews (Note 10)

The process of impairment reviews involves assessing discounted cash flow forecasts which contain an element of estimation over future performance. See note 10 for details.

Significant accounting judgements

There are no significant accounting judgements.

4. Revenue

The trading operations of the Group are in the online media publishing industry and are all continuing. All assets of the Group reside in the UK with the exception of £1,018k of property, plant and equipment held in the United States (FY23: £1,311k), £419k held in Ireland (FY23: £59k), and £nil held in Australia (FY23: £63k).

Analysis of revenue

The Group's revenue and operating profit relate entirely to its principal activity. Note that gross margin is not assessed separately for the revenue streams below.

The analysis of revenue by stream is:

	FY24 £'000	FY23 £'000
Direct	**34,443**	29,349
Indirect	**29,368**	37,111
Other	**1,134**	1,050
	64,945	67,510

The geographical analysis of revenue by customer location is:

	FY24 £'000	FY23 £'000
United Kingdom	**24,073**	24,230
U.S.	**20,564**	9,571
Ireland	**15,810**	26,379
Australia	**457**	4,206
Rest of the World	**4,041**	3,124
	64,945	67,510

Major customers

In FY24 there was 1 major customer that individually accounted for at least 10% of total revenue (FY23: 1) (Customer A: 20%) (FY23: Customer A: 34%). The total revenues relating to this customer in FY24 was £13,209k (FY23: total revenues relating to this customer was £23,203k).

NOTES TO THE FINANCIAL STATEMENTS continued
Period ended 30 September 2024

5. Employees and Directors

The average monthly number of persons employed by the Group (including Directors) during the period, analysed by category, was as follows:

	Number of employees FY24	Number of employees FY23
Sales	**50**	43
Administration	**421**	403
	471	446

The aggregate payroll costs of these persons were as follows:

	FY24 £'000	FY23 £'000
Wages and salaries	**23,059**	25,142
Social security costs	**2,421**	2,863
Other pension costs	**497**	516
Share based payments	**733**	3,853
Total payroll costs	**26,710**	32,374
Capitalised payroll costs to software costs	**(211)**	(281)
Net payroll costs recorded within net operating expenses	**26,499**	32,093

The Group operates a defined contribution plan which receives fixed contributions from Group companies. The Group's legal or constructive obligation for these plans is limited to the contributions. The expense recognised in the current year in relation to these contributions was £497k (FY23: £516k).

Pension contributions included in accruals at 30 September 2024 were £124k (31 December 2023: £118k).

Key management compensation

Key management includes Directors. The compensation paid or payable to key management for services is shown below:

	FY24 £'000	FY23 £'000
Salaries including bonuses	**930**	1,181
Social security costs	**122**	152
Short-term monetary benefits	**8**	7
Termination benefits	**–**	267
Share based payment charge (Note 20)	**340**	2,672
Total short-term benefits	**1,400**	4,279

Directors

The Directors' emoluments were as follows:

	FY24 £'000	FY23 £'000
Directors' aggregate emoluments	**930**	1,183
Defined contribution pension[1]	**5**	7
Gain on exercise of share options[2]	**1,927**	–
Share based payment charges (Note 20)	**340**	2,672
	3,202	3,862

1. In the period, 1 Director accrued retirement benefits in respect of qualifying services under a defined contribution scheme (FY23: 2 Directors).
2. In the period, 2 Directors exercised share options and received shares under long-term incentive schemes (FY23: no Directors).

Remuneration was paid by LADbible Group Limited, a subsidiary company of the Group.

The remuneration of the highest paid Director, excluding share-based payment charge, was as follows:

	FY24 £'000	FY23 £'000
Directors' aggregate emoluments	**348**	373
Defined contribution pension	**–**	–
	348	373

The highest paid Director did not exercise share options within the current or prior period. No shares were received or receivable by the Director in the current or prior period in respect of qualifying services under a long term incentive scheme.

6. Net operating expenses

	FY24 £'000	FY23 £'000
Employee benefit expense	**26,499**	32,093
Amortisation	**1,820**	1,369
Depreciation	**1,814**	2,088
Asset impairment and release of related liabilities	**–**	318
Auditor's remuneration	**442**	275
Legal and professional	**1,920**	1,721
Media costs	**5,075**	5,841
Production costs	**5,772**	5,285
Travel and expenses	**1,221**	1,366
Establishment costs	**6,011**	6,481
Foreign currency loss/(gain)	**635**	(110)
Adjusting items	**–**	3,675
Other expenses	**1,174**	1,021
Total net operating expenses	**52,383**	61,423

Auditor's remuneration in FY24 includes £335k (FY23: £260k) for the audit of the Group and £15k for the audit of the Company (FY23: £15k), the remaining £92k relates to additional fees incurred in relation to the FY23 audit.

A breakdown of the asset impairment and release of related liabilities is provided below:

	FY24 £'000	FY23 £'000
Impairment of plant, property and equipment (Note 11)	**–**	559
Release of dilapidation provision (Note 18)	**–**	(123)
Modification of lease liability (Note 12)	**–**	(118)
Total asset impairment and release of related liabilities	**–**	318

During the prior year, as part of the ANZ business reorganisation, the Group impaired certain assets which included right of use assets, released a dilapidation provision no longer required and modified a lease liability after a reduction in the lease term was agreed with the landlord.

NOTES TO THE FINANCIAL STATEMENTS continued

Period ended 30 September 2024

6. Net operating expenses continued

A breakdown of adjusting items is provided below:

	FY24 Gross £'000	FY24 Tax impact £'000	FY23 Gross £'000	FY23 Tax impact £'000
Costs associated with business reorganisations – ANZ	–	–	1,371	406
Acquisition related fees	–	–	1,141	331
One-off retention payment in 2023	–	–	621	158
Costs associated with business reorganisations – Non-ANZ	–	–	609	152
Tax credits	–	–	(67)	(17)
Total adjusting items	–	–	3,675	1,030

The blended tax rates for each adjusting item differ due to the costs being incurred within different jurisdictions, thus incurring tax at differing rates.

Costs associated with business reorganisations – ANZ

On 8 November 2023, the Group announced changes to the Group's operating model within ANZ to address declining profitability. This change involved centralising the Social and Web operations into the UK, as well as appointing a third-party partner, Val Morgan Digital, to perform commercial operations in Australia and New Zealand. Significant costs were incurred, mainly the termination costs of the local team members that didn't transfer to Val Morgan Digital and it is appropriate to categorise these costs as adjusting items to better reflect the underlying performance of the Group.

These adjusting items total £nil (FY23: £1,371k) and include £nil (FY23: £1,210k) of staff related costs and £nil (FY23: £161k) of non-staff related costs. Of the total cost of £1,371k, £375k was paid within the period (FY23: £964k), with the remaining balance of £32k (FY23: £407k) being accrued at the year end date.

Acquisition related fees

Acquisition related costs of £nil (FY23: £1,141k) include legal, professional advisor and other costs directly attributable to the acquisition of Betches Media, LLC in October 2023, and other target acquisitions. Of the total cost of £1,141k, £313k was paid within the period (FY23: £828k), with £nil (FY23: £313k) being accrued at the year end date.

One-off retention payment in 2023

In FY23, recognising a set of unique circumstances of stabilising and retaining staff following the large reorganisation in the last quarter of 2022 that was also compounded by the cost-of-living crisis, the Group made a payment of £710k to employees to mitigate retention risks. This payment was fully repayable if they chose to leave within the year, £89k was recovered in the prior year as a result of leavers. Due to the one-off nature of this payment and to facilitate meaningful understanding of underlying performance and comparison with prior and future years this was considered an adjusting item. The cost of £621k was recognised in full within FY23 and there was no outstanding liability at the year end.

Costs associated with business reorganisations – Non-ANZ

Costs associated with team member reorganisations within the prior year of £609k related to exit costs of personnel leaving the business due to reorganisations within our operating divisions and Board. £397k of that cost related to Board level changes due both the resignation of the CFO in April 2023 which led to some dual CFO costs and the resignation of the COO in July 2023 who left the business at that point. The remaining £212k related to the exit costs of senior team members. Due to the nature of these costs, management deemed them to be adjusting items in order to better reflect the underlying performance of the Group. Exit costs outside of these circumstances were treated as operating expense.

Of the total cost of £609k, £152k was paid within the period (FY23: £457k), with £nil (FY23: £152k) accrued at the year end date.

Tax credits

In FY22, the Group agreed to settle a PAYE liability on behalf of two employees, totalling £224k. As this was a one-off settlement, it was classified as an adjusting item. In the prior year, following a settlement agreement with HMRC this liability was reduced by £67k and the revised liability of £157k was paid in full. As this was a one-off settlement, this was classified as an adjusting item.

7. Earnings per share

There is no difference between profit as disclosed within the statement of comprehensive income and earnings used within the earnings per share calculation for the reporting periods.

Basic earnings per share calculation:

	FY24	FY23
Earnings per share from continuing operations		
Earnings, £'000	**8,954**	1,666
Number of shares, number (m)	**209.1**	206.5
Earnings per share, pence	**4.3**	0.8

Diluted earnings per share calculation:

	FY24	FY23
Diluted earnings per share from continuing operations		
Earnings, £'000	**8,954**	1,666
Number of shares, number (m)	**217.7**	217.7
Diluted earnings per share, pence	**4.1**	0.8

Reconciliation from weighted average number of shares used in basic earnings per share to diluted earnings per share:

	FY24 (m)	FY23 (m)
Number of shares in issue at the start of the period	**206.5**	205.7
Effect of shares issued in period	**2.6**	0.8
Weighted average number of shares used in basic earnings per share	**209.1**	206.5
Employee share options	**8.6**	11.2
Weighted average number of shares used in diluted earnings per share	**217.7**	217.7

8. Net finance costs

	Note	FY24 £'000	FY23 £'000
Unwinding of discount on provisions	18	**(17)**	(24)
Unwinding of discount on contingent consideration liability	28	**(1,014)**	(314)
On lease interests	17	**(182)**	(142)
Other interest		**(4)**	(85)
Finance costs		**(1,217)**	(565)
Unwinding of discounts on deposits		**7**	57
Bank interest received		**282**	49
Finance income		**289**	106
Net finance costs		**(928)**	(459)

NOTES TO THE FINANCIAL STATEMENTS continued

Period ended 30 September 2024

9. Income tax expense

Tax expense included in profit or loss:

	FY24 £'000	FY23 £'000
Current year tax:		
Current taxation charge for the period	**2,758**	3,742
Adjustments in respect of prior years	**273**	146
Foreign tax suffered	**635**	–
Total current tax	**3,666**	3,888
Deferred tax:		
Current year	**5**	231
Adjustments in respect of prior years	**(486)**	115
Effect of change in tax rates	**–**	37
Total deferred tax	**(481)**	383
Total tax on profit on ordinary activities	**3,185**	4,271
Equity items		
Current tax	**–**	–
Deferred tax	**(46)**	17
Total tax recognised in equity	**(46)**	17

Reconciliation of tax charge

The tax assessed for the year is higher (FY23: higher) than at the standard rate of corporation tax in the UK. The differences are explained below:

	FY24 £'000	FY23 £'000
Profit before taxation	**12,139**	5,937
Tax on profit multiplied by standard rate of corporation tax in the UK at 25.0% (FY23: 23.50%)	**3,035**	1,395
Effects of:		
Adjustments in respect of prior years	**(110)**	260
Expenses not deductible	**252**	555
Income not taxable	**(134)**	–
Effect of change in UK tax rates	**–**	37
Effects of overseas tax rates	**(50)**	(152)
Exempt items	**–**	25
Amounts not recognised	**4**	1,434
Foreign exchange	**–**	4
Effect of deferred tax on share options	**188**	713
Total taxation charge	**3,185**	4,271

Amounts not recognised in 2023 include losses incurred from the changes to ANZ operations during the year. Further information on unrecognised losses can be found in Note 19.

10. Goodwill and other intangible assets

	Trademarks and licenses £'000	Software £'000	Relationships £'000	Brand £'000	Content library £'000	Goodwill £'000	Social Media Pages £'000	Total £'000
Cost								
At 1 January 2023	28	1,183	1,300	4,694	300	10,094	1,074	18,673
Additions	–	524	–	–	–	–	521	1,045
Acquired through business combination	–	–	3,850	6,744	–	15,197	–	25,791
Exchange adjustments	–	–	(164)	(294)	–	(646)	(21)	(1,125)
At 31 December 2023	28	1,707	4,986	11,144	300	24,645	1,574	44,384
Additions	**–**	**211**	**–**	**–**	**–**	**–**	**352**	**563**
Disposals	**–**	**(404)**	**–**	**–**	**–**	**–**	**–**	**(404)**
Exchange adjustments	**–**	**–**	**(182)**	**(326)**	**–**	**(718)**	**(23)**	**(1,249)**
At 30 September 2024	**28**	**1,514**	**4,804**	**10,818**	**300**	**23,927**	**1,903**	**43,294**
Accumulated Amortisation								
At 1 January 2023	27	359	550	1,949	298	–	54	3,237
Charge for the year	–	266	225	642	2	–	234	1,369
Exchange adjustments	–	–	–	(2)	–	–	(2)	(4)
At 31 December 2023	27	625	775	2,589	300	–	286	4,602
Charge for the year	**1**	**241**	**442**	**865**	**–**	**–**	**271**	**1,820**
Elimination on disposal	**–**	**(404)**	**–**	**–**	**–**	**–**	**–**	**(404)**
Exchange adjustments	**–**	**–**	**(21)**	**(33)**	**–**	**–**	**–**	**(54)**
At 30 September 2024	**28**	**462**	**1,196**	**3,421**	**300**	**–**	**557**	**5,964**
Net book value								
At 1 January 2023	1	824	750	2,745	2	10,094	1,020	15,436
At 31 December 2023	1	1,082	4,211	8,555	–	24,645	1,288	39,782
At 30 September 2024	**–**	**1,052**	**3,608**	**7,397**	**–**	**23,927**	**1,346**	**37,330**

Goodwill relates to two acquisitions. The first was Bentley Harrington (trading as 'UNILAD') which was acquired in FY18 (£10,094k), the second is Betches which was acquired in FY23 (£15,197k at the date of acquisition). See Note 27 for details of the Betches Media, LLC acquisition.

Brand and relationships intangible assets relate partly to those acquired in the prior year following the Betches acquisition (total of £10,594k at the date of acquisition). The remaining position in this category relate to assets acquired from Bentley Harrington in FY18, net of amortisation to date.

With regard to social media pages, in FY23, the Group acquired the social media accounts, the social media content, the IP records, the third party rights, the records and all intellectual property rights connected to such assets for total consideration of CA$700k (£521k) from Lessons Learned in Life Inc. In FY24, the Group completed the bolt-on asset acquisition of social media pages from Creative Expansions, Inc. for $450k (£352k).

Software intangible assets are defined within Note 2.

During the year, £404k (FY23: £nil) of fully written down assets were disposed of. Within the year, £563k of the additions were paid for (FY23: £1,045k, net of business combinations).

NOTES TO THE FINANCIAL STATEMENTS continued
Period ended 30 September 2024

10. Goodwill and other intangible assets continued

The individually material intangible assets at the period end, excluding goodwill, are summarised below:

Intangible asset name	Asset category	Net book value at the period end £'000	Remaining amortisation period (years)	Description
Betches – Brand	Brand	5,552	9	The Betches brand was acquired in FY23 as part of the acquisition of Betches Media, LLC.
Betches – Content partner relationships	Content partner relationships	3,086	7	The Betches content partner relationships were acquired in FY23 as part of the acquisition of Betches Media, LLC.
UNILAD – Brand	Brand	1,813	4	The UNILAD brand was acquired from Bentley Harrington in FY18.
Go Animals social media pages	Social media pages	832	8	The Go Animals social media pages were acquired in FY22.
UNILAD – Content partner relationships	Content partner relationships	524	4	The UNILAD content partner relationships were acquired from Bentley Harrington in FY18.
Order Management System (OMS)	Software	403	3	The OMS was completed in FY23 and serves as the Group's order management system.
Lessons Learned in Life social media pages	Social media pages	247	1	The Lessons Learned In Life social media pages were acquired in FY23.
Women Working Facebook page	Social media pages	246	2	The Women Working Facebook page was acquired in FY24.

The individually material intangible assets at the prior year end, excluding goodwill, are summarised below:

Intangible asset name	Asset category	Net book value at the year end £'000	Remaining amortisation period (years)	Description
Betches – Brand	Brand	6,325	10	The Betches brand was acquired in FY23 as part of the acquisition of Betches Media, LLC – see Note 27.
Betches – Content partner relationships	Content partner relationships	3,592	8	The Betches content partner relationships were acquired in FY23 as part of the acquisition of Betches Media, LLC – see Note 27.
UNILAD – Brand	Brand	2,150	5	The UNILAD brand was acquired from Bentley Harrington in FY18.
Go Animals social media pages	Social media pages	913	9	The Go Animals social media pages were acquired in FY22.
UNILAD – Content partner relationships	Content partner relationships	621	5	The UNILAD content partner relationships were acquired from Bentley Harrington in FY18.
Order Management System (OMS)	Software	485	4	The OMS was completed in FY23 and serves as the Group's order management system, which is a step change in the way the Group manages the sales process.
Lessons Learned in Life social media pages	Social media pages	374	2	The Lessons Learned In Life social media pages were acquired in FY23.

The Group is required to test, on an annual basis, whether goodwill has suffered any impairment. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the determination of a discount rate in order to calculate the present value of the cash flows.

The performance of the Group has historically been monitored at a Group level, with the Group considered the only cash-generating unit (CGU) in prior periods. However, following the acquisition of Betches in October 2023, it has been determined that Betches operates largely independently of the legacy LBG Media Group, although key strategic decisions are made centrally. As a result, Betches will be treated as a separate CGU going forward.

The NBV of goodwill by CGU is as follows:

CGU	FY24 £'000	FY23 £'000
LBG Media:	**10,094**	10,094
Betches Media, LLC:	**13,833**	14,552

The value in use assessments for both CGUs – LBG Media and Betches – are based on discounted cash flow models prepared over a five-year forecast period, with cash flows extrapolated into perpetuity using a long-term growth rate. Key assumptions used in the value in use calculations are as follows:

LBG Media Group:

- a long-term growth rate of 2.0% (FY23: 2.0%) for the period beyond which detailed budgets and forecasts do not exist, based on macroeconomic projections for the geographies in which the entity operates; and
- a post-tax discount rate of 13.9% (FY23: 12.0%) based upon the risk-free rate for government bonds adjusted for a risk premium to reflect the increased risk of investing in equities and investing in the Group's specific sector and regions.

Betches Media, LLC:

- a short-term growth rate of 25.0% (FY23: 25.0%);
- a long-term growth rate of 2.0% (FY23: 2.1%) for the period beyond which detailed budgets and forecasts do not exist, based on macroeconomic projections for the geographies in which the entity operates; and
- a post-tax discount rate of 13.5% (FY23: 13.9%) based upon the risk-free rate for government bonds adjusted for a risk premium to reflect the increased risk of investing in equities and investing in the entity's specific sector and regions.

Management has applied sensitivities to the key assumptions, including discount rates and growth rates, and believes that there are no reasonably possible scenarios which would result in an impairment of goodwill. While the model for Betches remains sensitive to changes in these assumptions due to the proximity of the acquisition, management is comfortable that there is no impairment based on the current performance and outlook.

	Discount rate Change in value in use (£'000s)	Long term growth rate Change in value in use (£'000s)
LBG Media CGU		
Used in value in use model:	13.9%	2.0%
Value in use:	165,122	165,122
1% increase	151,164	175,604
1% decrease	180,404	156,264
Betches Media, LLC CGU		
Used in value in use model:	13.5%	2.0%
Value in use:	33,543	33,543
1% increase	31,861	35,778
1% decrease	35,552	31,671

Management has also considered downside scenarios to reflect risks specific to each CGU. For the LBG Media CGU, a downside model was prepared to reflect the potential loss of a key indirect supplier, which would negatively impact revenue. For the Betches CGU, a downside scenario was developed assuming growth in line with the broader digital advertising market at approximately 8% per annum. In all scenarios, the recoverable amounts exceeded the carrying values, and no impairment of goodwill has been recognised.

Based on the results of these assessments, the Directors believe that there are no reasonably possible changes in the key assumptions that would result in an impairment of goodwill for either CGU. The total recoverable amount for each CGU significantly exceeds its carrying amount, providing sufficient headroom under all tested scenarios.

NOTES TO THE FINANCIAL STATEMENTS continued

Period ended 30 September 2024

11. Property, plant and equipment

	Fixtures and fittings £'000	Computer equipment £'000	Right-of-use assets £'000	Total £'000
Cost				
At 1 January 2023	404	1,131	7,102	8,637
Additions	677	277	2,748	3,702
Acquired through business combination	14	247	1,143	1,404
Disposals	–	(1)	(1,051)	(1,052)
Impairment	(86)	(191)	(1,068)	(1,345)
Exchange adjustments	(5)	(18)	(101)	(124)
At 31 December 2023	1,004	1,445	8,773	11,222
Additions	**119**	**375**	**474**	**968**
Disposals	**(234)**	**(559)**	**(109)**	**(902)**
Exchange adjustments	**7**	**(21)**	**(73)**	**(87)**
At 30 September 2024	**896**	**1,240**	**9,065**	**11,201**
Accumulated depreciation				
At 1 January 2023	281	597	4,089	4,967
Charge for the year	93	346	1,649	2,088
Elimination on disposal	–	(1)	(1,017)	(1,018)
Elimination on impairment	(45)	(122)	(618)	(785)
Exchange adjustments	(1)	2	(13)	(12)
At 31 December 2023	328	822	4,090	5,240
Charge for the year	**200**	**254**	**1,360**	**1,814**
Elimination on disposal	**(226)**	**(495)**	**(48)**	**(769)**
Exchange adjustments	**–**	**(17)**	**(14)**	**(31)**
At 30 September 2024	**302**	**564**	**5,388**	**6,254**
Net book value				
At 1 January 2023	123	534	3,013	3,670
At 31 December 2023	676	623	4,683	5,982
At 30 September 2024	**594**	**676**	**3,677**	**4,947**

Depreciation is charged to net operating expenses in the consolidated statement of comprehensive income.

£466k (FY23: £954k) of additions relate to cash movements in the year, with £28k in trade payables at the period end (FY23: £nil). The remaining additions relate to non-cash recognition of the right-of-use asset. The right-of-use asset is a lessee's right to use an asset over the life of a lease and are all related to property leases. All right-of-use assets are properties.

12. Leases

The Group leases the offices and treats the UK, U.S., Ireland and Australia leases under IFRS 16, recognising the leases on the balance sheet.

Right-of-use assets

The Group includes right-of-use assets as part of property, plant and equipment on the balance sheet. Their carrying value as at 30 September 2024 was £3,677k (31 December 2023: £4,683k). Refer to Note 11 for further details.

Lease liability

The Group includes lease liabilities on the balance sheet. The carrying amounts of lease liabilities for the periods are set out below:

	FY24 £'000	FY23 £'000
At 1 January	**5,482**	3,242
Additions	**439**	2,672
Acquired through business combinations	**–**	1,118
Lease payments	**(1,621)**	(1,323)
Interest expense	**182**	142
Interest paid	**(182)**	(142)
Modification	**–**	(118)
Disposals	**–**	(28)
Foreign exchange movements	**(58)**	(81)
Total lease liabilities at period/year end	**4,242**	5,482

Lease liabilities maturity analysis

	FY24 £'000	FY23 £'000
Amount repayable		
Within one year	**2,485**	2,507
In more than one year but less than two years	**810**	1,678
In more than two years but less than three years	**637**	580
In more than three years but less than four years	**310**	484
In more than four years but less than five years	**–**	233
	4,242	5,482

NOTES TO THE FINANCIAL STATEMENTS continued

Period ended 30 September 2024

12. Leases continued

Lease liabilities maturity analysis (including interest)

	FY24 £'000	FY23 £'000
Amount repayable		
Within one year	**2,663**	2,690
In more than one year but less than two years	**902**	1,800
In more than two years but less than three years	**681**	652
In more than three years but less than four years	**322**	517
In more than four years but less than five years	**–**	241
	4,568	5,900

For the lease liability movements in the year, refer to Note 17.

During the year, short-term leases of office space were held for LADbible US Inc. In the prior year there was also a short-term lease of a pool flat for LADbible Group Limited employees which ceased in November 2023. Under IFRS 16 the Group have applied the recognition exemption for these short-term leases and the costs of these have been recognised as an expense. The total costs during the year are shown below:

	FY24 £'000	FY23 £'000
Total cost in the year		
LADbible United States office space	**90**	114
LADbible Group pool flats	**–**	28
	90	142

13. Investments in equity-accounted joint ventures

The Group has a 30% (FY23: 30%) interest in joint venture, Pubity Group Ltd, an online media publisher, incorporated and operating in the United Kingdom. Pubity Group's registered office is Unit 14, 7 Wenlock Road, London, England, N1 7SL.

The contractual arrangement provides the Group with only the rights to the net assets of the joint arrangement, with the rights to the assets and obligation for liabilities of the joint arrangement resting primarily with Pubity Group Ltd. Under IFRS 11, this joint arrangement is classified as a joint venture and has been included in the consolidated financial statements using the equity method.

Pubity Group Ltd operates in the same market as the Group and therefore its business risks remain consistent with that of the Group. Details of the Group's business risks can be found on pages 30 to 32.

Summarised financial information in relation to the joint venture is presented later in this note.

In FY24, additions in the year relates to the Group's share of total comprehensive income of £505k (FY23: £331k).

Name	Country of incorporation and principal place of business	Proportion of ownership interest held as at 30 September 2024
Pubity Group Ltd	**United Kingdom**	**30%**

Summarised financial information (Pubity Group Ltd)

	As at 30 September 2024 £'000	As at 31 December 2023 £'000
Trade and other receivables	**2,663**	1,607
Cash and cash equivalents	**2,119**	567
Non-current assets	**68**	6
Current liabilities	**(1,662)**	(657)
Net assets (100%)	**3,188**	1,523
Group share of net assets (30%)	**956**	457

	Period ended 30 September 2024 £'000	Year ended 31 December 2023 £'000
Revenue	**5,356**	3,240
Profit from continuing operations	**1,684**	1,103
Total comprehensive income	**1,684**	1,103
Group share of total comprehensive income (30%)	**505**	331

	FY24 £'000	FY23 £'000
Carrying amount of investment		
At 1 January	**690**	359
Group share of total comprehensive income	**505**	331
At end of the period/year	**1,195**	690

NOTES TO THE FINANCIAL STATEMENTS continued

Period ended 30 September 2024

14. Trade and other receivables

	FY24 £'000	FY23 £'000
Trade receivables not past due	**10,946**	6,090
Trade receivables past due	**3,321**	9,556
Less: provision for credit losses	**(71)**	(40)
Trade receivables net	**14,196**	15,606
Work in progress	**123**	190
Other receivables	**1,094**	800
Prepayments	**1,586**	1,366
Contract asset – accrued income	**9,202**	11,001
Total trade and other receivables	**26,201**	28,963
Less: non-current portion – other receivables	**(219)**	(198)
Current portion	**25,982**	28,765

Trade receivables and all other receivables (including work in progress, other receivables and accrued income) are stated net of provisions of £71k (FY23: £40k). Trade and other receivables are assessed for impairment based upon the expected credit losses model as well as individually impaired trade receivables. The lifetime expected loss provision and individually impaired trade receivables is £71k (FY23: £40k) at an expected loss rate of 0.50% (FY23: 0.26%) on gross trade receivables.
The accrued income balance of £9,202k (FY23: £11,001k) relates to revenue recognised which had not been invoiced to the customer at the period end.

It is expected that all of accrued income held at 30 September 2024, will be invoiced and cash received within the following year. We note that of the accrued income balance at 31 December 2023, £10,450k has been invoiced and paid, £314k invoiced but not yet paid, and £91k written off. £94k of accrued income at 30 September 2024 was recorded in the year ended 31 December 2023. There is no difference between the carrying value and fair value of the financial assets noted above. Receivables not past due and past due but not impaired are generally with well-established counter parties with good credit quality. Non-current other receivables relate to security deposits on property leases.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables and contract assets. To measure expected credit losses on a collective basis, trade receivables and contract assets are grouped based on similar credit risk and ageing.

The expected loss rates are based on the Group's historical credit losses experienced over the three-year period prior to the period end, adjusted for forward looking information. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Group's customers.

30 September 2024	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
Expected loss rate	**0.08%**	**0.16%**	**0.10%**	**4.28%**	
Gross carrying amount – Trade receivables, £'000	**10,946**	**1,238**	**985**	**1,098**	**14,267**
Gross carrying amount – Contract assets, £'000	**9,108**	**–**	**–**	**94**	**9,202**
Loss provision, £'000	**17**	**2**	**1**	**51**	**71**

31 December 2023	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
Expected loss rate	0.02%	0.03%	0.04%	0.83%	
Gross carrying amount – Trade receivables, £'000	6,090	3,244	2,206	4,106	15,646
Gross carrying amount – Contract assets, £'000	11,001	–	–	–	11,001
Loss provision, £'000	4	1	1	34	40

	FY24 £'000	FY23 £'000
Opening provision	**(40)**	(18)
Amount released	**24**	–
New charge in year	**(55)**	(22)
Closing provision	**(71)**	(40)

The closing provision at 30 September 2024 includes a specific provision of £47k (31 December 2023: £31k) in relation to customers that have entered administration.

The carrying amounts of the Group's trade and other receivables are denominated in the following currencies:

	FY24 £'000	FY23 £'000
In these currencies		
UK Pound	**13,892**	18,310
United States Dollar	**10,669**	7,989
Euros	**1,114**	1,300
Australian Dollar	**514**	1,230
New Zealand Dollar	**12**	134
	26,201	28,963

NOTES TO THE FINANCIAL STATEMENTS continued

Period ended 30 September 2024

15. Cash and cash equivalents

	FY24 £'000	FY23 £'000
Cash and cash equivalents		
Cash at bank and in hand	**27,174**	15,800
	27,174	15,800
In these currencies		
UK Pound	**17,993**	10,123
United States Dollar	**7,829**	4,162
Euros	**1,233**	1,207
Australian Dollar	**54**	291
New Zealand Dollar	**65**	17
	27,174	15,800

16. Trade and other payables

	FY24 £'000	FY23 £'000
Current:		
Trade payables	**3,462**	2,832
Tax and social security	**1,447**	1,070
Accruals	**2,950**	3,176
Deferred income	**353**	554
Amounts payable to sellers	**228**	239
Other payables	**1,020**	1,035
	9,460	8,906

There is no difference between the carrying value and fair value of the financial liabilities noted above. The deferred income balance of £353k (FY23: £554k) relates to contracts with customers where invoices have been raised in advance of revenue being recognised.

It is expected that all of the deferred income recorded at 30 September 2024 will be recorded as revenue in the forthcoming year. £247k of the deferred income recorded at 31 December 2023 was recognised as revenue within the subsequent year, with £307k being released as a result of credit notes raised.

The carrying amounts of the Group's trade and other payables are denominated in the following currencies:

	FY24 £'000	FY23 £'000
In these currencies		
UK Pound	**7,275**	5,886
United States Dollar	**1,843**	1,527
Euros	**220**	288
Australian Dollar	**110**	1,190
New Zealand Dollar	**12**	15
	9,460	8,906

17. Borrowings

	FY24 £'000	FY23 £'000
Current		
Lease liabilities	**2,485**	2,507
	2,485	2,507
Non-current		
Lease liabilities	**1,757**	2,975
	1,757	2,975
Total borrowings	**4,242**	5,482

	FY24 £'000	FY23 £'000
Amount repayable		
Within one year	**2,485**	2,507
In more than one year but less than two years	**810**	1,678
In more than two years but less than three years	**637**	580
In more than three years but less than four years	**310**	484
In more than four years but less than five years	**–**	233
	4,242	5,482

A reconciliation from opening to closing borrowings can be found below.

Net cash

	FY24 £'000	FY23 £'000
Cash at bank and in hand	**27,174**	15,800
Lease liabilities	**(4,242)**	(5,482)
Net cash	**22,932**	10,318

NOTES TO THE FINANCIAL STATEMENTS continued
Period ended 30 September 2024

17. Borrowings continued

	As at 01 January 2024 £'000	New leases £'000	Acquired through business combinations £'000	Payments £'000	Interest charge £'000	Interest paid £'000	Non-current to current movements £'000	Disposals £'000	Modification £'000	FX £'000	Other cash movements £'000	As at 30 September 2024 £'000
Lease liabilities – current	(2,469)	(199)	–	1,621	(182)	182	(1,496)	–	–	58	–	(2,485)
Lease liabilities – non-current	(3,013)	(240)	–	–	–	–	1,496	–	–	–	–	(1,757)
Total arising from movements in financing activity	(5,482)	(439)	–	1,621	(182)	182	–	–	–	58	–	(4,242)
Cash and short-term deposits	15,800	–	–	–	–	–	–	–	–	(277)	11,651	27,174
Net cash	10,318	(439)	–	1,621	(182)	182	–	–	–	(219)	11,651	22,932

	As at 01 January 2023 £'000	New leases £'000	Acquired through business combinations £'000	Payments £'000	Interest charge £'000	Interest paid £'000	Non-current to current movements £'000	Disposals £'000	Modification £'000	FX £'000	Other cash movements £'000	As at 31 December 2023 £'000
Lease liabilities – current	(1,282)	(819)	(239)	1,323	(142)	142	(1,679)	28	118	81	–	(2,469)
Lease liabilities – non-current	(1,960)	(1,853)	(879)	–	–	–	1,679	–	–	–	–	(3,013)
Total arising from movements in financing activity	(3,242)	(2,672)	(1,118)	1,323	(142)	142	–	28	118	81	–	(5,482)
Cash and short-term deposits	29,268	–	–	–	–	–	–	–	–	(122)	(13,346)	15,800
Net cash	26,026	(2,672)	(1,118)	1,323	(142)	142	–	28	118	(41)	(13,346)	10,318

NOTES TO THE FINANCIAL STATEMENTS continued

Period ended 30 September 2024

18. Provisions

Dilapidations have been recognised to account for the cost of returning leased properties to their original condition.

	FY24 £'000	FY23 £'000
As at 1 January	**446**	540
Additions	**19**	77
Acquired through business combinations	**–**	7
Charged to profit or loss	**17**	18
Modifications	**–**	(27)
Disposals	**–**	(36)
Release	**–**	(123)
Exchange adjustments	**–**	(10)
Dilapidation provision at period/year end	**482**	446

The discount rate applied to the provisions range between 3.25% and 7.00% and is expected to mature between 2025 and 2028, at the end of the life of the leases.

19. Deferred tax liability

	FY24 £'000	FY23 £'000
Liability at start of period	**(1,615)**	(1,286)
Adjustment in respect of prior years	**295**	(110)
Reclassification	**63**	174
Deferred tax charge to other comprehensive income for the period	**(255)**	–
Deferred tax charge to statement of comprehensive income for the period	**166**	(393)
Liability at end of period/year	**(1,346)**	(1,615)
Asset at start of period	**1,083**	1,152
Adjustment in respect of prior years	**191**	(3)
Reclassification	**(63)**	(174)
Deferred tax charge to other comprehensive income for the period	**46**	(17)
Deferred tax charge to statement of comprehensive income for the period	**(173)**	125
Asset at end of period/year	**1,084**	1,083
The deferred tax liability relates to the following:		
Accelerated capital allowances on property, plant and equipment	**(457)**	(1,146)
Temporary differences trading	**(10)**	(348)
Deferred tax on share options	**(19)**	(55)
Effect of exchange rates on deferred consideration	**(255)**	–
Intangible assets	**(605)**	(66)
	(1,346)	(1,615)
The deferred tax asset relates to the following:		
Temporary differences trading	**340**	363
Deferred tax on share options	**226**	619
Intangible assets	**82**	–
Deferred consideration	**436**	–
Losses	**–**	101
	1,084	1,083

Losses of £3,923k in Australia (FY23: £3,898k) were not recognised as deferred tax assets. Following the change in operating model in ANZ there was uncertainty with regard to their recoverability. Further, deferred tax assets in Australia relating to temporary timing differences and intangible assets totalling £323k were derecognised in the prior year due to the aforementioned uncertainty regarding profitability.

Losses of £427k incurred in LADbible US Inc prior to the acquisition of Betches Media, LLC ('Betches') were not recognised as deferred tax assets as they are not able to offset profits within Betches.

Whilst the note above shows deferred tax assets and liabilities as split by category, the net deferred tax positions by jurisdiction are shown in the table below, matching the presentation within the Consolidated Statement of Financial Position:

	FY24		FY23	
	DTA £'000	DTL £'000	DTA £'000	DTL £'000
UK	**–**	**(515)**	–	(535)
Australia	**–**	**(21)**	–	(21)
U.S.	**274**	**–**	24	–
Total	**274**	**(536)**	24	(556)

NOTES TO THE FINANCIAL STATEMENTS continued

Period ended 30 September 2024

20. Share based payments

The Group operates a number of Share Option Schemes under which Executive Directors, Non-Executive Directors, managers and team members of the Group are granted options over shares. The Group did not enter into any share based payment transactions with other parties other than employees during the current or prior period. The charge recognised from equity-settled share-based payments in respect of employee services received during the year is £566k (FY23: £3,822k). The charge recognised from cash-settled share-based payments in respect of employee services received during the year is £167k (FY23: £31k).

	Number of Ordinary Shares										
Scheme	**At 01 January 2023**	**Granted**	**Forfeited**	**Exercised**	**At 31 December 2023 and 01 January 2024**	**Granted**	**Modified**	**Forfeited**	**Lapsed**	**Exercised**	**At 30 September 2024**
Australia SIP	71,440	–	(14,288)	–	**57,152**	**–**	**–**	**–**	**(23,218)**	**(30,362)**	**3,572**
Ireland SIP	13,668	–	–	–	**13,668**	**–**	**–**	**(4,556)**	**–**	**–**	**9,112**
UK SIP	511,380	–	(119,322)	–	**392,058**	**–**	**–**	**(66,290)**	**(13,258)**	**(56,820)**	**255,690**
2022 SAYE	420,323	–	(191,132)	–	**229,191**	**–**	**–**	**(61,105)**	**–**	**–**	**168,086**
2023 SAYE	–	355,350	(26,269)	–	**329,081**	**–**	**–**	**(56,100)**	**–**	**–**	**272,981**
Non-Executive Director Awards	2,459,098	–	–	–	**2,459,098**	**–**	**–**	**–**	**–**	**(2,459,098)**	**–**
FY21 Executive Director Awards	899,996	–	(111,002)	–	**788,994**	**–**	**–**	**–**	**–**	**–**	**788,994**
FY24 Executive Director Awards	–	–	–	–	**–**	**1,478,606**	**–**	**–**	**–**	**–**	**1,478,606**
LADbible Incentive Plan	465,002	–	(441,699)	–	**23,303**	**–**	**–**	**(23,303)**	**–**	**–**	**–**
LTIP Group A – Base Award	–	359,084	(88,479)	–	**270,605**	**–**	**–**	**(69,588)**	**–**	**–**	**201,017**
LTIP Group A – Top-up	–	1,726,632	(397,236)	–	**1,329,396**	**–**	**714,286**	**(187,555)**	**–**	**–**	**1,856,127**
LTIP Group D – Base Award	–	187,949	–	–	**187,949**	**–**	**–**	**–**	**–**	**–**	**187,949**
LTIP Group D – Top-up	–	554,907	–	–	**554,907**	**–**	**–**	**–**	**–**	**–**	**554,907**
LTIP Senior Managers	534,283	–	(534,283)	–	**–**	**–**	**–**	**–**	**–**	**–**	**–**
LTIP Group B – Base Award	–	267,141	(95,661)	–	**171,480**	**–**	**–**	**(72,321)**	**–**	**–**	**99,159**
LTIP Group B – Top-up	–	2,279,286	(622,196)	–	**1,657,090**	**–**	**–**	**(1,292,321)**	**–**	**–**	**364,769**
LTIP Group C – Base Award	–	62,678	–	–	**62,678**	**–**	**–**	**–**	**–**	**–**	**62,678**
LTIP Group C – Top-up	–	1,080,179	–	–	**1,080,179**	**–**	**–**	**–**	**–**	**–**	**1,080,179**
LTIP Group E – Base Award	–	478,468	–	–	**478,468**	**–**	**–**	**(478,468)**	**–**	**–**	**–**
LTIP Group E – Top-up	–	92,961	–	–	**92,961**	**–**	**–**	**(92,961)**	**–**	**–**	**–**
LTIP Group F	–	550,239	–	–	**550,239**	**–**	**–**	**–**	**–**	**–**	**550,239**
FY24 LTIP Senior Leadership	–	–	–	–	**–**	**502,392**	**–**	**–**	**–**	**–**	**502,392**
Key Management Personnel Award	789,865	–	–	(351,000)	**438,865**	**–**	**–**	**–**	**–**	**(315,000)**	**123,865**
	6,165,055	7,994,874	(2,641,567)	(351,000)	**11,167,362**	**1,980,998**	**714,286**	**(2,404,568)**	**(36,476)**	**(2,861,280)**	**8,560,322**

NOTES TO THE FINANCIAL STATEMENTS continued

Period ended 30 September 2024

20. Share based payments continued

	Number of awards granted	Grant date	Vesting date	Contractual life (days)	Exercise price (£)	Hurdle share price for top-up (£)	Share price at grant date (£)	Annual risk free rate (%)	Annual expected dividend growth rate (%)	Volatility (%)	Fair value per award (£)	Valuation Method
UK SIP	738,660	19/01/22	19/01/25	1,096	–	–	1.94	–	–	40%[1]	1.94	Monte-Carlo
Australia SIP	78,584	26/05/22	26/05/25	1,096	–	–	1.60	–	–	40%[1]	1.60	Monte-Carlo
Ireland SIP	13,668	26/05/22	26/05/25	1,096	–	–	1.60	–	–	40%[1]	1.60	Monte-Carlo
2022 SAYE	568,032	24/05/22	30/06/25	1,133	1.34	–	0.58	1.47%	–	40%[2]	0.58	Black-Scholes
2023 SAYE	355,350	14/06/23	30/06/26	1,112	0.81	–	0.97	4.76%	–	43%[2]	0.40	Black-Scholes
Non-Executive Director Awards	2,459,098	15/12/21	15/12/23	730	–	–	1.75	–	–	40%[1]	1.75	Monte-Carlo
FY21 Executive Director Awards	1,189,280	22/12/21	31/12/24	1,105	–	–	1.94	0.68%	–	40%[1]	1.45	Monte-Carlo
FY24 Executive Director Awards	1,478,606	15/01/24	31/12/25	717	–	1.75	0.87	3.93%	–	58%[4]	0.35	Monte-Carlo
LADbible Incentive Plan	576,053	13/01/22	12/01/25	1,095	–	–	1.94	–	–	40%[1]	1.94	Monte-Carlo
LTIP Group A – Base Award	359,084	13/01/22	12/01/25	1,095	–	–	1.94*	–	–	40%[1]	1.94	Monte-Carlo
LTIP Group A – Top-up	1,726,632	04/05/23	31/12/25	973	–	1.75	1.00	3.76%	–	44%[3]	0.28	Monte-Carlo
LTIP Group D – Base Award	187,949	04/05/23	12/01/25	620	–	–	1.00	3.76%	–	44%[3]	0.35	Monte-Carlo
LTIP Group D – Top-up	554,907	04/05/23	31/12/25	973	–	1.75	1.00	3.76%	–	44%[3]	0.33	Monte-Carlo
LTIP Senior Managers	836,424	12/01/22	12/01/25	1,096	–	–	1.94	–	–	40%[1]	1.29	Monte-Carlo
LTIP Group B – Base Award	267,141	12/01/22	12/01/25	1,096	–	–	1.94*	–	–	40%[1]	1.29	Monte-Carlo
LTIP Group B – Top-up	2,279,286	04/05/23	31/12/25	973	–	1.75	1.00	3.76%	–	44%[3]	0.27	Monte-Carlo
LTIP Group C – Base Award	62,678	04/05/23	12/01/25	620	–	–	1.00	3.76%	–	44%[3]	0.35	Monte-Carlo
LTIP Group C – Top-up	1,080,179	04/05/23	12/01/25	620	–	1.75	1.00	3.76%	–	44%[3]	0.25	Monte-Carlo
LTIP Group E – Base Award	478,468	04/05/23	31/12/25	973	–	–	1.00	3.76%	–	44%[3]	0.42	Monte-Carlo
LTIP Group E – Top-up	92,961	04/05/23	31/12/25	973	–	1.75	1.00	3.76%	–	44%[3]	0.78	Monte-Carlo
LTIP Group F	550,239	04/05/23	31/12/25	973	–	–	1.00	3.76%	–	44%[3]	0.45	Monte-Carlo
FY24 LTIP Senior Leadership	502,392	30/05/24	31/12/25	581	–	–	1.06	4.49%	–	49%[4]	0.41	Monte-Carlo
Key Management Personnel Award	789,865	15/12/21	17/09/22	92	–	–	1.75	–	–	40%[1]	1.75	Monte-Carlo

* These awards were treated as a modification and the fair value of these replacement awards is reflective of the incremental fair value to be recognised on modification.

1. The volatility assumption, measured at the standard deviation of expected share price returns, is based upon a statistical analysis of daily share prices for comparable listed media businesses over the three-year 'Pre-Covid-19' period, being the three years prior to 1 January 2020. It is considered that volatility levels during Covid-19 will not be representative of likely volatility over the vesting period, hence Pre-Covid-19 volatility levels are considered more appropriate.
2. The volatility assumption for the 2023 SAYE scheme is based on the median daily share price volatility for a group of peer companies over a historical period prior to the date of grant with length commensurate with the expected life assumption of 3.05 years. For the 2022 SAYE scheme this was based on the historical 3.1 year volatility of the constituents of the FTSE AIM Media super sector as of the date of grant.
3. The volatility assumption of 44% is based on the median daily share price volatility for a group of peer companies over a historical period prior to the date of grant with length commensurate with the remaining projection period of 2.66 years.
4. The volatility assumptions of 49% and 58% are based on the historical volatility of the Company's TSR at the calculation dare using daily return index data over a period commensurate with the performance period.

NOTES TO THE FINANCIAL STATEMENTS continued
Period ended 30 September 2024

20. Share based payments continued

Save As You Earn (SAYE) Schemes

The Group operates saving-related share option plans, under which employees save on a monthly basis, over a three-year period, towards the purchase of shares at a fixed price determined when the option is granted. All employees were offered the opportunity to join the SAYE schemes. This price is set at a 20% discount to the average closing price for a share on the five dealing days prior to the grant date. The option must be exercised within six months of maturity of the savings contract, otherwise it lapses.

At 30 September 2024, none of the options were exercisable (31 December 2023: nil).

Share Incentive Plans

In the year ended 31 December 2022, the Group introduced Share Incentive Plan (SIP) awards. These awards are subject to continued employment, and vest after three years. After the third anniversary of the award date employees can elect to sell or transfer the awards.

At 30 September 2024, none of the options were exercisable (31 December 2023: nil).

Non-Executive Director Awards

Awards were granted to certain Non-Executive Directors prior to, but conditional on, Admission which vest on the second anniversary of Admission subject to continued employment and no further performance conditions. The scheme vesting period was reached on 15 December 2023 and the options were exercised in full in January 2024. The share price at the date of exercise was 78.44p.

At 30 September 2024, none of the options were exercisable (31 December 2023: 2,459,098).

The Company only share-based remuneration charge in the year, relating to the above Non-Executive Director remuneration scheme only was £nil (FY23: £2,341k expense).

Executive Director Awards

The Long Term Incentive Plan awards for the Executive Directors were granted on 23 December 2021, and vest subject to revenue and Adjusted EBITDA margin performance conditions ('base'). The Long Term Incentive Plan awards are also subject to a multiplier based on absolute TSR performance ('stretch'). The overall award was granted as a combination of nil cost options over LBG Media plc shares and an award of A shares in LBG Holdco Limited, in respect of the base and stretch amounts respectively. The A shares in LBG Holdco Limited will convert to LBG Media plc shares on exercise. Within 2023, for two outgoing former Directors the vesting period has been shortened to their leave dates in 2024. Similarly, the number of shares that vest has been pro-rated downwards to align with the shortened tenure.

Further awards were granted within FY24 to Executive Directors, the awards for the Executive Directors, granted in the form of nil cost options, are subject to the satisfaction of stretching performance conditions measured over a three year performance period (1 January 2023 to 31 December 2025) and continued employment. The awards consist of a 'Base Award' (which will vest subject to stretching financial targets) and a 'Stretch Award' (which will vest subject to stretching total shareholder return targets of 30% and 50% CAGR over a three year performance period ending on 31 December 2025).

At 30 September 2024, none of the options were exercisable (31 December 2023: nil).

LAD Incentive Plans

The Group operates incentive plans for senior employees subject to revenue performance conditions and an Adjusted EBITDA margin underpin. Vesting is contingent upon continued employment. In May 2023 the LADbible Incentive Plan awards were forfeited in return for the Group A awards which mirrored the terms of the original awards with additional market based performance conditions, including top-up awards. The top-up options will only vest if the series of performance conditions are fully met, at which point the quantity of options vesting will represent those equivalent to a fixed maximum value to the option-holder. The scheme was changed in order to better align with the Group's objectives.

At 30 September 2024, none of the options were exercisable (31 December 2023: nil).

LTIPs – Senior Leadership

The Group operates long term incentive plans for senior employees subject to revenue performance conditions and an Adjusted EBITDA margin underpin. Vesting is contingent upon continued employment. In May 2023 the LTIP Senior Manager awards were forfeited in return for the Group B awards which mirrored the terms of the original awards with additional market based performance conditions, including top-up awards, and removal of the Total Shareholder Return (TSR) multiplier. The top-up options will only vest if the series of performance conditions are fully met, at which point the quantity of options vesting will represent those equivalent to a fixed maximum value to the option-holder. The scheme was changed in order to better align with the Group's objectives.

Further awards were granted within FY23 and FY24 to senior employees, subject to revenue and market performance conditions and an Adjusted EBITDA margin underpin.

At 30 September 2024, none of the options were exercisable (31 December 2023: nil).

Key Management Personnel Award

Awards were granted to a member of Key Management Personnel (KMP) under the Long Term Incentive Plan on 15 December 2021 (Date of Admission) which vest on 17 September 2022, with no employment conditions attached. Awards were granted to a member of KMP which vested immediately on 15 December 2021, with no performance conditions attached.

Following an election made by the Group to settle liabilities in relation to this scheme in cash (rather than shares), this scheme was reassessed as a cash-settled share scheme in the prior year. The cash-settled share-based payment liability at 30 September 2024 is £182k (31 December 2023: £375k). This liability is included within other payables in Note 16.

315,000 options were exercised within the period (FY23: 351,000) at a weighted average share price of 95.64p at the date of exercise (FY23: 87.29p). The cash settlement of these exercised options totalled £305k in the period.

At 30 September 2024, 132,865 of the options were exercisable (31 December 2023: 438,865).

21. Called up share capital

Ordinary shares of £0.001 each	FY24 Number	FY24 £	FY23 Number	FY23 £
At 01 January	**206,620,642**	**206,621**	205,714,289	205,714
Issued during the year	**2,459,098**	**2,459**	906,353	907
At period/year end	**209,079,740**	**209,080**	206,620,642	206,621

On 3 January 2024, the Company issued 2,459,098 new Ordinary Shares with a nominal value of £0.001 each. This share issue was following the exercise of options granted under the Company's Long Term Incentive Plan (Non-Executive Director Awards).

In the prior year, between February and August 2023, the Company issued 198,000 shares, in tranches of 9,000 shares, following the exercise of options granted under the Company's Key Management Personnel Award. For further details on the dates of these share issues, refer to Companies House.

The remaining 708,353 shares issued in the prior year were in relation to the UK Share Incentive Plan within 2022, these shares have been included within the amount issued during the year in 2023.

22. Financial risk management

The Group uses various financial instruments. These include cash and various items, such as trade receivables and trade payables that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations.

The existence of these financial instruments exposes the Group to a number of financial risks, which are described in more detail below.

The main risks arising from the Group's financial instruments are currency risk, credit risk, interest rate risk and liquidity risk. The Directors review and agree policies for managing each of these risks and they are summarised on the following page.

NOTES TO THE FINANCIAL STATEMENTS continued
Period ended 30 September 2024

22. Financial risk management continued

Currency risk

The Group contracts with certain customers in US Dollars, Euros, Australian Dollars and New Zealand Dollars and manages this foreign currency risk through close management of foreign currency positions including the use of forward currency contracts. As of 30 September 2024 the Group's net exposure to foreign exchange risk was as follows:

	GBP £'000	USD £'000	EUR £'000	AUD £'000	NZD £'000	FY24 £'000
Financial assets	24,570	15,193	2,072	553	76	42,464
Financial liabilities	(8,467)	(9,692)	(511)	(270)	(13)	(18,953)
Total net exposure	16,103	5,501	1,561	283	63	23,511

	GBP £'000	USD £'000	EUR £'000	AUD £'000	NZD £'000	FY24 £'000
Financial assets	20,982	4,481	2,058	4,591	94	32,206
Financial liabilities	(8,923)	(12,080)	(188)	(1,101)	(11)	(22,303)
Total net exposure	12,059	7,599	1,870	3,490	83	9,903

It is estimated that, with all other variables held equal (in particular other exchange rates), a general change of 10% in the value of each foreign currency in the table below against Sterling would have had the following impact on the Group's current year profit after tax and on retained earnings:

FY24 currency risks expressed in foreign currency/GBP	USD £'000	EUR £'000	AUD £'000	NZD £'000
Reasonable shift	10%	10%	10%	10%
Impact on profit after tax if currency strengthens against GBP	611	173	31	9
Impact on profit after tax if currency weakens against GBP	(501)	(143)	(26)	(4)

FY23 currency risks expressed in foreign currency/GBP	USD £'000	EUR £'000	AUD £'000	NZD £'000
Reasonable shift	10%	10%	10%	10%
Impact on profit after tax if currency strengthens against GBP	1,481	137	12	5
Impact on profit after tax if currency weakens against GBP	(1,211)	(113)	(10)	(4)

Credit risk

The Group's principal financial assets are cash and trade receivables. The credit risk associated with cash is limited, as the counterparties have high credit ratings assigned by international credit-rating agencies. The principal credit risk arises therefore from the Group's trade receivables.

In order to manage credit risk the Directors set limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed on a regular basis in conjunction with borrowings ageing and collection history.

The Directors consider that the Group's trade receivables were impaired for the period ended 30 September 2024 and a provision for credit losses of £71k (31 December 2023: £40k) was made. Refer to Note 14 for further information on financial assets that are past due.

Liquidity risk

The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs by closely managing the cash balance and by investing cash assets safely and profitably.

The following table sets out the contractual maturities (representing undiscounted contractual cash flows) of financial liabilities:

At 30 September 2024	Up to 12 months £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000	Over 5 years £'000
Trade and other payables	4,710	–	–	–
Contingent consideration	3,811	3,240	–	–
Lease liabilities	2,485	810	637	310
Accruals	2,950	–	–	–
Total	13,956	4,050	637	310

At 31 December 2023	Up to 12 months £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000	Over 5 years £'000
Trade and other payables	4,106	–	–	–
Contingent consideration	3,016	3,522	3,001	–
Lease liabilities	2,507	1,678	1,297	–
Accruals	3,176	–	–	–
Total	12,805	5,200	4,298	–

The table below analyses the Group's undiscounted non-derivative and derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date.

Summary of financial assets and liabilities by category

The carrying amount of financial assets and liabilities recognised at the balance sheet date of the reporting years under review may also be categorised as follows:

	FY24 £'000	FY23 £'000
Financial assets		
Non-current:		
Other receivables	219	198
	219	198
Current:		
Trade and other receivables	15,071	16,208
Cash and cash equivalents	27,174	15,800
	42,245	32,008
Financial liabilities		
Non-current:		
Lease liabilities	(1,757)	(2,975)
Contingent consideration	(3,240)	(6,523)
	(4,997)	(9,498)
Current:		
Lease liabilities	(2,485)	(2,507)
Trade and other payables	(4,710)	(4,106)
Accruals	(2,950)	(3,176)
Contingent consideration	(3,811)	(3,016)
	(13,956)	(12,805)
Net financial assets	23,511	9,903

Other than the contingent consideration (which is recognised at fair value through profit or loss), all other financial assets and liabilities are measured on an amortised cost basis.

NOTES TO THE FINANCIAL STATEMENTS continued

Period ended 30 September 2024

23. Commitments

There are no capital commitments at the current or prior year end.

24. Related party transactions

	FY24 £'000	FY23 £'000
Entity controlled by key management personnel		
Purchase of services(1)	**364**	161
Transactions with Pubity Group Ltd(2)	**(163)**	–
Tax settlement on behalf of Director(3)	**–**	(67)

(1) Services are purchased from Kamani Commercial Property Ltd (an entity controlled by a significant shareholder) on normal commercial terms and conditions. Kamani Commercial Property Ltd is a firm belonging to Mahmud Abdullah Kamani, a former Director of the Group. The Group leases the Manchester Dale Street properties from Kamani Commercial Property Ltd. The 'purchase of services' in the table above relates to the payments made in the year for the Dale Street properties for both rent and service charges. Payments made in FY24 totalled £364k (FY23: £161k). The amount outstanding of the lease liability as at 30 September 2024 is £1,199k (31 December 2023: £1,296k). The outstanding service charge balance at 30 September 2024 is £17k (31 December 2023: £nil).

(2) During the period, the Group incurred transactions totalling £163k (2023: £nil) with Pubity Group Ltd, a joint venture of LBG Media plc. These transactions were conducted on normal commercial terms. As at 30 September 2024, £51k was due from Pubity Group Ltd. This has been settled post year end.

(3) In 2022, the Group agreed to pay a £224k PAYE liability relating to an undisclosed benefit in kind. In 2023, after an agreement with HMRC, the liability was reduced by £67k and fully settled within the year.

25. Ultimate controlling party

The Directors consider there to be no ultimate controlling party following Admission to AIM in December 2021. Prior to this Solly Solomou was the ultimate controlling party by virtue of his shareholding.

26. Subsequent events

The Group established an Employee Benefit Trust (EBT) during the year to facilitate the remuneration of employees, including the administration of share-based payment schemes. The EBT is managed independently and operates under the terms of the trust deed, funded by the Group.

The EBT did not hold any shares at the reporting date. However, subsequent to the year-end, the EBT acquired shares totalling £1,900k to support its objectives. These post-year-end transactions will be reflected in the Group's consolidated financial statements for the next reporting period.

27. Acquisitions

On 17 October 2023, the Group acquired the entire share capital of Betches Media, LLC ('Betches') for total consideration of £29,175k ($35,593k).

Betches is a US-based media brand founded by women and focused on digital media content production and publication for women.

Consideration for the acquisition was entirely in cash, with no shares in the Group issued to the sellers. The cash consideration is comprised of £19,541k ($23,840k) funded from existing cash resources, with up to a further $30,000k cash consideration payable in instalments (£23,548k at the closing balance sheet rate), subject to Betches achieving certain revenue and EBITDA targets to 2026. The contingent consideration is payable in annual tranches from March 2024 up until March 2026.

Of the maximum contingent consideration of $30,000k (£23,548k) payable to the sellers, based upon revenue and EBITDA forecasts at the date of acquisition, a total of £9,634k ($11,753k) is management's best estimate of the amount payable within a range of potential outcomes. The fair value of total consideration at the date of acquisition is therefore £29,175k.

The contingent consideration estimate remains management's best estimate. The Group have paid £3,120k ($4,000k) to the founders in relation to the earnout and the remaining liability on the balance sheet is £7,051k. Refer to the contingent consideration section of this note for a reconciliation of the current position.

Summary of the acquisition balance sheet:

	Fair value recognised on acquisition £000
Net assets	
Non-current assets	
Content partnership relationships	3,850
Brand	6,744
Fixed assets	261
Right of use asset	1,143
Current assets	
Cash	1,713
Security deposits	63
Accounts receivable	3,915
Inventory	31
Prepayments	380
Contract asset	422
Current liabilities	
Accounts payable	(97)
Accruals	(998)
Provisions	(7)
Other payables	(39)
Transaction costs payable	(2,285)
Lease liability	(239)
Non-current liabilities	
Lease liability	(879)
Total identifiable net assets at fair value	13,978
Goodwill arising on acquisition	15,197
Total purchase consideration transferred	29,175
Purchase consideration:	
Cash	19,293
Amounts unpaid	248
Contingent consideration	9,634
Total purchase consideration	29,175
Analysis of cash flows on acquisition:	
Net cash acquired with the subsidiary	1,713
Cash paid	(19,293)
Acquisition of subsidiaries, net of cash acquired (included in cash flows from investing activities)	(17,580)
Transaction costs of the acquisition (included within cash flows from operating activities)	(799)
Net cash outflow	(18,379)

NOTES TO THE FINANCIAL STATEMENTS continued

Period ended 30 September 2024

27. Acquisitions continued

Cash consideration per the RNS on 18 October 2023 was noted as being $24,000k (£19,673k). The difference between this and that noted as the initial cash payment of $23,537k (£19,293k) are adjustments in line with the acquisition agreement for working capital movements, cash reflected on acquisition, sell-side transaction expenses and bonus accruals, totalling $463k (£380k).

Further as a result of the finalisation of the completion accounts an additional £228k (£248k at the acquisition date spot rate) remains unpaid at 30 September 2024, this is shown as 'amounts payable to sellers' in Note 16 and we expect this to be paid in FY25.

28. Contingent consideration

The Group has adopted the following fair value hierarchy in relation to its financial instruments that are carried in the balance sheet at the fair values at the year end (being solely contingent consideration):

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The following table sets out the fair value of all financial assets and liabilities that are measured at fair value:

	FY24			FY23		
Liabilities measured at fair value	**Level 1 £000**	**Level 2 £000**	**Level 3 £000**	**Level 1 £000**	**Level 2 £000**	**Level 3 £000**
Contingent consideration	**–**	**–**	**7,051**	–	–	9,539
Total	**–**	**–**	**7,051**	–	–	9,539

Contingent consideration is included in Level 3 of the fair value hierarchy. The provision for contingent consideration is in respect of the Betches Media, LLC acquisition in October 2023, further details of which can be found above. The fair value is determined considering the expected payments, discounted to present value using a risk adjusted discount rate.

The significant unobservable inputs are the financial performance forecasts for the Year 1 (2023), Year 2 (2024), Year 3 (2025) and Year 4 (2026) twelve month periods and the risk adjusted discount rate of 17.6%.

The estimated fair value could increase or decrease if Revenue or EBITDA was higher or lower. This is because the potential earn out payments are split into two tranches.

The first element of contingent consideration (Earnout 1) is based upon Betches Media, LLC revenue performance in 2023, 2024 and 2025 respectively. Contingent consideration of up to $15m is payable under Earnout 1 in three tranches in 2024, 2025 and 2026 respectively.

The second element of contingent consideration (Earnout 2) is based upon Betches Media, LLC meeting a minimum EBITDA hurdle in 2023, 2024, 2025 and 2026. Contingent consideration of up to $15m is payable under Earnout 2 in four tranches in 2024, 2025, 2026 and 2027 respectively.

At the acquisition date the discounted fair value of the contingent consideration was estimated at £9,634k having been determined from management's estimates of the range of outcomes and their respective likelihoods.

At 30 September 2024, the value of the contingent consideration after unwinding of the discounting and a £3,120k ($4,000k) earnout payment was £7,051k (31 December 2023: £9,539k). Adjustments to the fair value of the contingent consideration are made in the Consolidated Statement of Comprehensive Income under IFRS 3 Business Combinations.

Further, the estimated fair value would increase or decrease if the risk adjusted discount rate was higher or lower.

A reasonably possible change to one of these significant unobservable inputs, holding the other inputs constant, would have the following effects:

	FY24		FY23	
Effect of change in assumption on income statement	**Increase £000**	**Decrease £000**	**Increase £000**	**Decrease £000**
Revenue movement by £500k	**–**	**–**	–	–
EBITDA movement by £500k	**1,940**	**–**	928	–
Risk adjusted discount rate change by 1.0%	**51**	**53**	79	85

Note that moving revenue up or down does not impact the fair value because without meeting the EBITDA hurdle, tranche 2 payments will not be made.

However, if the EBITDA hurdle was met, then the earnout 2 payments would be material.

For example, if revenue was $25m (£15.7m) in each of the years 2024, 2025 and 2026 and the EBITDA hurdle was met, then the additional earnout payments would be £0.8m per annum.

A reconciliation from the opening to closing contingent consideration balance can be found below:

	FY24 £000	**FY23 £000**
At 1 January	**9,539**	–
Recognition on the acquisition of subsidiary undertakings	**–**	9,634
Unwinding of discount[1]	**1,014**	314
Settlement of consideration	**(3,120)**	–
Effect of exchange rates on the settlement of consideration	**(13)**	–
Exchange adjustment	**(369)**	(409)
At period/year end	**7,051**	9,539
Analysed as:		
Amounts falling due within 12 months	**3,811**	3,016
Amounts falling due after one year	**3,240**	6,523
At period/year end	**7,051**	9,539

1. The discount rate used for the unwinding of the contingent consideration is 17.6%.

COMPANY BALANCE SHEET

As at 30 September 2024

	Note	As at 30 September 2024 £'000	As at 31 December 2023 £'000
Assets			
Non-current assets			
Investments	2	**185,427**	184,861
Debtors	4	**23,441**	23,596
Deferred tax asset	3	**–**	499
Total non-current assets		**208,868**	208,956
Current assets			
Debtors	4	**–**	–
Cash and cash equivalents	5	**28**	174
Net current assets		**28**	174
Net assets		**208,896**	209,130
Equity			
Share capital	6	**209**	207
Share premium		**28,993**	28,993
Retained earnings		**179,694**	179,930
Total equity		**208,896**	209,130

The Company has taken advantage of the exemption permitted by Section 408 of the Companies Act 2006 not to produce its own profit and loss account. The loss for the period dealt within the financial statements of the Company was £802k (FY23: £2,731k).

The notes on pages 120 to 124 are an integral part of these Company financial statements.

The Company financial statements on pages 118 to 124 were approved by the Board of Directors on 21 January 2025 and were signed on its behalf by:

Solly Solomou
Chief Executive Officer

Registered number: 13693251

COMPANY STATEMENT OF CHANGES IN EQUITY

As at 30 September 2024

	Share capital £'000	Share premium £'000	Retained earnings £'000	Total equity attributable to owners £'000
Balance as at 1 January 2023	206	28,993	178,808	208,007
Shares issued	1	–	–	1
Share based payment	–	–	3,853	3,853
Loss for the financial year	–	–	(2,731)	(2,731)
Balance as at 31 December 2023 and 1 January 2024	**207**	**28,993**	**179,930**	**209,130**
Shares issued	**2**	**–**	**–**	**2**
Share-based payment	**–**	**–**	**566**	**566**
Loss for the financial period	**–**	**–**	**(802)**	**(802)**
Balance as at 30 September 2024	**209**	**28,993**	**179,694**	**208,896**

NOTES TO THE COMPANY FINANCIAL STATEMENTS

Period ended 30 September 2024

1. General information

LBG Media plc (the 'Company') is a public limited company, limited by shares, which is listed on the London Stock Exchange, with its Ordinary Shares traded on the Alternative Investment Market (AIM), and incorporated and domiciled in England and Wales. The registered number is 13693251 and the address of the registered office is 20 Dale Street, Manchester, M1 1EZ.

These Financial Statements present information about the Company as an individual undertaking and not about its Group.

The Financial Statements of LBG Media plc have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland ('FRS 102') and the Companies Act 2006.

Accounting policies

The accounting policies set out in the notes below have been applied in preparing the financial statements for the year ended 30 September 2024.

The Company is included within the Consolidated Financial Statements of LBG Media plc. The Consolidated Financial Statements of LBG Media plc are prepared in accordance with IFRS and are publicly available. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- The requirement to prepare a statement of cash flows;
- Certain disclosures in relation to share-based payments; and
- Key Management Personnel compensation.

As permitted by section 408 of the Companies Act 2006, the income statement of the Company is not presented as part of the Financial Statements.

The Company's accounting policies are the same as those set out in the notes of the Group Consolidated Financial Statements, except as noted on the following pages.

Investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

Impairment

The carrying values of non-financial assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any impairment loss arises, the asset is adjusted to its estimated recoverable amount and the difference is recognised in the Income Statement.

Trade and other debtors

Trade and other debtors are recognised initially at transaction price plus attributable costs.

Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discontinued at a market rate of interest for a similar debt instrument.

Share-based payments

Some employees (including Senior Management) of the Company receive remuneration in the form of share based payments, whereby employees render services as consideration for equity instruments (equity settled transactions). The fair value of the equity settled awards is calculated at grant date using a Monte Carlo or Black-Scholes model. The resulting cost is charged in the Income Statement over the vesting period of the option or award and is regularly reviewed and adjusted for the expected and actual number of options or awards vesting.

Service and non-service performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. No expense is recognised for awards that do not ultimately vest because of non-market performance and/or service conditions that have not been met.

The social security contributions payable in connection with the grant of the share options is determined at each balance sheet date as a liability with the total cost recognised in the profit and loss account over the vesting period.

When share options for shares in the Company are awarded to employees of subsidiaries, a capital contribution equal to the share based payment charge relevant to the shares awarded is recorded within Company reserves.

Financial risk management

The Company's financial risk is managed as part of the Group's strategy and policies as discussed in Note 22 of the Consolidated Financial Statements.

Company result for the period

In accordance with the exemption allowed by Section 408(3) of the Companies Act 2006, the Company has not presented its own income statement or statement of comprehensive income.

Directors' remuneration and staff numbers

The Company has no employees other than the Directors, who did not receive any remuneration for their services directly from the Company in either the current or preceding period. Refer to Note 5 in the Group consolidated accounts for the Key Management Personnel compensation.

Auditor's remuneration

The remuneration paid to the Auditor in relation to the audit of the Company is disclosed in Note 6 of the Consolidated Financial Statements. The fees for the Company's financial statements are borne by a subsidiary of the Company and are not recharged.

Employee Benefit Trust

The Company established the LBG Media Employee Benefit Trust (EBT) on 4 July 2024 to facilitate the purchase of shares in the market to satisfy awards under the Company's employee share plans. The EBT is a separately administered trust and is funded by contributions from LBG Media plc. The assets of the trust consist of shares in LBG Media plc and cash balances.

The assets and liabilities of the EBT are recognised in the Company's financial statements, as the EBT is considered to be under the control of the Company. The assets of the EBT are legally held separately from those of the Company.

Contributions made by the Company to the EBT are recognised as an expense in the profit and loss account when incurred unless they represent the cost of own shares purchased, in which case they are deducted from equity. Own shares held by the EBT are presented as a deduction from equity reserves and are not included in the number of shares in issue for the purpose of calculating diluted earnings per share.

The trustees of the EBT have waived or otherwise foregone all rights to dividends on the shares held in the trust.

Going Concern

Details of the Company's going concern status are disclosed within Note 2 of the Consolidated Financial Statements.

NOTES TO THE COMPANY FINANCIAL STATEMENTS continued

Period ended 30 September 2024

2. Fixed asset investments

Details of the Company's subsidiaries at 30 September 2024 are set out below. All subsidiaries are included in the consolidation. Shares of those companies marked with an * are directly owned by LBG Media plc.

Entity	Principal activity	Country of incorporation	Registered number	Type of share held by the Group	Proportion of Ordinary Shares held by the Group companies	Registered office
LBG Holdco Limited*	Holding company	England & Wales	13558554	Ordinary	100%	20 Dale Street, Manchester, United Kingdom, M1 1EZ
LADbible Group Limited	Online media publishing	England & Wales	08018627	Ordinary	100%	20 Dale Street, Manchester, United Kingdom, M1 1EZ
Studio Joyride Limited	Dormant	England & Wales	10528845	Ordinary	100%	20 Dale Street, Manchester, United Kingdom, M1 1EZ
FOODbible Limited	Dormant	England & Wales	10816740	Ordinary	100%	20 Dale Street, Manchester, United Kingdom, M1 1EZ
CONTENTbible Limited	Dormant	England & Wales	09808319	Ordinary	100%	20 Dale Street, Manchester, United Kingdom, M1 1EZ
GAMINGbible Limited	Dormant	England & Wales	10230852	Ordinary	100%	20 Dale Street, Manchester, United Kingdom, M1 1EZ
Pretty52 Limited	Dormant	England & Wales	08716446	Ordinary	100%	20 Dale Street, Manchester, United Kingdom, M1 1EZ
LASSbible Limited	Dormant	England & Wales	09376838	Ordinary	100%	20 Dale Street, Manchester, United Kingdom, M1 1EZ
ODDSbible Limited	Dormant	England & Wales	09373897	Ordinary	100%	20 Dale Street, Manchester, United Kingdom, M1 1EZ
SPORTbible Limited	Dormant	England & Wales	08716546	Ordinary	100%	20 Dale Street, Manchester, United Kingdom, M1 1EZ
LADbible Limited	Dormant	England & Wales	08779653	Ordinary	100%	20 Dale Street, Manchester, United Kingdom, M1 1EZ
Unilad Group Limited	Online media publishing	England & Wales	11564689	Ordinary	100%	20 Dale Street, Manchester, United Kingdom, M1 1EZ
Pubity Group Ltd	Online media publishing	England & Wales	12065014	Ordinary	30%	Unit 14, 7 Wenlock Road, London, England, N1 7SL
LADbible Australia Pty Limited	Online media publishing	Australia	30 630 465 404	Ordinary	100%	755 Hunter Street, Newcastle West NSW 2302, Australia
LADbible New Zealand Limited	Online media publishing	New Zealand	8163059	Ordinary	100%	4th Floor, Smith & Caughey Building, 253 Queen Street, Auckland, 1010 New Zealand
LADbible Ireland Limited	Online media publishing	Ireland	653717	Ordinary	100%	Riverside 2, Sir John Rogerson's Quay, Dublin Docklands, Dublin, D02 KV60, Ireland
LADbible US Inc.	Online media publishing	USA	6793417	Ordinary	100%	1209 Orange Street, Wilmington, Delaware, County of New Castle, United States
LBG Holdco US Inc.	Holding company	USA	7605320	Ordinary	100%	1209 Orange Street, Wilmington, Delaware, County of New Castle, United States
Betches Media, LLC	Online media publishing	USA	4135537	Ordinary	100%	510 Broadhollow Road, Suite 300, Melville, New York, 11747, United States

Investment in subsidiaries at the period end was as follows:

	30 September 2024 £'000	31 December 2023 £'000
Cost		
At start of period	**184,861**	183,936
Capital contribution	**566**	1,512
Release of capital contribution	**–**	(93)
Equity settled share options switched to cash settled share options	**–**	(494)
At end of period/year	**185,427**	**184,861**

Parent Company guarantee

The Parent Company, registered number 13693251, guarantees all debts and liabilities of the Group's UK subsidiaries included above, at the balance sheet date in accordance with section 479A of the Companies Act 2006, and is claiming exemption from audit for each UK subsidiary.

Acquisitions

Within the prior year the Group incorporated LBG Holdco US Inc. with initial equity of $1, this entity was set up to acquire Betches Media, LLC. Further details of the acquisition are disclosed within Note 27 of the Consolidated Financial Statements.

Capital Contribution

This relates to share options in LBG Media plc awarded to employees of the wider Group.

3. Deferred Tax Asset

	30 September 2024 £'000	31 December 2023 £'000
Asset at start of period	**499**	391
Deferred tax charged to statement of comprehensive income for the period	**(499)**	108
Asset at end of period/year	**–**	499
The deferred tax asset relates to the following:		
Deferred tax on share options	**–**	499

There are no unrecognised deferred tax assets.

4. Debtors

	30 September 2024 £'000	31 December 2023 £'000
Amounts owed by Group undertakings due over one year	**23,441**	23,596
	23,441	23,596

Amounts owed by Group undertakings are unsecured and repayable on demand.

Management have assessed the likelihood of the balance being repaid within the next year and have concluded that this is unlikely. As such, the balance has been classed as non-current.

NOTES TO THE COMPANY FINANCIAL STATEMENTS continued

Period ended 30 September 2024

5. Cash and cash equivalents

	30 September 2024 £'000	31 December 2023 £'000
Cash at bank and in hand	**28**	174
	28	174

The cash balance is held in GBP.

6. Equity

Ordinary Shares of £0.001 each	FY24 Number	FY24 £	FY23 Number	FY23 £
At 1 January	**206,620,642**	**206,621**	205,714,289	205,714
Issued during the year	**2,459,098**	**2,459**	906,353	907
At period/year end	**209,079,740**	**209,080**	206,620,642	206,621

On 3 January 2024, the Company issued 2,459,098 new Ordinary Shares with a nominal value of £0.001 each. This share issue was following the exercise of options granted under the Company's Long Term Incentive Plan (Non-Executive Director Awards).

In the prior year, between February and August 2023, the Company issued 198,000 shares, in tranches of 9,000 shares, following the exercise of options granted under the Company's Key Management Personnel Award. For further details on the dates of these share issues, refer to Companies House.

The remaining 708,353 shares issued in the prior year were in relation to the UK Share Incentive Plan within 2022, these shares have been included within the amount issued during the year in 2023.

7. Financial instruments

	30 September 2024 £'000	31 December 2023 £'000
FINANCIAL ASSETS – HELD AT AMORTISED COST		
Amounts owed by Group undertakings	**23,441**	23,596

The Company does not hold any financial liabilities.

8. Related parties

The Company has not entered into any related party transactions during the current or prior periods that require disclosure.

9. Share-based payments

Details of the Company's share-based payments are disclosed within Note 20 of the Consolidated Financial Statements.

GLOSSARY OF TERMS

Introduction

In the reporting of financial information, the Directors have adopted various Alternative Performance Measures (APMs) of financial performance, position or cash flows other than those defined or specified under International Financial Reporting Standards (IFRS). These measures are not defined by IFRS and therefore may not be directly comparable with other companies' APMs, including those in the Group's industry. APMs should be considered in addition to IFRS measures and are not intended to be a substitute for IFRS measurements.

Purpose

The Directors believe that these APMs provide additional useful information on the underlying performance and position of LBG Media plc. APMs are also used to enhance the comparability of information between reporting periods by adjusting for non-recurring or uncontrollable factors which affect IFRS measures, to aid the user in understanding LBG Media plc's performance. Consequently, APMs are used by the Directors and management for performance analysis, planning, reporting and incentive-setting purposes and have remained consistent with the prior year.

The key APMs that the Group has focused on this period are as follows:

Adjusted EBITDA	This profit measure shows the Group's Earnings Before Interest, Tax, Depreciation and Amortisation adjusted for asset impairment and release of related liabilities, share-based payment charge and adjusting items. Adjusted EBITDA is used for internal performance analysis to assess the execution of our strategies. Management believe that this adjusted measure is an appropriate metric to understand the underlying performance of the Group.

A glossary of other terms used in the Annual Report and Accounts can be found below:

Ad Exchanges	An ad exchange is a digital marketplace that enables advertisers and publishers to buy and sell advertising space, often through real-time auctions. They're used to sell display, video and mobile ad inventory.
AIM	The Alternative Investment Market (AIM) is a sub-market of the London Stock Exchange.
ANZ	Refers to the Group's operations in Australia and New Zealand.
Bookings	Bookings represents year-on-year movement in future value of contracts won.
CAGR	The compound annual growth rate is the annualised average rate of growth between two given years.
Cash conversion	Cash conversion is calculated as cash generated from operations pre-tax, adjusted for the impact of cash adjusting items, divided by adjusted EBITDA.
Click-Through Rate (CTR)	CTR is a key performance metric used in digital marketing and advertising to measure the effectiveness of online campaigns, particularly in terms of user engagement with an advertisement, link, or call-to-action.
Engagements	The measurement of a like, share or comment on social media platforms.
Global audience	Includes global social media platform followers, unique podcast listeners and global monthly online users to LBG Media websites.
Multi-platform	Refers to the Group operating on multiple social media platforms including Facebook, Instagram, Snapchat, TikTok, X and YouTube. In addition, the Group operates 7 owned and operated websites – www.betches.com, www.ladbible.com, www.sportbible.com, www.tyla.com, www.gamingbible.com, www.unilad.com and www.uniladtech.com.
Multi-channel	Refers to the Group's portfolio of brands.
Organic growth	Organic growth excludes the impact of the Betches acquisition.
Reach	Reach is the total number of people who viewed our content within a particular time period.
Repeat client revenue	Repeat client revenue for the 9 months to 30 September 2024 represents percentage of FY24 Direct revenue from clients that ran campaigns with us in 2022 and 2023. On a 12 month basis to 30 September 2024, repeat client revenue represents percentage of proforma 2024 direct revenue from clients that ran campaigns with us in the 2022 and 2023 proforma periods.
Unique user	Refers to a person who has visited us on a social platform or website at least once and is counted only once in the reporting time period.
ROI insights	Metrics and detailed analysis provided to clients to evaluate the success and effectiveness of a campaign.
Web sessions	Web sessions reflect unique individual interactions with our website.
Web yield	Daily web sessions reflect unique individual interactions with our website. Yield per session is per 1,000 sessions.

SHAREHOLDER INFORMATION

Key Contacts:

Company Secretary

Emma Thomas

Investor relations

Equitory Ltd
21-33 Great Eastern Street
London EC2A 3EJ

Nominated Adviser and Broker

Zeus Capital
82 King St
Manchester M2 4WQ

Joint Corporate Broker

Peel Hunt LLP
100 Liverpool Street
London EC2M 2AT

Legal advisers to the Company

Addleshaw Goddard LLP
1 St Peter's Square
Manchester M2 3DE

Auditors

BDO LLP
Eden Building
Irwell Street
Manchester M3 5EN

Tax advisers

PwC LLP
1 Hardman Square
Manchester M3 3EB

Bank

HSBC UK Bank plc
1 Centenary Square
Birmingham B1 1HQ

Registrars

Link Market Services Limited
10th Floor Central Square
29 Wellington Street
Leeds LS1 4DL

Financial public relations

FTI Consulting LLP
200 Aldersgate
Aldersgate Street
London EC1A 4HD

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100% of the inks used are HP Indigo ElectroInk which complies with RoHS legislation and meets the chemical requirements of the Nordic Ecolabel (Nordic Swan) for printing companies, 95% of press chemicals are recycled for further use and, on average 99% of any waste associated with this production will be recycled and the remaining 1% used to generate energy.

The paper is Carbon Balanced with World Land Trust, an international conservation charity, who offset carbon emissions through the purchase and preservation of high conservation value land. Through protecting standing forests, under threat of clearance, carbon is locked-in, that would otherwise be released.

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LBG Media plc
20 Dale Street
Manchester
M1 1EZ
United Kingdom

https://lbgmedia.co.uk/