

CHAIRMAN'S STATEMENT



DAVE WILSON

EXCITING TIMES AHEAD

I am delighted to present the Group's first Annual Report and Accounts as a public company, following its successful admission to the London Stock Exchange's Alternative Investment Market in December 2021.

The Initial Public Offering 'IPO' was a major milestone for LBG Media plc and the extremely positive support from new investors is a great testament to the Group's ability to consistently produce relevant content across a diversified brand portfolio, as well as to its attractive and highly relevant business model and the exciting growth opportunities that lie ahead. Our purpose is to give the youth generation a voice by building communities that laugh, think and act. Engaging effectively with our youth audience is at the heart of everything we do and I'd like to take this opportunity to thank them for their continued support.

I am extremely proud to chair and to be part of LBG Media. On behalf of the Board, I would like to thank the whole team for their contribution to the Group's outstanding performance this year.

Performance overview

The Group delivered an outstanding performance in 2021, both financially and operationally. Group revenue was £54.5m, an increase of 81% compared to the prior year (2020: £30.2m). Our impressive revenue performance was driven by both Direct and Indirect revenue streams. Adjusted EBITDA, a non-GAAP measure used by the Board to provide meaningful analysis of trading results, increased to £16.8m, up 206% compared to the prior year (2020: £5.5m).

Through leveraging our cost base, Adjusted EBITDA margin increased to 31% compared to 18% in the prior year. A more detailed analysis of our financial results can be found in the CFO review section starting on page 40.

Corporate governance

The Directors support a high standard of corporate governance and have complied with the QCA Code from Admission. The Directors believe that the QCA Code provides the Group with a framework to help ensure that the right standards of governance are established, enabling a strong governance culture to be embedded as part of building a successful and sustainable business for all of the Group's stakeholders.

Board

At IPO, the Board of Directors was strengthened with the appointments of three high-calibre and highly experienced Non-Executive Directors. We have a balanced, diversified and experienced Board to lead the Group through the next stage of its development.

I would like to welcome Carol Kane, Alex Jarvis and Richard Flint to the Board, and look forward to working closely with them as we provide collective oversight and support to our Executive Directors and Group strategy.

Dividend

The Directors intend to reinvest a significant portion of the Group's earnings to facilitate plans for further growth. Accordingly, the Board has decided not to pay a dividend from 2021 retained earnings.

Outlook

The £30 million of new capital raised (before expenses) in December 2021 will support the Group's growth strategy, which includes both an organic element – whereby the Group is focused on expanding capabilities and growing within existing geographies – supplemented by future Merger and Acquisitions 'M&A' opportunities.

We have set ourselves ambitious goals for 2022 and beyond. Our highly experienced management team, differentiated proposition and ongoing engagement with hundreds of millions of social media followers worldwide places us in a strong position to meet these goals and objectives. I am confident that, with our dedication and effort, we will achieve them and more.

Dave Wilson

Chairman
20 April 2022