



IT'S BEEN ANOTHER YEAR OF **PROGRESS AND GLOBAL EXPANSION** FOR LBG MEDIA.

It has been another year of progress and expansion for LBG Media, and I'm pleased to present the Group's Annual Report and Accounts for the year ended 31 December 2022.

Our progress in 2022 has been achieved despite a challenging macro-economic environment and the Group has continued to deliver on the strategy set out at the time of our IPO in December 2021.

In addition to our strong performance in our core markets of the UK, Ireland and Australia, we have made progress across all three pillars of our growth strategy:

- ▶ On geographic expansion, we have started to establish a team in the US to tap into the significant Direct revenue opportunities that are available to us in this market;
- ▶ On M&A, we acquired the social pages of Go Animals, which we rebranded to Furry Tails, seeing excellent growth since acquisition; and

- ▶ On expanding our capabilities, we have continued to develop our LADnation research platform, which is now an integral part of the offer we present to clients.

Given the ongoing macro-economic challenges impacting advertising spend, management considered it prudent to reduce its cost base in the year (see CEO report on page 9) and following this we are well placed to continue to deliver on our strategy in the future.

LBG Media continues to produce engaging and relevant content for its youth audience and the Board and I are delighted with the 25% increase in followers across our brands, and 62% increase in audience engagements reflecting the support they have shown us over the past year. Furthermore, the positive reaction and support we have received around many of our campaigns, particularly our coverage of the horrific events in Ukraine, show what an engaged, thoughtful, and caring audience we have.

It is a great privilege to serve as Chair of LBG Media and I would like to take this opportunity to thank the whole team for their hard work throughout the year.

**DAVE WILSON –
CHAIRMAN, LBG MEDIA**

CHAIRMAN'S STATEMENT CONTINUED

Overview

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Performance Overview

The Group delivered significant revenue growth in 2022, growing revenue by 15% to £62.8m. Whilst we acknowledge that the Group did not achieve its initial revenue and profit targets for 2022, we are pleased with our robust performance given the rapidly changing macro-economic issues affecting the UK and international markets during the year. Growth in H2 was particularly strong, across both our Direct and Indirect revenue streams. Adjusted EBITDA (non-IFRS measure) for the year was down 6% but remains strong at £15.7m. Profit before tax fell by 10% but held well at £7.3m, despite the challenging economic environment. A more detailed analysis of our financial results can be found in the CFO review section starting on page 41.

Corporate Governance

The Directors believe in maintaining the highest standards of corporate governance, and as such, we have complied with the QCA Code since we listed on AIM in December 2021. We will continue to follow this framework to ensure that the Group has a strong governance culture and remains a sustainable business for the long-term.

Board and Our People

We have a talented and diverse Board that is ideally set up to support LBG Media's growth strategy. I would like to thank the Board for their diligence and guidance throughout the year.

We continue to work hard to create an inclusive and supportive environment for all our employees. Alongside introducing new policies and new internal community groups, I am proud to say

that we are above the industry standard 8% in LGBTQ+ representation at 13% and Disability representation at 12%. We also continue to meet our diversity target of ensuring 20% of our leadership team are from an ethnic minority group.

Dividend

The Board understands the importance of dividends to many shareholders, but given the high-growth nature of the Group, the Directors plan to reinvest much of the Group's earnings to facilitate this growth. The Board will consider a progressive dividend policy at the appropriate time.

Outlook

The strong revenue growth (15% YoY) and payroll cost reduction shows the Group's resilience and adaptability which puts the business in good shape to deliver continued growth in the years ahead.

The £30m we raised at IPO is still to be deployed, giving us significant firepower for both M&A and organic growth opportunities.

Our teams remain dedicated to our core purpose, to give the youth generation a voice by creating communities that laugh, think and act. Despite challenging times, LBG Media continues to deliver and dominate as a leading global media publisher, through stand out editorial, video, partnerships, original content and much more. We have a strong foundation for growth in 2023 and beyond.

Dave Wilson

Chairman

11 April 2023

20%

**ETHNIC MINORITY
LEADERSHIP**

62.8m

REVENUE

13%

**LGBTQ+
WORKFORCE**