

Overview

Strategic
Report

Governance

Financials

Governance

Board of Directors	49
Corporate Governance Report	51
Nomination Committee Report	55
Audit Committee Report	56
Remuneration Committee Report	58
Directors' Report	63
Statement of Directors' Responsibilities	66

GOVERNANCE

BOARD OF DIRECTORS

Overview

Strategic
Report

Governance

Financials



**DAVE
WILSON**

NON-EXECUTIVE CHAIRMAN

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 & 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. 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.



**ALEX 'SOLLY'
SOLOMOU**

CHIEF EXECUTIVE OFFICER

Solly co-founded LBG Media in 2012. In the following ten years, Solly has led the Group and its strategic direction, growing it to a £60m+ turnover business while building a wealth of experience in digital advertising and content creation. Solly was awarded the Ernst and Young Entrepreneur of the Year North award in 2016 and holds a Business Management Degree from the University of Leeds.



**ARIAN
KALANTARI**

CHIEF OPERATING OFFICER

Arian co-founded LBG Media in 2012. Arian has ten years of experience within the digital advertising and content creation sector. Since founding LBG Media, Arian has been instrumental to the growth in the Group's operations from what was a two-person operation to the current 470 person, multi-national business. Arian holds an International Business Degree from the University of Liverpool.



**TIM
CROSTON**

CHIEF FINANCIAL OFFICER

Tim has over 30 years' finance experience which was gained by working across both the UK and US, which included ten years as Chief Financial Officer of AIM listed Nichols Plc (Vimto soft drinks) from 2010 to 2020. During that period, the market cap of the company grew from c.£110m to over £509m. Tim was also responsible for investor relations and oversaw five successful acquisitions. Previous roles include Non-Executive Director and Audit Committee Chair at The Riverside Group Limited from 2017 to 2020. Tim is a qualified accountant (ACCA 1992, FCCA 1998).

BOARD OF DIRECTORS CONTINUED

Overview

Strategic
Report

Governance

Financials

**CAROL
KANE****NON-EXECUTIVE DIRECTOR**

Carol co-founded Boohoo Group Plc, one of the leading fashion groups, in 2006 following the identification of the opportunity for online retail. During her time at Boohoo Group Plc, Carol has helped take the company through an AIM market listing and has grown the company to a now £2.0bn revenue business. Through her roles at Boohoo Group Plc, Carol has extensive experience working across marketing, product and brand strategy both domestically and abroad.

**ALEX
JARVIS****NON-EXECUTIVE DIRECTOR**

Alex is currently the Chief Strategy Officer and co-founder at Toppan Digital Language, an innovative digital translation technology service provider. Alex's roles at Toppan include building value through corporate development, strategic initiatives, mergers and acquisitions, finance, and governance. Alex 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, Alex was a Partner at Peel Hunt LLP, a UK-based investment bank, where she was the senior equity analyst for the technology sector.

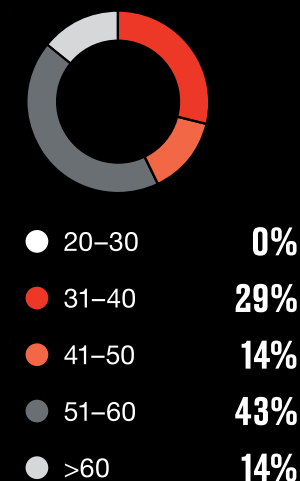
**RICHARD
FLINT****NON-EXECUTIVE DIRECTOR**

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 Non-Executive Director at FTSE 100 company – Flutter Entertainment Plc, is the Chairperson of Butternut Box and was a former Non-Executive Director of Welcome to Yorkshire.

BOARD GENDER SPLIT



BOARD MEMBER AGE



VALUING HIGH STANDARDS

On behalf of the Board, I am pleased to introduce the Group's Corporate Governance Report for the financial year ended 31 December 2022.

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 QCA Corporate Governance Code (the 'Code') as the Board feels that this Code 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 its Committees operate.

Dave Wilson
Chairman
11 April 2023

The Directors support a high standard of Corporate Governance and have decided to comply with the QCA Code. The Directors 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 business strategy and business model which promote long-term value for shareholders

The Directors believe that the Group's business model and growth strategy helps to promote long-term value for Shareholders. The business strategy includes:

- Expansion into additional overseas jurisdictions (including the United States);
- Strategic acquisitions;
- Further enhance the monetisation of our existing portfolio of publication and platforms;
- Signing of larger deals on long-term campaigns;
- Growing headcount to enable the delivery of more content and scale our indirect revenue stream.

More details on our Growth Strategy can be found on pages 19 to 21.

The principal risks facing the Group are set out on pages 45 to 47. The Directors will take appropriate steps to identify risks and undertake a mitigation strategy to manage these risks following Admission.

PRINCIPLE 2**Seek to understand and meet shareholder needs and expectations**

Prior to Admission, the Group's Executive Management undertook a roadshow which has informed the Group as to its shareholders' expectations following Admission.

There is an active dialogue maintained with Shareholders. Shareholders will be kept up to date via announcements made via a Regulatory Information Service on matters of a material substance and/or a regulatory nature. Updates will be provided to the market from time to time, including any financial information, and any expected material deviations to market expectations will be announced via a Regulatory Information Service. The Company's AGM will be an opportunity for Shareholders to meet with the Non-Executive Chairman 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 will be announced via a Regulatory Information Service.

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

There is also a designated email address for investor relations, investors@ladbiblegroup.com, and all relevant contact details are included on the Group's 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 its wider ESG responsibilities, 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 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 will regularly seek feedback from its audience and wider stakeholders to maintain an inclusive culture and implement best working practices.

The Directors will maintain an open and ongoing dialogue with its stakeholders to help promote the long-term success of the Group.

PRINCIPLE 4**Embed effective risk management, considering both opportunities and threats, throughout the organisation.**

The risks involved and the specific uncertainties for the Group will be regularly monitored through a strategic risk register and the full Board will formally review such risks at each Board meeting and adapt them as the Group's operations grow and evolve. All proposals reviewed by the Board will include a consideration of the issues and risks of the proposal. Where necessary, the Board draws on the expertise of appropriate external consultants or advisers to assist in dealing with or mitigating risk. In the future, the Board intends to establish departmental risk registers to embed risk management throughout the operational agenda of the Group.

PRINCIPLE 5**Maintain the Board as a well-functioning, balanced team led by the Chair**

The Board is comprised of the Non-Executive Chairman, three Non-Executive Directors and three Executive Directors. Executive Directors work full time. The Chairman is contracted to work 36-48 days per annum. Other Non-Executive Directors are contracted to work 12 days per annum.

The biographies of the Directors are set out on page 49. The Non-Executive Chairman is Dave Wilson, and the Non-Executive Directors are Carol Kane, Alex Jarvis and Richard Flint. Alex and Richard are considered to be independent and were selected with the objective of bringing experience and independent judgement to the Board. The shareholdings held by Alex and Richard 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 will 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 Directors will be subject to retirement by rotation at every third AGM of the Company.

The Board will meet regularly and hold at least six Board meetings per annum. 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 Company fulfils its growth objectives. In 2022 the Board met six times.

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 page 49.

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 maintain a balanced Board that has the appropriate level and range of skill to assist the Group's strategy and growth objectives. The Chairman 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 the meeting, democratically. The Directors have also received a briefing from the Company's Nominated Adviser in respect of continued compliance with, inter alia, 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 Company's expense if necessary. The Board maintains its skillset through regular updates and training sessions provided by its advisors.

Date of Board Meeting	Board Member Attendees
27 January 2022	All Directors attended
30 March 2022	All Directors attended
26 May 2022	All Directors attended
28 July 2022	All Directors attended
29 September 2022	All Directors attended
24 November 2022	All Directors attended

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 Company 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 Chairman is responsible for ensuring an effective Board.

The Group's first Board evaluation took place in March 2023. Feedback is currently under consideration and improvement actions will be implemented in the current months.

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. 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 29 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 will incorporate the promotion and reward of demonstrating strong ethical values and behaviours as part of its people processes.

The 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 Chairman 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 intends to review the Group's governance framework on an annual basis to ensure it remains effective and appropriate for the business going forward. This will be coordinated by the Audit Committee.

PRINCIPLE 10**Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders**

Responses to the principles of the QCA Code and the information that will be contained in the Company's Annual Report and accounts provide details to all stakeholders on how the Company is governed. The Board views the Annual Report and accounts as well as its half year report as key communication channels through which progress in meeting the Group's objectives and updating its strategic targets can be given to the Shareholders following Admission.

Additionally, the Board will use the Company's AGMs as a primary mechanism to engage directly with Shareholders, to give information and receive feedback about the Group and its progress.

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

NOMINATION COMMITTEE REPORT

Overview

Strategic
Report

Governance

Financials



“I AM PLEASED TO PRESENT THIS REVIEW OF THE ACTIVITIES OF THE NOMINATION COMMITTEE”.

CAROL KANE
CHAIR OF THE NOMINATION COMMITTEE

Nomination Committee Member	Member Since
Carol Kane (Chair)	2021
Dave Wilson	2021
Alex Jarvis	2021
Richard Flint	2021

Key objectives

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

- ▶ To make sure the Board has individuals with the necessary range of skills and knowledge and diversity of experiences to lead the Company.
- ▶ To ensure that it is effective in discharging its responsibilities and overseeing appropriately all matters relating to corporate governance.

Key responsibilities

- ▶ Ensure succession plans are reviewed.
- ▶ Improve diversity on the Board and in the pipeline for senior management roles.
- ▶ Further strengthen the senior management team.

Key areas of focus in 2022

- ▶ Board and Committee composition and succession planning.

Key priorities in 2023

- ▶ 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 2022. The Committee comprises four Non-Executive Directors: I act as Committee Chair, with my colleagues Dave Wilson, Alex Jarvis and Richard Flint as the other members. Alex and Richard are considered independent Directors. The shareholdings held by Alex and Richard are immaterial and therefore based upon the judgement of the Board they are considered independent. Dave Wilson and I are not

considered to be independent Directors due to our participation in the company’s share-based remuneration scheme.

The Terms of Reference for the Nomination Committee describe the role and responsibilities of the Committee more fully and can be found on our website.

The Nomination Committee has not held any meetings in the year, which is as expected given the Group was only formed in December 2021. It is expected that the first meetings of the Nomination Committee will be held in 2023.

Board changes in the year

There have been no Board changes in the year, as expected.

ELT succession planning

During 2022, the Board have monitored the changes to the organisational structure and approved changes to key leadership roles. During the year, the Board discussed succession plans for executives below Board level on a number of occasions. 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.

Carol Kane
Chair of the Nomination Committee
11 April 2023

AUDIT COMMITTEE REPORT

Overview

Strategic
Report

Governance

Financials



**“I AM PLEASED TO PRESENT THE
AUDIT COMMITTEE REPORT
FOR THE FIRST FULL YEAR SINCE
THE GROUP’S LISTING.”**

ALEX JARVIS
CHAIR OF THE AUDIT COMMITTEE

4

**COMMITTEE
MEMBERS**

LBG Media Annual Report and Accounts 2022

Membership and Attendance

The members of the Audit Committee are the four Non-Executive Directors and I act as Chair. The Board is satisfied that the Audit Committee has sufficient 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.

Four 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)	4
R Flint	3
D Wilson	4
C Kane	2

In addition to the Audit Committee members, 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 were reviewed during the year to ensure they remain fit for purpose. The terms of reference are available on the Group’s website.

Performance against aims in 2022

The primary challenge in 2022 related to external market conditions and their impact on the reliability of forecasts as the year progressed. This was exacerbated by the seasonal weighting of advertising spend to the fourth quarter. The forecasting methodology was reviewed in detail by management at the end of 2022 and has been strengthened for 2023.

AUDIT COMMITTEE REPORT CONTINUED

Overview

Strategic
Report

Governance

Financials

Significant issues

The Committee, external auditors and management considered the following issues to be significant in relation to the 2022 financial statements:

Matters considered	Conclusion
Revenue recognition	The Committee has continued to challenge management on the appropriateness of the revenue recognition policies, including assessing the risks of the revenue reporting processes used by the Group's largest platform client.
Going concern	The Committee has discussed Going Concern with management and has concluded that it was appropriate to produce the accounts on a Going Concern basis.
Adjusting items	The Committee reviewed the accounting treatment of the items listed in note 6 and assessed management's view that they are appropriate in relation to the size and/or nature of the Group to be treated as adjusting items.

External audit

The Audit Committee monitors the independence and objectivity of the external auditor, BDO. It is our policy that BDO is not 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 Company's auditor since year-end 2020 and the Committee is satisfied with its independence

and effectiveness. The policy of the Committee is to open external audit services to tender at least every ten years.

In addition to the full-year audits, the Audit Committee asked the auditor to provide an Interim Review Report for the financial statements for the half-year period ended 30 June 2022. Although the review procedures were less extensive than those performed at audit, the Committee considered it valuable to be able to have a detailed discussion with the auditor at the half-year point, given that 2022 was the Group's first full year on the market.

Internal audit

The Company does not currently have an internal audit function. During the year, the Audit Committee discussed the merits of establishing such a function or engaging the services of a third party internal audit provider in the future. In early 2023, the Committee has started to consider the route-map towards establishing an internal audit programme.

Whistleblowing and Anti-Bribery and Corruption

The Committee reviewed the Company'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.

Alex Jarvis

Chair of the Audit Committee

11 April 2023

REMUNERATION COMMITTEE REPORT



“ON BEHALF OF THE BOARD, I AM PLEASED TO PRESENT THE COMPANY’S REMUNERATION REPORT FOR 2022, WHICH SETS OUT THE REMUNERATION PAID TO THE DIRECTORS FOR THE YEAR, AND HOW REMUNERATION WILL OPERATE IN 2023.”

RICHARD FLINT
CHAIR OF THE REMUNERATION COMMITTEE

Following the transition from a private to a listed company, the Remuneration Committee has continued to develop remuneration in a way that encourages strong operational and financial performance to support the achievement of overall business objectives. The four main elements of

the remuneration package continue to be base salary, benefits, 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 2022

No bonus was awarded to the Directors in relation to the performance within 2022. Whilst the business performance was strong in the final quarter of 2022, the annual targets were not achieved and therefore no bonus was paid. The Directors received a bonus payment in February 2022, which was in relation to the 2021 Group performance.

All-employee share awards

To promote retention of talent in a highly competitive market and alignment with shareholder value we granted a tax advantaged free share award of value up to £3,600 to all UK employees during the year under the Company’s Share Incentive Plan, as well as awards of shares of equivalent value (as far as permitted by local laws and regulations) and a top-up cash payment, where applicable, to overseas employees in Australia and Ireland.

Executive Director salary increases for 2023

The Remuneration Committee recognises the need to exhibit restraint regarding executive remuneration, particularly in the context of the current cost of living crisis and inflationary pressures which are having a significant adverse impact on our employees and broader stakeholders. In this context, no inflationary salary increases were awarded to the Executive Directors in 2023.

I hope that you find the information in this report helpful and informative, and I look forward to receiving feedback from our investors on the information presented. The Remuneration Committee would like to thank shareholders for their input and engagement throughout the year and we welcome any comments or questions that you may have on this report or generally in relation to the Company’s remuneration. If so please contact me via the Company Secretary.

Richard Flint

Chair of the Remuneration Committee
11 April 2023

Remuneration policy

Composition of the Committee

The Committee members since IPO have been Richard Flint (Chair), David Wilson, Carol Kane and Alexandra Jarvis. The Committee will normally meet three times a year to review the remuneration of the Executive Directors.

Remuneration policy

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.

REMUNERATION COMMITTEE REPORT CONTINUED

Remuneration policy continued

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

Element and link to strategy	Operation	Maximum potential value	Performance conditions
<p>Base salary and benefits</p> <p>Supports the recruitment and retention of Executive Directors, reflecting their roles skills and experience.</p>	<p>Salaries are reviewed annually and any changes are normally effective from 1 January in the financial year.</p> <p>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.</p>	<p>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.</p> <p>The value of benefits are not capped.</p>	N/A
<p>Pension</p> <p>Supports recruitment and retention of Executive Directors.</p>	<p>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.</p>	<p>Pension funding for the Executive Directors is aligned with the wider workforce, currently equal to 3% of base salary.</p>	N/A
<p>Annual bonus</p> <p>Rewards the Executive Directors for delivering on key strategic and financial goals, encouraging sustainable performance of the business.</p>	<p>Annual bonuses are paid in cash, with no deferral into shares.</p>	<p>Maximum opportunity of 75% of base salary.</p>	<p>The annual bonus is based on a blend of financial and non-financial metrics which are aligned to the business strategy.</p>
<p>LBG Media plc Long Term Incentive Plan ('LTIP')</p> <p>To incentivise and reward long-term performance and value creation. To align the interests of Executives and shareholders in the long term.</p>	<p>LTIP awards are granted annually.</p> <p>LTIP awards will vest at the end of a three-year period subject to the Executive Directors' continued employment and satisfaction of the performance conditions.</p>	<p>Maximum opportunity of 675% of base salary.</p>	<p>The LTIP awards are subject to financial targets measured over three financial years.</p>
<p>LBG Media plc Share Incentive Plan ('SIP')</p> <p>To encourage equity ownership across all employees and create a culture of ownership.</p>	<p>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.</p>	<p>Maximum permitted based on HMRC limits from time to time.</p>	N/A
<p>LBG Media plc Save As You Earn Plan ('SAYE')</p> <p>To encourage equity ownership across all employees and create a culture of ownership.</p>	<p>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.</p>	<p>Maximum permitted based on HMRC limits from time to time.</p>	N/A

REMUNERATION COMMITTEE REPORT CONTINUED

Overview

Strategic
Report

Governance

Financials

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' fees are determined by the Board.

Annual Report on Remuneration

The following table summarises the total gross remuneration of the Directors who served during the year to 31 December 2022 (2021: 1 month period). Note that the Executive Directors waived their salary in the final 4 months of 2022, coinciding with the restructuring process. The benefits for the Directors relate to private medical health insurance.

	Salary / fee £'000		Benefits £'000		Pension £'000		Bonus £'000		Total £'000	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Executive Directors										
Alexander Solomou	175	43	1	–	–	–	–	–	176	43
Arian Kalantari	158	13	1	–	–	–	–	–	159	13
Timothy Croston	158	20	3	–	5	1	–	200	166	221
Non-Executive Directors										
David Wilson	150	8	–	–	–	–	–	–	150	8
Richard Flint	70	4	–	–	–	–	–	–	70	4
Carol Kane	70	4	–	–	–	–	–	–	70	4
Alexandra Jarvis	70	4	–	–	–	–	–	–	70	4

Annual Bonus

Based on the performance during the year, the Committee determined that the Executive Directors achieved an annual bonus payout of 0% of maximum opportunity in 2022.

REMUNERATION COMMITTEE REPORT CONTINUED

Overview

Strategic
Report

Governance

Financials

Long term incentive awards

As detailed in the 2021 Annual Report, following the IPO long term incentive awards were granted to the Executive Directors on 22 December 2021. The awards were granted by way of a nil cost option and an acquisition of shares in LBG Holdco Limited, and are subject to performance conditions to be measured over the period to 31 December 2024. Details of these awards are set out in the table below.

No LTIP awards were granted during 2022 to the Executive or Non-Executive Directors. Note 20 has a list of 2022 share schemes.

Director share interest

	Long Term Incentive Plan - Executive Directors		Non-Executive Director Awards		Total in share schemes	Share holdings held	Total interest in shares
	<i>Vested</i>	<i>Unvested</i>	<i>Vested</i>	<i>Unvested</i>			
Dave Wilson	–	–	–	1,030,527	1,030,527	398,044	1,428,571
Carol Kane	–	–	–	1,428,571	1,428,571	–	1,428,571
Alex Jarvis	–	–	–	–	–	23,920	23,920
Richard Flint	–	–	–	–	–	57,142	57,142
Alex “Solly” Solomou	–	321,428	–	–	321,428	86,677,999	86,999,427
Arian Kalantari	–	289,284	–	–	289,284	5,544,286	5,833,570
Tim Croston	–	289,284	–	–	289,284	943,454	1,232,738
Total		899,996		2,459,098	3,359,094	93,644,845	97,003,939

REMUNERATION COMMITTEE REPORT CONTINUED

Overview

Strategic
Report

Governance

Financials

Implementation of remuneration policy in 2023

We summarise below the Executive Director salaries, pension levels and incentive opportunities for 2023:

Base salary

Alexander Solomou: £262,500

Arian Kalantari: £236,250

Timothy Croston: £236,250

Pension funding

3% of base salary.

Annual bonus

The maximum bonus opportunity for the Executive Directors will be 75% of salary.

Bonus awards will be determined based on performance against stretching financial and strategic targets. The actual performance targets are not disclosed as they are considered to be commercially sensitive.

Bonus awards will be paid in cash.

LTIP

In line with our Remuneration Policy, the Committee intends to grant an LTIP award to each of the Executive Directors during the course of 2023. Further details will be set out in an RNS at the time of grant.

Non-Executive Director fees for 2023

Chair fee: £150,000

Non-Executive Director fee: £70,000

Attendance at Remuneration Committee meetings

The Committee met two times in 2022, and all relevant Committee members were present at every meeting.

Richard Flint

Chair of the Remuneration Committee

11 April 2023

DIRECTORS' REPORT

Overview

Strategic
Report

Governance

Financials

The Directors present their report together with the audited financial statements of the Group and the Parent Company (the 'Company') for the year ended 31 December 2022.

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 CFO Report on pages 41 to 44.

Results and dividends

The Group recorded revenue in the year of £62.8m (2021: £54.5m) and profit after tax of £5.4m (2021: £5.2m).

No dividends £nil (2021: £nil) were declared, proposed or paid in the year.

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
A Kalantari	7 December 2021
T Croston	25 November 2021
D Wilson	7 December 2021
A Jarvis	7 December 2021
R Flint	7 December 2021
C Kane	7 December 2021

All the Directors are subject to 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 31 December 2022, had the following interests in the Ordinary shares of the Company.

Name of Director	Number
A Solomou	86,677,999
A Kalantari	5,544,286
T Croston	943,454
D Wilson	398,044
R Flint	57,142
A Jarvis	23,920

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 Company were granted share options under these plans, further details of which can be found in the Remuneration Report on page 58.

The market price of the Company's shares at the end of the financial year was 121.50p (2021: 198.25p) and the range of prices during the year ended 31 December 2022 was between 51.00 and 206.50p. During the year, A. Solomou purchased a further 950,000 shares and A. Jarvis purchased a further 12,492 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 Company 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 March 2023, the Company 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:

Director	%
Solo Investments Holdings Limited (wholly owned by A Solomou)	41.99%
Makkma Investments Limited	20.21%
abrdn	6.88%
Canaccord Genuity Inc	4.22%
Slater Investments	3.83%

Subsequent events

Details of subsequent events are disclosed in Note 26.

DIRECTORS' REPORT CONTINUED

Overview

Strategic
Report

Governance

Financials

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 Company 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 S172 statement on page 36.

The Company 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 S172 statement on page 36.

Political donations

The Directors confirm that no donations for political purposes were made during the year £nil (2021: £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 the Company's Articles.

As at 31 December 2022, the Company's issued share capital comprised 205,714,289 Ordinary £0.01 shares totalling £205,714.

Rules governing the appointment and replacement of Directors, and those relating to the amendment of the Company's Articles of Association, are contained within those Articles of Association, a copy of which is located on the Company'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 Company generated profit after tax of £5.4m during the year ended 31 December 2022 (2021: £5.2m) and, at that date, the Company's total assets exceeded its total liabilities by £61.2m (2021: £52.3m) and it had net current assets of £43.8m (2021: £37.0m).

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 Company can continue in operational existence for the foreseeable future.

The Directors have considered the principle 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 company. In particular reliance on key individuals and relationships with social media platforms do not give rise to any concerns with respect to projected trading in the forthcoming 12 months.

The appalling and concerning events in Ukraine have affected us all on a personal basis. As a Group we have no significant revenue or costs associated with Russia or Ukraine. We will continue to closely monitor the ongoing situation and impact on the Group. We will also continue to monitor the increased inflation rate and potential impending recession and the impact this may have on the Group.

Whilst acknowledging the negative impact that the covid-19 pandemic may continue to have on the UK economy for 2023 and beyond, having consulted with stakeholders extensively during the last few years, including banks, staff and customers, the Directors consider the Group to be in a strong and well prepared position and are confident in the market outlook.

DIRECTORS' REPORT CONTINUED

Overview

Strategic Report

Governance

Financials

Going concern continued

The Group will continue to monitor the latest position regarding country restrictions on TikTok. Whilst the Group has grown significant audiences on TikTok the platform is currently is not contributing significantly to revenue or costs.

Given the significant cash reserves within the Group and the strong net current and total net asset position, there is not considered to be a plausible scenario where the Group would cease to trade as a going concern within 12 months of the date of these financial statements. The Directors have run an extreme downside sensitivity scenario at 30% of forecast 2023 revenue and including the current cash balance the Group would still have sufficient cash beyond 30 June 2024.

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 2022 to 31 December 2022. The information in this report relates to the UK territory 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 CO₂ emissions and energy consumption.

Reporting parameters

The reporting parameters are the financial year ended 31 December 2022 and cover the operations of the Company. The main energy usage for the Company is grid electricity within the offices, given there is no requirement for further energy usage.

The reporting intensity ratio used is tonnes of CO₂ 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 (year ended 31/12/2022)	kWh/annum (year ended 31/12/2021)
Total electricity and gas	190,838	88,519
Total transport	259,052	10,286
Total	449,890	98,805

Increase in kWh year on year due to the covid-19 impact on the prior period causing a reduction in office use and travel across the business.

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 tCO₂e/£k turnover and the results are shown opposite.

	Emissions kgCO ₂ e/annum	Turnover, £k	Intensity ratio tCO ₂ e/£k turnover
Year ended 31/12/2022	104,888	62,809	0.1670%
Year ended 31/12/2021	92,877	54,502	0.1704%

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 and Company'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 and Company's auditor is aware of that information.

Independent auditor

The auditor, BDO LLP, have 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 20 April 2022.

By order of the Board

Tim Croston
Chief Financial Officer
11 April 2023

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

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Overview

Strategic
Report

Governance

Financials

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 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 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 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;
- 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, ensuring 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.

Tim Croston
Chief Financial Officer

11 April 2023

20 Dale Street
Manchester
M1 1EZ

Registered number: 13693251