

LBG
MEDIA
PLC

FULL YEAR
RESULTS
2023

18TH APRIL 2024



THE TEAM

**SOLLY
SOLOMOU**
FOUNDER & CEO



**RICHARD
JARVIS**
CFO



KEY HIGHLIGHTS

WE ARE BUILDING AN ENTERTAINMENT POWERHOUSE FOR YOUNG ADULTS

- POSITIVE REVENUE MOMENTUM**
- STEP-CHANGE ACQUISITION OF BETCHES**
- MORE PROFITABLE ANZ OPERATING MODEL**
- MARKET LEADING AUDIENCE & ENGAGEMENT**

£67.5M
REVENUE
 +7.5% YOY

75%+
REPEAT CLIENT REVENUE¹

128BN
VIDEO VIEWS³
 +31% YOY

£17.4M
ADJ. EBITDA
 +10.8% YOY

141M
US AUDIENCE²

452M
GLOBAL AUDIENCE³
 +24% YOY

1 - Percentage of 2023 Direct Revenue from clients that ran campaigns with us in the prior two years. 2 - US audience reflects number of followers across our social channels and average monthly website users. 3 - Video Views and Global Audience exclude Pubity and Memezar. Video Views are taken across Facebook, Snapchat, TikTok, X, YouTube and Web platforms. Global Audience reflects social followers, unique podcast listeners and average monthly website users in the 12 months to December 2023.

LBG MEDIA **WHO WE ARE**

WHO

WHERE

HOW

WHY

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

OUR MISSION IS TO GIVE THE YOUNG ADULT GENERATION A VOICE BY BUILDING COMMUNITIES THAT **LAUGH, THINK, AND ACT**

WE NOW HAVE THE **TEAM, STRUCTURE & AMBITION** TO DRIVE GREATER GROWTH

WE HAVE A **CLEAR LINE OF SIGHT TO £200M** OF REVENUE

**CLEAR
LINE OF SIGHT
£200M
REVENUE**

LBG MEDIA OUR MARKET

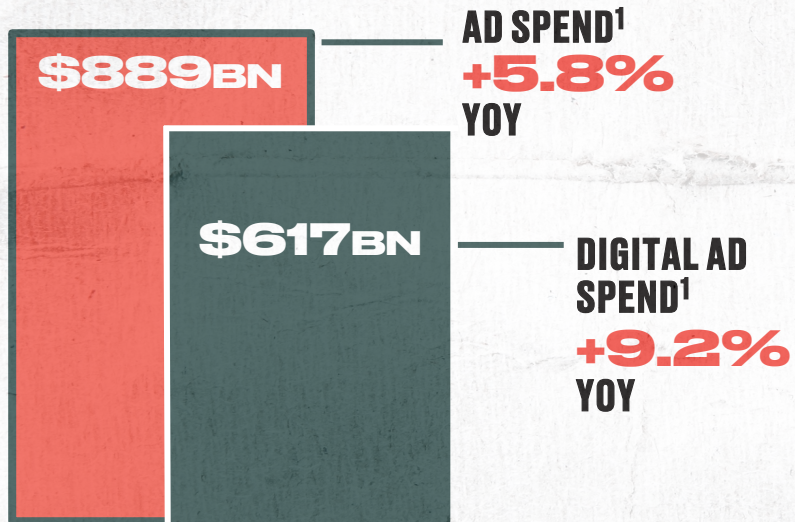
WHO

WHERE

HOW

WHY

WE OPERATE IN THE **LARGEST & FASTEST GROWING** SECTOR OF THE ADVERTISING INDUSTRY



U.S.

UK

OTHER

OUR GEOGRAPHIES

DIRECT

INDIRECT

OUR REVENUE STREAMS

YOUNG ADULTS

OUR AUDIENCE

\$6BN+

OUR ESTIMATED TARGET ADDRESSABLE MARKET

CLEAR LINE OF SIGHT
£200M
REVENUE

c.4%
MARKET SHARE

1 - Source: - GroupM 'This Year, Next Year: 2023 End of Year Forecast', December 2023.


LBG MEDIA **HOW WE WILL DO IT**

- WHO
- WHERE
- HOW**
- WHY



DIRECT

- TAKING **MARKET SHARE** FROM TRADITIONAL PLAYERS
- BUILDING **DEEPER** RELATIONSHIPS WITH BLUE-CHIP BRANDS
- **EXPANDING** CAPABILITIES

INDIRECT

- GROWING **AUDIENCE & REACH** ACROSS PLATFORMS
- BUILDING DEEPER **MUTUALLY BENEFICIAL** RELATIONSHIPS WITH KEY PARTNERS



U.S. EXPANSION

- EXPANDING OPERATIONS IN **LARGEST AD MARKET**
- HUGE **DIRECT AND INDIRECT** OPPORTUNITY
- **BETCHES** ADDITION IS A **PLATFORM FOR GROWTH**




LBG MEDIA WHY WE WILL WIN

WHO

WHERE

HOW

WHY

INNOVATION

BRAND EQUITY

DIVERSITY

RELEVANCY



LAD BIBLE

LAD BIBLE AUSTRALIA

LAD BIBLE IRELAND

ODDS BIBLE

FOOD BIBLE

SPORT BIBLE

GAMING BIBLE

Tyla

BETCHES

Furry Tails

UNILAD

UNILAD ADVENTURE

UNILAD SOUND

UNILAD TECH

OPERATIONAL PROGRESS

MARTINEAU
ROAD



Special
Olympics
Great Britain



OFFICIAL
MOBILITY PARTNER



#TeamGB



P
Special
Olympics
Great Britain
Official
Mobility Partner

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ANZ: IMPROVED OPERATING MODEL

GEOGRAPHIES ✓

CAPABILITIES ✓

LAD valmorgan
BIBLE **Digital.**

✓
MULTI-YEAR PARTNERSHIP WITH
VAL MORGAN DIGITAL FOR
**DELIVERY OF
DIRECT
REVENUES**

✓
CENTRALISATION OF SOCIAL
AND WEB OPERATIONS
INTO OUR **UK
CENTRE OF
EXCELLENCE**

✓
**MORE
EFFICIENT**
COST BASE FOR
INDIRECT REVENUES

▶
**IMPROVED
PROFITABILITY
& OPERATING MODEL**

▶
BUILDING A FOUNDATION FOR
**SUSTAINABLE
GROWTH** IN
AUSTRALIA & NEW ZEALAND

▶
PARTNERSHIP
TEMPLATE SERVES AS
BLUEPRINT
FOR OPPORTUNITIES IN
NEW REGIONS

U.S. EXPANSION - ORGANIC

THE U.S. FORMS A CORE PART OF OUR **GROWTH STRATEGY...**

U.S. AUDIENCE PRE-BETCHES OF **MORE THAN 100M¹**

ESTABLISHED A SMALL **BASE OF OPERATIONS** IN NEW YORK IN LATE-2022

FOCUSED ON ESTABLISHING RELATIONSHIPS WITH **AGENCIES AND BRANDS**

2023 REVENUES OF **£0.3M**

STRONG MOMENTUM & PIPELINE OF OPPORTUNITIES ENTERING 2024

NUMBER OF EARLY **ACCOUNT WINS** INCLUDING PEACOCK & HULU

ADDITION OF BETCHES ADDS A **'ONE STOP SHOP'** FOR YOUNG ADULTS

JOINT WINS IN FY24:

peacock
MARS



¹ – US audience reflects number of followers across our social channels and average monthly website users.

U.S. EXPANSION - **BETCHES**

GEOGRAPHIES ✓

✓
**HIGHLY COMPLEMENTARY
BUSINESS WITH
MAJORITY FEMALE
AUDIENCE**

✓
**STRONG
CULTURAL
FIT AND TEAM**

✓
**EARNOUT TIED TO
DRIVING U.S.
REVENUE
GROWTH**

M&A ✓

▶
**PERFORMANCE AND
INTEGRATION
PROGRESSING
WELL**

▶
**BETCHES
GROWTH
OF 17% IN
2023**

▶
**MULTIPLE JOINT
BLUE-CHIP
ACCOUNT
WINS**

CAPABILITIES ✓

SOCIAL RESPONSIBILITY

WHAT IS IMPORTANT TO US

MENTAL HEALTH



ENVIRONMENT



PROTECTING WOMEN AND GIRLS



GIVING A VOICE TO UNDER-REPRESENTED COMMUNITIES





**RICHARD
JARVIS**
CFO

DIVERSIFIED REVENUE

DIRECT

RELATIONSHIP WITH ADVERTISERS

43%

OF GROUP REVENUE

CREATING & PRODUCING
BESPOKE CONTENT
FOR BRANDS

REAL-TIME ANALYTICS PROVIDE
MEASURABILITY & **UNIQUE ROI**
INSIGHTS



JACAMO



INDIRECT

RELATIONSHIP WITH ADVERTISERS

55%

OF GROUP REVENUE

DIGITAL ADVERTISING VIA **SOCIAL**
MEDIA & WEB
PROGRAMMATIC PARTNERS

REVENUE SHARED
BETWEEN PLATFORM & PUBLISHER



TOTAL REVENUE

FY23

£67.5M

FY22

£62.8M

+7.5%

**YOY GROWTH
VS FY22**

- **ENCOURAGING GROWTH DESPITE CHALLENGING MARKET IN ANZ**
- **INCREASED ACTIVITY WITH NEW AND EXISTING CLIENTS**
- **4% ORGANIC GROWTH, OR 8% EXCLUDING ANZ, REFLECTING STRONG CORE BUSINESS PERFORMANCE**
- **PROFORMA REVENUE OF £79.0M¹**

POSITIVE REVENUE MOMENTUM DRIVEN BY GROWTH ACROSS DIRECT AND INDIRECT

1 - Proforma revenue includes full year impact of Betches were we to have acquired the business on 1 January 2023.

DIRECT REVENUE



- **POSITIVE GROWTH AGAINST CHALLENGING BACKDROP, INCLUDING ANZ**
- **FY23 POSITIONS US STRONGLY FOR GREATER SUCCESS:**
 - **STRONG ENGAGEMENT WITH LEADING BRANDS**
 - **DEEPER RELATIONSHIPS REFLECTED IN 75% REPEAT CLIENT REVENUE¹**
 - **IMPROVING RATE OF BRIEF CONVERSION**
 - **JOINT APPROACH IN U.S. PROVIDES PLATFORM FOR GROWTH**

POSITIONING US FOR FUTURE GROWTH

1 - Percentage of 2023 Direct Revenue from clients that ran campaigns with us in the prior two years.

INDIRECT REVENUE

FY23

£37.1M

FY22

£33.6M

+10.4%

**YOY GROWTH
 VS FY22**

- **70 / 30 - SOCIAL / WEB SPLIT**
- **SOCIAL - INCREASED VIDEO VIEWS TO 128BN MITIGATING PRESSURE FROM DECLINING YIELDS¹**
- **WEB – HIGHER QUALITY SESSIONS & HIGHER YIELDS A RESULT OF INVESTMENT IN PEOPLE & TECHNOLOGY**
- **DIVERSIFICATION OF REVENUES WITH MULTIPLE LEVERS TO INFLUENCE GROWTH**

DIVERSIFIED INDIRECT REVENUE STREAMS PROVIDING PLATFORM FOR POSITIVE GROWTH

1 - Video Views and Global Audience exclude Pubity and Memezar. Video Views are taken across Facebook, Snapchat, TikTok, X, YouTube and Web platforms.

COSTS



- **TOTAL COST INCREASE OF 5%, WITH ORGANIC COST INCREASE OF c.1%¹**
- **INVESTMENT IN PEOPLE & TECHNOLOGY COMMENSURATE WITH GROWTH ASPIRATIONS**
- **REMOVED COSTS OUT OF ANZ AT THE END OF 2023 WITH THE BENEFIT BEING REDEPLOYED IN 2024 TO FUEL GROWTH, INCLUDING IN THE U.S.**

MOVING INTO FY24 WITH A COST BASE BETTER ALLOCATED TO GROWTH AMBITIONS

¹ - Costs do not include Amortisation, Depreciation, Impairment, Share Based Payments or Adjusting Items.

ADJUSTED EBITDA

FY23

£17.4M

FY22

£15.7M

+10.8%

**YOY GROWTH
 VS FY22**

26%

**ADJ. EBITDA
 MARGIN**

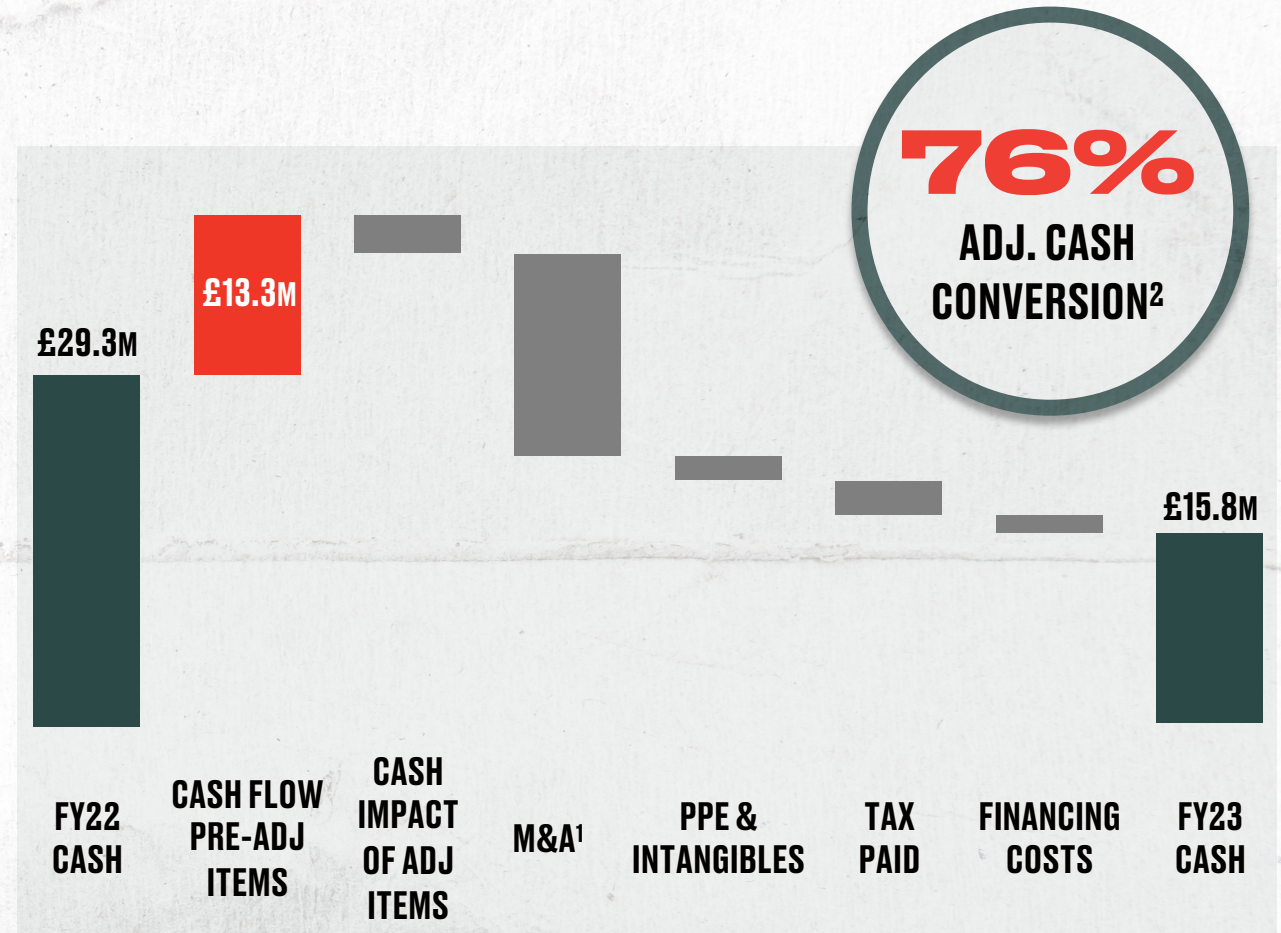
- **ACHIEVED STRONG YEAR-ON-YEAR GROWTH WHILE MAINTAINING HEALTHY MARGIN**
- **UNDERLYING GROWTH OF +30% DEMONSTRATES STRENGTH OF CORE BUSINESS¹**
- **PROFORMA ADJUSTED EBITDA OF £20.1M²**

IMPROVED EBITDA DRIVEN BY POSITIVE REVENUE MOMENTUM AND EFFECTIVE COST MANAGEMENT

1 - Adjusting for a reduction in the year-on-year profit contribution from Australia, our underlying adjusted EBITDA would have grown by over 30% year-on-year. 2 - Proforma Adjusted EBITDA includes full year impact of Betches were we to have acquired the business on 1 January 2023.

CASH

- WE ARE HIGHLY **CASH GENERATIVE**
- ACQUISITIONS IN-YEAR OF **£17.6M¹**
- CASH POSITION AT YEAR END **£15.8M**
- CASH POSITION AS AT 17 APRIL **£22.0M**



CURRENT CASH POSITION AND HIGHLY CASH GENERATIVE BUSINESS SUPPORTIVE OF OUR ORGANIC & INORGANIC AMBITIONS

1 - Acquisitions of £17.6m is acquisitions of subsidiaries, net of cash acquired. 2 - Cash conversion is cash generated from operations pre-tax, adjusted for impact of cash adjusting items divided by adjusted EBITDA.



**SOLLY
SOLOMOU**
FOUNDER & CEO

SUMMARY & OUTLOOK

- ✓ **NEEDLE MOVING ACQUISITION** IN LARGEST AD MARKET IN THE WORLD
- ✓ **QUICK ACTION TAKEN** ON OPERATIONAL CHALLENGES
- ✓ **CLEAR LINE OF SIGHT TO £200M REVENUE**
- ✓ **UK MARKET LEADERS IN YOUNG ADULTS**
- ✓ **RECORD** AUDIENCE GROWTH AND ENGAGEMENT
- ✓ **GOOD START TO 2024**, WITH INCREMENTAL IMPACT OF BETCHES AND ANZ CHANGES
- ✓ **FY24 IN LINE** WITH CURRENT MARKET EXPECTATIONS¹

**CONFIDENCE IN SIZE OF OPPORTUNITY AND CLEAR LINE OF SIGHT
TO £200M OF REVENUE**

¹ - External market consensus for the year ending 31 December 2024 is currently: Revenue of £86.1m and Adjusted EBITDA of £23.5m.

Q&A





APPENDIX

OUR JOURNEY

2006



GLOBAL LAUNCH OF THE IPHONE & FACEBOOK

2012



LBG IS FOUNDED – FIRST CONTENT & WEBSITE LAUNCH

2015

12BN VIEWS

34M FOLLOWERS

2021



London Stock Exchange

LISTING ON LSE AS LBG MEDIA PLC

2023

452M AUDIENCE

128BN VIEWS

FINANCIAL CRISIS – NEWSPAPER AD SPEND DECLINES

2008

DIGITAL SPEND OVERTAKES NEWSPAPER

2013



UNILAD

ACQUIRED UNILAD AND LAUNCHED IN AUSTRALIA

2018

BETCHES

STEP-CHANGE M&A AND U.S. EXPANSION

2023

SOME OF THOSE WE **WORK WITH**



DIRECT BRANDS



INDIRECT PARTNERS



DIRECT REVENUE CASE STUDY

THE AA: FINDING ITS WAY WITH YOUNG ADULTS

- TO **PROTECT THE AA'S FUTURE GROWTH** & DEMONSTRATE THEY UNDERSTAND THE NEEDS OF YOUNG DRIVERS
- WE CREATED A CAMPAIGN AROUND BRITISH "BANGERS", **RELEVANT** TO THE REAL CARS, AND DRIVING EXPERIENCES, OF YOUNG PEOPLE
- **WE COLLABORATED** WITH ICONIC NAMES FROM BAFTA-AWARD WINNING 'PEOPLE JUST DO NOTHING'

+15%
PTS

SPONTANEOUS
AWARENESS

+13%
PTS

CONSIDERATION
FOR BREAKDOWN

**3YR
HIGH**

BRAND PREFERENCE
AMONG 17-24 YR OLDS



campaign
MEDIA

**CAMPAIGN MEDIA AWARDS 2024
NOMINATED - BRANDED CONTENT
SOCIAL / MOBILE / DIGITAL**

BETCHES: A STEP-CHANGE ACQUISITION

\$14.6M
FY22
REVENUE


28%
3YR CAGR
TO FY22

27%
FY22 ADJ.
EBITDA MARGIN

250M+
AVERAGE
MONTHLY
SOCIAL REACH

~32M
TOTAL
FOLLOWERS¹

86% 14%
MAJORITY WOMEN
WEIGHTED AUDIENCE



1 - Followers relates to both social media followers, as well as subscribers to both podcasts and newsletters.

	Y/E DEC 2022 £'000	Y/E DEC 2023 £'000
REVENUE	62,809	67,510
NET OPERATING EXPENSES	(55,792)	(61,423)
EXPECTED CREDIT LOSS REVERSAL	467	(22)
OPERATING PROFIT	7,466	6,065
<i>ANALYSED AS</i>		
ADJUSTED EBITDA	15,683	17,368
DEPRECIATION	(1,633)	(2,088)
AMORTISATION	(804)	(1,369)
IMPAIRMENT	-	(318)
SHARE BASED PAYMENT CHARGE	(3,552)	(3,853)
ADJUSTING ITEMS	(2,228)	(3,675)
OPERATING PROFITS	7,466	(6,065)
FINANCE INCOME	18	106
FINANCE COSTS	(161)	(565)
NET FINANCE COSTS	(143)	(459)
SHARE OF POST-TAX PROFITS OF EQUITY ACCOUNTED JOINT VENTURE	-	331
PROFIT BEFORE TAXATION	7,323	5,937

BALANCE SHEET

£000S	DEC 2022	DEC 2023
GOODWILL & OTHER INTANGIBLES	15,436	39,782
PROPERTY, PLANT & EQUIPMENT	3,670	5,982
INVESTMENT IN JV	359	690
DEFERRED TAX ASSET	260	24
OTHER	592	198
NON CURRENT ASSETS	20,057	46,676
TRADE AND CURRENT ASSETS	20,370	28,765
CURRENT TAX ASSET	378	62
INVENTORY	-	27
CASH & CASH EQUIVALENTS	29,268	15,800
CURRENT ASSETS	50,016	44,654
TOTAL ASSETS	70,333	91,330
LEASE LIABILITIES	1,960	2,975
CONTINGENT CONSIDERATION	-	6,523
DEFERRED TAX LIABILITY	394	556
PROVISIONS	540	446
NON CURRENT LIABILITIES	2,894	10,500
LEASE LIABILITIES	1,282	2,507
TRADE & OTHER PAYABLES	4,295	8,906
CONTINGENT CONSIDERATION	-	3,016
CURRENT TAX LIABILITIES	636	1,248
CURRENT LIABILITIES	6,213	15,677
TOTAL LIABILITIES	9,107	26,177
TOTAL EQUITY AND LIABILITIES	70,333	91,330

CASHFLOW

	Y/E DEC 2022 £'000	Y/E DEC 2023 £'000
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH (USED)/GENERATED FROM OPERATIONS	1,295	10,100
TAX (PAID)/RECEIVED	(2,693)	(2,898)
NET CASH (USED)/GENERATED FROM OPERATING ACTIVITIES	(1,398)	7,202
CASH FLOWS FROM INVESTING ACTIVITIES		
PURCHASE OF INTANGIBLE ASSETS	(1,675)	(1,045)
PURCHASE OF PROPERTY, PLANT AND EQUIPMENT	(544)	(954)
STAMP DUTY PAID	-	(26)
ACQUISITION OF SUBSIDIARY, NET OF CASH ACQUIRED	-	(17,580)
NET CASH (USED)/GENERATED IN INVESTING ACTIVITIES	(2,219)	(19,605)
CASH FLOWS FROM FINANCING ACTIVITIES		
LEASE PAYMENTS	(1,227)	(1,323)
LEASE DEPOSITS PAID	(105)	(23)
LEASE DEPOSITS RECEIVED	-	544
PROCEEDS FROM SHARE ISSUE	-	1
INTEREST PAID	(121)	(142)
NET CASH (USED)/GENERATED IN FINANCING ACTIVITIES	(1,453)	(943)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(5,070)	(13,346)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	34,338	29,268
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	-	(122)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	29,268	15,800



**THANK
YOU**

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