RNS Number : 7996H
National World PLC
21 March 2024

The following amendment has been made to the 'Results for the year ended 30 December 2023' released on 21 March 2024 at 07.00 under RNS No 7570H.

The table on the first page shows that the dividend per share as 0.5 pence for 2023 and nil for 2022. The table should show a dividend of 0.55 pence for 2023 and 0.5 pence for 2022. All other information in the statement is correct.

The amended statement is shown below in full.

National World plc

National World plc

("National World", "the Group" or "the Company")

Results for the year ended 30 December 2023

FY23 Adjusted EBITDA of £9.5m, 6% above expectation
Digital revenues up 13%
Dividend up 10% to 0.55 pence per share subject to shareholder approval

Highlights

	Adjusted results*		Statutory results	
	2023	**2022**	**2023**	**2022**
	£m	**£m**	**£m**	**£m**
Revenue	88.4	84.1	88.4	84.1
EBITDA	9.5	9.7	4.5	6.8
Operating profit	9.1	9.3	2.6	5.2
Profit before tax	9.7	9.3	3.1	5.1
Earnings per share (pence)	2.8	2.9	1.0	2.0
Dividend per share (pence)			0.55	0.5

* Adjusted results are before non-recurring items, amortisation of intangible assets and implementation of IFRS 16. Note 17 provides a reconciliation between Statutory and Adjusted results.

Commenting on the results, Chairman David Montgomery, said

"*National World has continued to live up to its objectives in its third year of operation. Amidst further consolidation plus cost efficiency and productivity enhancements the pace of the operating model change has accelerated with initiatives embedded in both the heritage portfolio and newly acquired assets.*

"The future model is based on original and expert content in specific sectors and genres to better serve both consumers and advertisers. Examples are business information, including events and the transformation of premium brands to populate all platforms reaching a wider, increasingly global audience.

"Several market leading initiatives, particularly in video and the launch of our local social media platform "Your World," will further add value in 2024. At the same time, we have demonstrated the beneficial impact of extending our infrastructure to bolt-on a range of content businesses. We will continue to examine acquisition opportunities."

- **Robust revenue** with growth of 5% including strong digital revenue growth of 13%.
- **Annualised costs savings** of £6.0 million, with restructuring costs of £3.6 million expensed in the period.
- **Strong balance sheet with financial flexibility**, closing cash balance of £10.7 million at 30 December 2023 (2022: £27.0 million). After £12.9 million cash consideration for seven acquisitions, £2.5 million final deferred consideration payment for JPIMedia and repayment of £1.0 million loan note.
- **Maiden dividend** of 0.5 pence per share paid during 2023 and FY23 dividend of 0.55p subject to shareholder approval and payable in July 2024.

Operational highlights:

- Seven acquisitions completed in the period, contributing revenues of £10.5 million and adjusted EBITDA of £1.7 million, with the bulk of this flowing in the second half, (with Insider Media acquired in April and MNA and PCS in September). The Group paid a total consideration of £14.4 million, (£12.9 million consideration net of cash acquired) funded from its existing cash resources. In 2024, the acquisitions are expected to more than double their EBITDA contribution.
- Video enters the forefront of content creation with one quarter of journalists fully trained. In 2023, video revenue

has grown to £1.5 million, 87% year-on-year growth with 398 million video views (+12% year-on-year).
- Over 139 million average monthly page views, 25% year-on-year growth including 8% from acquisitions. In H2 2023 we launched a TV brand - Shots! - to further leverage our content model, showcase our talent in longer form formats and bring our content to viewers in high engagement environments. The brand currently airs on Freeview channel 276 as well as both live and on demand on ShotsTV.com. Shots! has already added over 35,000 hours of viewing to our audience engagement over the initial September-December period.
- In 2023 we started a process of refocusing and upgrading our digital offering, with new apps and websites being introduced, starting with the premium brands, The Scotsman, Yorkshire Post and the NewsLetter. The Scotsman achieved a 7% annual subscription growth in 2023 since the changes were implemented. With the new products now in place we are well set to increase our loyal customer base even further in 2024, despite the possible market changes to cookies.
- With a strategy to increase our UK-wide reach, coverage and scale we took a further major step forward in launching standalone news websites in major cities and conurbations across the UK. Derbyworld.co.uk and Nottinghamworld.co.uk were launched to strengthen our market position in the Midlands.
- As part of our transition to a sustainable operating model and the focus on talent and expert and original content, the Company is redeploying its journalists on the basis of individual specialisms that will sharpen the competitiveness of the business and promote career advancement.

Current trading and outlook
The Group maintains its guidance for 2024 to deliver revenue of £100 million, with an improved EBITDA margin.

In Quarter 1 2024, our EBITDA is slightly higher than internal expectations with total revenue slightly lower than internal expectations. There is still some continuing market volatility as audience and programmatic yields are impacted by algorithm changes by the global social media platforms.

Management's continuing development of a sustainable and independent revenue model addresses these headwinds. Initiatives include focus on an original quality content agenda across all platforms that does not duplicate other providers as well as further technology enhancements to gather greater volumes of content and streamline production.

In addition, we will continue to pursue acquisition opportunities, primarily targeting businesses that will enhance the Group's digital capability.

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Forward looking statements
This announcement may include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will", or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not historical facts. They appear in a number of places throughout this announcement and include statements regarding the Directors' current intentions, beliefs or expectations concerning, among other things, the Company's results of operations, financial condition, liquidity, prospects, growth, strategies and the Company's markets. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Actual results and developments could differ materially from those expressed or implied by the forward-looking statements. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this announcement are based on certain factors and assumptions, including the Directors' current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company's operations, results of operations, growth strategy and liquidity. Whilst the Directors consider these assumptions to be reasonable based upon information currently available, they may prove to be incorrect. Save as required by applicable law or regulation, the Company undertakes no obligation to release publicly the results of any revisions to any forward-looking statements in this announcement that may occur due to any change in the Directors' expectations or to reflect events or circumstances after the date of this announcement.

Chairman's statement

In 2023 your company pursued its twin strategy of organic development and augmentation of revenue through a number of acquisitions.

2023 delivered Adjusted EBITDA of £9.5 million, Digital revenues +13%, Dividend of 0.55 pence per share recommended subject to shareholder approval

Overview
National World plc acquired its first heritage businesses in January 2021, fully aware that constant and radical change would be the prime feature in evolving a sustainable publishing model and that specifically included further sector consolidation.

After an initial fundraise of £21 million, the subsequent three-year period (2021 to 2023) has seen the Group report

After an initial fundraise of £21 million, the subsequent three-year period, (2021 to 2023) has seen the Group report Adjusted EBITDA *totalling* £29.3 million, with a remaining cash balance of £10.7 million at the end of 2023 and revenue in 2024 of £100 million, supported by higher digital revenues, with a growing margin of more than 10 per cent.

Not bad for a start-up in the midst of the pandemic.

To illustrate this shift further, the original business National World plc acquired in 2021 owned a limited brand portfolio with 1,500 employees. Today our Group employs less than 1,200 - more productive - employees presiding over a significantly increased array of brands and assets with multiple routes to monetisation. Our approach has been both organic and inorganic and we have made substantial progress in transforming the brands and businesses under our stewardship. Our intent remains to sweep away the last vestiges of an industrial print business to create a professional model with every individual making and being recognised for their unique contribution.

The maiden final dividend paid in relation to 2022 (the third year of operation) was 0.5p per share and a further final dividend of 0.55p per share is recommended in respect of 2023, subject to approval by shareholders at the forthcoming Annual General Meeting and payable in July 2024. The dividend will be paid on 10 July 2024 to shareholders on the register at 7 June 2024.

Strategy
At the turn of the century news providers competed amongst themselves for audience. Today the news media has to struggle for attention against all other content globally - some of it purporting to be news - but primarily the online streamers that disseminate entertainment, information and distraction products to every device.

Alongside that, the sector is still experiencing unfair competition from the social media platforms. The Media Bill passing through the UK Parliament should redress this balance by assisting publishers in receiving fair payment for content. At the same time the Company has been in the forefront of the campaigning against predatory behaviour by the BBC which uses taxpayer funds to compete online, threatening local independent journalism. It is remarkable that the BBC, financed by a compulsory tax, is permitted to enforce its monopoly in the news sector month after month. In January 2024, 3.1 billion page views for BBC News dwarfed the combined total of the UK's 28 leading independent news sites, including MailOnline, The Sun and, of course, National World. In no other sector would such an unfair market be tolerated by regulators.

In 2024 National World will begin to unveil several initiatives designed to pivot the Group towards growth for the first time in two decades.

Our strategy is to transition from a media business with a specific expertise in news journalism, restricted by geographical focus, to a wider content agenda distributed across all platforms.

Consolidation and the augmentation of revenues through newly-acquired content businesses are part of the strategy. But both long-standing local brands new to the portfolio and other assets, such as events and business information, are all being subjected to organic enhancement based on our new operating model that is less dependent on news provision. The Company is seizing the opportunity to gain wider engagement of audiences already groomed by social media and supplied by sophisticated technology.

This transition has been underway for most of the Company's existence and has resulted in a restructure of resources, culminating in a talent review to optimise the individual skills within the business while dismantling the remaining industrial hierarchies and ensuring a rewards system fully recognising individual talent.

Instead of duplicating the market, the routine approach of conventional news providers, National World will specialise in original and expert content that is monetisable across multiple formats and channels. in consumer and marketing sales. Subscriptions and paid content will feature across many activities including the premium print titles, sport, culture and business coverage together with a focus on affiliates revenue.

We continue to train our journalists in video production and are self-sufficient in editing and flighting this content. We have a national footprint, having established a presence in all major UK metropolitan areas with our mid-market World brands portfolio. Our Freeview channel Shots! is up and running featuring football, true crime investigations and life around the UK.

In the months ahead our local social media network platform "Your World" will be launched with a significant improvement in content and service for around 50 of our heritage brands. This comes with IP developed internally and with partners that may be viable as a marketable asset to service other media operators.

For the first time this century these brands will be able to boast of having 100 per cent local content <u>and</u> the re-establishment of a marketplace through online engagement.

AI has been harnessed to boost local video advertising sales, video news bulletins and automated print pages. We are currently producing around 200 pages per week through AI production and aim to increase this to around half of all pages produced for our weekly titles by the end of 2024. We are seeing promising signs of accelerating growth.

At a national level our business to business information capability, acquired through Insider Media in 2023, will be leveraged to provide a news service covering most medium to large UK companies.

We have recently established a central team to guide the origination of content to targeted audiences at both local and national level to boost customer revenues through subscription and e-commerce as well as strengthening advertising yields.

These measures are efficient but the real value is to provide a better service for commercial customers, readers and users. We expect to remove all generic content from our papers, replacing this with exclusively local or original content by the year end. Most importantly, these innovations will free up time for journalists to focus on high grade content. For instance, the company is now producing many hours of broadcast television every week, having launched the Shots! Freeview TV channel in August 2023.

Expanding the portfolio
In the second half of 2023 National World competed in the aborted auction for The Telegraph. The conclusion of its ownership change is still in doubt but the opportunity was in line with both the founding principles of National World - that it would be a consolidator in the sector - and its ability to leverage both its infrastructure to extract significant synergies and its proven management expertise.

Our view remains that National World remains the best qualified among the various candidates for such a deal both in terms of industry qualification and also editorial independence, as well as the absence of any competition issues.

More widely, extracting value for shareholders in spreading our current infrastructure to efficiently support more assets should continue as a priority as the benefits are manifest.

Our acquisition of the Midlands News Association titles has demonstrated the value of integrating businesses in our current infrastructure with an anticipated doubling of profitability within the first year of ownership. On behalf of all shareholders the Company would be derelict in its duty if it did not explore further opportunities with the scale of such benefits.

Smaller contiguous acquisitions in Northern Ireland and Yorkshire solidified our asset base in those territories. In all cases the acquired titles have benefited from the Group's organic initiatives including video, especially for local advertising sales, as well as augmenting expert content in key sectors, including technology, public services, local authorities and rural affairs.

Insider Media is an example of the Company's increased focus on expert talent and journalism on all platforms. This acquisition is consistent with the policy to resource original, monetisable content in order to rise above the noise of a duplicative traditional news market. The business information team, of 26 editors and senior journalists, that specialises in daily newsletters, magazines, events and breaking stories online has an unrivalled network of UK and Ireland corporate contacts. This enables Insider to grow as an individual business as well as leveraging its capabilities across many portfolio brands. The launch of financial information and business coverage will roll out amongst key brands on all platforms including TV and video. In the premium brands this service, combined with events and conferences, will assist subscriber loyalty.

In summary, management will concentrate on delivering short term gains through further efficiency and consolidation but will not be distracted from combining this with the introduction of a new operating model for longer-term growth and sustainability. Importantly, the Board believes that, strategically and operationally, your Company has a stronger and broader platform from which to deliver further progress in 2024.

Operational highlights
- For the seven acquisitions completed in the period, the Group paid a total consideration of £14.4 million, (£12.9 million consideration net of cash acquired) funded from its existing cash resources. In the period, the acquisitions contributed revenues of £10.5 million and adjusted EBITDA of £1.7 million, with the bulk of this flowing in the second half, (with Insider Media acquired in April and MNA and PCS in September). In 2024, the acquisitions are expected to more than double their EBITDA contribution.
- Momentum behind our fast-growing video segment continues to build as our customer proposition transitions towards watching as well as reading. We now create large volumes of original, high-quality video produced by our network of journalists alongside user generated content and distributed across our website portfolio as well as social media and partner platforms. In 2023 continuing growth in output and audience supported annual video revenue growth of 87%. Our audience for video has grown by 12%, with 398 million video views on Group channels in 2023, compared to 357 million in 2022.
- In H2 2023 we launched a TV brand - Shots! - to further leverage our content model, showcase our talent in longer form formats and bring our content to viewers in high engagement environments. The brand currently airs on Freeview channel 276 as well as both live and on demand on ShotsTV.com. Shots! has already added over 35,000 hours of viewing to our audience engagement over the initial September-December period.
- We started in 2023 a process of refocusing and upgrading our digital offering, with new apps and websites being introduced, starting with the premium brands, The Scotsman, Yorkshire Post and the Newsletter. The Scotsman achieved a 6% annual subscription growth in 2023 since the changes. With the new products now in place we are well set up to increase our loyal customer base even further in 2024, despite the possible market changes to cookies.
- As part of our transition to a sustainable operating model and the focus on talent and expert and original content, the Company is redeploying its journalists on the basis of individual specialisms that will sharpen the competitiveness of the business and promote career advancement.

Trading
The Group delivered a strong performance despite the challenging macro-economic environment, with revenue of £88.4 million and adjusted EBITDA of £9.5 million. Highlights of the financial performance are:
- **Operating profit of £9.1 million,** adjusted EBITDA of £9.5 million, representing an EBITDA margin of 10.7%.
- **Strong performance despite the challenging trading environment** with revenue up 5% to £88.4 million.
- **Robust digital revenue growth**, up 13% year-on-year to £18.4 million. Digital revenue improved by 13% overall, with growth of 20% in the second half of the year benefiting from acquisitions, stronger yields and increased

with growth of 2[illegible]% in the second half of the year benefiting from acquisitions, stronger yields and increased video advertising. In the period, the Group achieved average monthly page view growth of 25% with an average audience of 139 million, compared to 111 million in the prior period. Page view growth was 21% in the first half, followed by 30% growth in the second half, aided by acquisitions.

- **Print advertising revenue** declined by 1% and circulation revenue declined by 3%, reflecting the continued subdued consumer confidence in the UK economy because of higher inflation and interest rates.
- **Investment.** We invested £3.3 million in digital content, development and launches, in addition to £1.4 million on capitalised digital development and equipment that we anticipate will deliver further growth in 2024. Further investment of £1.4 million is planned for 2024.
- **Incremental cost savings of £1.9 million** were delivered in the period with restructuring costs of £3.6 million. The restructuring and other cost saving actions have generated £6.0 million of annualised cost savings.

Adjusted EBITDA reduced to £9.5 million (2022: £9.7 million) with an EBITDA margin of 10.7% (2022: 11.5%). Tight management of working capital ensured the Group delivered an operating cash flow of £8.0 million (2022: £12.0 million) before the payment of non-recurring costs of £3.6 million (2022: £2.5 million). Adjusted financing income was £0.6 million (2022: £Nil cost) and statutory financing income was £0.5 million (2022: £0.1 million cost) including IFRS 16 lease finance costs.

Statutory profit before tax of £3.1 million, is a £2.0 million decrease on the £5.1 million profit before tax reported in the prior period, due to a lower operating profit of £0.9 million and increased non-recurring items of £1.7 million, partly offset by £0.6 million of interest income. Adjusted profit before tax increased by 4% year-on-year to £9.7 million.

The statutory earnings per share were 1.0 pence per share (2022: 2.0 pence per share) and adjusted earnings per share for the period were 2.8 pence per share (2022: 2.9 pence per share).

Financial position

The Group maintains a strong financial position with a cash balance of £10.7 million at the year end, after payment of the Group's first dividend to shareholders, totalling £1.4 million, payment of £12.9 million consideration for the acquisitions completed in the period, (net of cash acquired), repayment of the final tranche of the £2.5 million deferred consideration payable following the 2021 acquisition of JPIMedia Publishing Limited and its subsidiaries and £1.0 million loan notes repaid, making the Group debt free.

Dividend

The Group intends to pay a final dividend of 0.55 pence per share in relation to the FY2023 financial performance. Subject to approval by shareholders at the forthcoming Annual General Meeting, the dividend will be paid on 10 July 2024 to shareholders on the register at 7 June 2024. The Board continues to adopt a progressive dividend policy.

Board

We are very pleased to welcome Sheree Manning as Chief Financial Officer and an Executive Director to the Board, an appointment which took place in November 2023.

Employees

On behalf of the Board, I acknowledge the hard work and commitment of colleagues across the Group and welcome new colleagues who have joined the organisation through acquisitions during the course of 2023.

National World continues to focus on the development of a sustainable publishing business and we thank you all for your support as we build a new model and for providing your talent and creativity at an individual level to optimise the collective effort despite the continued challenging backdrop, economically and in the sector.

Outlook

The Group maintains its guidance for 2024 to deliver revenue of £100 million, with an improved EBITDA margin.

In Quarter 1 2024, our EBITDA is slightly higher than internal expectations with total revenue slightly lower than internal expectations. There is still some continuing market volatility as audience and programmatic yields are impacted by algorithm changes by the global platforms.

Management's continuing development of a sustainable and independent revenue model addresses these headwinds. Initiatives include focus on an original quality content agenda across all platforms that does not duplicate other providers as well as further technology enhancements to gather greater volumes of content and streamline production.

In addition, we will continue to pursue acquisition opportunities, primarily targeting businesses that will enhance the Group's digital capability.

David Montgomery
Executive Chairman
21 March 2024

Financial review

Introduction

This Financial review provides commentary on the Group's statutory and adjusted results for the 52 weeks ended 30 December 2023 (2022: 52 weeks ended 31 December 2022).

Basis of presentation of results

Adjusted results are presented to provide additional clarity and understanding of the Group's underlying trading. Adjusted results are before the implementation of IFRS 16, the amortisation of intangible assets and non-recurring items. A reconciliation between Statutory and Adjusted results is shown in Note 17.

The seven acquisitions completed in the period are accounted for in the Consolidated Group results from the date of

The seven acquisitions completed in the period are accounted for in the Consolidated Group results from the date of acquisition in 2023 and therefore are not included in the 2022 comparatives.

Results for the 52 weeks ended 30 December 2023

The Group delivered a robust performance in 2023, bolstered by the seven acquisitions completed throughout the period.

	Adjusted results*		Statutory results	
	2023 £m	2022 £m	2023 £m	2022 £m
Revenue	88.4	84.1	88.4	84.1
Operating costs	(78.9)	(74.4)	(78.6)	(73.7)
Depreciation and amortisation	(0.4)	(0.4)	(1.8)	(1.5)
Operating profit pre non-recurring items	9.1	9.3	8.0	8.9
Non-recurring items	-	-	(5.4)	(3.7)
Operating profit	9.1	9.3	2.6	5.2
Net finance income / (expense)	0.6	-	0.5	(0.1)
Profit before tax	9.7	9.3	3.1	5.1
Tax (charge) / credit	(2.2)	(1.8)	(0.4)	0.1
Profit after tax	**7.5**	**7.5**	**2.7**	**5.2**
EBITDA	**9.5**	**9.7**	**4.5**	**6.8**
Earnings per share (pence)	**2.8**	**2.9**	**1.0**	**2.0**

*Adjusted results are before non-recurring items, amortisation of intangible assets and implementation of IFRS 16. Note 17 provides a reconciliation between Statutory and Adjusted results.

The Group delivered revenue of £88.4 million and adjusted operating profit of £9.1 million (2022: £84.1 million and £9.3 million respectively) reflecting an operating margin of 10.3% (2022: 11.1%). Adjusted EBITDA was £9.5 million (2022: £9.7 million), reflecting an EBITDA margin of 10.7% (2022: 11.5%).

Statutory operating profit was £2.6 million after non-recurring items of £5.4 million reversing the net impact of implementing IFRS 16 (£0.1 million credit) and after amortisation of publishing rights and titles and digital assets (£1.0 million).

Non-recurring items of £5.4 million includes £3.6 million restructuring costs to deliver £6.0 million of annualised cost savings, £1.2 million of incomplete acquisition costs, £0.4 million of acquisition transaction costs, £0.1 million property rationalisation costs and £0.1 million of ROUA impairment costs.

Adjusted financing income was £0.6 million (2022: £Nil million) comprising £0.7 million of interest income, offset by £0.1 million interest on the £1.0 million interest only unsecured loan notes, which was repaid on 29 December 2023. Statutory financing income of £0.5 million (2022: £0.1 million financing cost) is £0.1 million lower than adjusted financing income as this includes the interest for IFRS 16 lease liabilities.

Adjusted profit before tax of £9.7 million is an improvement of £0.4 million compared to the prior year, reflecting a consistent operating profit performance and benefiting from higher finance income.

Statutory profit before tax was £3.1 million, compared to a prior year Statutory profit before tax of £5.1 million. The £2.0 million reduction is due to higher non-recurring costs in 2023 compared to the prior year.

The Statutory tax charge was £0.4 million, (2022: £0.1 million tax credit) and relates to a deferred tax movement with brought forward losses utilised in the period against taxable profits and remaining tax losses fully recognised in the period. At the period end, the Group has brought forward losses of £17.9 million recognised as a deferred tax asset (2022: £18.8 million recognised). The adjusted tax charge of £2.2 million (2022: £1.8 million) reflects an effective tax rate of 23% (2022: 25% blended rate) and does not benefit from the brought forward tax losses so as to provide a more meaningful and comparable financial result.

Earnings per share for the period were 1.0 pence per share (2022: 2.0 pence per share). Adjusted earnings per share for the period were 2.8 pence per share (2022: 2.9 pence per share). The fall in adjusted earnings per share reflects the May 2023 share issue required to satisfy the value creation share award.

Revenue

The table below provides a summary of revenue for the 52 weeks ended 30 December 2023 with comparatives for the 52 weeks ended 31 December 2022.

Events revenue for 2022 has been reclassified in the table below to separately report £1.4 million of Events revenue within the Other revenue category, which was previously reported within Print Advertising £1.1 million and Print Other £0.3 million. There is no change to the Total Revenue reported in either year. This reporting change aligns to the Group's strategic focus on Events following the acquisition of Insider Media Limited and its subsidiary Newsco Insider Limited. For 2023, £4.0 million of Events revenue is reported, which would have been reported as Print Advertising £1.2 million and Print Other £2.8 million under the former revenue reporting format.

Revenue for the full year improved by £4.3 million to £88.4 million, a 5% year on year increase in a challenging trading environment with the benefit from acquisitions.

	2023 £m	2022 £m	Change £m	Change %
Print Publishing Revenue	**63.6**	**64.9**	**(1.3)**	**(2%)**
Advertising	*30.4*	*30.8*	*(0.4)*	*(1%)*
Circulation	*30.6*	*31.6*	*(1.0)*	*(3%)*
Other	*2.6*	*2.5*	*0.1*	*4%*
Digital Publishing Revenue	**18.4**	**16.3**	**2.1**	**13%**
Advertising	*11.6*	*9.6*	*2.0*	*20%*
Subscriptions	*1.5*	*1.6*	*(0.1)*	*(6%)*
Other	*5.3*	*5.1*	*0.2*	*5%*
Other Revenue	**6.4**	**2.9**	**3.5**	**120%**

Other Revenue	**6.4**	**2.9**	**3.5**	**120%**
Editorial funding	*1.8*	*1.5*	*0.3*	*20%*
Events	*4.0*	*1.4*	*2.6*	*191%*
Other	*0.6*	*-*	*0.6*	*0%*
Total Revenue	**88.4**	**84.1**	**4.3**	**5%**

Print revenue
Print revenue comprises all revenue driven by the local newspaper titles, including all digital revenue packages sold with print. Print revenue fell by 2% overall, with the second half of the year up 8%, benefiting from acquisitions.

Print Advertising revenue fell by 1% year on year. In the first half, revenue declined 13% on the prior year due to a continued uncertain trading environment. Following the acquisitions of Midland News Association Limited and Insider Media Limited, year on year performance grew by 12% in the second half of the year.

Circulation revenue fell by 3% year on year with a decline of 9% in the first half and growth of 4% in the second half. Average monthly circulation volumes in the period were 1.6 million for the daily newspapers and 0.8 million for the weekly newspapers representing an annual decline of 11% and 10% respectively. The impact of falling volumes was partially mitigated by cover price increases, in addition to contributions from titles acquired during 2023. The second half circulation year on year volume decline for daily newspapers improved to -4% from -18% in the first half and weekly newspapers improved to -7% from -12%. Free distribution increased by +66% year on year, due to the acquisition of the Dearne Valley Weekender in May and MNA titles in September.

The Group continues to have a strong print subscriber base with print subscription revenue of £3.0 million (reported within circulation revenue), flat year on year which is lower than the overall circulation revenue decline of 3%.

Other revenue, which includes syndication, leaflets and waste sales grew by 4%.

Digital revenue
Digital revenue comprises all revenue sold programmatically, digital-led direct sales, subscriptions, syndication and revenue generated from the Google and Facebook content initiatives.

Digital revenue increased by 13% year on year, with growth of 7% in the first half, moving to 19% in the second half with contribution from the acquisitions of Midland News Association Limited and Insider Media Limited.

Digital advertising revenue grew by 20% year on year, with revenue growth of 30% in the second half. Advertising revenue is predominantly driven by audience and the Group had average monthly Page Views (PVs) of 139 million (2022: 111 million PVs), growth of 25% including acquisitions or 8% excluding acquisitions. In 2023, video revenue has grown to £1.5m, 87% year-on-year growth with 398 million video views (+12% year-on-year).

Subscription revenue decline of 6% to £1.5 million is due to a re-prioritisation of strategy from subscriptions to audience growth and engagement in our heritage network, which resulted in a decline from our City World segment in both volume and revenues from digital subscriptions of -16%. We saw growth across our premium brands, refocusing and upgrading our digital offering, with new apps and websites being introduced, starting with The Scotsman, Yorkshire Post and the NewsLetter. The Scotsman achieved a 7% annual subscription growth in 2023 since the changes. With the new products now in place we are well set up to increase our loyal customer base even further in 2024, despite the possible market changes to cookies. The digital subscription model on Express and Star and Shropshire Star was successfully launched in 2023. At the end of 2023, the Group had over 17,700 subscribers (December 2022: 17,000), with 7,400 from our Premium brands (2022: 7,100), offsetting the volume decline in the City World portfolio and ensuring we delivered digital subscriber growth of 5% year on year.

Other digital revenue grew by 5% year on year and includes revenue of £2.3 million from the Google content initiatives and £0.6 million from the Meta News Innovation agreement which ended in January 2024 (2022: £2.8 million Google / Meta).

Other revenue
Editorial funding reflects grants from the BBC for local democracy reporters and from Meta for the funding of 58 journalists.

Events revenue grew 191% reflecting the contribution from Insider Media Limited acquired on 30 April 2023.

Other revenue relates to recently acquired Press Computer Systems Limited.

Operating Costs
Operating costs for the 52 week period to 30 December 2023 are £85.4 million on a statutory basis and £79.3 million on an adjusted basis.

	Adjusted results		Statutory results	
	2023	**2022**	**2023**	**2022**
	£m	**£m**	**£m**	**£m**
Labour	44.4	41.6	44.4	41.6
Newsprint and production costs	12.6	12.5	12.6	12.5
Depreciation and amortisation	0.4	0.4	1.8	1.5
Other	21.9	20.3	21.6	19.6
Total operating costs before non-recurring costs	**79.3**	**74.8**	**80.4**	**75.2**
Non-recurring items	-	-	5.4	3.7
Total operating costs	**79.3**	**74.8**	**85.8**	**78.9**

Adjusted operating costs are before:
- the implementation of IFRS 16 (increase in other costs of £0.3 million and a reduction in depreciation of £0.4 million);
- the amortisation of intangible assets of £1.0 million; and

- the amortisation of intangible assets of £[illegible] million; and
- non-recurring costs of £5.4 million.

During the period, the Group initiated a restructuring programme to drive efficiencies and tightly manage all operating costs in line with revenue performance, which delivered incremental cost savings of £1.9 million in 2023 and annualised cost savings of £6.0 million.

Labour costs
The Group employed an average of 1,169 employees during the period with 1,251 employees as at 30 December 2023 (2022: 1,167 employed during the period and 1,099 employees at 1 January 2022).

Newsprint and production costs
Newsprint and production costs continue to be tightly managed with price increases in the first half of the year partially mitigated by reduced print volumes, lower pagination and portfolio changes. Across the full year newsprint prices have reduced by 5% year on year with price benefit coming through in the second half of the year.

Depreciation and amortisation
Adjusted depreciation relates to the tangible fixed assets, largely computer equipment and property related items, with a charge of £0.4 million for the period (2022: £0.4 million). Statutory depreciation and amortisation is £1.4 million higher and includes amortisation of intangible assets of £0.5 million, amortisation of Digital Publishing assets of £0.5 million and depreciation of Right of use assets (ROUA) of £0.4 million.

Other
Other costs comprise events costs, property, IT, digital product, administration and other operating costs. Adjusted costs of £21.9 million are £0.3 million higher than Statutory other costs as they are before IFRS 16 costs.

Non-recurring items
Non-recurring items of £5.4 million (2022: £3.7 million) comprise of:

	2023 £m	2022 £m
Restructuring and redundancy costs	3.6	3.3
Incomplete acquisition costs	1.2	-
Acquisition transaction costs	0.4	-
Property rationalisation	0.1	-
ROUA impairment	0.1	0.1
Aborted transaction costs	-	0.3
Total Non-recurring items	**5.4**	**3.7**

Non-recurring items include:
- £3.6 million restructuring and redundancy costs have delivered in year savings of £1.9 million and annualised savings of £6.0 million. Restructuring costs totalling £2.4 million have been paid in the period with the remaining £1.2 million payable in 2024;
- £1.2 million of professional advisory fees were incurred in the period;
- £0.4 million of completed acquisitions professional advisory fees;
- £0.1 million property rationalisation cost and £0.1 million ROUA impairment relate to the early exit from leased properties as the business continues to adopt a flexible working policy;

Financing charges
Net finance (income)/expense on a statutory and adjusted basis are:

	Adjusted results		Statutory results	
	2023 £m	2022 £m	2023 £m	2022 £m
Interest income	(0.7)	(0.2)	(0.7)	(0.2)
Interest expense from leasing arrangements	-	-	0.1	0.1
Interest on unsecured loan notes	0.1	0.2	0.1	0.2
Net finance (income)/expense	**(0.6)**	**0.0**	**(0.5)**	**0.1**

Interest income of £0.7 million was earned from cash held on deposit with Barclays bank attracting interest at the BOE base rate less 5 basis points for the majority of 2023 (2022: £0.2 million).

Interest expense of £0.1 million on the interest-only unsecured loan notes (2022: £0.2 million). The £1.0 million interest-only unsecured loan notes were repaid on 29 December 2023. No further interest is due on these loan notes.

Statutory finance expense includes £0.1 million interest charge on IFRS 16 lease liabilities (2022: £0.1 million).

Profit before tax
Statutory profit before tax of £3.1 million is £2.0 million lower than the 2022 Statutory profit before tax of £5.1 million, due to higher non-recurring items incurred in 2023 compared to the prior period.

Adjusted profit before tax of £9.7 million is before non-recurring items, the implementation of IFRS 16 and amortisation of intangible assets (2022: £9.3 million).

Statutory tax credit and effective tax rate
The statutory tax rate for the period is 23.5% (2022: 19%), which was a blended rate due to the tax rate of 19% in effect for the first quarter of 2023 changing to 25% from 1 April 2023, as substantively enacted by parliament in May 2021. A statutory tax charge of £0.4 million (11% effective rate) relates to the deferred tax movement with brought forward losses utilised in the period against taxable profits and remaining tax losses fully recognised in the period.

At the period end, the net deferred tax asset of £2.5 million includes £4.5 million of tax losses (gross brought forward losses of £17.9 million calculated using a corporate tax rate of 25%), offset by £2.0 million of deferred tax liabilities relating to intangible assets of which £1.5 million arises on acquisitions made in the period.

The adjusted profit before tax is £9.7 million and the adjusted tax rate is 23% with a £2.2 million adjusted tax charge in the period (2022: £9.3 million profit before tax, £1.8 million tax charge, 19% adjusted tax rate). The adjusted tax charge does not benefit from the brought forward tax losses so as to provide a more meaningful and comparable financial result.

EBITDA
Statutory EBITDA for 2023 is £4.5 million (2022: £6.8 million), while adjusted EBITDA is £9.5 million for the period (2022: £9.7 million). The higher adjusted EBITDA, compared to statutory EBITDA, reflects the restructuring driven operating cost savings of £3.6 million in the period.

Earnings per share
Statutory earnings per share for the period were 1.0 pence per share (2022: 2.0 pence per share).

Adjusted earnings per share for the period were 2.8 pence per share (2022: 2.9 pence per share).

Reconciliation of statutory to adjusted operating profits
To ensure that the financial statements provide appropriate insight into the underlying performance of the Group, additional disclosure has been made on the financial impact of a number of significant accounting and operational items and therefore adjusted results are presented.

The adjustments include the cost of restructuring and organisational change, acquisition and capital raise costs, amortisation of intangible assets and the impact of implementing IFRS 16. Management believe that it is appropriate to additionally present the Alternative Performance Measures used by management in operating the business, as this presents a more meaningful and comparable financial result.

The adjusted results provide supplementary analysis of the 'underlying' trading of the Group. The table below presents a reconciliation between statutory and adjusted results:

	2023 £m	2022 £m
Statutory operating profit	**2.6**	**5.2**
Operating cost charge for IFRS 16 leases	(0.3)	(0.7)
Depreciation on right of use assets	0.4	0.6
Amortisation of intangible assets	1.0	0.5
Non-recurring items	5.4	3.7
Adjusted operating profit	**9.1**	**9.3**
Depreciation on tangible assets	0.4	0.4
Adjusted EBITDA	**9.5**	**9.7**

The reconciling items are:

- the implementation of IFRS 16 resulted in a lower charge for other overheads for leasing costs, increase in depreciation of ROUA and a finance charge for the IFRS 16 lease liabilities. To ensure there is no distortion to underlying EBITDA, the IFRS 16 entries have been reversed so the full cost of IFRS 16 leases is included in other costs. Without this change EBITDA would be enhanced by £0.3 million (2022: £0.7 million);
- the amortisation charges of intangible assets were £0.5 million for publishing rights and titles (2022: £0.4 million), £0.4 million for digital assets (2022: £0.1 million) and £0.1 million for brand intangibles (2022: £Nil);
- £5.4 million of non-recurring items (2022: £3.7 million).

Balance sheet

	As at 30 December 2023 £m	As at 31 December 2022 £m
Non-current assets	30.4	16.9
Current assets	26.0	38.4
Assets classified as held for sale	1.0	-
Total assets	**57.4**	**55.3**
Current liabilities	(21.7)	(20.5)
Non-current liabilities	(0.2)	(0.8)
Liabilities classified as held for sale	(0.1)	-
Total liabilities	(21.9)	(21.3)
Net assets	**35.5**	**34.0**

Net assets increased by £1.5 million from £34.0 million to £35.5 million reflecting the £2.7 million statutory profit after tax for the period, £0.2 million credit to long-term incentive plan share-based payment charges offset by £1.4 million dividend paid (in relation to FY2022 financial performance).

Non- current assets
Goodwill and intangible assets have increased by £8.1 million and £6.5 million respectively reflecting acquisitions in the period.

The net deferred tax asset has decreased by £1.7 million to £2.5 million. The reduction reflects £1.3 million net deferred tax liabilities arising on acquisitions and £0.5 million tax losses utilised in the period partly offset by brought forward tax losses which are recognised as deferred tax assets in the period. Gross brought forward losses of £17.9 million (2022: £18.8 million) are recognised as a deferred tax asset at the period-end, calculated using a corporate tax rate of 25%.

Current assets

Current assets
Cash and cash equivalents of £10.7 million reduced by £16.3 million in the period, with £12.9 million spent on acquisitions (net of cash acquired), the final £2.5 million deferred consideration payment made to JPIMedia Limited and £1.4 million dividend paid to shareholders. The Group had robust operating cash flows in the period with £8.0 million of cash generated from operating activities before £3.6 million of restructuring costs paid.

Trade and other receivables increase of £4.0 million includes £2.7 million relating to acquisitions.

Current liabilities
Trade and other payables of £19.9 million (2022: £15.9 million) includes £4.5 million relating to acquisitions of which £1.0 million is held for MNA restructuring accruals (for announced restructuring plans) and £1.0 million for Newsco Insider deferred revenue.

Right of Use lease liabilities have increased by £0.3 million due to acquired leases net of lease payments.

The £1.0 million interest-only unsecured loan notes were repaid on 29 December 2023.

On 31 March 2023, the final tranche of £2.5 million deferred consideration payment was made to JPIMedia Limited relating to the acquisition of JPIMedia Group.

Non-current liabilities
Right of Use lease liabilities of £0.2 million relates to vehicles.

Cash flow

	Adjusted FY 2023 £m	Statutory FY 2023 £m
Operating profit for the period	**9.1**	**2.6**
Amortisation of intangible assets	-	1.0
ROUA and tangible assets depreciation expense	0.4	0.8
ROUA impairment	-	0.1
Restructuring costs paid	(3.6)	-
Charge for share based payment	-	0.2
Net increase in provisions	-	(0.2)
Changes in working capital:		
Increase in receivables	(0.7)	(0.7)
(Decrease))/Increase in payables	(2.6)	0.6
Net cash inflow from operating activities	**2.6**	**4.4**
Investing activities		
Acquisition of subsidiaries	(16.5)	(16.5)
Cash acquired in subsidiaries	1.5	1.5
Completed transaction costs	-	(0.3)
Incomplete transaction costs	-	(0.5)
Interest earned	0.7	0.7
Acquisition of intangible assets	(1.7)	(1.7)
Purchases of tangible assets	(0.4)	(0.4)
Net cash outflow from investing activities	**(16.4)**	**(17.3)**
Financing activities		
Interest paid	(0.1)	(0.1)
Dividend paid	(1.4)	(1.4)
Interest element of lease rental payments	-	(0.1)
Principal repayment of leases	-	(0.8)
Debt repayment	(1.0)	(1.0)
Net cash outflow from financing activities	**(2.5)**	**(3.4)**
Net increase in cash and cash equivalents	(16.3)	(16.3)
Cash and cash equivalents at the beginning of the period	27.0	27.0
Cash and cash equivalents at the end of the period	**10.7**	**10.7**

The conversion of adjusted operating profit of £9.1 million into cash is 63% (£5.8 million comprising cash inflow from operating activities before restructuring costs and after purchases of tangible assets).
As at 30 December 2023, the Company held £10.7 million (2022: £27.0 million) of cash. This is after the maiden dividend relating to FY22 performance of £1.4 million paid in the period and £15.4 million paid on acquisitions (net of cash acquired), comprising:

- the final tranche of the £2.5 million of deferred consideration for the JPIMedia Group acquisition;
- £12.5 million on the business acquisitions (Note 15); and
- £0.4 million for the asset purchases.

Robust operating cash generation, the benefit of restructuring and low capital expenditure ensured the Group maintains a substantial cash balance and retains financial flexibility.

Capital Expenditure
During the year, the Group incurred capital expenditure of £1.8 million including £1.4 million on digital website and product development and £0.4 million on IT equipment, predominantly video equipment and laptops. For 2024, capital expenditure is expected to be c£2.0 million with continued digital investment and replacement of certain systems and IT equipment as it approaches the end of its useful life. Beyond 2024, capital expenditure is expected to be limited to c£1.5 million per annum.

IFRS 16 lease commitment payments were £0.8 million in 2023, with annual payments expected to reduce to c£0.4 million over the next three years as the Group continues to rationalise its property portfolio by moving to more flexible short term serviced accommodation. The rationalisation of the property portfolio continued in the period, with three properties fully vacated as the Group adopted flexible working. A £0.2 million property rationalisation provision is held at the year-end (Note 13).

at the year end (Note [illegible]).

Dividends

The Board is committed to provide strong returns to shareholders through a combination of share price growth and income. To ensure the Group maintains financial flexibility and an appropriate level of financial headroom for investment and working capital, dividend payments will be aligned to the free cash generation of the business. The free cash generation for the purposes of assessing the dividend will be the net cash flow generated by the Group before the repayment of debt, dividend payments and other capital returns to shareholders.

The Group intends to pay a final dividend of 0.55 pence per share in relation to the FY2023 financial performance. Subject to approval by shareholders at the forthcoming Annual General Meeting, the dividend will be paid on 10 July 2024 to shareholders on the register at 7 June 2024. The Board continues to adopt a progressive dividend policy.

Current trading and outlook

The Group maintains its performance expectation for 2024 to deliver revenue of £100 million, with an improved EBITDA margin.

In Quarter 1 2024, our EBITDA target is slightly higher than internal expectations with total revenue slightly lower than internal expectations. There is still some continuing market volatility as audience and programmatic yields are impacted by algorithm changes in the global platforms.

Therefore, management's continuing development of a sustainable and independent revenue model addresses these headwinds. Initiatives include focus on an original quality content agenda across all platforms that does not duplicate other providers as well as further technology enhancements to gather greater volumes of content and streamline production.

Management continues to pursue acquisition opportunities, primarily targeting businesses that will enhance the Group's digital capability.

Position of Company's Business

As at 30 December 2023 the Company's Statement of Financial Position shows net assets totalling £30.3 million (2022: £28.6 million), including a cash balance of £2.0 million (2022: £22.0 million) and intercompany receivables of £17.9 million relating to National World Publishing Limited. The Company has liabilities of £1.6 million trade and other payables of which £1.1 million were settled in January and February 2024.

The Board Executives have a good history of running businesses that have been compliant with all relevant laws and regulations and there have been no instances of non-compliance in respect of environmental matters.

At the period-end, the Company has four Executive Directors and three Non-Executive Directors (2022: two Executive Directors and four Non-Executive Directors).

The Company endeavours to ensure that its employment practices consider the necessary diversity requirements and compliance with all employment laws. The Board has experience in dealing with such issues and sufficient training and qualifications to ensure they meet such requirements.

The government of the United Kingdom has issued guidelines setting out appropriate procedures for companies to follow to ensure that they are compliant with the UK Bribery Act 2010. The Company has conducted a review into its operational procedures to consider the impact of the UK Bribery Act 2010 and the Board has adopted an anti-corruption and anti-bribery policy.

Principal Risks and Uncertainties

The principal risks and uncertainties are set out in Note 20.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Preliminary Audited Results announcement alongside the financial statements in accordance with applicable law and regulations. This responsibility statement has been prepared in connection with the Company's full Annual Report for the 52 weeks ended 30 December 2023 and certain disclosures are not included within this Preliminary Audited Results announcement.

The Directors confirm to the best of their knowledge:

- the consolidated financial statements, which have been prepared in accordance with United Kingdom adopted international accounting standards and the applicable legal requirements of the Companies Act 2006, give a true and fair view of the assets, liabilities, financial position and profit and loss of the Group; and
- the Preliminary Audited Results announcement includes a fair review of the development and performance of the business and the position of the Group together with a description of the principal risks and uncertainties that it faces.

The report of the Directors was approved by the Board on 21 March 2024 and signed on its behalf by:

Sheree Manning
Chief Financial Officer
21 March 2024

Consolidated Income Statement

For the 52 weeks ended 30 December 2023

	Note	52 weeks ended 30 December 2023 £m	52 weeks ended 31 December 2022 £m
Continuing operations			

Revenue	3	88.4	84.1
Cost of sales		(64.1)	(63.5)
Gross profit		**24.3**	**20.6**
Operating expenses before non-recurring items		(16.3)	(11.7)
Non-recurring items:	4		
Restructuring and redundancy		(3.6)	(3.3)
ROUA impairment		(0.1)	(0.1)
Incomplete acquisition costs		(1.2)	-
Acquisition transaction costs		(0.4)	-
Onerous property costs		(0.1)	-
Aborted transaction costs		-	(0.3)
Total operating expenses		**(21.8)**	**(15.4)**
Operating profit		**2.6**	**5.2**
Financing			
Finance costs	5	(0.2)	(0.3)
Interest income		0.7	0.2
Net finance income/(expense)		**0.5**	**(0.1)**
Profit before tax		**3.1**	**5.1**
Tax (expense)/credit	6	(0.4)	0.1
Profit after tax from continuing operations		**2.7**	**5.2**
Earnings per share	7		
Earnings per share - basic		1.0p	2.0p
Earnings per share - diluted		1.0p	1.9p

Note 7 includes the calculation of adjusted earnings per share and Note 17 presents the reconciliation between the statutory and adjusted results.

Consolidated Statement of Comprehensive Income
For the 52 weeks ended 30 December 2023

	52 weeks ended 30 December 2023 £m	52 weeks ended 31 December 2022 £m
Profit for the period	2.7	5.2
Total other comprehensive profit for the period	**-**	**-**
Total comprehensive profit for the period	**2.7**	**5.2**

Consolidated Statement of Financial Position
As at 30 December 2023

	Note	As at 30 December 2023 £m	As at 31 December 2022 £m
Non-current assets			
Goodwill	8	13.3	5.2
Intangible assets	9	11.6	5.1
Tangible assets	10	1.1	0.9
Investments		1.1	1.1
Right of use assets	11	0.8	0.4
Deferred tax		2.5	4.2
		30.4	16.9
Current assets			
Inventory		-	0.1
Trade and other receivables		15.3	11.3
Cash and cash equivalents		10.7	27.0
		26.0	38.4
Assets classified as held for sale	19	1.0	-
Total assets		57.4	55.3
Current liabilities			
Trade and other payables		(19.9)	(15.9)
Borrowings		-	(1.0)
Lease liabilities	11	(0.8)	(0.5)
Deferred consideration		-	(2.5)
Provisions	13	(0.9)	(0.6)
		(21.6)	(20.5)
Non-current liabilities			
Lease liabilities	11	(0.2)	(0.3)
Deferred consideration		-	-
Provisions	13	-	(0.5)

		(0.2)	(0.8)
Liabilities classified as held for sale	19	(0.1)	-
Total liabilities		(21.9)	(21.3)
Net assets		**35.5**	**34.0**
Equity			
Share capital	14	0.3	0.3
Share premium	14	27.4	24.6
Retained earnings	14	7.8	9.1
Total equity		**35.5**	**34.0**

Consolidated Statement of Changes in Equity
For the 52 weeks ended 30 December 2023

	Note	Share capital £m	Share premium £m	Retained earnings/ (accumulated losses) £m	Total equity £m
As at 1 January 2022		**0.3**	**24.6**	**3.9**	**28.8**
Profit for the period		-	-	5.2	5.2
Total comprehensive profit for the period		**-**	**-**	**5.2**	**5.2**
As at 31 December 2022		**0.3**	**24.6**	**9.1**	**34.0**
As at 1 January 2023		**0.3**	**24.6**	**9.1**	**34.0**
Profit for the period		-	-	2.7	**2.7**
Total comprehensive profit for the period		**-**	**-**	**2.7**	**2.7**
Issue of new ordinary shares	14 2	-	2.8	(2.8)	**-**
Long-term incentive share based payments charge	14	-	-	0.2	**0.2**
Dividend paid to shareholders on 5 July 2023		-	-	(1.4)	**(1.4)**
As at 30 December 2023		**0.3**	**27.4**	**7.8**	**35.5**

Consolidated Cash Flow Statement
For the 52 weeks ended 30 December 2023

	Note	52 weeks ended 30 December 2023 £m	52 weeks ended 31 December 2022 £m
Cash flow from operating activities			
Cash generated from operations	16	4.4	9.5
Net cash inflow from operating activities		**4.4**	**9.5**
Investing activities			
Acquisition of subsidiaries	15	(16.5)	(2.6)
Cash acquired in subsidiaries		1.5	-
Acquisition transaction costs	4	(0.4)	-
Incomplete acquisition costs		(0.5)	-
Investment in The News Movement		-	(1.1)
Interest earned		0.7	0.2
Acquisition of intangible assets	9	(1.7)	(0.2)
Purchase of tangible assets	10	(0.4)	(0.4)
Net cash outflow from investing activities		**(17.3)**	**(4.1)**
Financing activities			
Net Interest paid	5	(0.1)	(0.2)
Capital repayments of lease payments	11	(0.8)	(1.1)
Interest element of lease rental payments	5,11	(0.1)	(0.1)
Dividend paid		(1.4)	-
Debt repayment		(1.0)	-
Net cash utilised from financing activities		**(3.4)**	**(1.4)**
Net (decrease)/increase in cash and cash equivalents		(16.3)	4.0
Cash and cash equivalents at the beginning of the period		27.0	23.0
Cash and cash equivalents at the end of the period		**10.7**	**27.0**

Notes to the Consolidated Financial Statements

For the 52 weeks ended 30 December 2023

1. General information

The financial information in the Annual Results Announcement, which comprises the Consolidated income statement, the Consolidated statement of comprehensive income, the Consolidated Statement of Financial Position, the

Consolidated Statement of Changes in Equity and the related notes ('Consolidated Financial Information') in the Preliminary announcement is derived from but does not represent the full statutory accounts of National World plc.

The statutory accounts for the 52 weeks ended 1 January 2022 have been filed with Companies House and those for the 52 weeks ended 30 December 2023 will be filed following the Annual General Meeting on 30 May 2024.

The auditors' reports on the statutory accounts for the 52 weeks ended 30 December 2023 and for the 52 weeks ended 31 December 2022 were unqualified, do not include reference to any matters to which the auditors drew attention by way of emphasis of matter without qualifying the reports and do not contain a statement under Section 498 (2) or (3) of the Companies Act 2006.

Whilst the financial information included in this Annual Results Announcement has been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS), this announcement does not itself contain sufficient information to comply with IFRS. This Annual Results Announcement constitutes a dissemination announcement in accordance with Section 6.3 of the Disclosure and Transparency Rules (DTR). The Annual Report for the 52 weeks ended 30 December 2023 will be available on the Company's website at www.nationalworldplc.com.

National World plc ('the Company') is a public limited company listed on the London Stock Exchange in England and Wales. The Company is domiciled in England and its registered office is Suite E3 Joseph's Well, Hanover Walk, Leeds, United Kingdom, LS3 1AB, United Kingdom. The principal activities of the Group are to provide news and information services in the United Kingdom through a portfolio of multimedia publications and websites.

The consolidated Financial Statements of the Company and its subsidiaries (together referred to as the 'Group') for the 52 weeks ended 30 December 2023 were approved by the Directors on 21 March 2024.

2. Accounting policies

Basis of preparation

These consolidated financial statements have been prepared in accordance with United Kingdom adopted international accounting standards and the applicable legal requirements of the Companies Act 2006. The consolidated Financial Statements were authorised for issue by the Board of Directors on 21 March 2024.
These Financial Statements are presented in British pounds, which is the functional currency of all entities in the Group. All financial information has been rounded to the nearest hundred thousand except when otherwise indicated.

These Financial Statements have been prepared under the historical cost basis.
The consolidated financial statements have been prepared on a going concern basis.

Going concern basis

The Directors have assessed the Group's prospects, both as a going concern and its long-term viability, at the time of the approval of National World plc's Annual Report for the 52 weeks ended 30 December 2023. The Directors consider it appropriate to adopt the going concern basis of accounting in the preparation of the Group's annual consolidated financial accounts. The assessment was based on review of the three year projections for the business which were considered by the Board when approving the budget for 2024. Management believe that a longer term assessment is not appropriate given the ongoing structural challenges facing print media and the changing landscape for digital. Key considerations in the assessment were:

- decline in newspapers revenue;
- the ongoing impact of the macroeconomic conditions on revenue;
- management's ongoing mitigating actions in place to manage costs and cash flow;
- capital expenditure requirements, including the ongoing maintenance capital expenditure requirements; and
- investment in digital resource and development.

Sensitivity analysis was applied to the projections to determine the potential impact should the principal risks and uncertainties occur, individually or in combination. The Board also assessed the likely effectiveness of any proposed mitigating actions.

Whilst the Group strategy is to grow through acquisition and organic development, no acquisitions have been assumed in the projections as there is no certainty that acquisitions will be concluded. Prior to proceeding with any acquisition, the three-year projections will be updated to ensure there is no adverse impact on the Group prospects or going concern resulting from an acquisition.

The review concluded that the Group maintained significant financial flexibility with cash of £10.7 million as at 30 December 2023 and the Directors are satisfied that the Group will be able to operate with sufficient financial flexibility and headroom for the foreseeable future, which comprises the period of at least 12 months from the date of approval of the financial statements.

The Directors have a reasonable expectation that the Company and the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment.

Changes in accounting policies and disclosures

The standards that became applicable for the year did not materially impact the Group's accounting policies and did not require retrospective adjustments.

Segments

The performance of the Group is presented as a single reporting segment as this is the basis of internal reports regularly reviewed by the Board and chief operating decision makers (Executive Directors) to allocate resources and to assess performance. The Group's operations are located in the UK and the Group is not subject to significant seasonality.

Alternative performance measures

The Company presents the results on a statutory and adjusted basis. The Company believes that the adjusted basis will provide investors with useful supplemental information about the financial performance of the Group, enable comparison of financial results between periods where certain items may vary independent of business performance and allow for greater transparency with respect to key performance indicators used by management in operating the Group and making decisions. Although management believes the adjusted basis is important in evaluating the Group, they are not intended to be considered in isolation or as a substitute for, or as superior to, financial information on a statutory basis. The alternative performance measures are not recognised measures under IFRS and do not have standardised meanings prescribed by IFRS and may be different to those used by other companies, limiting the usefulness for comparison purposes. Note 17 sets out the reconciliation between the statutory and adjusted results. An adjusted cash flow and reconciliation to statutory cash flow is presented in Note 18.

Business combinations
The acquisition of subsidiaries are accounted for using the acquisition method. The cost of the acquisition is measured at the aggregate of the fair values at the date of exchange of assets given, liabilities incurred or assumed and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition related costs are recognised in the Income Statement as incurred.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3, including publishing titles, are recognised at their fair value at the acquisition date.

Key sources of estimation uncertainty
Impairment of non-financial assets
The Group is required to test, whether non-financial assets (intangible, goodwill and tangible assets) have suffered any impairment based on the recoverable amount of its CGUs, when there are indicators for impairment. Determining whether the CGU is impaired requires an estimation of the value in use of the CGU to which these assets are allocated. Key sources of estimation uncertainty in the value in use calculation include the estimation of future cash flows of the CGU affected by expected changes in underlying revenues and direct costs as well as corporate and central cost allocations through the forecast period, the long-term growth rates and a suitable discount rate to apply to the aforementioned cash flows in order to calculate the net present value. The discount rate used for all CGU's was 18.1%, (2022: 19.0%) using the Capital Asset Pricing Method ("CAPM") with a long-term decline rate in perpetuity of 1.0%.

Valuation judgements
Acquisitions in the period
The Group made four acquisitions in the period that have been treated as business combinations under IFRS 3, refer Note 15. The acquisitions treated as business combinations include Bann Media Limited, Insider Media Limited and Newsco Insider Limited, Midland News Association Limited and Press Computer Systems Limited.

Provision for expected credit losses ("ECLs") of trade receivables
The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss ("ECL"). The ECL on trade receivables is estimated using a provision matrix by reference to past default experience of the debtor and analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. At every reporting date, the historical observed default rates are updated and changes in the forward- looking estimates are analysed.

3. Revenue

The analysis of the Group's contracted revenue from continuing operations is as follows:

	2023 £m	2022^ £m
Print publishing	63.6	66.3
Digital publishing	18.4	16.3
Other	6.4	1.5
Total revenue	**88.4**	**84.1**

^2022 revenues have been reclassified as presented and described below.

The description and revenue recognition criteria (timing and performance obligations) for each revenue stream is contained within the accounting policies, in Note 2.

Revenues for 2022 have been reclassified in the table below to include £1.4 million of Events revenue within the Other revenue category, which was previously reported within Print Publishing revenue. Other revenue for 2023 of £6.4 million includes £4.0 million of Events revenue. There is no change to the Total Revenue reported in either year. This reporting change aligns to the strategic focus on Events following the acquisition of Insider Media Limited and its subsidiary Newsco Insider Limited. The analysis of the Group's contracted revenue from reported to reclassified Revenues for 2022 is presented in the table below:

	2023 £m	2022 Reclassified £m	2022 Events revenue £m	2022 Reported £m
Print publishing	63.6	64.9	1.4	66.3
Digital publishing	18.4	16.3	-	16.3
Other	6.4	2.9	(1.4)	1.5
Total revenue	**88.4**	**84.1**	**-**	**84.1**

4. Profit for the period

Profit for the period includes the following items:

	Note	2023 £m	2022 £m
Operating profit for continuing operations is shown after charging/(crediting):			

Depreciation of tangible fixed assets	10	0.4	0.4
Amortisation of intangible assets	9	1.0	0.5
Depreciation of right of use assets	11	0.4	0.6
Staff costs		44.4	41.6
Cost of inventory recognised as expense		4.0	4.8
Non-recurring items:			
Acquisition transaction costs	a	0.4	-
Aborted transaction costs	b	-	0.3
Incomplete acquisition costs	c	1.2	-
Restructuring and redundancy	d	3.6	3.3
Property rationalisation	e	0.1	-
ROUA impairment	e	0.1	0.1

a) **Acquisition transaction costs**
£0.4 million of professional advisory fees were incurred in the period, in relation to completed acquisitions (Note 15).

b) **Aborted transaction costs**
In the prior year, £0.3 million of professional advisory fees were incurred.

c) **Incomplete acquisition costs**
£1.2 million of professional advisory fees were incurred in relation to attempted acquisitions.

d) **Restructuring costs**
Restructuring costs of £3.6 million have been incurred in 2023 for the delivery of annualised cost savings of £6.0 million (2022: £3.3 million non-recurring cost for the delivery of annualised cost savings of £4.0 million).

e) **Property rationalisation/ROUA impairment**
In the period, the decision was made to exit a number of leased offices resulting in a £0.1 million impairment of ROU assets and £0.1 million onerous property provision (2022: £0.1 million additional impairment of ROU assets relating to the decision to vacate the Preston leased office).

5. Finance costs

	Note	2023 £m	2022 £m
Interest on interest only unsecured loan notes		0.1	0.2
Interest on lease liabilities	11	0.1	0.1
Total finance costs		**0.2**	**0.3**

Interest was accrued and paid at 15% on the £1.0 million of interest only unsecured loan notes, which were repaid on 30 December 2023.

6. Tax

Income tax expense is recognised based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year. The tax rate applied for 2023 of 23.5% (2022: 19%) was a blended rate due to the tax rate of 19% in effect for the first quarter of 2023 changing to 25% from 1 April 2023, as substantively enacted by parliament in May 2021. The increase in the corporate tax rate to 25% has been accounted for in the calculation of the deferred tax.

The tax on profit comprises:

	2023 £m	2022 £m
Deferred tax		
Expense/(Credit) for the period	0.4	(0.1)
Total tax expense/(credit) for the period	**0.4**	**(0.1)**

The tax on profit can be reconciled to the profit per the Income Statement as follows:

	2023 £m	2022 £m
Profit before tax	3.1	5.1
Tax at the UK corporation tax rate of 23.5% (2022: 19%)	0.7	1.0
Effects of:		
Expenses not allowable	0.1	-
Deferred tax asset recognised for tax losses	(0.5)	(0.9)
Effect of increase in deferred tax rate to 25%	0.1	(0.2)
Prior year adjustments	(0.1)	-
Other timing differences	0.1	-
Total tax expense/(credit) for the period	**0.4**	**(0.1)**
Effective tax rate	**11%**	**2%**

The Group had £21.1 million of tax losses carried forward (including a £0.1 million prior year adjustment), acquired £0.9 million tax losses in the period and utilised £4.1 million in the period against taxable profits. £17.9 million (2022: £18.8 million) of gross brought forward losses are recognised as a deferred tax asset at the period-end, calculated using the corporation tax rate of 25%.

7. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the parent by the weighted average number of ordinary shares during the period and diluted earnings per share is calculated by the weighted average number of ordinary shares during the period and diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares in issue on the assumption of conversion of all potentially dilutive ordinary shares.

	2023 £m	2022 £m
Weighted average number of ordinary shares for basic earnings per share	265	259
Effect of dilutive ordinary shares in respect of potential share awards under the value creation plan*	4	16
Weighted average number of ordinary shares for diluted earnings per share	**269**	**275**

	Pence	Pence
Statutory earnings per share		
Earnings per share - basic	1.0	2.0
Earnings per share - diluted	1.0	1.9
Adjusted earnings per share		
Earnings per share - basic	2.8	2.9
Earnings per share - diluted	2.8	2.7

*12.7m new ordinary shares were issued on 3 May 2023 to satisfy the value creation plan award, of which 4.3m share options remain unexercised at the period end, refer to Note 14.

8. Goodwill

	Note	2023 £m	2022 £m
Opening balance		5.2	5.2
Acquisition of subsidiaries	15	8.1	-
Carrying value at the end of the period		**13.3**	**5.2**

Opening goodwill relates to JPIMedia Publishing Limited and its subsidiaries (JPIMedia Group) acquired in 2021. Goodwill arising on acquisitions of £8.1 million relates to acquisitions in the period of Midland Association Limited ("MNA") and Press Computer Systems Limited ("PCS"), Insider Media Limited and its subsidiary (Note 15).

9. Intangible assets

	Note	Publishing titles - Regional £m	Digital intangible assets £m	Brand £m	Customer relationships £m	Total £m
Opening balance		4.5	0.6	-	-	5.1
Additions		-	1.4	-	-	1.4
Acquisitions - asset purchase	15	0.4	-	-	-	0.4
Acquisitions - share purchase	15	3.2	0.7	1.5	1.0	6.4
Transfer to assets classified as held for sale		-	(0.7)	-	-	(0.7)
Amortisation charge for the period	4	(0.5)	(0.3)	(0.1)	(0.1)	(1.0)
Carrying value at the end of the period		**7.6**	**1.7**	**1.4**	**0.9**	**11.6**

The opening balance includes JPIMedia Group intangible assets, consisting of regional publishing titles acquired in January 2021 for £5.3 million and software and digital development assets of £0.5 million and Scoopdragon and Newschain assets of £0.3 million, net of accumulated amortisation.

Digital intangible asset additions in the period include the capitalisation of software and external development costs which form part of the core platform for the Group's Editorial and Sales functions.

Acquisitions in the period comprise:

- Rotherham Advertiser, Newry Reporter and Farm Week publishing title assets were acquired as asset purchases totalling £0.4 million (Note 15) and Banbridge Chronicle title was acquired via business combination.
- Midland News Association Limited titles and digital brand and Press Computer Systems Limited digital intangible assets were acquired as part of a business combination totalling £3.9 million and are recognised at fair value (Note 15). The publishing title and digital brand intangible assets were assessed using an income approach based method. The income approach is suitable for assets which generate the majority of their value from their income-generating capacity. It operates under the premise that the value of that asset can be accurately derived from the value of the future net cash flows which will be generated by it over time, discounted back to their present value at an appropriate discount rate. The Directors consider that the publishing title assets have finite lives ranging from 4 years to 11 years and the digital brand with life of 15 years.
- Newsco Insider and Insider Media brand and customer relationship intangible assets were acquired as part of a business combination and are recognised at fair value (Note 15). The brand and customer relationship intangible assets were assessed using an income approach based method. The income approach is suitable for assets which generate the majority of their value from their income-generating capacity. It operates under the premise that the value of that asset can be accurately derived from the value of the future net cash flows which will be

that the value of that asset can be accurately derived from the value of the future net cash flows which will be generated by it over time, discounted back to their present value at an appropriate discount rate. The Directors consider that the brand and customer relationships have finite lives of 15 years and 8 years respectively.

Asset classified as held for sale relate to intangible digital asset that was acquired with Press Computer Systems Limited.

Intangible assets are amortised over their useful economic life and the carrying value of the titles is reviewed when there are indicators that an impairment has occurred.

Impairment assessment
The Group has identified four identifiable CGUs being the regional publishing business, Midland News Association Limited, Press Computer Systems Limited and Insider Media Limited. The CGUs include intangible assets, digital intangible assets, goodwill, property, plant and equipment. Within each CGU there is an interdependency of revenue and costs within a matrix management structure, single wholesale and distribution agreements, substantial packaged advertising sales across all titles and websites and dependence on central support infrastructure.

The impairment review in respect of the CGUs concluded that no impairment charge was required.
The Group tests the carrying value of the CGUs held within the Group for impairment annually or more frequently if there are indications that the carrying value is less than the recoverable amount. If an impairment charge is required, this is allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to the other assets of the CGU but subject to not reducing any asset below its recoverable amount.

The value in use calculation at 30 December 2023 was prepared using consistent methodologies to that applied in prior periods. With regard to the methodologies applied in the valuation, the intangible assets of the Group were assessed using an income approach based method. The income approach is suitable for assets which generate the majority of their value from their income-generating capacity. It operates under the premise that the value of that asset can be accurately derived from the value of the future net cash flows which will be generated by it over time, discounted back to their present value at an appropriate discount rate.

The Directors consider that the publishing titles, with a carrying value as at 30 December 2023, have finite lives of up to 11 years.

The recoverable amounts of the CGUs are determined from value in use calculations. The key assumptions for the value in use calculations are:

- expected changes in underlying revenues and direct costs during the period;
- growth / decline rates; and
- discount rate.

The key assumptions underpinning the Value in Use model are:

	2023	2022
Discount rate (pre-tax WACC)	18%	19%
Long-term decline rate	1%	1%

The Group prepares discounted cash flow forecasts using:

- the Board-approved budget for 2024 and projections to 2026 which reflects management's current experience and future expectations of the markets in which the CGU operates and is based on information known at the balance sheet date. This is then forecast into perpetuity beyond 2026. Changes in underlying revenue and direct costs are based on past practices and expectations of future changes in the market by reference to the Group's own experience and, where appropriate, publicly available market estimates. These include changes in demand for newspapers, cover prices, digital subscriptions, print and digital advertising rates as well as movements in newsprint and production costs and inflation;
- capital expenditure cash flows to reflect the cycle of capital expenditure;
- net cash inflows for future years are extrapolated beyond 2026 based on the Board's view of the estimated annual long-term performance. A long-term decline rate of 1% (2022: 1% decline) reflecting the market's view of the long-term decline of the newspaper industry; and
- management estimates of discount rates that reflect current market assessments of the time value of money, the risks specific to the CGUs and the risks that the regional media industry is facing.

The discount rate reflects the weighted average cost of capital of the Group. The current post-tax and equivalent pre-tax discount rate used is 13.5% and 18.1% respectively (2022: post-tax WACC 14.3% and pre-tax WACC 19.0%).

The impairment review is highly sensitive to reasonably possible changes in key assumptions used in the value in use calculations. A combination of reasonably possible changes in key assumptions, such as digital growth being slower than forecast or the decline in print revenue being greater, could lead to an impairment. Based on the existing modelling:

- a decrease in print revenue of 5% across the 3 projection years would reduce the headroom by £8.0 million. No impairment would be triggered from this sensitivity;
- an increase in the long-term decline rate of 1.0% (which has the effect of increasing the decline from 1% to 2% beyond 2026), would reduce the headroom by £2.0 million. No impairment would be triggered from this sensitivity; and
- an increase in the discount rate of 1% from 18.1% to 19.1% would reduce the headroom by £2.2 million. No impairment would be triggered from this sensitivity.

10. Tangible assets

	Note	Office Equipment £m	Total £m
Cost			
Opening balance 1 January 2022		1.3	1.3
Additions		0.5	0.5
Disposals		(0.1)	(0.1)

Balance at 31 December 2022		1.7	1.7
Acquisitions	15	0.5	0.5
Additions		0.4	0.4
Transfer to assets classified as held for sale	19	(0.3)	(0.3)
Disposals		(0.1)	(0.1)
At 30 December 2023		**2.2**	**2.2**
Accumulated impairment losses and depreciation			
Opening balance 1 January 2022		(0.5)	(0.5)
Depreciation for the period		(0.4)	(0.4)
Disposals		0.1	0.1
Balance at 31 December 2022		(0.8)	(0.8)
Depreciation for the period	4	(0.4)	(0.4)
Disposals		0.1	0.1
At 30 December 2023		(1.1)	(1.1)
Carrying value at 30 December 2023		**1.1**	**1.1**
Carrying Value at 31 December 2022		**0.9**	**0.9**

The assets are depreciated over their useful lives.

11. Leases

Right of use assets and their associated lease liabilities arose on the acquisition of Insider Media Limited and its subsidiary, Midland News Association Limited ("MNA") and Press Computer System Limited ("PCS") in the current period and JPIMedia Group in prior period. The Group leases office buildings and motor vehicles for use in its business operations. Leases of offices generally have terms between 2 and 10 years, with longer period leases having a break clause after year 5. Motor vehicles generally have a term of 4 years and are principally utilised by the sales, editorial and IT departments. With the exception of short term leases and leases of low value underlying assets, each lease is reflected on the balance sheet as a right of use asset and a corresponding lease liability.

Carrying value of right of use assets

The carrying amounts of right of use assets recognised and the movement during the period are set out below:

	Note	Property £m	Motor Vehicles £m	Total £m
Carrying amount at 1 January 2023		0.2	0.2	0.4
Acquisitions	15	0.3	0.7	1.0
Disposals		-	(0.1)	(0.1)
Impairment	4	(0.1)	-	(0.1)
Depreciation charge for the period	4	(0.2)	(0.2)	(0.4)
Carrying amount at 30 December 2023		**0.2**	**0.6**	**0.8**

Carrying value of lease liabilities

The carrying amounts of lease liabilities and the movements during the period are set out below:

	Note	Property £m	Motor Vehicles £m	Total £m
Carrying amount at 1 January 2023		0.7	0.1	0.8
Acquisitions	15	0.2	0.8	1.0
Disposals		-	(0.1)	(0.1)
Interest charge	5	-	0.1	0.1
Lease payments		(0.6)	(0.2)	(0.8)
Carrying amount at 30 December 2023		**0.3**	**0.7**	**1.0**

	2023 £m	2022 £m
Current liabilities	0.8	0.5
Non-current liabilities	0.2	0.3
Total	**1.0**	**0.8**

Amounts recognised in Income statement

The following amounts are recognised in the income statement for the period:

	Note	2023 £m	2022 £m
Depreciation of right of use assets	4	0.4	0.6
Interest expense	5	0.1	0.1
Total		**0.5**	**0.7**

In addition to the above, the Group occupies serviced office accommodation and other short-term rental arrangements that do not meet the criteria for reporting under IFRS 16, with a total cost of £0.9 million (2022: £0.8 million) incurred in the period.

The Group has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets (less than £4,000). Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not recognised as lease liabilities and are expensed as incurred.

12. Retirement benefit obligation

The Group contributes to three defined contribution schemes: the National World Publishing Limited Retirement Savings Plan, a defined contribution master trust; The Scotsman Stakeholder Pension Plan; and since April 2023 the Newsco Insider Ltd Scheme, a Group Personal Pension Plan. Both the Master Trust and the Stakeholder plans are administered by Scottish Widows, the Group Personal Pension is Administered by Royal London.

In the period employer contributions for the Scottish Widows schemes range from 3% of qualifying earnings for employees statutorily enrolled, through to 8% of basic salary for the majority of members on salary up to £125,000. Certain senior managers have company contributions up to 15% as these were contracted ahead of the rules for all new members being agreed at a maximum of 8%. Contributions for the Royal London Scheme range from 4% to 10% of basic salary.
The amount due to be paid into the three defined contribution schemes at the period end is £0.3 million (2022: £0.3 million), with £0.28 million paid to Scottish Widows on 22 January 2024 and £0.02 million paid to Royal London on 17 January 2024.

From 1 April 2022, the Executive Directors received a cash allowance in lieu of pension contribution of 8% of base salary, capped at £125,000 salary, to align their pension benefit to the wider workforce. Refer to Note 8 for full employee salary details.

13. Provisions

	Note	Onerous IT contracts £m	Property rationalisation £m	Dilapidations £m	Total £m
At 1 January 2023		0.1	0.4	0.6	1.1
Acquisition of subsidiaries	15	-	-	0.1	0.1
Charged in 2023		-	0.1	-	0.1
Utilised in 2023		(0.1)	(0.3)	-	(0.4)
At 30 December 2023		**-**	**0.2**	**0.7**	**0.9**
Current provision		-	0.2	0.7	0.9
Non-current provision		-	-	-	-
Total provision		**-**	**0.2**	**0.7**	**0.9**

Onerous IT contracts
The onerous IT contract provision was fully utilised in the period and was originally charged in 2021 in relation to the unexpired term of the remaining contract obligations on IT infrastructure, which overlap the transition to Cloud computing.

Property rationalisation
The Group has continued with its policy of flexible working and continued to vacate certain office locations. In 2023, the remaining space at Leeds and Preston offices and the acquired Mexborough office were vacated, giving rise to a full write down on the ROUA (Note 11). An onerous provision in relation to these sites was expensed to non-recurring costs until the end of the lease terms (Note 4).
The Property rationalisation provision was first charged in 2021 when certain office locations were vacated as the Group continued to adopt a flexible working policy.

Leasehold property dilapidations provision
The acquisition of Newsco Insider Limited included £0.1 million of leasehold property dilapidation provisions in relation to various occupied offices (Note 15).

The provision for leasehold dilapidations relates to the contractual obligations to reinstate leasehold properties to their original state at the lease expiry date. The Group has assessed the entire portfolio and made provisions depending on the state of the property and the duration of the lease and likely rectification requirements.

14. Share capital and reserves

	As at 30 December 2023 £m	As at 31 December 2022 £m
Share capital	0.3	0.3
Share premium	27.4	24.6
Retained earnings	7.8	9.1
Total equity	**35.5**	**34.0**

On 3 May 2023, a block listing for 12,663,363 new Ordinary Shares was completed to satisfy the allotment of shares pursuant to the Company's 2019 Value Creation Plan ("VCP"), which is further described below. The new Ordinary shares issued rank pari passu with the Company's existing issued ordinary shares.

Shareholders approved the Group's maiden dividend at the 24 May 2023 AGM of 0.5 pence per share. This was paid on 5 July 2023 to shareholders on the register at 2 June 2023.

In 2023 8,231,186 of new Ordinary share options were exercised and are included in the share capital at the period end. The remaining 4,432,177 of the new Ordinary share options have not been exercised however are entitled to dividend equivalents payable in 2024, subject to approval at the 2024 AGM and in accordance with the rules of the VCP.

All 267,663,987 shares in issue rank equally for voting purposes, on any dividend declared and distributions made on winding up of the Company (2022: 259,432,801).

At 30 December 2023, all the Company's accumulated profits are distributable, however, the available amount may be different at the point any future distributions are made. The Group intends to pay a final dividend of 0.55 pence per share. Subject to approval by shareholders at the forthcoming Annual General Meeting, the dividend will be paid on 10 July 2024 to shareholders on the register at 7 June 2024. The maiden dividend reflects the Board's confidence in the ongoing strong cash generation of the business, the future prospects of the Group and its strong balance sheet. The Board continues to adopt a progressive dividend policy.

Value creation plan ("VCP")
The VCP was put in place on Admission in September 2019. The overall effect of the VCP is that the three founding Executive directors together were able to earn Ordinary Shares equivalent in value to 10% of any equity value created above an 8% compound annual growth rate based on the measurement of absolute total shareholder return generated over the VCP performance period commencing on listing (September 2019) and ending on the date of publication of the Company's results for the financial year ending 31 December 2022.

On 17 April 2023, 12,663,363 awards in the form of nominal cost options over new ordinary shares vested pursuant to the terms of the 2019 VCP. The VCP award was calculated using the average share price of 22.12p determined over the 20 day testing period ending on 17 April 2023.

The Group recognised a £2.8 million increase in share premium in the period ended 30 December 2023 in relation to the VCP and a corresponding decrease in reserves of £2.8 million in the same period.

The founding directors vested shares and values on the 17 April 2023, which they were entitled to, were as follows:

	Shares options	**Value £**
D Montgomery	4,432,177	980,242
V Vaghela	4,432,177	980,242
M Hollinshead	3,799,009	840,208
Total	12,663,363	2,800,692

At 30 December 2023, 8,231,186 of new Ordinary share options have been exercised. The remaining 4,432,177 of new Ordinary share options remain unexercised however are entitled to dividend equivalents payable on 10 July 2024, in accordance with the rules of the VCP.

15. Business combinations

In 2023, the Group acquired 100% of the issued share capital of the following Companies:

	Country of incorporation and operation	**Fair value of net assets at acquisition date £m**	**Acquisition Date**	**Nature of business**	**Acquiring entity**
Bann Media Limited (a)	Northern Ireland	0.0	7 February 2023	Newspaper publishers	National World Publishing Limited
Insider Media Limited and Newsco Insider Limited (b)	England	1.5	28 April 2023	B2B Media	National World plc
Midland News Association Limited ("MNA") and subsidiaries; Press Computer Systems Limited ("PCS") (c)	England	4.4	29 September 2023	Newspaper & digital publisher and agency / Software developer and reseller	National World Publishing Limited

Each acquisition meets the definition of a business combination and has been accounted for using the acquisition accounting method in accordance with the Group's accounting policies.

(a) **Bann Media Limited** was acquired on 7 February 2023 and owns and operates Banbridge Chronicle newspaper title and website. The fair value of acquired net assets totalling £40k, is the same as the acquisition price paid.

(b) **Insider Media Limited** and its subsidiary **Newsco Insider Limited** were acquired on the 28 April 2023. All the assets and liabilities of the company were acquired. Insider is the UK's leading regional B2B media company that has built up, over 33 years, a loyal following of its business-orientated magazines and events, daily business newsletters and business information. Cash consideration of £2.5 million was paid on completion, with £1.1 million cash acquired on acquisition, before advisory and legal fees of £0.1 million incurred relating to the Insider Media Limited acquisition.

(c) **Midland News Association Limited ("MNA") and Press Computer Systems Limited ("PCS")** were acquired on 29 September 2023 and were interconditional. MNA owns and operates Express & Star, Shropshire Star and other titles. PCS was also acquired on 29 September 2023 and owns and operates specialist publishing software including Knowledge Prospect and Knowledge Publishing among other products. The total consideration paid was £11.5

Knowledge Prospect and Knowledge Publishing among other products. The total consideration paid was £11.5 million, with £0.4 million cash acquired on acquisition, before advisory and legal fees of £0.3 million incurred relating to the acquisition.

The provisional fair value of the assets and liabilities recognised as a result of the acquisitions are as follows:

	Note	Bann Media Limited £m	Insider Media Limited & subsidiary £m	MNA and PCS £m	Total acquisitions £m
Working capital		-	(0.6)	1.0	0.4
Brand intangible asset	9	-	1.5	-	1.5
Customer relationship intangible asset	9	-	1.0	-	1.0
Digital intangible	9	-	-	0.7	0.7
Publishing titles	9	-	-	3.2	3.2
Tangible assets	10	-	0.1	0.4	0.5
Right of use assets	11	-	0.3	0.7	1.0
Right of use liabilities	11	-	(0.3)	(0.7)	(1.0)
Dilapidation provision	13	-	(0.1)	-	(0.1)
Deferred tax liability		-	(0.4)	(0.9)	(1.3)
Fair value of assets and liabilities acquired - provisional		-	1.5	4.4	5.9
Goodwill	8	-	1.0	7.1	8.1
Total initial consideration		-	2.5	11.5	14.0

In the period total cash consideration of £16.5 million was paid (£15.0 million net of cash acquired) for acquired subsidiaries comprising:

- £2.5 million deferred consideration paid to the former owners JPIMedia Limited on 31 March 2023, representing the second and final tranche due and there are no further amounts payable relating to the JPIMedia Group acquisition; and
- £14.0 million paid (£12.5 million net of cash acquired) for the share purchase acquisitions with no deferred or conditional consideration applicable except for MNA, which has a conditional consideration element, whereby if a capital allowances saving is received by National World Publishing Limited then 50% of the saving will be paid to the seller. No consideration was attributed to this on completion as there is no certainty that the capital allowances will be utilised by the Group.

The acquisitions represent a growth opportunity for National World, with synergies realised across the combined Group with opportunities for audience expansion. For the period of ownership during the period ended 30 December 2023, all the business acquisitions contributed Revenue of £9.3 million and Adjusted EBITDA of £1.3 million.

Other acquisitions completed during the period
The Group completed three asset purchase acquisitions during the period which do not meet the criteria of business combinations. The Group acquired Newry Reporter, Farm Week and Rotherham Advertiser titles for combined cash consideration of £0.4 million (Note 10), with the assets disclosed as acquired intangible asset - publishing titles in the period.

Total cash consideration paid for all seven acquisitions (share and asset purchases) completed in the period totalled £14.4 million, (£12.9 million net of £1.5 million cash acquired from the Insider Media, MNA and PCS acquisition). For the period of ownership during the period ended 30 December 2023, the Income Statement includes £10.5 million Revenue and Adjusted EBITDA of £1.7 million for all acquisitions completed in the period.

Acquisition related costs
Total legal and advisory costs incurred in respect of all the seven acquisitions completed in the period was £0.4 million (2022: £nil million), refer Note 4.

16. Notes to the Cash Flow Statement

	Note	2023 £m	2022 £m
Operating profit		2.6	5.2
Adjustments for non-cash/non-operating items:			
Amortisation of intangible assets	4	1.0	0.5
Tangible assets depreciation expense	4	0.4	0.4
ROUA depreciation expense	4	0.4	0.6
ROUA Impairment	4	0.1	0.1
Charge for share based payment		0.2	-
Operating cash flow before working capital changes		4.7	6.8
Net decrease in provisions		(0.2)	(1.0)
		4.5	**5.8**
Changes in working capital:			
Increase/(decrease) in receivables		(0.7)	1.6
Increase in payables		0.6	2.1
Cash generated from operations		**4.4**	**9.5**

Cash and cash equivalents (which are presented as a single class of assets on the face of the Statement of Financial Position) comprise cash at bank.

Changes in liabilities arising from financing activities
The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows are, or future cash flows will be, classified in the Group's Consolidated Cash Flow Statement as cash flows from financial activities.

	Note	1 Jan 23	Acquisition of subsidiaries	Cash inflow from issue of debt	Cash outflow on repayment of debt	Non-cash movements	30 Dec 23
		£m	£m	£m	£m	£m	£m
Leases	19	0.8	1.0	-	(0.8)	-	1.0
Borrowings	23	1.0	-	-	**(1.0)**	-	-
Total liabilities from financing activities		**1.8**	**1.0**	**-**	**(1.8)**	**-**	**1.0**

The £1.0 million unsecured interest only loan notes raised to fund working capital were outstanding at 31 December 2022 and were repaid on 29 December 2023.

17. Alternative performance measures

To provide clarity of the underlying trading performance of the Group, the operating results are presented on an adjusted basis. Adjusted results are before non-recurring restructuring and organisational charges, IFRS 16 adoption, transaction costs, amortisation of intangible assets and impairment charges. The Directors believe that it is appropriate to additionally present the alternative performance measures used by management in running the business and that it will present a more meaningful and comparable financial result.

The adjusted results provide supplementary analysis of the 'underlying' trading of the Group.

	Adjusted results		**Statutory results**	
	2023	**2022**	**2023**	**2022**
	£m	**£m**	**£m**	**£m**
Revenue	88.4	84.1	88.4	84.1
Operating costs	(78.9)	(74.4)	(78.6)	(73.7)
Depreciation and amortisation	(0.4)	(0.4)	(1.8)	(1.5)
Operating profit pre non-recurring items	9.1	9.3	8.0	8.9
Non-recurring items	-	-	(5.4)	(3.7)
Operating profit	9.1	9.3	2.6	5.2
Net finance income/(expense)	0.6	-	0.5	(0.1)
Profit before tax	9.7	9.3	3.1	5.1
Tax (charge)/credit	(2.2)	(1.8)	(0.4)	0.1
Profit after tax	**7.5**	**7.5**	**2.7**	**5.2**

The adjusted profit before tax is £9.7 million and the adjusted tax rate is 23% with a £2.2 million tax charge in the period. The adjusted tax charge does not benefit from the brought forward tax losses so as to provide a more meaningful and comparable financial result.

Operating profit as determined under IFRS to adjusted operating profit:

	Note	**2023**	**2022**
		£m	**£m**
Operating profit as determined under IFRS		**2.6**	**5.2**
Adjustments:			
Lease costs		(0.3)	(0.7)
Depreciation on right of use assets	4	0.4	0.6
Amortisation of intangible assets	4	1.0	0.5
Restructuring costs	4	3.6	3.3
ROUA Impairment	4	0.1	0.1
Property Rationalisation	4	0.1	-
Aborted transaction costs	4	-	0.3
Acquisition transaction costs	4	0.4	-
Incomplete acquisition costs	4	1.2	-
Adjusted operating profit		**9.1**	**9.3**

EBITDA and adjusted EBITDA are:

		2023	**2022**
		£m	**£m**
Operating Profit as determined under IFRS		**2.6**	**5.2**
Depreciation and amortisation	4	1.8	1.5
ROUA Impairment	4	0.1	0.1
EBITDA		**4.5**	**6.8**
Adjusted operating profit		**9.1**	**9.3**
Depreciation on tangible assets	10	0.4	0.4
Adjusted EBITDA		**9.5**	**9.7**

Adjusted EBITDA	9.5	9.7

18. Reconciliation of statutory to adjusted cash flow

	IFRS 2023 £m	Adjustments £m	Adjusted 2023 £m
Cash flow from operating activities			
Operating profit	2.6	6.5	9.1
Impairment on ROUA	0.1	(0.1)	-
Depreciation and amortisation	1.8	(1.4)	0.4
Charge for share based payment	0.2	(0.2)	-
Adjusted EBITDA	4.7	4.8	9.5
Restructuring costs paid	-	(3.6)	(3.6)
Provisions	(0.2)	0.2	-
Working capital and other	(0.1)	(3.2)	(3.3)
Net cash flow generated from operations	**4.4**	**(1.8)**	**2.6**
Investing activities			
Acquisition of subsidiaries net of cash	(15.0)	-	(15.0)
Transactions cost complete and incomplete	(0.9)	0.9	-
Interest earned	0.7	-	0.7
Purchases of tangible assets	(0.4)	-	(0.4)
Acquisition of intangible assets	(1.7)	-	(1.7)
Net cash outflow from investing activities	**(17.3)**	**0.9**	(16.4)
Financing activities			
Interest paid	(0.2)	0.1	(0.1)
Dividend payment	(1.4)	-	(1.4)
Debt repayment	(1.0)	-	(1.0)
Principal repayment of leases	(0.8)	0.8	-
Net cash utilised from financing activities	**(3.4)**	**0.9**	**(2.5)**
Net increase in cash and cash equivalents	**(16.3)**	**0.0**	**(16.3)**

The adjustments for 2023 are:

- £6.5 million increase in operating profit reflects £0.1 million impairment of ROUA, £0.4 million depreciation of IFRS 16 leased assets, £1.0 million amortisation of intangible assets, £1.5 million of complete and incomplete acquisition transaction costs and £3.6 million restructuring costs partially offset by savings of lease cost of £0.3 million resulting from the adoption of IFRS 16;
- £0.1 million reduction in ROUA impairment of IFRS 16 lease assets;
- £1.4 million reduction in depreciation and amortisation reflects the £0.4 million depreciation of IFRS 16 lease assets; and £1.0 million amortisation of intangible assets which has been added back to operating profit;
- £0.2 million charge for share based payment which has been added back to operating profit;
- £3.6 million reduction for restructuring costs, reflects £3.6 million charged in the period of which £2.3 million has been paid and £1.3 million is accrued at the period-end. The remaining £1.3 million paid in the period related to 2022 and was accrued at the prior year-end;
- £0.2 million provision movement;
- £3.2 million negative working capital adjustment;
- £0.9 million total transaction cost for completed and incomplete acquisitions; and
- £0.1 million interest and £0.8 million principal payments on IFRS 16 leases are added back as they have already been charged to operating profit.

The prior year comparative statutory to adjusted cash flow reconciliation is presented below:

	IFRS 2022 £m	Adjustments £m	Adjusted 2022 £m
Cash flow from operating activities			
Operating profit	5.2	4.1	9.3
Impairment on ROUA	0.1	(0.1)	-
Depreciation and amortisation	1.5	(1.1)	0.4
Adjusted EBITDA	6.8	2.9	9.7
Restructuring costs paid	-	(2.5)	(2.5)
Aborted transaction costs	-	(0.4)	(0.4)
Provisions	(1.0)	1.0	-
Working capital and other	3.7	(2.2)	1.5
Net cash flow generated from operations	**9.5**	**(1.2)**	**8.3**
Investing activities			
Acquisition of subsidiaries	(2.6)	-	(2.6)
Interest received	0.2	-	0.2
Investment in The News Movement	(1.1)	-	(1.1)
Purchases of tangible assets	(0.4)	-	(0.4)
Acquisition of digital assets	(0.2)	-	(0.2)
Net cash outflow from investing activities	**(4.1)**	**-**	**(4.1)**
Financing activities			
Interest paid	(0.3)	0.1	(0.2)
Principal repayment of leases	(1.1)	1.1	-

Net cash utilised from financing activities	**(1.4)**	**1.2**	**(0.2)**
Net increase in cash and cash equivalents	**4.0**	**-**	**4.0**

The adjustments for 2022 are:

- £4.1 million increase in operating profit reflects £0.1 million impairment of ROUA, £0.6 million depreciation of IFRS 16 leased assets, £0.5 million amortisation of intangible assets, £0.4 million on aborted transaction costs and £2.5 million restructuring costs (includes £0.4 million paid relating to 2021 schemes);
- £0.1 million reduction in ROUA impairment of IFRS 16 lease assets;
- £1.1 million reduction in depreciation and amortisation reflects the £0.6 million depreciation of IFRS 16 lease assets and £0.5 million amortisation of intangible assets which has been added back to operating profit;
- £2.5 million reduction for restructuring, reflecting the £3.3 million restructuring costs charged in the period of which £2.5 million has been paid in the period including £0.4 million of 2021 restructuring costs, with the remaining £1.2 million accrued at the period-end;
- £0.4 million aborted transaction costs reduction as these were added back to operating profit
- £1.0 million provision movement;
- £2.2 million negative working capital adjustment; and
- £0.1 million interest and £1.1 million principal payments on IFRS 16 leases are added back as they have already been charged to operating profit.

19. Assets and liabilities classified as held for sale

	Note	2023 £m	2022 £m
Non-current assets classified as held for sale	9,10	1.0	-
Liabilities classified as held for sale		(0.1)	-
Total net assets classified as held for sale		**0.9**	**-**

The assets and liabilities of Press Computer Systems Limited are classified as held for sale at the period end. The Group is in advanced stage discussions for a business disposal that it expects to complete on 31 March 2024.

The assets held for sale consist of £0.7 million of digital intangible assets and £0.3 million of tangible assets and the liabilities comprise £0.1 million of deferred revenues that are due to be sold within one year.

20. Principal Risks and Uncertainties

The Company operates in an uncertain environment and is subject to a number of principal risks. The principal risks in 2023 and 2022 are summarised in the table below:

2022	2023	Update
Strategy	Strategy	Retained with a broader coverage of risks
Cyber security and data migration	Cyber security and data migration	Retained as a key risk
Infrastructure and operations	Infrastructure and operations	Retained as a key risk
Data Protection	Data Protection	Retained as a key risk
	People	New key risk added for 2023

In 2023, we identified a new risk on our risk register of climate change and we are formulating our net zero plan. This risk is not considered a principal risk.

The Board has undertaken a detailed risk assessment and considers the following principal risks to the Company's activities although it should be noted that this list is not exhaustive and that other risk factors not presently known or currently deemed immaterial may apply.

Issue	Risk/Uncertainty	Mitigation	Update
Strategy macroeconomic conditions	The company continues to carefully monitor global and UK macroeconomic variables and the impact they may have on the media economy and specifically consumer expenditure and business confidence. With inflation and interest rates at generational highs the cost of living crisis will reduce household disposable income and therefore impact retail activity and spend on other non-essential services. All the major global tech platforms and digital brands are adapting their resource	The Board has a very experienced management team that is highly motivated to deliver its strategy. The Executive Directors are fully engaged on the operating performance of the business and regular updates are provided to the Board on strategic initiatives.	The Board and Executive Directors remain focused on ensuring the delivery of the Group strategy. The Executive Directors carefully consider the geopolitical challenges and economic uncertainty and pressures this has on the financial performance of the Group. Timely action is taken to manage the cost base. The Executive

Issue	Risk/Uncertainty	Mitigation	Update
	structure to counteract the recessionary impact on forecasted digital advertising levels. Our new operating model is being shaped to refocus our business on a new content strategy to increase engagement levels with our customers and also to target new clients with a new multimedia proposition to maximise revenue opportunities during the expected downturn.		Directors consider AI technologies and new platforms and entrants to the market on an ongoing basis.
Cyber security and data migration	The Group is at risk of a cyber-attack on systems and websites.	In-line with industry best-practice, multiple layers of security systems are in-place. These include managed firewalls, managed DDoS protection, anti-virus software, Single-Sign-On, ransomware protection and a managed email platform that has a number of sophisticated security configurations built-in. The principal news websites are hosted independently of the main IT infrastructure on Amazon Web Services under the management of a third-party vendor. The change advisory board regularly review the internal risk register and update accordingly in response to any identified issues.	A strategic programme to migrate all of our core system to Google Cloud Platform has been completed. Cyber insurance policy is in place; however this doesn't currently extend to our recent acquisitions, Business Insider and MNA. During March 2024, the Insider is expected to be fully migrated across to National World and will be part of the NW policy. We have added a number of security improvements to our recent acquisitions, whilst the integration of acquisitions is in progress.
Infrastructure and operations	The Group is reliant on an effective and efficient infrastructure to support its operations. This includes a robust: IT Infrastructure, regulatory compliance framework, financial control environment and contracts with suppliers, in particular for our websites and printing and distribution of our newspapers. The operations of the Group will be adversely impacted by issues due to the loss of key infrastructure, weaknesses in the control environment and loss of key suppliers.	The Group has established a risk management framework which is overseen by the Risk Management Committee and includes senior management representing all operations across the Group. A strategic programme is in place to migrate all existing IT infrastructure to Google's Cloud Platform. As well as providing increased physical security and resilience, this migration will provide an opportunity for a review of the cyber security risks for each workload being migrated and a reduction in the total number of systems in operation.	A strategic programme to migrate all of our core system to Google Cloud Platform has been completed. Cyber insurance policy is in place, however this doesn't currently extend to our recent acquisitions, Insider Media and MNA. During March 2024, the Insider is expected to be fully migrated across to National World and will be part of the NW policy. We have added a number of security improvements to our recent acquisitions, whilst the integration of acquisitions is in progress.
Data Protection - GDPR	Legal Counsel conducts assessments of data	The Data Protection Officer, IT Business	Regular review of policies and

Issue	Risk/Uncertainty	Mitigation	Update
	quality. Use of data is overseen by Legal Counsel and advice is sought by sales and marketing teams as and when data is being sourced. Implementation of GDPR is subject to ongoing monitoring and this includes mandatory company training and working with IT and any other relevant departments, as required.	Systems Director and IT & Operations Director ensure that all systems are UK GDPR & PCI compliant and that agents are updating the customer records in the CRM to ensure we are compliant and to ensure data is captured and managed within the ICO guidelines and GDPR requirements. All new supplier contracts are reviewed by Legal Counsel to ensure all required data protection provisions are included and signed up to by the supplier. All contracts are reviewed by the Legal team prior to signing. Intra-group data sharing agreement now complete. GDPR compliance across the Group is the subject of an ongoing improvement programme.	processes are conducted including the population of Record of Processing Activity and data mapping across the company to ensure UK GDPR compliance of all data processing across the business.
People	Loss of key senior management would restrict our ability to deliver the Group strategy	Review of succession planning. Review all aspects of remuneration and incentives in line with the pivoting of the business model to original content, developing a long term committed and engaged customer base and enduring commercial partnerships.	This is a new risk for 2023.

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