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National World PLC
01 August 2024

National World plc

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

Half-year Financial Report
Results for the 26 weeks ended 29 June 2024

Highlights

- **17% growth in Group revenue**
- **12% growth in digital revenue**
- **Adjusted EBITDA of £5.0 million, in line with expectations**
- **61% increase in Adjusted EBITDA with 2023 acquisitions fully integrated**
- **Net cash balance of £13.0 million**
- **0.2p maiden interim dividend declared, payable on 20 September 2024 to shareholders on the register on 9 August 2024, continuing a progressive policy**
- **Full year expectation unchanged**

	Adjusted results*^		Statutory results	
	H1 24 £m	H1 23 £m	H1 24 £m	H1 23 £m
Revenue	48.8	41.6	48.8	41.6
EBITDA	5.0	3.1	3.6	2.1
Operating profit	4.7	2.9	2.2	1.4
Profit before tax - Continuing operations	4.8	3.2	2.3	1.7
Profit before tax - Discontinued operations	0.1	-	1.1	-
Earnings per share - basic (pence) - Continuing operations	1.4p	0.9p	0.4p	0.5p
Dividend per share (pence)	0.2p	n/a	0.2p	n/a

* Adjusted results are before non-recurring items, amortisation of intangible assets and impact of IFRS16. Note 21 provides a reconciliation between Statutory and Adjusted results.

^ Unaudited

Commenting on the results, Executive Chairman, David Montgomery, said:

"The enhanced performance and significantly increased profits are the result of expert integration of acquired businesses and also an energetic restructure of the operating model based around original, monetisable content, re-skilling of the talent base and greater engagement with registered customers.

"We are investing in both automated processes combined with the development of a social media platform that deepens the relationship with communities and interest groups to win back key marketplaces.

"At the same time our expert and specialist content, in areas such as business and sport, is exploiting a national footprint that in future will be better represented by the Group to promote data and sales.

"National World is also alive to the attractiveness of consolidation, extracting immediate significant synergies and equipping acquired businesses with the innovative tools to grow exponentially."

- **Total revenue up 17%, digital revenue up 12%, net cash balance of £13.0 million**

- **Total Revenue up 17% to £48.8 million**, with a 19% year-on-year increase in quarter one, followed by a 16% increase in quarter two.

- **Robust digital revenue growth, up 12% year-on-year** to £10.0 million, bolstered by 2023 acquisitions. The business is transitioning away from page view (PV) metrics, towards what our customers and advertisers recognise as higher value content. This is demonstrated by our 12% increase in digital revenue despite a 4% decrease in PV, and a 25% increase in video revenue despite a 14% decrease in video views.

- **Events revenues of £2.5 million represent an 92% improvement year-on-year**, benefiting from having acquired Insider Media on 30 April 2023. 2024 is a transformational year for our events business with overall revenues expected to exceed £5.0 million. The Group will run 100 events throughout the year across the UK and 50 sector specific networking breakfasts. The sector specialisms include finance, property, manufacturing, community and apprenticeships. This business is in a highly rated marketplace and our 2024 growth makes it a meaningful diversification for the Group.

- **Adjusted EBITDA** of £5.0 million, up 61% and adjusted operating profit of £4.7 million, up 62%. EBITDA margin has improved to 10%, a 3 pps improvement on the prior period. Contributing factors to the improved performance are the benefit from the acquisitions completed in 2023 for which there is not a full period of comparatives and the Group's accelerated plans, which were delivered in the second half of 2023, to implement the new operating model.

- **Acquisitions and Disposals**.
  On 31 March 2024 the Group disposed of Press Computer Systems Limited, ("PCS") to Naviga 1 UK Limited, ("Naviga") which it had acquired six months earlier as part of the Midland News Association, ("MNA") acquisition. The Group has recorded a £1.0 million gain on the disposal of PCS in the Statutory Discontinued Operation results. Consideration of £3.5 million was received in the form of service credits which the Group will utilise against the five-year software agreement it has with Naviga. From 1 July 2024 onwards, the Group will benefit from a reduced adjusted operating cost base and cash out flow, which is expected to benefit the next four to five years until the £3.5 million service credit is fully utilised.

  The Group has completed two acquisitions in 2024, with Athletics Weekly acquired on 31 May and Serious About Rugby League on 8 July, both acquisitions were funded from existing cash resources. The specialist content sites will enhance the Group's sports vertical.

- **Strong balance sheet with significant financial flexibility**, closing net cash balance of £13.0 million at 29 June 2024, with no outstanding debt.

- **Dividend.** A maiden interim dividend of 0.2 pence per share has been approved and declared by the Board and will be paid on 20 September 2024 to shareholders on the register at 9 August 2024.

  On 30 May 2024, shareholders approved the payment of a 0.55 pence per share dividend which was paid on 10 July, in relation to FY23 performance.

Outlook

The Company's primary focus is to build a sustainable and monetisable content business, embracing its news provision tradition but with a wider agenda across all platforms. This pivoting of the business has continued unabated despite the economic headwinds in the first half.

Revenues in July have increased by 13% year on year. The Company will continue to benefit in the second half from three key drivers - the acquired businesses, new launches and relaunches of heritage brands. Tight cost management remains a critical factor as in the whole sector.

The Board confirms its view that the business will perform in line with market expectation for the full year.

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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

National World plc was founded on the principle that it would consolidate in the news media sector and innovate in content across all platforms to establish a sustainable growing business.

The Group delivered a robust growth performance in H1 2024 in line with both that principle and market expectations. Adjusted EBITDA for the period was £5.0 million, up 61% year on year and adjusted operating profit was £4.7 million, up 62%, from continuing operations.

Overall revenue was £48.8 million, an increase of 17% from H1 2023. Revenues improved by 19% in the first quarter followed by a 16% increase in the second quarter. The six acquisitions, completed in 2023, contributed £11.8 million of additional revenue in the first half (H1 2023: £2.0 million) and are expected to contribute revenue of over £21 million, and EBITDA of more than £3 million in the full year.

National World has established a wider and more diverse media portfolio since its first acquisition in January 2021. Among other considerations the Executive and Independent Directors consider it is necessary that the Group presents itself as a unique proposition commercially instead of being perceived as a regional newspaper group.

National World's content is pivoting towards topic specialisation distributed across all platforms, locally, nationally and internationally. Its engagement with its heritage communities and interest groups is modelled on social media exchanges underpinned by the reliability and safety of journalistic curation.

The many and continuing launches of the World city brands have prevented some of the recent audience erosion suffered by other news groups due to algorithmic changes by the platforms, increased activity from the entertainment industry and unfair competition in local news from the tax funded BBC.

The focus is increasingly on original and monetisable content in key sectors with business and sport now organised in group wide verticals. These and other topics will also enhance our events coverage which has accelerated since our acquisition of Insider Media last year.

At the same time local content is being enriched through greater networking with community groups, businesses and public institutions. It is National World's intention to make all local brands uniquely local, banishing generic content in at least 50 titles by the year end. This - and the establishment of a local social media platform will give greater longevity to heritage assets.

Innovation and acquisition

Unlike other heritage news businesses, National World is combining cost efficiency with investment in innovation and techniques with current encouraging trends showing that the Company is well positioned to benefit in developing areas, such as video and TV production and revenue, subscriptions and app driven user and advertiser revenues.

Most importantly, our social media platform registration wall will help create a local marketplace, recreating digitally the stronger presence once enjoyed by local print publishers.

Three components are constantly at play - acquisitions, consolidation and innovation. A mixture of the first two is expected to increase revenues overall for the full year. The net effect of launches and acquisitions this year means a projected stabilisation of revenue for the first time in many years.

The innovation involves a change to the operating model that is focused on automation including the immediate exploitation of artificial intelligence in production across both print and digital platforms.

The Executive Directors and Independent Directors believe that the significant investment is in the long-term interest of shareholders and also demonstrably justified by an increase in productivity.

When the Company acquired JPIMedia Group on 2 January 2021 there were 79 brands reporting £88.2 million revenue supported by 1,465 employees. In 2024, the Group has over 100 brands, with projected revenue of £100 million supported by 1,199 staff.

The Group's versatile and technologically driven infrastructure - plus its many innovative initiatives - provide shareholders with an unrivalled opportunity for mergers that could extract value from synergies. Directors would be derelict not to pursue these consolidation benefits, cautiously of course, but energetically.

From continuing operations, the Group delivered a statutory operating profit of £2.2 million, and statutory earnings per share (basic) for the period were 0.4 pence per share (2023: 0.5 pence per share). Adjusted earnings per share (basic) for the period were 1.4 pence per share (2023: 0.9 pence per share), from continuing operations.

Monetisable expert content is critical to the development of the Group and our talent base is being reformed and re-skilled to deliver this approach in video, podcasts, events and now mainstream television.

Key initiatives, both in acquisition and innovation, so far this year include:

- The continued development of automation in print publishing that will be rolled out for the weekly titles during the remainder of the year with purely local content, thereby increasing value to the consumer and advertiser;
- The acquisition of two sports specialist brands, Athletics Weekly and Serious About Rugby League with a combined total revenue of £0.4 million and expected EBITDA of £0.1 million in 2024;
- The disposal of Press Computer Systems was completed on 31 March 2024, which was not core to the National World business;
- The development of a content team to focus on trending content across every major UK city;
- The consolidation of a magazine hub to centrally design our Business Insider titles in a modern format combined with our high quality Athletics Weekly magazine; and
- Total subscribers to National World websites and apps increased by 8% to 20,877 since year end. The Scotsman, Yorkshire Post, News Letter, Express and Star and Shropshire Star brands have grown their subscriber base by 17% since December 2023. Our registration strategy has seen monthly logged-in visits to our portfolio of websites increase by 87% since year-end.

All these initiatives help to pivot the Company towards a premium content business, based on expert journalism and targeting key topics. A number of potential further acquisitions have also been identified.

National World's transition has gained momentum and it is poised to benefit across print, digital and video platforms in a recovery.

This and recent trends towards a modest advertising improvement give confidence that the Company can meet its expectations for the full year.

David Montgomery
Executive Chairman
1 August 2024

Financial review

Income statement

Basis of presentation of results

The adjusted results are presented to provide additional clarity and understanding of the Group's underlying trading. Adjusted results are before the implementation of IFRS16, the amortisation of intangible assets and non-recurring items, including restructuring and transaction costs. A reconciliation between Statutory and Adjusted results is shown in Note 21.

The results for the period include Athletics Weekly, acquired on 31 May 2024, and the acquisitions completed throughout 2023. The prior year comparatives include Insider Media for 2 months, the Northern Ireland title acquisitions and Rotherham Advertiser from their respective acquisition dates. The Midland News Association acquisition was completed on 29 September 2023 so its results are not included in the comparatives, and Press Computer Systems ("PCS") also acquired on 29 September 2023 is now disclosed as discontinued operations following its disposal on 31 March 2024.

Results for the 26 weeks ended 29 June 2024

The statutory and adjusted results have been prepared for the 26 weeks ended 29 June 2024 (2024) and the comparative period is for the 26 weeks ended 1 July 2023 (2023).

Note 21 sets out the reconciliation between the statutory and adjusted results.

	Adjusted results		**Statutory results**	
Continuing operations	**2024 £m**	**2023 £m**	**2024 £m**	**2023 £m**
Revenue	**48.8**	**41.6**	**48.8**	**41.6**
Operating Costs	(43.8)	(38.5)	(43.5)	(38.3)
Depreciation and Amortisation	(0.3)	(0.2)	(1.4)	(0.7)
Operating profit pre non-recurring items	**4.7**	**2.9**	**3.9**	**2.6**
Non-recurring items:				
Impairment of TNM	-	-	(1.1)	-
Restructuring costs	-	-	(0.6)	(1.0)
Transaction costs	-	-	-	(0.2)
Operating profit	**4.7**	**2.9**	**2.2**	**1.4**
Net finance income	0.1	0.3	0.1	0.3
Profit before tax	**4.8**	**3.2**	**2.3**	**1.7**
Tax (charge)	(1.2)	(0.8)	(1.3)	(0.4)
Profit after tax from continuing operations	**3.6**	**2.4**	**1.0**	**1.3**
Discontinued operations				
Profit for the period from discontinued operations	0.1	-	1.2	-
Profit for the period from total operations	**3.7**	**2.4**	**2.2**	**1.3**
EBITDA - continuing operations	**5.0**	3.1	**3.6**	2.1
Operating profit margin %	**10%**	7%	**5%**	3%
EBITDA margin %	**10%**	7%	**7%**	5%
Earnings per share - from continuing and discontinued operations				
Basic (pence)	**1.4p**	0.9p	**0.8p**	0.5p
Diluted (pence)	**1.3p**	0.9p	**0.8p**	0.5p

Earnings per share - from continuing operations				
Basic (pence)	**1.4p**	0.9p	**0.4p**	0.5p
Diluted (pence)	**1.3p**	0.9p	**0.4p**	0.5p

The Group delivered a solid performance in the first half considering the challenging market conditions with revenue increasing 17% to £48.8 million (2023: £41.6 million) and adjusted operating profit increasing to £4.7 million (2023: £2.9 million). Adjusted EBITDA in the period was £5.0 million (2023: £3.1 million) with the EBITDA margin increasing by three percentage points to 10% (2023: 7%) with benefit from the actions taken in late 2023 to implement the new operating model, and contribution from the acquisitions completed in 2023.

Adjusted finance income was £0.1 million (2023: £0.3 million income). Statutory financing income was £0.1 million (2023: £0.3 million income) including IFRS16 lease finance costs of c.£40,000.

Adjusted profit before tax of £4.8 million increased by £1.6 million (2023: £3.2 million), for continuing operations. Statutory profit before tax was £2.3 million (2023: £1.7 million) benefiting from the acquisitions completed in 2023 and lower restructuring costs offset by the impairment in The News Movement ("TNM") of £1.1 million.

For discontinued operations, a statutory profit of £1.2 million and adjusted profit of £0.1 million is reported in the period from discontinued operations.

For total operations:

- Statutory earnings per share for the period was 0.8 pence per share (2023: 0.5 pence per share).
- Adjusted earnings per share for the period was 1.4 pence per share (2023: 0.9 pence per share).

For continuing operations:

- Statutory earnings per share (basic) for the period was 0.4 pence per share (2023: 0.5 pence per share).
- Adjusted earnings per share (basic) for the period was 1.4 pence per share (2023: 0.9 pence per share).

Revenue

The table below provides a summary of revenue for the 26 weeks ended 29 June 2024 with the comparative for the 26 weeks ended 1 July 2023.

Continuing operations	2024 £m	2023 £m	Change £m	Change %
Print Publishing Revenue	**35.4**	**30.4**	**5.0**	**16**
Advertising	17.3	14.3	3.0	21
Circulation	16.7	14.9	1.8	12
Other	1.4	1.2	0.2	17
Digital Publishing Revenue	**10.0**	**8.9**	**1.1**	**12**
Advertising	6.2	5.6	0.6	11
Subscriptions	0.8	0.8	-	-
Other	3.0	2.5	0.5	20
Other Revenue	**3.4**	**2.3**	**1.1**	**48**
Events	2.5	1.3	1.2	92
Editorial funding	0.8	1.0	(0.2)	(20)
Other	0.1	-	0.1	**-**
Total Revenue from continuing operations	**48.8**	**41.6**	**7.2**	**17**
Total Revenue from discontinued operations	**0.7**	**-**	**0.7**	**-**
Total Revenue from total operations	**49.5**	**41.6**	**7.9**	**19**

The revenue environment has remained challenging with a continued slowdown in the UK economy impacting consumer confidence, driven by rising inflation and interest rates. Revenue increase of 17% compared to H1 2023 reflects a 19% increase in the first quarter and 16% growth in the second quarter with revenue earned through acquisitions mitigating against further declines.

Print revenue

Print revenue comprises all revenue driven by the local newspaper titles, including all digital revenue packaged with print.

Print Advertising revenue increased by 21% year-on-year with an increase of 20% in the first quarter followed by an increase of 22% in the second quarter, with additional revenues from the early election contributing to the stronger performance in Q2.

Circulation revenue increased by 12% during the period with an improvement of 13% in the first quarter and 11% in the second quarter. Average monthly circulation volumes in the period were 1.7 million for the daily newspapers and 0.7 million for the weekly newspapers representing a year on year growth of 13% and a decline of 12% respectively.

Circulation revenue for the daily titles was consistent across Q1 and Q2 at +13%, while weeklies saw a decline of 14% in Q2 compared to -9% in Q1. Titles acquired since January 2023 contributed £3.2 million revenue to the first half, an increase of £2.9 million compared to the prior period.

Free distribution increased by 159% year-on-year, due to the acquisition of the Dearne Valley Weekender in May 2023, and MNA titles in October 2023.

Magazines distribution in H1 2024 totalled 0.4 million copies including Insider Media, MNA and Athletics Weekly acquisitions, compared to 0.1 million copies in the same period last year.

Circulation revenues includes print subscription revenue of £1.5 million, a 2% decline year-on-year which is significantly lower than the overall circulation revenue decline of 8%, excluding the benefit of acquisitions.

Other print revenue, which includes syndication, leaflets, events ticket sales and other sundry revenues grew by 17% bolstered by the acquisition of Insider Media.

Digital revenue

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

Digital revenue increased by 12% in the period, delivering a strong first half with growth of 12% in Q1 followed by 13% in Q2. This is despite continued volatility in audience, with average monthly page views of 136 million in the first half, a year-on-year decline of 4%, with -8% in Q1 improving to +1% in Q2.

Digital advertising revenue increased by 11%, with a strong first quarter performance recording growth of 9% increasing to 12% in the second quarter. Advertising revenue is predominantly driven by audience with the Group averaging monthly Pages Views (PVs) of 136 million, -4% year-on-year and video advertising continuing to increase with 14% growth year-on-year. Total video views were 178 million in the first half, a 14% decline year-on-year, for owned and operated video views. Video views have declined as a result of changing balance of page views and reduced distribution to syndicated networks.

Digital subscription revenue remained flat at £0.8 million revenue, with growth of 5% in Q2, following a decline of 4% in Q1. Total subscribers to National World websites and apps increased by 8% to 20,877 since year end. Subscribers to the Scotsman, Yorkshire Post, News Letter, Express and Star and Shropshire Star brands has grown by 17% since December. Our registration strategy has seen monthly logged-in visits to our portfolio of websites increase by 87% since year-end.

Other digital revenue grew by 20%, due to contributions from acquisitions. Other digital revenues includes contracts for Google content, Digital marketing services and Syndication.

Other revenue

Editorial funding reflects grants from the BBC for local democracy reporters and from Meta for the funding of 57 journalists, 21 by Meta and 36 by BBC (2023: 60 journalists).

Events revenue grew 92% reflecting the contribution from Insider Media Limited acquired on 30 April 2023.

Other revenue includes outsourcing revenue generated by MNA.

Discontinued operations revenue of £0.7 million relates to PCS which was disposed of 31 March 2024.

Operating Costs

Operating costs comprise:

Continuing operations	Adjusted results 2024 £m	Adjusted results 2023 £m	Statutory results 2024 £m	Statutory results 2023 £m
Labour	24.2	21.3	24.2	21.3
Newsprint and production costs	6.6	6.4	6.6	6.4
Depreciation and amortisation	0.3	0.2	1.4	0.7
Other	13.0	10.8	12.7	10.6
Total operating cost before non-recurring items	**44.1**	**38.7**	**44.9**	**39.0**
Non-recurring items from continuing operations	-	-	1.7	1.2
Total operating costs from continuing operations	**44.1**	**38.7**	**46.6**	**40.2**
Total operating costs from discontinued operations	0.6	-	0.6	-
Non-recurring items from discontinued operations	-	-	(1.0)	-
Total operating costs from discontinued operations	**0.6**	**-**	**(0.4)**	**-**
Total operating costs from total operations	**44.7**	**38.7**	**46.2**	**40.2**

Continuing operations Statutory operating costs increased by £5.4 million to £45.6 million (2023: £40.2 million) and increased by £5.4 million on an adjusted basis to £44.1 million (2023: £38.7 million).

Adjusted costs are before non-recurring items, amortisation of intangible assets and impact of IFRS16.

The increase in costs can be attributed to the larger acquisitions, with Insider Media and MNA acquired in April and September 2023 respectively and therefore not fully included in the comparatives. This increase is offset by cost saving actions taken across the Group, largely delivered in H2 2023.

Labour

The Group employed an average of 1,174 employees during the period (2023: 1,110). The increase in resource can be attributed to the acquisitions, offset by leavers.

Newsprint and Production costs

Newsprint costs have declined by -26% overall, excluding the impact of the acquisitions this is a reduction of 41%, reflecting declining circulation volumes, and a reduction in the price of newsprint by 31%. Production costs have increased by 20% over the period, driven by acquisitions, offset by reduced printing volumes and a new printing contract which commenced Q4 2023. Excluding the impact of acquisitions production costs have reduced by 12%.

Depreciation and amortisation

Adjusted depreciation and amortisation, which excludes amortisation of intangible assets and depreciation on Right of Use assets, is £0.3 million (2023: £0.2 million). For the full year, capital expenditure of c.£2.0 million is expected.

Statutory depreciation and amortisation increased by £0.7 million to £1.4 million (2023: £0.7 million) with the increase due to acquired intangible, tangible and Right of Use assets, and digital development projects.

Other

Other costs comprise property, IT, digital product and engineering, administration and other operating costs. Adjusted other costs increased by £2.2 million to £13.0 million, with the increase attributed to the acquired businesses, digital and IT investment, and other inflationary increases.

Non-recurring items

Within the continuing operations, total non-recurring costs of £1.7 million were incurred in the period (2023: £1.2 million), which includes:

- £1.1 million impairment of the investment in TNM, which was determined by the Directors.
- £0.6 million restructuring costs (2023: £1.0 million) for the delivery of cost reduction measures, which will generate in-year savings of £0.5 million and annualised savings of £0.9 million.

Discontinued operations generated a statutory profit after tax of £1.2 million, including a £1.0 million gain on sale of PCS.

Finance income and charges

Financing (income) and charges on a statutory and adjusted basis are:

	Adjusted results	Statutory results

Continuing operations	2024 £m	2023 £m	2024 £m	2023 £m
Interest income	(0.1)	(0.4)	(0.1)	(0.4)
Interest on unsecured loan notes	-	0.1	-	0.1
Interest on lease liabilities	-	-	-	-
Total financing (income)/charge from continuing operations	**(0.1)**	**(0.3)**	**(0.1)**	**(0.3)**
Total financing (income)/charge from discontinued operations	**-**	**-**	**-**	**-**
Total financing (income)/charge	**(0.1)**	**(0.3)**	**(0.1)**	**(0.3)**

Net adjusted financing income include £0.1 million interest income earned from cash held on deposits with Barclays Bank and Lloyds Bank (2023: £0.4 million).

The unsecured loan notes were repaid in December 2023, therefore the interest expense is £nil million in the period (2023: £0.1 million).

Statutory finance expense includes £nil million interest charge on IFRS16 lease liabilities (2023: £nil million).

Profit before tax

Statutory profit before tax for continuing operations of £2.3 million (2023: £1.7 million) is after £1.7 million non-recurring costs (2023: £1.2 million).

Adjusted profit before tax of £4.8 million (2023: £3.2 million) is before non-recurring items, the impact of IFRS16 and amortisation of intangible assets. The increase in profit before tax is due to a 17% increase in revenue offset by operating costs 14% higher than the comparative.

Statutory tax charge and effective tax rate

The statutory tax rate for the period is 25%. In continuing operations, a statutory tax charge of £1.3 million is recognised in the period (56% effective tax rate), comprising £0.1 million current tax charge, and £1.2 million deferred tax charge. The difference to the standard rate of tax of 25% is due to disallowed expenses including the TNM investment impairment of £1.1 million and group relieving brought forward losses to offset gains in Discontinued operations.

The adjusted profit before tax is £4.8 million, and the adjusted tax rate is 25% with an adjusted tax charge in the period of £1.2 million (2023: £0.8 million). The adjusted tax charge provides a more meaningful and comparable financial result.

At the period-end the Group has total tax losses carried forward of £13.4 million recognised as a deferred tax asset (30 December 2023: £17.9 million, 1 July 2023: £17.8 million), calculated using a corporate tax rate of 25%. The Group expects the losses will be utilised over the next three years.

Earnings per share (basic)

	29 Jun 2024	1 Jul 2023	30 Dec 2023
	p	p	p
Continued operations			
Statutory earnings	**0.4**	0.5	1.0
Adjusted earnings	**1.4**	0.9	2.8
Discontinued operations			
Statutory earnings	**0.4**	**-**	**-**
Adjusted earnings	**-**	**-**	**-**
Total operations			
Statutory earnings	**0.8**	0.5	**1.0**
Adjusted earnings	**1.4**	0.9	**2.8**

Balance sheet

	29 Jun 2024 £m	30 Dec 2023 £m
Non-current assets	30.6	30.4
Current assets	29.2	26.0
Assets held for sale	-	1.0
Total assets	**59.8**	**57.4**
Current liabilities	(22.9)	(21.6)

Current liabilities	(22.9)	(21.6)
Non-current liabilities	(0.5)	(0.2)
Liabilities held for sale	-	(0.1)
Total liabilities	**(23.4)**	**(21.9)**
Net assets	**36.4**	**35.5**

Net assets of £36.4 million have increased by £0.9 million compared to the net assets reported at the year-end. The movement includes the £2.2 million statutory profit after tax for the period from total operations and the £0.2 million long term incentive share based payment charge offset by the dividend declared in the period of £1.5 million relating to the FY2023 performance.

Non-current assets

Non-current assets are in line with last year and reflect the £1.1 million impairment of the TNM investment, £0.8 million reduction in deferred tax asset, offset by £1.9 million PCS disposal deferred consideration recognised and intangible assets increasing by £0.3 million due to digital development projects, the acquisition of the Athletics Weekly net of amortisation charges.

The deferred consideration totalling £3.5 million deferred consideration has been recognised at fair value when the business was sold, and discounted to £2.2 million (£0.3 million recognised as current, and £1.9 million non-current assets). From 1 July 2024 the Group will benefit from utilising the £3.5 million service credit from the sale of PCS, that will reduce its operating costs and cash out flows over the next 4-5 years.

Current assets

Cash and cash equivalents of £13.0 million increased by £2.3 million in the period. There were a number of significant one-off cash outflows in the period, including the payment of restructuring costs totalling £1.2 million and the payment of incomplete transaction costs of £0.8 million both accrued at the year-end.

Current liabilities

Trade and other payables of £21.9 million (2023: £19.9 million) increased by £2.0 million in the period driven by the £1.5 million accrual for the FY23 dividend, which was approved at the 31 May 2024 AGM and paid to shareholders on 10 July 2024.

Current provisions decreased by £0.2 million to £0.7 million as £0.1 million was utilised in the period for property rationalisation in the period and £0.1 million for dilapidation provision utilisation.

Non-current liabilities

Right of Use lease liabilities have increased by £0.3 million to £0.5 million due to the new Manchester office lease.

Key Performance Indicators

To monitor progress against the Group's strategy the Board set four Key Performance Indicators ("KPIs"), for 2024, and performance against these for the first half is set out below:

- *Digital audience*: *Grow digital audience (page views) with a target of c.150 million average monthly page views in 2024.*

  The Group report average monthly page views of 136 million in the first half, a 4% year-on-year decline. In the first half, page views were -8%, improving to a flat performance in Q2. The Group have proactively implemented a range of initiatives to improve page view performance in the second half. The business is transitioning away from page view (PV) metrics, towards what our customers and advertisers recognise as higher value content. This is demonstrated by our 12% increase in digital revenue despite a 4% decrease in PV, and a 25% increase in video revenue despite a 24% decrease in video views.

- *Revenue trends: Improve revenue trends with KPIs that monitor a transition from dependency on print sales to an accelerating digital performance.*

  The Group is strategically focused on ensuring a diverse revenue base, and has reported strong revenue growth in H1 2024, bolstered by the acquisitions which were not in the comparative period, due to their varying completion dates. All revenue categories report year-on-year growth with the exception of editorial funding revenue. Growth in digital revenue was achieved despite lower audience and video views. Digital revenue represented 20% of Group revenue, compared to 21% reported in the comparative period.

- *EBITDA margin in 2024 to exceed 10.7% reported in 2023.*

  For H1 2024, the Adjusted EBITDA margin of 10.3%, finishing 3 percentage points higher than the comparative period. The Group reported an Adjusted EBITDA margin of 10.7% in 2023, and has targeted to improve this for 2024 in the full year results.

- *Strong cash generation to provide financial flexibility and headroom for investment.*

  The Group's net cash balance increased by £2.3 million from £10.7 million to £13.0 million.

  Key metrics for monitoring financial flexibility are EBITDA margin and financial headroom. The Group is targeting an improved adjusted EBITDA margin, in excess of 10.7% reported in 2023.

  The intention is to have undrawn committed facilities and cash balances of 5% of turnover per annum. The Group has £13.0 million of cash at the end of the period, after paying remaining liabilities for redundancy and professional fees totalling £2.0 million that were accrued at the year-end.

  The Group has paid a final dividend of 0.55 pence per share to shareholders on 10 July 2024, in relation to FY2023 performance following its approval at the 30 May 2024 Annual General Meeting ("AGM").

  A maiden interim dividend of 0.2 pence per share has been approved and declared by the Board and will be paid on 20 September 2024 to shareholders on the register at 9 August 2024. The Board continues to adopt a progressive dividend policy.

Cash flow

	Adjusted		**Statutory**	
	H1 2024 £m	**H1 2023 £m**	**H1 2024 £m**	**H1 2023 £m**
Operating profit for the period	**4.7**	**2.9**	**2.2**	**1.4**
Depreciation and amortisation charges	0.3	0.2	1.4	0.7
Impairment of TNM	-	-	1.1	-
Restructuring costs paid	(1.6)	(1.4)	-	-
Long term incentive plan expense	-	0.1	0.2	0.1
Change in provisions	-	-	(0.2)	(0.3)
Changes in working capital	0.1	(1.8)	0.2	(1.6)
Net cash inflow from operating activities	**3.5**	**0.0**	**4.9**	0.3
Net cash outflow from investing activities	**(1.2)**	**(4.8)**	**(2.2)**	**(4.8)**
Financing activities				
Interest paid	-	(0.1)	-	(0.1)
Principal repayment of leases	-	-	(0.4)	(0.3)
Net cash generated from financing activities	**-**	**(0.1)**	**(0.4)**	**(0.4)**
Net increase/(decrease) in cash and cash equivalents	2.3	(4.9)	2.3	(4.9)
Cash and cash equivalents at the beginning of the period	10.7	27.0	10.7	27.0
Cash and cash equivalents at the end of the period	**13.0**	**22.1**	**13.0**	**22.1**

At the period-end the Group maintains a substantial cash balance held of £13.0 million (2023: £22.1 million) and retains financial flexibility. Cash increased by £2.3 million since the year-end, despite some notable cash outflows in the first half including payment of £0.8 million of transaction costs, and £1.2 million restructuring costs paid in relation to 2023 accruals.

Adjusted cash inflow from operating activities of £3.5 million is after £1.6 million of restructuring costs paid of which £1.2 million were expensed to the 2023 Income Statement.

The conversion of adjusted operating profit of £4.7 million into cash is 106% (£5.0 million comprising cash inflow from operating activities before restructuring cost paid, and after purchases of tangible assets).

Capital Expenditure

Capital expenditure during the period includes £0.8 million of digital development project costs and £0.2 million expenditure on IT equipment, predominantly laptops and IT infrastructure, and £0.2 million for the acquisition of Athletics Weekly publishing title. For FY 2024, capital expenditure is expected to be c.£2.0 million including digital development costs and certain systems and IT equipment requiring replacement as it approaches the end of its useful life.

Dividends

Shareholders approved the Group's dividend at the 30 May 2024 AGM of 0.55 pence per share. This was paid on 10 July 2024 to shareholders on the register at 7 June 2024, and is held as a liability at the period-end.

A maiden interim dividend of 0.2 pence per share has been approved and declared by the Board and will be paid on 20 September 2024 to shareholders on the register at 9 August 2024. The 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.

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.

Outlook

The Company's primary focus is to build a sustainable and monetisable content business, embracing its news provision tradition but with a wider agenda across all platforms. This pivoting of the business has continued unabated despite the economic headwinds in the first half.

Revenues in July have increased by 13% year on year. The Company will continue to benefit in the second half from three key drivers - the acquired businesses, new launches and relaunches of heritage brands. Tight cost management remains a critical factor as in the whole sector.

The Board confirms its view that the business will perform in line with market expectation for the full year.

Other items

Principal risks and uncertainties
The Group's principal risks and uncertainties, which could impact the Group, are identified on pages 34 to 36 of National World plc's Annual Report for the period ended 30 December 2023 which is available on the Company's website. These risks are as follows: strategy, cyber security and data migration, infrastructure and operations, data protection and people.

The Directors have reviewed these principal risks and uncertainties, and do not consider that the principal risk and uncertainties have changed since the publication of the annual report for the period ended 30 December 2023. However, the Board notes that the increased economic uncertainty and inflationary pressures are being considered to ensure the Group can meet its strategic objectives.

Going concern statement
The Directors 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 period ended 30 December 2023 and again when approving National World plc's Half-yearly Financial Report for the 26 week period ended 29 June 2024. Further information is set out in the 2023 Annual Report of National World plc.

The Directors consider it appropriate to adopt the going concern basis of accounting in the preparation of the Group's interim consolidated financial accounts. The assessment was based on review of the remaining term of the three year projections for the business which are considered by the Board when approving the budget, and reforecast, for 2024. Management believe that a longer term assessment is not appropriate given the ongoing structural challenges facing print media and 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 ongoing maintenance capital expenditure requirements; and
- Investment in digital resource and development.

Sensitivity analysis was applied to the projections to determine the potential effects 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 acquisition/s 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.

Having considered the factors impacting the Group's businesses, including downside sensitivities, the £13.0 million cash held as at 29 June 2024, the Directors are satisfied that the Group will be able to operate with sufficient financial flexibility and headroom for the 12 months from the date of signing 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.

Viability statement

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. The Directors assessed the prospects of the Group over a three year period which reflects actual trading for the first six months of 2023 and projections for the remainder of 2023, 2024 and 2025 in line with the planning cycle adopted by the Group. A three year period is adopted as it enables the Directors to consider the impact of declining print revenues, investment to drive growth in digital and ongoing restructuring costs required to support profits and cash flow. The assessment considers the Group's current financial position and the principal risks and uncertainties facing the Group including those that would threaten the business model, future performance, solvency or liquidity.

Sensitivity analysis is applied to the projections to determine the potential effects 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, aside from the acquisition completed in the first half of 2023, no other acquisitions have been assumed in the projections as there is no certainty that acquisitions will be concluded. Prior to proceeding with any material 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.

It is understood that such future assessments are subject to a level of uncertainty that increases with time and, therefore, future outcomes cannot be guaranteed or predicted with certainty. Also, this assessment was made recognising the principal risks and uncertainties that could have an impact on the future performance of the Group and the financial risks described in the notes to the Group's annual consolidated financial statements.

Board changes

Andrea Davies was appointed to the Board, as a Non-Executive Director, on 22 April 2024. She was appointed as Chair of the Remuneration Committee following the resignation of Daniel Cammiade (Danny) effective 1 July 2024, who had served on the Board for a 3 year term. On behalf of the Board I thank Danny for his contribution.

Statement of Directors' responsibilities

The Directors are responsible for preparing the half-yearly financial report in accordance with applicable laws and regulations.

The Directors confirm to the best of their knowledge:

a) The interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting', as adopted by the United Kingdom; and
b) The Management Report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a

position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties they face.

On behalf of the Board

Sheree Manning
Chief Financial Officer
1 August 2024

Condensed consolidated income statement

for the 26 weeks ended 29 June 2024 (26 weeks ended 1 July 2023 and the 52 weeks ended 30 December 2023)

	Notes	26 weeks ended 29 Jun 24 (unaudited) £m	26 weeks ended 1 Jul 23 (unaudited) £m	52 weeks* ended 30 Dec 23 (adjusted) £m
Continuing operations				
Revenue	5	48.8	41.6	88.0
Cost of sales		(35.3)	(31.5)	(63.7)
Gross profit		**13.5**	**10.1**	**24.3**
Operating expenses before non-recurring items		(9.6)	(7.5)	(16.3)
Non-recurring items:	6			
Impairment of TNM		(1.1)	-	-
Restructuring and redundancy costs		(0.6)	(1.0)	(3.6)
Transaction costs		-	(0.2)	(1.6)
Onerous property costs		-	-	(0.1)
ROUA impairment		-	-	(0.1)
Total operating expenses		**(11.3)**	**(8.7)**	**(21.7)**
Operating profit		**2.2**	**1.4**	**2.6**
Financing				
Finance costs	7	-	(0.1)	(0.2)
Interest income	8	0.1	0.4	0.7
Net finance income		**0.1**	**0.3**	**0.5**
Profit before tax		**2.3**	**1.7**	**3.1**
Tax charge	9	(1.3)	(0.4)	(0.4)
Profit after tax from continuing operations		**1.0**	**1.3**	**2.7**
Profit for the year from discontinued operations		**1.2**	**-**	**-**
Profit for the period from total operations		**2.2**	**1.3**	**2.7**
Earnings per share from continuing operations				
Basic	10	0.4p	0.5p	1.0p
Diluted	10	0.4p	0.5p	1.0p
Earnings per share from discontinued operations				
Basic	10	0.4p	-	-
Diluted	10	0.4p	-	-
Earnings per share from continuing and discontinued operations				
Basic	10	0.8p	0.5p	1.0p
Diluted	10	0.8p	0.5p	1.0p

*52 weeks ended 30 Dec 23 audited consolidated income statement has been restated above due to classification of PCS revenue and costs as discontinued operations, see Note 19.

Note 10 sets out the calculation of adjusted earnings per share and Note 21 presents a reconciliation between the statutory and adjusted results.

Condensed consolidated statement of comprehensive income

for the 26 weeks ended 29 June 2024 (26 weeks ended 1 July 2023 and the 52 weeks ended 30 December 2023)

	26 weeks ended 29 Jun 24 (unaudited) £m	26 weeks ended 1 Jul 23 (unaudited) £m	52 weeks ended 30 Dec 23 (adjusted) £m

Profit for the period from continued operations	**1.0**	**1.3**	**2.7**
Profit for the period from discontinued operations	**1.2**	**-**	**-**
Total other comprehensive profit for the period	**-**	**-**	**-**
Total comprehensive profit for the period	**2.2**	**1.3**	**2.7**

*52 weeks ended 30 Dec 23 audited consolidated income statement has been restated above due to classification of PCS revenue and costs as discontinued operations, see Note 19.

Condensed consolidated statement of financial position

At 29 June 2024

	Notes	As at 29 Jun 24 (unaudited) £m	As at 1 Jul 23 (unaudited) £m	As at 30 Dec 23 (audited) £m
Non-current assets				
Goodwill		13.3	7.9	13.3
Intangible assets	11	11.9	5.7	11.6
Tangible assets	12	1.0	1.0	1.1
Investments	13	-	1.1	1.1
Right of use assets	14	0.8	0.6	0.8
Deferred consideration	19	1.9	-	-
Deferred tax		1.7	4.0	2.5
		30.6	20.3	30.4
Current assets				
Inventory		-	0.1	-
Trade and other receivables		15.9	13.0	15.3
Deferred consideration	19	0.3	-	-
Cash and cash equivalents		13.0	22.1	10.7
		29.2	35.2	26.0
Assets classified as held for sale	21	**-**	**-**	1.0
Total assets		59.8	55.5	57.4
Current liabilities				
Trade and other payables		(21.9)	(18.8)	(19.9)
Borrowings		-	(1.0)	-
Lease liabilities	14	(0.3)	(0.6)	(0.8)
Provisions	15	(0.7)	(0.5)	(0.9)
		(22.9)	(20.9)	(21.6)
Non-current liabilities				
Lease liabilities	14	(0.5)	(0.2)	(0.2)
Provisions	15	-	(0.4)	-
		(0.5)	(0.6)	(0.2)
Liabilities classified as held for sale	20	-	-	(0.1)
Total liabilities		(23.4)	(21.5)	(21.9)
Net assets		**36.4**	**34.0**	**35.5**
Equity				
Share capital	17	0.3	0.3	0.3
Share premium	17	27.4	27.4	27.4
Retained earnings and other reserves	17	8.7	6.3	7.8
Total equity		**36.4**	**34.0**	**35.5**

Condensed consolidated statement of changes in equity

for the 26 weeks ended 29 June 2024 (26 weeks ended 1 July 2023 and the 52 weeks ended 30 December 2023)

	Share capital £m	Share premium £m	Retained earnings and Other reserves £m	Total equity £m
Equity as at 30 December 2023 (audited)	**0.3**	**27.4**	**7.8**	**35.5**
Profit for the period	-	-	2.2	**2.2**
Total comprehensive profit for the period	**-**	**-**	**2.2**	**2.2**
Long-term incentive share based payments charge	-	-	0.2	**0.2**
Dividend payable to shareholders on 10 July 2024~	-	-	(1.5)	**(1.5)**
Equity as at 29 June 2024 (unaudited)	**0.3**	**27.4**	**8.7**	**36.4**
Equity as at 31 December 2022 (audited)	**0.3**	**24.6**	**9.1**	**34.0**
Profit for the period	-	-	1.3	**1.3**
Total comprehensive profit for the period	**-**	**-**	**1.3**	**1.3**

Issue of new ordinary shares	-	2.8	(2.8)	**-**
Long-term incentive share based payments charge	-	-	0.1	**0.1**
Dividend payable to shareholders on 5 July 2023	-	-	(1.4)	(1.4)
Equity as at 1 July 2023 (unaudited)	**0.3**	**27.4**	**6.3**	**34.0**
Equity as at 01 January 2023 (audited)	**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	-	2.8	(2.8)	-
Long-term incentive share based payments charge	-	-	0.2	0.2
Dividend payable to shareholders on 5 July 2023	-	-	(1.4)	(1.4)
Equity as at 30 December 2023 (audited)	**0.3**	**27.4**	**7.8**	**35.5**

~ The Dividend payable to shareholders was approved at the 30 May 2024 AGM, in relation to the FY23 financial performance, and paid to shareholders on 10 July 2024. The Company had sufficient distributable reserves at the Interim to support the dividend payment.

Condensed consolidated cash flow statement

for the 26 weeks ended 29 June 2024 (26 weeks ended 1 July 2023 and the 52 weeks ended 30 December 2023)

	Notes	26 weeks ended 29 Jun 24 (unaudited) £m	26 weeks ended 1 Jul 23 (unaudited) £m	52 weeks ended 30 Dec 23 (adjusted) £m
Cash flow from operating activities	16	4.9	0.3	4.2
Net operating cash flows from discontinued activities		-	-	0.2
Net cash inflow from operating activities		**4.9**	**0.3**	**4.4**
Investing activities				
Deferred consideration		-	(2.5)	-
Cash acquired in subsidiaries		-	-	1.4
Acquisition of subsidiaries		-	(1.4)	(16.5)
Acquisition transaction costs		(0.2)	-	(0.4)
Incomplete acquisition		(0.8)	-	(0.5)
Interest earned	8	0.1	0.4	0.7
Intangible assets purchases and acquisition	11	(1.2)	(1.0)	(1.7)
Tangible assets purchases and acquisition	12	(0.1)	(0.3)	(0.4)
Net investing cashflows from discontinued activities		-		0.1
Net cash outflow from investing activities		**(2.2)**	**(4.8)**	**(17.3)**
Financing activities				
Interest paid	7	-	(0.1)	(0.1)
Dividends paid		-	-	(1.4)
Debt repayment		-	-	(1.0)
Capital repayments of lease payments	14	(0.4)	(0.3)	(0.8)
Interest element of lease rental payments	7	-	-	(0.1)
Net cash generated from financing activities		**(0.4)**	**(0.4)**	**(3.4)**
Net (decrease)/increase in cash and cash equivalents		2.3	(4.9)	(16.6)
Net (decrease)/increase in cash and cash equivalents from discontinued ops		-	-	0.3
Total net (decrease)/increase in cash and cash equivalents		2.3	(4.9)	(16.3)
Cash and cash equivalents at the beginning of the period		10.7	27.0	27.0
Cash and cash equivalents at the end of the period		**13.0**	**22.1**	**10.7**
Cash and cash equivalents - continuing operations		12.7	22.1	10.4
Cash and cash equivalents - discontinued operations		0.3	-	0.3
Cash and cash equivalents at the end of the period		**13.0**	**22.1**	**10.7**

Notes to the consolidated financial statements

1. General information

National World plc (the "Company" or "National World") is a public 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, 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 condensed consolidated Interim Financial Statements of the Company and its subsidiaries for the 26-week period ended 29 June 2024 comprise the Company and its subsidiaries (together referred to as the 'Group').

These Interim Financial Statements do not comprise statutory accounts within the meaning of Section 434 of the Companies Act 2006. Statutory accounts for the 52 weeks ended 30 December 2023 were approved by the Board of Directors on 21 March 2024 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under Section 498 of the Companies Act 2006.

The auditors, Crowe U.K. LLP, have carried out a review of the Interim Financial Statements and their report is set out at the end of this document.

The financial information for the 52 weeks ended 30 December 2023 is extracted from National World plc's financial statements for that year, with the exception of a restatement of results to show the Press Computer Systems Limited business as a discontinued operations due to its disposal on 31 March 2024 (refer Note 19). These Interim Financial Statements have been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority and with International Accounting Standard 34, as adopted by the United Kingdom.

The half-yearly financial report was approved by the Directors on 1 August 2024. This announcement is available at the Company's registered office at Suite E3, Joseph's Well, Hanover Walk, Leeds, LS3 1AB, United Kingdom and on the Company's website at www.nationalworldplc.com.

2. Basis of preparation

These Interim Financial Statements have been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority and with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the United Kingdom. The consolidated Interim Financial Statements were authorised for issue by the Board of Directors on 1 August 2024.

These Interim 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 Interim Financial Statements have been prepared under the historical cost basis.

Going concern

These consolidated financial statements have been prepared on a going concern basis as set out in the Financial Review in this half-yearly financial report.

Changes in accounting policies and disclosures

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

3. Material accounting policies

The accounting policies adopted are consistent with those of National World plc for the previous year. National World plc's annual report is available at corporate.nationalworld.com.

Taxes on income in the interim periods are accrued using tax rates that would be applicable to expected total annual profit or loss.

New and revised IFRS Standards in issue but not yet effective

There are no standards that are issued but not yet effective that would be expected to have a material impact on the Group.

Basis of consolidation

The Group Interim Financial Statements consolidate the Interim Financial Statements of National World plc and all its subsidiary undertakings owned during the 26 week period ended 29 June 2024.

Subsidiaries are included in the Group's Interim Financial Statements using the acquisition method of accounting. The results of subsidiaries acquired or disposed of during the period are consolidated from the effective date of acquisition or up to the effective date of disposal, as appropriate. Purchase consideration is allocated to the assets and liabilities on the basis of their fair value at the date of acquisition. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Where necessary, adjustments are made to the Interim Financial Statements of subsidiaries to bring the accounting policies used into line with those used by the Group.

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 21 sets out the reconciliation between the statutory and adjusted results.

Adjusting items

Adjusting items relate to costs or incomes that derive from events or transactions that fall within the normal activities of the Group, but are excluded from the Group's adjusted profit measures, individually or, if of a similar type in aggregate, due to their size and/or nature in order to better reflect management's view of the performance of the Group. The adjusted profit measures are not recognised profit measures under IFRS and may not be directly comparable with adjusted profit measures used by other companies. Details of adjusting items are set out in Note 21.

Discontinued operations

On 31 March 2024 the Group announced and completed the disposal of the Press Computer Systems business, intangible and tangible assets to Naviga 1 UK Limited. In accordance with IFRS5 "Non-current assets held for sale and discontinued operations" the net results for the year are presented within discontinued operations in the income statement.

4. Critical accounting judgements and key sources of estimation uncertainty

Critical judgements in applying the Group's accounting policies

The preparation of financial statements requires management to exercise judgement in applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual amounts may differ from these estimates. The Directors have identified the following critical accounting judgements or estimates relating to the financial information of the Group.

Key sources of estimation uncertainty

Critical judgements in applying the Group's accounting policies

Useful life assumption in respect of intangible assets

There is judgment required regarding the useful lives assigned to acquired publishing titles, brands, customer relationships and other intangible assets. The Directors have considered the titles acquired in the period to have useful lives of five years and these intangibles will be amortised over these periods on a straight-line basis.

Valuation judgements

Acquisitions

On 31 May 2024 the Group acquired Athletics Weekly business and assets, which do not meet the criteria of business combinations. The acquired asset has been disclosed as an intangible asset - publishing titles in the period.

5. Revenue

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

	26 weeks ended 29 Jun 24 (unaudited) £m	26 weeks ended 1 Jul 23 restated[1] £m	52 weeks ended 30 Dec 23 restated[2] £m
Continuing revenue			
Print revenue	35.4	30.4	63.6
Digital revenue	10.0	8.9	18.4
Other	3.4	2.3	6.0
Total revenue	**48.8**	**41.6**	**88.0**

[1]26 weeks ended 1 Jul 23 revenues have been reclassified as presented and described below.

[2]52 weeks ended 30 Dec 23 audited revenues has been restated to reclassify £0.4 million of PCS Other Revenue as discontinued operations, Note 19.

Revenues for the 26 weeks ended 1 Jul 23 have been reclassified, as shown in the table below, to include £1.3 million of Events revenue within the Other revenue category, which was previously reported within Print Publishing revenue. This reporting change aligns to the strategic focus on Events following the acquisition of Insider Media Limited and its subsidiary Newsco Insider Limited.

Other revenue for 2023 of £6.0 million includes £4.0 million of Events revenue, and has been restated to exclude £0.4 million of PCS revenue2.

The analysis of the Group's contracted revenue from reported to reclassified Revenues for the 26 weeks ended 1 Jul 23 is presented in the table below:

	26 weeks ended 29 Jun 24 (unaudited) £m	26 weeks ended 1 Jul 23 £m	26 weeks ended 1 Jul 23 Events revenue £m	26 weeks ended 1 Jul 23 Previously reported £m
Print publishing	35.4	30.4	1.3	31.7
Digital publishing	10.0	8.9	-	8.9
Other	3.4	2.3	(1.3)	1.0
Total revenue	**48.8**	**41.6**	**-**	**41.6**

6. Non-recurring items

Profit for the period is after the following items that are unusual because of their nature, size or incidence:

		26 weeks ended 29 June 24 (unaudited) £m	26 weeks ended 1 Jul 23 (unaudited) £m	52 weeks ended 30 Dec 23 (audited) £m
Non-recurring items - Continuing operations				
Investment impairment	a	1.1	-	-
Restructuring	b	0.6	1.0	3.6
Transaction costs	c	-	0.2	1.6
ROUA impairment	d	-	-	0.1
Property rationalisation	d	-	-	0.1
Total non-recurring items - continuing operations		**1.7**	**1.2**	**5.4**
Non-recurring items - Discontinued operations				
Gain on sale - PCS	e	(1.0)	-	-
Total non-recurring items - Continuing and discontinued operations		**0.7**	**1.2**	**5.4**

a) Investment impairment

The impairment relates to the investment value held in The News Movement being impaired in full. The Directors have reviewed the carrying value of the investment determined to write down the carrying value, based on the challenging trading performance reported in the period.

b) Restructuring costs

Restructuring costs of £0.6 million have been expensed in the period and relate predominantly to severance (H1 2023: £1.0 million, FY2023: £3.6 million).

c) Transaction costs

In 2023:

- £0.4 million was incurred in relation to completed acquisitions, including the successful acquisition of Insider Media Limited and its subsidiary Newsco Insider Limited, and MNA and PCS acquisitions (H1 2023: £0.1 million, H2 2023: £0.3 million).
- £1.2 million of professional fees were incurred in relation to incomplete acquisitions (H1 2023: £0.1 million, H2 2023: £1.1 million).

d) Property rationalisation/ROUA impairment

The prior year charge relates to the exit of a number of leased offices resulting in a £0.1 million impairment of ROU assets and £0.1 million onerous property provision.

e) Gain on sale - PCS

On 31 March 2024 the Group disposed of Press Computer Systems Limited which it had acquired 6 months earlier as part of the Midland News Association acquisition. The Group will receive £3.5 million consideration for the disposal, to Naviga, in the form of service credits which the Group will utilise against technology services over the 5 year software agreement that it has signed with Naviga.

In the period, the Group has recorded a £1.0 million net gain on sale (Note 19) comprising £3.5 million deferred consideration fair valued to £2.2 million offset by £0.2 million of professional fees and £1.0 million write-down of PCS assets disposed.

7. Finance costs

	26 weeks ended 29 Jun 24 (unaudited) £m	26 weeks ended 1 Jul 23 (unaudited) £m	52 weeks ended 30 Dec 23 (audited) £m
Interest on interest only unsecured loan notes	-	0.1	0.1
Interest on lease liabilities	-	-	0.1
Total finance costs	**-**	**0.1**	**0.2**

The unsecured loan notes were repaid on 30 December 2023. Prior period interest was being accrued at 15% on £1.0 million of interest only unsecured loan notes.

8. Interest Income

	26 weeks ended 29 Jun 24 (unaudited) £'m	26 weeks ended 1 Jul 23 (unaudited) £m	52 weeks ended 30 Dec 23 (audited) £m
Interest Income	0.1	0.4	0.7
Total Interest Income	**0.1**	**0.4**	**0.7**

9. Tax

Income tax (charge) is recognised based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year. The estimated average tax rate used for 2024 is 25%.

	26 weeks ended 29 Jun 24 (unaudited) £m	26 weeks ended 1 Jul 23 (unaudited) £m	52 weeks ended 30 Dec 23 (audited) £m
Profit before tax - continuing operations	2.3	1.7	3.1
Profit before tax - discontinued operations	1.1	-	-
	3.4	1.7	3.1

Tax at the UK corporation tax rate of 25% (2023: 23.5%)	(0.6)	(0.4)	(0.7)
Effects of:			
Expenses not allowable	(0.3)	-	(0.1)
Group relief/utilisation of losses	(0.4)	-	-
Deferred tax asset recognised for tax losses	-	-	0.5
Effect of increase in deferred tax rate to 25%	-	-	(0.1)
Prior year adjustments	-	-	0.1
Other timing differences	-	-	(0.1)
Total tax (charge) for the period - continuing operations	**(1.3)**	**(0.4)**	**(0.4)**
Effective tax rate for continuing operations	**56%**	**26%**	**11%**
Total tax credit for the period - discontinuing operations	**0.1**	**-**	**-**
Effective tax rate for discontinued operations	**(10%)**	**-**	**-**

For Continuing Operations, the difference to the standard rate of tax of 25% is due to disallowed expenses including The News Movement investment impairment of £1.1 million and group relieving brought forward losses to offset gains in Discontinued operations.

For Discontinued Operations, the difference to the standard rate of tax of 25% is due to benefit of group relief, disallowed expenses including disposal costs of £0.2 million and the write-down of intangible and tangible assets of £1.0 million for which the allowable deduction has already been taken in prior periods by the former owner of the assets.

At the period-end the Group has total tax losses carried forward of £13.4 million recognised as a deferred tax asset (30 December 2023: £17.9 million, 1 July 2023: £17.8 million), calculated using a corporate tax rate of 25%. The Group expects the losses will be utilised over the next three years. Tax losses of £2.2 million were unrecognised at the prior half-year and have subsequently been recognised.

The deferred tax balance has decreased by £0.8 million to £1.7 million at the period end, reflecting utilisation of tax losses against profits arising in the period including the gain on disposal of PCS which is taxable on completion.

10. 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 adjusting the weighted average number of ordinary shares in issue on the assumption of conversion of all potentially dilutive ordinary shares.

	26 weeks ended 29 Jun 24 (unaudited)[1] m	**26 weeks ended 1 Jul 23 (unaudited)[1] m**	**52 weeks ended 30 Dec 23 (adjusted)[1] m**
Weighted average number of ordinary shares for basic earnings per share	268	262	265
Effect of dilutive ordinary shares in respect of unexercised under the Value Creation Plan	4	4	4
Weighted average number of ordinary shares for diluted earnings per share	**272**	**266**	**269**

[1]12.7 million new ordinary shares were issued on 3 May 2023 to satisfy the value creation plan award, of which 4.3 million share options remain unexercised at the period end (Note 18).

	26 weeks ended 29 Jun 24 pence	**26 weeks ended 1 Jul 23 pence**	**52 weeks ended 30 Dec 23 pence**
Statutory earnings per share:			
Continuing operations			
Basic	0.4	0.5	1.0
Diluted	0.4	0.5	1.0
Discontinued operations			

Discontinued operations			
Basic	0.4	-	(-)
Diluted	0.4	-	(-)
Continuing and discontinued operations			
Basic	0.8	0.5	1.0
Diluted	0.8	0.5	1.0
Adjusted earnings per share from:			
Continuing operations	1.4	0.9	2.8
Basic			
Diluted	1.3	0.9	2.8
Discontinued operations			
Basic	(-)	-	(-)
Diluted	(-)	-	(-)
Continuing and discontinued operations			
Basic	1.4	0.9	2.8
Diluted	1.3	0.9	2.8

11. Intangible assets

	Publishing titles - Regional	**Digital intangible assets**	**Brand**	**Customer relationships**	**Total**
	£m	**£m**	**£m**	**£m**	**£m**
Opening balance (audited)	7.6	1.7	1.4	0.9	11.6
Additions	-	1.0	-	-	1.0
Acquisitions - asset purchase	0.2	-	-	-	0.2
Amortisation charge for the period	(0.4)	(0.3)	(0.1)	(0.1)	(0.9)
Carrying value at 29 June 2024	7.4	2.4	1.3	0.8	11.9

The opening balance includes JPIMedia Group intangible assets, consisting of regional publishing titles and digital intangible assets acquired in January 2021 for £5.3 million, Scoopdragon and Newschain assets of £0.3 million, Rotherham Advertiser £0.4 million, Insider Media brand and customer relationship assets of £2.5 million and Midland News Association titles and digital brand assets totalling £3.2 million, software and digital development assets of £1.4 million net of accumulated amortisation of £1.5 million.

Acquisitions in the period relate to the asset purchase of Athletics Weekly on 31 May 2024.

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.

12. Tangible assets

	Tangible assets
	£m
Cost	
At 30 December 2023 (audited)	2.2
Additions	0.2
Disposals	(0.1)
At 29 June 2024	2.3
Accumulated depreciation	
At 30 December 2023 (audited)	(1.1)
Charge for the period	(0.3)
Disposals	0.1
At 29 June 2024	(1.3)
Carrying amount	
At 30 December 2023 (audited)	1.1
At 29 June 2024	**1.0**

The tangible assets are depreciated over their useful lives. The additions in the period relate to IT hardware required for Insider Media systems integration and IT infrastructure required at two new leased offices in Manchester and

Wolverhampton.

13. Investments

	2024 £m	2023 £m
Opening balance	1.1	1.1
Impairment of investment	(1.1)	-
Carrying value at the end of the period	**-**	**1.1**

In the period, the Directors have decided to impair the investment value held in TNM to £nil value.

14. Leases

The Group leases office buildings and motor vehicles for use in its business operations. Leases of offices generally have terms of 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 Statement of Financial Position as a right of use asset and a corresponding lease liability. Rights of use assets are depreciated over the term of associated lease.

Right of use assets

	Property £m	Motor Vehicles £m	Total £m
Carrying amount at 30 December 2023 (audited)	0.2	0.6	0.8
Additions	0.3	-	0.3
Disposals	-	(0.1)	(0.1)
Depreciation charge for the period	(0.1)	(0.1)	(0.2)
Carrying amount at 29 June 2024 (unaudited)	**0.4**	**0.4**	**0.8**

Right of use liabilities

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

	Property £m	Motor Vehicles £m	Total £m
Carrying amount at 30 December 2023 (audited)	0.3	0.7	1.0
Additions	0.3	-	0.3
Disposals	-	(0.1)	(0.1)
Lease payments	(0.3)	(0.1)	(0.4)
Carrying amount at 29 June 2024 (unaudited)	**0.3**	**0.5**	**0.8**

The carrying amounts of lease liabilities at the period end is set out below:

	26 weeks ended 29 Jun 24 (unaudited) £m	26 weeks ended 1 Jul 23 (unaudited) £m	52 weeks ended 30 Dec 23 (audited) £m
Current liabilities	0.3	0.6	0.8
Non-current liabilities	0.5	0.2	0.2
Total	**0.8**	**0.8**	**1.0**

15. Provisions

	Property rationalisation £m	Dilapidations £m	Total £m
At 30 December 2023 (audited)	**0.2**	**0.7**	**0.9**
Utilised in the period	(0.1)	(0.1)	(0.2)
At 29 June 2024 (unaudited)	**0.1**	**0.6**	**0.7**
Current provision	0.1	0.6	0.7
Non-current provision	-	-	-
Total provision at 29 July 2024	**0.1**	**0.6**	**0.7**

Property rationalisation

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 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.

16. Notes to the Cash Flow Statement

	Notes	26 weeks ended 29 Jun 24 (unaudited) £m	26 weeks ended 1 Jul 23 (unaudited) £m	52 weeks ended 30 Dec 23 (audited) £m
Operating profit - continuing operations		**2.2**	**1.4**	**2.6**
Adjustments for non-cash/non-operating items:				
Amortisation of intangible assets	11	0.9	0.4	1.0
ROUA and tangible assets depreciation expense	12,14	0.5	0.3	0.8
Long term incentive plan expense	18	0.2	0.1	0.2
Impairment of TNM	13	1.1	-	-
ROUA impairment		-	-	0.1
Operating cash flow before working capital changes		4.9	2.2	4.7
Net (decrease)/increase in provisions	15	(0.2)	(0.3)	(0.2)
		4.7	**1.9**	**4.5**
Changes in working capital:				
(Increase)/decrease in receivables		(0.6)	(1.1)	(0.7)
Increase/(decrease) in payables		0.8	(0.5)	0.6
Cash generated from operations		**4.9**	**0.3**	**4.4**

17. Share capital and reserves

	26 weeks ended 29 Jun 24 (unaudited) £m	26 weeks ended 1 Jul 23 (unaudited) £m	52 weeks ended 30 Dec 23 (audited) £m
Share capital	0.3	0.3	0.3
Share premium	27.4	27.4	27.4
Retained earnings and other reserves	8.7	6.3	7.8
	36.4	**34.0**	**35.5**

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"). The new Ordinary shares issued rank pari passu with the Company's existing issued ordinary shares. 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, in accordance with the rules of the VCP.

18. Share Based Payments

Long term incentive plan 2022

On 12 December 2022, the Company granted 1,848,718 Long Term Incentive Shares ("LTIP 2022") option awards to two Executive Directors. The awards vest after three years if certain performance criteria are met during that period and are subject to the continued employment of each participant. Full details of the LTIP 2022 scheme can be found in the Remuneration Report included within the 2022 Annual Report. The Group recognised a charge of £44k in the period ended 29 June 2024 in relation to LTIP 2022 (FY2023: £90k).

Long term incentive plan 2023

On 30 March 2023, the Company made 3,050,672 share option awards in the form of nominal cost options under the Long Term Incentive Plan ("LTIP 2023") to the two founding Executive Directors and certain senior managers. John Rowe has a separate long term conditional bonus arrangement, payable in cash, that mirrors the LTIP 2023 scheme, for the equivalent of 389,527 share awards. The LTIP 2023 Performance Share options vest on 30 March 2026 and is conditional on meeting performance conditions measured over a three-year period and is subject to continued employment of each participant. Performance conditions include compound annual growth in adjusted earnings per share ("EPS"), and compound annual growth in total shareholder return ("TSR") as approved by the Remuneration Committee. The Group recognised a charge of £118k in the period ended 29 June 2024 (FY2023: £234k) in relation to LTIP 2023 (including the conditional bonus arrangement).

Long term incentive plan 2024

On 10 May 2024, the Company made 6,805,833 share option awards in the form of nominal cost options under the Long Term Incentive Plan ("LTIP 2024") to three Executive Directors and certain senior managers. John Rowe has a separate long term conditional bonus arrangement, payable in cash, that mirrors the LTIP 2024 scheme, for the equivalent of 616,518 share awards. The LTIP 2024 Performance Share options vest on 10 May 2027 and is conditional on meeting performance conditions measured over a three-year period and is subject to continued employment of each participant. Performance conditions include compound annual growth in adjusted earnings per share ("EPS"), and compound annual growth in total shareholder return ("TSR") as approved by the Remuneration Committee. The Group recognised a charge of £33k in the period ended 29 June 2024 (FY2023: £nil) in relation to LTIP 2024 (including the conditional bonus arrangement).

19. Press Computer Systems disposal

On 31 March 2024 the Group announced and completed the disposal of the Press Computer Systems business, intangible and tangible assets to Naviga 1 UK Limited, a wholly-owned subsidiary of Naviga Inc.

The £3.5 million consideration for the disposal, to Naviga, is received in the form of service credits which the Group will utilise against the 5 year software agreement that it has signed with Naviga. The £3.5 million deferred consideration has been recognised at fair value and discounted to £2.2 million (with £0.3 million recognised as current and £1.9 million non-current assets).

A net profit on disposal of £1.0 million is reported in the period, within discontinued operations, comprising £2.2 million deferred consideration, offset by £0.2 million of transaction costs and a £1.0 million write-down of PCS assets disposed.

In accordance with IFRS5 'Non-Current Assets Held for Sale and Discontinued Operations', the results and cash flows of this 'disposal group' are reported separately from the performance of continuing operations at each reporting date and comparatives have been restated.

The statutory profit after tax from discontinued operations for the period ended 29 June 2024 was £1.2 million. The FY2023 comparatives have been adjusted to report PCS results within discontinued operations, with the reclassification including:

- £0.4 million Other Revenue,
- £0.4 million of Cost of Sales, and
- £0.1 million of Operating expenses before non-recurring items.

There are no comparatives for H1 2023 as PCS was only acquired on 29 September 2023.

As part of the disposal, a transitional services agreement (TSA) was agreed between the Group and Naviga. The TSA includes services such as information technology, finance and other overheads for varying periods of time. Since the disposal, the Group has recognised net costs of £0.2 million under the TSA.

Profit on disposal of operations

	26 weeks to 29 June 2024 **£m**
Intangible assets	0.7
Tangible assets	0.3
Net assets disposed	**1.0**
Add: Disposal costs	0.2
Carrying value of disposed operations	**1.2**
Consideration satisfied by cash	-
Consideration satisfied by service credits (discounted)	2.2
Profit on disposal of PCS	**1.0**

Disposal proceeds and investing activities of discontinued operations

	Note	26 weeks to 29 June 2024 £m
Cash consideration (above)		-
Disposal costs	6	(0.2)
Net cash consideration		**(0.2)**
Consideration satisfied by service credits (discounted)	6	2.2
Consideration satisfied by service credits1		1.3
Net consideration		**3.3**

1The discount on the fair value of consideration will be unwound over the term of the 5 year contract, and has not been recognised in the Interim results 2024.

20. Assets and liabilities classified as held for sale

	Note	26 weeks ended 29 Jun 24 (unaudited)	26 weeks ended 1 Jul 23 (unaudited)	52 weeks ended 30 Dec 23 (audited)
Non-current assets classified as held for sale		-	-	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 were classified as held for sale at the 52 weeks ended 30 December 2023. As disclosed in Note 19, the Group sold the PCS business, intangible and tangible assets to Naviga.

21. 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, IFRS16 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.

Operating profit as determined under IFRS reconciles to adjusted operating profit:

	Notes	26 weeks ended 29 Jun 24 (unaudited) £m	26 weeks ended 1 Jul 23 (unaudited) £m	52 weeks ended 30 Dec 23 (adjusted) £m1
Operating profit as determined under IFRS		**2.2**	**1.4**	**2.6**
Adjustments:				
Impairment of TNM	13	1.1	-	**-**
Lease costs		(0.3)	(0.2)	**(0.3)**
Depreciation on right of use assets	14	0.2	0.1	**0.4**
Amortisation of intangible assets	11	0.9	0.4	**0.9**
Restructuring costs	6	0.6	1.0	**3.6**
ROUA Impairment	6	-	-	**0.1**
Property rationalisation	6	-	-	**0.1**
Transaction costs	6	-	0.2	**1.6**
Adjusted operating profit from continuing operations		**4.7**	**2.9**	**9.0**
Adjusted operating profit from discontinued operations		**0.1**	**-**	**0.1**
Adjusted operating profit - continuing and discontinued operations		**4.8**	**2.9**	**9.1**

Reconciliation of EBITDA to adjusted EBITDA:

	Notes	26 weeks ended 29 Jun 24 (unaudited) £m	26 weeks ended 1 Jul 23 (unaudited) £m	52 weeks ended 30 Dec 23 (adjusted)[1] £m

Continuing Operations				
Operating profit as determined under IFRS		**2.2**	**1.4**	**2.6**
Depreciation and amortisation	11,12,14	1.4	0.7	1.7
ROUA Impairment		-	-	0.1
EBITDA - continuing operations		**3.6**	**2.1**	**4.4**
EBITDA - discontinued operations		**2.0**	**-**	**0.1**
EBITDA - continuing and discontinued operations		**5.6**	**2.1**	**4.5**
Continuing Operations				
Adjusted operating profit		**4.7**	**2.9**	**9.0**
Depreciation on tangible assets	12	0.3	0.2	0.4
Adjusted EBITDA - continuing operations		**5.0**	**3.1**	**9.4**
Adjusted EBITDA - discontinued operations		**0.1**	**-**	**0.1**
Adjusted EBITDA - continuing and discontinued operations		**5.1**	**3.1**	**9.5**

[1] 52 weeks ended 30 Dec 23 audited consolidated income statement has been restated above due to classification of PCS as discontinued operations, see Note 19.

Gain on sale of PCS

The £3.5 million consideration for the disposal, to Naviga, is in the form of service credits and has been recognised in H1 2024 at fair value on completion when the business was sold and discounted to £2.2 million. For adjusted reporting measures, the Group will recognise the £3.5 million service credit evenly across the 5 year contractual period, commencing 1 July 2024, to better match the services received to which it be utilised against.

22. Post balance sheet events

On 1 July 2024, the Group announced a partnership with Reach and Axiom Media Alliance ("AMA"), forming two new strategic partnerships for its digital and print advertising sales. The Group expects to sign the contracts in August. From 1 October 2024, Reach Solutions will represent the Group's print brands for display and public notice advertising "to all leading regional and London-based agencies".

On 8 July 2024, the Group acquired Serious About Rugby League, as part of its continued strategy to focus on higher-value, specialist content.

On 10 July 2024, the 0.55 pence per share dividend, in relation to FY23 performance, was paid to shareholders at a total cost of £1.5 million.

A maiden interim dividend of 0.2 pence per share has been approved and declared by the Board and will be paid on 20 September 2024 to shareholders on the register at 9 August 2024. The 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. The Company has sufficient distributable reserves at the Interim to support the dividend declaration.

INDEPENDENT AUDITOR'S REVIEW REPORT TO NATIONAL WORLD PLC

On the interim financial information for the six months ended 29 June 2024

Conclusion

We have been engaged by National World plc (the "Group"), to review the condensed set of financial statements in the half-yearly financial report for the 26 week period ended 29 June 2024 which comprise the condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of financial position, condensed consolidated statement of changes in equity, condensed consolidated cash flow statement and the related notes 1 to 22.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the 26 week period ended 29 June 2024 is not prepared in all material aspects, in accordance with UK-adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 - "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued for use in the United

Kingdom. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with UK-adopted international accounting standards. The condensed set of financial statements included in this half-yearly report has been prepared in accordance with UK-adopted International Accounting Standard 34 "Interim Financial Reporting".

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that management have inappropriately adopted the going concern basis of accounting or that management have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE(UK) 2410, however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of Directors

The Directors are responsible for preparing the half-yearly financial report in accordance with UK-adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the review of the financial information

In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our conclusion, including our Conclusion Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

This report is made solely to the Company in accordance with International Standard on Review Engagements (UK) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. Our work has been undertaken so that we might state to the Company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our review work, for this report, or for the conclusions we have formed.

John Glasby
Statutory Auditor
Crowe U.K. LLP
London
EC4M 7JW

1 August 2024

END

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