

24 September 2024

Digitalbox plc
("Digitalbox", the "Group" or the "Company")

Unaudited interim results for the six months ended 30 June 2024

Digitalbox plc, the mobile-first digital media business, which owns leading websites Entertainment Daily, The Daily Mash, The Tab, The Poke and tvguide.co.uk today publishes its interim results for six months to 30 June 2024 (the **"First Half"**, the **"Period"**, or **"H1 2024"**).

Financial Highlights:

| | H1 2024 | H1 2024 | Var |
|--------------------------------|----------------|----------------|--------------|
| | <u>£m</u> | <u>£m</u> | |
| Group revenue | 1.6 | 1.2 | 32% |
| Gross profit | 1.4 | 1.0 | 44% |
| Adjusted EBITDA* | 0.2 | (0.1) | 260% |
| Cash generated from operations | 0.3 | (0.1) | 487% |
| Gross cash balance | 2.0 | 2.6 | (24)% |
| Net cash balance | 1.8 | 2.3 | (22)% |
| Gross margin | 84% | 77% | +7 pts |
| Adjusted EBITDA* margin | 14% | (11)% | +25 pts |
| | <u>Pence</u> | <u>Pence</u> | <u>Pence</u> |
| EPS | 0.02 | (0.15)p | 0.17 |

Cash at bank on 20 September 2024 was £2.2m, up 13% since 31 December 2023.

*Adjusted EBITDA is stated before depreciation, amortization, impairment of goodwill and intangible assets and share based payment charges.

Highlights

- Group revenue up 32% to £1.6m (H1 2023: £1.2m).
- Buoyant January and February Entertainment Daily session volumes (traffic) via Facebook and Google.
- The Tab session volume growth of 3%.
- The Poke session volume growth of 21%.
- The Daily Mash Premium content offering reaches over 4,200 paying subscribers.
- Daily Mash signs book deal to publish "The Daily Mash Class Wars - A Field Guide to Being British" in Q4.
- Development of Emmerdale Insider.
- Session value growth on Entertainment Daily and the Poke, up 29% and 39% year on year respectively.
- Delivered an 18 month pay-back period for The Poke.
- Generated 31% of the cost to acquire TV Guide in the period keeping it on track for an 18-24 month pay-back timescale.

Outlook

- The Board expects Group to be in line with market expectations for the full year and grow in 2025.

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James Carter, CEO, Digitalbox, said: "This performance has exceeded our expectations during a strong first half of 2024, providing evidence of a strong operating model dealing with a fast-evolving media landscape. The success is in part due to the commercial transformation of the latest addition to our portfolio, TV Guide. Also, our strategic focus on mobile publishing, success of established brands Entertainment Daily, The Tab and The Poke, and good progress with the pivot to a paid subscription model on the Daily Mash. The combination of this performance and Digitalbox's optimised operating model gives us confidence that we are well placed to embrace challenges and seize opportunities to further strengthen the Company's position."

"We anticipate further consolidation across the market as media companies look to grow audience and extract cost synergies. Digitalbox is alive to all strategic options these opportunities present and has the tools and technology to further grow brands it is engaged with."

Commenting on the Group's performance and prospects for the year, Chairman Marcus Rich said: "We exceeded our expectations in H1 and continued to offer further evidence of a resilient operating model and agile leadership. The performance of TV Guide further validates our strategy of buy and build as we report full pay-back of The Poke investment after 18 months. The global digital advertising market continued to move cautiously in the first half of the year whilst both publishers and major platforms continued to plot their journeys through the AI opportunity."

Certain information contained in this announcement would have constituted inside information (as defined by Article 7 of Regulation (EU) No 596/2014) ("MAR") prior to its release as part of this announcement and is disclosed in accordance with the Company's obligations under Article 17 of MAR.

Digitalbox
James Carter, CEO

c/o SEC Newgate

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About Digitalbox plc

Based in the UK, Digitalbox is a 'pure-play' digital media business with the aim of profitable publishing at scale on mobile platforms.

Digitalbox operates the following trading brands, "Entertainment Daily", "The Daily Mash", "The Tab", "The Poke" and "TV Guide". Entertainment Daily produces and publishes online UK entertainment news covering TV, showbiz and celebrity news. The Daily Mash produces and publishes satirical news content. The Tab is the UK's biggest youth culture site fuelled by students. The Poke expertly curates and editorialises the funniest content from around the web and social media. TV Guide serves as the definitive guide to what is on TV.

Digitalbox primarily generates revenue from the sale of advertising in and around the content it publishes. The Group's optimisation for mobile enables it to achieve revenues per session significantly ahead of market norms for publishers on mobile.

INTERIM STATEMENT

Overview

The performance of the Group in the first six months has been strong and exceeded our expectations. With a focus on becoming an entertainment powerhouse, we delivered significant volumes of Google-sourced traffic on Entertainment Daily in January and February and saw continued improvement in the monetisation of Entertainment Daily and The Poke.

Revenue increased 32% year on year to £1.6 million. Importantly, Digitalbox reported Adjusted EBITDA of £0.2 million which was ahead of management expectations. Further, the gross cash balance has increased from £1.9 million as at 31 December 2023 to £2.0 million as at 30 June 2024.

Operating Review

The two main factors that drive the Group's revenue are the volume of traffic and value of advertising. The volume is reflected in the number of visits (or sessions) that the Group's websites receive from users that come to read our content. The value is the price paid by advertisers to reach these users during these sessions. The number of visits to the Group's websites increased year on year in H1, chiefly due to the organic growth at the Tab and The Poke alongside the acquisition of TV Guide. Entertainment Daily had a very strong start to the year with significant traffic volumes from Google but was then impacted by the Google Core Update to its algorithm in March. While we anticipated broadly stable advertiser demand across the period, we did not anticipate Google's algorithm blocking our biggest brand.

The delivery of the Group's strategy has progressed. H1 2024 represents the first period we have been operating five brands, and we remain open to further acquisition opportunities that may enable faster scaling of the business. As well as considering bolt-on acquisitions, we have been focused on organic expansion through investment in the existing portfolio, alongside launching new products as evidenced by our new site, Emmerdale Insider (further details below).

Product Review

Entertainment Daily - which is focused on TV and showbusiness news - had a superb first two months in the period with the number of visits up 42% on the same period last year. This performance reflected the site regaining visibility with Google in November 2023, but this was removed again in March. The team worked hard to regain visibility and had success reinstating Google Search and News traffic but not Discover. We remain focused on tactics to get the site reinstated across all three key channels after a further Google Core Update in August.

The Daily Mash saw its subscription model strengthen with the 'Mash Premium' offering moving from £20 p.a. to £30. The paid subscriber base has now reached over 4,200 in total as we adjusted the metered paywall to allow one free article a month. As well as the focus on the Mash Premium subscribers, we entered into a contract to publish "*The Daily Mash Class Wars - A Field Guide to Being British*" which is due to hit the shelves of UK bookstores in Q4.

The Tab has continued to perform well, with session volumes up year on year and delivering a positive contribution every month since achieving its full repayment after an 18 month period, following its acquisition in 2020. Our 30 university campus teams deliver c.3000 articles a year, providing engagement across student communities, while the central team's entertainment output has increased traction with US youth audiences.

The Poke had a strong six months as it engaged through further political absurdity in both the UK and US. Audiences grew and session values increased as a result of Digitalbox's Graphene Ad Stack (G.A.S.) being in place for 12 months. Having joined the Group in December 2022, the site has now fully repaid its acquisition costs after 18 months.

Whilst the acquisition of TV Guide took longer than expected, we are very pleased to have this brand as a highly complementary part of the portfolio. We have delivered a series of technical improvements since we acquired it with the introduction of a seamless experience across Mobile, Desktop, Tablet and App. These changes have resulted in a 30% uplift in web traffic whilst we have also introduced Streaming content and plan to expand its output further in Q4. Especially pleasing is the site repaying one third of its acquisition cost during H1 2024.

Looking ahead, further acquisition opportunities continue to be considered as the pace of change in the

market continues at a rapid rate. With a close eye on the future, we have decided to launch a number of sites around our core competence; entertainment. We have labelled this our "Verticals strategy" as we aim to deliver highly targeted sites that benefit from fan bases delivering super engagement which is increasingly favoured by the platforms. Our first to launch is Emmerdale Insider and we plan further releases this year.

Outlook

Looking ahead, the tough macro-economic conditions are expected to ease with the global advertising market likely to strengthen in Q4. The primary platforms - Facebook and Google - will continue to be challenged by the volume of content being created by the AI boom, with Google focusing on its pivot away from pure Search to a Search Generative Experience. In this time of seismic change for media businesses globally, there are expected to be challenges and opportunities in equal measure for companies like Digitalbox. The Board holds the view that after a very strong first half alongside a proven operating model, Digitalbox expects to be in line with market expectations for the full year and continue to build into 2025.

Financial review

The Directors are pleased to report strong absolute growth in revenues with a period-on-period uplift of 32% to £1.6 million, driven by the additional inventory brought by the two new products, The Poke and tvguide.co.uk.

Further, gross margins are up from 77% last period to 84% this period serving to highlight the high efficiency of successful digital media businesses like Digitalbox. This efficiency is growing due to the low scaling costs of servicing the new products added to the portfolio.

With Adjusted EBITDA of £0.2 million, which is the true cash generating indicator for the business, plus strong working capital management, cash flow from operations amounted to £0.3 million which compares very favourably to the outflow of £0.1 million in the comparable period last year. Net cash at the bank reduced by £0.5m period on period despite the business investing over £1m in intangible assets since 30 June 2023.

INTERIM CONSOLIDATED INCOME STATEMENT for the six months ended 30 June 2024

| | Notes | Unaudited Six months to 30 June 24 | Unaudited Six months to 30 June 23 | Audited 12 months to 31 December 23 |
|---|-------|--|--|--|
| | | £'000 | £'000 | £'000 |
| Continuing Operations | 3 | | | |
| Revenue | | 1,630 | 1,238 | 2,790 |
| Cost of sales | | (256) | (282) | (606) |
| Gross profit | | 1,374 | 956 | 2,184 |
| Administrative expenses | | (1,382) | (1,245) | (8,957) |
| Operating loss | | (8) | (289) | (6,773) |
| "Adjusted EBITDA" being operating profit/(loss) before exceptional charges, amortisation and depreciation | | 222 | (139) | 20 |
| Depreciation | | (7) | (7) | (14) |
| Amortisation | | (181) | (105) | (265) |
| Impairment on goodwill and intangible assets | | - | - | (6,384) |
| Share based payment charge | | (42) | (38) | (96) |
| Direct cost of intangible asset acquisitions | | - | - | (34) |

| | | | |
|---|---------------|-----------------|-----------------|
| Operating loss | (8) | (289) | (6,773) |
| Finance income | 31 | 14 | 44 |
| Finance costs | (3) | (4) | (6) |
| Profit/(loss) before taxation | 20 | (279) | (6,735) |
| Tax charge | (2) | 100 | 58 |
| Profit/(loss) for the period from continuing operations | 18 | (179) | (6,677) |
| TOTAL INCOME FOR THE PERIOD | 18 | (179) | (6,677) |
| OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD | - | - | - |
| TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD | 18 | (179) | (6,677) |
| Earnings/(loss) per share | 4 | | |
| Basic EPS from continuing operations | Pence 0.02 | Pence (0.15) | Pence (5.66) |
| Diluted EPS from continuing operations | 0.02 | (0.15) | (5.66) |

**INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the six months ended 30 June 2024**

| | Share Capital | Share Premium reserve | Share based payment reserve | Retained earnings | Total |
|--|------------------|--------------------------|--------------------------------------|----------------------|---------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Balance at 1 January 2023 | 1,179 | 11,169 | 196 | 1,431 | 13,975 |
| Total comprehensive income for the period | - | - | - | (179) | (179) |
| Share based payment charge | - | - | 38 | - | 38 |
| Reserve transfer for lapsed options | - | - | (135) | 135 | - |
| Balance at 30 June 2023 | 1,179 | 11,169 | 99 | 1,387 | 13,834 |
| Total comprehensive expense for the period | - | - | - | (6,498) | (6,498) |
| Share based payment charge | - | - | 58 | - | 58 |
| Reserve transfer for lapsed options | - | - | 31 | (31) | - |
| Balance at 31 December 2023 | 1,179 | 11,169 | 188 | (5,142) | 7,394 |
| Total comprehensive income for the period | - | - | - | 18 | 18 |
| Share based payment charge | - | - | 42 | - | 42 |
| Reserve transfer for lapsed options | - | - | (42) | 42 | - |
| Balance at 30 June 2024 | 1,179 | 11,169 | 188 | (5,082) | 7,454 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 30 June 2024

| | Notes | Unaudited 30 June 24 £'000 | Unaudited 30 June 23 £'000 | Audited 31 December 23 £'000 |
|--------------------------------------|-------|----------------------------------|----------------------------------|---------------------------------------|
| ASSETS | | | | |
| NON-CURRENT ASSETS | | | | |
| Property, plant and equipment | 5 | 37 | 51 | 46 |
| Intangible assets | 6 | 4,440 | 10,105 | 4,594 |
| Deferred tax asset | | 592 | 712 | 547 |
| TOTAL NON-CURRENT ASSETS | | 5,069 | 10,868 | 5,187 |
| CURRENT ASSETS | | | | |
| Trade and other receivables | | 605 | 713 | 866 |
| Corporation tax recoverable | | 33 | 40 | 80 |
| Cash and cash equivalents | | 1,967 | 2,579 | 1,913 |
| TOTAL CURRENT ASSETS | | 2,605 | 3,332 | 2,859 |
| TOTAL ASSETS | | 7,674 | 14,200 | 8,046 |
| LIABILITIES | | | | |
| CURRENT LIABILITIES | | | | |
| Trade and other payables | | 70 | 104 | 228 |
| Deferred consideration | | - | - | 181 |
| Bank loans | | 113 | 112 | 149 |
| TOTAL CURRENT LIABILITIES | | 183 | 216 | 558 |
| NON-CURRENT LIABILITIES | | | | |
| Bank loans | | 37 | 150 | 94 |
| TOTAL NON-CURRENT LIABILITIES | | 37 | 150 | 94 |
| TOTAL LIABILITIES | | 220 | 366 | 652 |
| TOTAL NET CURRENT ASSETS | | 2,422 | 3,116 | 2,301 |
| TOTAL NET ASSETS | | 7,454 | 13,834 | 7,394 |
| CAPITAL AND RESERVES | | | | |
| ATTRIBUTABLE TO EQUITY | | | | |
| SHAREHOLDERS | | | | |
| Issued share capital | 7 | 1,179 | 1,179 | 1,179 |
| Share premium account | | 11,169 | 11,169 | 11,169 |
| Share based payment reserve | | 188 | 99 | 188 |
| Retained earnings | | (5,082) | 1,387 | (5,142) |
| | | 7,454 | 13,834 | 7,394 |

CONSOLIDATED CASH FLOW STATEMENT
for the six months ended 30 June 2024

| | Unaudited Six months to 30 June 24 £'000 | Unaudited Six months to 30 June 23 £'000 | Audited Period to 31 December 23 £'000 |
|-------------------------------|---|---|--|
| OPERATING ACTIVITIES | | | |
| Loss from ordinary activities | 18 | (179) | (6,677) |
| Adjustments for: | | | |
| Depreciation and amortisation | 2 | (100) | (50) |

| | | | |
|--|-------|-------|---------|
| Income tax credit /(expense) | 2 | (100) | (58) |
| Share based payment charge | 42 | 38 | 96 |
| Amortisation of intangibles | 181 | 105 | 265 |
| Impairment on goodwill and intangible assets | - | - | 6,384 |
| Depreciation on property plant and equipment | 7 | 7 | 14 |
| Loss on disposal of property, plant and equipment | 2 | - | - |
| Finance costs | 3 | 4 | 6 |
| Finance income | (31) | (14) | (44) |
| Cash flows from operating activities before changes in working capital | 224 | (139) | (14) |
| Decrease in trade and other receivables | 261 | 239 | 86 |
| Decrease in trade and other payables | (158) | (184) | 121 |
| Cash generated by / (used in) operations | 327 | (84) | 193 |
| Income tax paid | - | (96) | (13) |
| Cash generated by / (used in) operating activities | 327 | (180) | 180 |
| INVESTING ACTIVITIES | | | |
| Purchase of property, plant and equipment | - | (6) | (8) |
| Purchase of intangible assets | (27) | (16) | (1,049) |
| Interest received | 31 | 14 | 44 |
| Payment of deferred consideration | (181) | - | - |
| Cash generated by / (used in) investing activities | (177) | (8) | (1,013) |
| FINANCING ACTIVITIES | | | |
| Finance costs | - | - | (44) |
| Loan and lease repayments | (58) | (60) | (75) |
| Bank overdraft | (38) | - | 38 |
| Cash used in financing activities | (96) | (60) | (81) |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS | 54 | (248) | (914) |
| Cash and cash equivalents at beginning of the period | 1,913 | 2,827 | 2,827 |
| CASH AND CASH EQUIVALENTS AT END OF THE PERIOD | 1,967 | 2,579 | 1,913 |
| Represented by: | | | |
| Cash at bank and in hand | 1,967 | 2,579 | 1,913 |

NOTES TO THE INTERIM REPORT for the six months ended 30 June 2024

1. Corporate information

The interim consolidated financial statements of the group for the period ended 30 June 2024 were authorised for issue in accordance with a resolution of the directors on 24 September 2024. Digitalbox plc ("the company") is a Public Limited Company listed on AIM, incorporated in England and Wales. The interim consolidated financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006.

2. Statement of Accounting policies

2.1 Basis of Preparation

The entities consolidated in the half year financial statements of the company for the six months to 30 June 2024 comprise the company and its subsidiaries (together referred to as "the group").

The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements.

The directors are satisfied that, at the time of approving the consolidated interim financial statements, it is appropriate to adopt a going concern basis of accounting and in accordance with the recognition and measurement principles of International Financial Reporting Standards adopted for use in the United Kingdom ("IFRS"). In reaching this conclusion the directors have considered the financial position of the Group, its cash, liquidity position and borrowing facilities together with its forecasts and projections for a period in excess of 12 months from the date of approval. At the reporting date the Group had £1,967k of cash at bank and in hand providing a strong position to support the continued and future success of the Group.

2.2 Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

The interim results announcement has been prepared in accordance with International Financial Reporting Standards ("IFRS"), International Accounting Standards and Interpretations issued by the International Accounting Standards Board as adopted by the United Kingdom ("IFRSs") and with those parts of the Companies Act 2006 applicable to companies preparing their accounts under IFRSs. The consolidated financial statements have been prepared under the historical cost convention.

The preparation of these consolidated half year financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates in preparing these consolidated half year financial statements.

3. Segment Information

The Group's primary reporting format for segment information is business segments which reflect the management reporting structure in the Group and of its core media assets.

Unaudited six months to 30 June 2024

| | Entertainment Daily | The Daily Mash | The Tab | The Poke | TV Guide | Head Office | Total Six months to 30 June 2024 £'000 |
|-------------------------------|------------------------|----------------------|------------|-------------|-------------|----------------|---|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Revenue | 759 | 59 | 444 | 155 | 213 | - | 1,630 |
| Cost of sales | (128) | (52) | (40) | (32) | (4) | - | (256) |
| Admin expenses* | (262) | (63) | (219) | (55) | (40) | (513) | (1,152) |
| | | | | | | | |
| Adjusted EBITDA | 369 | (56) | 185 | 68 | 169 | (513) | 222 |
| Amortisation and depreciation | - | - | (44) | - | - | (144) | (188) |
| Share based payment charge | - | - | - | - | - | (42) | (42) |
| Finance income | - | - | - | - | - | 31 | 31 |
| Finance costs | - | - | - | - | - | (3) | (3) |
| Tax | - | - | - | - | - | 6 | 6 |
| | | | | | | | |
| Profit/(loss) for the period | 369 | (56) | 141 | 68 | 169 | (673) | 18 |
| | | | | | | | |
| | | - | | | | | - |

Unaudited six months to 30 June 2023

| | Entertainment Daily | The Daily Mash | The Tab | The Poke | Head Office | Total Six months to 30 June 2023 |
|--|------------------------|----------------------|------------|----------|----------------|---|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Revenue | 656 | 58 | 422 | 102 | - | 1,238 |
| Cost of sales | (137) | (87) | (43) | (15) | - | (282) |
| Admin expenses* | (286) | (48) | (243) | (41) | (477) | (1,095) |
| Adjusted EBITDA | 233 | (77) | 136 | 46 | (477) | (139) |
| Amortisation, depreciation and impairment | - | - | (44) | - | (68) | (112) |
| Share based payment charge | - | - | - | - | (38) | (38) |
| Finance income | - | - | - | - | 14 | 14 |
| Finance costs | - | - | - | - | (4) | (4) |
| Tax | - | - | - | - | 100 | 100 |
| Profit/(loss) for the period | 233 | (77) | 92 | 46 | (473) | (179) |

12 months to 31 December 2023

| | Entertainment Daily | The Daily Mash | The Tab | The Poke | TV Guide | Head Office | Total Year to 31 December 2023 |
|--|------------------------|----------------------|------------|-------------|-------------|----------------|---|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Revenue | 1,440 | 117 | 921 | 219 | 93 | - | 2,790 |
| Cost of sales | (305) | (147) | (110) | (40) | (4) | - | (606) |
| Admin expenses* | (484) | (122) | (444) | (87) | (9) | (1,018) | (2,164) |
| Adjusted EBITDA | 651 | (152) | 367 | 92 | 80 | (1,018) | 20 |
| Amortisation, depreciation and impairment | - | - | - | - | - | (6,663) | (6,663) |
| Acquisition and listing costs | - | - | - | - | - | (34) | (34) |
| Share based payment charge | - | - | - | - | - | (96) | (96) |
| Finance income | - | - | - | - | - | 44 | 44 |
| Finance costs | - | - | - | - | - | (6) | (6) |
| Tax | - | - | - | - | - | 58 | 58 |
| Profit/(loss) for the period | 651 | (152) | 367 | 92 | 80 | (7,715) | (6,677) |

* Admin expenses exclude share based payment charges, amortisation, depreciation, impairment charges and acquisition and listing costs.

External revenue by location of customer

| | Six months to 30 June 2024 | Six months to 30 June 2023 | Year to 31 December 2023 |
|----------------|-------------------------------|-------------------------------|--------------------------------|
| | £'000 | £'000 | £'000 |
| United Kingdom | 505 | 607 | 477 |
| Europe | 698 | 506 | 1,249 |
| Rest of World | 427 | 125 | 1,064 |

| | | | |
|--------------|--------------|--------------|--------------|
| Total | <u>1,630</u> | <u>1,238</u> | <u>2,790</u> |
|--------------|--------------|--------------|--------------|

4. Earnings per share

The calculation of the group basic and diluted loss per ordinary share is based on the following data:

| | Unaudited Six months to 30 June 24 £'000 | Unaudited Six months to 30 June 23 £'000 | Audited 12 months to 31 December 23 £'000 |
|---|---|---|--|
| The earnings per share is based on the following: | | | |
| Continuing earnings/(losses) after tax attributable to shareholders | 18 | (179) | (6,677) |
| Basic Weighted average number of shares | 117,923,393 | 117,923,393 | 117,923,393 |
| Diluted Weighted average number of shares | 118,475,243 | 119,103,181 | 118,809,024 |
| | Pence | pence | pence |
| Basic earnings per share | 0.02 | (0.15) | (5.66) |
| Diluted earnings per share | 0.02 | (0.15) | (5.66) |

Earnings per ordinary share has been calculated using the weighted average number of shares in issue during the relevant financial periods. IAS 33 requires presentation of diluted EPS when a company could be called upon to issue shares that would decrease earnings per share or increase the loss per share.

5. Tangible Assets

| | |
|-------------------------|------------------|
| | Office equipment |
| | £'000 |
| Cost | |
| At 1 January 2024 | 76 |
| Disposals | (3) |
| At 30 June 2024 | 73 |
| Depreciation | |
| At 1 January 2024 | 30 |
| Charge for the period | 7 |
| Disposal | (1) |
| At 30 June 2024 | 36 |
| Net book value | |
| 30 June 2024 | 37 |
| 31 December 2023 | 46 |

6. Intangible Assets

| | Goodwill arising on consolidation | Other Intangible Assets | Development costs | Total |
|--------------------------------------|---|-------------------------------|----------------------|---------------|
| | £'000 | £'000 | £'000 | £'000 |
| Cost | | | | |
| At 1 January 2024 | 9,610 | 2,633 | 404 | 12,647 |
| Additions | - | - | 27 | 27 |
| At 30 June 2024 | 9,610 | 2,633 | 431 | 12,674 |
| Amortisation & impairment | | | | |
| At 1 January 2024 | 6,662 | 1,189 | 202 | 8,053 |
| Charge for the period | - | 133 | 48 | 181 |
| At 30 June 2024 | 6,662 | 1,322 | 250 | 8,234 |
| Net book value | | | | |
| 30 June 2024 | 2,948 | 1,311 | 181 | 4,440 |
| 31 December 2023 | 2,948 | 1,444 | 202 | 4,594 |

The other intangible assets are being amortised over a period of 7 years and development costs are being amortised over 3 years on completion of the project.

Amortisation is charged to administrative costs in the Statement of Comprehensive Income.

7. Share capital

| Allotted, issued and fully paid | No. | Value £'000 |
|--|--------------------|----------------|
| Ordinary shares of 0.01p each | 117,923,393 | 1,179 |
| | - | - |
| Total | 117,923,393 | 1,179 |

There were no shares issued in the 6 months to 30 June 2024 (6 months to 30 June 2023: nil).

8. Related party transactions

During the period, Integral 2 Limited, a company related by virtue of David Joseph, a member of key management personnel, having control over the entity, charged £32k (6 months to 30 June 2023: £36k, 12 months to 31 December 2023: £73k) to the Group. As at 30 June 2024, £6.5k (30 June 2023: £6k, 31 December 2023: £7k) was owed to Integral 2 Limited.

During the period, M Capital Investment Partners (Holdings) Limited, a company related by virtue of Martin Higginson, a former member of key management personnel, having control over the entity, billed £0 (6 months to 30 June 2023: £6k, 12 months to 31 December 2023: £6k) to the Group. As at 30 June 2024, £nil (30 June 2023: £nil, 31 December 2023: £nil) was owed to M Capital Investment Partners (Holdings) Limited.

The key management personnel are considered to be the Board of Directors. Key management were remunerated £228k in the period ended 30 June 2024 (6 months to 30 June 2023: £211k, 12 months to 31 December 2023: £431k).

The key management personnel have been provided with a total of 1,363,916 effective share options resulting in a charge of £28k in the period (6 months to June 2023: £14k, 12 months to 31 December 2023: £46k).

9. Seasonality

The Group's activities are not subject to significant seasonal variation outside the normal parameters of a consumer media business.



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