

**LBG**  
MEDIA  
PLC



# INTERIM RESULTS

HALF YEAR ENDED  
JUNE 30<sup>TH</sup> 2023



20<sup>TH</sup> SEPTEMBER 2023

# THE TEAM

**SOLLY  
SOLOMOU**  
Founder & CEO



**RICHARD  
JARVIS**  
CFO



# HY 2023 SUMMARY

**£27.2m**  
**REVENUE**  
+10% YoY

**£3.0m**  
**ADJUSTED  
EBITDA**  
+84% YoY

**£32.7m**  
**CASH**  
+15% YoY

**67.1bn**  
**CONTENT  
VIEWS<sup>1</sup>**  
+87% YoY

**410m**  
**GLOBAL  
AUDIENCE<sup>2</sup>**  
+33% YoY

**29%**  
**BRIEF  
CONVERSION**  
HY 2022: 18%

1: Content views is total views across all social platforms and websites

2: Global audience includes social followers and average monthly website users for the six months to June

# WE CREATE A POSITIVE CYCLE OF **AUDIENCE GROWTH, INSIGHTS AND TARGETED CONTENT**



# ADVERTISING POSITIVE MARKET TRENDS

**+7.6% YoY**

**DIGITAL AD SPEND<sup>1</sup>**

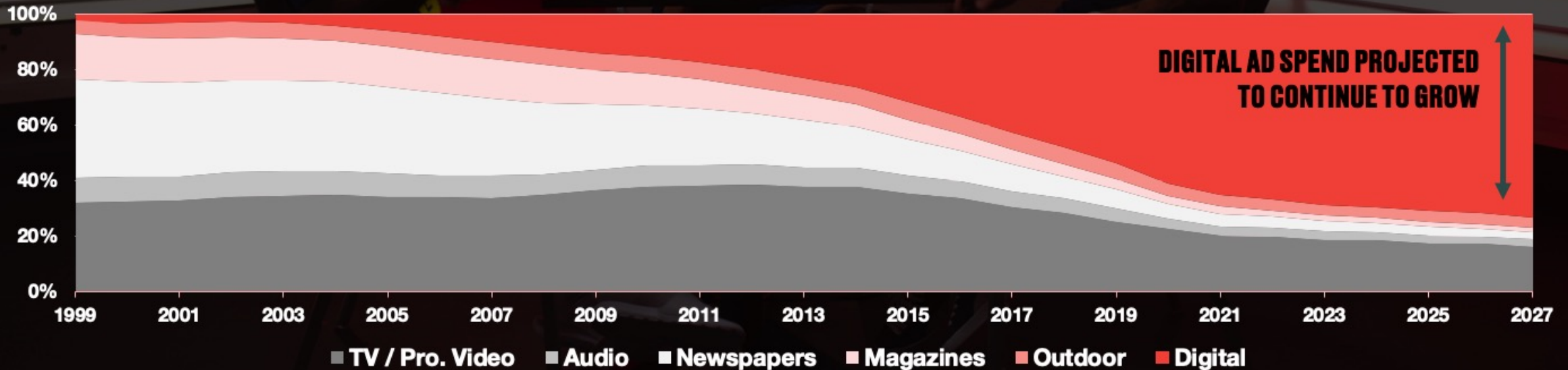
**68.4%**

**DIGITAL SHARE OF GLOBAL AD REVENUE<sup>1</sup>**

**\$546bn**

**DIGITAL AD SPEND IN 2022<sup>1</sup>**

**AD REVENUE % SPLIT BY MEDIUM**



# PROGRESS AGAINST OUR THREE GROWTH PILLARS

## 01 GEOGRAPHIES

Global audience growth of 33% YoY, to 410m, with a **multi-platform global audience**<sup>1</sup>

Significantly strengthened pipeline in the US

Continued to build our reputation, working with **globally recognised brands**:



## 02 M&A

Key area of focus for the business **with number of opportunities identified**

Strategy of **selective bolt-on acquisitions** to access new markets



Bolt-on acquisition completed in March  
**Now at 19m followers**

All bolt on acquisitions to-date will have **payback within 12 months**

## 03 CAPABILITIES



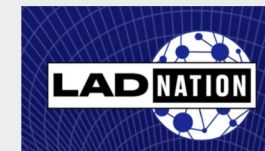
No.1 media publisher on TikTok **+66% followers**



Instagram **+18% followers**

Capitalising on **shift to short-form** video content

Website enhancements; **additional commercialisation opportunities**



Average engagement rate on research activities **now at 22%**

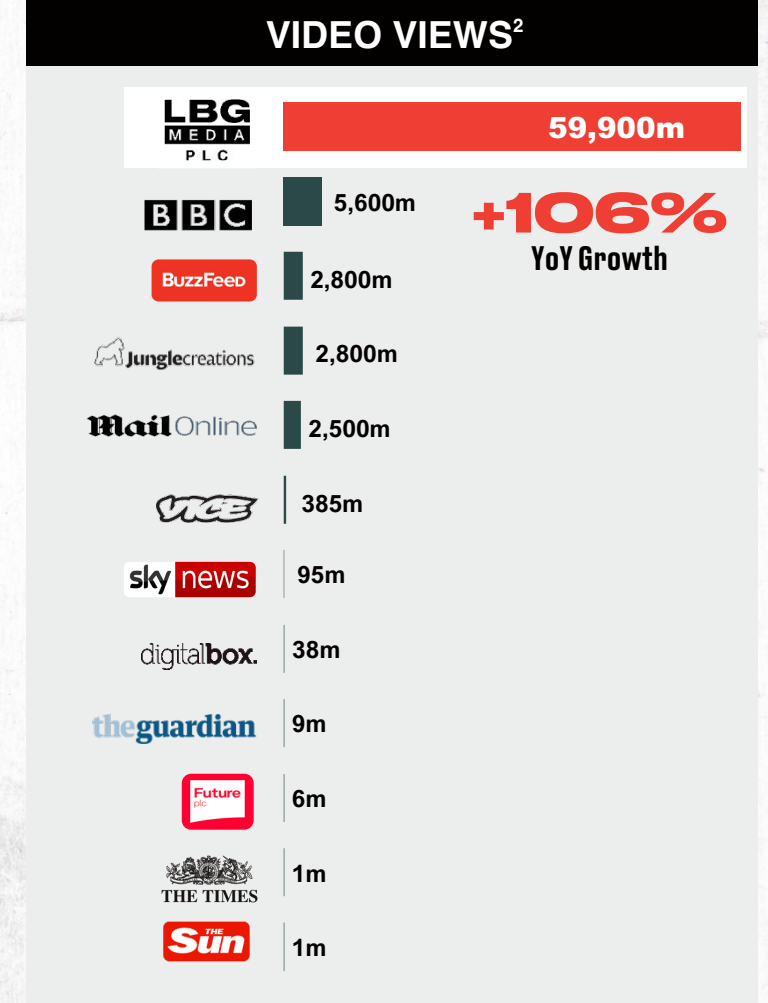
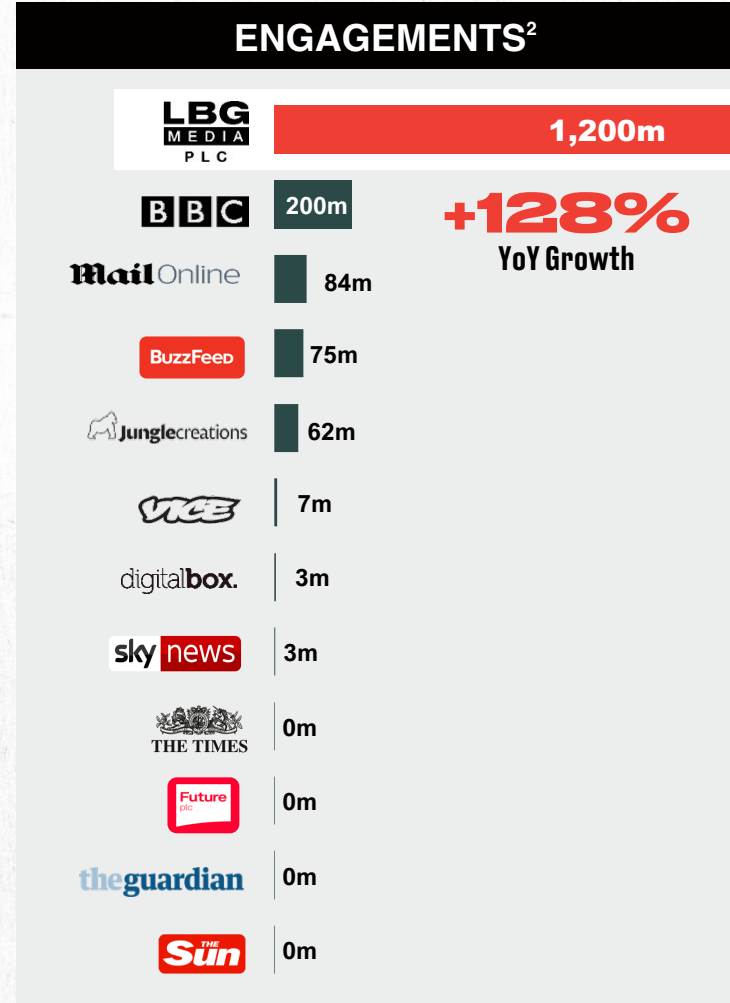
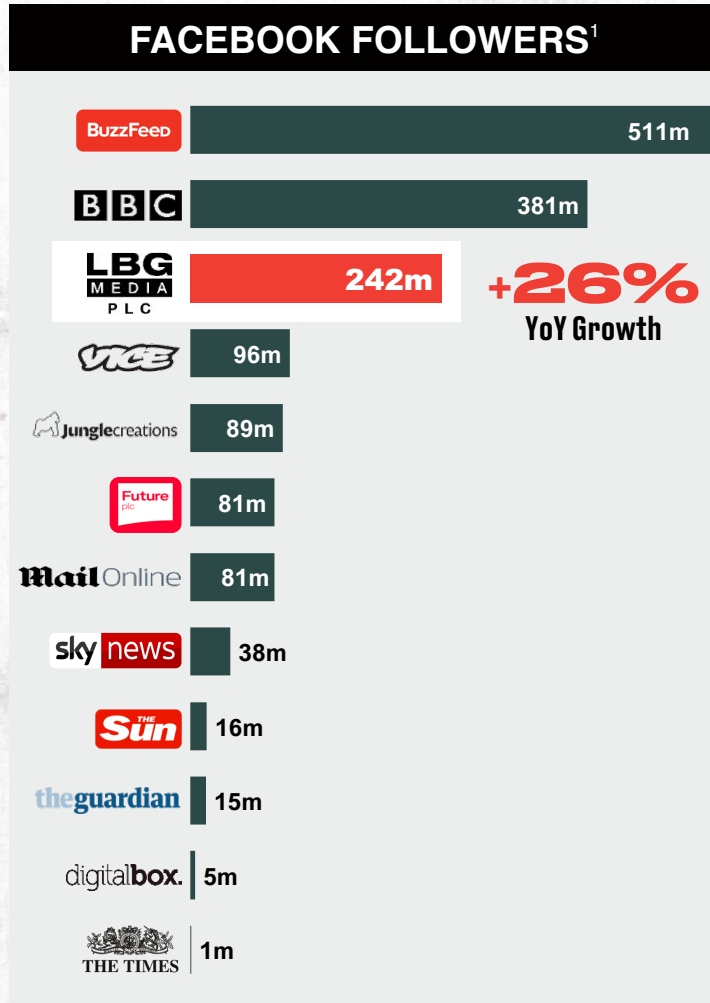
# US OPPORTUNITY MOMENTUM

- ❖ **THE US IS THE WORLDS LARGEST ADVERTISING MARKET**
- ❖ **OVER THE LAST 12M WE HAVE BEEN BUILDING OUT OUR US OPERATIONS**
- ❖ **ACHIEVED A NUMBER OF NEW NAME SALES, SUCH AS PEACOCK AND HULU**
- ❖ **GOOD MOMENTUM WITH CLIENTS AND A STRONG PIPELINE OF OPPORTUNITIES**



peacock  hulu

# UNRIVALLED ENGAGEMENT VS COMPETITORS



<sup>1</sup> Source: CrowdTangle. Note data is for Facebook only. Data as of 30<sup>th</sup> June 2023

<sup>2</sup> Source: Tubular. Data refers to period 1 Jan – 30 June 2023 and is for Facebook only. NB - This data is not comparable year on year



# CONTINUING TO TAKE OUR SOCIAL RESPONSIBILITY SERIOUSLY

## MAAATE / HAVE A WORD CAMPAIGN



We created **original content** and amplified it across our platforms to **reach engaged youth audience**

Used **LADnation** to conduct **research** into audience's views and experiences of sexual harassment

## OFFICIAL MEDIA PARTNER FOR MAYOR OF LONDON

**82%**  
WOMEN RECEIVED  
CASUAL SEXISM

**35%**  
MEN HAVE CALLED OUT  
MATES FOR IT

**85%**  
WOMEN VICTIM OF  
SEXUAL HARRASSMENT

**+11%**  
YOUNG MEN MORE LIKELY TO  
TAKE ACTION AS A RESULT

**SPEAK OUT,  
LEARN, LISTEN,  
UNDERSTAND**

**AS A COMMUNITY,  
WE CAN DO MORE TO  
STOP SEXIST  
BEHAVIOUR BEFORE  
IT GETS OUT OF  
CONTROL.**



**RICHARD  
JARVIS**  
**CFO**

# MONETISATION: ROUTES TO MARKET

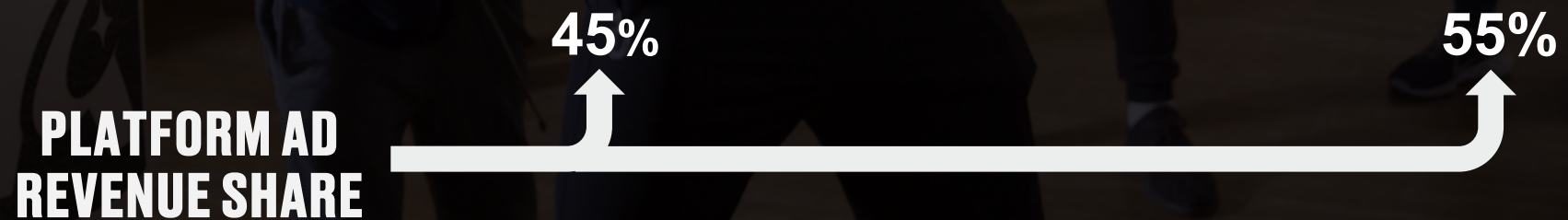
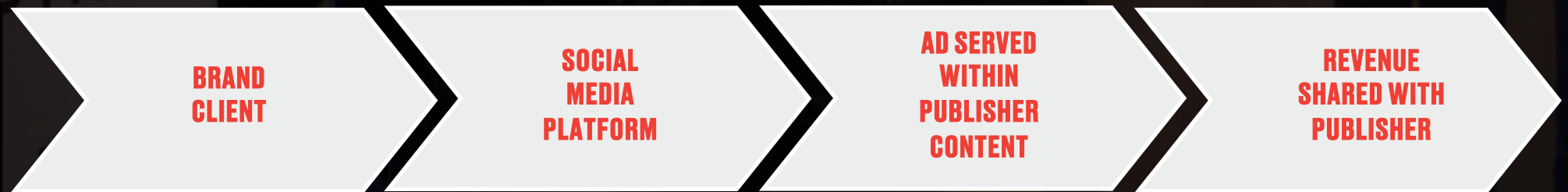
## DIRECT

42%  
OF GROUP  
REVENUE



## INDIRECT

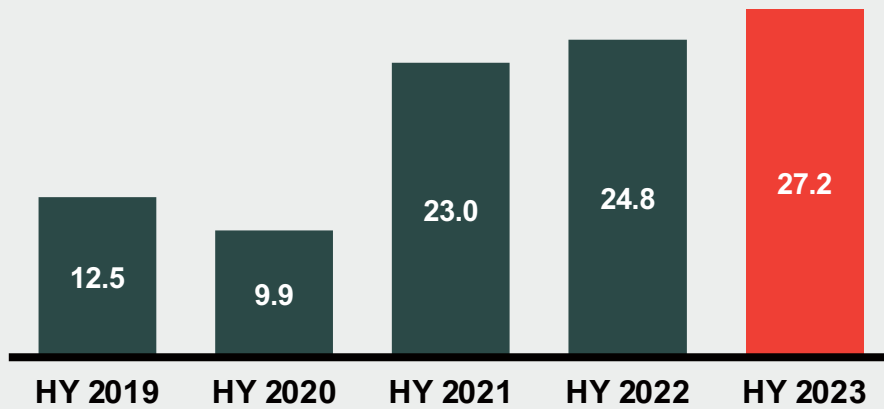
56%  
OF GROUP  
REVENUE



# CONTINUED REVENUE GROWTH

## TOTAL REVENUE

£m

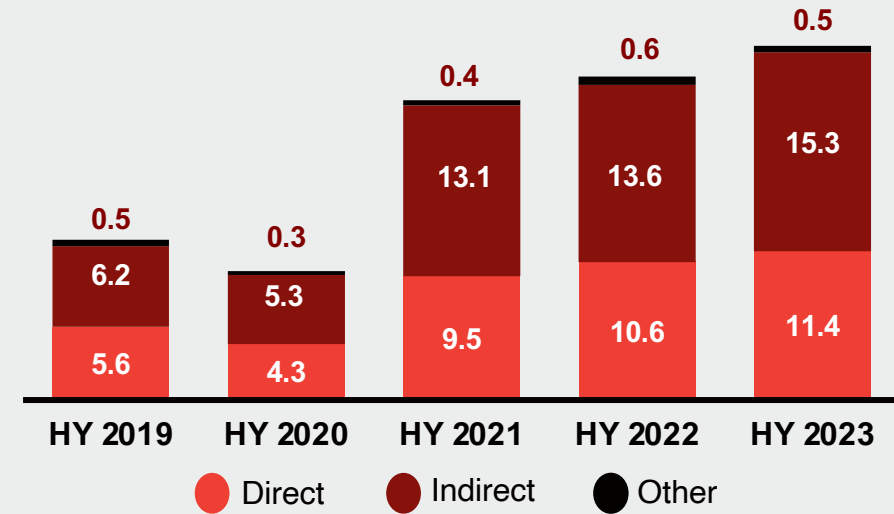


**10%**  
YoY GROWTH  
vs HY 2022

**22%**  
CAGR  
Since HY 2019

## DIVERSIFIED REVENUE STREAMS

£m

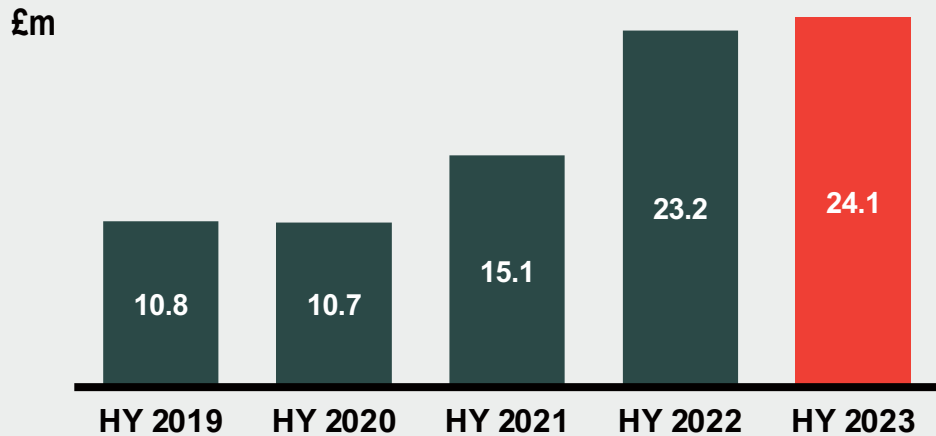


**Direct +9%**  
Order book and brief  
conversion both up  
significantly vs HY 2022

**Indirect +13%**  
Continued momentum  
of shift to short-form  
video

# COSTS

## MANAGEMENT OF COSTS<sup>1</sup>

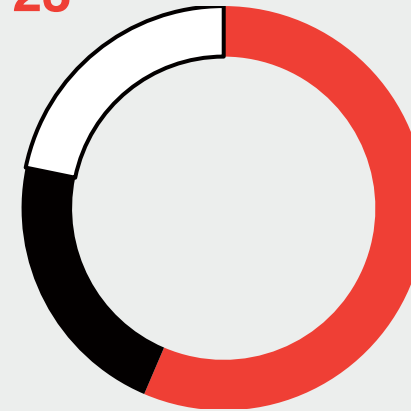


### HY 2023 COSTS

- **Payroll:** £13.6m, +£0.3m YoY (+2%) – strong cost management following restructuring
- **COS:** £5.3m, +£0.9m YoY (+20%) – revenue growth & content acquisition
- **Overheads:** £4.9m, -£0.2m YoY (-4%) – well controlled following post-Covid spike in 2022

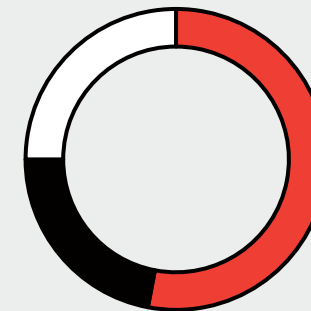
## COST SPLIT

### HY23



- 57% Payroll
- 22% Content & production
- 21% Overheads

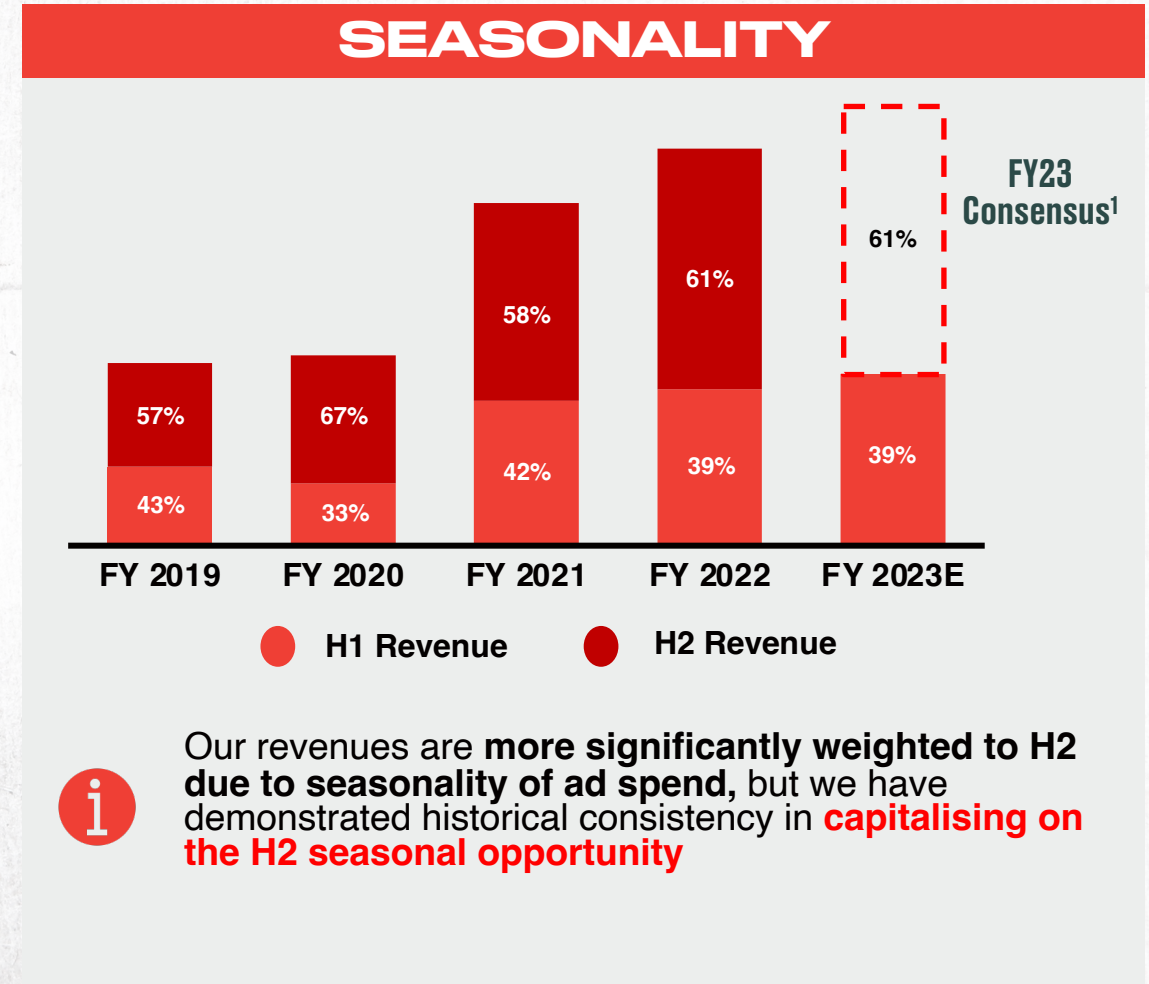
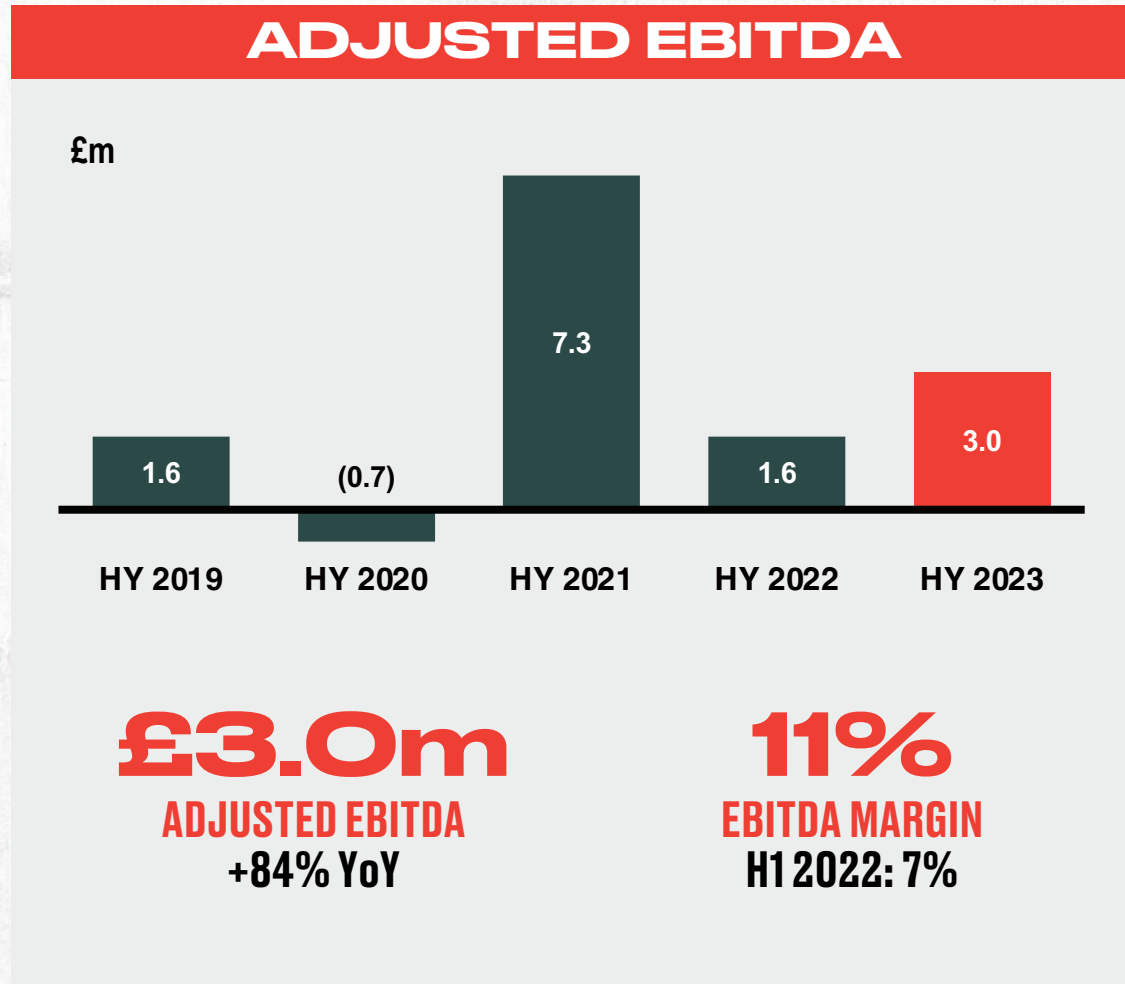
### HY22



- 57% Payroll
- 19% Content & production
- 24% Overheads

<sup>1</sup> Net operating expenses before depreciation, amortisation, loss on disposal of assets, share based payments and exceptional costs/income

# ADJUSTED EBITDA AND REVENUE SEASONALITY



1. FY 2023 revenue split represents reported revenue for H123 of £27.2m and market consensus estimate for H2.

# GUIDANCE



- ❖ **POSITIVE MOMENTUM ACROSS KEY METRICS; TOTAL AUDIENCE; CONTENT VIEWS AND BRIEF CONVERSION**
- ❖ **EXPECT TRADITIONAL SEASONALITY TO IMPACT WEIGHTING OF REVENUE & ADJUSTED EBITDA IN H2**
- ❖ **OUTLOOK FOR THE FULL YEAR REMAINS IN LINE WITH MARKET EXPECTATIONS<sup>1</sup>**



**SOLLY  
SOLOMOU**  
**CEO**



# STRATEGY FOR H2 AND BEYOND

## 01 GEOGRAPHIES

Focused on **delivering strong growth in UK market, as well as overseas**, both organically and via acquisitions:



International now **represents 17% of Group revenue**



Expanding our US audience – **the world's largest digital advertising market**



UK continues to be a **core priority**

## 02 M&A



**Clear pipeline** with opportunities to help the Group **scale up...**



...across well-targeted **geographies,**



...strategic **capabilities,**



...and our diversifying **audience**

## 03 CAPABILITIES

Continuing to **build out our capabilities and audiences** for our world class brands:



Building out **new capabilities**



Capitalising on **platform monetisation opportunities**



Using **data, insights, AI and emerging technologies** to enhance our proposition



Further **diversifying our audiences** around the world

# SUMMARY

- ❖ **H1 2023 REVENUE +10% TO £27.2M AND ADJUSTED EBITDA +84% TO £3.0M**
- ❖ **INCREASED GLOBAL AUDIENCE BY FURTHER 33%, TO 410M**
- ❖ **67.1BN CONTENT VIEWS, UP 87% ON H1 2022**
- ❖ **ORDER BOOK INCREASED YOY; GOOD MOMENTUM**
- ❖ **SUPPORT FOR SOCIALLY RESPONSIBLE CAMPAIGNS SUCH AS TURKEY / SYRIA EARTHQUAKE APPEAL, 'IF U CARE, SHARE' AND 'HAVE A WORD'**
- ❖ **POSITIVE MOMENTUM ALONGSIDE HIGHLY DIFFERENTIATED OFFERING AND STRATEGIC PROGRAMME WILL CONTINUE TO FUEL GROWTH**
- ❖ **ON TARGET TO MEET EXTERNAL MARKET EXPECTATIONS FOR FY23**

# Q&A

# APPENDICES

# PROFIT & LOSS

## HISTORICAL FINANCIAL PERFORMANCE

	H1 June 2022 £'000	Y/e Dec 2022 £'000	H1 June 2023 £'000
Revenue	24,763	62,809	27,247
Net operating expenses	(26,577)	(55,792)	(28,499)
Expected credit loss reversal	-	467	-
<b>Operating Profit/(loss)</b>	<b>(1,814)</b>	<b>7,466</b>	<b>(1,252)</b>
<i>Analysed as</i>			
<b>Adjusted EBITDA</b>	<b>1,637</b>	<b>15,683</b>	<b>3,013</b>
Depreciation	(677)	(1,633)	(911)
Amortisation	(366)	(804)	(507)
Share based payment charge	(2,408)	(3,552)	(2,178)
Adjusting items	0	(2,228)	(669)
Operating profits	(1,814)	7,466	(1,252)
Finance Income	5	18	0
Finance Costs	(62)	(161)	(3)
<b>Net Finance Costs</b>	<b>(57)</b>	<b>(143)</b>	<b>(3)</b>
Share of post-tax profits of equity accounted joint venture	(46)	-	84
<b>Profit before taxation</b>	<b>(1,917)</b>	<b>7,323</b>	<b>(1,171)</b>

# BALANCE SHEET

## HISTORICAL FINANCIAL PERFORMANCE

Performance (audited)	June 2022 £'000	Dec 2022 £'000	June 2023 £'000
Goodwill & other intangibles	15,374	15,436	15,707
Property, plant & equipment	4,038	3,670	3,203
Investment in JV	314	359	443
Deferred tax asset	-	260	651
Other	574	592	124
<b>NON CURRENT ASSETS</b>	<b>20,300</b>	<b>20,057</b>	<b>20,128</b>
Trade and current assets	14,733	20,370	19,500
Current tax asset	434	378	-
Cash & cash equivalents	28,554	29,268	32,708
<b>CURRENT ASSETS</b>	<b>43,721</b>	<b>50,016</b>	<b>52,208</b>
<b>TOTAL ASSETS</b>	<b>64,021</b>	<b>70,333</b>	<b>72,336</b>
Lease liabilities	2,474	1,960	1,428
Deferred tax liability	618	394	445
Provisions	214	540	502
<b>NON CURRENT LIABILITIES</b>	<b>3,306</b>	<b>2,894</b>	<b>2,375</b>
Lease liabilities	1,364	1,282	1,334
Trade & other payables	6,835	4,295	6,077
Current tax liabilities	-	636	946
<b>CURRENT LIABILITIES</b>	<b>8,199</b>	<b>6,213</b>	<b>8,357</b>
<b>TOTAL LIABILITIES</b>	<b>11,505</b>	<b>9,107</b>	<b>10,732</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>64,021</b>	<b>70,333</b>	<b>72,336</b>

# CASHFLOW

## HISTORICAL FINANCIAL PERFORMANCE

Interim Financial Statements (unaudited)

	H1 Jun 2022 £'000	Y/e Dec 2022 £'000	H1 June 2023 £'000
Cash flows from operating activities			
Cash (used)/generated from operations	(2,900)	1,295	5,486
Tax (paid)/received	(803)	(2,693)	(192)
<b>Net cash (used)/generated from operating activities</b>	<b>(3,703)</b>	<b>(1,398)</b>	<b>5,294</b>
Cash flows from investing activities			
Purchase of intangible assets	(1,147)	(1,675)	(798)
Purchase of property, plant and equipment	(315)	(544)	(191)
<b>Net cash (used)/generated in investing activities</b>	<b>(1,462)</b>	<b>(2,219)</b>	<b>(989)</b>
Cash flows from financing activities			
Lease payments	(584)	(1,227)	(750)
Lease deposits paid		(105)	-
Interest paid	(60)	(121)	(50)
<b>Net cash (used)/generated in financing activities</b>	<b>(644)</b>	<b>(1,453)</b>	<b>(800)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(5,809)</b>	<b>(5,070)</b>	<b>3,505</b>
Cash and cash equivalents at the beginning of the period	34,338	34,338	29,268
Effect of exchange rate changes on cash and cash equivalents	25	-	(65)
<b>Cash and cash equivalents at the end of the period</b>	<b>28,554</b>	<b>29,268</b>	<b>32,708</b>



# THANK YOU

Contact us:  
Email: [investors@ladbiblegroup.com](mailto:investors@ladbiblegroup.com)